



To: **Members of the Audit & Governance Committee**

***Notice of a Meeting of the Audit & Governance  
Committee***

**Wednesday, 20 May 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.

Martin Reeves  
Chief Executive

Deadline(pubagenda)

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

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**Membership**

Chair – Councillor Roz Smith  
Deputy Chair - Councillor John Shiri

*Councillors*

Ron Batstone  
Andrew Crichton  
James Fry

David Hingley  
Saj Malik  
Gavin McLauchlan

Leigh Rawlins

*Co-optee*

Kate Cartwright  
Paul McGinn

**Notes:**

- ***Date of next meeting: 15 July 2026***

## AGENDA

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

To approve the minutes of the meetings held on 11 March and 12 May 2026 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](mailto: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. **Chief Internal Auditor's Annual Report (Pages 15 - 60)**

This is the annual report of the Head of Internal Audit, summarising the outcome of the Internal Audit work in 2025/26, and providing an opinion on the Council's System of Internal Control. The opinion is one of the sources of assurance for the Annual Governance Statement.

The basis for the opinion is set out in paragraphs 22 – 35, followed by the overall opinion for 2025/26 which is that there is **satisfactory** assurance regarding Oxfordshire County Council's overall control environment and the arrangements for governance, risk management and control

**The Audit and Governance Committee is RECOMMENDED to consider and endorse this annual report.**

## **6. Internal Audit Strategy & Plan 2026/27 (Pages 61 - 76)**

This report presents the Internal Audit Strategy and Internal Audit Plan for 2026/27. A separate plan for Counter-Fraud activity will be presented to this Committee in July 2026.

Appendix 2 sets out the annual Internal Audit plan for 2026/27.

The move to a new unitary authority, or authorities requires Internal Audit to provide continued assurance while supporting transformation and ensuring the alignment of governance, risk management, and control frameworks. To do this effectively, the Internal Audit Plan must remain agile and responsive to emerging risks and changing priorities. It will therefore be subject to regular review and adjustment throughout 2026/27 and 2027/28, leading up to vesting day in April 2028.

**The Audit and Governance Committee is RECOMMENDED to comment on and note the Internal Audit Strategy and Internal Audit Plan for 2026/27.**

## **7. Internal Audit Charter 2026/27 (Pages 77 - 96)**

This report presents both the Internal Audit Charter and the Quality Assurance and Improvement Programme for 2026/27. These are subject to annual review.

**The Audit and Governance Committee is RECOMMENDED to:**

- a) Approve the Internal Audit Charter for 2026/27**
- b) Note the Quality Assurance and Improvement Programme.**

## **8. Statement of Accounts 2025/26 (Verbal Update)**

## **9. External Auditor's Audit Planning Report 2025/26 (Pages 97 - 142)**

**The Audit and Governance Committee is RECOMMENDED to comment on and note the Audit Planning Report 2025/26.**

## **10. External Auditor's Pension Fund Audit Planning Report 2025/26 (Pages 143 - 188)**

**The Audit and Governance Committee is RECOMMENDED to comment on and note the Pension Fund Audit Planning Report 2025/26.**

## **11. Annual Governance Statement 2025/26 (Pages 189 - 242)**

The Audit and Governance Committee has the responsibility of approving the Council's Annual Governance Statement (AGS) each year.

Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles. This includes reporting on how they have monitored and evaluated the effectiveness of their governance arrangements in the previous year and setting out any planned changes in the coming period.

The Audit and Governance Committee is **RECOMMENDED** to approve the Annual Governance Statement 2025/26, subject to the Monitoring Officer making any necessary amendments in the light of comments made by the Committee, after consultation with the Leader of the Council, the Chief Executive, and the Section 151 Officer.

## **12. Constitution Working Group Report (Pages 243 - 314)**

Following the re-establishment of the Constitution Working Group (CWG), four meetings have been undertaken with the CWG to discuss proposed changes and improvements to the Constitution. Meetings of the CWG were held on 2 February, 6 March, 16 and 28 April 2026, respectively.

This report sets out the findings and conclusions of those discussions and requests Audit and Governance Committee to recommend to Council the formal adoption of the changes to the Council's Constitution, as set out in Appendices 1 and 2.

The Audit and Governance Committee is **RECOMMENDED** to:

- a) **Endorse the proposed amendments to the Council's Constitution as recommended by the Constitution Working Group;**
- b) **Recommend Council to formally approve the proposed changes to the Council's Constitution and to request the Director of Law and Governance and Monitoring Officer to ensure the necessary changes are made; and**
- c) **Note that following changes to the Senior Management Structure further amendments are being made to the Officer Scheme of Delegation to reflect the new structure. These amendments will be completed prior to the Council meeting scheduled for 30 June 2026.**

## **13. Audit & Governance Work Programme 2026/27 (Pages 315 - 316)**

The Audit and Governance Committee is **RECOMMENDED** to comment on and note the Audit and Governance Work Programme for 2026//27.

## **14. Audit Working Group Update (Addendum)**

The Audit and Governance Committee is **RECOMMENDED** to note the report.

**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) Anybody 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) Anybody (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-registrable 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 registrable 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.

# Agenda Item 3

## AUDIT & GOVERNANCE COMMITTEE

**MINUTES** of the meeting held on Wednesday, 11 March 2026 commencing at 1.05 pm and finishing at 2.40 pm.

**Present:**

**Voting Members:** Councillor Roz Smith – in the Chair

Councillor Ron Batstone  
Councillor James Fry  
Councillor David Hingley  
Councillor Gavin McLauchlan  
Councillor Leigh Rawlins

**Non-voting Members:** Kate Cartwright  
Paul McGinn

**Other Members:** Councillor David Henwood for Councillor Ted Fenton

**Officers/others in attendance:**

Whole of meeting: Sarah Cox, Chief Internal Auditor  
Jack Nicholson, Democratic Services Officer  
Ella Stevens, Chief Accountant  
Kathy Wilcox, Head of Corporate Finance

Part of meeting:

**Agenda Item**

6 Declan Brolly, Counter Fraud Team Managers  
9 Kalthiemah Abrahams, Ernst and Young (EY) LLP  
Simon Mathers, EY LLP

*The Committee considered the matters, reports and recommendations contained or referred to in the agenda for 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.*

### 11/26 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

(Agenda No. 1)

Councillors Andrew Crichton, Ted Fenton, and John Shiri sent their apologies for absence.

Councillor Ted Fenton was represented by Councillor David Henwood.

The Deputy Chief Executive (and Section 151 Officer) and Strategic Financing and Investment Manager also sent their apologies for absence. The Head of Corporate Finance was present on their behalf.

## **12/26 DECLARATION OF INTERESTS**

(Agenda No. 2)

There were no declarations of interest.

## **13/26 MINUTES**

(Agenda No. 3)

Members asked for reference to Special Educational Needs and Disabilities (SEND) expenditure with respect to 'future balances in the county fund in March 2028' (p. 12).

**Subject to making the one amendment, RESOLVED to approve the minutes of the meeting held on 14 January 2026 as an accurate record of proceedings.**

## **14/26 PETITIONS AND PUBLIC ADDRESS**

(Agenda No. 4)

There were none.

## **15/26 ANNUAL REPORT OF AUDIT & GOVERNANCE COMMITTEE**

(Agenda No. 5)

The Chief Internal Auditor introduced the report.

Members noted that the Chief Internal Auditor would add in the Code of Corporate Governance to the table outlining the key activities of the Committee.

In response to a question, officers clarified that the audit backlog was originally caused by national issues with the valuation of infrastructure assets; the on-going effect meant that the Statement of Accounts for 2023/24 was disclaimed by EY LLP.

**RESOLVED to approve the report for presentation to Council by the Chair of the Audit & Governance Committee.**

## **16/26 COUNTER FRAUD UPDATE**

(Agenda No. 6)

The Chief Internal Auditor introduced the report.

Members noted that the Audit Working Group would have a Counter Fraud Update.

Members also noted that the Counter Fraud Annual Activity Report would give data pertaining to activity over the last few years for comparison with that year's figures. They asked for data pertaining to the number of applications for Blue Badges in Oxford City since the introduction of the congestion charge.

Members asked about the enforcement exercises with respect to Blue Badges. The Counter Fraud Team Manager said that his team covered the entire County, especially busy areas, and responded to people identifying their potential misuse.

**RESOLVED to note the summary of activity against the Counter Fraud Plan for 2025/26.**

**17/26 TREASURY MANAGEMENT Q3 PERFORMANCE REPORT 2025/26**  
(Agenda No. 7)

The Head of Corporate Finance introduced the report and recommended that members also read the Treasury Management Q3 Performance Report 2025-26 that was due to be considered by Cabinet on 17 March.

Members asked about Annex 4 - Fixed term deposits held at 31 December 2025 and noted that balances were small where funding was not required.

ACTION

The Head of Corporate Finance said that she would get the Strategic Financing and Investment Manager to answer a question as to precise returns and variation in interest rates on fixed term deposits outlined in Annex 4.

**RESOLVED to note the council's treasury management activity for the first three quarters of 2025/26**

**18/26 ACCOUNTING POLICIES 2025/26**  
(Agenda No. 8)

The Chief Accountant introduced the report.

Members noted the implications of His Majesty's Treasury Thematic Review of Non-investment Asset Valuation for Financial Reporting Purposes for local authorities revaluating over a period of five years; the Council would continue revaluating every three years for 2025/26

**RESOLVED to:**

- a) **endorse the proposed timetable for the production of the draft Statement of Accounts for 2025/26 and**
- b) **ratify the accounting policies for 2025/26 as approved by the Deputy Chief Executive (Section 151 Officer).**

**19/26 ERNST & YOUNG UPDATE (VERBAL UPDATE)**  
(Agenda No. 9)

The external auditors updated members as follows.

- The statutory backstop for completion of local government audits had moved from the end of February to the end of January in 2026.
- They would likely prioritise the Council in 2026-27 to move to an unqualified opinion on the accounts
- More work would be required on transactions in the 2022-23 financial year.

Members asked about the cost of work on transactions from 2022-23 and noted that:

- The amount of work required would be kept to a minimum and determined through the risk assessment process.
- The objective would be to get the necessary assurance of the split between the usable and unusable reserves of the Council.

**RESOLVED to note Ernst & Young's verbal update.**

## **20/26 OFFICERS' CODE OF CONDUCT (CONSTITUTIONAL AMENDMENT)**

(Agenda No. 10)

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

Members asked whether the Code of Conduct applied to officers who left the Council to work for a contractor and noted that there were no restrictive covenants as such but that former officers were barred from using knowledge and data acquired in the course of their duties with any future employer.

Members asked if there would be consequences for officers expressing reprehensible views at any time and noted that they were forbidden from expressing views that were either contrary to Council policies or were not in keeping with its values.

Members also asked about the Code insofar as it applied to agency workers and contractors working for or on behalf of the Council and noted that third party companies would have their own policies but that the Council would expect them to be in keeping with the Council's own values too.

Members asked for the Nolan Principles of Standards in Public Life to be referred to in the Code of Conduct before its submission to Council.

### **RESOLVED to:**

- a) approve the revised Officers' Code of Conduct and**
- b) recommend to Council to amend the Constitution to include the revised Officers' Code of Conduct in Part 9.6.**

## **21/26 UPDATES ON THE CONSTITUTION WORKING GROUP**

(Agenda No. 11)

The Director of Law and Governance and Monitoring Officer introduced the report and corrected the date in paragraph 4; the Constitution Working Group met on 2 February, whereas the meeting on 26 February was for officers only.

**RESOLVED to note progress with the changes to the Council's constitution, which will be reported to Council on 30 June 2026.**

## **22/26 CODE OF CORPORATE GOVERNANCE**

(Agenda No. 12)

Members asked about the Local Government Transparency Code 2015 and noted that it was available on the government website.

Members thanked Senior Governance Officer Sarah Smith specifically for the report.

Members asked about areas for improvement and noted that this would feature in the Annual Governance Statement Action Plan.

Members recommended that the Code of Corporate Governance be circulated to all members of the Council.

**RESOLVED to approve the Oxfordshire Code of Corporate Governance.**

**23/26 ELECTORAL FEES AND CHARGES APRIL 2026/27**

(Agenda No. 13)

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

Members asked about the additional payments officers received for work either as Returning or Deputy Returning Officers. The Director of Law and Governance and Monitoring Officer declared an interest because she had received such payment. However, members noted that in accordance with the Council's Pay Policy, duties carried out during an election were not part of any contract of employment within the Council, which was why payment was made.

**RESOLVED to note the Scale of Election Expenses for the financial year 2026/27, as shown in Annex 1, in the event of the election of County Councillors or any other poll associated with the County Council during the 2026/27 financial year.**

**24/26 AUDIT & GOVERNANCE COMMITTEE WORK PROGRAMME**

(Agenda No. 14)

Members noted the following changes:

- The Internal Audit Charter would be brought forward to 20 May 2026
- Risk Management would be considered on 20 May and 16 September only

Members reiterated that they would like to see review of Local Government Reorganisation (LGR) as it progressed. The Director of Law and Governance and Monitoring Officer agreed to consider the best way to take this forward to avoid duplication and to comply with the Committee's Terms of Reference.

Members noted review of future balances in the county fund in March 2028, especially with respect to SEND, would be considered by the Cabinet

**RESOLVED to note the Committee Work Programme to November 2026**

..... in the Chair

Date of signing .....

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## AUDIT & GOVERNANCE COMMITTEE

**MINUTES** of the meeting held on Tuesday, 12 May 2026 commencing at 11.53 am and finishing at 11.55 am.

**Present:**

**Voting Members:** Councillor Ron Batstone  
Councillor Andrew Crichton  
Councillor James Fry  
Councillor David Hingley  
Councillor Saj Malik  
Councillor Gavin McLauchlan  
Councillor Leigh Rawlins  
Councillor John Shiri  
Councillor Roz Smith

**Officers:** Anita Bradley, Director of Law and Governance and Monitoring Officer

**25/26 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS**  
(Agenda No. 1)

None.

**26/26 ELECTION OF CHAIR FOR THE 2026/27 COUNCIL YEAR**  
(Agenda No. 2)

Councillor Smith was nominated by Councillor Rawlins and seconded by Councillor Shiri. There were no other nominations. Councillor Smith was deemed elected Chair of the Committee for the 2026/27 Council Year.

**27/26 ELECTION OF DEPUTY CHAIR FOR THE 2026/27 COUNCIL YEAR**  
(Agenda No. 3)

Councillor Shiri was nominated by Councillor Smith and seconded by Councillor Rawlins. There were no other nominations. Councillor Shiri was deemed elected Deputy Chair of the Committee for the 2026/27 Council Year.

..... in the Chair

Date of signing .....

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## AUDIT AND GOVERNANCE COMMITTEE

20 MAY 2026

### ANNUAL REPORT OF THE HEAD OF INTERNAL AUDIT

#### Report by Head of Internal Audit & Counter Fraud

#### RECOMMENDATION

1. The Audit and Governance Committee is **RECOMMENDED** to
  - consider and endorse this annual report.

#### Executive Summary

2. This is the annual report of the Head of Internal Audit, summarising the outcome of the Internal Audit work in 2025/26, and providing an opinion on the Council's System of Internal Control. The opinion is one of the sources of assurance for the Annual Governance Statement.
3. The basis for the opinion is set out in paragraphs 22 – 35, followed by the overall opinion for 2025/26 which is that there is **satisfactory** assurance regarding Oxfordshire County Council's overall control environment and the arrangements for governance, risk management and control.

#### Background

4. The Accounts and Audit Regulations 2015 require the Council to maintain an adequate and effective Internal Audit Service in accordance with proper internal audit practices. The Global Internal Audit Standards (GIAS) in the UK Public Sector (effective from April 2025), sets out proper practice for Internal Audit, requires the Head of Internal Audit to provide an annual report to those charged with governance, which should include an opinion on the overall adequacies and effectiveness of the internal control environment, comprising risk management, control and governance. (This was required under the previous Public Sector Internal Audit Standards 2017 which the Global Internal Audit Standards now replaces).
5. Oxfordshire County Council's Internal Audit service fully conformed to the PSIAS 2017, and since April 2025 has implemented the new Global Internal Audit Standards in the UK Public Sector.
6. The Accounts and Audit Regulations 2015 require the Annual Governance Statement (AGS) to be published at the same time as the Statement of Accounts is submitted for audit and public inspection. In order for the Annual Governance Statement to be informed by the Head of Internal Audit's annual report on the system of internal control, this Head of Internal Audit annual report has been produced for the June Audit and Governance Committee meeting. This is the full and final Head of Internal Audit annual report for 2025/26.

## **Responsibilities**

7. It is a management responsibility to develop and maintain the internal control framework and to ensure compliance. It is the responsibility of Internal Audit to form an independent opinion on the adequacy of the system of internal control.
8. The role of Internal Audit is to provide management with an objective assessment of whether systems and controls are working properly (financial and non-financial). It is a key part of the Authority's internal control system because it measures and evaluates the adequacy and effectiveness of other controls so that:
  - The Council can establish the extent to which they can rely on the whole system; and,
  - Individual managers can establish how reliable the systems and controls for which they are responsible are.

## **Internal Control Environment**

9. Internal audit standards require that the internal audit activity must assist the organisation in maintaining effective controls by evaluating their effectiveness and efficiency and by promoting continuous improvement.
10. The internal audit activity must evaluate the adequacy and effectiveness of controls in responding to risks within the organisation's governance, operations and information systems regarding the:
  - Achievement of the organisation's strategic objectives;
  - Reliability and integrity of financial and operational information;
  - Effectiveness and efficiency of operations and programmes;
  - Safeguarding of assets; and
  - Compliance with laws, regulations, policies, procedures and contracts.
11. In order to form an opinion on the overall adequacy and effectiveness of the control environment, the internal audit activity is planned to provide coverage of financial controls through review of the key financial systems, and internal controls through a range of operational activity both within Services and cross cutting, including a review of risk management and governance arrangements. The Head of Internal Audit's annual statement on the System of Internal Control is considered by the Corporate Governance Assurance Group when preparing the Council's Annual Governance Statement.

## **The Audit Methodology**

12. The Internal Audit Service operates in accordance with the Global Internal Audit Standards (GIAS) in the UK Public Sector. The annual self-assessment against the standards is completed by the Head of Internal Audit. It is a requirement of

the standards for an external assessment of internal audit to be completed at least every five years. The external assessment was undertaken by CIPFA (Chartered Institute of Public Finance & Accountancy) in November 2023, the results were reported to the January 2024 Audit & Governance Committee meeting. The results of the assessment were very positive; with an overall conclusion that Oxfordshire County Council's Internal Audit Service FULLY CONFORMS to the requirements of the standards. There were no areas of either partial or non-conformance with the standards identified and no recommendations arising.

