

**BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK**

**AUDIT COMMITTEE**

**Minutes from the Meeting of the Audit Committee held on Monday, 22nd September, 2025 at 4.30 pm in the Council Chamber, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ**

**PRESENT:** A Ryves (Chair)  
Councillors T de Winton (Vice - Chair), P Devulapalli, B Jones, P Kunes, B Long and A Moore

**Portfolio Holders**

Councillor C Morley – Finance

**Officers:**

Carl Holland- Assistant Director for Finance and Deputy Section 151 Officer

Michelle Drewery – Deputy Chief Executive and Section 151 Officer

Debbie Ess – Corporate Performance Officer

Stuart Ashworth - Assistant Director Environment & Planning

Thomas Putt - Interim Property and Projects Advisor

Dave Robson - Environmental Health Manager

Matthew Head - Internal Auditor

A14 **APPOINTMENT OF VICE-CHAIR FOR MUNICIPAL YEAR**

**RESOLVED:** Councillor de Winton was appointed Vice-Chair for this Municipal Year.

A15 **APOLOGIES**

Apologies of absence were received from Councillor Beales and Bearshaw.

A16 **MINUTES**

**RESOLVED:** The minutes from the meeting held on 3<sup>rd</sup> July 2025 were agreed as a correct record and signed by the Chair.

A17 **DECLARATIONS OF INTEREST**

There were none.

A18 **URGENT BUSINESS UNDER STANDING ORDER 7**

There was no urgent business under Standing Order 7.

A19 **MEMBERS PRESENT PURSUANT TO STANDING ORDER 34**

There was no members present under Standing Order 34

A20 **CHAIR'S CORRESPONDENCE (IF ANY)**

There was none.

A21 **Q1 2025-2026 CORPORATE RISK MANAGEMENT REPORT**

[Click here to view the recording of this item on YouTube.](#)

The Corporate Performance Officer presented the report.

The Chair invited questions and comments from the Committee.

Councillor Long commented on the high scoring of Local Government Reorganisation and Devolution risks and questioned what steps were being taken to reduce the scoring of the risk.

The Deputy Chief Executive and Section 151 Officer advised the scoring was based prior to the agreement of the proposal at full Council on the 18<sup>th</sup> September. She commented whilst waiting for Central Government to make a decision, resources and capacity were being considered whilst business continued as usual.

Councillor Long commented on the importance on continuing service delivery whilst waiting on the decision from Central Government.

The Deputy Chief Executive and Section 151 Officer agreed the focus was ensuring service delivery continued with whichever decision was made by the Secretary of State and there was work which could be done in preparation.

The Vice-Chair, Councillor de Winton referred to R12, paragraph 2.4, page 15 of the report and questioned if the company secretary was internal or external and it was explained that the company secretary sat within the legal and governance team however there were functions within finance and other departments which were overseen by the company secretary.

The Vice-Chair, Councillor de Winton referred to R17 and position of assets and sought further context and was advised that the team had been working with an external company on fire risk assessment to form a programme to identify and address issues with properties owned by the Council.

The Vice-Chair, Councillor de Winton commented a level of service needed to be maintained and a time limit needed to be set and the

Interim Property and Projects Advisor provided assurance this was being considered as a matter of urgency.

Councillor Long referred to R17 and PAT testing. He questioned if it had been carried out and recorded.

The Interim Property and Projects Advisor confirmed PAT Testing was currently being done. He confirmed there were asbestos risk registers in place and the data was being collected.

Councillor Devulapalli raised the unknown concerns of economic pressures from devolution and asked for further details and the

Deputy Chief Executive and Section 151 Officer advised it was difficult to comment on the financial position without a decision being made by Central Government and consultation was ongoing.

In response to a question from Councillor Jones, the Interim Property and Projects Advisor confirmed there was currently a good system in place which produced flow diagrams for tracking in relation to PAT testing.

In response to a question from Councillor Moore the Interim Property and Projects Advisor explained the software currently used could be rolled out across the organisation to ensure integration.

Councillor Long highlighted to the Committee a letter outlining finances, had been received by Norfolk County Council from Jim McMahon before resigning.

The Portfolio Holder, Councillor Morley commented from a Cabinet perspective, there was a shortage in expertise therefore a structure analysis was needed for Borough Council assets.

The Chair, Councillor Ryves, commented a report from the Shareholder Committee was scheduled to be considered at the next meeting and requested further details on Lyon House in Norwich be included. He referred to page 23 and asked if regular reports were going to be received on areas with significant risk and it was confirmed reports would be presented to the Audit Committee on a quarterly basis.

