

Minutes of: **AUDIT COMMITTEE**

Date of Meeting: 19 October 2026

Present: Councillor J Hook (in the Chair)
Councillors A Chaudhry, I Gartside, D Green, M Rubinstein and
M Smith, B Thomas - Independent Member and, Mr D Webster
– Independent Member

Also in attendance: Stefan Mann - Senior Corporate Fraud Officer
Adrian Blackshaw - Senior Auditor
Chloe Ashworth – Assistant Democratic Services Manager
Louise Kirkman – Risk Manager
Neil Kissock – Director of Finance
Daniel Watson – Forvis Mazars
Judith Smith - Senior Auditor
Helen Corbishley - Head of Performance, Delivery and
Compliance and Data Protection Officer
Isaac Mason - Auditor

Public Attendance: No members of the public were present at the meeting.

Apologies for Absence: Councillor I Rizvi, Bayley and P Davies

AU.159 APOLOGIES FOR ABSENCE

Apologies for absence are recorded above.

AU.160 DECLARATIONS OF INTEREST

There were no declarations of interest made at the meeting.

AU.161 MINUTES OF THE LAST MEETING

It was agreed:

That the Minutes of the last meeting held on 22nd July 2026 be approved as a correct record and signed by the Chair.

AU.162 MATTERS ARISING

There were no matters arising.

AU.163 INFORMATION GOVERNANCE UPDATE

The Audit Committee considered a report presented by Helen Corbishley, Head of Performance, Delivery and Compliance and Data Protection Officer, providing an update on information governance activity and performance for the period April to September 2026, covering Freedom of Information (FOI) requests, Subject Access Requests (SARs), Environmental Information Regulations (EIRs), data breaches and GDPR training compliance.

The Committee was advised that 109 FOI requests had been received during the reporting period, with 53 currently outstanding beyond the statutory timescale. An increase in FOI requests had been experienced both locally and nationally, with the increase correlating to a reduction in overall compliance rates. Members were informed that a compliance improvement programme was underway, including revised internal processes, weekly performance reporting, training and targeted support for services with significant backlogs. Work was also progressing to migrate services onto a new FOI case management system.

In relation to Subject Access Requests, Members noted that 68 requests had been received, of which 17 were outside the statutory timescale. Officers reported that SAR volumes had increased by approximately 75% over a year, reflecting national and regional trends. To improve efficiency, a business case was being developed for enhanced IT and PDF redaction tools, including consideration of artificial intelligence-assisted redaction technology. The Committee noted that four EIR requests remained open, with three outside the statutory timescale.

Members were advised that 105 data breaches had been recorded during the six-month period, with the vast majority resolved within target timescales. Officers reported that staff awareness of information governance requirements had improved and that many breaches resulted from emails being sent to incorrect recipients. Since the previous report, no breaches had met the threshold for referral to the Information Commissioner's Office (ICO). The report further highlighted that GDPR compliance training completion stood at 65%, with a significant increase in completion rates expected before the next reporting period due to changes in induction arrangements for new starters.

Members were given the opportunity to ask questions and make comments and the following points were raised:

- Councillor Green referred to the number of data breaches reported and asked what mitigation measures were implemented when breaches occurred and whether existing processes required strengthening.

In response, Helen Corbishley advised that staff were required to complete an online incident reporting form detailing the breach and immediate mitigating actions taken. Where repeat behaviours were identified, additional controls and interventions were considered and implemented.

- Councillor Green queried the significant increase in requests over the past year, FOI (28%) and SARs (75%) and asked whether this was attributable to particular service areas.

Helen Corbishley advised that the increase reflected a wider national trend, with the most significant volumes being received within Corporate Core services and Children's Services.

- Independent Member David Webster noted that new training arrangements appeared to be having a positive impact, with FOI and SAR volumes reducing since April. He asked whether the GDPR training figure represented a rolling position.

Helen Corbishley confirmed that the training compliance figure was rolling and advised that revised induction arrangements would require new starters to complete training within their first few weeks of employment.

- Independent Member, Ben Thomas asked whether services using the new case management system had seen improvements.

