AUDIT COMMITTEE

Minutes of a meeting of the Audit Committee of the Bolsover District Council held in the Council Chamber, The Arc, Clowne, on Thursday 9th April 2026 at 1000 hours.

PRESENT:-

Members:-

Councillor Catherine Tite in the Chair

Councillors:- Steve Fritchley, Cathy Jeffery, Tom Kirkham, and Mrs Ruth Jaffray (Coopted Member).

Officers:- Karen Hanson (Chief Executive), Theresa Fletcher (Section 151 Officer), Jim Fieldsend (Monitoring Officer), Jenny Williams (Head of Internal Audit Consortium), Katie Walters (Property Services Manager) (to Minute No. AUD44-25/26), and Alison Bluff (Senior Governance Officer).

Also in attendance at the meeting was James Collins (MAZARS) (via Teams), Councillor Clive Moesby (Portfolio Holder for Resources) and Natalie Richards (Auditor).

AUD38-25/26. APOLOGIES FOR ABSENCE

An apology for absence was received on behalf of Councillor Rob Hiney-Saunders.

AUD39-25/26. URGENT ITEM OF BUSINESS – INTERNAL AUDIT CHARTER

The Chair consented to an urgent item of business to be considered which was the Internal Audit Charter; this item would be discussed after Agenda Item 11; Summary of Progress on the 2025/2026 Internal Audit Plan.

AUD40-25/26. DECLARATIONS OF INTEREST

There were no declarations of interest.

AUD41-25/26. MINUTES – 29TH JANUARY 2026

Moved by Councillor Catherine Tite and seconded by Councillor Tom Kirkham
RESOLVED that the Minutes of an Audit Committee held on 29th January 2026 be approved as a true record.

AUDIT COMMITTEE

AUD42-25/26. EXTRAORDINARY MINUTES – 26TH FEBRUARY 2026

Moved by Councillor Catherine Tite and seconded by Councillor Tom Kirkham
RESOLVED that the Minutes of an Audit Committee held on 26th February 2026 be approved as a true record.

AUD43-25/26. COMPLIANCE AUDIT ANNUAL REPORT 2025/26 FOR 17UC BOLSOVER DISTRICT COUNCIL

Committee considered a detailed report presented by the Property Services Manager which advised Members of the outcome of an audit carried out in relation to compliance with funding requirements by Homes England, for Bolsover Homes new build properties, at Woburn Close, Blackwell and Moorfield Lane, Whaley Thorns. A site plan was attached at Appendix 1 to the report.

Homes England had awarded the Council £97,240 in funding to enable the completion of two Bolsover Homes properties at Moorfield Lane, Whaley Thorns, and £3,149,719 to enable the completion of 43 Bolsover Homes properties at Woburn Close, Blackwell.

The funding terms contained provisions that Homes England could audit how the funding had been spent to ensure that it met the grant requirements and the above two sites were selected for audit.

The audit carried out had resulted in a 'green grade' being awarded to the Council which meant the funding had met the requirements and was also the highest grade awarded. The audit report was attached at Appendix 2 to the report for Members information.

To conclude the audit there was a requirement to notify the Council that the audit had taken place and the result of the outcome.

Councillor Fritchley congratulated the Property Services Manager and the Council on the success of the two sites and the award from Homes England; the buildings were excellent and a credit to the Council.

Moved by Councillor Steve Fritchley and seconded by Councillor Tom Kirkham
RESOLVED that the report be noted.

The Property Services Manager left the meeting.

AUD44-25/26. UPDATE ON RISK MANAGEMENT

The Chief Executive provided a verbal update to the meeting in relation to the work of the Risk Management Group (RMG).

The Chief Executive noted that the meetings were well attended by officers; the latest meeting had taken place in February, and key items had been discussed and assessed, in particular;

- Project Eiffel Tower which was the returning of Dragonfly services and staff back into the Council; an appraisal of this positive work would been carried out and presented to Risk Management Group at a future meeting.

- Assets and asset management had been discussed at length, and it was being looked at to develop an asset management strategy and also to undertake a piece of work to ensure that the Council's assets were in the best position possible before Local Government Reorganisation (LGR), so as to leave a good legacy at a parish and district level.

- An update on LGR was given at the meeting; senior Government officers were looking at the proposal the Council had put forward back in November 2025, and meetings were taking place regarding this. The Chief Executive was attending weekly meetings with Derbyshire Chief Executives, and some Council officers were also involved in meetings across various themes. A framework had been set up to carry out work between now and the Government's decision in the summer. Following the Government's decision, there would be a draft structural changes order to look at in terms of how the framework, and the arrangements would be set up before vesting day, and the elections in May 2027, for the shadow unitary authority.

