MINUTES of
PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE
17 SEPTEMBER 2026

PRESENT

Chairperson	Councillor W Stamp, CC
Vice-Chairperson	Councillor M G Neall
Councillors	S Dodsley, J C Hughes, R G Pratt, N D Spenceley and M E Thompson
Independent Person	Mr Derek Smith

1. CHAIRPERSON'S NOTICES

The Chairperson welcomed everyone to the meeting and went through some general housekeeping arrangements for the meeting.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors D O Bown, R H Siddall and U G C Siddall-Norman.

3. MINUTES OF THE LAST MEETING

RESOLVED that the Minutes of the meeting of the Committee held on 16 July 2026 be approved and confirmed.

4. MATTERS ARISING

The Chairperson took Members through the matters arising from the last meeting and provided the following updates which were duly noted.

- In respect of the installation of a green roof in Burnham-on-Crouch, the Chairperson requested an update on when the Environmental and Sustainability Working Group would consider the matter so that the Committee could receive a further update.
- Officers were thanked for making changes to the report layout to include a summary dashboard. The Chairperson advised that this matter could now be closed.
- The Chairperson confirmed that the briefing note from the Director of Finance had been circulated and that, therefore, this matter could be closed.
- In respect of the remaining three matters arising, which related to the new IT and microphone system in the Council Chamber, the use of Member

nameplates and the Accounts Payable Final report, the Chairperson requested that these matters remain on the matters arising list.

5. DISCLOSURE OF INTEREST

There were none.

6. PUBLIC PARTICIPATION

No requests had been received.

7. EXTERNAL AUDIT: BUILDING BACK ASSURANCE

The Committee considered the report of the Director of Finance presenting a report from KPMG (External Auditors), attached at Appendix 1 to the report, which set out the approach being taken to return Maldon District Council (MDC) to receiving an unmodified opinion.

The Director of Finance presented KPMG's proposed approach to rebuilding audit assurance at the Council. It was explained that external audit opinions could be disclaimed, qualified or unmodified, and that the Council had received disclaimed opinions in recent years. The Government and the audit sector were working to address the national backlog and support councils in returning to unmodified audit opinions.

In presenting their report, Ms Larcombe from KPMG advised Members that the Council had received a 'B' rating following the Ministry of Housing, Communities and Local Government capacity assessment. KPMG expected the 2025/26 accounts to receive a qualified opinion and the 2026/27 accounts to receive an unmodified opinion. The work would require the Council to reconcile its balance sheet positions from 31 March 2021 to 31 March 2027 and demonstrate compliance with accounting requirements. Additional costs were estimated at between £98,000 and £110,000, although potential government funding had not yet been confirmed.

In response to a comment regarding the recommendations, which sought Members to note the report, the Director of Finance and Ms Larcombe commented on the importance of the Committee receiving these updates. This was reiterated by the Chairperson, who felt that it would not have been appropriate for the Committee to receive the information via email.

A question was raised regarding the fees detailed in Appendix 1 and in response the Director of Finance provided further explanation. Ms Larcombe advised that she expected the range of fees to be lower than those quoted and explained that the Council would not bear the cost of all of these as it had received additional grant funding to cover some of them.

The Chairperson then referred to the recommendations (i) to (iii) as set out in the report and proposed that the Committee receive, consider, and accept the recommendations. This was duly seconded and agreed.

The Chairperson thanked Ms Larcombe for attending the meeting.

RESOLVED that the Committee received, considered, and accepted the following:

(i) the outcomes of the risk assessment for MDC undertaken by KPMG (a 'B' rating in the range A-D);

(ii) the impact of that in terms of the timetable for returning to an unmodified audit opinion by November 2027;

(iii) the indicative fee arising.

8. CORPORATE PERFORMANCE QUARTER 1

The Committee considered the report of the Chief Executive which set out how the Corporate Performance Framework required the Committee to undertake a quarterly review of the Thematic Strategies' performance, as assurance that performance was being managed effectively to achieve the corporate priorities as set out in the Council's Corporate Plan 2025 - 2028. Appendix 1 to the report provided an overview of the Corporate Plan as at the end of Quarter One (Q1) (April - June 2026).

The Committee noted that, as detailed in Appendix 1 attached to the report, all performance measures had been reported as on track, demonstrating good corporate performance during Quarter 1.

The Head of Performance, Improvement and LGR drew Members' attention to the annual review that had been undertaken in line with previous years to ensure effective performance monitoring. Any associated changes had been implemented as part of the Quarter 1 performance cycle and were detailed in the Appendix. It was noted that all priorities and indicators were on track.

The Chairperson moved the recommendations set out in the report. These were duly seconded and agreed.

RESOLVED

(i) That the Committee received, considered and reviewed the information as set out in the report and Appendix 1 to the report with focus given to the Strategic Priority level performance.