13. The Monitoring Officer conducted a survey of Senior Management on the effectiveness of Internal Audit in September 2023. The results from this survey were presented to the November 2023 Audit & Governance Committee meeting. The conclusion from the survey was that there was a strong level of satisfaction with the nature and effectiveness of the internal audit service. The survey is due for completion again during 2026.
14. The Internal Audit Strategy and Annual Plan for 2025/26 was presented to the June 2025 Audit and Governance Committee. The Committee then received quarterly progress reports from the Head of Internal Audit, including summaries of the audit findings and conclusions.
15. The Internal Audit Plan, which is subject to continuous review, identified the individual audit assignments. The activity was undertaken using a systematic risk-based approach. Terms of reference were prepared that outlined the objectives and scope for each audit. The work was planned and performed so as to obtain all the information and explanations considered necessary to provide sufficient evidence in forming an overall opinion on the adequacy and effectiveness of the internal control framework.
16. Internal Audit reports provide an overall conclusion on the system of internal control using one of the following ratings:
  - GREEN There is a strong system of internal control in place and risks are being effectively managed.
  - AMBER There is generally a good system of internal control in place and the majority of risks are being effectively managed. However, some action is required to improve controls.
  - RED The system of internal control is weak, and risks are not being effectively managed. The system is open to the risk of significant error or abuse. Significant action is required to improve controls.
17. In Appendix 1 to this report there is a list of all completed audits for the year showing the overall conclusion at the time audit report was issued, and the current status of management actions against each audit, (based on information provided by the responsible officers).
18. To provide quality assurance over the audit output, audit assignments are allocated to staff according to their skills and experience. Each auditor has designated either the Audit Manager or Head of Internal Audit to perform quality reviews at four stages of the audit assignment: the terms of reference, file review, draft report and final report stages.

## **The Audit Team**

19. During 2025/26 the Internal Audit Service was delivered by an in-house team, supported with the specialist area of IT audit.
20. Throughout the year the Audit and Governance Committee were kept informed of staffing / resourcing updates and delivery of the plan.
21. It is a requirement to notify the Audit and Governance Committee of any conflicts of interest that may exist in discharging the internal audit activity. There are none to report for 2025/26.

## **Opinion on System of Internal Control**

### **Basis of the Audit Opinion**

22. The 2025/26 revised plan presented to the January 2026 Audit & Governance Committee has had one further amendment, with the deferral of the audit of S106 until quarter 1 of the 2026/27 internal audit plan (reported in appendix1). The revised plan has been fully completed subject to two audits at draft report stage which will be finalised during May.
23. The plan is intended to be dynamic and flexible to change. 28 audits were undertaken in the year (30 in 2024/25, 26 in 2023/24, 30 in 2022/23, 26 in 2021/22).
24. The completed internal audit activity and the monitoring of audit actions through the action tracker system enables the Head of Internal Audit to provide an objective assessment of whether systems and controls are working properly. In addition to the completed internal audit work, the Head of Internal Audit also uses evidence from other audit activity, including counter-fraud activity, and attendance on working groups e.g., Corporate Governance Assurance Group.
25. In giving an audit opinion, it should be noted that assurance can never be absolute; however, the scope of the audit activity undertaken by the Internal Audit Service is sufficient for reasonable assurance to be placed on Internal Audit's work.
26. A summary of the work undertaken during the year, forming the basis of the audit opinion on the control environment, is shown in Appendix 1.
27. Of the 28 audits undertaken in 2025/26, there were four audits with the overall conclusion of red. In 2024/25 there were no audits graded red, 2023/24, three audits were graded as red, in 2022/23 one audit was graded red, in 2021/22 one audit was graded red, and in 2020/21 one audit was graded red. (See also paragraph 36 for trend analysis on individual audit overall conclusions)
28. The overall opinion for each audit, highlighted in Appendix 1, is the opinion at the time the report was issued. The internal audit reports contain management action plans where areas for improvement have been identified, which the Internal Audit Team monitors the implementation of by obtaining positive assurance on the status of the actions from the officers responsible. The current status of those actions is also highlighted, in Appendix 1, for each audit. Reports

on outstanding actions have been routinely reported to Directors and the Audit & Governance Committee. The Head of Internal Audit's opinion set out below considers the implementation of management actions.

29. As part of governance arrangements developed when Oxfordshire County Council joined the Hampshire Partnership in July 2015, it was agreed that the Southern Internal Audit Partnership (SIAP) would provide annual assurance to Oxfordshire County Council on the adequacy and effectiveness of the framework of governance, risk management and control from the work carried out by the partnership, via the Integrated Business Centre (IBC). Due to the onboarding of three additional partners, since 2019/20 the assurance arrangements were amended. The Hampshire Partnership/IBC commissioned Ernest and Young (EY) to undertake a Service Organisation Controls review under International Standard on Assurance Engagements (ISAE 3402). This provides a framework for reporting on the design and compliance with control objectives related to financial reporting. In addition to this Partners can separately take a view on any additional risk-based pieces of assurance work that could be commissioned from SIAP covering any core elements of the control environment.
30. The ISAE 3402 report covering both the design and operating effectiveness of the internal control environment for 2025/26 has not yet been made available to the Deputy Chief Executive (and S151 Officer) and the Head of Internal Audit. The Hampshire partnership are waiting for EY to complete and report on their work. This report will provide assurance on the operation and effectiveness of internal controls across; Purchase to Pay, Order to Cash, Cash & Bank, HR & Payroll and IT General Controls. Whilst the report for 2025/26 is still awaited, however there has been no notification of any material concerns. Once the report is received, the Audit & Governance Committee will be updated.
31. The anti-fraud and corruption strategy remains current and relevant. In 2025/26 the Audit and Governance Committee and Audit Working Group have been updated on reported instances of potential fraud. Most of these are minor in nature. Work has been undertaken to address the control weaknesses identified in each area identified to reduce the possibility or reoccurrence.
32. Internal Audit continue to manage the National Fraud Initiative data matching exercise which is completed once every two years. Key matches are investigated, and results are reported to the Audit & Governance Committee in the quarterly updates.
33. It should be noted that it is the responsibility of management to operate the system of internal control, not Internal Audit's responsibility. Furthermore, it is management's responsibility to determine whether to accept and implement recommendations made by Internal Audit or, alternatively, to recognise and accept risks resulting from not taking action. If the latter option is taken by management, the Head of Internal Audit would bring this to the attention of the Audit & Governance Committee.
34. The matters raised in this report are only those which came to Internal Audit's attention during the internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

35. In arriving at the annual opinion, The Head of Internal Audit has taken into account:
- The results of all audits undertaken as part of the 2025/26 audit plan;
  - The results of follow up action taken in respect of previous audits;
  - Whether or not any priority 1 actions have not been accepted by management - of which there have been none;  
(Priority 1 = Major issue or exposure to a significant risk that requires immediate action or the attention of Senior Management. Priority 2 = Significant issue that requires prompt action and improvement by the local manager)
  - The effects of any material changes in the Council's objectives or activities.
  - Whether or not any limitations have been placed on the scope of Internal Audit – of which there have been none.
  - Assurance provided by ISAE 3402 report, covering both the design and operating effectiveness of the Hampshire Partnership/IBC internal control environment.
  - Corporate Lead Assurance Statements on the key control processes, that are co-ordinated by the Corporate Governance Assurance Group (of which the Head of Internal Audit is a member of the group), in preparation of the Annual Governance Statement.

### Head of Internal Audit's Annual Opinion

In my opinion, for the 12 months ended 31 March 2026, there is **satisfactory** assurance regarding Oxfordshire County Council's overall control environment and the arrangements for governance, risk management and control.

Where weaknesses have been identified through internal audit review, we have worked with management to agree appropriate corrective action and timescale for improvement.

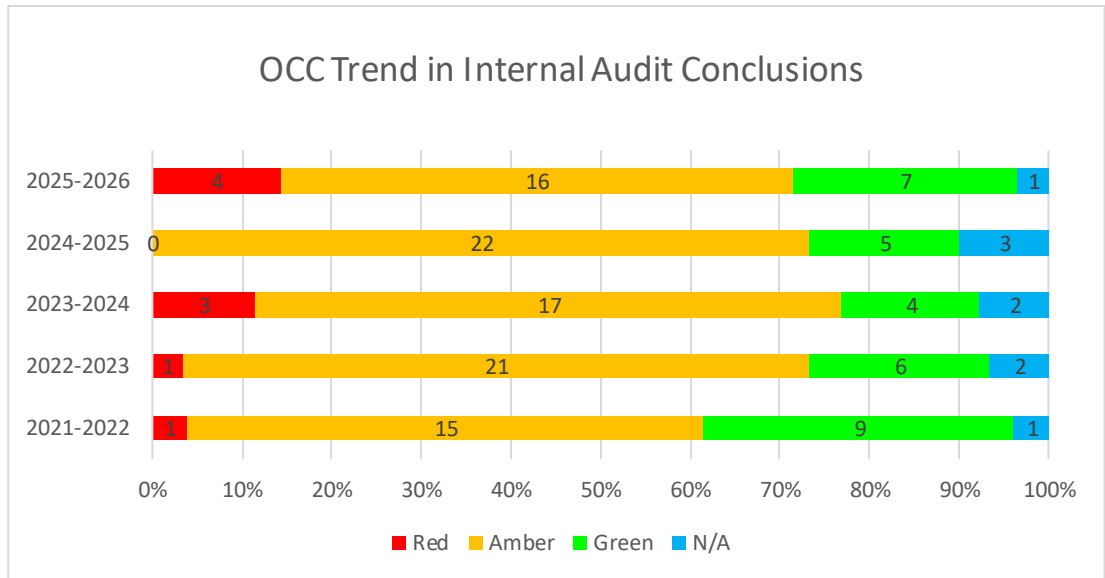
This opinion will feed into the Annual Governance Statement which will be published alongside the Annual Statement of Accounts.

Oxfordshire County Council's Internal Audit service conformed to the Public Sector Internal Audit Standards (2017) during the year ending 31 March 2026.

See appendix 2 for definitions of overall assurance opinion.

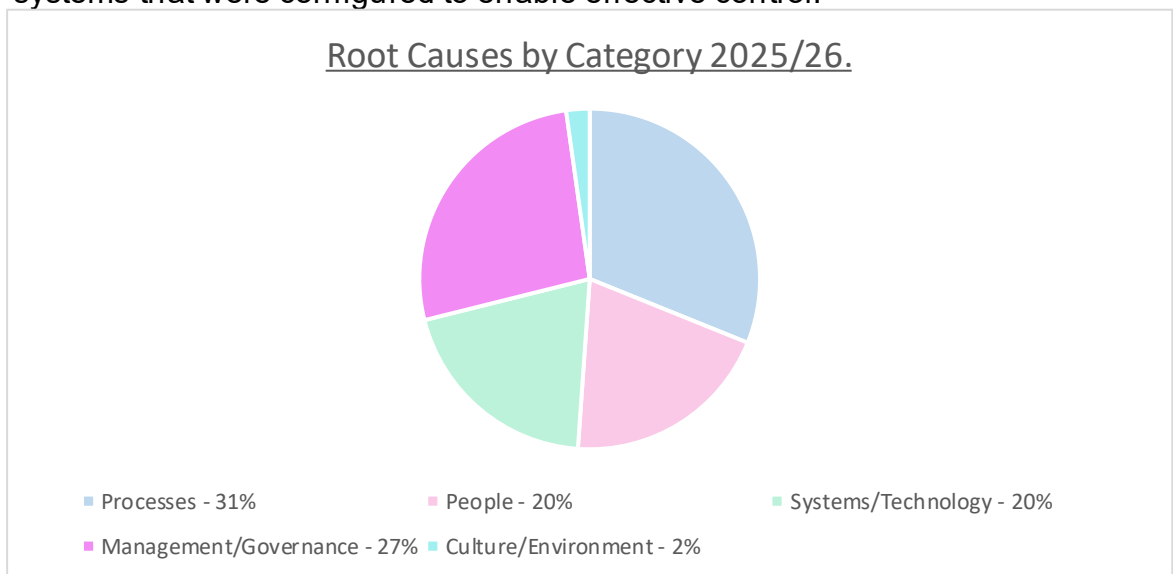
### Individual audit conclusions

36. The following table shows the percentage trend in individual audit conclusions.
37. Included within Appendix 4 of this report for information, are the overall category gradings, management action priorities and root cause categories and descriptions.



### Key themes & root cause analysis

38. During 2025/26, Internal Audit identified 45 underlying root causes across 19 audits. The majority related to process design and consistency (31%), governance and oversight (27%), and systems or technology limitations (20%), with people-related factors (20%) and culture or environment (2%) also contributing. In many cases, weaknesses were multi-factor rather than attributable to a single point of failure. Recurring themes included unclear or outdated procedures, unclear accountability and inconsistent control oversight, and continued reliance on spreadsheet or email-based processes that drive manual workarounds and limit the quality of management information. Collectively, these issues resulted in process variability, inconsistent compliance with requirements, and systems that do not fully support effective service delivery. In contrast, audits assessed as Green consistently demonstrated well-defined processes, stronger oversight arrangements and systems that were configured to enable effective control.



## **Audits completed since last report to Audit and Governance Committee**

39. The outcomes of the audits, including a summary of the key findings are reported quarterly to the Audit & Governance Committee. The summaries of the audits completed since the last report (January 2026) are attached as Appendix 3.
- Bring Your Own Device (BYOD)
  - Pension Fund Investments
  - ICT Backups
  - Database Security
  - Applicant Tracking System
  - Pensions Administration
  - Employee Relations
  - Insurance
  - Duplicate Payments
  - Vehicle Management Service
  - Grants Management
  - Highways Contract Management
  - Bridge Management

Two recently finalised audits, Bring Your Own Device and Bridge Management received an overall conclusion of Red. In line with established practice, reports graded Red are considered for referral by the Audit & Governance Committee to the Audit Working Group for detailed review and discussion. When reports are referred to the Audit Working Group, officers from the relevant service area are invited to attend these sessions to present the audit findings and outline the action plan to address the identified weaknesses.

The following audits are currently at draft report stage. The outcomes of the audits are included within the annual opinion, the executive summaries of the reports once finalised will be included in the next internal audit quarterly update to committee.

- Repairs & Maintenance in Schools
- Discharge to Assess

## **Internal Audit Performance**

40. The following table shows the performance targets agreed by the Audit and Governance Committee and the actual 2025/26 performance.
41. Staffing changes during the year affected the service's capacity and contributed to delays in plan delivery. This included the departure of a team member returning from long-term sickness in Quarter 1, the delayed recruitment of the Principal Auditor who did not commence until the end of July 2025, and the loss of the Data and Intelligence Officer in Quarter 4 to another role within the Council. In addition, four Red-graded audits were issued during the year, each requiring a higher level of input and additional audit days to complete.

Achieving the target date for the exit meeting for each audit assignment will continue to be area of focus for improvement. Performance for the timely issue of draft and final reports on completion of audit fieldwork, continues to fully meet the performance target.

42. 94% of the revised plan (including grant certification work) was completed by the end of April 2026, for the remaining audits all audit fieldwork was completed, however draft reports were still being agreed during May 2026.
43. Internal Audit are pleased to report the continued improvement in the implementation of management actions by the organisation, with the majority implemented or not yet due (71%).
44. Internal Audit customer satisfaction questionnaires continue to provide positive feedback.

<b>Measure</b>	<b>Target</b>	<b>Actual Performance 2025/26 – as at 13/04/2026</b>
Elapsed time between start of the audit (opening meeting) and the Exit Meeting	Target date agreed for each assignment by the Audit Manager, no more than three times the total audit assignment days	70% of the audits met this target. 2024/25 61% 2023/24 67% 2022/23 67% 2021/22 59%
Elapsed time for completion of the audit work (exit meeting) to issue of draft report	15 Days	100% of the audits met this target. 2024/25 82% 2023/24 96% 2022/23 93% 2021/22 86%
Elapsed time between receipt of management response to the draft report and the issue of the final report	15 Days	100% of the audits met this target. (Previously measured issue of draft report to the issue of the final report) 2024/25 100% 2023/24 100% 2022/23 100% 2021/22 66%
% of Internal Audit planned activity delivered	100% of the audit plan by end of April 2026.	94% of the plan was completed by the end of April 2026 (including grant certification work). 2024/25 78% 2023/24 100% 2022/23 83% 2021/22 87%
% of agreed management actions implemented within the agreed timescales	90% of agreed management actions implemented	As at end of April 2026: 724 actions being monitored on the system. <ul style="list-style-type: none"> <li>• 63% implemented</li> <li>• 8% not yet due</li> <li>• 25% partially implemented</li> <li>• 4% overdue</li> </ul>
Customer satisfaction questionnaire (Audit Assignments)	Average score < 2 1 - Good 2 – Satisfactory 3 – Unsatisfactory in some areas 4 – Poor	Average score was 1.2 2024/25 1.2 2023/24 1 2022/23 1.2 2021/22 1.1
Directors' satisfaction with internal audit work	Satisfactory or above	Review of effectiveness of internal audit completed by Monitoring Officer in September 2023 and reported to the Audit & Governance Committee in November 2023 – Satisfactory. Next review planned for Autumn 2026.



## Annex 4: Internal Audit Definitions

Background papers: None.

Contact Officer: Sarah Cox, Head of Internal Audit & Counter Fraud, May 2026.  
[Sarah.cox@oxfordshire.gov.uk](mailto:Sarah.cox@oxfordshire.gov.uk)

## APPENDIX 1 - Overall conclusion and management action implementation status of 2025/26 audits

Audit	Status	Conclusion	No of Mgmt Actions Agreed	Reported implementation status as at 13/04/2026
<b>Cross Cutting</b>				
Capital Programme Delivery	Deferred to Qtr 1 of 2026/27 audit plan.	-	-	-
Grants Management	Final Report	Green	5	5 not yet due
Local Government Reorganisation.	Days utilised for LGR internal audit planning	-	-	-
<b>Childrens</b>				
Transformation Programme – including Financial Management	Final Report	Amber	5	2 implemented, 1 partially implemented, 1 not yet due, 1 overdue.
Missing Children	Final Report	Amber	11	4 implemented, 2 partially implemented, 5 overdue.
Multiply	Complete	n/a – joint IA&CF work	-	-
School Attendance Orders	Final Report	Red	26	13 implemented, 11 partially implemented, 1 not yet due, 1 overdue.
Repairs & Maintenance in Schools	Draft	Amber	TBC	TBC
<b>Adults</b>				
Discharge to Assess	Draft	Amber	TBC	TBC
<b>HR &amp; Cultural Change</b>				
Recruitment – Applicant Tracking System	Final Report	Amber	20	2 implemented, 3 partially implemented, 13 not yet due, 2 overdue.
Schools HR	Deferred to Qtr 1 of 2026/27 audit plan.	-	-	-
Absence Recording	Final Report	Amber	24	24 partially implemented.
Employee Case Relations (addition to plan)	Final Report	Amber	17	17 not yet due.

Financial & Commercial Services				
Pensions Administration	Final Report	Green	11	11 not yet due.
Pension Fund Investments	Final Report	Green	6	2 implemented, 2 partially implemented, 2 not yet due.
Insurance	Final Report	Green	4	4 not yet due.
Duplicate Payments	Final Report	Green	3	1 implemented, 2 not yet due.
Property & Assets				
Vehicle Management Service	Final Report	Amber	10	10 not yet due.
Safeguarding Transport	Final Report	Red	28	2 implemented, 10 not yet due, 16 overdue (pending update from responsible officers)
Environment & Highways				
Highways Contract Management	Final Report	Amber	15	15 not yet due.
HIF1 (Didcot Garden Town Housing Infrastructure Fund)	Final Report	Green	2	2 implemented.
Bridge Management	Final Report	Red	16	16 not yet due.
HIAMS (Highways Infrastructure Asset System) – IT audit.	Final Report	Amber	12	6 implemented, 6 partially implemented.
Economy & Place				
S106 Developer Contributions	Deferred to Qtr 1 of 2026/27 audit plan.	-	-	-
Transformation, Digital & Customer Experience				
Freedom of Information Requests	Final Report	Amber	10	9 implemented, 1 partially implemented.
IT Operations				
Database Security	Final Report	Amber	5	1 implemented, 2 partially implemented, 2 not yet due.
ICT Backups	Final Report	Green	4	1 implemented, 1 partially implemented, 2 not yet due.

Bring Your Own Device (BYOD)	Final Report	Red	9	6 implemented, 3 overdue.
IT Disaster Recovery	Final Report	Amber	8	2 implemented, 5 partially implemented, 1 overdue.
IT Asset Management	Final Report	Amber	6	2 implemented, 1 partially implemented, 3 overdue.
GOSS – IT Audit	Final Report	Amber	7	7 implemented.
ContrOCC – IT Audit	Final Report	Amber	9	1 implemented, 4 partially implemented, 4 overdue.

### Grant Certification work completed during 2025/26:

- Delivering Best Value in SEND Programme 2023/24 and 2024/25 – 31/6953
- Bus Grant (Capital) 2025/26 – 31/7749
- Local Transport Capital Block Funding (Pothole Fund) 2024/25, 31/7319
- Local Transport Capital Block Funding (integrated transport and highways maintenance block), 2024/25, 31/7318
- Local Authority Bus Subsidy (Revenue) Grant, 2024/25, 31/7227.
- Local Transport Capital Block Funding (Reallocated HS2 Resurfacing) 2024/25, 31/7320H
- Home Upgrade Grant (Phase 2) 2023/24 and 2024/25
- Disabled Facilities Grant 2024/25 (grant determination reference 31/7271) and additional allocation (grant determination 31/7605).

### Amendments to 2025/26 Internal Audit Plan:

HR – Employee Relations Case Audit	Previously reported to June 2025 Audit & Governance Committee meeting: <b>Addition to 2025/26 plan:</b> The audit was requested by the Director of HR and Cultural Change, approved by the Executive Director of Resources. The audit will provide assurance over the systems and processes in place to manage Employee Relations Cases.
Schools HR	Previously reported to January 2026 Audit & Governance Committee meeting: <b>Deferred to Quarter 1 of 2026/27 plan:</b> The audit has been deferred by 3 months from quarter 4 of 2025/26 to quarter 1 of the 2026/27 plan, due to internal audit resources, with delays to recruitment in

	quarter 1, a member of the team leaving in quarter 4 and additional days spent on recent red graded audits. The plan amendment has been approved by the Executive Director of Resources.
Capital Programme Delivery	Previously reported to January 2026 Audit & Governance Committee meeting: <b>Deferred to Quarter 1 of 2026/27 plan:</b> The audit has been deferred by 3 months from quarter 4 of 2025/26 to quarter 1 of the 2026/27 plan, due to internal audit resources, with delays to recruitment in quarter 1, a member of the team leaving in quarter 4 and additional days spent on recent red graded audits. The plan amendment has been approved by the Executive Director of Resources.
Local Government Reorganisation	Previously reported to January 2026 Audit & Governance Committee meeting: *The provision of internal audit days for LGR for 2025/26 are being used to develop a forward plan for Internal Audit from 2026/27 onwards which will meet the governance and assurance needs during LGR, which ensures continuity of assurance, supports transformation and the harmonising of governance, risk and control frameworks for the new unitary / unitary authorities. The internal audit plans for 2026/27 and 2027/28 leading to vesting day, will need to ensure continued assurance over business-as-usual operations whilst providing assurance on transitional activities.
Section 106	<b>Deferred to Quarter 1 of 2026/27 plan:</b> The audit has been deferred by 3 months from quarter 4 of 2025/26 to quarter 1 of the 2026/27 plan, due to internal audit resources, with delays to recruitment in quarter 1, a member of the team leaving in quarter 4 and additional days spent on recent red graded audits. The plan amendment has been approved by the Executive Director of Resources.

## **APPENDIX 2**

Overall annual opinion – definitions based upon framework recommended by Institute of Internal Auditors.

### **Substantial**

*There is a sound framework of control operating effectively to mitigate key risks, which is contributing to the achievement of business objectives.*

- no individual audit engagement graded as “red” or significant “amber”.
- occasional medium risk rated weaknesses identified in individual audit engagements although mainly only low/efficiency weaknesses.
- internal audit has confidence in managements attitude to resolving identified issues.

### **Satisfactory**

*The control framework is adequate and controls to mitigate key risks are generally operating effectively, although a number of controls need to improve to ensure business objectives are met.*

- medium risk rated weaknesses identified in individual audit engagements.
- isolated high risk rated weaknesses identified for isolated issues.
- no critical risk rated weaknesses were identified.
- internal audit is broadly satisfied with management’s approach to resolving identified issues.

### **Limited**

*The control framework is not operating effectively to mitigate key risks. A number of key controls are absent or are not being applied to meet business objectives.*

- significant number of medium and/or critical risk rated weaknesses identified in individual audit engagements.
- isolated critical and/or high risk rated weaknesses identified that are not systemic.
- internal audit has concerns about managements approach to resolving identified issues.

### **No Assurance**

*A control framework is not in place to mitigate key risks. The organisation is exposed to abuse, significant error or loss and/or misappropriation. Objectives are unlikely to be met.*

- serious systemic control weaknesses identified through aggregation of individual audit engagements.
- significant number of critical and/or high risk rated weaknesses identified for isolated issues.
- internal audit has serious concerns about managements approach to resolving identified issues.

## APPENDIX 3

### Summary of Completed 2025/26 Audits since last reported to the Audit and Governance Committee – January 2026.

#### Bring Your Own Device (BYOD) 2025/26

Overall conclusion on the system of internal control being maintained	R
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
Corporate Policy	R	0	1	-	-	-	1	-	-	-	-
Device Enrolment	R	0	2	-	-	-	2	-	-	-	-
Device Security	A	0	6	-	6	-	-	-	-	-	-
<b>TOTAL</b>		<b>0</b>	<b>9</b>								

Bring Your Own Device (BYOD) is the concept of allowing personal devices and equipment to be used for work purposes. This has benefits for staff, in terms of using a device they are familiar with, and also to the Council as it reduces the costs associated with issuing corporate devices and supports flexible working. BYOD comes with a number of risks associated with the fact that personal devices often have weaker levels of security than corporately owned and managed devices. The audit has identified the need to strengthen the management control framework around BYOD by documenting a formal policy, agreeing the scope of BYOD and ensuring technical security controls are applied consistently across all personal devices and reflect good practice.

**Corporate Policy** - There is no formal documented corporate policy on using personal devices and equipment for work purposes. As such, standards and requirements are not defined, including who can use such devices and equipment, the type of devices that can be used, what they can access and how they will be managed and secured.

**Device Enrolment** - Users can self-enrol their personal devices and equipment to be used for work purposes without any management approval or oversight. Guidance on how to connect personal devices is available from the IT service desk. The lack of control in this area can lead to personal devices being used when there is no justification for doing so and presents risks around the security of data. Users are also

not made aware of their security responsibilities for safeguarding data at the time they enrol their personal devices and equipment.

There is a formal process for requesting non-standard applications to be made available on a user’s personal device or equipment. All such requests are approved by the user’s line manager, technical cyber lead and the Information Management team where applications have access to any personal data. The controls in this area were tested and confirmed to be working effectively.

**Device Security** - A mobile device management solution is used to enforce technical security controls on all personal devices and equipment. It can also be used to wipe corporate applications and data from devices that are reported as lost or stolen. A review of the technical security controls currently in place has identified a number of areas where they can be improved.

**Key Themes and Root Causes** – The issues highlighted in this report identify underlying root causes in **Management/Governance, Processes** and **People**. There is no formal and documented policy on using BYOD, supported by a clear business case. Some processes are not defined and there is also human error/oversight in regard to the implementation of technical security controls.

### Pension Fund Investments 2025/26

Overall conclusion on the system of internal control being maintained	<b>G</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
Governance & Strategy	<b>A</b>	0	4	-	2	-	-	-	-	-	2
External Providers	<b>G</b>	0	2	-	-	-	-	-	2	-	-
Financial Transactions	<b>G</b>	0	0	-	-	-	-	-	-	-	-
Pension Fund Assets	<b>G</b>	0	0	-	-	-	-	-	-	-	-
<b>TOTAL</b>		<b>0</b>	<b>6</b>								

Overall, audit testing found that controls and processes in relation to management of the Pension Fund are strong and working well. There are clear governance structures in place, and transactional level processes were found to be comprehensive and robust. Contractual arrangements with some of the fund’s external providers are in the process of being reviewed with re-tendering exercises taking place during 2026.

Following the government's national review of LGPS (Local Government Pension Scheme) pooling arrangements, the Oxfordshire Pension Fund is required to move to a different pool with effect from April 2026. This is a significant project and is being managed centrally by the pool the fund is moving to with input from relevant officers within the Pensions service. The relevant officers are involved in setting up the arrangements for the move, risks are regularly reviewed and updated, and there is regular reporting to the Pension Fund Committee on progress.

**Governance & Strategy** Audit testing noted that there are clear governance structures in place for the management of the Pension Fund and fund objectives and strategy are clearly defined. The achievement of fund objectives and adherence to the strategy was also found to be adequately monitored and managed with risk management arrangements in place which appear to be working effectively.

The Pensions Regulator issued a new General Code of Practice in March 2024 with compliance required by the end of March 2025. Compliance was assessed prior to deadline, with regular reporting to the Pension Fund Committee. During 2025/26 an independent review was commissioned to provide additional assurance on the Fund's compliance. This work is ongoing, however early findings indicate the fund is well positioned to meet the new requirements.

It is positive to note that the majority of the induction training required for new Pension Fund Committee members has been completed, with the remaining training due to take place before the end of December 2025, however the recording and monitoring of the training for Board and Committee members in subsequent years is inconsistent and there is a lack of clarity over some of the requirements. The National Knowledge Assessment exercise, which was due to be completed by Committee and Board members who had been in their role for more than a year as part of the 25/26 Training Plan, was not run during 2025, in part due to the need to prioritise the induction training for the new committee members. It was reported that the Service has identified training as an area for improvement during 2026 with plans in place to increase training and to further improve recording and monitoring. It is also planned that the National Knowledge Assessment exercise will be completed in Autumn 2026.

From the review of reporting to the Pension Fund Committee on the value and performance of the fund, inconsistencies were identified between the reporting provided by the Investment Pool and the ad hoc reporting received during the period reviewed. The Committee also raised concerns regarding the scope of reporting, with several requests for information on how the performance of investments managed by the Pool compared to those managed outside the Pool. It was noted that there was some uncertainty about how this information should be presented; however, an action was agreed at the September Committee meeting to address this issue.

**External Providers** Testing included review of the contractual arrangements in place for the different external providers, including the Custodian, Actuary, Independent Financial Adviser and the Investment Pool, engaged by Pension Fund to manage and oversee its investments. Testing has noted that there is appropriate oversight and reporting in place with the Head of Pensions and the Financial Manager Pension Fund Investment involved on an ongoing basis in discussing and reviewing performance with the different providers.

It was noted that some of the contractual arrangements will be re-tendered during 2026 with the Head of Pensions working with the Procurement service to ensure that the new arrangements are comprehensive, appropriate and compliant with the relevant procurement processes.

**Financial Transactions** The audit reviewed whether operational transactions are monitored and processed appropriately. It was found that robust systems are in place to ensure that contributions received from scheme employers are accurate and received on a timely basis, with a clear and effective process for addressing any issues. It was also found that robust systems are in place to process and monitor investment transactions including interest, drawdowns and distributions and to process fees and charges, including arrangements to recharge either within the Council or to the appropriate employers. Bank reconciliation procedures and cashflow monitoring were also reviewed and found to be appropriate and operating effectively.

**Pension Fund Assets** The audit reviewed the processes and controls for monitoring and management of assets including reporting arrangements. Assets are predominantly held with the Custodian, with a small portfolio managed in-house, and it was found that effective arrangements are in place including regular reconciliations and transactional controls, to ensure that our records are accurate and remain so. It was found that there is regular reporting to the Pension Fund Committee on the performance and valuation of the Pension Fund. Regardless of some issues with accuracy of reporting mentioned under Governance above, it was found that the quarterly valuations of the pension fund reviewed as part of the audit are accurate. It was found that there is regular and robust monitoring of both short- and long-term cash flow to ensure that fund assets are sufficient to meet liabilities.

### ICT Backups 2025/26

Overall conclusion on the system of internal control being maintained	<b>G</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
Corporate Policy	A	0	1	-	-	-	-	-	1	-	-
Operational Arrangements	G	0	1	-	1	-	-	-	-	-	-
Media Security	G	0	0	-	-	-	-	-	-	-	-
Recovery Testing	A	0	2	-	-	-	-	-	-	-	2
<b>TOTAL</b>		<b>0</b>	<b>4</b>								

A regular and reliable programme of IT backups is required for business continuity, operational resilience and compliance. We found that digital systems and data are subject to a daily backup and that databases are backed up on a more frequent basis for a shorter recovery point. There are effective procedures in place for monitoring backup jobs to ensure they have completed successfully and all backup copies are held securely and include an off-site and off-line copy. Controls over backups can be further strengthened by regularly testing them to confirm they are reliable and by also maintaining backup related documentation, such as the backup and recovery policy.

The previous audit of this area was completed in 2019/20 and all agreed management actions have been implemented or are superseded.

**Corporate Policy** A Backup and Recovery Policy was documented following our last audit of this area in 2019/20 but has not been reviewed since and is now out-of-date. It is important that policies are maintained up-to-date to ensure they reflect current standards and requirements. A review of the policy also found it does not cover a number of key areas relating to backups, such as roles and responsibilities, management/monitoring of backup jobs and testing.

**Operational Arrangements** A new backup solution was implemented in 2025 and is configured to take regular backups of digital systems and data. There is a daily backup of servers and SQL databases and, in addition, SQL log files are backed up every two hours for increased resilience and to provide a shorter recovery point. There are appropriate retention policies applied to all backups. A new backup solution has also recently been implemented to take daily backups of data within the Microsoft 365 cloud service for applications such as Teams, Exchange, SharePoint and OneDrive. This data was not previously subject to any backup.

There is a daily documented check to confirm that backup jobs have completed successfully and any reported errors are logged and followed up. Testing confirmed that this procedure is working effectively. There is also a daily report of servers that are not subject to any backup but it is currently only received by one person, which presents a key person dependency risk. A review of user access to the new backup solution found it is restricted to members of the IT team who need access to perform backup and recovery procedures.

**Media Security** All backups are taken to digital media and encrypted. The backup data domain is located at the secondary data centre, which is geographically remote from the primary data centre and ensures backups are automatically off-site when they are taken..

**Recovery Testing** Digital systems and data in the primary data centre are replicated to a secondary data centre, which reduces reliance on backups in the event of a hardware loss or failure, as services can be switched over to the secondary site. Backups are required to restore data in the event of it being lost, corrupted or compromised in a cyber incident. We found there is no scheduled testing of backups to confirm they are reliable and hence a risk that any issues or errors are not identified and remediated. A restore procedure for recovering from backups on the new backup solution has started to be documented but is not complete. It should be finalised to ensure a recovery can be performed quickly, efficiently and is not dependent on the availability of key persons.

## Database Security 2025/26

Overall conclusion on the system of internal control being maintained	A
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
Corporate Policy	A	0	1	-	-	-	-	-	1	-	-
Roles and Responsibilities	G	0	0	-	-	-	-	-	-	-	-
Documentation	G	0	1	-	-	-	-	-	-	-	1
Security	A	0	3	-	1	-	-	-	1	-	1
<b>TOTAL</b>		<b>0</b>	<b>5</b>								

Databases provide an organised collection of data that can be accessed and retrieved by IT applications and users. SQL Server databases are used for P1 systems such as LAS (Liquidlogic Adults Social Care) and LCS (Liquidlogic Children's Social Care) and they were the focus of this review. It was confirmed that database administration roles and responsibilities are defined and there is documentation on the different databases in use. A number of technical configurations are in place to secure the databases, although some security risks have been identified which need to be addressed.

**Corporate Policy** The security of databases is governed by existing corporate IT policies, covering areas such as access management, security patching and backups. Whilst these IT policies are relevant, they do not address specific aspects of database security which should be formalised in a documented standard to ensure security is setup in a consistent and agreed way.

**Roles and Responsibilities** Responsibility for database administration is defined within the IT team structure and staff were found to be appropriately skilled and experienced in SQL Server databases. There are no key person dependencies in place.

**Documentation** Hardware and software details about IT systems are held on the IT service desk system. A review of the details found they generally relate to server infrastructure and not databases, such as different instances and their version numbers. This level of information on databases has recently been developed but is not held on the service desk system and so may not be available for wider support purposes. The Database Administrators are developing some automated routines and it was confirmed that they are being documented.

**Security** The LCS and LAS databases are under vendor support and there are technical security configurations in place which reduce the potential attack surface of the two databases. Some security exceptions have been identified for review.

**Key Themes and Root Causes** – The issues highlighted in this report identify underlying root causes in **Management/Governance** and **Processes**.

### Applicant Tracking System 2025/26

Overall conclusion on the system of internal control being maintained	A
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
Governance	A	0	8	-	2	-	1	-	1	-	4
Operational Processes	A	0	8	-	-	-	1	-	2	-	5
User Experience and Accessibility	A	0	2	-	-	-	-	-	-	-	2
Management Reporting	A	0	2	-	-	-	-	-	-	-	2
<b>TOTAL</b>		<b>0</b>	<b>20</b>								

The Council implemented the applicant tracking system, Tribepad, in September 2024 as part of the transition to bringing recruitment activity back in-house. The system is designed to support end-to-end recruitment processes and enable self-service for hiring managers, with support and oversight by the Resourcing Team. Since implementation, there have been a number of challenges related to the operation of the system and associated hiring processes. Whilst some of these are linked to inherent system limitations, they also reflect the Council's chosen configurations, evolving recruitment processes, some lack of clarity in communications, and variability in hiring manager understanding of the system.

