

**MINUTES AND REPORT OF THE AUDIT COMMITTEE
HELD ON 5 FEBRUARY 2026**

0 Councillor C Downey – Vice Chair
0 Councillor Martin
* Councillor Steel
* Councillor Thomson – Chair
* Councillor Williams

* Present # Absent & No Apology Received 0 Apology for Absence L Late

507. MINUTES

The Minutes of the meeting held on 11 September 2025 were signed by the Chair as a correct record.

508. APOLOGIES FOR ABSENCE

Apologies for absence were received and recorded as above. Cllr Holliday substituted for Cllr Martin.

509. DISCLOSABLE PECUNIARY INTERESTS AND OTHER REGISTERABLE INTERESTS

Members made no declarations of interest in relation to any item on the agenda for this meeting, which is required to be disclosed by the Localism Act 2011 and the Godalming Members' Code of Conduct.

510. PETITIONS/STATEMENTS/QUESTIONS FROM MEMBERS OF THE PUBLIC

No petitions/statements/questions had been received from members of the public in accordance with Standing Order No 5.

511. QUESTIONS BY MEMBERS

No questions from Councillors were submitted in accordance with Standing Order 6.

512. WORK PROGRAMME

Members considered the Committee's Work Programme and noted progress on the items therein (copy attached to record minutes).

513. BANK RECONCILIATION

The Responsible Finance Officer tabled the current Bank Reconciliation for the information of Members.

Members agreed that the Chair should sign the bank reconciliation tabled.

514. INTERNAL AUDIT

Members considered the interim Internal Audit report from Mulberry Local Authority Services Ltd, following the audit conducted on 9 January 2026 (copy attached to record minutes).

The Committee noted that the internal auditor had not raised any recommendations or actions arising from the interim review.

Members further noted that the Final Internal Audit is scheduled for 8 May 2026, with reporting to Audit Committee on 28 May 2026 and Full Council on 4 June 2026.

It was resolved that:

- the interim Internal Audit report be received and noted; and
- the Committee recorded its satisfaction that no recommendations were required at this stage of the audit year.

515. REVIEW OF RISK ASSESSMENT – FINANCIAL

The Committee reviewed the risk controls and mitigation measures currently in place.

In considering the risks associated with assets, Members agreed to add a risk associated with the acquisition of assets under the Community Asset Transfer system relating to the insurance of such assets. The amended risk assessment is attached to the record minutes.

It was resolved that:

- the Financial Risk Assessment as amended be approved as an accurate reflection of the Council's current risk position; and
- the control measures be confirmed as appropriate.

516. IT, CYBER SECURITY & ACCEPTABLE USE POLICY

Members reviewed the draft updated IT, Cyber Security & Acceptable Use Policy, which had been prepared in line with the SAPPP Practitioners' Guide 2025.

It was resolved that:

- the draft IT, Cyber Security & Acceptable Use Policy be approved by the Audit Committee; and
- the Policy be recommended for adoption by Full Council as part of the Council's governance framework and AGAR compliance.

517. ASSURANCE IN RESPECT OF AGAR ASSERTION 10 (DIGITAL AND DATA COMPLIANCE)

Members considered the report providing assurance that the Council meets the requirements of Assertion 10 – Digital and Data Compliance within the Annual Governance Statement.

The Committee noted the evidence in place, including:

- use of authority-domain email accounts;
- website accessibility compliance arrangements;
- GDPR governance and policy review; and
- the updated IT Policy presented under Item 10.

Additionally, As a precautionary measure to reduce the risk of phishing, email spoofing and automated bot activity, the committee agreed that the Finance Officer's direct email address should be removed from the public-facing website. Members considered that Officers responsible for direct financial transactions are higher-risk targets for cyber-enabled fraud, and limiting the public display of individual email addresses is considered a proportionate and sensible safeguard.

Public access to the Council has not been restricted, with finance-related enquiries continuing to be received via a generic monitored inbox, ensuring appropriate oversight while strengthening the Council's cyber-security posture.

It was resolved that:

- the requirements of Assertion 10 be noted;
- Members confirmed that the Practitioners' Guide guidance in Section 5 has been applied; and
- the Committee agreed that the Council is able to provide a positive response to Assertion 10 when approving the Annual Governance Statement for 2025/26.

518. APPOINTMENT OF INTERNAL AUDITOR

Members considered the report regarding the appointment of the Council's Internal Auditor for the forthcoming audit period.

The Committee noted that the current engagement of Mulberry & Co Local Authority Services Ltd runs until the end of the 2025/26 financial year, and that arrangements must now be put in place for the next term.

It was resolved that the Audit Committee recommends to Full Council that:

- Mulberry & Co Local Authority Services Ltd be re-appointed as the Council's Internal Auditor for the financial years 2026/27 to 2028/29 inclusive;
- to avoid overfamiliarity, Mulberry & Co Local Authority Services Ltd are to allocate a different auditor than that nominated under the previous letter of engagement; and
- the Chief Executive Officer be authorised to arrange the issue of a new Letter of Engagement accordingly.

519. DATE OF NEXT MEETING

The next meeting of the Audit Committee is scheduled to be held in the meeting room at 107-109 High Street on Thursday, 16 April 2026 at 6.30pm.

520. ANNOUNCEMENTS

There were no announcements.