

AUDIT COMMITTEE
14/01/2026 at 6.00 pm



Present: Mr. G. Page (Independent Chair).
Mr. S. Green (Independent Member and Vice Chair).
Councillors Aslam, Chauhan, Ghafoor, Kenyon (Substitute for Councillor Al-Hamdani), Rustidge and Sykes

Also in Attendance:

Councillor Shah (Leader of the Council and Cabinet Member for Growth)

Councillor Jabbar (Deputy Leader and Cabinet Member for Finance, Corporate Services and Sustainability)

Yagita Das-Patel (Forvis Mazars – external auditors)

Shelley Kipling (Chief Executive)

Fiona Greenway (Executive Director of Resources)

Lee Walsh (Director of Finance)

Alex Bougatef (Director of Legal)

James Postle (Senior Finance Manager)

John Miller (Head of Audit and Counter Fraud)

Peter Thompson (Constitutional Services)

1 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Al-Hamdani, Chowhan Malik and Quigg.

2 **URGENT BUSINESS**

The Chair introduced and welcomed Mr Stuart Green, Independent Member and Vice Chair of the Audit Committee, who was appointed by the Council on 12th November 2025 and who was attending a meeting of the Committee for the first time.

3 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4 **PUBLIC QUESTION TIME**

There were no public questions for this meeting of the Audit Committee to consider.

5 **MINUTES OF PREVIOUS MEETING**

The Committee considered the Minutes of the last meeting of the Audit Committee, held 26th November 2025 and the Actions List arising therefrom. Further to Minute 6 (Oldham Borough Council - 2024/25 Financial Statements), the Chair advised that the Committee had sought clarification and further details, from the officer representing Forvis Mazars on the Value for Money judgement that they were due to issue to the Council, in terms of the 2024/25 annual accounts.

Regarding the Actions Lo, it was noted that there was an action arising from the meeting held 22nd October 2025 concerning the establishment of a member's study group that was being convened to assess the effectiveness of the Council's overview

and scrutiny function, which, was due to hold its first meeting on 22nd January 2026.

Resolved, that subject to the above comments, the minutes of the meeting of the Audit Committee, held 26th November 2025, be approved and the accompanying Actions Log, be noted.

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EXTERNAL AUDIT - UPDATE REPORT

To present to the Audit Committee, an update of the External Auditors, Forvis Mazars', Audit Completion Report on the 2024/25 Statement of Accounts for consideration. The Council's Statement of Accounts for 2024/25 was published on the Council's website on 30th June 2025, along with the Notice of Public Inspection.

The report provided an update on the progress of the audit work, carried out by Forvis Mazars, following the presentation of their previous report to the Audit Committee's on 26th November 2025. It was reported that their comments regarding the Council's 'Value for Money' arrangements was unchanged from that presented in November. However, their report, attached at Appendix A, referred to the significant challenges, being faced by the Council, which have previously been reported to the Audit Committee. It was noted that the external auditors' audit procedures were now substantially completed for the year ending 31st March 2025.

Based on the work completed, by Forvis Mazars, to date, they anticipated issuing an unqualified opinion on the Council's financial statements.

The external auditors had not made any changes to their initial risk assessment and planned audit approach that was communicated to the Audit Committee previously in their Audit Strategy Memorandum.

Forvis Mazars did not identify any significant deficiencies in internal control. The non-significant control observations that were identified were set out in Appendix A (Internal control conclusions). The auditors had not identified any adjusted or unadjusted misstatements above their reporting threshold.

In terms of their Audit Opinion, subject to the satisfactory conclusion of their remaining audit work, it was anticipated that Forvis Mazars would issue an unqualified opinion, without modification, as set out in Appendix C of their report.

It was anticipated though that in terms of 'Value for Money' the external auditors anticipated having some weaknesses in arrangements to report in relation to the arrangements that the Council had in place to secure economy, efficiency and effectiveness in its use of resources.

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question Forvis

Mazars about the accounting records of the Council and to consider any objection made to the accounts. The external auditors were able to confirm that no correspondence was received from an elector in the Borough of Oldham.



Forvis Mazar had reviewed the Council's Accounting policies and disclosure and concluded that they complied with the 2024/25 Code of Practice on Local Authority Accounting, appropriately tailored to the Council's circumstances. The Draft Accounts were received from the Council on 30th June 2025 and were of a good quality, with the availability of working papers to support them.

The Director of Finance confirmed that the recommendations in the report provided by Forvis Mazars, would be incorporated into the Council's budget setting process.

The Chair sought clarification as to when Forvis Mazars would finally sign off the Council's 2024/25 Accounts. In reply the meeting was advised that the Accounts were expected to be finally completed by the end of January 2026.

A member of the Committee sought clarification on how Oldham Council compared with the other nine Greater Manchester Councils in terms of completing their 2024/25 externally audited accounts. The representative from Forvis Mazar reported that thus far only Rochdale Borough Council had completed their accounts for 2024/25.

Resolved:

1. That the Audit Committee endorses the updated Audit Completion Report for 2024/25 and approves the recommendations contained therein.
2. That the Chair of the Audit Committee be granted delegated authority to approve the finalised accounts for 2024/25, in agreement with the Director of Finance.

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TREASURY MANAGEMENT STRATEGY STATEMENT 2026/27

The Audit Committee considered a report of the Director of Finance, which presented the Treasury Management Strategy for 2026/27.

