

### Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

#### Stage 1

##### Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	YES	13/01/2026
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	YES	13/01/2026
Relevant Group Head review	YES	30/01/2026
MAT+ review (to have been circulated <b>at least 5 working days before Stage 2</b> )	YES	13/01/2026
This item is on the Forward Plan for the relevant committee	YES	24/02/2026
	Reviewed by	
Finance comments (circulate to Finance)	AB	01/02/2026
Risk comments (circulate to Lee O'Neil)	LO	04/02/26
Legal comments (circulate to Legal team)	LH	30/01/26
HR comments (if applicable)	NA	NA

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

#### Stage 2

##### Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least <b>5 working days before MAT</b>	L Heron	30/01/26
S151 Officer commentary – at least <b>5 working days before MAT</b>	T.Collier	31/01/26
Confirm final report cleared by MAT		

# Audit Committee

24 February 2026

<b>Title</b>	Improvement and Recovery Plan Assurance Report
<b>Purpose of the report</b>	To inform and assure
<b>Report Author</b>	Dr Ruth Adams: Interim IRP Programme Director
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Exemption Reason</b>	N/A
<b>Corporate Priority</b>	Governance and Assurance
<b>Recommendations</b>	<p><b>Committee is asked to consider:</b></p> <ul style="list-style-type: none"> <li>• whether the arrangements for the governance of the IRP, including the role of the Audit Committee are sufficient.</li> <li>• progress made to date on IRP actions and to note, subject to CPRC approval, the shift to tracking outcomes.</li> <li>• the recommendation for IRP information coming to Audit Committee and suggest any changes or amendments to topics or frequency of meeting attendance.</li> </ul>
<b>Reason for Recommendation</b>	The Secretary of State Best Value Directions highlighted weaknesses in the governance, assurance, control and risk management environment within the Council and recommended an elevation in the scrutiny role of Audit Committee. The Audit Committee are an integral element of the IRP governance, with responsibility to consider progress in delivering the IRP, obtaining assurance that appropriate governance is in place to support IRP and embedding the improvement required.

## 1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>• Following the decision to place Spelthorne Council into intervention there was a requirement for the Council to develop an Improvement and Recovery Plan (IRP) and to implement the governance arrangements for this plan.</li> </ul>	<ul style="list-style-type: none"> <li>• The Audit Committee is a significant element of the governance arrangements of the IRP, with the remit to scrutinise progress and risk. This paper provides an update of progress to date and sets out a proposal for further assurance reporting for consideration.</li> </ul>

<ul style="list-style-type: none"> <li>The IRP was approved by Council in October 2025.</li> </ul>	
<b>This is what we want to do about it</b>	<b>These are the next steps</b>
<ul style="list-style-type: none"> <li>Agree a forward plan to enable the Audit Committee to discharge its governance responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>Audit Committee Members consider their role in IRP assurance and governance; set out the information they require and the frequency of discussion.</li> </ul>

## 2. Key issues

- 2.1 The Ministry for Housing Communities and Local Government (MHCLG) required Spelthorne Council to produce an IRP, that elevated the governance and risk management practices. The IRP, approved by Council in October 2025, set out a comprehensive plan for Spelthorne Council to improve its leadership, culture, governance, financial sustainability, commercial strategy, debt management, housing and regeneration. The IRP also set out arrangements for progress would be tracked and governed.
- 2.2 This first report to the Audit Committee, seeks to update Audit Committee members on IRP progress against initial actions, to agree with Councillors the forward plan for information required by the Audit Committee and to outline the amendments to the plan going to CPRC (17<sup>th</sup> February 2026).

### Governance Arrangements

- 2.3 The IRP set out the governance for monitoring and oversight of recovery and improvement progress, structured around the workstreams as set out in the improvement diagram below. The Improvement and Recovery Board commenced meeting in November 2025, and at each meeting considers a deep dive into one of the workstreams. This is supported by theme specific meetings.
- 2.5 A Communications Plan, has just been developed for regular councillor briefings (currently done via email) and officer briefings. The forward plan of participation at the Audit Committee to enable increased Committee scrutiny is a priority and a suggested timeline of topics of assurance, for consideration by Audit Committee members is set out in appendix A.

