



Audit and Governance Board

**Wednesday, 19 November 2025 at 6.30
p.m.
Civic Suite, Town Hall, Runcorn**

A handwritten signature in black ink, appearing to read 'P. Abbott'.

Interim Chief Executive

BOARD MEMBERSHIP

Councillor Rob Polhill (Chair)	Labour
Councillor Neil Connolly (Vice-Chair)	Labour
Councillor John Abbott	Labour
Councillor Valerie Hill	Labour
Councillor Margaret Ratcliffe	Liberal Democrats
Councillor Sharon Thornton	Labour
Councillor Pamela Wallace	Labour

***Please contact Gill Ferguson on 0151 511 8059 or e-mail
gill.ferguson@halton.gov.uk for further information.***

The next meeting of the Board is on Wednesday, 18 March 2026

**ITEMS TO BE DEALT WITH
IN THE PRESENCE OF THE PRESS AND PUBLIC**

Part I

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1. MINUTES	1 - 7
2. DECLARATION OF INTEREST	
Members are reminded of their responsibility to declare any Disclosable Pecuniary Interest or Other Disclosable Interest which they have in any item of business on the agenda, no later than when that item is reached or as soon as the interest becomes apparent and, with Disclosable Pecuniary interests, to leave the meeting during any discussion or voting on the item.	
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PART II

In this case the Board has a discretion to exclude the press and public and, in view of the nature of the business to be transacted, it is **RECOMMENDED** that under Section 100A(4) of the Local Government Act 1972, having been satisfied that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 of Part 1 of Schedule 12A to the Act.

8. INTERNAL AUDIT PROGRESS REPORT (PART 2)	34 - 153
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In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

AUDIT AND GOVERNANCE BOARD

At a meeting of the Audit and Governance Board held on Wednesday, 24 September 2025 at The Board Room - Municipal Building, Widnes

Present: Councillors Polhill (Chair), Connolly (Vice-Chair), Abbott, V. Hill, Ratcliffe and Wallace

Apologies for Absence: Councillor Thornton

Absence declared on Council business: None

Officers present: M. Guest, E. Dawson, M. Murphy, S. Baker, G. Ferguson and A. Mottershead

Also in attendance: L. Luddington, M. Derrick, H. Peurala - Grant Thornton UK LLP and D. Lyon, O. Mutelowa – Mersey Gateway

**ITEMS DEALT WITH
UNDER DUTIES
EXERCISABLE BY THE BOARD**

	<i>Action</i>
AGB12 MINUTES The Minutes of the meeting held on 4 June 2025, were taken as read and signed as a correct record.	
AGB13 NEW RISK MANAGEMENT POLICY The Board was presented with a revised Risk Management Policy which had been drafted in conjunction with Zurich Municipal, the Council's insurers. The aim of the Policy was to provide direction and alignment to current Risk Management processes across the Council Directorates. The Executive Board had approved the new proposed policy at its meeting on 11 September 2025, and recommended that the Audit and Governance Board oversee the implementation of the new Risk Management Policy and associated actions. RESOLVED: That the updated Risk Management Policy, with changes outlined in Section 3.3 of the report be approved.	Chief Executive

AGB14 ANTI-FRAUD AND CORRUPTION UPDATE

The Board considered a report of the Director, Finance, which provided an annual update on developments in regard to the Council's counter-fraud and corruption activity during 2024/25.

The Board considered information relating to the following activities:

- a summary of key development in the fraud risk landscape;
- HR related investigations and whistleblowing complaints received and actions taken (Appendix 1);
- the Council's strategic plans for tackling fraud and corruption, as set out in the Counter Fraud Strategy 2025-2030 (Appendix 2); and
- the Annual Fraud Plan, which outlined the Council's operational approach to preventing, detecting and responding to fraud and related irregularities (Appendix 3).

The Board discussed:

- the use of AI by the National Fraud Initiative and queried if there were plans by the Council to use AI as part of Anti-Fraud investigations. It was noted that the use of AI was an area that could be explored in the future; and
- National Anti-Fraud week in November and during this period the Council could publicise its work around counter-fraud and corruption activity.

RESOLVED: That

- 1) the annual update report on anti-fraud and corruption activity be noted;
- 2) the counter fraud work being undertaken be supported;
- 3) the Counter Fraud Strategy 2025-2030 be approved; and
- 4) the Annual Fraud Plan 2025/26 be approved.

Director of
Finance

AGB15 EXTERNAL AUDITOR'S ANNUAL REPORT 2024/25

The Board considered a report of the Director of

Finance which presented the 2024/25 External Audit Annual Report.

On behalf of the Council's External Auditor, Grant Thornton UK LLP, L. Luddington, presented the Annual Report, which detailed the Council's overall arrangements, as well as providing key recommendations regarding any significant weaknesses identified during the review. It was noted that the report identified a number of significant weaknesses, and the external auditors had made key recommendations where the Council should take action to improve together with management's responses. In addition, a number of improvement recommendations were identified within the report, along with management's responses.

RESOLVED: That

- 1) the contents of the 2024/25 External Audit Annual Report shown in the appendix be noted, including the recommendations contained within the report; and
- 2) Council be asked to consider the three statutory recommendations contained within the report, at its meeting on 22 October 2025.

Director of Finance

AGB16 ANNUAL GOVERNANCE STATEMENT - 2024/25

The Board considered a report of the Director of Finance, which sought approval of the 2024/25 Annual Governance Statement (AGS).

The AGS was originally presented to the Board in June 2024. Since that meeting a number of amendments had been made to the version previously reviewed and were detailed in the report. It was noted that nine areas had been highlighted as for improvement.

