

AUDIT & GOVERNANCE COMMITTEE

MINUTES of the meeting held on Wednesday, 20 May 2026 commencing at 1.00 pm and finishing at 3.20 pm.

Present:

Voting Members: Councillor Roz Smith – in the Chair
Councillor John Shiri (Deputy Chair)
Councillor Ron Batstone
Councillor Andrew Crichton
Councillor James Fry
Councillor David Hingley
Councillor Gavin McLauchlan
Councillor Leigh Rawlins

Coopted Members: Kate Cartwright
Paul McGinn

Other Members: Councillor Stefan Gawrysiak (for Agenda Item 12)

Officers: Anita Bradley, Director of Law and Governance and
Monitoring Officer
Sarah Cox, Head of Internal Audit and Counter Fraud
Kathy Wilcox, Head of Corporate Finance (Deputy Section
151 Officer)
Jack Nicholson, Democratic Services Officer

Part of meeting: Katherine Kitashima, Audit Manager (for Agenda Items 5-7)
Ella Stevens, Chief Accountant (for Agenda Item 8)
Dave Burn, Chief Governance Officer (for Agenda Item 12)

Others: Simon Mathers, Ernest and Young LLP
Kalthiemah Abrahams, Ernest and Young LLP
(for Agenda Items 9 and 10).

The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting, together with a schedule of addenda tabled at the meeting and decided as set out below. Except as insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.

28/26 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

(Agenda No. 1)

Councillor Saj Malik sent an apology for absence, which was accepted.

29/26 DECLARATIONS OF INTEREST

(Agenda No. 2)

There were no declarations of interest.

30/26 MINUTES (Agenda No. 3)

RESOLVED that the minutes of the meetings held on 11 March and 12 May 2026 be approved as accurate records of the proceedings.

The Head of Corporate Finance answered the question about precise returns in interest rates on fixed term deposits in Treasury Management reports as follows. Precise figures were commercially sensitive; minimum, maximum, and average returns would now be included in updates, including in the Outturn Report on 15 July.

31/26 PETITIONS AND PUBLIC ADDRESS (Agenda No. 4)

There were none.

32/26 CHIEF INTERNAL AUDITOR'S ANNUAL REPORT (Agenda No. 5)

The Head of Internal Audit and Counter Fraud introduced the report.

Members asked about the distinction between red, amber, and green reports with respect to the conclusions of 2025/26 audits and were assured that a consistent approach was applied in line with Global Internal Audit Standards; team compliance with the standards was subject to independent external assessment, most recently completed by the Chartered Institute of Public Finance and Accountancy in 2023.

Secondly, members asked about the target to have 90 per cent of agreed management actions implemented in the year, specifically, in relation to 63 per cent implemented and 8 per cent not yet due at the end of April 2026, and noted that the Audit Team were in practice satisfied with anything between 70 and 80 per cent.

Thirdly, members asked about the audit for Bridge Management 2025/26 and noted that this was undertaken in the last quarter. The Head of Internal Audit and Counter Fraud said that she had confidence in the agreed action plan and that the audit of Highways Contract Management would go up to the Audit Working Group (AWG).

Additionally, members noted the following:

- Southern Internal Audit Partnership (SIAP) was used by Hampshire County Council in relation to the Integrated Business Centre (IBC).
- Database Security 2025/26 was the responsibility of IT Services, who dealt with any immediate risk to data protection straight away.
- There was a typo in the table for Employee Relations 2025/26 (p. 42), which should have read 11 outstanding Priority Management Actions.
- The Council's Insurance Team monitored controls and adherence in relation to insurance, as opposed to an external insurance company.
- The audit of Safeguarding Transport 2025/26 was considered by the AWG on 25 March 2026 and would be looked at again on 7 October.
- The Head of Internal Audit and Counter Fraud would bring a report to the meeting on 16 September with details of management actions still overdue.
- In relation to overdue management actions, the Committee could ask the relevant Director and Cabinet Member to come to one of their meetings.

RESOLVED:

- a) that the annual report be endorsed.
- b) that in all future reports, Appendix One, where applicable, contain an additional column with a total for the number of actions that were overdue.