## Improvement & Recovery Governance Workstreams

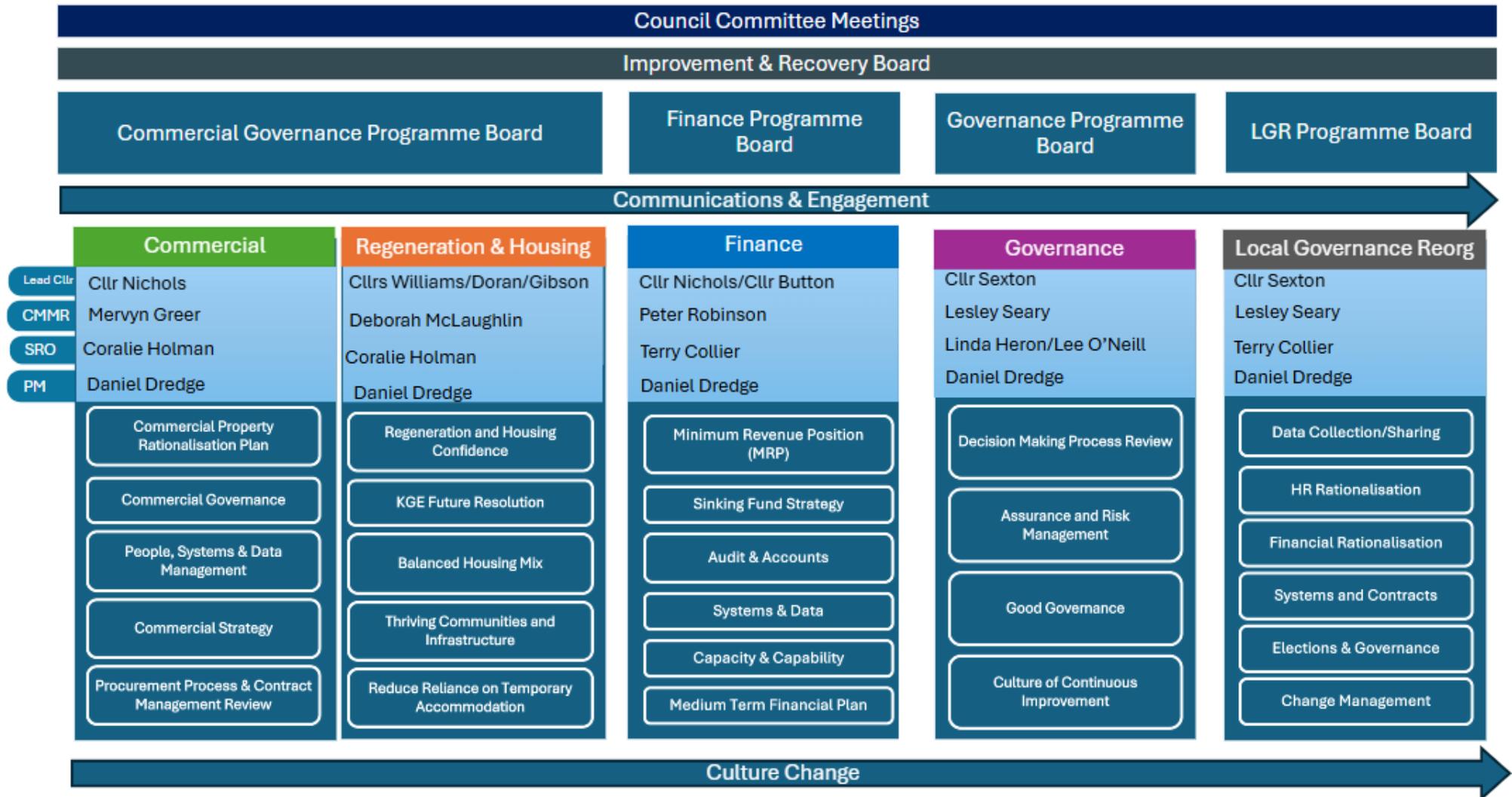


Figure 1: IRP governance set around workstreams

## **Progress setting up programme management**

- 2.6 The IRP PMO Office** is responsible for providing the first line of programme assurance and are via workstream trackers, identify progress, key interdependencies and risks across the programme.
- 2.7 Reporting arrangements** have evolved based on feedback from the IRB. Feedback received to date is for a greater level of assessment of progress by outcome achieved and less tracking by actions completed. The revised IRP (considered by the CPRC 17 Feb 2026) seeks to address the initial focus on actions / inputs and more clearly articulates the fundamental outputs and cultural / governance outcomes to be achieved. Alongside this it sets out an approach to tracking outcomes to provide assurance of progress.

## **Progress made in delivery of recovery and improvement actions**

- 2.8 Workstreams** are currently well underway in delivery of recovery focused actions, except for LGR, which is the last workstream to be defined following the decision on the West Surrey Authority. The plan for this is to set up LGR as a distinct programme, separate from the IRP but for the IRP arrangements to assure leadership and governance arrangements and for there to be an integrated communications strategy and plan for LGR and IRP. A summary of progress made to date is provided in sections 2.9-2.12 below.

### **2.9 Finance – Progress made to date:**

- Debt has been restructured.
- MRP has been re-set.
- Additional skilled resources brought into the team
  - External Auditors in their 2024-25 Audit Findings Report confirmed good progress being made by the Finance team in improving the robustness of the accounts

### **2.10 Governance – Progress made to date:**

- Risk Management workshop on the development of a new governance assurance approach to risk management and risk assessment.
- New Governance Assurance Policy and Framework agreed by Corporate Policy and Resources Committee
- New governance assurance register approach agreed by Audit Committee
- New governance arrangements for Audit Committee agreed

### **2.11 Commercial – Progress made to date:**

- Asset valuation work undertaken and completed.
- Procurement for expertise to do the asset disposal planning underway, due to commence work imminently.