Once approved the AGS would be signed by the Council Leader and the interim Chief Executive and published on the Council's website.

RESOLVED: That the Annual Governance Statement 2024/25 be approved.

Director of Finance

AGB17 2024/25 STATEMENT OF ACCOUNTS, AUDIT FINDINGS REPORT AND LETTER OF REPRESENTATION

The Board considered a report of the Director of Finance, which sought approval for the Council's 2024/25 Statement of Accounts (Appendix 3), and the report of the

Audit Findings of the External Auditor (Grant Thornton) on the 2024/25 financial statements. The report also sought approval of the Council's Letter of Representation.

It was reported that the Statement of Accounts set out the Council's financial performance for the year in terms of revenue and capital spending and also presented the year end financial position as reflected in the balance sheet. The key elements were detailed in the report.

The External Auditor presented the Audit Findings report which summarised the findings from 2024/25 External Audit. Section 2 of the Audit Findings report presented the finding of the External Auditor in respect of matters and risks identified at the planning stage of the audit and additional and significant matters that arose during the course of their work. Appendix B of the Audit Findings Report presented an action plan of recommendations for future improvement to the Statement of Accounts. These would be reviewed by management for appropriate action.

In addition, the Council was required to provide the External Auditor with a Letter of Representation relating the financial statements, as shown in Appendix 1. The letter was required to be signed by the Chair of the Board on behalf of the Council.

The Board requested that it be noted that following the advice provided by Officers they were happy with the information presented.

RESOLVED: That

- 1) the draft Letter of Representation in Appendix 1 be approved and any subsequent additions or amendments be approved by the Director - Finance, in liaison with the Chair of the Board;
- 2) the External Auditor's draft 2024/25 Audit Findings Report in Appendix 2 be approved and any subsequent additions or amendments be approved by Director - Finance, in liaison with the Chair of the Board; and
- 3) the Council's draft 2024/25 Statement of Accounts in Appendix 3 be approved and any subsequent additions or amendments be approved by the Director - Finance, in liaison with the Chair of the Board.

Director of
Finance

AGB18 CIPFA FINANCIAL MANAGEMENT CODE

The Board considered a report which advised of the Council's self-assessment against the CIPFA Financial Management Code. The report assessed the Council's position against the key areas for a number on financial management standards and where appropriate identified follow up action to comply with the Code.

RESOLVED: That

- 1) the self-assessment against the Financial Management Code, be approved; and
- 2) the self-assessment against the Financial Management Code be updated and reported on an annual basis and reported to the Board.

Director of
Finance

AGB19 APPOINTMENT OF AN INDEPENDENT MEMBER

The Board considered a report of the Director of Finance which detailed the requirements for recruiting an independent member of the Board. In November 2024, the Board reviewed and updated its terms of reference, to ensure they complied with CIPFA's recommended practice. In addition to reducing the size of the Board, it was agreed that a suitably qualified, co-opted, independent Member, would provide additional expertise and knowledge relevant to the Board's role, particularly that of the Council's Audit Committee. These changes were approved by Council at its meeting on 16 May 2025.

RESOLVED: That

- 1) the requirements for the post of Independent Member for the Audit and Governance Board outlined within the report, be approved; and
- 2) the proposed process for recruiting an independent Member to the Audit and Governance Board, be approved.

Director of
Finance

AGB20 SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

The Board considered:

- 1) whether members of the press and public should be

excluded from the meeting of the Board during consideration of the following items of business in accordance with Sub-Section 4 of Section 100A of the Local Government Act 1972, because it was likely that, in view of the nature of the business to be considered, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Schedule 12A of the Local Government Act 1972; and

- 2) whether the disclosure of information was in the public interest, whether any relevant exemptions were applicable and whether, when applying the public interest test and exemptions, the public interest in maintaining the exemption outweighed that in disclosing the information.

RESOLVED: That as, in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, members of the press and public be excluded from the meeting during consideration of the following item of business, in accordance with Sub-Section 4 of Section 100A of the Local Government Act 1972 because it was likely that, in view of the nature of the business, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Schedule 12A of the Local Government Act 1972.

AGB21 INTERNAL AUDIT PROGRESS REPORT

The Board received a report from the Head of Audit, Procurement and Operational Finance, updating Members on the internal audit activity since the last progress report to the Board on 4 June 2025. It also highlighted any matters that were relevant to the Board's responsibilities as the Council's Audit Committee.

Members were referred to appendix one, which listed all the planned work for the year and its current status. The schedule of audits had been updated to reflect the progress made in completing audits since the last update to the Board. By the end of August 2025, 395 days of audit work had been completed, which represented 37.6% of the total planned days for the year.

Appended to the report were the executive summaries of the reports issued numbering 2 to 13, as listed in the report.

RESOLVED: That the Internal Audit Progress Report and comments made be noted.

AGB22 MERSEY GATEWAY PROJECT

The Board considered an update report that provided an overview of the finances for the Mersey Gateway Project in relation to the financial year to the 31st March 2025.

RESOLVED: That the report be noted.

Meeting ended at 7.31 p.m.

REPORT TO: Audit & Governance Board

DATE: 19 November 2025

REPORTING OFFICER: Director – Finance

PORTFOLIO: Corporate Services

TITLE: Treasury Management 2025-26 Half Year Update

WARDS: Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide an update regarding activities undertaken on the money market during the first half of the financial year to 30 September 2025, as required by the Treasury Management Policy.