The Vice-Chair, Councillor de Winton referred to R1, page 24 of the report and questioned if the target was realistic and the Corporate Performance Officer confirmed the targets were out of date and would be reviewed.

The Portfolio Holder, Councillor Morley explained consultants reviewed the finances as part of Local Government Reorganisation and endorsed the authority as being financially stable as the position had changed over recent years.

The Deputy Chief Executive and Section 151 Officer provided context on R1 of the report. She commented if certainty was received on funding then a negative impact was expected. She added further there was going to be certainty over funding due to multiyear settlement and a balanced budget with flexibility could be set.

Councillor Devulapalli referred to page 24 and questioned if the risk should be higher and sought clarification on how the scoring was decided.

The Deputy Chief Executive and Section 151 Officer explained there was no influence on the decision made on devolution however the implications and impact on services would continue to be monitored. She commented further implications would be addressed as information emerged.

Councillor Moore questioned the scoring, impact and the consequences, in particular the Hunstanton Sea Defences.

The Deputy Chief Executive and Section 151 Officer explained the matrix and the difference in scoring by different departments.

The Assistant Director for Planning and Environment explained there was a debate on the scoring of this risk and the decision was made for possible and major on the impact matrix.

The Vice-Chair, Councillor de Winton questioned if work had started on the project and if an action plan had been put in place which was reflected in the scoring.

The Assistant Director for Planning and Environment agreed the scoring was reflective on the project being started.

The Chair summarised the effectiveness of the report as it highlighted the responsible officer.

**RESOLVED:** The Audit Committee noted the report.

A22

## **AUDIT COMMITTEE ANNUAL REPORT FROM THE CHAIR**

[Click here to view the recording of this item on YouTube.](#)

The Assistant Director for Finance and Deputy Section 151 Officer provided detail of the report.

The Chair invited questions and comments from the Committee.

Councillor Long commented the report reflected a fair resume of the Audit Committee work.

The Portfolio Holder, Councillor Morley referred to the independent member and updated the Committee on the progress and difficulties with recruiting with the uncertainty of the future. He applauded the Monitoring Officer on the improvements made to the Annual Governance Statements (AGS) and encouraged Members to read.

The Chair, Councillor Ryves endorsed Councillor Morley comments on the AGS and the usefulness of the report going forward.

#### **RESOLVED:**

1. The Audit Committee considered the content of the report and that it reasonably reflects the work of the Committee in 2024/2025 and therefore complies with the CIPFA Position Statement 2022.
2. The Audit Committee agreed with their chairperson that the Committee adopted the principles for an effective Audit Committee as advised in the CIPFA Position Statement 2022.

A23

#### **ANNUAL FRAUD AND ERROR PROGRESS REPORT**

[Click here to view the recording of this item on YouTube.](#)

The Assistant Director for Finance and Deputy Section 151 Officer presented the report.

The Chair invited questions and comments from the Committee.

Councillor Long commented the external agencies held further information than the Council was allowed to and questioned why AI was not used to automatically identify when there was not a data match.

The Assistant Director for Finance and Deputy Section 151 Officer commented the third-party organisation may be considering the use of AI, but this would need to be considered by the Council.

Councillor Long provided an example in which Norfolk County Council were using AI. He commented the importance of unitarization of data shared through all Local Government.

Councillor Devulapalli applauded the team for their work and expressed her concern with sharing people details and using AI.

In response to the Vice-Chair, Councillor de Winton, the Assistant Director for Finance and Deputy Section 151 Officer explained the National Fraud organisation published a report and if the Local Authority was performing poorly in this area, then feedback would be

received. He advised he needed to explore how the Council was performing in contrast with other Local Authorities.

Councillor de Winton referred to page 46, point 6.4 and sought further detail on anti-bribery.

The Assistant Director for Finance and Deputy Section 151 Officer provided assurance there was no emerging bribery and anti-bribery was included in the regulations along with anti-corruption which was a duty of Local Government. He added anti-bribery was included in E-Learning which staff were required to complete.

The Chair, Councillor Ryves commented the report was difficult to understand and needed to include comparison to identify how the Council was performing. He referred to page 37, point 1.7 and sought clarification on the reward/benefit to the Council.

The Portfolio Holder, Councillor Morley commented a process chart would be useful outlining where the triggers came from and how they were resolved.

