

AUDIT COMMITTEE
26/03/2026 at 6.00 pm



Present: Mr. G. Page (Chair)
Councillors Aslam, Harrison (Substitute), Kenyon (Substitute),
Nasheen (Substitute), Rustidge and Sykes

Also in Attendance:

Andrew Bloor	Assistant Manager - Counter Fraud
Alex Bougatef	Director of Legal
Julie Daniels	Director of Children's Services
Eleanor Devlin	Assistant Director of Workforce & Organisational Culture
Sheila Garara	Childrens Services
Matthew Gratton	Director of Digital
Fiona Greenway	Executive Director of Resources
Jack Grennan	Constitutional Services
Councillor Abdul Jabbar MBE	Cabinet Member for Finance, Corporate Services and Sustainability
John Miller	Head of Audit and Counter Fraud
Shelley Kipling	Chief Executive
Vickie Lambert	Finance Services
David Nuttall	Audit Team
James Postle	Finance Manager
Jayne Ratcliffe	Director of Adult Social Services
Lee Walsh	Director of Finance
Daniel Watson	External Auditor

1 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mr Stuart Green and Councillors Al-Hamdani (Councillor Kenyon substituting), Chauhan (Councillor Nasheen substituting) and Malik (Councillor Harrison substituting).

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4 **PUBLIC QUESTION TIME**

There were no public questions received.

5 **MINUTES OF PREVIOUS MEETING**

The Committee considered the Minutes of the previous meeting of the Audit Committee, held 14th January 2026 and the Actions List arising therefrom.

The Chair noted that Minute 6, regarding the External Audit – Update Report, resolution 2 should read 'in agreement with' rather than 'in consultation with'.

Regarding the Actions log, the Chair requested an update on the establishment of a Scrutiny Study Group, and it was confirmed that the group had met and that a report was being prepared, to be presented at a future meeting of the Audit Committee.

RESOLVED that, subject to the above comments, the minutes of the meeting of the Audit Committee, held 14th January 2026, be approved and the accompanying Actions Log be noted.

The Chair agreed that item 12 and item 9 be brought earlier in the agenda.

6

EXTERNAL AUDIT UPDATE

The external auditors presented the External Audit update, noting that the accounts for 2024/25 had been signed off and that an audit plan would be brought to the next committee.

The Chair noted that audit fees were a lot higher than they had been a few years ago, and it was noted that these fees were set national and that there had been an 151% increase in audit fees over the last few years. Members queried whether there were any indications around upcoming change to fees, and it was noted that whilst there were no new standards for 2025/26, it wasn't known whether there would be any changes given the transition to the local audit office.

Members queried what were the four things that had increased. It was noted that these were significant weaknesses from last year as part of the additional risk review, material adjustments to pension assets, new accounting standards and new auditing standards, the last two of which were due to legislation changes.

RESOLVED: That the External Audit update be noted

7

PAYROLL AUDIT ACTION PLAN 2024/25 PROGRESS

The Assistant Director of Workforce & Organisational Culture introduced the report, noting the background and highlighting the actions so far, noting that they map back to the audit actions. It was highlighted that these were pretty much all on track or completed. An update on actions was provided.

Members queried how many of the outstanding items from October were still outstanding. It was noted that of the previous outstanding items, all but one had been completed, with just policies and procedures still outstanding, and this was due to be completed in September.

The Chair queried whether the internal checks and balances were working and had been embedded. It was confirmed that they were and part of the Audit control infrastructure.

Members asked what the gaps were within payroll anomalies, and it was noted that there had been a marked reduction and a continued monitoring of any anomalies. It was highlighted that conversations would be had with managers who were responsible for repeated payroll anomalies to prevent further

issues. It was also noted that learning would be taken for sensible filing, including refiling. It was noted by members that continued focus would be needed, and it was noted that future audits should show progress on this. Members also queried when the next payroll review would take place and it was noted that there was one ongoing at the moment.