2.0 RECOMMENDED: That the report be noted.

3.0 SUPPORTING INFORMATION

Economic Outlook

- 3.1 The following analysis of the economic situation has been provided by MUFG Asset Services, the Council's treasury management advisors.
- 3.2 During the six months ended 30 September 2025
- A 0.3% pick up in GDP for the period April to June 2025. More recently, the economy flatlined in July, with higher taxes for businesses restraining growth
 - CPI inflation has ebbed and flowed but finished September at 3.8%, whilst core inflation eased to 3.6%.
 - The Bank of England cut interest rates from 4.50% to 4.25% in May, and then to 4% in August.
 - The 10-year gilt yield fluctuated between 4.4% and 4.8%, ending the half year at 4.70%.
- 3.3 From a GDP perspective, the financial year got off to a bumpy start with the 0.3% m/m fall in real GDP in April as front-running of US tariffs in Q1 (when GDP grew 0.7% on the quarter) weighed on activity. This was still the first fall since October 2024 and the largest fall since October 2023. However, the economy surprised to the upside in May and June so that quarterly growth ended up 0.3% q/q. Nonetheless, the 0.0% m/m change in real GDP in July will have caused some concern, with the hikes in taxes for businesses that took place in April this year undoubtedly playing a part in restraining growth. Looking ahead, ongoing speculation about further tax rises in the Autumn Budget on 26 November will remain a drag on GDP growth for a while yet. GDP growth for 2025 is forecast by Capital Economics to be 1.3%.

- 3.4 With the November Budget edging nearer, the public finances position looks weak. Public net sector borrowing of £18.0bn in August means that after five months of the financial year, borrowing is already £11.4bn higher than the OBR forecast at the Spring Statement in March. The overshoot in the Chancellor's chosen fiscal mandate of the current budget is even greater with a cumulative deficit of £15.3bn. All this was due to both current receipts in August being lower than the OBR forecast (by £1.8bn) and current expenditure being higher (by £1.0bn). As a general guide, Capital Economics forecasts a deficit of about £18bn, meaning the Chancellor will have to raise £28bn, mostly through higher taxes, if she wants to keep her buffer against her rule of £10bn.
- 3.5 CPI inflation fell slightly from 3.5% in April to 3.4% in May, and services inflation dropped from 5.4% to 4.7%, whilst core inflation also softened from 3.8% to 3.5%. More recently, though, inflation pressures have resurfaced, although the recent upward march in CPI inflation did pause for breath in August, with CPI inflation staying at 3.8%. Core inflation eased once more too, from 3.8% to 3.6%, and services inflation dipped from 5.0% to 4.7%. So, we finish the half year in a similar position to where we started, although with food inflation rising to an 18-month high of 5.1% and households' expectations for inflation standing at a six year high, a further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.
- 3.6 The FTSE 100 fell sharply following the "Liberation Day" tariff announcement, dropping by more than 10% in the first week of April - from 8,634 on 1 April to 7,702 on 7 April. However, the de-escalation of the trade war coupled with strong corporate earnings led to a rapid rebound starting in late April. As a result, the FTSE 100 closed Q2 at 8,761, around 2% higher than its value at the end of Q1 and more than 7% above its level at the start of 2025. Since then, the FTSE 100 has enjoyed a further 4% rise in July, its strongest monthly gain since January and outperforming the S&P 500.

Interest Rate Forecast

- 3.7 The following forecast has been provided by MUFG Asset Services.

MUFG Corporate Markets Interest Rate View 11.08.25													
	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
BANK RATE	4.00	4.00	3.75	3.75	3.50	3.50	3.50	3.50	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	4.00	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.30	3.40	3.40	3.40
12 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.40	3.50	3.60	3.60
5 yr PWLB	4.80	4.70	4.50	4.40	4.30	4.30	4.30	4.20	4.20	4.20	4.20	4.10	4.10
10 yr PWLB	5.30	5.20	5.00	4.90	4.80	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60
25 yr PWLB	6.10	5.90	5.70	5.70	5.50	5.50	5.50	5.40	5.40	5.30	5.30	5.30	5.20
50 yr PWLB	5.80	5.60	5.40	5.40	5.30	5.30	5.30	5.20	5.20	5.10	5.10	5.00	5.00

Short Term Borrowing Rates

- 3.8 The bank base rate has dropped 4.25% on 8th May 2025, then again to 4% on 7th August 2025

	Mar	Apr	May	Jun	Jul	Aug	Sep
	%	%	%	%	%	%	%
Base Rate	4.50	4.50	4.25	4.25	4.25	4.00	4.00
Call Money (Market)	4.35	4.40	4.15	4.20	4.15	3.90	3.95
1 Month (Market)	4.45	4.30	4.20	4.25	4.10	4.00	3.95
3 Month (Market)	4.40	4.30	4.30	4.20	4.05	4.05	4.05

Longer Term Borrowing Rates

	Mar	Apr	May	Jun	Jul	Aug	Sep
	%	%	%	%	%	%	%
1 Year (PWLb)	4.82	4.53	4.68	4.50	4.44	4.51	4.58
10 Year (PWLb)	5.42	5.21	5.45	5.27	5.38	5.52	5.53
25 Year (PWLb)	5.98	5.90	6.12	5.97	6.11	6.29	6.23

- 3.9 Market rates are based on suggested rates provided by MUFG Asset Services. The PWLB rate shown is the Fixed Term Certainty Rate for a new loan with the principal repayable on maturity.

