

MIDDLESBROUGH COUNCIL	
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Report of:	The Audit Committee
Submitted to:	Full Council
Date:	15 October 2025
Title:	First Annual Report of the Audit Committee
Report for:	Decision
Status:	Public
Council Plan priority:	Delivering Best Value

Proposed decision(s)
That Full Council: • NOTES the content of the first Annual Report of the Audit Committee that is set out at Appendix 1 • NOTES the issues that have been considered by the Committee and the outcome of the review of its effectiveness and the proposed actions to further strengthen audit arrangements.

Executive summary
This report sets out the first Annual Report of the Audit Committee. This covers the range of work undertaken over the period under review, the key issues identified and discussed, and a summary of the recommendations from the effectiveness review undertaken by the Local Government Association.

1. Purpose

1.1 The purpose of this report is to:

- present the first Annual Report of the Audit Committee for consideration; and
- present the Committee's response to the Review of Effectiveness recommendations which were accepted in principle at the Audit Committee meeting on 31 July 2025.

2. Recommendations

2.1 That Full Council:

- **NOTES** the content of the first Annual Report of the Audit Committee that is set out at Appendix 1
- **NOTES** the issues that have been considered by the Committee and the outcome of the review of its effectiveness and the proposed actions to further strengthen audit arrangements.

3. Background and relevant information

- 3.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) is a professional body and membership organisation that focusses on public finance, primarily in the UK, and it sets out recommended good practice for the public sector in relation to financial management.
- 3.2 In 2022 CIPFA produced a position statement and supporting guidance, setting out its view on the purpose, model, core functions and expected membership of Audit Committees.
- 3.3 Production of an Annual Report and consideration of it by Full Council is one of the recommended actions of an Audit Committee, as set out in that 2022 statement. It recommends that Audit Committees should 'report annually on how the Committee has complied with the position statement, discharged its responsibilities, and include an assessment of its performance. The report should also be available to the public'.
- 3.4 The Annual Report of this Committee, set out at Appendix 1 sets out:
- The current level of compliance with the CIPFA position statement on Audit Committees (2022)
 - The results of the first annual review of effectiveness of the Audit Committee which has been completed recently
 - Work undertaken to improve compliance and a planned improvement programme for the Audit Committee
 - Delivery of activity against the Committee's Terms of Reference
 - Key issues escalated and /or progressed in the last 12 months.
- 3.5 Members of the Committee considered the report at a meeting of Audit Committee on 25 September 2025 and agreed that the report reflects their work between October 2024 and September 2025.

4. Other potential alternative(s) and why these have not been recommended

- 4.1 Not applicable, this report is for information.

5. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	There were no costs directly associated with the delivery of the responses to the recommendations within the Annual Report. Some of the activity is reliant on delivery of increased capacity within the Finance team but this has been previously agreed by Full Council as part of the 2025/26 budget setting process.
Legal	Completion of the Annual Report gives the Committee the opportunity to provide Full Council with an overview of its role and its delivery against its legal and good practice obligations. The response plan within the Annual Report identifies areas to be strengthened that will improve assurance in relation to compliance with legal duties.
Risk	The Annual Report sets out action to strengthen the Committee's role in relation to risk management, therefore it will positively impact on the Council's approach to risk management.
Human Rights, Public Sector Equality Duty and Community Cohesion	There are no specific impacts or implications directly arising from this report; however, an effective Audit Committee function will support the Council to ensure its practice, policies and decision making are legally compliant, thus ensuring positive impacts on these areas.
Reducing poverty	
Climate Change / Environmental	
Children and Young People Cared for by the Authority and Care Leavers	
Data Protection	

Appendices

1	Audit Committee Annual Report
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Background papers

Body	Report title	Date
Audit Committee	Audit Committee Review of Effectiveness	13 March 2025
Audit Committee	Review of the Effectiveness of Audit Committee – Final Report, Recommendations and Next Steps	31 July 2025
Audit Committee	First Annual Report of the Audit Committee	25 September 2025

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APPENDIX 1

Audit Committee Annual Report April 2024 – August 2025

Introduction

The Chartered Institute of Public Finance and Accountancy (CIPFA) provides resources for audit committees of local authorities to help support good governance, strong financial management, and effective internal and external audit.

CIPFA issues position statements which set out the principles that CIPFA recommend audit committees should follow as best practice, supported by additional practical guidance (last updated in October 2022).