Councillor Long expressed his concern for publicising the process and how fraud is identified as it would be encouraging fraud.

**RESOLVED:** The Audit Committee considered the details of the report, taking into account the Council's Anti-Fraud & Anti-Corruption Policy and review the effectiveness of the anti-fraud & anti-corruption work in preventing and detecting fraud and corruption.

A24

## **TREASURY MANAGEMENT OUTTURN REPORT 2024/2025**

[Click here to view the recording of this item on YouTube.](#)

The Assistant Director for Finance and Deputy Section 151 Officer presented the report.

The Chair invited questions and comments from the Committee.

The Vice- Chair, Councillor de Winton referred to page 52, point 4.2 and sought clarification if this was referring to cash and £20.4 million was debt. Additionally, he commented on appendix 2, page 65 which related to a maturing investment with South Ayrshire Council and questioned the future plans of this investment.

The Assistant Director for Finance and Deputy Section 151 Officer clarified £20.4 million was cash for the major housing projects where income was to be received in future. He commented further capital receipts were also used to fund these projects along with internal cash flows and be replenished from subsequent sales of properties. In relation to appendix 2, the Assistant Director explained the working

cash flow was kept under constant review to forecast if borrowing or investment was required. He added when a return was received, it was considered what was best for the Council and explained rates were more favourable than expected.

In response to the Chair, Councillor Ryves, the Assistant Director for Finance and Deputy Section 151 Officer explained the financing costs Percentage in 5.10 is calculated using the net figure from interest payable and interest receivable.

The Chair, Councillor Ryves commented on paged 55 and 65 in relation to the interest range and rate of return.

The Assistant Director for Finance and Deputy Section 151 Officer confirmed £67 million was not the direction of borrowing but was the operational limit of borrowing. He explained the operational limit was based on the capital programme and minimum revenue provisions. He confirmed current borrowing was £38.5 million.

The Chair, Councillor Ryves questioned if the report could be presented to the Committee more frequently and presented in a clearer way for members to understand.

The Portfolio Holder, Councillor Morley commented it was important to consider and ensure the Council could afford borrowing.

Councillor Long gave credit to the Assistant Director for Finance and Deputy Section 151 Officer and the Finance on advising when rates and investment returns increase. He commented on the increase in rates for public and commercial loans.

**RESOLVED:** The Audit Committee

1. Noted the actual 2024/25 prudential and treasury indicators in this report
2. The Audit Committee noted the annual treasury outturn position for 2024/2025.

A25

**TREASURY MANAGEMENT QUARTER 1 2025/2026**

[Click here to view the recording of this item on YouTube.](#)

The Assistant Director for Finance and Deputy Section 151 Officer presented the report.

The Chair invited questions and comments from the Committee.

Councillor Long noted the investments and previous policies included overseas investment. He asked if the position was reviewed as part of

the Council's policies. He expressed his concern with lending money overseas.

The Chair, Councillor Ryves highlighted to the Committee the ratings were professional.

The Assistant Director for Finance and Deputy Section 151 Officer explained the counterparty list was an indication, however the decision was made by the Council. He provided assurance that a timely update would be received if the rating was reduced. He commented that further assurance could be sought from the treasury advisors.

Councillor Long commented it was public money in question and the risk appetite needed to be appropriate.

The Vice-Chair, Councillor de Winton was content with monies invested and rely on ratings. He thanked the Assistant Director for Finance and Deputy Section 151 Officer for his work.

The Portfolio Holder, Councillor Morley commented on the position of the risk appetite was open and hadn't changed since the previous administration.

Councillor Long encouraged a review of the investment and added it did not mean the investment needed to change.

The Chair, Councillor Ryves agreed policies regarding financial investment should be reviewed on a regular basis.

The Assistant Director for Finance and Deputy Section 151 Officer advised when the treasury management strategy was presented annually to the Committee, the counter party list was included. He assured the Committee the independent treasury advisors were utilised. He advised the Committee this was an item he would bring to the next meeting.

**RESOLVED:** The Audit Committee noted the report and the treasury activity.

A26

#### **COMMITTEE WORK PROGRAMME 2025/2026 AND FORWARD DECISION LIST**

**RESOLVED:** The Audit Committee noted the Work Programme and Forward Decision List.

A27

#### **DATE OF NEXT MEETING**

The next meeting of the Audit Committee was scheduled for **17<sup>th</sup> November 2025** at **4:30pm** in the **Council Chamber, Town Hall**.



**The meeting closed at 6.18 pm**