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Jonathan Geall
Director for Communities and Monitoring Officer

MEETING : AUDIT AND GOVERNANCE COMMITTEE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : WEDNESDAY 29 JULY 2026
TIME : 7.00 PM

PLEASE NOTE TIME AND VENUE

This meeting will be live streamed on the Council's Youtube page:
https://www.youtube.com/user/EastHertsDistrict

MEMBERS OF THE COMMITTEE
Councillor Martin Adams (Chair)
Councillors B Deering, T Deffley, C Hart, S Nicholls (Vice-Chair), D Willcocks, G Williams, Mr M Poppy and Mr N Sharman

Substitutes

Conservative Group:	Councillors R Buckmaster, T Stowe and J Wyllie
Green Group:	Councillors M Connolly and N Cox
Labour Group:	Councillor D Jacobs
Liberal Democrat Group:	Councillors S Marlow and M Swainston

(Note: Substitution arrangements must be notified by the absent Member to Democratic Services 7 hours before the meeting, i.e. by midday on the day of the meeting)

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- must not participate in any discussion of the matter at the meeting;
- must not participate in any vote taken on the matter at the meeting;
- must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
- if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
- must leave the room while any discussion or voting takes place.

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AGENDA

1. Apologies

   To receive any apologies for absence

2. Minutes - 30 June 2026 (Pages 5 - 27)

   To approve as a correct record the minutes of the meeting held on 30 June 2026.

3. Chair's Announcements

4. Declarations of Interest

   To receive any declarations of interest.

5. BEAM Business Plan (Pages 28 - 66)

6. Exclusion of the Press and Public

   Part II business has been notified and as the procedures set out in the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 have been complied with, the Chairman will move: - That under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting during the discussion of item 5 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the said Act and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

7. Urgent Items

   To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

MINUTES OF A MEETING OF THE AUDIT AND GOVERNANCE COMMITTEE HELD IN THE COUNCIL CHAMBER, WALLFIELDS, HERTFORD ON TUESDAY 30 JUNE 2026, AT 7.00 PM

PRESENT: Councillor M Adams (Chair)
Councillors M Connolly, B Deering, T Deffley, C Hart, D Jacobs and G Williams

ALSO PRESENT:

Councillors C Brittain, E Buckmaster, B Crystall, A Holt and S Hopewell

OFFICERS IN ATTENDANCE:

Peter Mannings	-	Committee Support Officer
Brian Moldon	-	Director for Finance, Risk and Performance
Emily Tickridge-Marshall	-	Leisure and Parks Development Officer
Ben Wood	-	Director for Regeneration, Customer and Commercial Services
Alison Street	-	Financial Planning Manager

ALSO IN ATTENDANCE:

Steve Cox	-	Everyone Active
Dan Humphries	-	Everyone Active
Simon Martin	-	Shared Internal Audit Service

Steve Sargeant	- Venue Director for BEAM
Chris Williams	- Everyone Active

1 APPOINTMENT OF THE VICE-CHAIR FOR 2026/27

It was moved by Councillor Connolly and seconded by Councillor Deering that Councillor Nicholls be appointed as Vice-Chair of the Audit and Governance Committee for 2026/27. After being put to the meeting and a vote taken, the motion was declared CARRIED.

> **RESOLVED** – that Councillor Nicholls be appointed as Vice-Chair of the Audit and Governance Committee for 2026/27.

2 APOLOGIES

There were apologies for absence from Councillors Nicholls and Willcocks and from Mark Poppy and Nick Sharman (Independent People). It was noted that Councillor Connolly was substituting for Councillor Nicholls and Councillor Jacobs was substituting for Councillor Willcocks.

3 MINUTES - 24 FEBRUARY 2026

It was moved by Councillor Deering and seconded by Councillor Hart that the Minutes of the meeting of the Audit and Governance Committee held on 24 February 2026 be confirmed as a correct record and signed by the Chair, subject to the minutes reflecting that Councillor Deering had asked the question to the Director for Finance, Risk and Performance regarding the understaffing of the planning department.