33/26 INTERNAL AUDIT STRATEGY AND PLAN 2026/27

(Agenda No. 6)

The Head of Internal Audit and Counter Fraud introduced the report.

Members discussed Local Government Reorganisation (LGR). Members asked whether directorates were gathering data by district to enable disaggregation of service delivery in 2027-28 and noted that the Council was focused on baselining its own data. Members also noted in relation to the Internal Audit Plan 2026/27 that some of the medium priority actions would not be carried through LGR.

Members asked about the internal independent review of the audit process every two or three years by the Monitoring Officer and the external assessment every five years; they noted that the former, unlike the yearly self-assessment by the Head of Internal Audit and Counter Fraud, was not a statutory requirement but one the Council found helpful so far as the Monitoring Officer spanned the organisation.

RESOLVED that the Internal Audit Strategy and Plan for 2026/27, be noted.

34/26 INTERNAL AUDIT CHARTER 2026/27

(Agenda No. 7)

The Head of Internal Audit and Counter Fraud introduced the report.

The Chair drew members' attention to the role of the Committee in internal auditing.

The Chair thanked the Head of Internal Audit and Counter Fraud for producing the Charter.

RESOLVED that the Internal Audit Charter for 2026/27 be approved and the Quality Assurance and Improvement Programme noted.

35/26 STATEMENT OF ACCOUNTS 2025/26

(Agenda No. 8)

The Chief Accountant confirmed that the accounts would be published on 30 June.

36/26 EXTERNAL AUDITOR'S AUDIT PLANNING REPORT 2025/26

(Agenda No. 9)

Ernst and Young introduced the report.

Members asked about the International Financial Reporting Standard (IFRS) 16 and noted Ernst and Young's opinion that the implementation of IFRS 16 had been an issue countrywide but that issues identified in Oxfordshire had already been resolved.

Members noted Ernst and Young's intention to have the audit complete by the end of November 2026 and their opinion that the Council was in a good position to further rebuild assurance on the accounts.

RESOLVED that the Audit Planning Report 2025/26 be noted.

37/26 EXTERNAL AUDITOR'S PENSION FUND AUDIT PLANNING REPORT 2025/26
(Agenda No. 10)

Ernst and Young introduced the report.

Members noted that for the 2024/25 audit, timeliness and quality of evidence required improvement; Ernst and Young experienced some delays on account of ongoing resourcing constraints. The Director of Law and Governance and Monitoring Officer clarified that this was because of the sad death of a colleague; resourcing constraints had been addressed.

RESOLVED that the Pension Fund Audit Planning Report 2025/26 be noted.

38/26 ANNUAL GOVERNANCE STATEMENT 2025/26
(Agenda No. 11)

The Director of Law and Governance and Monitoring Officer introduced the report.

The Director of Law and Governance and Monitoring Officer outlined two changes:

- The Annual Governance Statement had been produced when Councillor Liz Leffman was leader; now, Councillor Tim Bearder's name would feature, and he would be briefed with the expectation that he would sign accordingly.
- There would be one amendment to paragraph 63 in relation to the IBC report; the report for 2025-26 concluded that the key financial systems and system controls were suitably designed and operated effectively overall.

Members asked why the Strategic Plan 2025-28 did not include reference to tackling to discrimination in relation to a fairer Oxfordshire. The Director of Law and Governance and Monitoring Officer said that did not feature in the Strategic Plan as such, but she would take it up with the leader on their behalf.

Secondly, members asked about the People and Culture Strategy and noted that it was reviewed both in terms of its development but also to reflect the journey that the Council was on in terms of LGR and changing priorities which that entailed.

Members noted that Environment and Highways – Bridge Management would be regarded as a significant governance issue for 2026/27.

The Chair thanked the Senior Governance Lead for producing the report.

RESOLVED that the Annual Governance Statement 2025/26 be approved with one amendment, subject to the Monitoring Officer's consultation with the Leader of the Council, the Chief Executive, and the Section 151 Officer.

39/26 CONSTITUTION WORKING GROUP REPORT

(Agenda No. 12)

The Director of Law and Governance and Monitoring Officer introduced the report and its addendum.