The audit found that the system of internal controls governing the use of the applicant tracking system is effective in achieving its primary objective of successfully appointing suitable candidates to roles. Over the past year, a number of targeted improvements have been implemented or are in progress, including the introduction of a new vacancy approval process integrated with the system; the development of external reports and Power BI dashboards to improve efficiency and oversight; regular updates to system and process guidance; and the further development of onboarding workflows and questionnaires to reduce the need for retrospective queries. Whilst these actions have

strengthened controls, further work is required to improve the robustness of processes and ensure the system operates effectively for the council.

**Governance** The audit found that the guidance supporting the use of the system and related recruitment processes is generally well structured, accessible, and supports hiring managers in understanding their responsibilities. However, there were some minor gaps and inconsistencies found where guidance had not kept up with process changes. In addition, the guidance does not sufficiently address deviations from the standard recruitment process, particularly in relation to internal recruitment and appointments made under the Job-Sharing Scheme.

Current contract management arrangements were found to lack clearly defined responsibilities and robust processes for managing issues. There was also found to be a lack of clarity over ownership of the Data Protection Impact Assessment, alongside weaknesses in guidance relating to the handling of candidate data exported or retained separately to the system.

**Operational Processes** The audit found that system limitations and configuration issues, combined with inconsistent use by hiring managers, have resulted in a number of manual workarounds and fixes, which cause small but cumulative delays at several stages of the recruitment process.

Testing identified non-compliance with policy requirements regarding the upload of recruitment information by hiring managers, with 42% of jobs sampled missing a copy of the shortlisting grid, and 90% of jobs sampled missing a copy of the candidates' interview notes. In addition, there were found to be seven roles (35% of the sample tested) where an internal candidate had been hired for a role that had not been advertised on the applicant tracking system, in conflict with recruiting procedures.

The audit noted that the Resourcing Team retain candidate documentation within secure SharePoint folders, as well as the applicant tracking system. This process is designed to support the manual transfer of data to SAP, and to ensure key documentation is not lost when the applicant tracking system deletes candidate data after six months of no activity (in line with agreed retention periods). Whilst this approach is effective in achieving its primary objective, maintaining documentation in two locations has created issues around data consistency. There were six exceptions found where the system record had not been updated with the candidate's Right to Work or DBS check result, and one further exception where a candidate's DBS check had been uploaded to the wrong profile, although it is understood controls around both of these processes have recently improved to allow a higher level of automation. Data analysis and sample testing further identified 18 instances (45%) where candidates who had commenced employment were not recorded as 'Hired', reducing the reliability of information held on the system.

**User Experience and Accessibility** The audit identified challenges related to the usability of the system and level of support available to hiring managers. Whilst the system guidance available is comprehensive, there is no additional training available. The Resourcing Team reported a high volume of requests for support, placing pressure on limited capacity. Additionally, there is currently no structured approach to capturing, analysing, and learning from feedback or complaints to identify systemic issues and inform targeted improvements.

**Management Reporting** The development of external reporting solutions for recruitment activity has significantly strengthened oversight and mitigated a number

of system limitations. In particular, the Power BI dashboard used to track candidate progress and the bespoke report supporting data transfer into SAP were found to be effective and frequently used. However, the process for extracting custom reports is manual and complex, and the ongoing reliance on one technical staff member to maintain these tools reduces resilience in the event of staff absence or changes in support arrangements. The lack of understanding of the system's built-in reporting capabilities within the Resourcing Team also means that requests for external reporting may be a duplication of functionality that is already available.

**Key Themes and Root Causes** The issues highlighted in this report identify underlying root causes in both **Systems / Technology** and **Processes**. Specifically, the applicant tracking system presents limitations in functionality, configuration and integration. These constraints have been compounded by processes that are still developing following the transition to in-house recruitment, resulting in reliance on manual workarounds and compensating controls to achieve the desired outcomes.

### Pension Administration 2025/26

Overall conclusion on the system of internal control being maintained	<b>G</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
Regulatory Framework	<b>G</b>	0	3	-	-	-	-	-	-	-	3
Scheme Employer & Member Lifecycle	<b>A</b>	0	8	-	-	-	-	-	-	-	8
Debtor Management	<b>G</b>	0	0	-	-	-	-	-	-	-	-
<b>TOTAL</b>		<b>0</b>	<b>11</b>								

Overall, the audit noted that controls and processes in relation to Pensions Administration are strong and working well. There is work ongoing to progress key projects and to identify and implement changes to systems and processes to increase efficiency where possible, with regular reporting to the Pension Fund Committee on key areas of activity.

**Regulatory Framework** The team continue to monitor and report on performance against SLA targets, with routine quarterly reporting to the Pension Fund Committee. Work is continuing to make performance reporting more efficient, comprehensive and system driven where possible with the focus to date being on reporting relating to benefits team tasks. Further development is underway in relation to reporting on

employers and systems team tasks. From review of current reporting arrangements to Committee, reporting could be improved by ensuring that it is possible to more clearly link agreed SLA targets with the data reports being presented. There is now high level comparative reporting in place, although this does not show comparisons at individual SLA target level. It is noted that revised performance targets, reflecting the increasing complexity of some key tasks, are to be proposed to the Committee for agreement shortly.

Review of staff guidance as part of this year's audit focussed on the Employers team. Overall, it was noted that the guidance in place sufficiently covers key tasks, with some improvements noted as being required to ensure consistent documentation is retained relating to the completion of employers data vetting checks.

It was noted that a breach report was submitted to the Pensions Regulator, as reported to the June 2025 Pension Fund Committee, in relation to delays in the issue of fire scheme active and deferred benefit statements due to unresolved regulatory queries and case complexities relating to the age discrimination remedy. It is reported that the remaining statements are due to be issued by the revised deadline of end of March 2026. Over 99% of annual benefits statements were issued by the 31 August deadline for non-fire related scheme members.

The Service continues to work on a number of key projects. This includes the project to complete actions required relating to the McCloud judgement (this is a court ruling which provides a remedy following Government reforms to public service pension schemes in 2014 and 2015 which have been found to potentially disadvantage some scheme members). Originally set to finish by the end of August 2025, a request was made to extend the deadline for completion of the required tasks to 31 August 2026 due to the complexities with some of the cases. Project progress is being monitored and is routinely reported to the Pension Fund Committee. There is also a project ongoing to implement the Pensions Dashboard, this is a national requirement which will enable individuals to view information on their different pensions in one place, progress on this project is also being reported on routinely to the Pension Fund Committee.

There continue to be staffing vacancies which are contributing to ongoing resource pressures across the team. Recruitment exercises are ongoing and a Workforce Strategy which aims to determine and implement an effective approach to address staffing challenges going forward, has been produced and has recently been presented to the Pension Fund Committee.

**Scheme Employer & Member Lifecycle** The process, roles and responsibilities in relation to the agreement of debt settlement, where a scheme employer leaves the Local Government Pension Scheme requires confirmation to ensure a consistent approach.

A single member of staff currently holds all of the operational knowledge in relation to the management of system user roles and permissions, and there is currently a lack of comprehensive documentation supporting this. Options for the resolution of these issues are already being reviewed including discussions with the system provider to ensure resilience is strengthened.

The Payjour reporting process, in place to strengthen segregation of duties arrangements, requires some further review to ensure that checks being made on

specific administration tasks are effective, that coverage is appropriate and that checks are clearly and consistently documented.

Sample testing completed as part of the audit confirmed that most key administration processes are operating as intended, with effective management oversight in place, for the cases sampled. Minor exceptions were noted.

Implementation of the enhanced version of Administration to Pay, which will increase automation of some processes and reduce the need for manual intervention, is ongoing with implementation planned for the summer of 2026.

**Debtor Management** Pension fund debts are managed by the Income and Banking team with a Standard Operating Procedure (SOP) in place. Debts are being reviewed on a monthly basis with the updated status being communicated to and/ or any queries being discussed with the Pensions Administration team. Testing confirmed that the debt recovery process is working effectively. At the time of testing debts had been paid or were following the defined debt recovery process. It was confirmed that the debtor position is reported to the Pension Fund Committee as part of the Administration report on a quarterly basis.

### **Employee Relations 2025/26**

Overall conclusion on the system of internal control being maintained	<b>A</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
Governance	A	1	10	-	-	-	-	-	-	-	10
Employee Relations Processes	A	0	7	-	-	-	-	-	-	-	7
<b>TOTAL</b>		<b>1</b>	<b>17</b>								

As part of the Council's key objective to be an Employer of Choice, strong employee relations is essential to reduce staff turnover, improve morale and productivity, enhance the organisations reputation, support performance management and employee conflict resolution and ensure that grievances and disciplinary processes are followed appropriately and consistently.

The Employee Relations team is responsible for the oversight and provision of advice and guidance to managers on a range of employee relations issues which can vary in complexity. Line managers across the Council are responsible for compliance with key HR policies and procedures and seek advice from and are supported by the Employee Relations team where appropriate.

Since the start of 2025 work has been ongoing to ensure that there is clarity across the Council in relation to employee relations policy and process. Following a review and refresh of employee relations guidance for line managers, mandatory training for line managers was rolled out during the first quarter of 2025/26. The reorganisation of HR and Cultural Change in the second half of 2025 and the implementation of a revised Employee Relations team structure has ensured clarity over the expectations of roles and responsibilities within the Employee Relations team. Alongside the implementation of the new team structure, team processes have been reviewed and, as part of this, an ER Improvement Plan has been developed. Identification and implementation of improvements is ongoing.

Key areas where audit testing has identified areas for improvement are in relation to quality assurance, management oversight and reporting.

It is positive to note that discussions with trade union representatives as part of the audit highlighted positive engagement between the union, senior management across the Council and the Employee Relations team both in terms of employee relations case progression and management and in the development of policy and process.

**Governance** – Whilst there is evidence of discussions with senior management within HR & Cultural Change and within service areas on complex employee relations cases, there is a lack of an effective process for ensuring appropriate routine reporting and oversight. Within HR & Cultural Change, Employee Relations Team Case Progress Meetings have been re-established with work ongoing to ensure that these meetings are effectively focussed. It is also planned that Case Management Meetings, which will provide HR senior management with ongoing oversight of cases and key performance metrics, will be re-established. Arrangements for reporting within service areas are currently ad hoc, but these are under review. Escalation processes are also being reviewed, refined and implemented.

A key area of focus is on systems, data and reporting with work ongoing to implement a new case management system, to review and identify management information and performance reporting requirements and implement improved reporting, including dashboards, both to senior management within HR and in service areas. It is anticipated that the implementation of the new system and reporting arrangements will resolve key limitations identified with the current arrangements. Document retention processes are also being reviewed and updated as part of this work.

As referenced above, mandatory training for line managers on “Managing Conduct and Grievance” and “Managing Capability & Poor Performance” was introduced in 2025 to ensure that line managers have clarity on their role and responsibilities in these key employee relations issues. Audit testing noted that completion of this training across the Council is currently at 68% and whilst there had been a mechanism in place for reporting and follow up of non-compliance with senior management within service areas, this appears to have slipped since the new structure was implemented. Line managers are expected to take the lead in management of employee relations cases for their direct reports, and this mandatory training is the key mechanism for communicating these expectations. The training also highlights the existence of HR toolkits which have been produced to provide key information, guidance and support on employee relations issues. Audit testing noted some areas where updates and review is required.

**Employee Relations Processes** – Audit testing identified examples where employee relations processes had not been followed as they should have been, where cases had drifted and where there had been a lack of timely escalation either on the part of the service or the Employee Relations Team. It was noted that there is currently a lack of consistent, routine quality assurance and oversight over cases and decision making, case progression and recording. Whilst Employee Relations team management have been reviewing processes in this area and are working on improvements, further work is needed to ensure that there is appropriate visibility of cases, compliance with required process and to ensure that escalations within HR and services are made promptly where needed.

It is also important to ensure that there is clarity over expectations of roles, responsibilities and process within the Employee Relations team. At present there is some limited team guidance available (for example in relation to the grievance process and how to structure files), however this needs to be expanded to promote a consistent approach across the different key employee relations topics and ensure that expectations over areas including recording, monitoring of cases and escalation are clearly defined.

Improvements are being implemented in relation to the investigations process with work ongoing to develop a pool of internal investigators along with development of the investigation process to increase the focus on planning and sequencing of the investigation to minimise delays and make the process more efficient.

There is currently no consistent, meaningful review of lessons learned at the end of employee relations cases. There are now regular informal sessions held where the team can review and reflect on how cases have gone, however the absence of a formalised and routine process for reviewing both what went well and what could be improved (from the point of view of the service area and the Employee Relations team) means that opportunities for continuous improvement across the Council could be being missed.

**Key Themes and Root Causes** - The issues highlighted in this report identify underlying root causes of **Systems / Technology** specifically relating to the limitations of the current systems used to log, track and report on employee relations cases, **Processes** relating to the lack of clear process on key areas including case progression and performance reporting, quality assurance and oversight and **People** relating to the examples noted where cases have not been managed and progressed as would be expected.

**Insurance 2025/26**

Overall conclusion on the system of internal control being maintained	G
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:										
				Implemented		Due not yet Actioned		Partially complete		Not yet due				
				P1	P2	P1	P2	P1	P2	P1	P2			

<b>Governance, Strategy, &amp; Oversight</b>	<b>A</b>	0	3	-	-	-	-	-	-	-	3
<b>Risk Identification &amp; Insurance Coverage</b>	<b>G</b>	0	0	-	-	-	-	-	-	-	-
<b>Claims Handling &amp; Case Management</b>	<b>G</b>	0	0	-	-	-	-	-	-	-	-
<b>Management Information</b>	<b>G</b>	0	1	-	-	-	-	-	-	-	1
<b>TOTAL</b>		0	4								

The Council's Insurance Team manages insurance for the Council, ensuring that assets and liability risks are sufficiently protected by insurance or alternative methods. The team also handle insurance claims for the Council and have contracted arrangements with two external insurers, who manage larger and more complex claims.

The audit found a strong system of internal control in place for the management of insurance, and risks are being effectively managed. Some areas for improvement were identified, particularly around strategic oversight and performance monitoring.

**Governance, Strategy, and Oversight** The audit noted that there is currently no documented insurance strategy in place setting out the Council's overall approach to insurance. As a result, key elements are not formally articulated, how insurance supports Council objectives, service delivery, and statutory responsibilities; aligns with the risk management framework, and reflects the Council's risk appetite and approach to insuring or self-insuring specific risks.

Regular meetings were found to be taking place with the insurers and brokers, with clear lines of communication for escalation queries, concerns, and issues, although it was noted these meetings are not routinely minuted, with no formal record retained of what has been discussed and actions to be taken.

In terms of guidance, roles and responsibilities were found to be clearly defined both within the team via clear job summaries and procedure documents, and to Council and school staff via intranet guidance. While all guidance was found to be comprehensive and accessible, some areas were noted that require updating, such as out of date information or broken links.

**Risk Identification and Insurance Coverage** The audit reviewed the controls in place to ensure all Council assets are appropriately insured, noting guidance available to staff is clear in placing responsibility for the notification of changes in assets on service areas. This reliance on services to proactively notify the Insurance Team creates a risk that, where changes are not reported in a timely manner, assets may not be appropriately insured. However, testing of a sample of vehicles, buildings, and engineering equipment found that all assets reviewed had appropriate insurance cover in place. It was also found that as an additional control, services are contacted at the start of each new insurance policy period to confirm whether there have been any changes to activities, processes, or assets that may affect insurance cover.

Testing was also undertaken to confirm appropriate controls are in place around third party contracts and associated insurance requirements, finding a new process is to be implemented shortly which will shift most insurance-cover decisions to the commercial/procurement function using pre-set parameters. Specialist input will be reserved for high-risk, complex or exceptional cases, streamlining approvals, reducing unnecessary escalation, and speeding up contracting.

**Claims Handling and Case Management** Testing of a sample of 50 insurance claims, covering different claim areas, outcomes, appeals, and those referred to the external insurers, identified good practice across the Insurance Team. Claims were found to have been handled consistently and in line with established processes, with all claims reviewed thoroughly investigated, fraud red flags highlighted and examined where necessary, and, where payments were made, these had been signed off correctly signed off and accurately made. This is particularly positive to note given the significant increase in claims received during the months the audit was undertaken.

Financial management was also reviewed, confirming regular reconciliations and monitoring of account balances, along with the annual reconciliation as part of the close down process. Additional controls are also in place for large payments, with Insurance Manager / Deputy Insurance Manager sign off required for any payments over £10k being paid out by the external insurers, and S151 authorisation for any payments over £200k.

The audit confirmed that an independent actuarial review is undertaken annually to assess the adequacy of insurance provisions and reserves for self-insured claims, analysing claims over the previous 12 months and considering longer-term trends to forecast future claims exposure and inform the appropriate size of the insurance fund. The most recent actuarial review was carried out in May 2025 and was used to support financial planning and reserve setting, and ensuring that current insurance arrangements, including excess levels, are in place to mitigate the risk of unplanned financial pressure.

**Management Information** Management information surrounding insurance and claim management was found to currently be either ad-hoc, or limited to high risk areas, for example, a quarterly management reports are produced for Highways, supported by follow up meetings with the service, but other service areas are not in receipt of regular reporting. It is acknowledged that a new role has recently been created within the team, with a focus on risk and compliance. While this post is still underdevelopment, it is intended to provide analysis of trends and patterns in insurance claims and to work with services to develop and implement action plans aimed at reducing claim volumes within specific service areas. This role will therefore have a key impact in improving the current limitations in reporting.

It was also found that within the team, there are no defined performance indicators for claims handling, and there is no regular reporting of operational or strategic performance (e.g., timeliness of claim acknowledgement, claim lifecycle, repudiation rates, financial trends).

## Duplicate Payments 2025/26

Overall conclusion on the system of internal control being maintained	<b>G</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
Duplicate Payment Prevention	<b>G</b>	0	0	-	-	-	-	-	-	-	-
Duplicate Payment Detection	<b>A</b>	0	3	-	-	-	-	-	-	-	3
<b>TOTAL</b>		<b>0</b>	<b>3</b>								

The audit found a strong system of internal control in place to prevent and detect duplicate payments. The Council has used the Hampshire Partnership Integrated Business Centre's (IBC) controls for duplicate payment detection since May 2025, following the conclusion of a three-year contract with external provider. The contract had focussed on retrospective analysis of Accounts Payable transactions dating back to April 2014, and resulted in total recoveries of approximately £2.5 million. In comparison, the controls provided by the IBC focus on real-time prevention of duplicate payments as they are posted on SAP for processing, using AI software to identify potential matches, which are then investigated before the payments are cleared.

**Duplicate Payment Prevention** – The audit found that appropriate preventative controls are in place across the five payment mechanisms reviewed (VIM, One-Time Vendor, Business Data Upload and Foreign and CHAPS payments) to minimise the risk of duplicate payments. Clear guidance exists for all payment routes, setting out required processes that support the prevention of duplicate payments. All payment routes reviewed were also found to operate with adequate segregation of duties and oversight over payment processing. In addition, there are appropriate channels in place to communicate changes to payment processes where these could increase the exposure of duplicate payments.

**Duplicate Payment Detection** – The audit assessed the effectiveness of the Council's duplicate payment detection and recovery processes across both the retrospective and current arrangements. To evaluate controls in place prior to the adoption of IBC's processes, testing was completed using National Fraud Initiative (NFI) duplicate creditor payment matches from the 2024/25 exercise, with a sample of 100 matches reviewed in detail. This did not identify any unresolved duplicate payments; where duplicate or erroneous payments had been paid, it was confirmed that the funds had already been recovered.

In addition, to provide assurance over current processes, the audit completed data matching exercises to detect duplicate payments processed from April 2025, spanning multiple payment mechanisms. From this, a sample of 50 matches were reviewed. This testing found one duplicate payment (of £1.7k), that had not previously been identified. The routine detection processes carried out by IBC did not pick this up due to a combination of factors, namely that both different purchase orders and different vendor accounts were used for the two payments. Recovery of these funds is now underway. A further 19 duplicates were identified as part of this testing, however these had already been resolved, with either the duplicate payment blocked or recovered. The limited number of exceptions identified provides positive assurance that the controls operated both for historical payments and in real-time to identify, prevent, and recover duplicate payments have been effective.

In addition to the sample testing, the audit reviewed the mechanisms in place for the current duplicate payment detection process, noting a small window of time each day in which checks are not undertaken. This was known within the service however had not yet been formally addressed with IBC.

When reviewing the historical arrangements, it was also found that whilst fees to the external provider for their contract with the Council for 2024/25 had been paid, the net amount recovered (£349k) remains in a central cost centre, with currently no documented agreement confirming whether, or how, these funds will be redistributed to the original cost centres that incurred the expenditure.

Current reporting arrangements do not enable the Council to monitor duplicate payments end-to-end from identification through to recovery, including both through the use of IBC and its own recovery processes. The Council also does not use management information for the identification of trends, root causes, or to follow up on repeated issues by supplier or service. A similar weakness in reporting was reported in the previous audit of Duplicate Payments completed in 2019/20.

### **Vehicle Management Service 2025/26**

<b>Overall conclusion on the system of internal control being maintained</b>	<b>A</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
<b>Governance &amp; Oversight</b>	<b>A</b>	0	6	-	-	-	-	-	-	-	6
<b>Operations, including Compliance &amp; Risk Management</b>	<b>A</b>	0	4	-	-	-	-	-	-	-	4
<b>Acquisition &amp; Disposal</b>	<b>G</b>	0	0	-	-	-	-	-	-	-	-

<b>Financial Management</b>	<b>G</b>	<b>0</b>	<b>0</b>	-	-	-	-	-	-	-	
<b>TOTAL</b>		<b>0</b>	<b>10</b>								

Following previous audits which had identified control weaknesses and inconsistencies which occurred when management of the Council's fleet was decentralised, a decision was made in 2021 to adopt a coordinated approach to fleet management to improve oversight of fleet assets and enable greater consistency and efficiency in vehicle procurement, management and disposal. This followed the Council's decision, in 2020, to commit to achieving net zero carbon from Council operations by 2030. Subsequently, a plan was approved in 2023 which included the centralisation of vehicle management (excluding Oxfordshire Fire & Rescue Service) and the replacement of fossil-fuelled vehicles with electric vehicles by the end of 2025/26. This led to the creation of the Vehicle Management Service (VMS). Since then, the team have worked to develop processes and controls to manage and oversee the Council's fleet operations and have sought specialist support to enable further improvements. Audit testing has confirmed that compliance and operational control have improved significantly since the previous audit, though further work is required to fully embed governance, clarify roles and responsibilities and strengthen management information and oversight.

**Governance & Oversight** – The audit noted that there is a clear strategy in place for VMS and its operations, defined as part of the One Fleet Project Business Case, approved by Cabinet in 2023. In addition to centralising the management of the Council's fleet, this includes the move to a fully electric fleet, in line with the Council's commitment to become carbon neutral in its own operations by 2030. To ensure that the replacement of the fleet is completed effectively, considering key aspects such as asset life, utilisation levels, whole life cost considerations, funding and approval arrangements, a clear policy approach is being developed with the input of a subject matter expert. Whilst this means that the original timescale for replacement of the fleet (due to take place by the end of 2025/26) will not be met, it will help to ensure that the electrification of the Council's fleet is completed effectively in a way that will ensure that the Council's needs in relation to fleet are met, taking into account financial and market considerations as well as being aligned with environmental and carbon reduction commitments.

The centralisation of fleet management has involved changes to roles, responsibilities and processes for teams across the Council. Whilst the audit noted that the VMS team has made good progress in working with services to develop these new arrangements, there is a need to clearly define, document and agree roles, responsibilities and processes. A Service Level Agreement has been drawn up which will clarify and formalise the arrangements and expectations of VMS and its service users including responsibilities of line managers. There is also a need to develop information and guidance on VMS processes available to staff via the intranet, to increase understanding of the role of the VMS team, the services they provide and the policies and processes that staff are expected to follow. Guidance specific to drivers of Council fleet vehicles also requires development to ensure that there is clarity over areas including acceptable use, expectations relating to vehicle checks and defect reporting.

Whilst the current IT system in use within the VMS team has been populated with operational information to enable appropriate oversight of routine team tasks, this is limited and there is a need to develop this further to capture key information (for example mileage and utilisation data) consistently. Vehicle tracking is currently only installed on a small proportion of the fleet. Improvements to the capture and reporting on key information metrics will enable better insights into the use of the Council's fleet and will be able to aid decision making to ensure that what is in place is meeting the Council's needs and is cost effective.

**Operations Including Compliance & Risk Management** – It is positive to note that there have been significant improvements since the previous audit in relation to compliance with regulatory fleet management requirements following the centralisation of the Council's fleet and the creation of the VMS Team. Audit testing found there to be clear processes in place for monitoring of compliance with regulatory aspects of fleet management including insurance, road tax and MOT. The audit included whole population testing which confirmed that controls are operating effectively in these areas.

Clear processes are also in place in relation to the scheduling of routine inspections, servicing and maintenance. Whilst it was reported that there have been some instances of vehicles not being presented for inspection at the required time, the development and agreement of the Service Level Agreement will provide clarity over expectations for compliance in this area. There is also a need for a clear process for the monitoring, reporting and escalation of any instances of non-compliance. Management have identified that the current arrangements for the way in which fleet servicing is sourced require review to ensure that future arrangements meet the Council's needs and provide appropriate value for money going forward.

As noted above, vehicle tracking and telematics capabilities require development to ensure that there is consistent and appropriate management information available across the Council's fleet. A project is currently underway to review how telematics could be used across the fleet, with costs and benefits being explored for the different options available.

An area where significant control weaknesses have been noted as part of previous audits relates to the use of fuel cards. Due to inherent risks relating to potential misuse, it is important that expectations over appropriate use are clearly defined and communicated and that there is a clear and consistent approach to management monitoring and oversight of card use. Improvements have been made since this area was last audited with card administration processes now centralised within the VMS team and with the review and improvement of invoicing processes. However, further improvements are required in relation to the development of a clear corporate policy and operating processes and the confirmation of roles, responsibilities and processes for centralised management within the VMS Team.

The contract for the IT system used within the VMS team is due to expire later in 2026. A procurement exercise is in the process of being completed and as part of this it is planned that the current software will be evaluated to identify any gaps, inefficiencies and improvements required as part of the new contractual arrangements.

**Acquisition & Disposal** – It was confirmed that a clear process is in place to ensure that vehicles can only be procured through VMS and include appropriate involvement of procurement colleagues. The approach to vehicle acquisition and disposal is being

developed, with input from the subject matter expert, as part of the fleet replacement policy.

**Financial Management** - Regular budget monitoring and forecasting is in place. The audit confirmed that finance have oversight and involvement in how vehicle purchase and the related financial recording, VAT and recharging processes operate in order to comply with relevant financial regulations and requirements. There is systematic recharging to services and there have been recent improvements implemented to improve the timeliness of those recharges. As mentioned above, the strategy for future funding arrangements of the fleet is being considered as part of the development of the fleet replacement policy. Detailed testing of individual transactions was not undertaken during this audit.

### Key Themes and Root Causes

The issues highlighted in this report underlying root causes of **Processes** and **Systems / Technology**. Processes are either not fully defined or are out of date and there is limited management information and oversight (for example telematics and vehicle tracking data not being available across the fleet).

### Grants Management 2025/26

Overall conclusion on the system of internal control being maintained	<b>G</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
Grant Governance	A	0	3	-	-	-	-	-	-	-	3
Grant Monitoring	G	0	0	-	-	-	-	-	-	-	-
Grant Reporting and Returns	G	0	2	-	-	-	-	-	-	-	2
<b>TOTAL</b>		<b>0</b>	<b>5</b>								

The Council applies for and receives grant funding, mainly from central government departments, for various different projects, initiatives and services across service areas. In 2024/25 this included £147M in capital grant funding and £538M in revenue grant funding. Delivery of the activity or outcomes relating to grant funding received is managed within service areas, with oversight from Corporate Finance in relation to capital grant funding and from both Corporate Finance and Finance Business Partnering in relation to revenue grant funding.

Overall, audit testing noted that roles, responsibilities and processes relating to the management and oversight of grant income received and the delivery of grant funded

activities are clearly defined and understood. However, there are areas for improvement which include the development of a centralised, more detailed, record of revenue and capital grants and development of corporate guidance to support officers in effectively managing grant funding and related activity.

**Grant Governance** For the sample of grants tested as part of this audit, there were defined responsible officers within service areas with clearly understood roles, responsibilities and processes for the monitoring of grant spend and delivery of the activity, project or service the grant funding was received for. Corporate Finance and Finance Business Partnering have oversight of capital and revenue grants received, with revenue grants recorded in the Grants Annex of the budget book and tracked through the year as part of the Business Management and Monitoring Report (BMMR) process. Corporate Finance also have a role in monitoring and overseeing capital grant income and spend as part of the processes relating to the management of the Council's capital programme. However, whilst Corporate Finance and Finance Business Partnering have records detailing grants received, there is currently no single, overarching corporate register with more detailed information, for example on accountabilities, certification requirements and deadlines. A grants register would support improved governance and oversight by enabling clearer accountability for grant ownership, enhanced oversight of reporting requirements, improved financial assurance, better visibility of delivery timelines and dependencies, and more effective management of funding risks, including clawback and underspends. It could also facilitate corporate-level reporting, transparency, and the sharing of good practice across services.

It was also noted that there is no overarching corporate guidance to provide support to services and promote consistency of approach, particularly in relation to more complex grant administration arrangements, across services in the management of grants received. Examples were noted where documented local procedures would reasonably be expected but were not in place. Additionally, whilst there are strong processes in place within Corporate Finance to oversee capital grant income and expenditure, these are reliant on one member of staff with no documented procedures in place.

**Grant Monitoring** The audit noted, for the sample of grants reviewed, that there were appropriate processes in place to monitor activity and delivery of the project, service or initiative being funded by the grant and on grant income and expenditure. As noted previously, there are also clear processes in place within Corporate Finance for the oversight and monitoring grants received.

**Grant Reporting and Returns** There were also found to be appropriate reporting mechanisms in place to provide assurance to both external funding providers and senior management within the service area over delivery of the requirements of the grant and on grant expenditure. It is noted that for the grants where Internal Audit certification and sign off of compliance with grant conditions has been required during 2025/26, it has been possible to evidence and confirm compliance with grant conditions. However, improvements were noted as being required in relation to the coordination and management of grant certification and sign off arrangements by the lead officers within service areas, to ensure that these processes can be completed on a timely basis.

## Bridge Management 2025/26

Overall conclusion on the system of internal control being maintained	<b>R</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
Governance and Strategy	R	1	1	-	-	-	-	-	-	1	1
Asset Management	R	0	3	-	-	-	-	-	-	-	3
Inspection, Maintenance and Repairs (including Risk Management)	R	1	7	-	-	-	-	-	-	1	7
Contract Management	R	0	1	-	-	-	-	-	-	-	1
Budget Monitoring	R*	1	0	-	-	-	-	-	-	1	-
Management Oversight and Performance Monitoring	R	1	0	-	-	-	-	-	-	1	-
<b>TOTAL</b>		<b>4</b>	<b>12</b>								

Under the Highways Act 1980, Local Authorities have a duty to maintain highways, including structures such as bridges, in a safe condition. Additionally, technical standards and guidance, including the Design of Manual for Roads and Bridges (DMRB) and the Code of Practice: Well-managed Highway Infrastructure (2016) place duties on Local Authorities for ensuring that structures are fit for purpose and all risks are appropriately managed by setting out recommended practices for inspection, assessment, maintenance and record keeping.

The audit identified several weaknesses across the reviewed risk areas, including gaps in governance arrangements, weaknesses in contract management oversight and escalation, and limitations in the quality and completeness of structures asset information. Collectively, these issues reduce assurance that roles, responsibilities and decision-making expectations are clearly defined and consistently applied, and that management has a complete and reliable view of the Council's bridges and structures portfolio.

The audit also identified under-delivery and weak quality assurance across inspection, maintenance and repairs, with a longstanding backlog in inspections and an inconsistent approach to the recording of follow-up activity and remedial actions.

These weaknesses are combined with the absence of bridge-specific performance monitoring, and reported material underspend in the 2025/26 Bridges Capital Programme.

### **Governance and Strategy**

The audit identified weaknesses in governance arrangements for bridge management, including gaps in contract management oversight, performance monitoring and asset data quality. While a proposal is being developed to move delivery of the capital structures programme fully to the contractor, arrangements were not yet formally approved or fully documented at the time of audit fieldwork (April 2026), with roles, responsibilities, governance expectations and timescales still to be agreed.

A separate audit of Highways Contract Management was carried out in 2025/26. This reviewed the governance arrangements in place for the oversight of the contract, and reports on the areas for improvement in more detail.

A review of procedural guidance in relation to structures found the Structures Asset Management Strategy (SAMS) and Structures Asset Management Plan (SAMP) are being used operationally, although it was noted that the documents are still at draft, and have not been formally adopted through the Council's governance process.

### **Asset Management**

The audit identified gaps and errors in key asset information held in the asset management system, BridgeStation, including duplicate structure records, incorrect coordinates, and widespread missing or inconsistent fields for ownership, maintaining authority, and inspection history. These weaknesses, driven by factors such as unclear asset assignment across teams, historic data migration issues, and information being held offline, reduce assurance that the Council has a complete and reliable view of its structures.

The integrity of the data held is a known issue to management, who acknowledged the data on BridgeStation is in its infancy, with much of the relevant asset data being held offline. It was reported it is an aim within the service to better record this information, ensuring consistency with BridgeStation, as well as improve the currently limited data validation activity.

In addition to the inconsistent ownership and maintenance records, the audit found weaknesses in the availability and consistent recording of moiety agreements needed to define ownership boundaries and inspection/maintenance responsibilities for jointly owned structures, including cases where no sufficient agreement was in place.

### **Inspection, Maintenance and Repairs (including Risk Management)**

The audit identified under-delivery of the Principal Inspection (PI) programme, which is delivered by the contractor, with a longstanding backlog, reducing assurance over bridge condition and safety. The audit also found limited independent oversight in relation to completed PIs.

General Inspections (GIs), delivered internally, were found to be overdue, and a backlog has also developed in the review and approval of the completed GI reports, weakening quality assurance over inspection content and follow-up actions.

The audit found that inspection outcomes and follow-up actions are not consistently recorded, reviewed, or closed within BridgeStation

Recording of follow-up activity (post-inspection reviews, photographs and re-inspections where required) was not clearly defined, leading to inconsistencies and limited evidence that defects are being assessed, mitigated, and closed.

Bridge-related reports raised via FixMyStreet are not efficiently managed by the bridges team with duplication and manual intervention taking place.

### **Contract Management**

The audit found that oversight and escalation arrangements for the contract are not providing clear, timely assurance over delivery. Instances were noted in which monthly escalation reports to the Highways Operations Board (HOB) from the various governance groups were not updated month to month to reflect current position or progress, instead repeating the same information.

Meeting minutes, particularly from the Contract Management Group (CMG) and HOB, recorded limited scrutiny and follow-up on key bridges/structures issues. This reduces visibility of whether escalated matters are being progressed and resolved.

The audit found that governance oversight and escalation arrangements are not providing clear, timely assurance over delivery of the highways maintenance contract, particularly in relation to bridges and structures. Monthly escalation reporting to the Highways Operations Board (HOB) were often repetitive and not consistently updated to reflect the current position (for example, Project Management Group (PMG) escalation reports contained identical narrative repeated across multiple months), and several escalated bridge items showed limited evidence of progression (including items carried over for months with responsible leads recorded as "TBC" and escalation narrative remaining unchanged), limiting the effectiveness of escalation.

In addition, the audit found limited evidence that bridges/structures delivery issues were routinely scrutinised through the Contract Management Group (CMG) or effectively progressed via HOB, with minimal references within minutes. Where references did exist, there were typically recording acknowledgement rather than challenge, decisions, agreed actions, or subsequent follow-up. These weaknesses reduce transparency of issue ownership, status and resolution, limit the effectiveness of escalation, and increase the risk that contract risks are not actively managed, decisions are delayed, and senior leadership has reduced assurance over delivery and value for money.

Wider contract management areas for improvement, such as contract risk management processes, have been identified and reported separately within the Highways Contract Management Audit 2025/26.

### **Budget Monitoring**

The audit noted material underspend against the 2025/26 bridges capital programme, which was reported as slippage in delivering planned schemes. Schemes have been reprogrammed, partially completed, deferred, and carried forward. Management have reported that it is intended that the move to commission the contractor to deliver the bridge capital programme in full will address the current issues and delays.

Detailed testing was not undertaken as part of the audit regarding the accuracy of quotes and payment applications, but have been separately reviewed as part of the Highways Contract Management Audit 2025/26.

### **Management Oversight and Performance Monitoring**

The audit identified significant weaknesses in the performance monitoring arrangements for bridge management activities, which limits management’s ability to oversee delivery and challenge underperformance. Although the highways maintenance contract has been in place since April 2025, bridge-specific performance indicators have not been implemented or monitored, and there is no established performance baseline for inspections, asset data quality, and structural maintenance.