After being put to the meeting and a vote taken, the motion was declared CARRIED. Councillors Connolly, Deffley and Jacobs abstained from the vote.

> **RESOLVED** – that the Minutes of the Committee meeting held on 24 February 2026 be confirmed

as a correct record and signed by the Chair, subject to the minutes reflecting that Councillor Deering had asked the question to the Director for Finance, Risk and Performance regarding the understaffing of the planning department.

4 MINUTES - JOINT MEETING OF SCRUTINY COMMITTEES, 28 JANUARY 2026

It was moved by Councillor Adams and seconded by Councillor Hart that the Minutes of the Joint Meeting of Scrutiny Committees held on 28 January 2026 be confirmed as a correct record and signed by the Chair.

After being put to the meeting and a vote taken, the motion was declared CARRIED. Councillors Connolly, Deffley and Jacobs abstained from the vote.

RESOLVED – that the Minutes of the Joint Meeting of Scrutiny Committees held on 28 January 2026 be confirmed as a correct record and signed by the Chair.

5 CHAIR'S ANNOUNCEMENTS

The Chair welcomed all to the meeting and reminded participants to use their microphones when speaking. He welcomed new and substitute members to their first meeting of the Audit and Governance Committee.

The Chair said that the External Auditors Audit Plan report for 2025/26 would not be considered, and this report would be picked up at the meeting in September as the External Auditor representatives were not able to make it to the meeting today.

The webcast of the meeting can be viewed here.

6 DECLARATIONS OF INTEREST

There were no declarations of interest. Councillor Adams said that he had a membership for Everyone Active at Grange Paddocks.

7 ANNUAL LEISURE CONTRACT PERFORMANCE REPORT

The Executive Member for Wellbeing submitted a report that presented the annual review of East Herts Council's fifteen-year leisure contract with Sport and Leisure Management Ltd (SLM) trading as Everyone Active (EA).

Members were advised that the 15-year contract, which commenced in 2020, was continuing to deliver leisure and wellbeing services across the Council's leisure facilities. The report highlighted a number of key developments during the previous year, including improvements at both Hartham Leisure Centre and Grange Paddocks Leisure Centre. These included refurbishment of the changing village and the introduction of a Reformer Pilates studio at Hartham, together with replacement gym equipment and the introduction of a virtual aqua fitness programme at Grange Paddocks.

The Committee noted that both centres had continued to adapt their fitness programmes through a combination of virtual and instructor-led classes to meet customer demand.

Members were also informed of the contractor's continued partnership working with organisations including the Alzheimer's Society, Herts Sports Partnership, WeightWatchers and local Primary Care Networks, supporting residents' access to health and wellbeing opportunities across the district.

The Committee then received a presentation from representatives of Everyone Active providing further details of the contract's performance during the year.

Members were advised of a range of community wellbeing initiatives delivered throughout the year, including programmes aimed at children, older adults, health and wellbeing groups, and new and expectant parents. Members also received details of capital investment undertaken at Hartham Leisure Centre and Grange Paddocks Leisure Centre, including gym improvements, changing village refurbishment works and the introduction of Reformer Pilates facilities.

The Committee thanked officers for the presentation and welcomed the positive performance and community outcomes achieved during the year. Members welcomed the positive report and commended the operator on the overall performance of the facilities.

In response to questions regarding a number of key performance indicators shown as underperforming, the representatives from Everyone Active explained that some year-on-year comparisons reflected historic data from four sites compared with the current operation of two sites.

Members were advised that some indicators appeared negative despite strong performance at Hartham and Grange Paddocks. It was reported that, when considered in isolation, both facilities were performing positively, with some impact on swimming participation arising from the closure of the former dual-use sites.

The Committee questioned the recent refurbishment of the Grange Paddocks gym and sought clarification on the business case for the investment. Members were advised that gym equipment was typically refreshed every four to five years and that the popularity of the facility had justified investment after four years.

