



East Cambridgeshire District Council

Minutes of a meeting of the Audit Committee

Held in the Council Chamber, The Grange, Nutholt Lane, Ely
on Tuesday, 21st October 2025, at 4:30 pm

Present Cllr David Brown (Chair)
Cllr Keith Horgan
Cllr Lucius Vellacott (Vice Chair)
Cllr Gareth Wilson (Substitute)
Stephen Joyce – Independent Lay Member

Officers Patrick Adams – Senior Democratic Services Officer
Jude Antony – Director Finance & S151 Officer
Maggie Camp – Director Legal
John Hill – Chief Executive

In Attendance Rachel Ashley-Caunt – Chief Internal Auditor (IA)
Anastasia Lukhtan – External Audit (EY)
Jacob McHugh – External Audit (EY)

14. Public Question Time

No public questions were received.

15. Apologies and Substitutions

Apologies were received from Cllr Lorna Dupré, Cllr James Lay and Cllr Ross Trent. Cllr Gareth Wilson attended as a substitute for Cllr Ross Trent.

16. Declarations of Interest

No declarations of interests were made.

17. Minutes

The Committee received the Minutes of the meeting held on 15th July 2025.

In reply to Stephen Joyce, the Director Finance stated that he would send the Finance Manager's response to the query raised at the last meeting regarding the security of the loan to East Cambs Trading Company Ltd to the members of the Committee.

In reply to Stephen Joyce, the Director Finance explained that a meeting on risk management had been held on 9th October and so it had been too late to include

an update on the agenda. He would provide this information to all members of the Committee.

It was resolved:

That the Minutes of the meeting of the Committee held on 15th July 2025 be confirmed as a correct record and be signed by the Chair.

18. Chair's Announcements

The Chair welcomed Jude Antony to his first meeting as the Director Finance and Section 151 Officer.

19. Annual Governance Statement 2024/25 – Final Draft

John Hill, the Chief Executive, presented the final draft of the Annual Governance Statement 2024/25 (AA75, previously circulated). He thanked members of the Committee for their suggested amendments, which had been incorporated into the document.

Cllr Keith Horgan stated that there were repetitions under the heading "Development in 2024/25" on page 21 and page 24 and he asked whether these was necessary. The Chief Executive agreed to review this. Cllr Gareth Wilson recommended that the final word on page 27 of the agenda be amended from "too" to "to".

Cllr Keith Horgan noted that the Annual Governance Statement stated that the Housing Register had been brought back in house from 1st November 2024. In view of this, he suggested that the overdue action relating to procurement in housing allocation and homelessness, which the Chief Internal Auditor had reported to the Committee at its last meeting, should be referred to the Operational Services Committee. The Chief Executive agreed to refer this matter to the Lead Director for the Operational Services Committee, who could discuss it with the Chair of that Committee. The outcome will then be reported back to the Audit Committee. It was understood that the Operational Services Committee would be receiving a report on the housing service in the near future.

In reply to Stephen Joyce, the Chief Executive explained that after the Annual Governance Statement was signed by him and the Leader, it would become part of the Council's governance framework and would be reviewed by the Council's directors. The Director Finance stated that he would monitor its implementation.

The Chair proposed and the Vice Chair seconded the recommendation in the report. A vote was taken and

It was unanimously resolved:

- A)** That the Chief Executive will review the Annual Governance Statement 2024/25, specifically in relation to pages 21 and 24 of the report. Any further changes should be made in consultation with the Chair of the Audit Committee.

- B) To approve the final draft of the Annual Governance Statement for 2024/25 for final sign off by the Leader of the Council and Chief Executive.

20. External Audit Plan for 2024/25 – Oral Update

Anastasia Lukhtan of EY presented this update from External Audit. She explained that the audit of the 2024/25 accounts was in its final stages and the results would be reported at the next meeting of the Committee. Some supporting documentation had not been provided to the auditors and this had resulted in a high number of audit adjustments. Whilst this would not affect the overall audit opinion it would mean more work in future years.

In reply to Cllr Keith Horgan, Jacob McHugh of EY reported that there had been a turnover of staff in the finance team and the expected audit quality standards had increased. This had resulted in the accounting and supporting records provided by officers not being up to the required standard. The Committee could expect further details of this at their next meeting. He further explained that the annual report would be provided by External Audit by the end of November.

In reply to Stephen Joyce, the Director Finance stated that experienced officers had left the Council just before year end, but he was in the process of recruiting and was confident that the team would be able to fully support the auditors in the future. Jacob McHugh stated that the auditors had no concerns regarding their capacity to carry out their work.

Cllr Lucuis Vellacott asked what extra work needed to be done for future audits. Jacob McHugh explained that the whole sector were focussing on how to carry out future audits where there would be no opening position for the accounts. Nationally all audits of the 2024/25 accounts needed to be completed by February 2026. The audit of the 2025/26 accounts would have to be agreed by January 2027 and the audit of the 2026/27 accounts would have to be agreed by November 2027.

It was resolved:

To note the update.