(ii) That the Committee confirmed that it was assured through this review that corporate performance was being managed effectively.

9. REVIEW OF CORPORATE RISK QUARTER 1

The Committee considered the report of the Chief Executive which set out the requirement for the Council to undertake a quarterly review of the Corporate Risk Register as assurance that corporate risks were being managed effectively. A table of the Corporate Risk Register latest ratings and Officer commentary was attached as Appendix 1 to the report.

The Head of Performance, Improvement and LGR presented the report and drew Members' attention to the following risk changes which were highlighted in the report:

- Risk 10 – Inadequate staffing structure and resource for resilience was proposed to be reduced due to the delivery of the transforming together phase

2 programme and Essex County Council providing recruitment support to fill vacancies.

- Risk 17 – Failure to provide adequate building safety and access systems – Officers recommended that this risk be closed following successful installation and operation of the new security system.

The Chairperson moved the recommendations set out in the report. These were duly seconded and agreed.

RESOLVED

(i) That the Committee reviewed and provided comments and feedback on the Corporate Risk Register as set out in Appendix 1 to the report;

(ii) That the Committee reviewed and provided comments and feedback on progress of the Corporate Risk Mitigating actions in Appendix 2 to the report;

(iii) That the Committee was assured through this review that corporate risk was being managed effectively;

(iv) That the Committee challenged risks where it felt that the Council's corporate goals may not be achieved.

10. ANNUAL GOVERNANCE STATEMENT ACTIONS UPDATE

Committee considered the report of the Chief Executive updating Members on the actions identified in the Annual Governance Statement (AGS).

The Head of Performance, Improvement and LGR presented the report which provided a progress update against key actions defined in the AGS along with Officer comments for Members' consideration. Members' attention was drawn to the table at paragraph 3.4 of the report, which provided an update on how the Council's governance arrangements were progressing.

With permission of the Chairperson, Mr Smith, Independent Person, acknowledged the work undertaken by the Council but reiterated concerns about the risks associated with Local Government Reorganisation (LGR) and the public sector's ability to manage large-scale transformational change successfully. He highlighted concerns regarding the financial implications and disruption arising from the process, the impact on corporate risk management, and the changing narrative around anticipated savings. Speaking as both the Independent Person and a resident, he expressed concerns about leadership and governance arrangements and the potential costs and upheaval associated with the reorganisation proposals.

It was clarified that the leaflet referred to by Mr Smith had been sent by Essex County Council and not Maldon District Council.

In response the Chairperson advised that she had every confidence that the Chief Executive was having meetings regarding LGR and how communications from the Council would be addressed. She commented that it was still early days with a lot of misinformation being published, that information would be shared with Members once it was received and the risk register was to be updated.

The Director of Finance explained that the £300 million savings figure related to Essex County Council's preferred three-unitary model and noted that, while financial

considerations would form part of the Secretary of State's review, decisions on local government reorganisation would also need to reflect the interests of local residents. He advised that the reorganisation would likely be treated as a post-balance-sheet event rather than an adjusting event and did not currently expect any impact on the most recent accounts.

In response to questions about abortive costs, the Director stated that work undertaken by officers, including reviews of digital infrastructure, property, contracts and staffing, represented valuable activity that supported good governance and ensured the Council remained up to date and well managed, regardless of the outcome of local government reorganisation.

The Chairperson noted that, despite uncertainty around local government reorganisation and the potential for challenges, the Council had continued to manage risks and operate as normal. She highlighted that organisational changes had strengthened the Council and confirmed that LGR-related costs were being monitored and would be reported in due course.

The Chairperson moved the recommendation set out in the report which was duly agreed.

RESOLVED that the Committee had reviewed and commented on the Annual Governance Statement's table and updates set out in the report.

Councillor N D Spenceley left the meeting at this point.

11. HEALTH AND SAFETY UPDATE - QUARTER ONE 2026 / 27

The Committee considered the report of the Director of Neighbourhood Services and Communities providing an update on Health and Safety statistics and activity during Quarter One (Q1) 1 April to 31 June 2026.

The report provided details of accidents and incidents, near misses, hazard and incidents of unacceptable behaviour, including a serious matter that was reported to the Police. Members were advised that work had progressed on emergency procedures, unacceptable behaviour reporting, training, risk assessments, lone working arrangements, inspections and actions arising from the Health and Safety Audit. Fire risk assessments had been completed, the revised Health and Safety Policy had been approved subject to minor amendments, and systems had been introduced to monitor training and departmental activity. Priorities for the following quarter included continuing the Audit Action Plan, reviewing policies and risk assessments, delivering required training and considering the effects of the organisational restructure on responsibilities and resources.

The Corporate Health and Safety Manager presented the report, and advised that the reference to six in paragraph 3.1.2 should have been four.