Members were advised that additional works had also been undertaken to increase group exercise capacity and introduce new fitness facilities in response to customer demand and benchmarking against other leisure centres.

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Members discussed the reported reduction in swimming lesson participation following the closure of Fanshawe and Leventhorpe swimming pools. The operator advised that alternative places had been offered to affected swimmers and that the majority of those transferring were younger or less confident swimmers.

In response to questions regarding swimming competency and water safety, the Committee heard that the operator worked with the Royal Life Saving Society during Drowning Prevention Week and delivered programmes promoting water safety, including Float to Live techniques and other drowning prevention initiatives.

The Committee also discussed customer satisfaction levels. The operator explained that refurbishment and improvement works could temporarily affect customer satisfaction due to disruption, but that such investment was intended to improve the long-term customer experience. Members were assured that customer concerns were monitored and addressed where possible.

Members welcomed the operator's focus on health and wellbeing initiatives. The operator reported positive outcomes from community outreach work, including seated exercise programmes that had subsequently encouraged participation in other activities such as swimming.

The Committee raised a number of questions relating to equality and inclusion. In response to concerns about the impact of cashless facilities on accessibility, the operator advised that equality assessments had not identified a significant adverse impact, although it was acknowledged that cashless payment arrangements could present difficulties for some individuals.

Members sought clarification regarding a reported 60% year-on-year increase in attendance by people with disabilities. The operator advised that this reflected a combination of improved data collection, growth in exercise referral schemes, and the introduction of specialist programmes, including cancer prehabilitation and pulmonary rehabilitation sessions.

A concern was raised regarding a statistic which appeared to indicate that only one of twenty senior managers was female. The operator confirmed that the figure was incorrect and resulted from a reporting error. The correct position was stated to be approximately an equal gender split within the senior management team.

The Committee noted the report and welcomed the continued strong performance of the leisure facilities.

Councillor Deffley proposed, and Councillor Deering seconded, a motion that the leisure contract presentation be noted and Audit and Governance Committee have reviewed and received the Annual Leisure Contract Performance Report (2025) as set by the service leisure provider.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

> **RESOLVED** – that (A) the leisure contract presentation be noted; and
>
> (B) Audit and Governance Committee review and receive the Annual Leisure Contract Performance Report (2025) as set by the service leisure provider.

8 EXTERNAL AUDITORS AUDIT PLAN 2025/26

This agenda item was withdrawn from the agenda and deferred to the meeting due to be held on 29 September 2026.

9 ANNUAL ASSURANCE STATEMENT AND INTERNAL AUDIT ANNUAL REPORT 2025/26

The Shared Internal Audit Service (SIAS) Manager introduced the report which summarised the audit activity and outcomes for 2025/26. He drew Members attention to page 90 of the report which gave the annual assurance opinion.

The SIAS Manager referred to page 93 of the report which showed individual audit opinions and recommendations, which included comparisons with last year in the supporting appendix starting at page 98.

The Shared Internal Audit Service Manager summarised Internal Audit activity and outcomes for 2025/26 and provided an overall Reasonable Assurance opinion, consistent with the previous year. Members were advised that the report also set out Internal Audit's compliance with the Global Internal Audit Standards, performance against service indicators, and key service developments during the year.

Members were advised that there was content at page 95 of the report that showed how the service had faired against performance indicators for the last year, which were all met without exception.

The Committee was advised that there were also details of main service developments that had taken place, including securing business that generated income from outside of Hertfordshire. The Internal Audit Charter 2026/27 was presented for annual approval, starting at page 106.

The Charter was essentially the terms of reference or mandate for internal audit, and it sets the authority and responsibilities of the service. The charter was reviewed and approved annually by the committee and was substantially unchanged from the previous year, with the exception of an amendment reflecting member involvement in overseeing the role of the Council's Internal Audit Manager, as required by the Global Internal Audit Standards.