- The meetings received regular updates provided by the Council's Insurance Officer on insurance policies and emerging trends.

- The Internal Audit team had audited the risk management processes and procedures, and a report with substantial assurance had been given which was positive and welcomed by the RMG.

- The Council held a lot of vehicles in its fleet providing essential and statutory services such as waste collection and the latest issues regarding rising fuel prices and supply of fuel was being monitored by the Director of Strategic Services who was keeping the RMG up to date and it was noted that services had been unaffected. This had an impact on budgets which the Section 151 Officer was monitoring.

Members welcomed the update.

The Portfolio Holder for Resources thanked officers and the Chief Executive for the risk management work that was carried out and that he was pleased with the substantial assurance audit report.

Move by Councillor Catherine Tite and seconded by Councillor Cathy Jeffery.
RESOLVED that the verbal update be noted.

Report of the Council's External Auditor Mazars

AUD45-25/26. AUDIT PROGRESS REPORT 2025/26

Committee considered a detailed report, presented by James Collins from Mazars, the Council's External Auditors, in relation to their progress on the 2025/26 audit.

Mazars had completed work and had issued their audit opinion for the year ended 31st March 2025, on 26th February 2026; this was ahead of the statutory deadline of 27th February 2026. Mazars opinion on the statement of accounts was qualified. Mazars had identified no significant weaknesses in the Council's arrangements for securing Value for Money.

Mazars had not yet received confirmation from the NAO that the group audit of the Whole of Government Accounts had been completed and that no further work was required from Mazars. Once this confirmation had been received, Mazars could issue the audit certificate and formally conclude the audit.

Progress on the 2025/26 audit was detailed in the report, along with the audit scope, approach and timeline. James informed Committee of a change to the CIPFA code around indexation of property assets and noted that conversations had taken place with relevant officers in relation to this. Mazars would present their formal Audit Strategy Memorandum in Spring 2026 and continue to keep Committee updated with progress.

In response to a Member's query, James provided detail regarding the change to the CIPFA code and how this would be applied. He assured Members that work with officers was on track regarding this.

Moved by Councillor Catherine Tite and seconded by Councillor Steve Fritchley
RESOLVED that the report be noted.

<u>Reports of the Head of Internal Audit</u>

AUD46-25/26. INTERNAL AUDIT PLAN 2026/2027

Committee considered a detailed report, presented by the Head of Internal Audit Consortium, which sought Members approval for the 2026/27 Internal Audit Plan, which was appended to the report.

The plan had been prepared taking into account a number of factors which were set out in the report including the need to comply with the Global Internal Audit Standards and to ensure that the annual internal audit opinion could provide assurance in respect of the Council's governance, risk and control arrangements.

An annual report summarising the outcome of the 2025/26 internal audit plan would be presented to the Audit Committee at its meeting in July 2026.

Two of the areas within the 2025/26 plan had been carried forward to 2026/27. A summary of the plan for 2026/27 was shown in detail at Appendix 1 to the report. It was noted that the Plan had been reviewed by the Section 151 Officer and Senior Leadership Team.

Resource availability had been based on the Consortium Business Plan that was approved by the Joint Board on 25th March 2026, and a total of 483 days were allocated. The plan was ambitious and reliant upon a fully trained and full staffing complement . It was noted that the Internal Audit Consortium is currently fully staffed.

Moved by Councillor Catherine Tite and seconded by Councillor Cathy Jeffery

RESOLVED that 1) the internal audit plan for 2026/27 be agreed,

2) it be noted that the plan was provisional and may need adjusting and prioritising in the light of any changes in the Council's business, risk operations, programs, systems, controls and organisational culture. Any significant changes to the plan would be brought back to Audit Committee for approval.

AUD47-25/26. INTERNAL AUDIT STRATEGY 2026/2027

Committee considered a detailed report, presented by the Head of Internal Audit Consortium, which sought Members approval for the Internal Audit Strategy 2026-2028 which was appended to the report.

To comply with the Global Internal Audit Standards in the UK Public Sector the Head of Internal Audit must develop and maintain an Internal Audit Strategy.

The Strategy included a vision, strategic objectives and supporting initiatives for the internal audit function. The annual report in July will include an improvement plan and this would contain further detail on how the supportive initiatives would be implemented.

Moved by Councillor Catherine Tite and seconded by Councillor Cathy Jeffery
RESOLVED that the Internal Audit Strategy 2026/2027 be approved.

