

AUDIT COMMITTEE REPORT

REPORT TO:	Audit Committee		
MEETING DATE:	17 November 2025		
TITLE:	Annual Report to the Audit Committee from the Shareholder		
REPORT AUTHOR:	Monitoring Officer		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

REPORT SUMMARY

SUMMARY:
<p>Audit Committee's Terms of Reference state:</p> <p><i>Receive assurance that there is a sound system of control, and risk management in place by means of an annual report from the Shareholder Committee for the wholly owned companies.</i></p> <p>This report submits an 'Annual Assurance Report on Council-Owned Companies' from the Shareholder to the Audit Committee attached as Annex 1 for Audit Committee's consideration.</p>
KEY ISSUES:
<p>The purpose of the Annual Assurance Report is to set out how the Shareholder has been holding the Council's wholly owned Companies ("Council Companies") to account, to provide assurance that there is sound system of internal control and risk management in place with regards to the Council's Companies, and that where there are gaps, these have been identified for action.</p> <p>The purpose of the Annual Assurance Report is not to scrutinise the business of the Council Companies; it is to set out the governance framework within which the Council Companies operate to provide assurance to the Audit Committee that there is a sound system of internal control and risk management in place.</p>
OPTIONS CONSIDERED:
N/a
RECOMMENDATIONS:
<ol style="list-style-type: none"> 1. The Annual Assurance Report from the Shareholder attached as Annex 1 is received by the Audit Committee with thanks to the Shareholder. 2. The Audit Committee is invited to formulate any recommendations and feedback to the Shareholder in response to the Annual Assurance Report.
REASONS FOR RECOMMENDATIONS:
<p>To fulfil the Audit Committee's Terms of Reference in providing assurance over the Council Companies.</p> <p>The Annual Assurance Report forms a key part of risk mitigation of the following corporate risk:</p>

R12 Council owned companies *Managing performance, finances, liabilities and the relationship between the Council and its wholly owned companies in accordance with the governance agreements*