The Committee was also reminded of the requirement for management to confirm that Internal Audit's scope and resources had not been subject to inappropriate limitations during 2025/26. The Director for Finance, Risk and Performance confirmed that the scope and resources for internal audit were not subject to inappropriate limitations in 2025/26.

In response to a question from a Member regarding the Reasonable Assurance opinion, the Shared Internal Audit Service Manager explained that assurance opinions ranged from Substantial Assurance to No Assurance and that achieving a higher overall opinion would require a greater proportion of individual audit reports receiving Substantial Assurance ratings.

A further question was raised regarding the omission of BEAM from the audit opinions listed within the report. Members were advised that an audit of BEAM was scheduled to commence during Quarter 2 (July to September) and would result in an Internal Audit report with an assurance opinion.

The Chair thanked the SIAS Manager for his report. It was moved by Councillor Deffley and seconded by Councillor Deering, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

> **RESOLVED** – that (A) the Annual Assurance Statement and Internal Audit Annual Report 2025/26, be noted;
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> (B) the results of the self-assessment required by the Global Internal Audit Standards (GIAS) and the Quality Assurance and Improvement Programme (QAIP), be noted;
>
> (C) the SIAS Audit Charter 2026/27, be approved; and

(D) that management assurance be sought that the scope and resources for internal audit were not subject to inappropriate limitations in 2025/26.

10 BEAM TRADING UPDATE

The Executive Member for Wellbeing submitted a report that covered the performance and financial position for the 2025/26 year, setting out challenges and control measures in place along with business plan targets for 2026/27 onwards.

The Executive Member for Wellbeing advised that BEAM had recorded a net loss of £970,000 at 31 March 2026, with £440,000 held in future ticket sales relating to 2026/27. Members were advised that this represented a significantly different outcome to that envisaged within the original business plan. It was acknowledged that a number of factors had contributed to the position, including changes in audience behaviour after Covid-19 and wider cost of living pressures and overly optimistic assumptions within the original business case.

The work undertaken by BEAM staff and volunteers was commended by the Executive Member for Wellbeing in going over and above to help ensure a positive experience for all of BEAMs visitors. She said that Head of BEAM had worked tirelessly in securing high performing national shows and building the audience at BEAM. He has also worked on opportunities to best manage the venues cost and there was considerable work on a new website.

The Executive Member for Wellbeing said that part of building new and returning audiences including testing different shows to understand what works for East Herts. This inevitably meant that some shows did not return a profit but there were invaluable insights for future programming. BEAM was now in a much stronger position to attract bigger shows.

The Venue Director for BEAM delivered a presentation on the venue’s operational performance and revised business plan. Members were advised that the venue had hosted more than 3,100 ticketed events during the year, attracting over 77,000 visitors to stage performances and more than 53,000 cinema attendances.

The Venue Director said that despite the strong activity, the first full year resulted in a significant loss, and this was not reflective of a single issue but more of a series of complex early-stage challenges.

Members were advised that a structured action plan had been implemented that focussed on revenue optimisation, cost control and risk management, resulting in improvements in attendance levels, booking fee income, food and beverage income and occupancy rates.

The Committee was advised that an updated business plan had been prepared, which forecast a break-even position by 2028/29. Members heard that the revised plan reflected current market realities and included increased emphasis on commercial income streams such as conferences, meetings, events and catering activity.

During debate, Members welcomed the work that had been undertaken to improve the venue’s performance but expressed significant concern regarding the scale of the reported loss and the variance between earlier financial forecasts and the year-end outturn.

Members questioned the assumptions underpinning the revised business plan, the robustness of financial reporting arrangements and the Council’s ability to identify emerging financial pressures at an earlier stage.

The Venue Director explained that work had been undertaken to strengthen financial monitoring and forecasting arrangements, including the development of improved reconciliation processes and the appointment of a dedicated finance resource to support BEAM.

Members also discussed the challenging national environment facing arts, theatre and cinema venues and sought assurances that appropriate risk management measures had been incorporated within the revised business plan.