The Director of Finance highlighted that an update to the departmental defined performance data set out in the report was now available (as at 17 September) and provided some detail of where there were changes. He advised that an updated table would be circulated to the Committee outside of the meeting.

In response to questions raised during the debate, the following information was provided by Officers:

- Confirmation was given that clarification would be sought from the Principle Assets Manager to ensure that the transition between Legionella contractors was seamless. The Chairperson requested that Officers provide an update to Councillor R G Pratt regarding concerns raised over areas of the building not being used and whether these would cause a possible increase in Legionella risk. The Health and Safety Manager advised that the new contractor would be carrying out a full assessment of the Council's system.
- The Head of Assets, Countryside and Coast had spoken to the Council's asbestos contractor and a further update on this would be requested. Members were reassured that if required, a reassessment of an area would take place.

The Chairperson put the recommendations to the Committee, and these were duly agreed.

RESOLVED

(i) That Members considered the accident and incident statistics and incidences of unacceptable behaviour reported;

(ii) That Members considered the progress of key health and safety themes, as per Section 3.2 of the report.

Councillor N D Spenceley rejoined the meeting during this item of business.

12. LEISURE CONTRACT UPDATE

The Committee considered the report of the Director of Strategy and Improvement providing Members with an update on the performance and delivery of the Leisure Management Contract, which commenced in March 2025.

The Head of Health Integration and Wellbeing presented the report which provided an update on the Leisure Management Contract, which had commenced in March 2025 and included a £5.8 million investment in the Council's leisure estate. Members were advised that refreshed monitoring arrangements were being introduced following the appointment of an Active Living and Leisure Officer; refurbishment works remained on time and within budget, with the first two phases completed and the remaining phases scheduled for completion in Quarter Three. Membership levels were broadly in line with forecasts, while the social outreach programme had gained momentum, recording 71 referrals from 17 clinical and non-clinical organisations. It was also confirmed that there were no financial issues, the fixed management fee reduced the Council's exposure to risk, and the contract was performing in accordance with its financial projections.

Appendix 1 to the report provided further information on the success of the formal exercise referral schemes. The finance model for the contract was attached at Appendix 2.

The Chairperson requested the following updates:

- that details of membership numbers across the leisure centres be provided to the Committee in future reports. This was noted by Officers.

- That, where tables containing figures were included in reports, consideration be given to their presentation, particularly in relation to text size and the readability of figures.

The Chairperson advised that she had previously raised a query regarding Disabled Athletics training for the Olympics and whether they could be offered a reduced or concessionary subscription rate due to their training commitments. Officers were asked to follow up this enquiry and advise the Chairperson accordingly. Members were advised that military veterans, along with other specific groups, were eligible to receive discounts at Leisure Centres in the District.

The Chairperson then moved the recommendations set out in the report. These were duly seconded and agreed.

RESOLVED

(i) That Members noted the progress of the Leisure Management Contract, including the on-schedule refurbishment programme, stable membership performance, and the positive development of the social outreach programme;

(ii) That Members noted that financial performance was being delivered as set out in the contract. This included the fixed management fee which was monitored monthly at operational contract meetings and reported quarterly via the Leisure Contract Partnership Board.

13. UK SHARED AND RURAL ENGLAND PROSPERITY FUNDS

The Committee considered the report of the Director of Strategy and Improvement updating Members on the progress of the UK Shared and Rural England Prosperity Funds (UKSPF) for the allocation period 2025 / 26.

The Director presented the report which reminded Members that the UK Shared Prosperity Fund (UKSPF) had been extended for 2025/26, enabling continued investment in local growth. The Council had approved match funding from reserves and the delivery of projects under the UKSPF and Rural England Prosperity Fund (REPF), providing a combined budget of £783,369. The Ministry of Housing, Communities and Local Government had accepted the Council's forecast expenditure, outputs and outcomes.

It was reported that £753,093.19, representing 96.14% of the available funding, had been spent, leaving £30,276.81. The deadline for eligible expenditure had been extended to 30 September 2026, although projects were expected to be completed by the original deadline where possible. Officers would continue delivering the remaining projects, would submit the final return by 2 November 2026 and would present a final report to the Committee on 12 November 2026. The Council had submitted its forecast spend, outputs and outcomes for 2025 / 26 to the Ministry of Housing, Communities and Local Government (MHCLG) who had confirmed acceptance of the submission. It was noted that of the £738,369 funding, £670,407.25 actual spend had been incurred and Appendix 1 to the report provided a progress update on the individual projects.

The Chairperson moved the recommendation set out the report. This was duly seconded and agreed.

RESOLVED that the Committee acknowledged the update provided on Maldon District Council's UK Shared and Rural England Prosperity fund allocations for 25 / 26 and noted that delivery of the programme would continue to be noted.

There being no other items of business the Chairperson closed the meeting at 8.30 pm.

W STAMP, CC
CHAIRPERSON