Over the summer of 2025, the Council's Audit Committee engaged external expertise through the Local Government Association (LGA) to complete an assessment of its effectiveness. The findings of that work are set out in this report, along with a planned programme of activity to strengthen arrangements.

The CIPFA guidance recommends that the Audit Committee should be regularly held to account by those charged with governance, which in Middlesbrough Council is Full Council ultimately. This Annual Report provides the information necessary for Full Council to undertake this action within the following structure:

- An overview of the Committee and its work
- Delivery of activity against the Committee's Terms of Reference
- The current level of compliance with the CIPFA position statement on Audit Committees (2022)
- The results of the annual review of effectiveness of the Audit Committee which has been completed recently
- Work undertaken to improve compliance and a planned improvement programme for the Committee
- Areas of concern identified by the Audit Committee during the period of the report and action taken.

Committee Membership

At the time of reporting, the Committee had seven places with the following membership:

- Councillor Ewan (Chair)
- Councillor Coupe (Vice-Chair)
- Councillor Branson
- Councillor Hubbard
- Councillor Nugent
- Councillor Wilson
- Councillor Young.

Executive Members and the Mayor are restricted from being members of this Committee under statutory regulation and the Council's Constitution.

The Committee does not currently include active co-opted Independent persons, however provision for this is made within the terms of reference (without voting rights) agreed by Full Council in May 2025. An attempt to recruit an independent member was conducted in late 2022 but was not successful.

It is recommended within the CIPFA 2022 position statement that it should consider appointing at least two co-opted independent persons. Action will be undertaken during 2025/26 to review the current approach and undertake a further recruitment campaign as necessary.

Attendance

During the period of reporting, Members of the Committee attended as follows (grey marking identify where a Councillor was not a member of the Committee on that date):

Member	3/10/24	5/12/24	12/12/24	6/2/25	20/2/25	13/3/25	17/4/25	10/7/25	24/7/25	31/7/25
Cllr J Ewan	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Cllr B Hubbard	Y	Y	Y	Y	Y	N	N	Y	Y	Y
Cllr I Blades	Y	Y	Y	Y	Y	Y	Y			
Cllr D Branson	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Cllr D Coupe	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Cllr G Wilson	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
Cllr L Young	Y	Y	Y	Y	Y	Y	Y	Y	N	Y
Cllr L Lewis								Y		

Key	Meaning
Y	Attended
N	Did not attend
	Not a member of the Committee for this meeting

Councillor Morrish attended the Committee as substitute for Councillor Hubbard on 13/3/25 and 17/4/25. Councillor Kabuye attended as a substitute for Councillor Young on 24/7/25.

Summary of Committee key business conducted

The Committee met eleven times during the reporting period from October 2024 to the beginning of September 2025, this included additional meetings to those identified at the Council's Annual General Meeting to ensure the Committee was able to consider all the necessary business required.

The sections below highlight some of the key activities the Committee completed.

Corporate Governance

In April 2025 the Committee considered an update on the Council's Constitution and a proposed draft term of reference following a request from the Committee that the previous terms of reference were amended to match the CIPFA model terms of reference for Local Authority Audit Committees.

During the period the Committee considered a series of reports that provided a deeper dive on the internal control arrangements in place for a range of corporate governance disciplines. Reports considered included:

- Health and Safety
- The report of the Senior Information Risk Owner setting out Information Governance arrangements
- Risk Management annual assurance report
- Decision-making
- Business Continuity
- HR and organisational development
- Procurement
- Complaints and compliments
- Programme and Project Management Framework
- Partnership Governance.

Risk management

In addition to the annual assurance report on risk, the Committee considered a 6-monthly update on the content of the Council's Strategic Risk Register. As a result of those reports, Members sought additional assurance in relation to the following:

Ref	Risk	Assurance Sought
Strategic Risk 15	If Communities feel disconnected and that they do not live in a safe and resilient environment that promotes the best outcomes for citizens of the town. This could lead to local flashpoints which would be damaging to community relations, the reputation and image of a multicultural Middlesbrough.	Additional assurance was sought on the deliverability of the planned mitigating actions. Additional assurance was sought from service leads that well publicised issues in relation to the PREVENT programme had been addressed nationally. More information was requested and provided to the Committee on the practical steps that would be taken in relation to the practical actions needed to deliver the planned action to repair relationships and engagement between local communities.
Strategic Risk 10	If the Council's ambitions for town centre regeneration or the wider financial sustainability of the organisation are negatively impacted by the establishment of a Mayoral Development Corporation (MDC), this could potentially result in a lack of investment in the town, reduction in the Council's business rates income, loss of commercial income and reduction in asset holdings affecting the Council's financial	The Committee asked if the Council's risks in relation to the Tees Valley Combined Authority were reflected within its Risk Registers, they were advised that a review of the risks was underway by the Leadership Team risk owners and would be reflected in future reporting.