The Venue Director advised that growth forecasts had been deliberately moderated and that contingency measures had been built into the plan together with diversification of income streams. Members debated the high fixed costs of BEAM, and whether there were options for reducing them.

The Venue Director said that work on reducing fixed costs was ongoing in terms of securing contracts at lower rates. He said that staffing costs were quite high, and this was not unique to BEAM and was normal for a venue.

Following Member discussion around a Thursday night Member Briefing, the Director for Regeneration, Customer and Commercial Services explained that a Thursday night member briefing on BEAM and the business plan could be set up relatively quickly. The formal process of building the business plan into the budget would come later on.

The Committee expressed a clear view that BEAM's financial position required ongoing scrutiny and that consideration of the revised business plan should not be deferred for a full year. Members requested that the revised business plan be brought forward for detailed consideration at a further Audit and Governance Committee, with commercially sensitive information considered in exempt session where necessary.

Councillor Jacobs proposed and Councillor Deering seconded, a motion that BEAM's position be reviewed and Audit and Governance Committee make any recommendations to the Executive Member for Wellbeing in respect of BEAM's performance and business plan targets and a further meeting of the Audit and Governance Committee be arranged during July 2026 to consider the revised BEAM business plan in detail.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

> **RESOLVED** – that (A) BEAM's position be reviewed and Audit and Governance Committee make any recommendations to the Executive Member for Wellbeing in respect of BEAM's performance and business plan targets; and
>
> (B) a further meeting of the Audit and Governance Committee be arranged during July 2026 to consider the revised BEAM business plan in detail.

11 PROVISIONAL OUTTURN 2025/26 AND DRAFT STATEMENT OF ACCOUNTS 2025/26

The Assistant Director for Finance submitted an overview of the 2025/26 provisional outturn position and the Draft Statement of Accounts for the 2025/26 financial year.

Members were advised that the outturn remained provisional until the council's accounts had been audited. The Assistant Director for Finance advised that the provisional outturn showed an overspend of £678,000 against the net revenue budget, representing an adverse movement of £172,000 from the Quarter 3 position.

Members were referred to Appendix A for the breakdown of the revenue budget, and this showed the movements from quarter three. The overspend would be funded from earmarked reserves.

The Assistant Director for Finance said that there had been a number of movements since the quarter three budget monitoring had been reported to the committee. The details of these movements were detailed in

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paragraphs 3.2 and 3.3 of the report and also within Appendix B.

The Committee was informed that just over £2 million of earmarked reserves had been utilised in closing the 2025/26 accounts. These reserves had been utilised to fund expenditure including mobilisation costs associated with the new waste contract, redundancy costs and costs associated with Local Government Reorganisation (LGR).

The Assistant Director for Finance said that reserves had also been used to smooth the impact on the revenue position in respect of housing benefit subsidy, losses arising from property fund investments and the business rates collection fund deficit.

Members were advised that the balance on reserves as at 31 March 2026 was £19.3 million, and this included £3.9 million in the General Fund balance and £15.3 million in earmarked reserves. The Assistant Director for Finance said that these figures were in line with projections in the most recent Medium-Term Financial Plan that was approved by Council in March 2026.

Members were advised that the level of reserves were deemed adequate to support the council's financial position and medium-term strategy. The Assistant Director for Finance said that capital expenditure of £8.6 million had been incurred during the year, principally relating to the acquisition of waste and recycling vehicles and equipment.

Members were advised that a capital programme underspend of £3.3 million was reported, of which £1.142 million was proposed to be carried forward into 2026/27. Details of the capital schemes where budgets were not required to be rolled forward were contained in paragraph 4.4.

Members were advised that the 2025/26 draft accounts were published on the council's website ahead of the statutory deadline and the external audit would begin in September 2026 and would need to be completed by 31 January 2027.

Members asked a number of questions and Officers explained that Rapier House was currently occupied by the ground's maintenance contractor following the relocation from the Buntingford Service Centre depot.

