

STEVENAGE BOROUGH COUNCIL

**AUDIT COMMITTEE
MINUTES**

Date: Tuesday, 4 November 2025

Time: 6.00pm

Place: Council Chamber

Present: Councillors: Carolina Veres (Chair), Robert Boyle, Leanne Brady, Tom Plater, Ceara Roopchand and Tom Wren

Independent Member: Syed Uddin

Start / End Time: Start Time: 6.00pm
End Time: 7.25pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were submitted on behalf of Councillors Phil Bibby and Tom Plater.

There were no declarations of interest.

2 MINUTES OF PREVIOUS MEETING

It was **RESOLVED** that the Minutes of the meeting of the Audit Committee held on 3 September 2025 be approved as a correct record and signed by the Chair.

3 MID-YEAR ANNUAL GOVERNANCE STATEMENT UPDATE

The Committee received an update on progress made against the actions set out in the Council's Annual Governance Statement 2024/25, as reported to the Audit Committee at its meeting on 3 June 2025.

Officers advised that the Council monitored the progress of the implementation of the actions through the Corporate Governance Group (CGG) and outlined the year-to-date progress of the governance improvement actions included in the 2024/25 AGS. It was noted that the full year position would be reported to Audit Committee in June 2026.

It was **RESOLVED** that the progress to date of the actions identified in the Annual Governance Statement 2024/25 be noted.

4 MID-YEAR TREASURY MANAGEMENT REVIEW 2025/26

The Assistant Director (Finance) presented a report in respect of the Treasury Management activities in 2025/26 and a review of the effectiveness of the 2025/26 Treasury Management and Investment Strategy including the 2025/26 prudential and treasury indicators.

Officers informed Members that the average level of funds available for investment purposes during the first half of the financial year was £55million, earning an average interest rate of 4.59%. Officers also advised that there had been no breaches of limits in the period of 2025/26.

The Committee noted that the report would be submitted to Cabinet and then on to Council in December 2025.

It was **RESOLVED** that the 2025/26 Mid-Year Treasury Management Review, revised Minimum Revenue Provision Policy and Prudential indicators reports be recommended to Council for approval.

5 **ANTI-BRIBERY POLICY**

The Committee received an update report relating to the Bribery Act 2010 ('the Bribery Act'), which came into force on 1 July 2011 and which aimed to promote anti-bribery practices amongst businesses. Officers advised that it applied to both the private and public sectors including Local Authorities. It was noted that an organisation might commit a criminal offence under the Bribery Act if it failed to prevent bribery that was intended to obtain or retain business or an advantage in the conduct of business for the organisation. An individual could also be guilty of an offence under the Bribery Act.

The Committee was advised that there were four key offences under the Act:

- Bribing another person;
- Taking a bribe;
- Bribing a foreign public official; and
- Failing to prevent bribery.

Officers advised that the Economic Crime and Corporate Transparency Act (ECCTA) had been introduced in 2023 to strengthen the UK's response to economic crime, the Act brings new corporate criminal offences and reforms to improve transparency and fraud prevention. Key provisions included Section 196, which established corporate liability for offences committed by senior managers within their authority, and Section 199, which introduced a "Failure to Prevent Fraud" offence for large organisations where associated persons committed fraud and reasonable prevention procedures were lacking.

Officers stated that the Bribery Act applied to all staff in the organisation and training was given to all staff as part of their on-line induction.

It was **RESOLVED** that the progress by officers and the Shared Anti-Fraud Service to deliver the Anti-Fraud Plan for the Council.

6 **SHARED ANTI-FRAUD SERVICE (SAFS) YEAR END REPORT AND PROGRESS UPDATE**

The Committee received a report providing details of the work undertaken by the Shared Anti-Fraud Service (SAFS) and Council Officers to protect the Council against the threat of fraud and the delivery of the Council's Anti-Fraud Plan for 2025/26.

It was noted that further reports would be provided during the current financial year and a final report covering the whole year would be provided to this Committee in the summer of 2026.

Officers advised that between April and September this year 86 allegations of fraud had been received affecting service areas such as housing, council tax, procurement, and Blue Badge misuse. 39 referrals had been made by Council officers. It was noted that SAFS currently had 45 cases under investigation, or at referral stage (18), with estimated losses slightly in excess £1m recorded in this caseload.

SAFS officers reported that they had closed 10 investigations with fraud having been identified in eight of those cases. Fraud losses and savings, through prevention, amounting to £209k had been reported.

It was **RESOLVED** that the progress by officers and the Shared Anti-Fraud Service to deliver the Anti-Fraud Plan for the Council be noted.

7 **SHARED INTERNAL AUDIT SERVICE UPDATE**

The Shared Internal Audit Service (SIAS) Manager provided Members with a report outlining the progress made by SIAS in delivering the Council's 2025/26 Internal Audit Plan to 17 October 2025; the findings for the period 15 August 2025 to 17 October 2025; details of any changes required to the approved Internal Audit Plan; the implementation status of previously agreed audit recommendations and an update on performance management information to 17 October 2025.

Members were informed of a number of final reports that had been issued since August 2025 which had received reasonable or substantial assurance levels. Members also noted five new Medium Priority recommendations from audits of Building Security and ICT Hardware Inventory.

It was **RESOLVED** that:

1. The Internal Audit Progress Report be noted.
2. The status of critical, high and medium priority recommendations be noted.

8 **URGENT PART 1 BUSINESS**

AUDITOR'S ANNUAL REPORT 2024/25.

The Chair advised that she had accepted this item as the revised Audit Code of Practice 2024 required local authorities to submit their Auditor's Annual Report by November each year.

Paul Grady, Azets, advised that the Auditor's Annual Report provided the Committee with a summary of the findings and key issues arising from their audit of the Council for 2024/25. He advised that the report had been prepared in line with the requirements set out in the Code of Audit Practice and supporting guidance published by the National Audit Office and was required to be published by the Authority alongside the annual report and accounts.

Risks to the General Fund including Local Government Reorganisation, inflation and core funding were identified within the MTFs and these additional pressures would be taken into account during the Audit. It was also reported that the Auditors had commissioned an external specialist report to consider the accounting treatment in relation to the financing of the loan to Marshgate.

The Committee was pleased to note that the audit had not identified any significant weaknesses in the Council's arrangements and the Auditors were satisfied that the Council had made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Paul Grady reported that the financial statements audit was currently in progress and due to conclude by the statutory backstop of 27 February 2026.

It was **RESOLVED** that the Annual Report be received.

9 **EXCLUSION OF PUBLIC AND PRESS**

It was **RESOLVED**:

1. That, under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as described in paragraphs 1 to 7 of Part 1 of Schedule 12A of the Act, as amended by SI 2006 No. 88.

2. That having considered the reasons for the following item being in Part II, it be determined that maintaining the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

10 **Q2 CORPORATE RISK REPORT**

The Committee considered a Part II report in respect of the Quarter 2 Corporate Risk Report.

It was **RESOLVED** that the recommendations set out in the report be approved.

11 **UPDATE ON THE COUNCIL'S WHOLLY OWNED COMPANIES**

The Audit Committee considered a Part II report in respect of the Council's Wholly Owned Companies.

It was **RESOLVED** that the recommendations set out in the report be approved.

12 **ICT UPDATE (CYBER SECURITY)**

The Audit Committee considered a Part II presentation from the Assistant Director Chief Technology Officer, and Senior Information Risk Owner giving an update on ICT and Cyber Security.

It was **RESOLVED** that the presentation be noted.

13 **URGENT PART II BUSINESS**

There was no urgent Part II business.

CHAIR