



To: Members of the Audit & Governance Committee

Notice of a Meeting of the Audit & Governance Committee

Wednesday, 14 January 2026 at 1.00 pm

Room 2&3 - County Hall, New Road, Oxford OX1 1ND

If you wish to view proceedings, please click on this [Live Stream Link](#)
Please note, that will not allow you to participate in the meeting.

A handwritten signature in black ink that appears to read 'Martin Reeves'.

Martin Reeves
Chief Executive

Committee Officers: Committee Services
Email: committees.democraticservices@oxfordshire.gov.uk

Membership

Chair – Councillor Roz Smith
Deputy Chair - Councillor John Shiri

Councillors

Ron Batstone
Andrew Crichton
Ted Fenton

James Fry
David Hingley
Gavin McLauchlan

Leigh Rawlins

Co-optee

Kate Cartwright
Paul McGinn

Notes:

- **Date of next meeting: 11 March 2026**



AGENDA

- 1. Apologies for Absence and Temporary Appointments**
- 2. Declaration of Interests - see guidance note**
- 3. Minutes of the Previous Meeting (Pages 7 - 14)**

The Committee is RECOMMENDED to approve the minutes of the meeting held on 26 November 2025 and to receive information arising from them.

- 4. Petitions and Public Address**

Members of the public who wish to speak on an item on the agenda at this meeting, or present a petition, can attend the meeting in person or 'virtually' through an online connection.

Requests to present a petition must be submitted no later than 9am ten working days before the meeting.

Requests to speak must be submitted no later than 9am three working days before the meeting.

Requests should be submitted to committeesdemocraticservices@oxfordshire.gov.uk

If you are speaking 'virtually', you may submit a written statement of your presentation to ensure that if the technology fails, then your views can still be taken into account. A written copy of your statement can be provided no later than 9am on the day of the meeting. Written submissions should be no longer than 1 A4 sheet.

- 5. Internal Audit 2025/26 Progress Report (Pages 15 - 44)**

This report provides an update on the Internal Audit Service, including resources, completed and planned audits.

The report includes the Executive Summaries from the individual Internal Audit reports finalised since the last report to the September 2025 Committee.

The Committee is RECOMMENDED to note the progress with the 2025/26 Internal Audit Plan and the outcome of the completed audits.

- 6. Treasury Management Strategy Statement & Annual Investment Strategy for 2026/27 (Pages 45 - 64)**

The Treasury Management Strategy & Annual Investment Strategy for 2026/27 outlines the council's strategic objectives in terms of its debt and investment management for the financial year 2026/27.

The forecast average cash balance for 2026/27 is £345m. The council will maintain its investment in strategic pooled funds with a purchase value of £88m (25%). The remaining £257m (75%) will be managed internally with a mixture of short, medium and long-term deposits.

The Bank of England Base Rate is forecast to start the year at 3.75 or 3.50%, reducing to 3.25% by the end of the financial year.

UK Government Gilt yields are forecast to fall from 4.80% to 3.80% over the medium term.

As the council's Capital Financing Requirement (CFR) is proposed to increase significantly over the medium term, the strategy will aim to decrease long term investments to allow for greater internal borrowing.

Changes to the Treasury Management Strategy will be recommended to Council to be delegated to the Executive Director of Resources & Section 151 Officer in consultation with the Leader of the Council and Cabinet Member for Finance

The Committee is RECOMMENDED to endorse the Treasury Management Strategy & Annual Investment 2025/26.

7. Financial Management Code (Pages 65 - 86)

The Chartered Institute of Public Finance and Accountancy (CIPFA) launched the Financial Management Code of Practice (FM Code) in November 2019. The FM Code was developed on behalf of the Ministry of Housing, Communities and Local Government (MHCLG) in the context of increasing concerns about the financial resilience and sustainability of local authorities.

The FM Code clarifies how Chief Finance Officers should satisfy their statutory responsibility for good financial administration as required in section 151 of the Local Government Act 1972 and emphasises the collective financial responsibility of the whole leadership including the relevant elected members.

The FM Code requires local authorities to demonstrate compliance on an annual basis, with assessments taking a retrospective view of the current financial year. This approach ensures that financial management practices are reviewed against actual performance rather than projections. The assessment aligns closely with the Annual Governance Statement (AGS), which is a statutory requirement under the Accounts and Audit Regulations. Together, these form the key elements of the authority's assurance framework, providing evidence that sound financial management and robust governance arrangements are in place to support transparency, accountability, and financial sustainability.

The report sets out the outcome of the compliance self-assessment undertaken for 2025/26 which has found that the Council is well placed to meet the requirements of the FM Code.

The Committee is RECOMMENDED to endorse the assessment of compliance against the Financial Management Code for 2025/26 (Annex 1).

8. Annual Governance Statement - Update on Actions (Pages 87 - 92)

On 4 June 2025, this Committee approved the Annual Governance Statement (AGS) for the year 2024/25. Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles and to give an opinion on the effectiveness of those arrangements. As part of the process, authorities are expected to highlight areas of focus for the year following.

The Director of Law & Governance, and Monitoring Officer presented an update to Committee on 26 November 2025 on the eight specific areas of focus identified in the 2024/25 AGS for action in 2025/26. This report is therefore a report on only those actions where an additional update is required.

The Committee is RECOMMENDED to receive this update on the actions from the Annual Governance Statement 2024/25 and to make any comment upon them.

9. Audit Working Group Update (Pages 93 - 96)

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.

The Committee is RECOMMENDED to note the report.

10. Audit & Governance Work Programme (Pages 97 - 98)

Close of meeting

An explanation of abbreviations and acronyms is available on request from the Chief Internal Auditor.

Councillors declaring interests

General duty

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed 'Declarations of Interest' or as soon as it becomes apparent to you.

What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your employment; sponsorship (i.e. payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest. If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member 'must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself' and that 'you must not place yourself in situations where your honesty and integrity may be questioned'.

Members Code – Other registrable interests

Where a matter arises at a meeting which directly relates to the financial interest or wellbeing of one of your other registerable interests then you must declare an interest. You must not participate in discussion or voting on the item and you must withdraw from the meeting whilst the matter is discussed.

Wellbeing can be described as a condition of contentedness, healthiness and happiness; anything that could be said to affect a person's quality of life, either positively or negatively, is likely to affect their wellbeing.

Other registrable interests include:

- a) Any unpaid directorships

- b) Any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority.
- c) Any body (i) exercising functions of a public nature (ii) directed to charitable purposes or (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management.

Members Code – Non-registerable interests

Where a matter arises at a meeting which directly relates to your financial interest or wellbeing (and does not fall under disclosable pecuniary interests), or the financial interest or wellbeing of a relative or close associate, you must declare the interest.

Where a matter arises at a meeting which affects your own financial interest or wellbeing, a financial interest or wellbeing of a relative or close associate or a financial interest or wellbeing of a body included under other registerable interests, then you must declare the interest.

In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied:

Where a matter affects the financial interest or well-being:

- a) to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b) a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest.

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.