The Assistant Director for Finance said that the planning permission process regarding Amwell End was in progress and was nearing completion.

Members were advised once the contractor had vacated Rapier House, the council would be in a position to lease the building to a potential tenant. Members were referred to a table in the report for how the capital programme was funded.

The Assistant Director for Finance said that the majority of the capital receipts from the sale of Limekiln flats in Bishop's Stortford, supplemented by a number of smaller receipts.

The Assistant Director for Finance said that in May this year and agreement had been reached to sell Millstream company. Members were advised that some property sales had been completed and that the wider disposal process remained ongoing.

Following a query on the Lothbury Property Fund, the Assistant Director for Finance said that the council had invested in two different property funds, and the council was now disinvesting in those funds. Members were advised on the losses and the returns on those property funds.

Members commented on the loss on car parking in the context of complaints from businesses in Ware that they were unable to park, particularly in the High Street. A comment was made about offering business parking for small businesses on a yearly basis.

The Director for Regeneration, Customer and Commercial Services said that the parking income had gone up consistently year on year and there were other budgets in the overall parking budget where there were areas of over expenditure

Members were advised that the Executive Member for Environmental Sustainability was planning to bring forward some proposals in respect of business permits across the district.

Councillor Deering proposed and Councillor Deffley seconded, a motion that the general fund revenue outturn of £678K overspend, to be funded from the general reserve, be noted, the capital outturn position and approve carry forward budgets of £1.142m be noted and the 2025/26 draft statement of accounts prior to them being audited, be received.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

> **RESOLVED** – that (A) the general fund revenue outturn of £678K overspend to be funded from the general reserve, be noted;
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> (B) the capital outturn position and approve carry forward budgets of £1.142m, be noted; and
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> (C) the 2025/26 draft statement of accounts prior to them being audited, be received.

12 ANNUAL GOVERNANCE STATEMENT 2025/26

The Director for Finance, Risk and Performance reported that the Accounts and Audit Regulations 2015 require that all authorities conduct a review of the effectiveness of the system of internal controls and prepare an Annual Governance Statement (AGS) each year.

Members were advised that the AGS must be considered separately from the Statement of Accounts and the Annual Governance Statement report for 2025/26 was being presented for consideration.

Members were advised that the report set out how the Council ensured effective governance, sound decision-making, risk management and internal control arrangements across the authority. Members were advised that the Statement was closely linked to the Statement of Accounts, which had been published during the previous week.

The Committee noted that the statement reflected the challenges faced during the year, including progress made in relation to financial reporting and governance improvements. The report identified a number of actions to be taken during 2026/27 to further strengthen the Council's governance arrangements.

The Director for Finance, Risk and Performance said that the statement incorporated recommendations arising from previous external audit reports, including statutory recommendations issued by Ernst and Young and recommendations arising from Azets' recent reviews of the Council's Statement of Accounts.

Councillor Connolly proposed and Councillor Deffley seconded, a motion that the Audit and Governance Committee have reviewed and commented on the Annual Governance Statement for 2025/26.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

> **RESOLVED** – that Audit and Governance Committee have reviewed and commented on the Annual Governance Statement for 2025/26.

13 STRATEGIC RISK REGISTER QUARTER 4 2025/26

The Director for Finance, Risk and Performance submitted a report that provided Audit and Governance Committee with the corporate risk register for Quarter 4 of 2025/26 and sets out how East Herts manages these risks.

The Director for Finance, Risk and Performance said that at the February meeting, Members had discussed the existing Local Government Reorganisation (LGR) risk. Members had indicated that the risk considerations needed to be broadened out to better reflect the potential impact of significant management time and organisational focus on LGR.

Members were advised that this feedback had been carefully considered and rather than expanding the existing risk, which focused primarily on electoral arrangements and members terms of office, a new strategic risk had been created to specifically capture the impact of LGR.