The audit also found that performance information relating to bridge related activity that is delivered internally is not routinely monitored or reported.

### Key Themes and Root Causes

The issues highlighted in this report identify underlying root causes in **People, Processes, and Management/Governance**. Specifically, a lack of formalised guidance, poor data governance, and weak oversight, escalation, and performance monitoring arrangements.

### Highways Contract Management 2025/26

Overall conclusion on the system of internal control being maintained	<b>A</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions	Current Status:							
				Implemented		Due not yet Actioned		Partially complete		Not yet due	
				P1	P2	P1	P2	P1	P2	P1	P2
<b>Governance</b>	<b>A</b>	<b>0</b>	<b>5</b>	-	-	-	-	-	-	-	<b>5</b>
<b>Contract Management</b>	<b>A</b>	<b>1</b>	<b>5</b>	-	-	-	-	-	-	<b>1</b>	<b>5</b>
<b>Accuracy of Payments</b>	<b>A</b>	<b>1</b>	<b>3</b>	-	-	-	-	-	-	<b>1</b>	<b>3</b>
<b>TOTAL</b>		<b>2</b>	<b>13</b>								

In April 2025, following a mobilisation period, a new contract commenced to deliver the Council’s highways maintenance contract. The contract is for an initial 8 year period, with options for two 3-year extensions. The total value of the contract, excluding VAT, is £840 million.

The audit has identified several weaknesses across the reviewed risk areas. These include insufficiently clear and embedded governance arrangements, such as incomplete and inconsistent Terms of Reference documents and meeting records/minutes. The audit also identified weaknesses in contract management controls, including ineffective contract risk management and inconsistent performance monitoring. In addition, the audit found gaps in payment assurance arrangements, particularly in the transparency of payment application approvals and in the management of abortive costs.

### Governance

The audit found that governance arrangements for managing the highways contract are not sufficiently clear, formally approved, or consistently evidenced in practice. Although governance structures and roles are described within the Contract and a separate Relationship Management Plan, there was no evidence that the latter had been formally approved, and the audit could not confirm the arrangements are fully embedded and operating consistently. Evidence that the Contract Management Group (CMG) has met regularly, for example through meeting minutes, was limited, and documentation held in the designated central repository was incomplete.

Terms of Reference documents for the key governance bodies were found to be inconsistent with insufficient clarity on decision-making authority, escalation routes, and expectations for risk, performance and financial oversight. Meeting minutes and action tracking across the Strategic Partnership Board, Highways Operations Board and Contract Management Group were variable and often lacked the detail required to evidence decisions, follow-up and ownership, and in some cases could not substantiate decisions reported to have been made. Several instances were noted throughout the audit in which it was reported discussions and decisions had been made at the CMG meetings; however, minutes were either unavailable or insufficiently detailed to support this.

The audit also found non-compliance with the Council's conflicts of interest and secondary employment requirements, with an instance of undeclared paid work for the contractor, increasing the risk of actual or perceived conflicts and undermining transparency and confidence in governance.

### **Contract Management**

The audit found that contract risk management arrangements are not operating effectively, with no current Contract Risk Register in place and no evidence that contract-related risks are being routinely identified, assessed, owned, monitored or escalated under the current contractual arrangements. Risk management is not clearly embedded within governance documentation, with limited reference to risk responsibilities in Terms of Reference and no evidence that actions to review the risk register (recorded in Contract Management Group minutes) were completed. This reduces assurance that emerging issues will be identified and escalated in a timely way to support effective oversight and informed decision making.

The audit found that key contract management controls intended to provide performance assurance have not been applied consistently since mobilisation. The monitoring of Operational Performance Indicators under the contract's Performance Management Framework has been paused for an extended period without adequate documented approval or rationale, with limited evidence of formal performance review, escalation through contractual improvement mechanisms, or application of performance deductions, weakening value for money and assurance over service delivery.

There has been a separate audit of Bridge Management in 2025/26 which identified required areas for improvement in relation to the oversight and contract management of bridge/structure related activity.

### **Accuracy of Payments**

Testing of a sample of Applications for Payment identified weaknesses in payment approval controls and a lack of transparency where Budget Holder rejections were subsequently approved by the Contract Manager. In most cases, the rationale for

overriding decisions was not recorded and Budget Holders were not sighted on the final approvals.

Budget Holders also reported they were unclear as to whether certain costs were included within the contract terms or should be charged separately, creating uncertainty around the approval of applications, and inconsistency across work orders. It was reported these charges have now been clarified with the contractor, with plans in place for notification to Budget Holders.

The audit found limited controls in place for the management, agreement and payment of abortive costs (where a defect repair cannot be carried out at the time of the visit). Abortive costs are understood to be claimed at 60% of the scheduled repair value, however no evidence was provided to demonstrate how this rate was agreed and communicated, and governance records (including CMG minutes) did not provide a complete trail of eligibility decisions or the intended approach to compensation events.

It was found that the current approach does not always provide value for money as charging a percentage of the scheduled repair value with no cap can produce disproportionate costs. This methodology also does not prevent multiple charges where duplicate work orders or neighbouring defects are recorded for the same location/visit.

The contractor has so far submitted two compensation events for abortive costs. Due to data accuracy concerns, revised quotations were requested, however were not submitted within contractual timescales (due December 2025), meaning the Council can now make an assessment to determine the payment amount, however a decision regarding this has not yet been made.

During 2025, Internal Audit and Counter Fraud reviewed concerns relating to the potential submission of duplicate job instructions to the contractor under the previous contract. Investigative work was undertaken in collaboration with the service, resulting in the identification of control weaknesses and the implementation of strengthened processes and oversight arrangements. Any instances where overcharging was identified were addressed with the contractor and a payment adjustment made. As part of this audit, Internal Audit has undertaken follow-up work to assess the effectiveness of the revised controls now in operation. Some matters arising from internal audit testing remain under active consideration and are subject to a separate, ongoing review by Internal Audit and Counter Fraud.

### **Key Themes and Root Causes**

The issues highlighted in this report identify underlying root causes in **People and Management/Governance**. Specifically, incomplete governance documentation, weak contract management oversight due to the lack of robust risk management and performance monitoring arrangements, and insufficient documentation and transparency to support payment decisions.

## **APPENDIX 4 – Internal Audit Definitions.**

### **Overall Conclusion Gradings:**

**Red** - The system of internal control is weak, and risks are not being effectively managed. The system is open to the risk of significant error or abuse. Significant action is required to improve controls.

**Amber** - There is generally a good system of internal control in place, and the majority of risks are being effectively managed. However, some action is required to improve controls.

**Green** - There is a strong system of internal control in place and risks are being effectively managed. Some minor action may be required to improve controls.

### **Management Action Priorities:**

**Priority 1** – Major issue or exposure to a significant risk that requires immediate action or the attention of Senior Management.

**Priority 2** – Significant issue that requires prompt action and improvement by the local manager.

**Supplementary Issue** – Minor issues requiring action to improve performance or overall system of control.

### **Root cause categories and descriptions:**

**PROCESSES** - Inefficiencies or gaps in workflows or procedures. Are processes clearly defined, documented and communicated and followed effectively. Are the processes efficient and effective.

**PEOPLE** - Skills gaps, unclear responsibilities, or cultural issues. Examines the human element, individual skills, training, competency, experience of staff, adherence to procedures, workload, communication and supervision.

**SYSTEMS / TECHNOLOGY** - System limitations, poor integration, or lack of automation. Assesses the technology and systems used, design, implementation and maintenance, suitability for intended purpose.

**MANAGEMENT / GOVERNANCE** - Weak oversight, policy non-compliance, or lack of accountability. Examines whether management is providing adequate direction, resources and oversight and if governance structures are effective. Willingness to acknowledge or learn from mistakes.

**CULTURE / ENVIRONMENT** - Market conditions, regulatory changes, or third-party dependencies. Looking at the broader context, including physical environment, workplace culture, external factors.

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## AUDIT AND GOVERNANCE COMMITTEE

20 May 2026

### INTERNAL AUDIT STRATEGY & PLAN 2026/27

#### Report by Deputy Chief Executive & S151 Officer

#### RECOMMENDATION

1. **The Committee is RECOMMENDED to:**

Comment and note the Internal Audit Strategy and Internal Audit Plan for 2026/27.

#### Executive Summary

2. This report presents the Internal Audit Strategy and Internal Audit Plan for 2026/27. A separate plan for Counter-Fraud activity will be presented to this Committee in July 2026.
3. Appendix 2 sets out the annual Internal Audit plan for 2026/27.
4. The move to a new unitary authority, or authorities requires Internal Audit to provide continued assurance while supporting transformation and ensuring the alignment of governance, risk management, and control frameworks. To do this effectively, the Internal Audit Plan must remain agile and responsive to emerging risks and changing priorities. It will therefore be subject to regular review and adjustment throughout 2026/27 and 2027/28, leading up to vesting day in April 2028.

#### Introduction

5. The Accounts and Audit Regulations 2015 state that the Council needs to maintain an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with the proper internal audit practices; these are defined as the Global Internal Audit Standards in the UK Public Sector (effective from April 2025).
6. In accordance with the Global Internal Audit Standards in the UK Public Sector (GIAS), the purpose of the internal audit function “is to strengthen Oxfordshire County Council’s ability to create, protect and sustain value by providing the Audit & Governance Committee and management with independent, risk-based, and objective assurance, advice, insight and foresight”.

7. The Head of Internal Audit & Counter Fraud is required to provide an annual report on the System of Internal Control which is used to inform the Council's Annual Governance Statement. In providing this opinion an annual review is required of the financial management, risk management and governance processes operating within the Council. This includes reviewing internal control systems for key processes on a risk basis.
8. The Internal Audit Annual Plan is drafted and presented at the start of each financial year, however, will evolve and needs to be dynamic and subject to amendments / responsive to organisational change and resulting emerging risks during the year. Significant changes to Oxfordshire County Council's business, risks, operations, systems and controls need to be assessed and internal audit resources targeted across immediate priority areas for the organisation.

## **Service Vision**

9. The Internal Audit and Counter Fraud teams are managed under one service. Internal Audit has a statutory role to provide independent assurance that Oxfordshire County Council's risk management, governance and internal control processes are operating effectively. We deliver internal audit work which is fully compliant with Global Internal Audit Standards in the UK Public Sector. The Counter Fraud Team is responsible for developing and implementing the Anti-Fraud and Corruption Strategy, including fraud prevention, undertaking the investigation into suspected or reported financial irregularities and pursuing the appropriate sanctions or recovery of funds.
10. The service strives to be an indispensable part of good governance within the organisation. The service has demonstrated with the Internal Audit and Counter Fraud teams working collaboratively as part of one team, that it works more efficiently, adding more value and contributing to an improved control environment for the organisation.
11. The professions of both internal audit and counter fraud are evolving and will undergo major transformation over the coming years driven by new emerging risks, accelerating data and technological advancements, enhancements to professional standards and the need to expand the pipeline of talent, where there is currently a significant national shortage. The service will need to continue to develop and grow and strengthen skills and capabilities to remain relevant and effective. The service will need to harness new technologies and the opportunities that data analytics delivers for improved internal assurance activity and fraud prevention and detection.

## **Service Objectives**

12. The services objectives for the Internal Audit & Counter Fraud teams are:
- Evaluate and improve the effectiveness of Oxfordshire County Council's governance, risk management and control processes, through delivery of the annual internal audit plan and Head of Internal Audit's overall annual opinion.
  - Provide advice, insight and added value, consistent with the achievement of the Oxfordshire County Council's strategic priorities and objectives, acting as a strategic advisor to challenge current practice and promote best practice.
  - Protect Oxfordshire County Council's resources by ensuring they are not lost through fraud but are used to deliver services to residents, through delivery of the Anti-Fraud and Corruption Strategy and the agreed annual Counter-Fraud plan, including fraud prevention and detection activities and leading the management of fraud investigations
  - Harness new technologies and continue to develop and extend the use of data analytics and the opportunities that it presents to improve internal audit assurance and counter fraud prevention and detection activity.
  - Acknowledging the significant shortfall in internal audit and counter fraud talent nationally, develop the skills and capabilities, within the team, that are needed now and, in the future, through a "grow our own strategy" and continued use of apprentices, offering a strong coaching and enabling culture, actively supporting formal professional development and offering career pathways.
  - Support Local Government Reorganisation, ensuring an effective transition to new organisational arrangements, including the review of the design and adequacy of new governance and internal control structures as they are developed and implemented.

## **Audit Planning Methodology**

13. The Internal Audit Plan is developed to consider the corporate vision and priorities of Oxfordshire County Council, the Strategic Leadership Board's (SLB) priorities and management's assessment of risk as set out in the strategic and directorate risk registers. The audit plan includes cross referencing to those priorities and risks.
14. We also use our own risk assessment against each activity assessing their significance, sensitivity and materiality – ranking each activity as high, medium or low priority for inclusion within the Internal Audit Plan.

15. Audit planning is undertaken in accordance with Oxfordshire County Council's Internal Audit Charter and Global Internal Audit Standards in the UK Public Sector.
16. As part of the annual planning process the Head of Internal Audit & Counter Fraud meets with members of the Strategic Leadership Board, Directors and other Senior Managers. This provides crucial insight and intelligence into the strategic and operational priorities of the organisation. There are regular meetings with each of the Directors/Services to ensure the plan is kept under continuous review. The plan is also reviewed quarterly and presented to the Audit and Governance Committee for consideration and comment. This ongoing review and insight enable the audit plan to be flexible to meet any changing assurance needs and risks of the organisation.
17. The Audit and Governance Committee will continue throughout 2026/27 to gain assurance through reports from Senior Management on key areas.
18. The aim is to align work with other assurance providers where appropriate, including the External Auditors and the auditors for the IBC (Hampshire's Integrated Business Centre).
19. The Head of Internal Audit & Counter Fraud is a member of the Corporate Governance Assurance Group, which supports the monitoring and development of the assurance framework and production of the Annual Governance Statement. This includes review of the key governance areas through the Corporate Leads.
20. The Head of Internal Audit & Counter Fraud continues to attend the Counties Chief Auditor Network (National Group) and also the Midland Counties and Districts Chief Internal Auditors Group to enable networking and to share good practice. This contributes to the internal audit planning activity.
21. The Audit and Governance Committee will receive a quarterly report, including a status update on the approved work plans, and a summary of the outcomes of completed audits.

### **Local Government Reorganisation**

22. Once the government's decision on the future unitary model for Oxfordshire is confirmed, a coordinated and collaborative approach will be required across existing internal audit functions to support an effective transition to any new organisational arrangements. This will include reviewing the design and adequacy of new governance and internal control structures as they are developed. Internal audit will be required to provide assurance over key areas of transitional risk.

23. The internal audit plan will therefore be subject to regular review and adjustment throughout 2026/27 and 2027/28, leading to vesting day in April 2028.
24. To ensure internal audit capacity is available to support Local Government Reorganisation, Oxfordshire County Council internal audit days for 2026/27 and 2027/28 have been reserved for this purpose rather than fully allocated to business-as-usual assurance activity.
25. During 2027/28, Oxfordshire County Council Internal Audit will increase its focus on controls-based compliance work to provide assurance over transaction integrity and OCC accounts leading to vesting day.

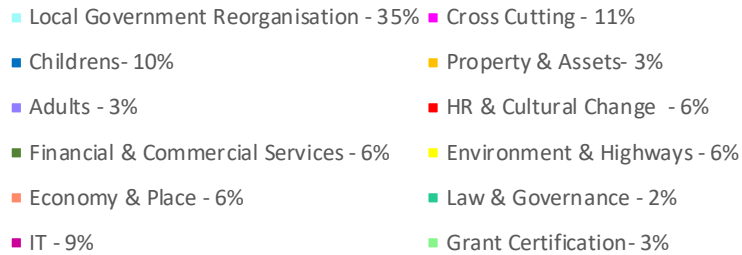
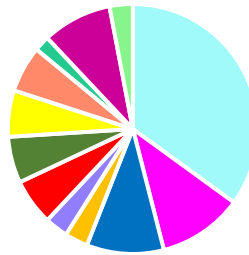
### **Counter Fraud**

26. Internal Audit have the responsibility for Counter Fraud. The Counter Fraud Strategy and Plan for 2026/27 will be presented to the July Audit and Governance Committee.
27. The Counter Fraud plan will need to align with the Internal Audit activity in relation to Local Government Reorganisation, with the Counter Fraud activity focussing on emerging fraud risks during transition and post vesting day.

### **Internal Audit Resourcing**

28. The 2026/27 internal audit structure is included in Appendix 3. The Audit and Governance Committee are regularly updated regarding the Internal Audit resourcing position.
29. There continues to be a national challenge with the recruitment of good quality internal audit staff, particularly at a Senior/Principal Auditor level. We continue with the approach of “growing our own”, our most recent Internal Audit Apprentice who started with us in September 2024 has recently been appointed into the role of Auditor.
30. The planned chargeable days available to the council in 2026/27 = 1050 (after deducting overheads such as annual leave, and other absences). The planned days available for Internal Audit assignments are 900 days. This is in line with the previous allocations in 2025/26, 2024/25, 2023/24 & 2022/23. (Other Chargeable days – non- audit assignment, are recorded at the end of the narrative plan in Appendix 2) The following chart shows an approximate split of chargeable audit activity days across directorates.

OCC Split of Audit Activity for 2026/27



## Quality & Performance

31. Oxfordshire County Council Internal Audit operates in conformance with the Global Internal Audit Standards in the UK Public Sector. The service promotes excellence and quality through its audit process, application of its Quality Assurance Improvement Programme and training and development. During 2026/27 one of the Auditors is undertaking professional internal audit training, studying the Certified Internal Auditor Qualification.
32. The service uses a number of ways to monitor performance, respond to feedback and seek opportunities to improve. Evidence of the quality of audits is gained through feedback from auditees and the results of supervision and quality assurance undertaken as part of our audit process.
33. During 2023/24 the service was subject to an external assessment against the previous Public Sector Internal Audit Standards. The results of the external assessment concluded that the service fully conformed with the standards. The full report was presented to the January 2024 Audit and Governance Committee. The next external assessment is due in 2028/29.
34. We undertake an annual self-assessment against the new Global Internal Audit Standards in the UK Public Sector. The results are reported to the Audit and Governance Committee (last reported to the January 2026 Audit & Governance Committee meeting).
35. The performance indicators for 2026/27 are attached as Appendix 1 to this report.