Ref	Risk	Assurance Sought
	viability. Reputational damage is also possible through the incorrect discharge of responsibilities such as town planning or business rate relief.	
Strategic risk 2	The risk that demand and cost of and children's social care continues to escalate on the scale experienced, is the single biggest risk to the Councils financial viability. More financially sustainable solutions for meeting social care needs of children need to be secured with urgency to ensure delivery within the approved budget.	Members asked for information on the rigour around the management of cases and volumes and were provided with information on the oversight arrangements that are in place, along with the detailed data analytics models that are currently being developed.
Strategic risk 9	If the Council's Corporate Governance arrangements are not fit for purpose and appropriate action is not taken to rectify this at pace, this could result in censure from the Council's auditors within a public interest report that would damage the Council's reputation and/or in government formal intervention including removal of powers from officers and members and direction of council spend.	Members asked for assurance that they would have sight of the final report that would be produced by one of the future mitigations once completed. Members were advised that the final report, which was the Local Government Association Corporate Peer Challenge would be published and shared with all members, before being formally considered by Full Council.

The Committee asked, and received, additional information on the Council's approach to emergency planning, which is a risk documented and managed within the Environment Services Directorate Risk Register.

The Committee's September 2025 meeting is scheduled to consider a presentation on the recently escalated risk in relation to the Dedicated Schools Grant which is a risk facing nearly all councils.

The Committee's September 2025 meeting is also to consider a presentation on the level of reserves held by the Council and how these compare to others. The low level of reserves was one of the reasons why the Council faced recent government intervention and these need to increase over the medium term for the Council to ensure it is financially sustainable.

Over the next 12 months the Committee plans to have strategic risks and their management presented to them by the Leadership Team Officer responsible for their management to increase the assurance the Committee receives in relation to the effectiveness of the Council's Risk Management arrangements.

Finance

As a result of the Audit backlog, the Committee's workload was increased as it had to manage reporting from two sets of External Auditors as the incoming Auditors could not commence work until the previous External Auditors had finished their audits on the 2021/22 and 2022/23 accounts.

This increased the work of the Committee significantly. An additional complicating factor is that because Middlesbrough Council administers the Teesside Pension Fund, and the accounts of that body were also affected by the audit backlog, the Committee also

received all reports in relation to that. The Council now has disclaimed audit opinions for three financial years and the Teesside Pension Fund for one year. The Committee has been briefed on and discussed the implications of this and how assurance will be re-built on external financial reporting in the coming years.

In addition to the above, the Committee considered annual, mid-year and outturn reports on the strategic approach the Council takes in relation to borrowing, investments cash-flow and capital financing. Due to the levels of debt and risk involved in these transactions, the Audit Committee undertakes the scrutiny role on treasury management, rather than the Overview and Scrutiny Board.

These reports are complex by nature and the Committee is still at an early stage in its development of this. Most reports have been brought for information/training purposes at present, but the aim is to develop Members knowledge and experience in this area, so they can scrutinise and challenge the Executive's proposed approach, as part of setting the budget each financial year.

The reports have covered the following

- The level of capital expenditure being proposed and how it has been financed.
- The level of external borrowing in place and the cost of capital financing.
- The various prudential indicators which are used to self-regulate the Council's capital financing activities
- The annual treasury management strategy, including its approach to borrowing, investments and cashflow.
- How risk has been managed in these areas and whether any of the prudential indicators have been breached during the financial year.

Counter Fraud and corruption

In July 2025 the Committee considered the annual Counter Fraud report that is prepared by the Council's Internal Auditors, Veritau.

During the 2024/25 financial year, the counter-fraud team, operated by Veritau, generated approximately £150,000 in savings for the council through identifying and halting fraudulent activities. They handled 129 referrals—a substantial 26% increase over the previous year, and completed 25 investigations, with an 80% success rate where fraud or error was confirmed.

Results included two formal cautions, nine written warnings, debts pursued in seven cases, prevention of two frauds, one referral to immigration enforcement, and two internal investigations concluded.

External Audit

During the period for this report, the Council's previous External Auditors, Ernst & Young (EY), finished their work with the Council and were replaced by the current Auditors, Forvis Mazars.

Members may be aware that the Council, along with many other councils had been unable to close a number of Statements of Accounts following delays in the work of auditors. This was a national issue with several root causes including escalating complexity in Council finances, the complexity and novelty of accounting for infrastructure assets like roads, capacity of external audit teams and the ongoing impact of the pandemic. 1% of councils submitted audited accounts on time.

National intervention was undertaken in the form of statutory backstops to direct account closure deadlines by which External Auditors would either need to complete their work or issue a disclaimed opinion because they had been unable to. EY, the previous Auditors of the Council declared they were unable to meet the deadline and as such issued disclaimed opinions for the 2021-22 and 2022-23 accounts for the Council. They also disclaimed the 2023-24 Pension Fund accounts.

The Committee received a number of updates on these accounts and pushed for additional capacity from the Auditors to complete their work and asked the team to identify actions the Council could take to support their work and meet the deadline; however, this was unsuccessful.

As well as receiving updates on this, the Committee also received updates from the incoming External Auditors on the likely impact this will have on their ability to complete audits for future years. Auditors require assurance that the opening balances and assumptions in a set of accounts are correct, and it is usual practice to get this from the completed work of the previous year's audit. Because this is missing, it will take several years for the Council's current External Auditors to complete the additional assurance work needed to be able to get to a position where they can issue a full audit opinion.

The Committee considered a report from the current Auditors that the impact of the above meant the 2023/24 Statements of Accounts for both the Council and Teesside Pension Fund were disclaimed. The Committee have engaged with the current Auditors on this issue and been provided with assurances that they are committed to working with the Council to get to a position where they are able to issue an opinion on the Council's accounts, though this may take several years to achieve.

During the period covered the Committee received the following type of reports from auditors on both the Council's and Teesside Pension Fund accounts:

- Progress reports on audit work
- Value for money reports
- Annual Reports
- Verbal updates on progress of audit work on the accounts
- Audit Strategy Memorandums.

Internal Audit

Middlesbrough Council's Internal Audit Service is provided by Veritau. For the past five years this has been provided through Veritau Tees Valley which was a Teckal company owned by the Council, Redcar and Cleveland Borough Council and Veritau Limited which was owned jointly by North Yorkshire Council and the City of York Council. In July 2025, Middlesbrough Council's Executive approved a series of recommendations to change the

structure of the company to allow new member local authorities to join Veritau going forward.

The work of Internal Audit is governed by the Global Internal Audit Standards in the UK Public Sector and the Council's audit charter. These require the Head of Internal Audit to bring an Annual Report to the Audit Committee. That report was considered by the Committee in July 2025. It set out the audit work carried out in 2024/25, oversight of improvement actions and how internal audit complied with its professional standards.

The overall opinion of the Head of Internal Audit on the framework of governance, risk management and control operating at the Council is that it provides **Reasonable Assurance**.

In addition to the Annual Report, the Committee received regular reports from the Internal Auditor, setting out:

- An Annual Report on delivery of the Counter Fraud Strategy
- Audit charter
- Progress reports against delivery of the internal audit work programme
- Progress reports in relation to Counter Fraud strategy work.

Progress reports to the Committee provide information on ongoing and completed audits, follow ups, and information on revised schedules for audits.

The July 2025 Annual Report set out that of the 25 audits that had been completed between August 2024 and July 2025, all except two functions were assessed as having either substantial or reasonable levels of assurance. These two audits could only give limited assurance opinions. They were in relation to Domestic Abuse and Direct Payments. Internal Audit assurance levels are, no assurance, limited assurance, reasonable assurance and substantial assurance. Where it makes findings, it similarly ranks them as critical, significant or moderate. It also has a category for findings relating to opportunities it identifies.

In relation to the Domestic Abuse audit, it made five significant findings and 14 actions were agreed. The Direct Payments audit had two critical findings, one significant finding and one moderate finding and ten actions were agreed in response.

