

**Minutes of the Audit Committee
19 May 2026**

Present:

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

Councillors:

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

In Attendance: Councillor Bateson

25/26 Apologies and Substitutes

There were no apologies for absence.

The Committee noted that the membership had been updated prior to the meeting, with Councillor Chandler standing down and Councillor Boughtflower appointed as a replacement member. The Chair welcomed Councillor Boughtflower to the Committee.

26/26 Minutes

The minutes of the meetings held on 24 February and 26 March 2026 were agreed as a correct record and would be signed by the Chair at the conclusion of the meeting.

27/26 Disclosures of Interest

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

There were no additional disclosures of interest.

28/26 Governance Assurance Register update

Lee O'Neil, Deputy Chief Executive presented the report on the development of the Governance Assurance Register and the introduction of a new Governance Assurance Framework, replacing the previous Corporate Risk Register approach. He explained that the framework focuses on the effectiveness of governance, risk management and control arrangements

across twelve key assurance areas. The Committee were advised that six assurance areas were to be presented at the meeting by the relevant lead officer, with the remaining areas to be presented at the June meeting. The Committee was invited to provide feedback on the structure, clarity and usefulness of the information provided to help inform the development of the new approach.

Dave Anderson, Interim Strategic Head of Place presented the update in relation to 'ensuring an inclusive and prosperous economy' highlighting a few areas of focus such as supporting business viability, actively supporting business growth, development of Business District in Ashford. Members considered how impact could best be measured, particularly in relation to job creation and business support activity. It was recognised that while outcomes could be evaluated, direct causation could not always be demonstrated. The difference in support that was offered by Job Centre Plus was clarified and it was explained that community activity to promote opportunities included local apprenticeship schemes. Given the small size of the team, it was explained that all officers were asked to be advocates for the local economy and that the Chief Executive would be the escalation point if efforts to initiate activity with businesses needed additional support. It was observed that in the absence of performance monitoring it was difficult to confirm assurance of the impact of activities.

Karen Sinclair, Group Head Community Wellbeing presented the update in relation to 'ensuring we address affordable housing supply and demand to meet local need' acknowledging that it was a high profile area for the Council and a national issue. This was a key priority with targets and monitoring within the Improvement and Recovery Plan. Additional staff capacity had been secured to support this activity. Members discussed the need to ensure that assurance reflects both financial management and resident outcomes. Concerns were raised regarding the emphasis on cost reduction in temporary accommodation and the importance of capturing wider service impacts. Officers confirmed that additional monitoring and external assurance mechanisms were in place such as the MHCLG deep dive that had been carried out.

Phillip Briggs reflected that, when comparing the first two assurance reports, the statutory service one provided confidence that the team understood what was required but lacked detail on the activity being undertaken, whereas the other set out the discretionary activity more clearly but did not demonstrate the impact.

The Chair reiterated that the Committee's role was to seek assurance that appropriate arrangements were in place to manage risk. Reports therefore needed to provide sufficient information to demonstrate activity and progress, without straying into detailed service-level scrutiny, which is the responsibility of Service Committees. Whilst it was recognised that Members wished to understand the scale of service pressures, detailed operational data should not be the primary focus of this Committee, but rather for service committees.

Sandy Muirhead, Group Head Commissioning and Transformation presented the report relating to 'ensuring the Council has robust mechanisms in place to prepare for, respond to and recover from emergencies and business interruptions'. The Committee noted strong assurance in relation to the arrangements and recognised the importance of ongoing partnership working and training.

Councillor Nichols highlighted that the descriptions within the report did not fully reflect the anticipated impact of Local Government Reorganisation (LGR) and queried whether this should be presented as a separate category. The Surreywide LGR Transition Programme includes a focus on risk management. It was confirmed that an LGR programme workstream was underway to develop emergency response plans to ensure readiness on day one of the new Unitary authority. The Committee was also assured that detailed logs were maintained during incidents to capture lessons learnt and inform enquiries. In response to queries regarding the River Thames Scheme, it was reiterated that this falls within the remit of the Environment and Sustainability Committee.