The Director for Finance, Risk and Performance said that this new strategic risk created greater transparency and allowed the risks associated with LGR to be monitored separately. The Committee was also informed of ongoing work to strengthen the Council's risk management arrangements, including officer and member training, implementation of recommendations arising from the recent Internal Audit review, and further development of risk indicators and mitigation measures.

Members questioned whether the climate change risk should be reviewed in light of increasingly extreme weather events and the potential impact on Council operations and buildings. Officers advised that all strategic risks were reviewed quarterly by the Leadership Team and the Director for Finance, Risk and Performance agreed to consider whether the risk score, implications and mitigation actions required further revision as part of the next review cycle.

Members also discussed cyber security risks and the rapidly developing threat landscape, including emerging risks associated with artificial intelligence. The Committee suggested that the existing cyber security risk could be broadened to reflect wider technological threats.

The Director for Finance, Risk and Performance explained that cyber security arrangements were regularly reviewed through the shared IT service and that a significant number of attempted cyber-attacks were successfully prevented each year through the Council's existing security controls and protections.

Councillor Connolly proposed and Councillor Jacobs seconded, a motion that the 2025/26 quarter four corporate risk register and actions being taken to control and mitigate risk have been considered and noted.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

> **RESOLVED** – that the 2025/26 quarter four corporate risk register and actions being taken to control and mitigate risk have been considered and noted.

14 AUDIT AND GOVERNANCE COMMITTEE - EFFECTIVENESS REVIEW 2026

The Director for Finance, Risk and Performance submitted a report that provided an overview of the self-assessment exercise in relation to the Council's Audit and Governance Committee. The assessment has been undertaken by the Chief Finance Officer, in line with guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA), which advocates regular self-assessment as good practice.

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Members were advised that the report was now presented to the Committee to consider, comment on, and amend as appropriate, enabling members to confirm the level of compliance, gain an appreciation of best practice, and identify any areas for further improvement.

The Director for Finance, Risk and Performance said that one of the recommendations was that Members of the Audit and Governance Committee should not be on the Executive and should not be sitting on the Overview and Scrutiny Committee.

Members were advised that no members of the Audit and Governance Committee sat on the Executive, although some members were also members of the Overview and Scrutiny Committee. The Committee was advised that, given the size of the authority and the number of elected members available, complete separation of these roles might not be practical.

The Director for Finance, Risk and Performance said that the current position regarding committee membership had been identified and acknowledged as part of the assessment process. Members were also advised that the Audit and Governance Committee could consider having more informal discussions with both internal and external auditors on matters that may be more appropriately raised outside of the public meeting setting.

During discussion, a member sought clarification regarding the potential conflict arising from membership of both the Audit and Governance Committee and Overview and Scrutiny Committee. In response, officers explained that the guidance was intended to ensure independence and minimise any perceived conflicts of interest. However, it was considered that dual membership of those committees did not present a significant concern, provided the arrangement was transparent and appropriately recognised.

Councillor Hart proposed and Councillor Deffley seconded, a motion that Members have noted and commented on the proposed self-assessment and evaluation of good practice for Audit and Governance Committee in Local Authorities as set out in the Appendix B and any actions required to ensure full compliance which will form the basis of future annual reports be confirmed.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) Members have noted and commented on the proposed self-assessment and evaluation of good practice for Audit and Governance Committee in Local Authorities as set out in the Appendix B; and

(B) Members confirm any actions required to ensure full compliance which will form the basis of future annual reports.

15 AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME

The Director for Finance, Risk and Performance introduced the report, which set out the Committee's work programme designed to ensure that statutory responsibilities were met, that assurance reports were received at appropriate intervals, and that the Committee maintained a balanced focus on audit, governance, and risk management throughout the year.

The Director for Finance, Risk and Performance said that the work programme will remain flexible and can be amended as new issues emerge. Members were advised that the programme provided a structured framework to support the Committee's oversight role during the year ahead.

Members were invited to comment on the programme and identify any additional training or reporting requirements. The Chair thanked the Director for Finance, Risk and Performance for the report.