During the reporting period the Committee has raised its concerns about the length of time some audits have taken to reach completion and the capacity of the current arrangements to meet the needs of the organisation. It has asked that these concerns are considered within the review of the current audit arrangements which has been committed to by the Council as part of the Continuous Improvement Plan.

Best Value Notice (BVN)

As well as the above, the Committee received regular progress reports on delivery of the Council's Corporate Governance Improvement Plan, providing Members with an additional oversight opportunity in addition to the progress reports considered by Full Council.

The Committee also received updates on the status of the Best Value Notice (BVN) that had been first issued by Government in January 2023 and renewed in January 2024. In October 2024, the Committee considered a report advising that as a result of positive progress made in addressing the culture, governance and financial challenges facing the Council, Government had decided not to renew the BVN.

Current Level of Compliance with the CIPFA position statement 2022 and the annual review of effectiveness

The table below sets out the recommendations that were made to the Audit Committee in July 2025 and accepted in principle that should be actioned to bring the Committee, its members and its practices into full alignment with the CIPFA 2022 position statement and supporting guidance.

No	Recommendation	Proposed Response and actions	Target date(s)	Owner(s)
1	Publish an Annual Report for Full Council that covers: - compliance with the CIPFA Position Statement 2022 - results of the annual evaluation, development work undertaken and planned improvements - how it has fulfilled its terms of reference, and the key issues escalated in the year	This Annual Report, once agreed by the Committee and submitted to Council will address this recommendation. A Full Council agenda item has been scheduled for the October meeting.	15 October 2025	The Audit Committee
2	There should also be a response from Council to the Committee's report in relation to holding the Committee to account for its performance.	This Annual Report will be accompanied by a covering report which will formally ask Full Council for a response to this report.	15 October 2025	Head of Governance, Policy and Information
3	The effectiveness of the Audit Committee should be assessed annually.	The Committee will build an annual review into its work programme going forward and will conduct an annual review of effectiveness against the CIPFA Code of Practice as part of its future annual reports.	September 2026	The Audit Committee
4	Time should be set aside before the meeting to meet with external audit and the head of internal audit.	Members services will diarise virtual pre-meetings with the Chair and Vice-Chair, Internal and External Audit before each meeting between publication of committee meeting papers and the Committee meeting.	To be in place for the December 2025 meeting of the Committee onwards	Audit Committee Democratic Services Officer
5	The Council should consider stopping or limiting substitution of Committee members.	Given the limited use of substitutions by the Committee and the need for compulsory training to be complete in order for an individual to be a substitute, the Committee does not	Annual review due September 2026	Audit Committee

No	Recommendation	Proposed Response and actions	Target date(s)	Owner(s)
		propose to pursue this recommendation at this time but will commit to an annual review of the volume of substitutions along with formal consideration of statutory officer views.		
6	Two independent (non-Councillor) members should be appointed to the Committee on an appropriate level of remuneration.	A benchmarking exercise will be undertaken and reported to the February 2026 meeting of the Audit Committee, exploring the approach of other Councils volumes, skills and remuneration for Member consideration along with further information on the governance routes that would need to be followed.	February 2026 onward	Head of Corporate Finance and Deputy 151 Officer
7	A training needs analysis (TNA) should be carried out for the Chair and each Committee member.	Officers will propose the areas on which Members should have training competencies in order to be able to consider all reports that the Committee needs to be able to consider fulfilling its terms of reference. Draft proposals will be consulted on with the Committee, External and Internal Audit. This will be accompanied by proposed training solutions	31 October 2025	The Monitoring Officer and the Section 151 Officer
		The proposed training needs framework will be brought to the Committee for consideration	11 December 2025	Head of Democratic Services and all Members of the Committee
		All members of the Committee will engage with Democratic Services to complete a self-assessment against the training needs framework.	30 April 2026	Audit Committee Members
		Review the mandatory training required for the Committee and its substitutes following this and propose a revised set of mandatory training sessions, covering the fundamental elements of the Committee's work.	30 April 2026	Audit Committee to approve
8	A training plan should be identified for each member of the Committee based on the TNA.	Training plan in place by June 2026 with reports on compliance to the	June 2026 onwards	Head of Democratic Services