Sandy Muirhead, The Group Head Commissioning and Transformation presented the update in respect of 'ensuring we meet our Equality, Diversity and Inclusivity duties and responsibilities'. Members discussed the need for continued training and benchmarking to maintain best practice. The assurance area was focused on internal processes and the Council meeting its public sector duty rather than community cohesiveness.

Altin Botzhani, Interim Deputy Chief Finance Officer, presented the update on 'ensuring the Council's financial management and long-term planning arrangements are effective to secure financial sustainability financial management'. The Committee noted that assurance was improving, with significant progress in reporting timeliness, data quality and capacity building within the finance function. The Committee welcomed these improvements whilst recognising ongoing risks associated with capacity and capital receipts.

Councillor Nichols queried whether further detail regarding the requirements for West Surrey in terms of data and requirements for the launch of the authority should be included to inform CPRC.

Philip Briggs highlighted that the general sense that the quality, reliability and timeliness of information to committees and decision making bodies was improving was due to increased resources and wondered whether any further specific performance indicators could be included such as how the data was being utilised. The Committee received further assurance that budget account holders were engaging with the training to implement the planned improvements.

Linda Heron, Group Head of Corporate Governance and Monitoring Officer presented the update relating to 'ensuring there are effective governance arrangements in place to deliver the IRP'. The Committee were advised that the operating arrangements were assessed as amber, reflecting their

developing maturity. In response to queries about escalation processes and the need for clear evidence of delivery and oversight it was clarified that each theme had a Senior Responsible Officer (SRO) and it was their responsibility to make sure things were up to date, risk register updated and issues were raised with Board as necessary if targets were at risk. It was reiterated that the purpose of consideration as part of this process was assurance that a set of governance arrangements were in place future reports to both CPRC and the Audit Committee about the detail of delivery were on the Forward Plan.

The Committee provided detailed feedback, including on the need for improved clarity of risk articulation, consistent use of KPIs, and a balance between narrative and measurable outcomes. The Committee provided feedback on the overall format and recognised that further refinement would be required as the framework develops, including addressing the current use of American date formatting. Members observed some inconsistency across the areas presented and emphasised that the focus should remain on assurance rather than service delivery, which is the remit of Service Committees. It was also noted that the item required significant time for proper consideration, and Service Committees should be advised to allocate sufficient time on future agendas.

RESOLVED: That the Committee noted the overall assurance levels for the governance assurance areas and provided feedback for future development.

29/26 Draft Governance Assurance Statement

The Committee considered the draft Annual Governance Statement (AGS). Members were advised that the draft had been shared in advance of the meeting to enable early input and would be further developed prior to finalisation. Members welcomed the clarity and transparency of the document and noted that it represented a significant improvement on previous versions. Feedback included the importance of ensuring that the statement clearly reflected both progress made and areas of ongoing challenge, particularly within the context of external intervention. Officers confirmed that a further section on external assurance would be incorporated, drawing on internal audit, external audit, inspection activity and commissioner oversight.

The next draft would be brought the Committee for consideration at its June meeting.

RESOLVED: That the Committee reviewed and provided comments on the draft Annual Governance Statement.

30/26 Committee Forward Plan

The Committee considered its forward plan, including upcoming items such as the external audit plan. In doing so, it emphasised the importance of receiving clear assurance from auditors, particularly in light of previous qualification concerns.

Philip Briggs raised concerns about the recent change in both the Audit Partner and Audit Manager, noting the potential impact on the new leads' ability to respond in sufficient detail to enquiries. He stressed that an adverse opinion would be unwelcome and highlighted the need for assurance over key areas of estimate and judgement. He also emphasised that audit representatives should be fully prepared to respond, recognising that the audit closure process may be challenging.

As part of the discussion it was also confirmed that independent member Sati Seehra had resigned from the Committee due to workload pressures and a recruitment process would be undertaken. It was suggested to revisit some of the previous candidates.

It was agreed that the Chair's annual report on the work of the Committee should be brought forward to the June meeting to ensure alignment with the Council timetable so this could be recommended on to the Council meeting in July.

RESOLVED: That the forward plan be agreed, subject to the amendments discussed at the meeting.

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