## Financial Implications

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

Comments checked by: Lorna Baxter, Deputy Chief Executive and Section 151 Officer

[lorna.baxter@oxfordshire.gov.uk](mailto:lorna.baxter@oxfordshire.gov.uk)

## Legal Implications

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

Jay Akbar, Head of Legal and Governance Services

[jay.akbar@oxfordshire.gov.uk](mailto:jay.akbar@oxfordshire.gov.uk)

## Staff Implications

38. There are no direct staff implications arising from this report.

## Equality & Inclusion Implications

39. There are no direct equality and inclusion implications arising from this report.

## Sustainability Implications

40. There are no direct sustainability implications arising from this report.

## Risk Management

41. There are no direct risk management implications arising from this report.

NAME: Lorna Baxter, Deputy Chief Executive and Section 151 Officer.

Annex:

Annex 1: 2026/27 Performance Indicators

Annex 2: 2026/27 Internal Audit Plan

Annex 3: 2026/27 Internal Audit Structure Chart

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May 2026.

**APPENDIX 1 PERFORMANCE INDICATORS 2026/27**

	<b>Performance Measure</b>	<b>Target</b>	<b>Frequency of reporting</b>	<b>Method</b>
1	Elapsed time between start of the audit (opening meeting) and the Exit Meeting	Target date agreed for each assignment by the CIA, no more than three times the total audit assignment days	Quarterly report to A&G Committee.	Internal Audit Performance Monitoring System
2	Elapsed time for completion of the audit work (exit meeting) to issue of draft report	15 Days	Quarterly report to A&G Committee.	Internal Audit Performance Monitoring System
3	Elapsed time between receipt of management responses and the issue of the final report	10 Days	Quarterly report to A&G Committee.	Internal Audit Performance Monitoring System
4	% of Internal Audit planned activity delivered	100% of the audit plan by end of April 2027.	Annual Report to A&G Committee.	Internal Audit Performance Monitoring System
5	% of agreed management actions implemented within the agreed timescales	90% of agreed management actions implemented	Quarterly Report to AWG	Action Management Tracking System
6	Customer satisfaction questionnaire (Audit Assignments)	Average score < 2 (1= Good, 2 = Satisfactory, 3 = Unsatisfactory, 4 = Poor)	Quarterly Report to A&G Committee	Questionnaire
7	Directors' satisfaction with internal audit work	Satisfactory or above	Periodically (every 2-3 years) review of the effectiveness of IA - Monitoring Officer report to A&G Committee	Last completed by the Monitoring Officer in 2023/24 and reported to A&G in November 2024 - due November 2026

## APPENDIX 2: Internal Audit Plan 2026/27

Service Area	Audit	Scope	Audit Needs Assessment	Link to Strategic Plan / Strategic Risk Register
<b>Internal Audit Plan Part 1 – Local Government Reorganisation</b>				
<p>The move to a new unitary authority (or authorities) requires Internal Audit to provide continued assurance while supporting transformation and ensuring the alignment of governance, risk management, and control frameworks. To do this effectively, the Internal Audit Plan must remain agile and responsive to emerging risks and changing priorities. It will therefore be subject to regular review and adjustment throughout 2026/27 and 2027/28, leading up to vesting day in April 2028.</p> <p>Once the government’s decision on the future unitary model for Oxfordshire is confirmed, a coordinated and collaborative approach will be required across existing internal audit functions to support an effective transition to any new organisational arrangements. This will include reviewing the design and adequacy of new governance and internal control structures as they are developed. Internal audit will be required to provide assurance over key areas of transitional risk, including:</p> <ul style="list-style-type: none"> <li>• The overall governance framework and programme management controls</li> <li>• Financial transition</li> <li>• Procurement &amp; contracts transition</li> <li>• Technology transition</li> <li>• Data transition</li> <li>• HR, culture and workforce transition</li> <li>• Legal and democratic transition</li> <li>• Property &amp; assets transition</li> <li>• Major services transition</li> </ul> <p>To ensure internal audit capacity is available to support Local Government Reorganisation, OCC internal audit days for 2026/27 and 2027/28 have been reserved for this purpose rather than fully allocated to business-as-usual assurance activity.</p> <p>During 2027/28, OCC Internal Audit will increase its focus on controls-based compliance work to provide assurance over transaction integrity and OCC accounts leading to vesting day.</p> <p>There will also be a requirement for a coordinated and collaborative approach across existing Counter Fraud functions with Counter Fraud Plans aligned and coordinated with the Internal Audit activity, focussing on emerging fraud risks during transition and post vesting day.</p>				

Service Area	Audit	Scope	Audit Needs Assessment	Link to Strategic Plan / Strategic Risk Register
Part 2 of the audit plan sets out assurance work for existing priority service areas and processes for the 2026/27 financial year, ensuring robust governance, risk management and internal controls, which will also support readiness for the new organisation/organisations.				
<b>Internal Audit Plan Part 2 – 2026/27 – Existing priority services and processes.</b>				
Cross cutting	Capital Programme - Delivery Assurance	The audit will review the effectiveness of delivery controls across the capital programme, including programme management, monitoring, risk management, and reporting arrangements. It will consider how well delivery risks, delays and cost pressures are identified and addressed to provide assurance over the successful completion of capital projects. (The audit was deferred from the 2025/26 internal audit plan)	H	
Cross cutting	Capital Programme – Pipeline & Business Case Development	The audit will assess the adequacy and effectiveness of controls over capital pipeline development, scheme prioritisation, business case quality and gateway review arrangements, including the recently implemented governance improvements in these areas.	H	
Environment & Highways	Housing Infrastructure Fund (HIF1)	This audit will review the arrangements for the delivery phase of the Housing Infrastructure Fund programme, providing assurance over governance, project management and financial control.	H	Strategic Risk Register: Housing Infrastructure Fund (HIF1)
Environment & Highways	Lane Rental	This audit will review the council's implementation and operation of the lane rental scheme for utility works, providing assurance over governance, compliance and income controls.	M	

Service Area	Audit	Scope	Audit Needs Assessment	Link to Strategic Plan / Strategic Risk Register
Childrens	SEND – Financial Management	The audit will review the effectiveness of arrangements to plan, control and monitor SEND expenditure, focusing on the robustness of financial decision-making for high-cost support and the adequacy of governance, forecasting processes and oversight to manage financial risk. It will include review of the council’s response to SEND reform and the receipt and use of additional funding.	H	Strategic Risk Register: Special Educational Needs and Disability. Corporate Priority: “Deliver more specialist school places for children with special educational needs and disabilities (SEND).”
Childrens	SEND – Appeals and Legal Challenges	The audit will examine the effectiveness of the Council’s control framework for managing SEND-related legal challenge, from initial dispute through to appeal, judicial review or resolution. It will focus on the quality and oversight of decision-making, timeliness and the effectiveness of joint working between SEND and Legal Services.	H	Strategic Risk Register: Special Educational Needs and Disability. Corporate Priority: “Deliver more specialist school places for children with special educational needs and disabilities (SEND).”
Childrens	Foster Care Payments	The audit will review the adequacy and effectiveness of controls over Foster Care payments and other related carer-based financial support, including Special Guardianship Order allowances, Child Arrangement Order payments, Kinship Care support payments, Adoption Allowances (for pre-adopters). It will assess whether payments are accurate, timely and compliant with policy, and subject to robust oversight and review.	M	

<b>Service Area</b>	<b>Audit</b>	<b>Scope</b>	<b>Audit Needs Assessment</b>	<b>Link to Strategic Plan / Strategic Risk Register</b>
Adults	Community Support Services	This audit will review governance and financial management arrangements within the Community Support Service, including budget management, financial management controls and compliance with relevant HR policies.	M	
HR & Cultural Change	Schools HR	The audit will provide assurance over the delivery of statutory responsibilities for HR for Schools. (The audit was deferred from the 2025/26 internal audit plan)	M	
HR & Cultural Change	Performance Management	The audit will review compliance with the organisation's 12:3:2 performance management framework and assess how effectively services oversee team performance. It will examine how team-level performance information is used to shape, support and inform individual performance management. In addition, the audit will consider the operation and effectiveness of the newly implemented Senior Management Performance Framework.	M	
Financial & Commercial Services	Pensions Administration	This is an annual audit which tests the key controls providing assurance that members records are accurately maintained and that payments through the pension's payroll are accurate, timely and legitimate.	M	
Financial & Commercial Services	Income – Application of Fees and Charges	The audit will provide assurance on whether the Council's approved fees and charges are consistently and accurately applied across services.	M	

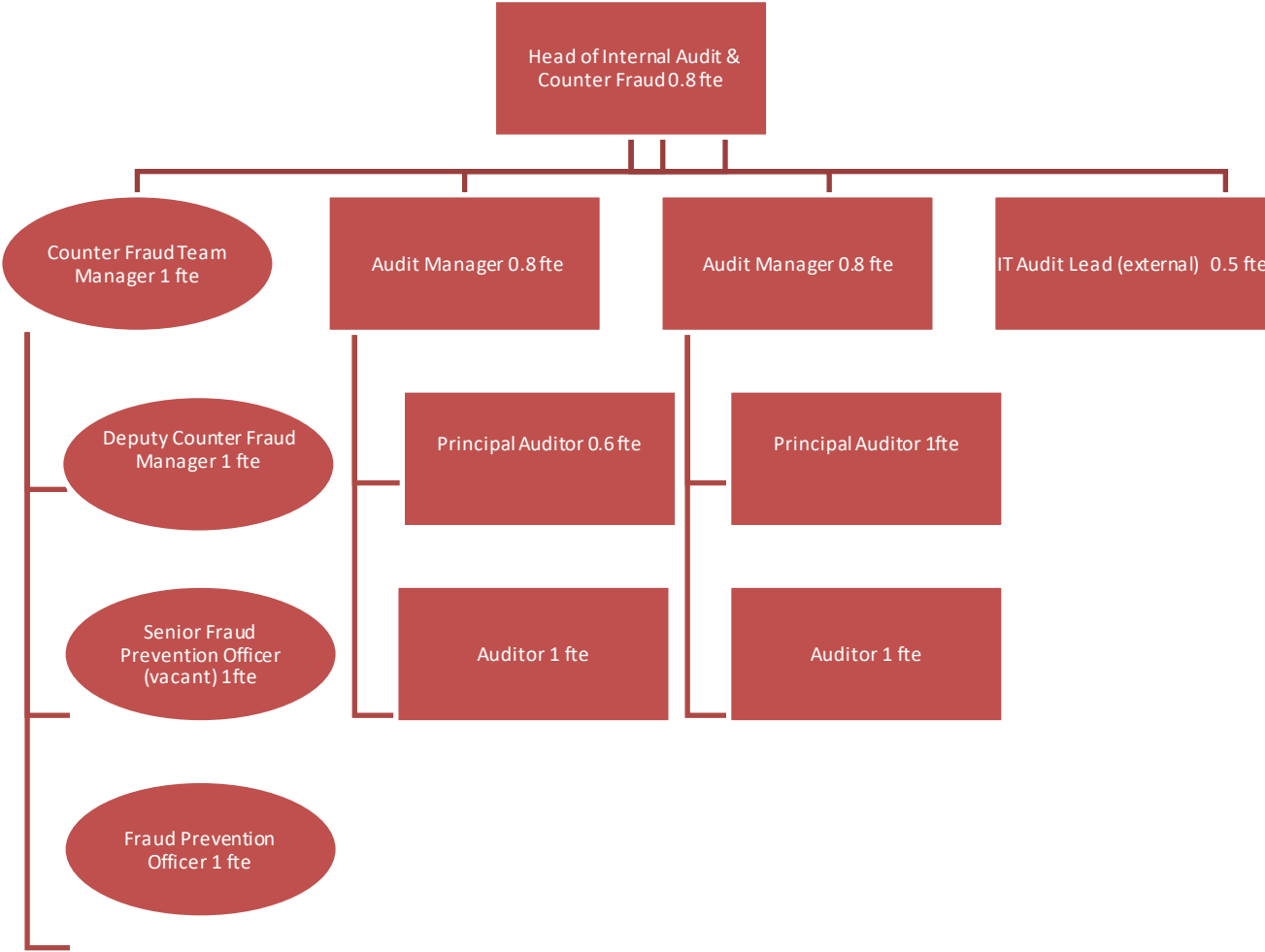
Service Area	Audit	Scope	Audit Needs Assessment	Link to Strategic Plan / Strategic Risk Register
Property & Assets	Safeguarding Transport – follow up.	A follow up audit will be undertaken of Safeguarding Transport, which was audited during 2025/26 and had an overall conclusion of Red. The audit will review the effectiveness of the implementation of agreed management actions and confirm whether robust safeguarding policies and procedures are in place for the transport of children and young people via commissioned transport services.	H	
Economy & Place	S106 – Improvement Programme.	The audit will review the governance and project management arrangements of the S106 Improvement Programme. (The audit was deferred from the 2025/26 internal audit plan)	H	
Economy & Place	Enterprise Oxfordshire – Governance & Performance.	This audit will review the governance, oversight and performance arrangements between the council and Enterprise Oxfordshire, including shareholder controls, decision-making, performance monitoring, and reporting, to provide assurance that the organisation is operating effectively, transparently and in line with the council's objectives.	M	Corporate Priority: "Through initiatives like Connect to Work, help people overcome barriers to employment."
Law & Governance – Information Management	NHS Data Security & Protection Toolkit.	The audit will review the organisation's compliance with the mandatory NHS Data Security and Protection Toolkit (DSPT), assessing whether all required standards and evidence submissions are met to ensure continued authorised access to NHS patient data and systems	M	

<b>Service Area</b>	<b>Audit</b>	<b>Scope</b>	<b>Audit Needs Assessment</b>	<b>Link to Strategic Plan / Strategic Risk Register</b>
Technology & Customer Experience	Cyber Security	The audit will assess whether the Council's cyber security governance, risk management and control arrangements are appropriately designed and effectively implemented to protect systems and data, and to support organisational resilience against cyber threats.	H	Strategic Risk Register: Cyber Security
Technology & Customer Experience	IT Project Management	The audit will assess whether IT project management standards are clearly defined and consistently applied to ensure projects are delivered on time, within budget and to the required specification. It will also consider the impact of the new operating model on IT project delivery processes and review the implementation of the newly adopted project and product management system within the IT project team.	M	
Technology & Customer Experience	IT Change and Release Management	The audit will assess whether formal, controlled processes exist for requesting, approving and releasing changes to production systems.	M	
Technology & Customer Experience	Microsoft 365 Cloud	The audit will assess the security configuration of the Microsoft 365 cloud environment to confirm that data and applications are appropriately protected. Given its central role in authentication and organisational security, the review will also provide assurance over the effectiveness of cyber security controls within the cloud platform.	M	Strategic Risk Register: Cyber Security

Service Area	Audit	Scope	Audit Needs Assessment	Link to Strategic Plan / Strategic Risk Register
Technology & Customer Experience	Artificial Intelligence – follow up.	The audit will follow up on the management actions from the 2024/25 AI audit to ensure they have been effectively implemented.	M	
Cross Cutting	Follow Up	This audit will provide assurance that agreed actions from previous internal audits have been implemented, through follow-up of a risk-based sample of prior reviews and a high-level review of all open actions, supporting effective closure of issues ahead of Local Government Reorganisation (LGR).	M	
Grant Certification		There are several requests made throughout the year for Head of Internal Audit sign off, of grant certifications.	Mandatory	Head of Internal Audit sign off – requirement of grant claim conditions.

Other (Chargeable days – non- audit assignment)		
There are days which are not attributed to specific planned audit activity and include:	<ul style="list-style-type: none"> <li>• Head of Internal Audit's management days</li> <li>• Preparation of the audit plan and operational planning</li> <li>• Reports for the Audit Working Group and Audit &amp; Governance Committee</li> <li>• Attendance at Leadership Team meetings and regular meetings with Senior Management</li> <li>• Attendance at the Corporate Governance Assurance group including contribution to and overview of the Annual Governance Statement</li> <li>• External Audit liaison</li> <li>• Liaison with other assurance providers.</li> </ul>	<ul style="list-style-type: none"> <li>• Follow up on implementation of agreed management actions.</li> <li>• Annual self-assessment against internal audit standards – In accordance with the requirements of the Global Internal Audit Standards in the UK public sector.</li> <li>• Advice and Liaison</li> <li>• Production of the Head of Internal Audit Annual Report</li> <li>• Development of data matching / analytics</li> <li>• Contribution to change management programmes</li> <li>• Admin support for actual audit work</li> </ul>

**APPENDIX 3: INTERNAL AUDIT AND COUNTER FRAUD TEAM STRUCTURE 2026/27**



## **AUDIT & GOVERNANCE COMMITTEE 20 MAY 2026**

### **INTERNAL AUDIT CHARTER 2026/27**

#### **Report by Deputy Chief Executive & S151 Officer**

#### **RECOMMENDATION**

The committee is RECOMMENDED to:

- a) Approve the Internal Audit Charter for 2026/27**
- b) Note the Quality Assurance and Improvement Programme.**

#### **Executive Summary**

1. This report presents both the Internal Audit Charter and the Quality Assurance and Improvement Programme for 2026/27. These are subject to annual review.

#### **Introduction**

2. From 1 April 2025 Internal Audit has adopted the new Global Internal Audit Standards in the UK Public Sector (GIAS). These replaced the previous Public Sector Internal Audit Standards (PSIAS). The GIAS guide the worldwide professional practice of internal auditing and serve as a basis for evaluating and elevating the quality of the internal audit function.
3. Internal Audit have also adopted CIPFA's (Chartered Institute of Public Finance and Accountancy) Code of Practice for the Governance of Internal Audit in the UK Local Government, which is designed to work alongside the new internal audit standards.
4. As an internal audit team that fully conformed with the previous Public Sector Internal Audit Standards there were minimal changes required during 2025/26 to ensure compliance with the new standards. Changes that were required to the Internal Audit Charter were made at the start of 2025. The Internal Audit Charter was re-written to follow the new recommended template, to support the implementation of the new standards. These changes were reported to the June 2025 Audit & Governance Committee.

## Internal Audit Charter

5. Global Internal Audit Standards in the UK Public Sector (GIAS) requires that an Internal Audit Charter is in place, which sets out the purpose and mandate of Oxfordshire County Council's Internal Audit function, in accordance with the GIAS. The Internal Audit Charter establishes the position of Internal Audit within the organisation, access and reporting requirements. It also outlines the key responsibilities of the Audit & Governance Committee.
6. The Internal Audit Charter was reviewed in April 2026. Other than minor updates to job titles, no amendments have been made, since it was last presented to and approved by the Audit & Governance Committee in June 2025.
7. The Internal Audit Charter for 2026/27, included in Annex 1 is subject to approval by the Audit & Governance Committee on an annual basis, in line with GIAS requirements.

