



# **MALVERN TOWN COUNCIL**

## **AUDIT COMMITTEE MEETING**

### **REPORTS**

**For meeting on Wednesday 3 December 2025 at 6.00 pm  
In the Park View Meeting Room, Community Hub, Victoria Park Road,  
Malvern Link**

# MALVERN TOWN COUNCIL

Town Clerk  
Community Hub  
Victoria Park Road  
Malvern Link  
WR14 2JY



27 November 2025  
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## MEETING OPEN TO MEMBERS OF THE PUBLIC

**To All Members of the Audit Committee (quorum 3):**  
Councillors D Watkins (Chair), A Cherry, E Green and D Mead

**All other Members of the Town Council for information only**

You are hereby invited to attend a meeting of the Audit Committee on Wednesday 3 December 2025 in the Park View Meeting Room, Community Hub, Victoria Park Road, Malvern Link WR14 2JY commencing at 6.00pm for the transaction of the business shown on the Agenda below.

A handwritten signature in black ink, appearing to read 'L. Blake'.

**Linda Blake**  
**Town Clerk**

No.	Agenda Item
1.	<b>Apologies for Absence</b> To receive apologies for absence
2.	<b>Declarations of Interest</b> To receive declarations of pecuniary interests and other disclosable interests
3.	<b>Minutes of Previous Meeting</b> To receive and confirm as a correct record the minutes of previous Audit Committee meeting and the minutes to be signed by the Chairman ➤ Wednesday 16 July 2025
<b>Public Participation</b> <i>The Meeting will be adjourned for public participation when the Chairman will invite members of the public to present their questions, statements or petitions submitted under the Council's Public Participation Procedure.</i>	
4.	<b>Review of Audit Committee Terms of Reference as attached</b>
5.	<b>Risk Management Arrangements around Objectives</b> ➤ Report AC01/25 to follow
6.	<b>Identification of Risks from Devolution Process</b> ➤ Report AC02/25 to follow
7.	<b>Date of next Audit Committee Meeting</b> ➤ Wednesday 25 February 2026 at 6pm

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE  
MALVERN TOWN COUNCIL  
in the Community Hub Meeting Room, Victoria Park  
held on Wednesday 16 July 2025 at 6pm**

**Councillors**

Cllr David Watkins  
Cllr David Mead  
Cllr Anne Cherry

**Apologies**

Cllr Emma Green

**Also Attending**

Linda Blake – Town Clerk  
Julia Winkworth – Minute Clerk  
Cllr Marilyn Birks - Mayor

**9. APOLOGIES FOR ABSENCE**

Apologies for absence were noted from Cllr Emma Green.

**10. DECLARATIONS OF INTEREST**

Cllr David Watkins for Malvern in Bloom

**11. MINUTES OF PREVIOUS MEETING**

It was **RESOLVED** that the minutes of the following meeting be approved and adopted as a correct record of the proceedings, and these were signed by the Chair:

- Audit Committee meeting Wednesday 11 June 2025

**PUBLIC PARTICIPATION**

None.

**12. APPOINTMENT OF INTERNAL AUDITOR FOR 2025/26**

Report AC01/25 was received and accepted.

The Town Clerk gave a brief background of the services which Mr Duncan Edwards of DKE Audit Services had provided to date.

The committee **RECOMMENDED** that Mr Duncan Edwards of DKE Audit Services would continue as the Town Council's internal auditor for a further one-year period in 2025/26 as the Town Council are satisfied with the competence and independence of the internal auditor as appointed.

**13. RISK MANAGEMENT ARRANGEMENTS AROUND OBJECTIVES**

Following the completion of the Aims and Objectives for the Town Council, the committee are asked to highlight any risks and look at how they are managed.

A general discussion resulted in the following suggestions:

- Financial - Budget contingency for AGAR and Year End Accounts
- Agency/Professional contingency
- Communication – report on social media/website/communication quarterly basis
- Councillors to liaise with their wards
- Feedback from the community on an event (AB or Community Engagement)
- Produce information on our Councillors, Who's Who type page

- QR code on each site so community can report any problems or issues along with a phone number
- Could Councillors take part in basic planning training (MHDC)

The committee then went on to discuss possible risks against the Aims and Objectives from April 2025. It was **AGREED** that officers would produce a detailed risk analysis document from these discussions, and this would be considered in more detail at the next meeting of this committee.

#### 14. **IDENTIFICATION OF RISKS FROM DEVOLUTION PROCESS**

The chair gave a brief overview of what the devolution process could result in - a unitary authority for the whole of Worcestershire, or a North and a South Worcester Authority. The implications for the Town Council, if District Council was removed, could be quite a different view in the future than present.