### **2.12 Regeneration and Housing - Progress made to date:**

- Consultant appointed and commenced work on Staines Masterplan.

- Commenced the work to develop a social value strategy to support Housing and Regeneration (CPRC January 2026)
- MHCLG Audit undertaken on temporary accommodation, awaiting report to action plan any required improvements
- Options analysis being undertaken with respect to future of Knowle Green Estates

### **Assurance of Improvement**

- 2.13 **Internal Audit review** – The IRP progress is subject to an internal audit review early in 2026. The audit field work has commenced, and recommendations and the management response will come to the IRB and Audit Committee for their oversight.
- 2.14 The IRB recommended **a review of the IRP**, early in the New Year, to move from the plan being predominantly focused on recovery actions to focus and place a greater emphasis on the more sustained cultural changes required for embedding improvement. If agreed the assurance of improvement can be further planned and scoped out.
- 2.15 **Audit Committee assurance** arrangements – a draft of topics for the Committee to consider at future meetings is suggested in Appendix A.
- 2.16 A six monthly progress report is in development for consideration by full Council in April.

### **3 Options appraisal and proposal**

- 3.1 The remit of the Audit Committee extends to providing councillor oversight and assurance of the IRP. Doing nothing is not an option if the Council wants to meet its objectives within the IRP to strengthen Audit, Risk Management and the Audit Committee role in providing governance, financial and risk scrutiny.
- 3.2 Our options therefore consider the extent of information required, the frequency information is provided and frequency of formal Audit Committee attendance. A draft option of topics is provided for Committee Members to consider if this enables them to fulfil their responsibilities.

### **4 Risk implications**

- 4.1 The Best Value Inspection highlighted significant weaknesses in the risk identification culture of the council and in the management of risk. The culture of risk and a new approach to risk management through governance assurance is a significant element of the governance theme / workstream and some development and training has been undertaken, with further work and training planned. However, considerably more needs to be done for a strong culture of risk management to be realised.
- 4.2 At the level of the programme, the IRB require the SRO and the PMO office to provide an assessment of risks and progress, so this narrative review has been elevated in the reporting progress.

- 4.3 Resourcing pressures relating to delivery of the IRP workstreams will need to be monitored closely, particularly in view of the additional strain from work associated with Local Government Reorganisation. Where necessary, additional resourcing will need to be provided to support delivery of these programmes. Organisational resilience is one of the key governance assurance areas that will be addressed through the new Governance Assurance Register, which will be presented at future meetings of the Audit Committee.

## **5 Financial implications**

- 5.1 There are no financial implications arising as a result of this report. Nevertheless, the programme is important to maintain strategic direction on managing among other things the Council's financial standing
- 5.2 Any financial implications resulting from the delivery of the improvement is subject to a formal resourcing decision and spend will be monitored and reported on as part of the remit of the PMO.

## **6 Legal comments**

- 6.1 There are no legal implications directly associated with this assurance report.
- 6.2 The role the Audit Committee plays in the assurance of the IRP, is part of the requirement to improve governance, scrutiny and risk. As such, this report assists in demonstrating compliance with the Directions from the Secretary of State.

## **Corporate implications**

### **7 S151 Officer comments**

- 7.1 The S151 Officer confirms that all financial implications have been taken into account and that there are no direction financial implications arising from this report.

### **8 Monitoring Officer comments**

- 8.1 The Monitoring Officer confirms that the relevant legal implications have been taken into account.

### **9 Procurement comments**

- 9.1 There are no procurement implications arising directly from this report.

### **10 Equality and Diversity**

- 10.1 There are no obvious equality and diversity issues as a result of this report or the report to the Audit Committee.

### **11 Sustainability/Climate Change Implications**

11.1 There are no Sustainability / Climate change implications associated with these proposals.

## **12 Other considerations**

- None.

## **13 Timetable for implementation**

13.1 Appendix A includes proposed topics to be considered by the Audit Committee; a final plan will be produced following consideration by Committee Members.

## **14 Contact**

14.1 Ruth Adams, Interim Programme Director, [radams@Spelthorne.gov.uk](mailto:radams@Spelthorne.gov.uk)

***Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.***

**Background papers:** Improvement and Recovery Plan

### **Appendices:**

Appendix A: Suggested topics for Audit Committee Forward Plan

**Appendix A:** Suggested topics for inclusion on the Audit Committee Forward Plan for assurance

1. Amendment to IRP (March 2026)
2. Progress Reporting Arrangements (April 2026)
3. Governance Assurance Register Review and Change Control (April 2026/ May 2026)
4. Internal Audit Report and Management Actions (May 2026 / June 2026 – when report is received)