Helen Corbishley reported notable improvements in areas already using the system, particularly Human Resources and Children's Services, where collaboration within the system had improved response times. The intention was for all service areas to be migrated to the system by December 2026.

- Councillor Gartside commented that compliance figures should be viewed in the context of increasing volumes and the scale of the authority's information governance responsibilities.
- Councillor M Smith asked how the severity of data breaches was assessed.

Helen Corbishley explained that the ICO's risk assessment methodology was used to consider factors such as risk, potential harm, and mitigations when determining severity and whether a breach should be escalated.

- Councillor Rubinstein asked how vexatious requests were managed.

Helen Corbishley advised that a person could not be classified as vexatious, but a request could be. Enhanced reporting arrangements enabled patterns to be identified and advice would be sought from the ICO where appropriate. Members were also advised that alternative routes existed for members of the public seeking information.

- Councillor Chaudhry asked whether management information was available regarding outstanding GDPR training compliance.

Helen Corbishley confirmed that compliance reports were produced monthly, reported through the Governance and Assurance Board and circulated to service managers.

- Councillor Hook sought clarification regarding governance arrangements for the compliance improvement programme.

Helen Corbishley advised that progress was monitored through established governance and assurance reporting mechanisms.

- Councillor Hook also asked whether the recent increase in request volumes represented a one-off spike and whether additional staffing resources were required.

Helen Corbishley advised that longer-term trend analysis was not yet available. Whilst additional resources were always beneficial, current efforts were focused on process efficiencies and improving information accessibility, which would help reduce workloads and improve performance.

It was agreed:

1. That the Audit Committee notes the Information Governance performance for the first six months of 2026/27.

AU.164 CORPORATE RISK REGISTER

Louise Kirkman, Risk Manager, presented the Corporate Risk Register, advising that it forms a key part of Bury Council's Code of Corporate Governance and underpins the Council's system of internal control. The Audit Committee is responsible for reviewing and scrutinising risks where the impact has the potential to disrupt achievement of the Council's priorities. Members were advised that the report provided an updated position as at 18 September 2026 on the risks identified and assessed on the Corporate Risk Register.

The Committee was informed that there were currently 24 corporate risks on the Register. Since the previous report, three new risks had been added and there had been increased risk scores for CR4 (Digital Transformation), CR20(Increasing Energy Prices) and CR44 (Bury Youth Justice Service Delivery).

Members were given the opportunity to ask questions and make comments:

Councillor Green referred to CR20 and queried what control the Council had over increasing energy prices and what mitigation measures were available.

In response, Louise Kirkman advised that the Council's approach was focused on horizon scanning and ensuring that budget forecasts reflected expected price increases.

Councillor M Smith queried the Council's most significant risks, particularly CR1 - Financial Sustainability.

Neil Kissonock, advised that financial sustainability had been reported to both Overview and Scrutiny and Cabinet. He explained that the current budget gap remained too large to enable the Council to set a balanced budget without seeking Exceptional Financial Support (EFS). A budget statement would be reported in the coming weeks. He noted that the situation was not unique to Bury and that many authorities were facing similar challenges. It was hoped that there would be a rational response from national government to support local authorities.

Councillor Gartside asked what contingencies were in place should additional government support not be forthcoming and what the Council's "Plan B" would be.

In response, Neil Kissonock advised that officers continued to develop further savings proposals. Whilst he was confident that the budget gap could be reduced, it was likely to remain too significant to enable a balanced budget to be set for 2027/28. He clarified that EFS did not constitute additional government funding but provided a mechanism to assist authorities in managing financial pressures.

Further discussion took place regarding CR20 and the extent of volatility that would cause the risk to escalate further.

Neil Kissonock noted that officers had anticipated improvements in the position, however rising costs were currently contributing to forecast overspends. He advised that mitigating actions were challenging without impacting service delivery and officers continued to explore further options.

Councillor Rubinstein asked what work was being undertaken to increase income generation in addition to identifying cost reductions.

In response, Neil Kissonock highlighted a number of initiatives within the budget programme, including proposals relating to Children's Social Care, the development of the Greater Manchester Foster Care Hub supported through Empower, and improvements to the reablement service supported by external expertise. The potential use of Artificial Intelligence had also been identified as an opportunity to improve efficiency and effectiveness. He further advised that there was a significant focus on generating capital receipts through the accelerated land disposal programme. Capital investment proposals continued to be assessed on an invest-to-save basis, with business cases required to demonstrate efficiency savings.