The committee discussed and **AGREED** that the risks to the Town Council were as noted below.

##### Risks

- Town Council could end up with more assets than we are able to maintain effectively and not have the budget for ongoing maintenance and repairs / replacement as necessary.
- There could be a loss of opportunity if the Town Council do not move fast enough to negotiate on assets which would be valuable for community/localism or financial possibilities.
- Assets such as buildings, toilets etc could be lost to the community. If these assets are transferred to the unitary authority and they do not wish to maintain them within Malvern, they could be closed or sold.
- The Town Council would inherit cost incurring assets but lose out on income generating assets.
- Loss of localism.
- Possible increase in precept and how this would be received by the taxpayers of Malvern.
- Lack of co-ordinated thinking and the three tiers of Councils not working together overall to get the best outcome for the public
- Extra responsibilities being taken on, which may require skills sets and expertise not currently held by Town Council staff.

It was **AGREED** to review these risks again at the next meeting as more may need to be added.

#### 15. **DATE OF NEXT AUDIT COMMITTEE MEETING**

It was **AGREED** that the next meeting of the Audit Committee would be on Wednesday 3 December 2025 at 6.00 pm.

The meeting ended at 7.58pm.

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(Chairman)

**AUDIT COMMITTEE  
TERMS OF REFERENCE**

**1. CONSTITUTION**

- 1.1. The Committee will consist of five Councillors (excluding members of the Policy and Resources Committee) appointed by Full Council at the Annual Council meeting. Committee meetings will be arranged by the Town Clerk.

**2. ELIGIBILITY**

- 2.1. Members of the committee involved in undertaking any financial audit of the Council will withdraw from being cheque signatories for the period of the audit.

**3. RESPONSIBILITIES**

- 3.1. Actions required pursuant to the annual audit by the internal and external auditors.
- 3.2. To ensure that any new financial systems introduced by Council have adequate controls and provide appropriate audit trails.
- 3.3. To implement internal audits within the parameters required by statute.
- 3.4. To review the annual internal audit report on the Council's activities for further consideration by Council, and make recommendations.
- 3.5. To receive the report of the external auditor and make recommendations if necessary.

**A REPORT OF THE TOWN CLERK TO  
A MEETING OF THE AUDIT COMMITTEE  
MALVERN TOWN COUNCIL  
to be held on Wednesday 3 December 2025  
in the Park View Meeting Room, Community Hub, Victoria Park Road,  
Malvern Link, at 6.00 pm.**

**RISK MANAGEMENT ARRANGEMENTS AROUND OBJECTIVES**

**1. Purpose of Report**

- 1.1. For review and recommendation to Full Council.

**2. Recommendation**

- 2.1. Committee considers the risk management arrangements around its objectives as attached at Appendix A, making further comments as necessary before forwarding to Full Council.

**3. Background**

- 3.1. The Town Council undertook a major review of its aims and objectives before they were approved and adopted at a meeting in April 2025.
- 3.2. An important part of the Councils annual audit process is to assess the significant risks to achieving its objectives and reviewing the risk management arrangements in place to do this.
- 3.3. The Council has identified three major strategic aims, each having five objectives. At the last meeting of audit committee these objectives were looked at, and an initial review of risk management took place.
- 3.4. Officers have now produced a detailed risk analysis document from these discussions, for further review and comment.
- 3.5. This document attached at Appendix A contains:
- a) Identification of risks/threats associated with achieving the council's fifteen new objectives
  - b) Assessment of the level of risk being graded 1-5, 1 being lowest risk
  - c) Review of consequences of failing to achieve objectives
  - d) Details of the Council's current response strategy and procedures in place to mitigate these risks
  - e) Any further suggested actions
- 3.6. Committee members are asked to review and comment as appropriate.

**4. Financial Implications**

- 4.1. None pertaining to this report.

**5. Legal Implications**

- 5.1. As part of the Council's internal audit, Page 3 of the AGAR, the internal auditor is asked to confirm that the Town Council has assessed the significant risks to

achieving its objectives and reviewed the adequacy of arrangements to manage this.