Borrowing and Investments

Turnover during the period

	No of deals	Turnover £m
Short Term Borrowing	8	50
Short Term Investments	10	72

Position at month-end

	Mar £m	Apr £m	May £m	Jun £m	Jul £m	Aug £m	Sep £m
Total Borrowing	232	242	232	232	222	232	252
Total Investments	(52)	(52)	(82)	(77)	(70)	(75)	(90)
Call Account Balance	(11)	(11)	(16)	(21)	(16)	(13)	(19)
Net Borrowing Position	169	179	134	134	136	144	143

Investment benchmarking

Benchmark	Benchmark Return %	Performance Apr - Sep %	Investment Interest Earned £000
7 day	4.18	3.97	362
1 month	4.18	4.25	34
3 months	4.19	4.58	241
6 months	4.22	5.08	175
9 months	4.21	4.92	654
12 months	4.21	-	-
Over 12 months	-	4.53	339
Property Fund	-	3.96	198
Total			2,004

- 3.10 The above table shows the Council has over-achieved on most benchmarks over the first six months of the year. This is mainly due to the figures above showing the interest earned over the last six months, whereas the benchmarks are based on new investments. As we are moving into a falling rate environment, this will cause a lag in the drop in interest rates received, especially for longer duration investments. The Council was also able to take advantage of the inflated rates payable by other Local Authorities during the end of the 2024/25 financial year due to limited funds being available in this market.

Note there are no benchmarks available for the Council's investment in the CCLA property fund, or for investments held over 12 months.

Budget Monitoring

Net Interest at 30th September 2025			
	Budget to Date £000	Actual to Date £000	Variance (o/spend) £000
Investments	(1,253)	(2,004)	751
Borrowings	2,129	1,770	359
Net Total	876	(234)	1,110

- 3.11 Due to having larger than expected investment balances over the first six months of the year, the Council has generated an additional £0.751m in interest over the budgeted figure of £2.0m. The borrowings costs are also £0.359m under budget due to less funds being needed due to increased cash balances generated in year.

New Long-Term Borrowing

- 3.12 The Council borrowed £30m from other local authorities during August and September 2025, each with a duration of 12 months at an average rate of 4.225%. PWLB 1 year rates were between 4.48% and 4.58% when the borrowing was taken, so this was the most cost effective way of borrowing the funds needed.

Policy Guidelines

- 3.13 The Treasury Management Strategy Statement (TMSS) for 2025/26, which includes the Annual Investment Strategy, was approved by Council on 5 March 2025. It sets out the Council's investment priorities as being:
- Security of capital
 - Liquidity
 - Yield
- 3.14 The Council will therefore aim to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. In the current economic climate and the heightened credit concerns it is considered appropriate to keep the majority of investments short term and to ensure all investments are in line with Sector's credit rating methodology.

Treasury Management Indicators

- 3.15 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators were set out in the Treasury Management Strategy Statement and are reviewed in Appendix 1.
- 3.16 It should be noted that during the first six months of 2025/26 the Operational Boundary was breached. As can be seen on Appendix 1, at 30 September 2025 the Council's External Debt was £636.0m, and the Operational Boundary, set in February 2025 as part of the Treasury Management Strategy, was £613.1m.
- 3.17 The Operational Boundary is based on the expectations of the maximum debt level the Council will reach according to probable events and acts as a self-imposed limit to warn officers that borrowing levels are higher than expected. The boundary has been exceeded by £22.9m due to a technical accounting issue as detailed below. It should be noted that other than the technical adjustment below, actual borrowing levels have actually been less than originally forecast and agreed in the Treasury Management Strategy.

International Financial Reporting Standard 16 (IFRS16)

- 3.18 As part of the implementation of the accountancy standard IFRS16, the financial liability relating to PFI schemes was restated in 2024/25 and subsequent years. The new valuation of the liability is calculated using the indexed unitary charge payments made, whereas previously the liability was calculated using the unitary charge payments made when the PFI schemes were adopted. The main

change relates to the Mersey Gateway Bridge PFI scheme, whose liability increased by £46.0m as part of the 2024/25 Statement of Accounts.

Debt Rescheduling

3.19 No debt rescheduling was undertaken during the quarter.

4.0 POLICY IMPLICATIONS

4.1 None.

5.0 FINANCIAL IMPLICATIONS

5.1 The financial implications are as set out in the report.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 **Improving Health, Promoting Wellbeing and Supporting Greater Independence**

6.2 **Building a Strong, Sustainable Local Economy**

6.3 **Supporting Children, Young People and Families**

6.4 **Tackling Inequality and Helping Those Who Are Most In Need**

6.5 **Working Towards a Greener Future**

6.6 **Valuing and Appreciating Halton and Our Community**

There are no direct implications, however, the revenue budget and capital programme support the delivery and achievement of all the Council's priorities.

7.0 RISK ANALYSIS

7.1 The main risks with Treasury Management are security of investment and volatility of return. To combat this, the Council operates within a clearly defined Treasury Management Policy and annual borrowing and investment strategy, which sets out the control framework

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None.

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 None

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

10.1 There are no background papers under the meaning of the Act.

Appendix 1

Treasury and Prudential Indicators – 2025/26 – Quarter 2

	2024/25	2025/26	
Prudential Indicators	Full Year Actual £000	Original Estimate £000	Quarter 2 Estimate £000
Capital Expenditure	26,761	69,614	90,473
Net Financing Need for the Year <i>(Borrowing Requirement)</i>	7,311	48,717	39,108
Increase / (Decrease) in CFR <i>(Capital Financing Requirement)</i>	(2,412)	32,972	22,388
Ratio of Financing Costs to Net Revenue Stream <i>(Proportion of cost of borrowing to Council's net revenue)</i>	4.0%	7.8%	6.4%
External Debt <i>(Borrowing plus PFI and lease liabilities)</i>	620,700	593,099	635,975
Operational Boundary <i>(Limit of which external debit is not expected to exceed)</i>	588,274	613,099	613,099
Authorised Limit <i>(Limit beyond which external debit is prohibited)</i>	660,070	693,042	693,042

	Investment	2024/25	2025/26
Maximum Principal invested > 365 days	Limit £000	Actual £000	Actual £000
Principal Sums Invested over 365 days	40,000	25,000	25,000

REPORT TO: Audit and Governance Board
DATE: 19 November 2025
REPORTING OFFICER: Director of Finance
PORTFOLIO: Corporate Services
SUBJECT: Recruitment of an Independent Member
WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 An update will be provided regarding the process underway to recruit an Independent Member to the Board.