The report outlined the Treasury Management Strategy for 2026/27, the Annual Investment Strategy, Borrowing Strategy, and Prudential Indicators. The Council is required through regulations supporting the Local Government Act 2003 to 'have regard to' the Prudential Code. The report was required to produce an annual Treasury Strategy for borrowing and to prepare an Annual Investment Strategy setting out the Council's policies for managing its investments and for giving priority to security and liquidity of those investments. The Strategy for 2026/27 covers.

- a. Economic Update.
- b. Prospects for Interest Rates
- c. The Current Balance Sheet and Treasury Position

- d. Liability Benchmark
- e. The Borrowing Strategy
- f. Debt Rescheduling
- g. The Investment Strategy
- h. Approved Counterparties, risk management and Investment Limits
- i. Treasury Indicators which limit the treasury risk and activities of the Council.

The report outlined the implications and key factors in relation to each of the above Capital and Treasury Management issues and made recommendations regarding the Treasury Management Strategy for 2026/27.

The report included the most recently available economic background commentary which was reflective of the position in December 2025. The proposed Treasury Management Strategy was presented to enable scrutiny of the report before its further consideration, by the Cabinet and Council, as part of the budget setting process and any comments or observations arising from the report, from Members of the Audit Committee, would be incorporated into future reports.

Options/Alternatives considered:

In accordance with the CIPFA Code of Practice on Treasury Management, the Audit Committee and the Cabinet, at its meeting on 9th February 2026, would have no alternative to considering and commending the report to the Council, at its meeting on 4th March 2026. Therefore, no options or alternatives were presented.

In considering the report a Member sought clarification on the short-term borrowing level detailed in paragraph 2.6.1 of the report. This was explained by the fact that short-term borrowing could be achieved at lower rates of interest than longer-term borrowing, therefore saving the authority money. Another factor associate with this was the funding of the Council's Capital Programme that often required short-term borrowing and in this regard the Council was able to borrow funds at low rates of interest from another local authority in Greater Manchester. The Director of Finance advised the Committee that when the 2025/26 budget was being planned there was an expectation that certain amounts of borrowing would be required and this had factored into the reports that the Cabinet and Council had approved. The Cabinet Member for Finance, Corporate Services and sustainability noted that in the worst-case scenario the Council could borrow funds from the Public Works Loans Board but due to diligent and prudent financial planning and management of resources this was unlikely to ever happen.

Resolved:

That the Audit Committee commends the following matters, detailed in the submitted report, to the Cabinet and Council:

1. The Capital Financing Requirement (CFR) Projections, as detailed in paragraph 2.4.1, of the submitted report.

2. The Projected Balance Sheet position, by 31st March 2026 and future years as detailed in paragraph 2.4.1, of the submitted report.
3. The Liability Benchmark as detailed in paragraph 2.5, of the submitted report.
4. The Borrowing Strategy for 2025/26 as detailed in paragraph 2.6, of the submitted report.
5. The Annual Treasury Investment Strategy as detailed in paragraph 2.7, of the submitted report, including counterparties and treasury limits.
6. The Treasury Management Prudential Indicators as detailed in paragraph 2.8, of the submitted report.

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INTERNAL AUDIT PROGRESS REPORT QUARTER 3 - 2025/26

This Committee received a report of the Head of Audit and Counter Fraud which report provided Members with a high-level progress report on the work of the Internal Audit and Counter Fraud team for Quarter Three period of the 2025/26 financial year (October – December). Which, alongside the Head of Audit and Counter Fraud's Annual Report and Opinion for the year 2025/26, assisted the Committee in discharging its responsibilities as set out in the Audit Committee's Terms of Reference, that formed part of the Council's Constitution.

The Audit and Counter Fraud Team activity during Q3 2025/26 included:

- An assurance review of Arts Council grant funding for works to Northmoor Library.
- Four further reports in connection with Miocare Supported Living establishments, SEND Special School Placements, Home to School Transport and Oldham Total Care (OTC) are also being finalised with the relevant services. The outcomes of these reviews would be reported to the Committee in due course.

In presenting the report the Head of Audit and Counter Fraud expressed his confidence that the planned programme of planned audit work for 2025/26 would be completed.

In response to a question from a committee member the Head of Audit and Counter Fraud advised that future reports would include comparative figures from corresponding periods from previous years and benchmarking against selected other authorities in Greater Manchester, in terms of Corporate Counter fraud data. In addition, it was agreed that the Committee would receive updates on those areas that have received limited audit opinions.

A member of the Committee noted that Oldham Council was one of the most prolific issuers of audit reports amongst the Greater Manchester authorities and, in this regard, he asked if it was considered that the staffing complement for the Internal Audit Service as adequate to deal with the demand? The relevant assurances, in this regard, were provided by Officers.

Resolved:

1. That the Audit Committee endorsed the Internal Audit Progress Report, for Quarter 3 - 2025/26 (October – December).
2. That future quarterly Internal Audit Progress Reports should include comparative figures from corresponding periods from previous years, benchmarking against selected other authorities in Greater Manchester and updates on those areas that have received limited audit opinions.

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AUDIT COMMITTEE WORK PROGRAMME - 2025/26

The Audit Committee considered its Work Programme for 205/26.

The meeting was advised that the Committee's draft Work Programme 2026/27 would be presented to the next meeting, on 26th March 2026. It was anticipated that the 2026/27 Work Programme would also include items relating to:

- a. The Strategic Risk Register
- b. Liaison with the Council's Governance, Strategy and Resources Scrutiny Board, to discuss issues of common concern.

Resolved:

That the Audit Committee's Work Programme for 2025/26 be noted.

The meeting started at 6.00pm and ended at 7.00pm