Members then discussed potential topics for future risk deep dives.

A suggestion was made that homelessness pressures be considered due to anticipated increases in demand arising from legislative changes. Officers advised that homelessness was not currently included within the Corporate Risk Register.

Members considered whether future deep dives should focus on CR16 or CR1, particularly in relation to pressures within Adult Social Care and Children's Services.

Officers advised that the issue of homelessness would be reviewed through service-level risk registers. It was explained that where departmental mitigations were insufficient and risk scores increased to the required threshold, risks could be escalated through the corporate process and subsequently reported to the Audit Committee.

Following discussion, Members agreed that the next deep dive would focus on CR1 - Financial Sustainability, with CR12 and CR23 to be considered at subsequent meetings, recognising that their status may change before that time.

It was agreed:

1. That the Audit Committee reviewed the material changes and new risks contained within the Corporate Risk Register at Appendix A.
2. That the Committee noted the Risk Matrix at Appendix B.

AU.165 EXTERNAL AUDITORS PROGRESS REPORT

Daniel Watson, Forvis Mazars, presented the External Audit Progress Report. Members were advised that the External Auditors are responsible for auditing the Council's financial statements each year and assessing whether appropriate arrangements are in place to secure economy, efficiency and effectiveness in the use of resources.

The Committee was informed that the report outlined the position regarding the Council's outstanding audits, issues affecting the quality and timeliness of accounts, and matters relating to internal controls.

Mr Watson explained that, due to the historic backlog of local authority audits nationally, it had not been possible to complete a streamlined approach to the outstanding audit work. Forvis Mazars was therefore exploring alternative approaches to support the Council, prioritising lower-risk audit work where possible before progressing to more detailed areas. Work was also continuing in relation to Value for Money assessments.

Referring to Section 2 of the report, Mr Watson advised that this summarised weaknesses identified in previous years together with recommendations and the proposed audit response. An update on progress against these matters would be reported to a future meeting of the Audit Committee. He noted that matters contained within the recent financial update presented by Neil Kissock would also be considered as part of the audit process. The final section of the report provided an update on the position across other local authority audits.

Members were given the opportunity to ask questions:

Councillor M Smith sought clarification regarding the anticipated timescale for completion and submission of the Council's accounts and whether the auditors remained satisfied regarding the validity of the financial information available.

In response, Daniel Watson advised that it remained difficult to provide a definitive timescale as the extent of issues requiring investigation could not yet be fully determined until audit work progressed further.

Councillor Gartside queried whether the current objective remained to secure a disclaimed audit opinion initially, before progressing towards a qualified and ultimately an unmodified audit opinion in future years.

Mr Watson confirmed that this broadly reflected the anticipated pathway towards restoring full audit assurance.

Ben Thomas noted the various challenges identified within the report and questioned whether the Council should develop a fully assured improvement and performance plan to enable Members to effectively monitor progress and hold the organisation to account. He also asked whether the Council's wider transformation programme would be reported to the Committee.

Officers advised that progress in relation to governance and transformation activity would be reflected through the Annual Governance Statement and that periodic reviews and assurance updates were undertaken throughout the year.

Neil Kissock acknowledged that a number of years of unaudited accounts remained outstanding but emphasised that this did not necessarily indicate significant issues within those accounts, as they had not yet been subject to full audit examination. He highlighted the considerable improvements made in recent years, including implementation of a financial transformation programme and restructuring of the finance team. Mr Kissock stated that the Council had made significant progress and expressed confidence in the quality of more recent accounts. He also noted the challenges associated with the loss of organisational knowledge over time, as some staff involved in preparing historic accounts were no longer employed by the Council. As a result, focusing audit effort on more recent years could provide a more effective route forward.

Councillor Rubinstein noted that the last unqualified audit opinion had been received for 2019/20 and asked whether there was a quicker route towards achieving an unqualified opinion if assurance could be provided over the Council's year-end positions.