2.0 RECOMMENDATION: That the update on progress with the recruitment of an Independent Member to the Board, be noted.

3.0 SUPPORTING INFORMATION

- 3.1 On 24 September 2025 the Board approved a report setting out the requirements for appointing a suitably qualified Independent Member to the Board, who would provide additional expertise and knowledge relevant to the Board's role, particularly that of the Council's Audit Committee.
- 3.2 This followed the review and update of the Board's terms of reference and composition, to ensure they comply with Cipfa's recommended practice.
- 3.3 The Communications Team have now developed the requirements for the post, as approved by the Board, into a "role profile", using the standard format used for recruiting to Council posts. A draft of the role profile is shown in the Appendix.
- 3.4 The post was advertised in early November via the careers page on the Council's website and via social media. The closing date for applications is 28th November 2025 and it is hoped to interview any suitable candidates in early December 2025. Interviews will be undertaken by a panel comprising the Chair, Vice-Chair and Director of Finance.

4.0 POLICY IMPLICATIONS

- 4.1 None.

5.0 FINANCIAL IMPLICATIONS

- 5.1 Travelling expenses will be provided in accordance with the Member's expenses scheme. There will be no allowance paid for the post.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

6.2 Building a Strong, Sustainable Local Economy

6.3 Supporting Children, Young People and Families

6.4 Tackling Inequality and Helping Those Who Are Most In Need

6.5 Working Towards a Greener Future

6.6 Valuing and Appreciating Halton and Our Community

There are no direct implications for any of the Council's priorities.

7.0 RISK ANALYSIS

- 7.1 If it does not prove possible to recruit a suitable candidate to the post, the approach taken to the recruitment will need to be reconsidered.

8.0 EQUALITY AND DIVERSITY ISSUES

- 8.1 None identified.

9.0 CLIMATE CHANGE IMPLICATIONS

- 9.1 There are none.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 10.1 There are none under the meaning of the Act.

INDEPENDENT MEMBER – AUDIT & GOVERNANCE BOARD

Halton Borough Council
resourcing@halton.gov.uk

Non-salaried position (travelling expenses will be covered). Three-year appointment.

WORKING AT HALTON

All our colleagues at Halton have made a positive commitment to delivering great outcomes for our communities.

Whoever joins us in this independent role will also share that passion for outstanding service, and strongly align with the values which define our workplace culture:

- Working Together – building fantastic relationships with colleagues and customers
- Continuous Improvement – Keeping great service delivery at the heart of everything we do
- Personal Growth – Learning, growing and developing ourselves
- Accountability – doing what we say we are going to do
- Inspiring Leadership – positive roles models and leading by example

To read more about our values, click [HERE](#)

ABOUT THE ROLE

Halton Borough Council's Audit & Governance Board plays a critical role in ensuring transparency, accountability, and integrity across all Council operations.

As an **Independent Member**, you will contribute expert insight and external perspective to strengthen the Council's approach to risk management, financial oversight, and internal controls.

In this **non-voting advisory role**, you will:

- Provide independent challenge and informed support on reports and issues presented to the Board.
- Help assess the effectiveness of the Council's governance, risk, and control frameworks.
- Offer specialist knowledge to enhance the Board's deliberations and decision-making processes.

- Support the Board in delivering robust assurance on financial performance and risk management.

You will be expected to uphold the highest standards of confidentiality and integrity, operating in line with the Council's Constitution and Members' Code of Conduct.

This is a unique opportunity to make a meaningful impact on public service delivery and governance, working alongside local elected members to promote excellence, accountability, and public trust.

ABOUT YOU

You should hold current or previous financial qualifications and/or have experience working in a financial environment within either the public or private sector.

Familiarity with financial controls, governance frameworks, risk management, and audit processes is highly desirable.

You'll need to be available to attend approximately four in-person Board meetings per year, along with any associated training and development sessions. Time for meeting preparation is essential, and occasional email or telephone consultation may be required.

You will have:

- Strong analytical skills with the ability to quickly interpret and evaluate complex information and evidence.
- A respectful, non-political, and impartial approach to questioning and discussion- maintaining confidentiality at all times.
- Ability to present well-reasoned arguments and offer constructive challenge while remaining open-minded and objective.
- Demonstrated integrity and a commitment to upholding high ethical standards.

Eligibility Criteria:

You must not have been an Elected Member or employee of Halton Borough Council (or its wholly owned companies) within the past three years.

You must not currently be affiliated with any political party, nor have been affiliated within the last three years.

You must not have had significant prior dealings with the Council that could compromise—or appear to compromise—your independence or impartiality.

TO APPLY:

Submit an up-to-date CV, along with a supporting statement to include the following points:

- Why you wish to be considered as an Independent Member of the Audit and Governance Board

- Brief details of current and previous experience, in terms of employment, business, professional, voluntary work, and public service.
 - Details of your qualifications, and any other matters you consider relevant to their suitability for appointment as an Independent Member of the Audit and Governance Board.
 - How you consider you meet the requirements of the role, as outlined above.