Members raised questions in relation to future scrutiny arrangements for BEAM. Officers advised that, following the earlier discussion, there appeared to be a desire for a further discussion on the matter.

Whilst a report was currently scheduled for September, Members expressed support for an additional discussion in July. Officers agreed to consider the matter further and bring forward proposals for discussion in July.

Members supported holding a discussion in July and requested that BEAM remain on the Committee’s agenda for September, with the position to be reviewed thereafter if necessary.

Members said that future reports on BEAM should include profit and loss information and the organisation’s exact financial position, rather than focusing solely on sales performance figures.

The Chair reminded Members that the External Auditor had been unable to attend the current meeting and would therefore attend the September meeting. He said that the work programme would be amended accordingly.

It was moved by Councillor Adams (Chair) and seconded by Councillor Deering that the recommendations, as detailed in the report, be approved. After being put to the meeting and a vote taken, the motion was declared CARRIED.

> **RESOLVED** – that (A) the Finance and Audit Work Programme for the 2026/27 municipal year, as amended, be approved; and

(B) any training requirements be identified to support Members in fulfilling their roles effectively.

16 URGENT ITEMS

There was no urgent business. Members had a brief discussion about the timescales for extra meetings in respect the BEAM business plan. Members asked if the slides from the BEAM presentation could be circulated to the committee.

17 EXCLUSION OF THE PRESS AND PUBLIC (IF REQUIRED)

There was no urgent part two business.

The meeting closed at 9.28 pm

Chairman	....
Date	....

Audit and Governance Committee

Date: 29 July 2026

Report by: Councillor Sarah Hopewell, Executive Member for Wellbeing

Report title: BEAM Business Plan

Ward(s) affected: Hertford Castle

Summary

- This paper sets out the detailed business plan for BEAM for 2026/27 and beyond

RECOMMENDATION FOR DECISION: That Audit and Governance Committee Members:

(A) Review BEAM's business plan and make any recommendations to the Executive Member for Wellbeing

1.0 Proposal(s)

1.1 That Audit and Governance Members review BEAM's business plan

2.0 Background

2.1 At their meeting of 30 June, Audit Governance Committee Members requested a full review of the new business plan which replaces that which was adopted by Council in January 2024. This can be found in the appendices.

2.2 The new business plan is based on operational realities following BEAM being fully open for over a year. The business plan forecasts will be built into the Council's Medium Term Financial Plan and ultimately adopted at Council later in 2026/27.

3.0 Reason

3.1 Audit and Governance Committee Members have requested site of the full business plan, following a report on the headline budget figures at their meeting of 30th June.

4.0 Options

4.1 N/A – no recommendations made other than for Audit and Governance Members to make recommendations to the BEAM Board or Executive Member for Wellbeing

5.0 Risks

5.1 The paper covers key areas of risk facing BEAM (see sections 2.0 and 3.0) and mitigating actions in place.

6.0 Implications/Consultations

6.1 None

Community Safety

None

Data Protection

None

Equalities

BEAM is a fully accessible building. In addition, the BEAM Board have agreed an overall programming framework which sets out the principles behind programming. Ordinarily the venue will not programme events that are designed primarily to promote political parties, ideologies, or candidates, religious beliefs, contain extremist content or pose a risk to public safety, community cohesion, or are inconsistent with the Equality Act 2010 or any UK laws prohibiting discrimination or hate speech.

Environmental Sustainability

Beam recently won the sustainability prize at the UK Theatre Awards and a sustainability award at the RIBA East Architectural Awards. Alongside this we are still intending to install PV panels on the roof of the building (funded via the UK Shared Prosperity Fund)

Financial

As detailed in the appendices

Health and Safety

None

Human Resources

None

Human Rights
None

Legal
None

Specific Wards
Yes – Hertford Castle

7.0 Background papers, appendices and other relevant material

Appendix A – Assumptions

Appendix B – Individual budget lines

Appendix C – Scenario planning

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