End  
Linda Blake  
Town Clerk

<b>1. Aim – To provide effective, transparent and accountable local governance for the Town.</b>					
Objective	Risk Description/Threat to achieving objective	Level of risk 1-5 low to high	Consequence of failing to achieve objective	Response strategy in place	Any further suggested actions
a) To set an annual budget and annual precept	Lack of Resources  Lack of staff knowledge/unavailability of staff  Poor Planning  Lack of clear information  External influences e.g. inflation/cost of living/costs incurred above those expected  Unforeseen events	3	Council fails to fulfil statutory duty  Negative public opinion  Inefficient service delivery  Resource wastage  Unnecessary increases in Council Tax	Trained and engaged staff  Planned schedule of meetings published well in advance to allow budget input from Council Committees before final council decision  Established policies and procedures  Use of contingency budget and building of reserve funds	Chair and Deputy Chair of Policy and Resources to undertake budget training
b) To improve visibility of the council's work and achievements	Lack of Resources  Lack of staff knowledge/expertise  Lack of clear direction and aims  Poor Councillor engagement	2	Lack of effective community engagement  Lack of public awareness of council achievements and commitments	Trained and engaged staff  Community Engagement Sub-Committee in place to help input into strategy  Regular review of website along with policies and procedures	Regular reviews if not visible enough
c) To produce annual accounts and submit the Annual Governance and Accountability Return (AGAR)	Lack of staff knowledge/expertise  Lack of available time/resources  Poor Planning  Unavailability of staff	2	Qualified External Audit  Negative public opinion  Special Measures	Staff Training to keep up to date with statutory changes  Worcestershire CALC provide advice and training  Planned schedule of meetings  Plan in place to cover key staff absence  Engagement of independent and competent internal auditor	
d) To regularly review Town Council policies and procedures to ensure effective governance.	Poor Planning  Lack of Resources/time  Pressure on committee agendas  Poor staff/Councillor engagement	2	Inefficient Service delivery  Increase in complaints  Negative public opinion  Qualified Audit	Schedule and set dates for policy reviews  Regular engagement with NALC/CALC  Internal audit review	Regular overview and scrutiny of planned reviews

e)To manage council finances to ensure the effective use of resources	Lack of staff knowledge/expertise  Lack of resources  Weak or inefficient control systems  Poor budget monitoring	2	Inefficient service delivery and failure to ensure best value  Resource Wastage  Unnecessary increases in Council Tax  Negative public opinion	Regular reporting to Policy and Resources Committee  Regular Contract reviews  Strong budgeting/correct procurement procedures  Staff Training  Policies in place with robust control measures/segregation of duties  Internal Audit  External Audit	
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<b>2. Overall Aim – To promote and develop a sense of community engagement encompassing diversity and inclusion.</b>					
Objective	Risk Description/Threat to achieving objectives	Level of Risk 1-5 low to high	Consequence of failing to achieve objective	Response Strategy in place	Any further suggested action
a)To communicate with other local councils to ensure that the best collaborative outcomes are achieved for the community	Poor Communication  Lack of engagement  Lack of commitment from other councils  Uncertainties surrounding Local Government re-organisation/Devolution	3	Lack of partnership/joined up working  Resource wastage  Loss of assets and services  Inefficient service delivery for the taxpayer of Malvern  Increase in complaints  Negative public opinion	Regular liaison meetings with MHDC  Invitation to MHDC/WCC Councillors to Town Council meetings  Devolution Panel in place  Partnership working meetings hosted by the Mayor	Improvement in Officer contacts and working relationships with MHDC & WCC  Councillors to build relationships with fellow ward councillors at all tiers of government
b)To communicate with local community groups to ensure collaborative outcomes for local residents	Poor Communication  Lack of engagement  Pressure on staff/voluntary resources  Lack of clear strategic direction from Council  Failure to identify and engage correct groups/organisations	1	Loss of potential opportunities from joint/shared working  Negative public opinion	Community Engagement Sub-Committee in place  Variety of communication/engagement strategies in use to target different user group	Establishment of Strategy outlining plan for collaborative outcome  Who?  What?
c)To implement ways of listening to or engaging with local residents e.g. community engagement at events like ‘Bands in the Park’	Lack of staffing/councillor resources  Lack of public interest  Not choosing the right methods/places for engagement	1	Failure to effectively engage with public  Failure to deliver residents needs  Negative opinion  Complaints	Community Engagement Sub-Committee in place  Community Engagement Strategy approved by Council  Councillor rota at ‘Bands in the Park’	Plan for expansion of engagement strategy to be developed by Community Engagement Sub-Committee  Produce information on Councillors in ‘Who’s Who’ type page
d)To support and develop the current grants scheme	Lack of staff resources  Lack of clearly stated policy/aims  Lack of clarity in application process  Insufficient budgets	1	Poor take-up of grants  Failure to target and help groups to help themselves  Negative public opinion  Wasted resources	Annual review of grants policy  Effective staff management of scheme  Review of grants budget undertaken annually	Ask for stakeholder feedback to ensure scheme effectiveness
e)To organise inclusive and accessible events for all abilities and needs	Lack of staff knowledge/experience  Poor Planning  Restrictions in terms of geography/topography/accessibility	2	Negative public opinion  Complaints  Non-compliance with statutory requirements	Effective event planning with risk assessments  Identification of potential barriers to inclusivity and measures to mitigate these	Engagement with community groups

