

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE
MALVERN TOWN COUNCIL
in the Community Hub Meeting Room, Victoria Park
held on Wednesday 11 June 2025 at 6pm**

Councillors

Cllr David Watkins (Chair)
Cllr David Mead
Cllr Sean Austin (for Cllr Cherry)

In attendance

Linda Blake – Town Clerk
Julia Winkworth – Minute Clerk
Duncan Edwards – DKE Audit Services
Cllr Marilyn Birks - Mayor

1. ELECTION OF CHAIR

Cllr David Watkins was elected Chair of Audit Committee for 2025/26.

2. ELECTION OF VICE-CHAIR

Cllr David Mead was elected Vice-chair of Audit Committee for 2025/26.

3. APOLOGIES FOR ABSENCE

Apologies for absence were noted from Cllrs Emma Green and Anne Cherry. Cllr Sean Austin had substituted for Cllr Cherry.

4. DECLARATIONS OF INTEREST

None.

PUBLIC PARTICIPATION

None.

Cllr Marilyn Birks arrived at 6.04pm.

5. ANNUAL INTERNAL AUDIT REPORT – FINANCIAL YEAR ENDING 31 MARCH 2025

Report AC01/25 was received and accepted.

The Chair welcomed Duncan Edwards, Internal Auditor to the meeting and invited Duncan to detail his report to the committee.

Duncan explained that it was his fourth year as auditor for MTC, the first year in the new offices in Victoria Park.

The auditor summarised each section of the internal audit assessment as detailed in his written report. As MTC are approaching their first anniversary of the new building, actual costs and benefits will firm up a better budget setting and management process along with income sources which will prove beneficial for the future.

Duncan has been pleased to be able to tick 'yes' in all sections of the internal audit work following his work and sample testing.

The summary was followed by a short question and answer section from the councillors, covering the following points:

- Section G last paragraph – members are able to claim for costs incurred on ‘certain specific items’. Is there a list of ‘specific items’ available on appointment to MTC?

The Town Clerk confirmed that all councillors are informed on appointment of eligible costs and examples of such costs that are rarely claimed would be mileage, printing allowances and other reasonable expenses when undertaking approved council business. The Mayors allowance is classed as separate to these costs.

- Signing and checking of payments – are we happy that this process is giving the committee the same control and scrutiny as before?

The Town Clerk confirmed that the chair and vice-chair of Policy and Resources are the check for this process. Ahead of a P & R meeting, the chair and vice-chair are asked to select a few sample invoices from the payment schedules, check the invoice amount and then check the bank statement has the correct amount against the relevant payee. There may be some refinements required to this process as it is not as straight forward as envisaged.

- Risk Assessments (Section C) – could we explore how these are demonstrated?

The auditor confirmed that the overall aims and objectives of the council would be risk assessed. On day-to-day activities, the auditor would look at what the council could identify as risks and how they are mitigated. For example, with the play areas, the audit would look at when the play area is inspected, what checks are in place, are there regular inspections and so forth or within the cemetery, that effective and safe systems at work have been reviewed including how the council look after staff, are there safe systems of work in place, and is suitable training provided.

The committee **RECOMMENDED** that the Internal Audit work that has been undertaken during the 2024/25 financial year is noted and that Full Council receive and accept the report of the Council’s Internal Auditor as per Appendix A of their report.

6. **REVIEW OF EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROLS**

Report AC02/25 was received and noted.

The following areas have been completed during the year:

- Controls in place for payment processes including orders, delivery and payment approval procedures
- Review of Income received and controls in place
- Review of bank reconciliations
- Review of controls to measure whether aims and objectives are being completed – commenced and continuing on during 2025/26

The committee **NOTED** the work carried out and **RECOMMENDED** that Council should agree a satisfactory review of the system of internal control had been completed during 2024/25.

7. **INTERNAL AUDIT COMMITTEE – WORK PLAN 2025/26**

The committee, with advice from the Internal Auditor, considered and agreed the following areas for programme of works to be carried out by Internal Audit Committee members.

It was **AGREED** that the following would form the work plan for 2025/26 for the Audit Committee:

- Review of controls to measure whether aims and objectives are being completed
- The Tendering process
- Risk management arrangements around Objectives
- Identification of risks from the Devolution process
- Review of Annual Governance Statements and the supporting evidence behind these

8. DATE OF NEXT AUDIT COMMITTEE MEETING

The Chair gave thanks to Duncan Edward, Internal Auditor for the work carried out and depth of his report.

It was **AGREED** that the next meeting of the Audit Committee would be on Wednesday 16 July 2025 at 6.00 pm.

The meeting ended at 6.44pm.

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(Chairman)