

AUDIT & GOVERNANCE COMMITTEE

14 January 2026

Report of the Audit Working Group 10 December 2025

Report by Executive Director of Resources (& S151 Officer)

RECOMMENDATION

1. The Committee is RECOMMENDED to note the report.

Executive Summary

2. The Audit Working Group (AWG) met on 10 December 2025. The group received an update on the implementation of management actions arising from the audit of Strategic Contract Management and the audit of Income Collection Street Works and Parking, which were both undertaken on 2024/25.

Introduction

3. Attendance:
Full Meeting: Councillors: Roz Smith (Chair), Ted Fenton, Ron Batstone, Gavin McLauchlan, Leigh Rawlins, John Shiri & James Fry. Co-optee: Paul McGinn.

Officers: Full meeting: Sarah Cox, Chief Internal Auditor, Jack Nicholson, Committee Officer, Katherine Kitashima, Audit Manager.

Officers: Part meeting: Richard Scarlett, Head of Commercial and Procurement, Conor O'Sullivan, Project Manager and Phil Whitfield, Head of Service for Network Management.

Apologies: Anita Bradley, Director of Law & Governance and Monitoring Officer, Ian Dyson, Director of Financial and Commercial Services.

Matters to Report:

Internal Audit of Strategic Contract Management 2024/25

4. An Internal Audit of Strategic Contract Management was completed during 2024/25, resulting in an overall Amber conclusion. The audit found that the objectives of the Contract Management Framework, including the Provision Cycle Handbook, had not been fully achieved. There were inconsistencies in

the approach to strategic contract management across the Council, and contract management plans were missing for some platinum-rated contracts. Additionally, improvements were needed in management information and reporting, while spend analysis was hindered by inaccurate data records.

5. At the March 2025 Audit Working Group meeting, the Director of Financial and Commercial Services provided an update on these issues. It was reported that they had been further addressed through the Commercial Transformation Programme, which includes a dedicated project on Contract Management. The actions originally agreed in the internal audit report have been superseded by this project. Officers were scheduled to attend the December 2025 Audit Working Group to provide an update on the implementation of improvements to strategic contract management governance and processes.
6. At the December 2025 meeting, the new Head of Service for Commercial & Procurement, appointed in Summer 2025 updated the group with the work that has been completed on redesign of the Commercial & Procurement Service. As part of this redesign, a dedicated Contract & Supplier Management team will implement the improvements identified through the contract management project. The Audit Working Group was informed that the remaining actions to complete the project are scheduled for completion by the end of the 2025/26 financial year, which will fully address the findings of the internal audit.
7. The Audit Working Group acknowledged the significant progress made through the Commercial Transformation Programme and confirmed that the issues highlighted in the audit report are being addressed. The group requested further feedback on the delivery of planned improvements. It was agreed that the Head of Commercial and Procurement will attend the March 2026 meeting to provide an update on improvement deliverables, target dates, and progress against implementation.

Internal Audit of Income Collection Street Works & Parking 2024/25

8. An Internal Audit of Income Collection Street Works & Parking was undertaken during 2024/25. The overall conclusion was graded Amber. The Audit & Governance Committee requested an update on implementation of the agreed management actions be reviewed by the Audit Working Group. The audit highlighted areas for improvement in relation to street works income collection processes.
9. Since the audit was finalised and the action plan agreed, a new Head of Service for Network Management has been appointed. The Audit Working Group received an update on actions implemented and improvements introduced, which include the development of a formal financial governance structure across Network Management, introduction of consistent documentation for finance-related meetings, creation of detailed process maps and a robust approach to evidencing fees and charges checks across all platforms. Three actions remain outstanding but are in progress and on track for completion by March 2026.

10. The Audit Working Group was satisfied with the progress made and agreed that monitoring of the remaining actions should continue through the routine internal audit action tracking process.

Financial Implications

11. There are no direct financial implications arising from this report.

Comments checked by: Ian Dyson, Director of Financial and Commercial Services. ian.dyson@oxfordshire.gov.uk

Legal Implications

12. There are no direct legal implications arising from this report.

Comments checked by: Jay Akbar, Head of Legal and Governance Services. jay.akbar@oxfordshire.gov.uk

Lorna Baxter
Executive Director of Resources & S151 Officer

Annex: None
Background papers: None

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December 2025