<b>3. Aim – To protect, maintain and enhance the environment, local facilities and characteristics of the Town.</b>					
Objective	Risk Description/Threat to achieving objectives	Level of Risk 1-5 low to high	Consequence of failing to achieve objective	Response Strategy in place	Any further suggested action
a)To develop an ongoing programme for the renewal and refurbishment of Town Council assets	Lack of staff knowledge/engagement  Pressure on budgets  Poor Planning  Weak Budgeting  Unforeseen events	3	Deterioration/wear and tear of Town Council assets  Increase in repair and maintenance costs  Health and Safety issues  Negative public opinion  Complaints  Wastage of resources  Loss of public facilities	Robust annual review of Town Council assets in need of repair and refurbishment, as part of the budget process  Clear and robust budget process  Regular inspection programmes	Raising of Councillor awareness through asset tours
b)To ensure health and safety provisions are implemented and maintained at Town Council sites	Lack of staff knowledge/engagement  Poor enforcement of policies and procedures	2	Failure to comply with Law  Fines  Accidents  Loss of facility  Complaints	Trained staff/Ongoing staff training  Robust Health and Safety policy in place which is regularly reviewed  Membership of professional organisations to ensure up to date compliance  Risk Assessments  Regular inspection and testing programme  Effective management to ensure staff are aware of and follow safety protocols	
c)To review the Town Council's planning policy to provide a more effective and timely process	Lack of Councillor knowledge/engagement  Inability to enforce councillor training	3	Poor decision making  Negative public opinion  Failure to adequately represent electorate in planning matters  Environmental impacts  Ineffectual planning process	Planning policy in place  Training provided for Councillors  Weekly planning list issued to all Councillors  Planning matters considered within Operations and Planning Committee	Further Councillor Training?
d)To maintain and where possible, enhance the characteristics of the Town e.g. Malvern in Bloom	Lack of finance  Lack of council commitment  Lack of resources	2	Negative public opinion/reputational risk  Negative effects on Street Scene and visibility	Annual entry to Heart of England in Bloom competition provides impetus  Robust budgeting to give adequate finance	

	Crossover with other government organisations			Staff knowledge/experience  Issues raised within Operations and Planning committee where relevant	
e)To work towards full accessibility within all Town Council facilities	Constraining/mitigating factors which restrict full accessibility  Lack of up-to-date knowledge/scrutiny  Lack of available finance	4	Failure to provide inclusive facilities  Negative public opinion	Robust tendering process  Effective budgeting process  Public consultation on large capital projects	Regular communication with relevant stakeholders to ensure scrutiny

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Malvern Link, at 6.00 pm.**

**IDENTIFICATION OF RISKS FROM DEVOLUTION PROCESS**

**1. Purpose of Report**

- 1.1. For review and decision.

**2. Recommendation**

- 2.1. Audit Committee to review the Risks from the Devolution Process as discussed at the last meeting and listed in background below. Final recommendations to be forwarded to Full Council for approval.

**3. Background**

- 3.1. At the last committee meeting held in July, members of the Audit Committee discussed and agreed that the risks to the Town Council from the reorganisation of local government and devolution of powers to a new unitary or unitary authorities were as follows:

Risks

- Town Council could end up with more assets than we are able to maintain effectively and not have the budget for ongoing maintenance and repairs / replacement as necessary.
- There could be a loss of opportunity if the Town Council do not move fast enough to negotiate on assets which would be valuable for community/localism or financial possibilities.
- Assets such as buildings, toilets etc could be lost to the community. If these assets are transferred to the unitary authority and they do not wish to maintain them within Malvern, they could be closed or sold.
- The Town Council would inherit cost incurring assets but lose out on income generating assets.
- Loss of localism.
- Possible increase in precept and how this would be received by the taxpayers of Malvern.
- Lack of co-ordinated thinking and the three tiers of Councils not working together overall to get the best outcome for the public
- Extra responsibilities being taken on, which may require skills sets and expertise not currently held by Town Council staff.

- 3.2. Councillors are invited to further review these before a final report is submitted to Full Council

4. **Financial and Legal Implications**

4.1. Theses remain unknown at present.

End  
Linda Blake  
Town Clerk