References:

Applicants must provide details of two referees who will be contacted in the event of them being shortlisted for interview.

REPORT TO: Audit and Governance Board
DATE: 19 November 2025
REPORTING OFFICER: Director of Finance
PORTFOLIO: Corporate Services
SUBJECT: External Audit Update
WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 The Council's external auditor Grant Thornton UK LLP will provide the Board with a verbal update regarding completion of the audit of the Council's 2024/25 year-end accounts.

2.0 RECOMMENDATION: That the verbal progress update from the Council's external auditor Grant Thornton UK LLP, be received.

3.0 SUPPORTING INFORMATION

- 3.1 On 24 September the Board approved the Council's 2024/25 Statement of Accounts and received the outcome of the external audit of the accounts via the Audit Findings Report.
- 3.2 As discussed with the Board, work has continued subsequently to finalise some outstanding matters, prior to Grant Thornton UK LLP providing their audit opinion and the final versions of the documents being published.
- 3.3 Grant Thornton UK LLP will attend the meeting to provide the Board with a verbal update regarding completion of the audit of the Council's 2024/25 year-end accounts.

4.0 POLICY IMPLICATIONS

- 4.1 None.

5.0 FINANCIAL IMPLICATIONS

- 5.1 None.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

6.2 Building a Strong, Sustainable Local Economy

6.3 Supporting Children, Young People and Families

6.4 Tackling Inequality and Helping Those Who Are Most In Need

6.5 Working Towards a Greener Future

6.6 Valuing and Appreciating Halton and Our Community

There are no direct implications, however, the revenue budget and capital programme support the delivery and achievement of all the Council's priorities above.

7.0 RISK ANALYSIS

7.1 The Accounts and Audit Regulations require that the 2024/25 Statement of Accounts is certified by the External Auditor and published by 30 November 2025. The External Auditor will brief the Board regarding progress.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None identified.

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 There are none.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

10.1 There are none under the meaning of the Act.

REPORT TO: Audit and Governance Board

DATE: 19 November 2025

REPORTING OFFICER: Head of Audit and Operational Finance

PORTFOLIO: Corporate Services

SUBJECT: Internal Audit Progress Report

WARD(S) Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 This report provides an update on internal audit activity since the last progress report presented to the Board on 24 September 2025. It also highlights any matters of relevance to the Board in its role as the Council's Audit Committee.

2.0 RECOMMENDATION:

That the Board considers and is invited to comment on the Internal Audit Progress Report.

3.0 SUPPORTING INFORMATION

- 3.1 The Board approved the 2025/26 Audit Plan at its meeting on 19 March 2025. The plan includes a budget of 1,050 audit days to be delivered over the year, based on a forecast staffing establishment of 5.6 full-time equivalents (FTE).
- 3.2 As at the end of October, a total of 591 audit days had been delivered, representing approximately 56.3% of the total planned audit days for the year. While this is marginally behind target, it is anticipated that the shortfall can be largely recovered over the remainder of the year, subject to the audit team remaining fully resourced. On this basis, the total planned audit days are expected to be broadly achieved by year-end.
- 3.3 As previously reported to the Board, delivery of the 2025/26 Internal Audit Plan has experienced some deviation due to a combination of operational and strategic factors. These are being actively managed to minimise impact and to ensure continued alignment with organisational priorities:
- Several audits carried forward from 2024/25 required more time than initially anticipated. All but one have now concluded, with the remaining assignment progressing well. To mitigate recurrence, future audit plans will incorporate a larger provision for the completion of year-end work in progress.
 - Time spent on grant certification is expected to significantly exceed the original allocation. This reflects both the volume and complexity of grants audited during the year. To accommodate this, an increased provision will

be made in next year's Audit Plan, to provide sufficient capacity to deliver this important area of assurance.

- Some audits have taken longer to complete than expected, primarily due to the subject matter complexity, and also the developmental stage of the audit team. The team continues to build capability and confidence, and the additional management support being provided is helping to strengthen the Council's internal audit function.
- Two audits have been added to the current year's plan at the request of the Interim Chief Executive:
 - A review of the Council's budgetary control procedures
 - An audit of the treasury management function, which will provide assurance over investment and borrowing activities, including those related to Exceptional Financial Support
- The 2025/26 Audit Plan was deliberately ambitious to ensure broad coverage of key risk areas. However, limited flexibility within the plan has meant that any slippage has had a direct impact on the ability to complete all scheduled audits by year-end.

3.4 Appendix 1 provides a comprehensive summary of all audit assignments included in the 2025/26 Audit Plan, along with their current status. It also outlines the progress of audits carried forward from the 2024/25 financial year. In light of forecast resource availability to year-end, planned work has been carefully reprioritised to ensure that attention remains focused on the most critical risk areas. As part of this process, a number of audits are being proposed for deferral to 2026/27. This approach will help ensure that each audit is delivered with sufficient depth and rigour to provide the required levels of assurance to the Board.

4.0 INTERNAL AUDIT REPORTS

4.1 Since the last progress report, Internal Audit has finalised 11 audits, each of which includes an overall assurance opinion. The table below provides a summary of these assurance opinions.