AUD48-25/26. SUMMARY OF PROGRESS ON THE 2025/2026 INTERNAL AUDIT PLAN

Committee considered a detailed report, presented by the Head of Internal Audit Consortium, in relation to progress on the 2025/26 Internal Audit Plan, which was appended to the report.

The Global Internal Audit Standards required the Head of the Internal Audit Consortium reported periodically to the Audit Committee in respect of performance against the audit plan, including any significant risk and control issues.

No issues arising relating to fraud were identified.

Appendix 1 to the report was a summary of reports issued to date and showed for each report the level of assurance given and the number of recommendations made / agreed where a full response had been received. This provided an overall assessment of the system's ability to meet its objectives and manage risk. The definitions of the assurance levels used could be seen in a table in the report.

In the period, five reports had been issued; two with substantial assurance, two with reasonable assurance, and one with limited assurance. The limited assurance report related to asset management and the main reasons for this were detailed in the report. As per Members' request, a full copy of the limited assurance report could be found at Appendix 2.

Appendix 3 provided the progress to date in respect of the completion of the 2025/26 Internal Audit Plan which showed the majority of the plan would be completed with just two areas rolled forward to 2026/27.

In response to a Member's query regarding the deadline for spending the Bolsover Regeneration Fund monies, the Chief Executive advised that the date was 31st March 2028 which fitted in closely with Local Government Reorganisation (LGR). The funding and projects were being closely monitored by the Council's Strategic Commissioning Board.

A Member referred to the audit of the Housing Revenue Account (HRA) Business Plan, which had been deferred to 26/27, and requested a full report on the HRA at a future meeting as this was a major asset of the Council. The Section 151 Officer advised that Housing had carried out a procurement exercise in relation to a new housing system which would be used for the survey information received from Savills regarding reprofiling the Council's residential properties.

In relation to asset management, the Portfolio Holder for Resources advised that an Asset Management Strategy had been drafted and would be presented to a future Executive meeting for approval.

Moved by Councillor Catherine Tite and seconded by Councillor Cathy Jeffery
RESOLVED that the report be noted.

AUD49-25/26. INTERNAL AUDIT CHARTER

Committee considered a detailed report, presented by the Head of Internal Audit Consortium, which sought Members approval for the results of a review of the Internal Audit Charter, which was appended to the report.

In accordance with the Global Internal Audit Standards in the UK Public Sector, the Head of Internal Audit must develop and maintain an Internal Audit Charter that specified, as a minimum, the internal audit functions; the purpose of internal auditing, commitment to adhering to the Global Internal Audit Standards in the UK Public Sector, mandate, including scope and types of service to be provided, and the Audit Committee's responsibilities and expectations regarding management's support of the internal audit function, also, organisational position and reporting relationships.

It was agreed that the Internal Audit Charter would be reviewed every year to ensure that it was kept up to date and in accordance with CIPFA recommended practice. The Charter was last formally approved by the Committee in July 2025.

There had been no updates to the Global Internal Audit Standards in the UK Public Sector since the last review of the Charter. The current Internal Audit Charter had been reviewed, and it was felt that it was still fit for purpose. *(The only addition was in respect of including Rykneld Homes Ltd, as the Internal Audit Consortium were the appointed auditors for North East Derbyshire District Council's company).*

Moved by Councillor Steve Fritchley and seconded by Councillor Tom Kirkham
RESOLVED that 1) the Internal Audit Charter be agreed,

2) the agreed Internal Audit Charter be reviewed annually or sooner than that in the event of any significant changes to the Internal Audit function or the Global Internal Audit Standards in the UK Public Sector.

AUD50-25/26. LOCAL GOVERNMENT REORGANISATION FINANCE ESSENTIALS: ACCOUNTS AND AUDIT REQUIREMENTS THROUGH THE LGR PROCESS

Committee considered a document received from the Local Government Association (LGA), which provided information regarding account and audit requirements, through the Local Government Reform (LGR) process.

This was the second finance guidance note and focused on the importance of maintaining comprehensive and accurate financial records through LGR.

The Section 151 Officer highlighted the parts of the document which related and would relate to the Council and the Audit Committee going forward up to vesting day. Four Audit Committee meetings would be held up to the end of April 2027, and specific information would be presented to Members at those meetings. The new unitary authority would establish a new Audit Committee early on in the process of LGA.

In response to a Member's question, the Section 151 Officer advised that it would be up to the new unitary authority to train Members in audit committee related matters.
The Chief Executive noted that the document was really useful especially in relation to the setting up of a Programme Board and theme leads regarding LGR, and the responsibilities around finance.

Moved by Councillor Catherine Tite and seconded by Councillor Cathy Jeffery
RESOLVED that the report be noted.

The meeting concluded at 1045 hours