No	Recommendation	Proposed Response and actions	Target date(s)	Owner(s)
		Committee by exception going forward		
9	Feedback from officers should be considered as a formal part of the next review.	This will be built into the next annual review due to be complete by September 2026	September 2026	The Monitoring Officer and the Section 151 Officer
10	The Council needs to develop a comprehensive assurance framework which should be used to define an assurance map	Draft proposal around the assurance framework to be presented to the Committee	April 2026	The Deputy 151 Officer and the Head of Governance, Policy and Information
11	The assurance map should be used to guide the work of internal audit and the workplan of the Committee.	Put in place a work programme to deliver training on the assurance mapping, roles and responsibilities and programme to populate the map over an initial 12-month period. It is anticipated that the map and the framework will be refined over the medium term as the organisation matures in its understanding of the process.	April 2026 – April 2027	The Deputy 151 Officer and the Head of Governance, Policy and Information
12	Senior Officers (and members where appropriate) should attend the Committee to update on risk and mitigations.	The Committee work programme is being amended to build in an LMT member attending each session to share an overview of their Strategic Risks with the Committee, This will be in place from the December 2025 meeting onwards. LMT members will also attend as necessary where internal audit recommendations have not been implemented in line with agreed timescales.	September 2025 onwards	Head of Governance, Policy and Information
13	The Committee needs to feedback to Senior Officers on improvement required in managing key risks and actions.	This already occurs on an ad hoc basis as evidenced in this Annual Report, however the Committee action will be taken to ensure this is a consideration, systematically within the future presentations on risk management by responsible LMT members through the creation of a reporting template for this subject matter	December 2025 onwards	Head of Governance, Policy and Information

No	Recommendation	Proposed Response and actions	Target date(s)	Owner(s)
14	Management of the Internal Audit contract needs to be tightened	The Continuous Improvement Plan already contains an action to review the current contract in order to strengthen this area. The outcome of this review will be presented to the Committee.	April 2026	Section 151 Officer

Areas of concern identified by the Audit Committee during the period of the report and action taken

In addition to the content above which includes the Committee raising queries and concerns about elements of its terms of reference, during the reporting period, the Committee raised several concerns which are set out in this section.

The Committee formally raised concerns with the Council's previous External Auditors Ernst and Young, (EY) about EY's capacity to meet its commitments in relation to completion of the audits started.

It has been nationally reported that the average price for external audit services in local government has risen significantly in recent years. At the same time, the Council's External Auditors have not been able to complete a full audit of its accounts for three financial years. This has resulted in the Council being in the position of incurring increased costs, without being able to receive the assurance that would be given by Auditors from completion of their audit work. Accounts for the period 2021/22 to 2023/2024 have been disclaimed. Research from the Audit Reform Lab at Sheffield University reported that the average price for external audit work rose by 238% in one year based on analysis of data from 300 councils and their external audit figures from 2018 to 2024. The Council is still waiting for final costs for these audits to be approved by Public Sector Audit Appointments (PSAA) body, but these increases are expected to be greater than those quoted above.

The Committee sought information on the capacity of Internal Audit to deliver counter fraud work. The Committee were assured that this was subject to discussions between the Section 151 Officer and Internal Audit, and they welcomed the outcome of that engagement which was an expansion of the number of days purchased by the Council to support counter fraud work from 150 days in 2023/24 to 400 days by 2026/27. This would bring this activity on fraud at Middlesbrough in line with other comparable local authorities.

Conclusion

The Audit Committee has demonstrated a strong commitment to enhancing governance, financial oversight, and risk management across Middlesbrough Council during the reporting period. Through a comprehensive programme of work, the Committee has addressed key strategic risks, scrutinised internal and external audit processes, and actively engaged with both officers and auditors to ensure transparency and accountability.

The Committee's proactive stance on issues such as audit delays, internal audit capacity, and counter fraud measures reflects its dedication to continuous improvement and safeguarding public value.

This first Annual Report marks a significant step in aligning the Committee's operations with the CIPFA 2022 position statement. The planned actions and responses to the effectiveness review recommendations set a clear roadmap for further strengthening the Committee's role.

As the Committee continues to evolve, its focus on embedding best practice, enhancing member training, and improving assurance frameworks will be critical in supporting the Council's ambition to deliver best value and maintain robust governance standards. The Committee looks forward to receiving feedback from Full Council and continuing its work with renewed clarity and purpose.