Assurance Opinion	Number	Definition
 Limited	0	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management, and control to effectively manage risks to the achievement of objectives in the area audited.
 Adequate	0	There is a generally sound system of governance, risk management, and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
 Substantial	11	A sound system of governance, risk management, and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

- 4.2 Full copies of the internal audit reports are included in Part 2 of the agenda for reference, as outlined in the table below. These reports are presented in Part 2 because they may contain exempt information under Schedule 12A of the Local Government Act 1972. This includes, but is not limited to, details of financial irregularities, weaknesses in internal controls, personal data, performance concerns relating to staff or contractors, or commercially sensitive information. Disclosure of such information in the public domain could not only breach confidentiality and data protection requirements, but also risk exposing potential vulnerabilities in the Council's control environment, which could increase the risk of fraud or misuse of public funds. For these reasons, the reports are not published publicly.

Audit	Assurance Rating
CRSTS KRN Levelling Up Grant Claim - 2025/26 Q2	●
East Runcorn Connectivity Grant Claim - 2025/26 Q2	●
St Bede's Catholic Infant School	●
CRSTS - Local Cycling & Walking Infrastructure Plan (Phase Two) 2025/26 Q2	●
CRSTS Grant Claim - 2025/26 Q2	●
UKSPF - Place Based Business Support Grant Claim - 2025/26 Q2	●
UKSPF - Ways to Work Grant Claim - 2025/26 Q2	●
UKSPF - Communities and Place Grant Claim - 2025/26 Q2	●
Hale CE Primary School	●
Disabled Facilities Grant 2024/25	●
Brindley Theatre Extension	●

5.0 FOLLOW-UP OF PREVIOUS INTERNAL AUDIT RECOMMENDATIONS

- 5.1 The Global Internal Audit Standards require that a follow-up process be established to monitor the status of management actions. This process must verify whether agreed actions have been effectively implemented or, where actions have not been taken, confirm that senior management has acknowledged and accepted the associated risks.
- 5.2 To comply with this requirement, Internal Audit undertakes follow-up work to assess the progress made by management in implementing previously agreed actions. A follow-up audit report is issued summarising the results, including an updated assurance opinion. This revised opinion reflects any improvements in governance, risk management, and control since the original audit, providing stakeholders with a clear view of how effectively identified issues have been addressed.
- 5.3 Since the last update to the Board, two follow-up audits have been completed, as detailed in the table below. Full copies of the audit reports are also provided in Part 2 of the agenda for reference.

Follow up audit	Original Assurance Opinion	Revised Assurance Opinion
Runcorn All Saints Primary School		
Astmoor Primary School		

6.0 ISSUES RELEVANT TO THE ANNUAL OPINION

6.1 In accordance with the Global Internal Audit Standards (2024), the chief audit executive is required to deliver an annual internal audit opinion that provides insight into the overall adequacy and effectiveness of the organisation's governance, risk management, and control processes. This opinion should be supported by a structured and evidence-based assessment of the internal audit activity's work throughout the year and should inform the organisation's governance disclosures, including the annual governance statement.

6.2 Where issues have been identified in the audits included in this progress report, management has responded constructively and taken appropriate action. As a result, there are currently no unresolved matters arising from this work that would be expected to adversely affect the annual internal audit opinion on the adequacy and effectiveness of governance, risk management, and control.

7.0 POLICY IMPLICATIONS

7.1 There are no direct policy implications arising from the report.

8.0 FINANCIAL IMPLICATIONS

8.1 There are no direct financial implications arising from the report.

9.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

9.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

A continuous internal audit of the Council's governance, risk management, and control arrangements plays a vital role in supporting the successful delivery of all the aims and objectives set out in the Corporate Plan.

9.2 Building a Strong, Sustainable Local Economy

See 9.1

9.3 Supporting Children, Young People and Families

See 9.1

9.4 Tackling Inequality and Helping Those Who Are Most In Need

See 9.1

9.5 **Working Towards a Greener Future**

See 9.1

9.6 **Valuing and Appreciating Halton and Our Community**

See 9.1

10.0 **RISK ANALYSIS**

10.1 This report is provided for information purposes only. However, the delivery of an effective internal audit service remains a key element of the Council's overall arrangements for governance, risk management, and internal control.

11.0 **EQUALITY AND DIVERSITY ISSUES**

11.1 None arising from this report.

12.0 **CLIMATE CHANGE IMPLICATION**

12.1 None arising from this report.

13.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE
LOCAL GOVERNMENT ACT 1972**

13.1 None under the meaning of the Act.

Appendix 1: Progress against 2025/26 Internal Audit Plan

Audit	Status	Supporting Commentary	Assurance Rating
Completion of prior year work			
Cyber Security		Reported to A&G Board – 4 June 2025	
Travellers' Sites		Reported to A&G Board – 4 June 2025	
MOT, Service and Repair Centre		Reported to A&G Board – 24 September 2025	
Lower Value Procurement		Reported to A&G Board – 24 September 2025	
Runcorn Town Investment Plan		Reported to A&G Board – 24 September 2025	
Appointeeships and Deputyships		In progress	TBC
Grant claims			
Kingsway Quarter Development Grant Claim - 2024/25 Q4		Reported to A&G Board – 4 June 2025	
East Runcorn Connectivity Grant Claim - 2024/25 Q4		Reported to A&G Board – 4 June 2025	
LCR Sustainable Transport Settlement Grant Claim - 2024/25 Q4		Reported to A&G Board – 4 June 2025	
Brownfield Housing – Foundry Lane Grant Claim – 2024/25 Q4		Reported to A&G Board – 4 June 2025	
Delivering Better Value in SEND Grant - 2024/25		Reported to A&G Board – 4 June 2025	
UK Shared Prosperity Fund Grant Claim - 2024/25 Q4		Reported to A&G Board – 4 June 2025	