21. Internal Audit Plan Development 2026/27

The Committee received a report on the Internal Audit plan development process for 2026/27 (AA76, previously circulated), presented by Rachel Ashley-Caunt, Chief Internal Auditor. She explained that Internal Audit had looked at the Council's risk register, previous assurances given and issues that had not been audited recently to identify areas that should be audited. She now invited the Committee to identify any areas that they felt required attention, either at the meeting or by e-mail before the deadline of mid-January. Stephen Joyce hoped that data security would be reviewed.

The Chair proposed and the Vice Chair seconded the recommendations in the report. A vote was taken and

It was unanimously resolved

- A)** To note and endorse the proposed approach to development of the Internal Audit Plan for 2026/27.
- B)** To consider risk areas where assurances were required during the year ahead and report these to the Chief Internal Auditor by 16th January 2026.

22. Internal Audit Progress Report

The Committee considered the Internal Audit Progress Report (AA77, previously circulated). Rachel Ashley-Caunt, Chief Internal Auditor, presented the report and summarised the key findings.

Cllr Keith Horgan thanked the Chief Internal Auditor for an excellent report. He suggested that in future any overdue actions mentioned in the report should be cross referenced with the appropriate part of the Appendix. The Chief Internal Auditor agreed to meet with Cllr Horgan to discuss ARP.

In response to a question by Cllr Gareth Wilson, the Chief Internal Auditor explained that there had been inconsistencies in the Council's asset registers and the recommendation was to have a single, consolidated and consistent list of assets. This was being reviewed by officers and the Chief Internal Auditor did not consider the matter to be a high risk. Stephen Joyce expressed concern regarding this issue and he hoped that it would be resolved promptly. It was agreed that the Committee should be updated on any developments.

In reply to Cllr Lucius Vellacott, the Chief Internal Auditor explained that the audit of Information Requests had not covered data breaches. The audit had recommended a single, central system for the recording of Environmental Information Regulations requests.

In reply to Cllr Gareth Wilson, the Chief Internal Auditor assured the Committee that the Internal Audit service had the resources to complete its plan for the year.

The Chair proposed and Cllr Keith Horgan seconded the recommendation in the report. A vote was taken and

It was unanimously resolved:

To note the progress made by Internal Audit in the delivery of the Audit Plan and the key findings.

23. Information Governance Annual Report

Maggie Camp, Director Legal, presented this report (AA78, previously circulated), which provided the Committee with an overview of the Council's activity in respect of how it has discharged its responsibilities in matters relating to information governance during 2024/25.

In reply to Stephen Joyce, the Director Legal explained that there had been a data breach when signatures had been accidentally published by Democratic Services. These had been on the website for approximately one hour before being removed. The Information Commissioner's Officer had been informed and they had responded with advice. As a result, documents were now being double-checked before being put on the website.

In reply to Stephen Joyce, the Director Legal also welcomed that all officers had undergone data protection training which had been compulsory for all staff. It was not compulsory for councillors and whilst it was disappointing that only two members had completed this training, this matter was covered in councillors' inductions and it was possible that councillors had completed similar training as a member of another authority. Cllr Lucius Vellacott suggested that some councillors could have completed the online training after the data for attendance was collected in the final quarter of 2024/25. The Director Legal agreed to send a reminder to councillors inviting them to complete this training. Stephen Joyce asked to receive a copy of this message.

In reply to Stephen Joyce, the Director Legal explained that officers had a procedure for dealing with vexatious and repeated complaints. She concluded that the Council had allocated sufficient resources to deal with information governance issues.

It was unanimously resolved:

To note the report.

24. Anti-Fraud and Corruption Strategy

Jude Antony, Director Finance, presented this report (AA79, previously circulated), which reviewed the Council's Anti-Fraud and Corruption strategy in Part 4, Section 7 of the Council's Constitution and invited the Committee to recommend that Council agree an amended Strategy.

Cllr Keith Horgan requested that the Corporate Risk Register be published on the website after it was amended.

Stephen Joyce suggested that additional examples of fraud should be added to paragraph 1.7 of the strategy, such as property fraud and unregistered businesses. He asked how much of the £550,000 lost to fraud in 2024/25 had been recovered and whether 1.6 Full Time Equivalent members of staff was

enough to deal with the challenges caused by fraud. The Director Finance agreed to consider these points and report any changes to the Committee.

Cllr Keith Horgan proposed and Cllr Lucius Vellacott seconded the recommendation in the report. A vote was taken and

It was unanimously resolved:

To recommend to Full Council the adoption of the updated Anti-Fraud and Corruption Strategy, as attached as Appendix 1 to this report.

25. Forward Agenda Plan

The Committee received the Forward Agenda Plan. It was noted that the Internal Audit Plan Development 2025/26 had been discussed at this meeting and so should be removed from the Forward Plan.

It was agreed that the meeting scheduled for 2nd February 2026 should be moved to Tuesday 20th January and the meeting scheduled for 17th March should be moved to Tuesday 31st March.

It was resolved:

That the Forward Agenda Plan be noted.

The meeting closed at 5:33 pm.

Chair:.....

Date: