

**Minutes of the Audit Committee
27 November 2025**

Present:

Councillor J. Button (Chair)
Councillor K. Howkins (Vice-Chair)

Councillors:

G. Neall	P.N. Woodward	S. Seehra
L. E. Nichols	R. Chandler	
H.R.D. Williams	P. Briggs	

In Attendance: Councillors Bateson

64/25 Apologies and Substitutes

There were none.

65/25 Minutes

The minutes of the meeting held on 25 September and the carry over meeting held 21 October were approved as a correct record.

66/25 Disclosures of Interest

Councillor Nichols declared that he was a board member of Knowle Green Estates and Councillor Woodward declared that he was a member of Spelthorne Direct Services.

67/25 Internal Audit Progress Report October 2025

The Committee received the Internal Audit progress Report for October 2025 from the Deputy Head of Southern Internal Audit Partnership (SIAP) providing an overview of internal audit activity against assurance work completed in accordance with the approved audit plan for 2025-26 and outstanding management actions.

The Deputy Head of SIAP advised the Committee that they were now fully resourced but due to training there still might be some slippage in timescales though less than previously anticipated. The three audits carried forward from

2024/25 had now been completed and the Q1 and Q2 works for 2025/26 were substantially underway.

The Committee were advised that whilst two of the reports were given a 'Limited Assurance' by SIAP, actions to address the observations within the report would form part of the Audit Plans for 2026/27.

SIAP advised the Committee that of the 130 action arising from audit reports in the past, only five remained overdue.

Referring to contract management, the Committee requested that future reporting be around specific subjects to ensure an accurate reflection of work undertaken. Scoping details were also requested around the area of internal audit activity. Concern was expressed by the Committee relating to the number of audits still outstanding in Q3 and Q4 and mitigations. The Committee was assured that there was capacity to complete the outstanding audits and advised that although not anticipated, if required, additional resources would be deployed to secure delivery. This would be reflected in future reporting to the Committee.

The Committee also enquired around management actions and evidence to support that such actions were undertaken and maintained. The Committee were advised of an action tracking process and that when a limited assurance opinion been given, subsequent year planning consideration would be applied to that area as part of the improvement and recovery plan.

The Committee requested a break down of the £2.1m savings referred to within the report.

The Committee commended the Deputy Head of Southern Internal Audit Partnership and team for positive progress achieved.

It was proposed by Councillor Nichols and seconded by Councillor Woodward that the meeting went into a private session to discuss information contained within Appendix B.

Meeting adjourned at 20:46

Meeting reconvened at 20:56

The Committee **resolved** to:

1. Note the Internal Audit Progress Report – October 2025 (Appendix A)
2. Note the Internal Audit Progress Report – October 2025 (Appendix B) Exempt Item; and
3. Approve the adjustments to the Internal Audit Plan 2025-26.

The Committee received the Risk Management/Corporate Risk Register (new format) from the Deputy Chief Executive.

The Committee were advised that as part of the ongoing improvements to the Council's Risk Management arrangements, the authority was moving to a governance assurance-based approach to its Risk Management Framework and Policy. The purpose of the new approach was to provide assurance to the Committee that the Council's governance arrangements were effective and were implemented together with practical actions to provide and maintain that confidence and assurance.

The Committee were advised that the change to a governance assurance approach, assisted by Rob Winter, ARGC Ltd formed part of a range of improvements to the Council's risk management arrangements following comments that had been received in several external reviews.

The Committee were requested to review the examples provided which were a work in progress, in Appendix A and the proposed Assurance Level tracker in Appendix B and to suggest any improvements to the Corporate Risk Register prior to formal adoption of the new Risk Management Framework and Policy to be presented for approval by the Corporate Police and Resources Committee scheduled on 19 January 2026.

Due to the tight timescale, it was requested that the Committee email reflections/comments to the Deputy Chief Executive and/or Rob Winters to enable comments to be embedded prior to the next meeting of the Audit Committee.

The Committee referred to the benefits of an IT application to be able to trace required documents in a timely manner and stressed the importance of a clear, transparent process for the adding and removal of items to the register.

The Committee **resolved** to:

1. Note the progress with the development of a new Risk Management Framework and Policy based on a governance assurance approach to risk management,
2. Review the worked examples shown in Appendix A which outline how the Council's key areas of governance will be addressed under these new arrangements within the revised approach; and
3. Provide comments on any suggested improvements necessary to provide assurance that key governance areas of the Council are addressed effectively.

69/25 2024-25 Draft Unaudited Financial Statements

The Committee received the Draft Unaudited Financial Statements from the Interim Deputy Chief Finance Officer.

The Committee was advised of key issues relating to the framework for Local Government Financial reporting, that in accordance with the Finance Service Team's audit and timetable, the Council had published the following items, as required on 16 September 2025.

- Commencement of the account's inspection period
- The publication of draft unaudited 2024/25 statement of accounts
- Draft set of unaudited statement of accounts (Appendix A) for the year ended 31 March 2025

The Committee was requested to note the accounts and that the Statement of Accounts would need to be approved and published by 27 February 2026 following completion of the external audit procedures by Grant Thornton. If completed within the required timeframe, the final approval of the Accounts could be considered at the January or February 2026 meeting of the Audit Committee. The Committee were advised that any significant changes between the Draft and Final Accounts arising from the audit process would be reported to Members.

The Committee requested more detailed and clear reports from Grant Thornton.

The Committee **resolved** to acknowledge the report and the draft unaudited financial statements which had been published on the Council's website on 16 September 2025, in accordance with the statutory deadline.

70/25 Annual Governance Statement 2024-25

The Committee received the Annual Governance Statement 2024/25 from the Chief Finance Officer.

The Committee was reminded that the item had been considered at the previous meeting held on 25 September 2025 in which it had been **resolved** not to approve the draft Annual Governance Statement and requested that further information should be included within the Annual Governance Statement 2024/25 and that it be resubmitted to the Audit Committee for consideration when it had been reviewed and amended.

Appended to the report at Appendix A was a copy of the amended/updated Annual Governance Statement 2024/25.

Councillor Nichols advised that he had submitted written comments in which he had requested removal of his name from the Statement.

The Committee **resolved** to approve the draft Annual Governance Statement 2024/25 as appended to the report at Appendix 1.

71/25 Review of Effectiveness of Audit Committee

The Committee received the report from the Chief Finance Officer presenting the findings of the review of effectiveness of the Audit Committee carried out during July – September 2025.

Findings from the review were divided into 4 sections as follows and outlined to the Committee:

- Terms of reference
- Committee membership and structure
- Audit Committee management
- Audit Committee impact and influence

The Committee **resolved** to:

1. Endorse the findings of the assessment of the effectiveness of the Audit Committee (Appendix 1);
2. Develop a plan to identify opportunities to improve and strengthen the work of the Audit Committee (Appendix B); and
3. Agree the revised Terms of Reference for Audit Committee (Appendix C) for consideration by the Committee System Working Group.

72/25 Annual Review of Confidential Reporting Code

The Committee received the report from the Monitoring Officer reporting on the annual review of the Confidential Reporting Code.

The Committee were advised of the requirement for the Code to be reviewed annually by the Council's Monitoring Officer and then reported to the Audit Committee.

The Committee were further advised that the annual review of the Confidential Reporting Code had taken place, the Code was fit for purpose and did not require amendment other than details relating to the Monitoring Officer.

It was reported that since the code had been last reviewed in September 2024, there had been no matters raised under the Code.

Councillor Howkins requested that it be noted that she was not in agreement to retain the current Confidential Reporting Code and requested that the Code go "further and be more strongly implemented."

The Committee **resolved** to:

1. Note the updated Confidential Reporting Code; and
2. Agree to retain the current Confidential Reporting Code as updated.

73/25 Improvement and Recovery Plan Progress Updates

Councillor Howkins proposed and Councillor Nichols seconded and Committee **resolved** that Standing Order 38.3 be suspended to allow the meeting to go beyond 10pm.

The Committee received a verbal update on the progress of the Recovery Plan from the Chief Finance Officer.

The Committee were advised that monthly meetings of the Improvement Recovery Board had commenced to track and deliver the Plan approved at the meeting of the Full Council on Thursday, 23 October 2025.

An Interim Programme Management Director had been appointed to support the process and delivery of the plan. Additional resources and support had also been made available to support the process in addition to the in-house project management team.

The Committee were further advised of the governance decision on 28 October 2025 relating to the choice of Unitary structure which had accelerated the workload, creating risks, challenges and pressures relating to the recovery plan. This would also create resource impacts and challenges as part of the process in ensuring a smooth transition of Local Government Reorganisation.

The Committee requested that minutes of the Improvement Recovery Board be made available to the Committee. The Chair advised that he would raise this issue at the next meeting of the Board. The Committee also requested access to view the project tracker. It was clarified that the Board did not have decision making powers but could make recommendations.

The Committee **resolved** to note the update.

74/25 Committee Forward Plan

The Committee considered its Work Programme for the remainder of the 2025/26 Municipal year.

Resolved that the Committee Work Programme for the remainder of the 2025/26 Municipal year, be approved.