The Chair noted retention and recruitment challenges, and it was highlighted that payroll was now stable with a Head of Service in place and no vacancies. On retention, there were plans to help colleagues get qualifications and there were also internal recognition mechanisms in place.

RESOLVED: That the Committee endorse the report and thanked the Assistant Director for the progress made and noted a need to maintain it.

8

COUNTER FRAUD BENCHMARKING

The Head of Audit and Counter Fraud introduced the report, noting that it had come as a response to questions from the Committee, and gave comparative figures across other local authorities.

Members queried why certain authorities had more FTE roles than others, and it was noted that this was probably due to the needs of the organisations and their practices. It was highlighted that the exercise would be repeated in 2025/26, and that the figures could be impacted by the size of the cases involved.

Members also sought clarity around the single person discount and duplicate payments, and it was noted that these were often picked up through data matching and that the majority of overpayments were recovered.

Members queried what percentage of cases were the fault of the Council, and it was noted that across 14 cases, the service had stopped around 4-5 of them, meaning that whilst they were still classified as cases, they had only been attempts. Members also noted that it might be helpful to show the number of total blue badges alongside the case breakdown. Members asked for clarity around the schools admissions data and it was noted that these were two cases of claimants living out of the borough.

RESOLVED: That the Committee considered the contents of the report and noted the report.

9

2026/27 INTERNAL AUDIT AND COUNTER FRAUD PLAN

The Head of Audit and Counter Fraud introduced the item and highlighted the types of audit being undertaken.

Members queried whether there was any particular focus on Capital projects within the report and it was noted that there wasn't in the report this year but that there had been previously, but that systems and processes were looked at generally as part of the audit work. It was asked by members whether there were any plans to specifically look at these, and it was requested that

if members had any specific projects that they felt needed looking at, they should get in touch with the Audit team to ensure that this work went through the Audit Committee.

The Chair highlighted partnerships and place based work, including the ICB and health, and noted the increased risks around linking with other organisations and partners.. It was noted that this had been highlighted as one to watch given the upcoming changes around the ICBs, which may result in Council's being given additional budgets, which would be a significant shift, and that this would happen towards September. It was noted that the information around this at the moment were principles, rather than details.

The Chair also highlighted finance and internal audit focuses, noting that other local authorities' audit committees had undertaken deep dives on strategic issues. It was queried whether the Committee could do something similar with 10-15 minute deep dives within the Audit Committee's agenda, and it was noted that this would be considered.

Members queried how confident the Audit team were in their approach. It was noted that the team were pretty confident, given the good practice that the team follows and proactive approach taken.

The Chair queried what the impact could be given the context globally, for example, increases in the cost of living, and whether there would be more undetected fraud that the Council was exposed to. It was noted that the trend was that there would be more attempts at fraud but that the Audit team were following best practice procedures and internal controls were in place. It was noted that whilst resourcing within the team could be increased, all organisations could say the same thing and that this wasn't a unique position to the Council.

It was asked what mechanisms were in place to support employees who may be at risk of committing fraud. It was noted that this had been a focus post-Covid, with staff facing challenges. It was noted that there was a referral mechanism for staff who might need support and that for those staff who live within the borough, there were all the support schemes that the Council offered too.

RESOLVED: That the Audit Committee approve the 2026/27 Audit and Counter Fraud Plan and note the need to keep scanning the horizon for any potential issues.

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QUARTER 3 - 2026/27, TREASURY MANAGEMENT UPDATE

The Senior Finance Manager provided an update on the Q3 2025/26 position.

Members queried whether separate independent assurance had been sought. It was noted that Arlingclose would just advise but that other GM authorities, LATIF and other groups were also

sharing advice and best practice. It was noted that some of the council's own officers are qualified accountants and treasury management experts, and that as part of the general day to day operations, due diligence was done in house.

The chair queried the term of the contract with Arlingclose and it was noted that it was a 3 years +1 contract, and the contract was currently in the '+1' year. It was highlighted that procurement for the new contract would begin in July.