In response, Daniel Watson explained that audit requirements remained in place for a number of historic years and that supporting documentation would still need to be reviewed. He advised that the audit team retained considerable corporate knowledge of the Council's accounts. He added that achieving assurance over opening and closing balance sheets would assist in streamlining future audit work.

It was agreed:

1. That the External Audit Progress Report be noted.

AU.166 INTERNAL AUDIT PROGRESS REPORT

The Senior Auditor presented a report on behalf of the Section 151 Officer detailing the work undertaken by Internal Audit during the period 1 July to 30 September 2026. The report provided an update on progress against both the 2025/26 and 2026/27 Internal Audit Plans and enabled Members to monitor the performance of the Internal Audit Service, raise any matters for further consideration and identify any areas where additional assurance or follow-up work may be required.

Members were advised that:

- Work on the 2025/26 Audit Plan was now in its final stages and expected to be completed shortly. Of the 20 audits carried forward into 2026/27, 18 had been finalised and two reports remained at draft stage.
- Delivery of the 2026/27 Audit Plan had commenced, with one audit completed, one draft report issued, nine audits currently in progress and six audits allocated.
- Seven final audit reports had been issued during Quarter 2.
- Seven first follow-up reviews and four second follow-up reviews had been completed during the period 1 July to 30 September 2026.

Members were given the opportunity to ask questions and make comments:

Councillor Gartside referred to the 12 outstanding fundamental recommendations and sought clarification regarding how overdue these actions were and whether Executive Directors should be required to attend the Committee to provide explanations.

Officers advised that all outstanding recommendations continued to be monitored through the Governance Assurance Board and were subject to regular review and follow-up. Members were informed that a number of actions were due to be considered by the Governance Assurance Board during the current week.

Councillor Gartside further queried whether unresolved recommendations should be escalated directly to responsible officers rather than being repeatedly subject to follow-up reviews and asked how the Committee would be informed once recommendations had been implemented.

In response, Neil Kisson suggested that future reports could provide additional information showing how many recommendations had been closed since the previous reporting period and how many new recommendations had been raised. Members agreed that understanding the overall trend was important, particularly in relation to the 35 outstanding recommendations identified within the report.

Ben Thomas queried how often implementation dates for recommendations could be revised.

Officers advised that implementation dates were reviewed on a case-by-case basis. It was explained that a number of recommendations within the Digital, Data and Technology service had been delayed due to resource pressures and competing priorities associated with the implementation of new systems and applications. Revised implementation dates had therefore been agreed with the relevant Executive Director and the Executive Director of Digital, Data and Technology.

Councillor Green emphasised the importance of ensuring recommendations were implemented and asked what escalation measures were available where agreed actions were not delivered.

Officers advised that matters could be escalated to the Chief Executive and, where appropriate, brought to the attention of the Leader of the Council through corporate governance arrangements.

Ben Thomson suggested that where implementation continued to be delayed, the Audit Committee should consider inviting the relevant Executive Director to attend a future meeting to provide assurance and explain the reasons for non-compliance.

It was agreed:

1. That the report be noted and the work undertaken by Internal Audit during the reporting period be acknowledged.

AU.167 URGENT BUSINESS

There was no urgent business.

AU.168 EXCLUSION OF PRESS AND PUBLIC

It was agreed:

1. That the press and public be excluded from the meeting under Section 100 (A)(4), Schedule 12(A) of the Local Government Act 1972, for the reason that the following business involves the disclosure of exempt information as detailed against the item.

AU.169 COUNTER FRAUD - MID YEAR PROGRESS REPORT

A confidential report was submitted and the Committee were given the opportunity to make comments and ask questions.

It was agreed:

1. Members note this report.
2. Members seek clarification / challenge any parts of the report which have been presented to Committee.

AU.170 INTERNAL AUDIT - AUDIT REPORTS AND FOLLOW UPS /SPECIAL INVESTIGATIONS

A confidential report was submitted and the Committee were given the opportunity to make comments and ask questions.

It was agreed:

1. Members note this report.
2. Members seek clarification / challenge any parts of the report which have been presented to Committee.

COUNCILLOR J HOOK
Chair

(Note: The meeting started at 7.00 pm and ended at 8.50 pm)