The Chair of the Constitution Working Group, Councillor Stefan Gawrysiak, thanked the members of the Constitution Working Group, especially Councillor Brad Baines, and the Chair of Audit and Governance, the Chief Governance Office, and the Director of Law and Governance and Monitoring Officer for their work.

The Chief Governance Officer introduced the appendices in turn.

Appendix 1, Changes to the Constitution

Members noted with approval Change No. 23 concerning 'Questions on Notice at Full Council', which read as follows. 'It should be noted that the Chair has the discretion to group similar questions together. Where this happens the order in which the questions are listed and asked may vary from the order in which they were received.'

Additionally, in relation to Change No. 63 concerning 'The Oxfordshire Joint Health Overview and Scrutiny Committee' (HOSC), members asked about plans for a Thames Valley Joint HOSC and noted that the Director of Law and Governance and Monitoring Officer had leave to change names in the constitution as required.

Appendix 1, Annex 1, Oxfordshire Shareholder Committee

There was nothing to note.

Appendix 1, Annex 2, Contract Procedure Rules

In relation to Chapter 3, Paragraph 5.4 concerning the 'Procurement Process and Thresholds', members asked whether the relevant Cabinet Member should be involved by default in contracts valued between £25,000 (excl. VAT) and the current Procurement Act Threshold. The Director of Law and Governance and Monitoring Officer said that they could be involved, not by default.

Secondly, in relation to Paragraph 9.1 concerning 'Terms and Conditions of Contracts', members asked why these would now apply to contracts with a value of £50,000 rather than £25,000 (excl. VAT) as before. The Director of Law and Governance and Monitoring Officer said that this was to ensure that service areas were involved when they could add value; principal solicitors had recommended it.

In relation to Paragraph 9.5 members noted a typo in the last sentence, which read, 'officers should seek the express concern of the member concerned.' The Chief Governance Officer apologised and said that he would correct it.

Appendix 2, Changes to the Constitution

In relation Change No. 4, members asked if it would be possible to have a new leader appointed at the same meeting that Council is notified of a vacancy. They also asked if it would be possible for a leadership election to take place at an Annual Council Meeting. The Director of Law and Governance and Monitoring Officer advised that she would consider the question and advise accordingly

Members noted the supplementary document containing revised recommendations.

RESOLVED:

- a) That the proposed amendments to the Council's Constitution as recommended by the Constitution Working Group be approved;
- b) That Council be recommended to formally approve the proposed amendments to the Council's Constitution, as set out in Appendices 1 and 2 (attached to the covering report) and to request the Director of Law and Governance and Monitoring Officer to complete the necessary amendments to the Constitution as set in Appendix 1;
- c) That Council be recommended to approve the additional changes, including the amendments to the Officer Scheme of Delegation to reflect the new management structure, as set out in Appendix 3 (attached to the Addendum Report); and
- d) That it be noted that Council will be requested to formally adopt the amendments to the Constitution on 30 June 2026, as recommended by the Audit and Governance Committee.

40/26 AUDIT WORKING GROUP UPDATE

(Agenda No. 14)

The Chair moved this item forward to be considered before Agenda Item 13.

The Head of Internal Audit and Counter Fraud introduced the report.

Members noted that the Audit and Governance Self-Assessment would take place in the AWG on 17 June; the AWG would meet again on 2 September.

Additionally, members approved the proposal for audits for Safeguarding Transport and School Attendance to be reconsidered by the AWG on 7 October.

The Independent Member Kate Cartwright resigned her membership of the AWG but said that she would attend online where possible.

RESOLVED that the Audit Working Group Update be noted.

41/26 AUDIT & GOVERNANCE WORK PROGRAMME 2026/27

(Agenda No. 13)

Members noted that the Fire and Community Safety Annual Report by the Chief Fire Officer and Director of Community Safety would also be tabled on 15 July.

Members raised LGR and noted that it was being considered by the Place Overview and Scrutiny Committee but that it could be tabled for them on 16 September; the Director of Law and Governance and Monitoring Officer resolved to take this away.

Additionally, members resolved to meet in private with internal and external auditors before the Committee meeting on 18 November and to receive training on Treasury Management before the committee meeting on 13 January 2027.

RESOLVED that the Audit and Governance Work Programme 2026/27 be noted.

..... in the Chair

Date of signing