It was also highlighted that the implications of global issues would be picked up in future reports.

RESOLVED: That the Committee considered and commented upon the Treasury Management Quarter Three report and the Treasury Management activity.

11

FINAL ACCOUNTS - PROPOSED ACCOUNTING POLICIES AND CRITICAL JUDGEMENTS

The Senior Finance Manager introduced the report, noting that there were limited changes, mainly around the code of practice and intangible assets, the indexation of fixed assets, and the capitalisation of borrowing costs

Members queried the transfer of £10m as part of the capitalisation of borrowing costs and it was noted that this had been badged as general funding and was a one-off adjustment. Members also asked about the sensitivity analysis of alternative policies, and the transfer was highlighted. It was noted that Oldham was not the only local authority doing this and highlighted the realism in the MRP policy.

The Chair asked whether the new policies contained anything that would be seen as contrary to expectations, and it was highlighted that there was not anything that wasn't seen as general good practice and that Oldham had gone above and beyond on these policies already.

RESOLVED: That the Audit Committee approves the Council's proposed accounting policies to be adopted in completing the 2025/26 Statement of Accounts and notes the critical judgements made by management when producing the Statement of Accounts.

12

UPDATE ON PROGRESS ON AUDIT REPORTS CONTRIBUTING TOWARD THE 2024/25 LIMITED ANNUAL ASSURANCE OPINION

The Head of Audit and Counter Fraud introduced the item, noting that 74 recommendations had been completed, with 23 recommendations in progress.

Members queried what happens to the report after it is considered by the Committee. It was noted that the audit service would pick these up and that DMT meetings would be expected to answer on the action plans. Updates on audit

recommendations were also taken to the Chief Executive's briefings at least every quarter but often more frequently.



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Members queried whether completed items could go backwards. It was highlighted that it was ensured that this wouldn't happen through regular reviews and reporting.

The Chair noted debt recovery and concerns around keeping this information on a spreadsheet. It was noted that records were kept on the financial system and that spreadsheets were one tool used, mainly as a case management system that had rigorous maintenance. The Chair also queried whether there had been officer concerns with timescales and it was highlighted that progress had been made, but that whilst there was still unhappiness with the number of recommendations outstanding, the narrative for the barriers to these was clear, with the ambition being to improve the situation.

RESOLVED: That the Committee note the actions plans and the increase in senior leadership focus and oversight on the implementation of internal audit recommendations and that this must be maintained.

13 **INTERNAL AUDIT CHARTER - 2026/27**

The Head of Audit and Counter Fraud presented the report, noted that it was annual report highlighting the responsibilities for internal audit and the mandate which delegates powers to the audit service.

Members queried what the alternative arrangements were if the Head of Audit was unable to fulfil the role for any reason, and it was noted that oversight of any audit work in this type of case would be undertaken by another Senior Officer of the Council.

RESOLVED: That the Audit Committee approve the Internal Audit Charter, effective from 1st April 2026.

14 **AUDIT COMMITTEE WORK PROGRAMME**

RESOLVED: That the 2025/26 Work programme be noted and the proposed Work Programme for the future financial year 2026/27 be noted.

15 **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED: That, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following two items of business on the grounds that they contain exempt information, as defined under Paragraph 3 of Part 1 of Schedule 12A of the Act, and it would not, on balance, be in the public interest to disclose the reports.

16 **UPDATE ON PROGRESS ON AUDIT REPORTS CONTRIBUTING TOWARD THE 2024/25 LIMITED ANNUAL ASSURANCE OPINION**

The Head of Audit and Counter Fraud presented the confidential appendix, noting that it related to IT progress.

RESOLVED: That the confidential appendix be noted.

The Chair noted that it was Councillor Sykes' last meeting of the Audit Committee and thanked him for his contributions.



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The meeting started at 6.00 pm and ended at 7.30 pm