Appendix 1: Progress against 2025/26 Internal Audit Plan

Audit	Status	Supporting Commentary	Assurance Rating
UKSPF - Ways to Work Grant Claim - 2024/25 Q4		Reported to A&G Board – 4 June 2025	
UKSPF - Place Based Business Support Grant Claim - 2024/25 Q4		Reported to A&G Board – 4 June 2025	
Household Support Fund (Round 6) - 2024/25 Q4		Reported to A&G Board – 4 June 2025	
Runcorn Busway Active Travel Corridor – Grant claim		Reported to A&G Board – 24 September 2025	
East Runcorn Connectivity Grant Claim - 2025/26 Q1		Reported to A&G Board – 24 September 2025	
CRSTS KRN Levelling Up Grant Claim - 2025/26 Q1		Reported to A&G Board – 24 September 2025	
UKSPF - Ways to Work Grant Claim - 2025/26 Q1		Reported to A&G Board – 24 September 2025	
City Region Sustainable Transport Settlement – 2025/26 Q1		Reported to A&G Board – 24 September 2025	
UKSPF - Communities and Place Grant Claim - 2025/26 Q1		Reported to A&G Board – 24 September 2025	
UKSPF - Place Based Business Support Grant Claim - 2025/26 Q1		Reported to A&G Board – 24 September 2025	
Household Support Fund (Round 7) - 2025/26 Q1		Reported to A&G Board – 24 September 2025	
CRSTS KRN Levelling Up Grant Claim - 2025/26 Q2		Reported to A&G Board – 19 November 2025	
East Runcorn Connectivity Grant Claim - 2025/26 Q2		Reported to A&G Board – 19 November 2025	
CRSTS - Local Cycling & Walking Infrastructure Plan (Phase Two) – 2025/26 Q2		Reported to A&G Board – 19 November 2025	

Appendix 1: Progress against 2025/26 Internal Audit Plan

Audit	Status	Supporting Commentary	Assurance Rating
City Region Sustainable Transport Settlement – 2025/26 Q2		Reported to A&G Board – 19 November 2025	
UKSPF - Place Based Business Support Grant Claim - 2025/26 Q2		Reported to A&G Board – 19 November 2025	
UKSPF - Ways to Work Grant Claim - 2025/26 Q2		Reported to A&G Board – 19 November 2025	
UKSPF - Communities and Place Grant Claim - 2025/26 Q2		Reported to A&G Board – 19 November 2025	
Disabled Facilities Grant 2024/25		Reported to A&G Board – 19 November 2025	
Chief Executive's Directorate			
Payroll		Draft report	TBC
Budget monitoring		Unplanned audit – testing nearing completion	TBC
Treasury Management	-	Unplanned audit – not yet started	-
Data classification	-	Planned for Q4	-
Solar Farm project	-	Deferred to 2026/27 due to delays with the project	-
Connect2Halton Joint Venture	-	Deferred to 2026/27 due to capacity issues	-
Risk management	-	Deferred to 2026/27 to allow time for new arrangements to be implemented	-

Appendix 1: Progress against 2025/26 Internal Audit Plan

Audit	Status	Supporting Commentary	Assurance Rating
Environment & Regeneration Directorate			
Brindley Theatre Extension		Reported to A&G Board – 19 November 2025	
Halton Leisure Centre		In progress	TBC
Management of Trees and Open Spaces	-	Deferred to 2026/27 due to capacity issues	-
Waste Management	-	Deferred to 2026/27 at the request of management	-
Adults Directorate			
Telecare Service		Reported to A&G Board – 24 September 2025	
Housing Solutions		Delayed due to Budgetary Control audit taking priority	TBC
Adult Social Care Debt Recovery	-	Planned for Q4	-
Care Homes	-	Deferred to 2026/27 due to capacity issues	-
Commissioned Services - Contract monitoring	-	Deferred to 2026/27 due to capacity issues	-
Domiciliary Care Contract	-	Deferred to 2026/27 due to capacity issues	-
Children's Directorate			
St Bede's Catholic Infant School		Reported to A&G Board – 19 November 2025	

Appendix 1: Progress against 2025/26 Internal Audit Plan

Audit	Status	Supporting Commentary	Assurance Rating
Hale CE Primary School		Reported to A&G Board – 19 November 2025	
All Saints Upton CE Primary School		In progress	TBC
The Bridge School		In progress	TBC
Children in Care Placements		In progress	TBC
Our Lady of Perpetual Succour Catholic Primary School	-	Planned for Q4	-
The Holy Spirit Catholic Primary School	-	Planned for Q4	-
Home to School Transport	-	Deferred to 2026/27 to allow new policy to be implemented	-
Children's Direct Payments	-	May need to be deferred until 2026/27	-
Public Health Directorate			
Contract Monitoring	-	Planned for Q4	-
Corporate Support			
Annual Governance Statement (2024/25)		Draft reported to A&G Board – 4 June 2025 Final reported to A&G Board – 24 September 2025	N/A
General advice		Ongoing activity throughout the year	N/A

Appendix 1: Progress against 2025/26 Internal Audit Plan

Audit	Status	Supporting Commentary	Assurance Rating
Reporting to the Audit and Governance Board		Ongoing activity throughout the year	N/A
Corporate complaints		Ongoing activity throughout the year	N/A
Review of Council Constitution	-	Not started	N/A
Follow up work			
Children's Services Commissioning		Reported to A&G Board – 24 September 2025	
Runcorn All Saints Primary School		Reported to A&G Board – 19 November 2025	
Astmoor Primary School		Reported to A&G Board – 19 November 2025	
External work			
Manchester Port Health Authority		Completed and reported to MPHA in May 2025	N/A

By virtue of paragraph(s) 1, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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