## Quality Assurance Improvement Programme (QAIP)

8. The GIAS require that the internal audit activity maintain a Quality Assurance and Improvement Programme (QAIP). This is included within Appendix 2.
9. The Head of Internal Audit & Counter Fraud is required to communicate to senior management and the Audit & Governance Committee on the internal audit activity's quality assurance and improvement programme, including results of ongoing monitoring at least annually, internal assessments upon completion and external assessments conducted at least every five years. The QAIP details what will be reported to the Audit & Governance Committee and the frequency.
10. Last year's QAIP for 2025/26 included five opportunities for improvement within the internal audit activity. Implementation of those improvements are as follows:

### Opportunities for improvement – previously identified for 2025/26:

Opportunity for improvement	Lead Officer/s	Target Date	Update
<b>Internal Audit Standards –</b> Ongoing review of working practices throughout 2025/25 to ensure full conformance with the new Global Internal Audit Standards in the UK Public Sector.	Sarah Cox, Chief Internal Auditor / Katherine Kitashima, Audit Manager / Georgina Queripel, Audit Manager	Internal Audit Charter Update – already complete.  Internal Audit Manual Update – by end of	Complete  Internal Audit Manual updated  Internal Audit Charter updated – reported to A&G June 2025.

<p>This will include updating the Internal Audit Manual and Internal Audit Charter.</p> <p>A self-assessment against the new standards will be completed during 2025/26.</p>		<p>September 2025.</p> <p>Self-Assessment undertaken – by end of December 2025.</p>	<p>Self-assessment completed – confirmed conformance with new GIAS – reported to A&amp;G January 2026.</p>
<p><b>Data analytics</b> - to continue to embed into the Internal Audit and Counter Fraud assurance activities.</p> <p>This needs to be a continued focus, building awareness and application across the team. Members of the team will undertake further training.</p>	<p>Sarah Cox, Chief Internal Auditor / Katherine Kitashima, Audit Manager / Georgina Queripel, Audit Manager / Declan Brolly, Counter Fraud Manager</p>	<p>Improvements to assurance activities continue to be embedded throughout 2025/26.</p>	<p>Embedded throughout 2025/26 internal audit assurance activities – positive improvement to the quality of assurance being provided. Will continue to be area of focus and further de development.</p>
<p><b>Root Cause Analysis / Reporting themes</b> – as part of the implementation of the new GIAS, internal audit working practices will be reviewed to ensure root cause analysis is completed and properly documented for each audit assignment. This will require further training for the team.</p> <p>We will review and look to improve how we communicate the root cause.</p> <p>We will review how we communicate themes from multiple engagements</p>	<p>Sarah Cox, Chief Internal Auditor / Katherine Kitashima, Audit Manager / Georgina Queripel, Audit Manager</p>	<p>Improvements to be embedded throughout 2025/26.</p>	<p>This has been implemented and is included in individual audit assignment reporting. Summary of themes and root causes are now reported in the Annual Report of the Chief Internal Auditor.</p>

including common root causes and significant risk exposures.			
<b>Professional scepticism and professional courage</b> – the new GIAS have expanded “ethics and professionalism” to include new sections and expectations for internal auditors in demonstrating professional courage and professional scepticism. Training in these areas will be provided to the team.	Sarah Cox, Chief Internal Auditor / Katherine Kitashima, Audit Manager / Georgina Queripel, Audit Manager	End of September 2025.	Training completed – Summer 2025, refresher discussions were held with team in January 2026. Audit Manual Updated.
<b>Data Protection</b> – we will review arrangements for internal audit and counter fraud compliance, including electronic document retention and data sharing arrangements.	Sarah Cox, Chief Internal Auditor / Katherine Kitashima, Audit Manager / Georgina Queripel, Audit Manager / Declan Brolly, Counter Fraud Manager	End of September 2025.	Arrangements reviewed to ensure compliance. Further improvement to be identified for 2026/27 to fully document.

11. Opportunities for improvement for 2026/27 have been included within the QAIP in Appendix 2. Progress in implementation of these will be reported back to the Audit & Governance Committee.

## Financial Implications

12. There are no direct financial implications arising from this report.  
Comments checked by: Lorna Baxter, Deputy Chief Executive & S151 Officer  
[lorna.baxter@oxfordshire.gov.uk](mailto:lorna.baxter@oxfordshire.gov.uk)

## Legal Implications

7. There are no direct legal implications arising from this report.  
Jay Akbar, Head of Legal and Governance Services  
[jay.akbar@oxfordshire.gov.uk](mailto:jay.akbar@oxfordshire.gov.uk)



## **ANNEX 1:**

### **Internal Audit Charter for Oxfordshire County Council**

The internal audit charter sets out the purpose and mandate of Oxfordshire County Council's internal audit function.

#### **Purpose**

The purpose of the internal audit function is to strengthen Oxfordshire County Council's ability to create, protect, and sustain value by providing the Audit & Governance Committee and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The internal audit function enhances Oxfordshire County Council's:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

Oxfordshire County Council's internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with The IIA's Global Internal Audit Standards™, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the Audit & Governance Committee.
- Internal auditors are free from undue influence and committed to making objective assessments.

#### ***Commitment to Adhering to the Global Internal Audit Standards***

Oxfordshire County Council's internal audit function will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements (effective from April 2025). The chief audit executive will report annually to the Audit & Governance Committee and senior management regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.

## **Mandate**

### ***Authority***

The mandate for Oxfordshire County Council's internal audit function is found in the Accounts and Audit Regulations 2015, which states:

'5. (1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

(2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—

- (a) make available such documents and records; and
- (b) supply such information and explanations

as are considered necessary by those conducting the internal audit.

(3) In this regulation "documents and records" includes information recorded in an electronic form.'

From 1 April 2025, the 'standards or guidance' in relation to internal audit are those laid down in the Global Internal Audit Standards in the UK Public Sector and the Code of Practice for the Governance of Internal Audit in UK Local Government.

The CIPFA statement on the Role of the Chief Financial Officer (In Oxfordshire County Council that role is fulfilled by the Deputy Chief Executive and S151 Officer) in Local Government states that:

Internal audit is an important independent internal scrutiny activity. The Chief Financial Officer must support the internal audit arrangements and ensure that the audit committee receives the necessary advice and information, so that both functions can operate effectively.

The internal audit function's authority is created by its direct reporting relationship to the Audit & Governance Committee. Such authority allows for unrestricted access to the Audit & Governance Committee.

The Council authorises the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.

- Obtain assistance from the necessary personnel of Oxfordshire County Council and other specialised services from within or outside Oxfordshire County Council to complete internal audit services.

### ***Definition of the Chief Audit Executive (CAE)***

Chief Audit Executive describes a person in a senior position responsible for effectively managing the internal audit activity. Within Oxfordshire County Council the Head of Internal Audit & Counter Fraud is the designated “Chief Audit Executive”.

### ***Independence, Organisational Position, and Reporting Relationships***

The chief audit executive is positioned at a level in the organisation that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function. (See “Mandate” section.) The chief audit executive will report functionally to the Audit & Governance Committee and organisationally to the Deputy Chief Executive and S151 Officer (who has statutory responsibility as proper officer under Section 151 of the Local Government Act 1972, for ensuring an effective system of internal control and proper financial administration of the County Council’s affairs) and the Director of Financial and Commercial Services on day-to-day operations. Both are members of the Senior Leadership Board. This positioning provides the organisational authority and status to bring matters directly to senior management and escalate matters to the Audit & Governance Committee, when necessary, without interference and supports the internal auditors’ ability to maintain objectivity.

The chief audit executive has direct access to the Chief Executive who carries responsibility for the proper management of the County Council and for ensuring that the principles of good governance are reflected in sound management arrangements. The chief audit executive has direct access to the County Council’s Monitoring Officer. The chief audit executive will confirm to the Audit & Governance Committee, at least annually, the organisational independence of the internal audit function. If the governance structure does not support organisational independence, the chief audit executive will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence. The chief audit executive will disclose to the Audit & Governance Committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function’s effectiveness and ability to fulfill its mandate.

### ***Changes to the Mandate and Charter***

Circumstances may justify a follow-up discussion between the chief audit executive, Audit & Governance Committee, and senior management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant reorganisation within the organisation.
- Significant changes in the chief audit executive, Audit & Governance Committee, and/or senior management.
- Significant changes to the organisation's strategies, objectives, risk profile, or the environment in which the organisation operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

### **Audit & Governance Committee Oversight**

To establish, maintain, and ensure that Oxfordshire County Council's internal audit function has sufficient authority to fulfill its duties, the Audit & Governance Committee will:

- Discuss with the chief audit executive and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the internal audit function.
- Ensure the chief audit executive has unrestricted access to and communicates and interacts directly with the Audit & Governance Committee, including in private meetings without senior management present.
- Discuss with the chief audit executive and senior management other topics that should be included in the internal audit charter.
- Participate in discussions with the chief audit executive and senior management about the "essential conditions," described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approve the internal audit function's charter, which includes the internal audit mandate and the scope and types of internal audit services.
- Review the internal audit charter annually with the chief audit executive to consider changes affecting the organisation, such as the employment of a new chief audit executive or changes in the type, severity, and interdependencies of risks to the organisation; and approve the internal audit charter annually.
- Approve the risk-based internal audit plan.
- Provide input to senior management on the appointment and removal of the chief audit executive, ensuring adequate competencies and qualifications and conformance with the Global Internal Audit Standards.
- Receive communications from the chief audit executive about the internal audit function including its performance relative to its plan.

- Ensure a quality assurance and improvement program has been established and review the results annually.
- Make appropriate inquiries of senior management and the chief audit executive to determine whether scope or resource limitations are inappropriate.

## **Internal Audit Resources**

The chief audit executive is professionally qualified (CMIIA, CCAB or equivalent), maintains a comprehensive understanding of the Global Internal Audit Standards in the UK Public Sector, has wide internal audit and management experience, reflecting the responsibilities that arise from the need to build and manage an effective internal audit function (including, recruitment, training and development), liaises internally and externally with Members, senior management and other professionals, and demonstrates sound sector knowledge and experience.

Performance of the chief audit executive is monitored and reviewed by the Deputy Chief Executive (& S151 officers) and the Director of Financial and Commercial Services.

The Deputy Chief Executive (& S151 officer) will provide the chief audit executive with the resources necessary to fulfil the County Council's requirement and expectations to fulfil the audit mandate and delivery of the internal audit strategy.

Any resource implications that impact on the delivery of the internal audit mandate will be reported to the Audit & Governance Committee.

## **Chief Audit Executive Roles and Responsibilities**

### ***Ethics and Professionalism***

The chief audit executive will ensure that internal auditors:

- Conform with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of the organisation and be able to recognize conduct that is contrary to those expectations.
- Encourage and promote an ethics-based culture in the organisation.
- Report organisational behavior that is inconsistent with the organisation's ethical expectations, as described in applicable policies and procedures.

Internal audit will also have regard to the Committee on Standards of Public Life's Seven Principles, as contained within Oxfordshire County Council's Constitution and Officer's code of conduct:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

## **Objectivity**

The chief audit executive will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the chief audit executive determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing operational duties for Oxfordshire County Council or its affiliates.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any Oxfordshire County Council employee that is not employed by the internal audit function, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as the chief audit executive, Audit & Governance Committee, management, or others.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.

- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

### ***Managing the Internal Audit Function***

The chief audit executive has the responsibility to:

- At least annually, develop a risk-based internal audit plan that considers the input of the Audit & Governance Committee and senior management. Discuss the plan with the Audit & Governance Committee and senior management and submit the plan to the Audit & Governance Committee for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the Audit & Governance Committee and senior management.
- Review and adjust the internal audit plan, as necessary, in response to changes in Oxfordshire County Council's business, risks, operations, programs, systems, and controls.
- Communicate with the Audit & Governance Committee and senior management if there are significant interim changes to the internal audit plan.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards in the UK Public Sector.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the Audit & Governance Committee and senior management.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards and fulfill the internal audit mandate.
- Identify and consider trends and emerging issues that could impact Oxfordshire County Council and communicate to the Audit & Governance Committee and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to Oxfordshire County Council's relevant policies and procedures unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be

resolved or documented and communicated to the Audit & Governance Committee and senior management.

- Maintain awareness of the work of other internal and external providers of assurance and advisory services and consider relying upon these where appropriate.

### ***Communication with the Audit & Governance Committee and Senior Management***

The chief audit executive will report at least annually to the Audit & Governance Committee and senior management regarding:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Internal audit budget.
- Significant revisions to the internal audit plan and budget.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Audit & Governance Committee that could interfere with the achievement of Oxfordshire County Council's strategic objectives.
- Results of assurance and advisory services.
- Resource requirements.
- Management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond Oxfordshire County Council's risk appetite.

### ***Quality Assurance and Improvement Program***

The chief audit executive will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal

auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Annually, the chief audit executive will communicate with the Audit & Governance Committee and senior management about the internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside Oxfordshire County Council; qualifications must include at least one assessor holding an active Certified Internal Auditor® credential.

### **Scope and Types of Internal Audit Services**

The scope of internal audit services covers the entire breadth of the organisation, including all of Oxfordshire County Council's activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Audit & Governance Committee and management on the adequacy and effectiveness of governance, risk management, and control processes for Oxfordshire County Council.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management. Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of Oxfordshire County Council's strategic objectives are appropriately identified and managed.
- The actions of Oxfordshire County Council's officers, directors, management, employees, and contractors or other relevant parties comply with Oxfordshire County Council's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programs are consistent with established goals and objectives.
- Operations and programs are being carried out effectively, efficiently, ethically, and equitably.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact Oxfordshire County Council.
- The integrity of information and the means used to identify, measure, analyse, classify, and report such information is reliable.

- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

## **Fraud and Corruption**

The County Council is one of the largest business organisations in Oxfordshire. In administering its responsibilities, the Council has a duty to prevent fraud and corruption, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee or Councillor. The Council is committed to an effective Anti-Fraud and Corruption culture, Internal Audit fully considers the risk of fraud and corruption when undertaking its activities by promoting high ethical standards and encouraging the prevention and detection of fraudulent activities.

The Council's Anti-Fraud and Corruption Strategy, sets out responsibilities in this area. Internal Audit – Counter Fraud Team within Oxfordshire County Council is responsible for developing and implementing the Anti-Fraud and Corruption Strategy and monitoring the investigation of any reported issues. To ensure that all suspected or reported irregularities are dealt with promptly and in accordance with this strategy and that action is identified to improve controls and reduce the risk of recurrence. Internal Audit - Counter Fraud Team maintains the fraud log for Oxfordshire County Council. Internal Audit – Counter Fraud Team undertakes investigations into potential financial irregularities. In some circumstances this may be delegated to the service itself following an assessment of risk and financial impact.

Internal Audit – Counter Fraud Team also facilitates Oxfordshire County Council's participation in the National Fraud Initiative (NFI) in which data from the Council's main systems are matched with data supplied from other Local Authorities and external agencies to detect potentially fraudulent activity.

### **Approved by:**

Sarah Cox, Head of Internal Audit & Counter Fraud  
Lorna Baxter, Deputy Chief Executive (& S151 Officer)  
April 2026.

### **Approved by the Audit & Governance Committee at its meeting on 20 May 2026.**

Councillor Roz Smith, Chair of the Audit & Governance Committee

**Date of next review:** April 2027

## ANNEX 2

# **Oxfordshire County Council Internal Audit - Quality Assurance and Improvement Programme**

## **Introduction**

Internal Audit's Quality Assurance and Improvement Program (QAIP) is designed to provide reasonable assurance to the various stakeholders of Oxfordshire County Council Internal Audit Service that Internal Audit:

- Performs its work in accordance with its Charter, which is consistent with the Global Internal Audit Standards in the UK Public Sector.
- Operates in an efficient and effective manner.
- Is adding value and continually improving the service it provides.
- The Head of Internal Audit & Counter Fraud is ultimately responsible for maintaining the QAIP, which covers all types of Internal Audit activities. The QAIP must include both internal and external assessments. Internal assessments are both ongoing and periodical and external assessments must be undertaken at least once every five years.

## **Internal Assessments**

Internal Assessment is made up of both ongoing reviews and periodic reviews.

### Ongoing Reviews

Ongoing assessments of quality are conducted through:

- Supervision of audit engagements
- Regular, documented review of working papers during engagements by appropriate Internal Audit staff
- Applying relevant audit policies and procedures, including those set out in the Oxfordshire County Council Internal Audit Manual, to ensure applicable audit planning, fieldwork and reporting quality standards are met
- Review of all audit reports and agreed management actions by the Head of Internal Audit & Counter Fraud prior to formal circulation.
- Feedback from Customer Satisfaction Questionnaires (CSQs) on individual audit assignments
- Established key performance indicators (KPIs) designed to improve Internal Audit's effectiveness and efficiency. These are signed off each year by the Audit & Governance Committee.

- In assigning audit work to an individual auditor consideration is given to their level of skills, experience and competence and an appropriate level of supervision exercised
- Feedback from CSQs, performance against KPIs and reviews of working papers and audit reports will form part of the discussion during regular meetings / 12:3:2 appraisal/121 discussions.

### Periodic Reviews

Periodic assessments are designed to assess conformance with Internal Audit's Charter and the Global Internal Audit Standards in the UK Public Sector and review the efficiency and effectiveness of internal audit in meeting the needs of its various stakeholders. Periodic assessments will be conducted through:

- Head of Internal Audit & Counter Fraud / Audit Manager file reviews to ensure performance in accordance with Internal Audit's Quality Procedures Manual.
- Review of internal audit Key Performance Indicators by the Head of Internal Audit & Counter Fraud on a monthly basis, including elapsed time between start of audit and exit meeting, elapsed time between exit meeting and issue of draft report, elapsed time between receipt of management responses to draft report and issue of final report, % of planned activity completed and % of management actions implemented.
- Quarterly activity and performance reporting to the Audit and Governance Committee and Section 151 officer.
- Annual self-review of conformance with the Global Internal Audit Standards. Any resultant action plans will be monitored by the Head of Internal Audit & Counter Fraud on a quarterly basis.
- Independent review (every 2 -3 years) of the effectiveness of Internal Audit by the Council's Monitoring Officer, with results reported to and reviewed by the Audit and Governance Committee.

## **External Assessment**

External assessments will appraise and express an opinion about Internal Audit's conformance with the Global Internal Audit Standards in the UK Public Sector and include recommendations for improvement, as appropriate.

An external assessment will be conducted every 5 years by a qualified, independent assessor from outside the Council. The assessment will be in the form of a full external assessment, or a self-assessment with independent external validation. The format of the external assessment will be discussed with the Audit & Governance Committee.

## **Reporting**

Internal Assessments – Quarterly activity and performance reporting to the Audit and Governance Committee and Section 151 officer.

External Assessments – results of external assessments will be reported to the Audit & Governance Committee and Section 151 officer at the earliest opportunity following receipt of the external assessor’s report. The external assessment report will be accompanied by a written action plan in response to significant findings and recommendations contained in the report.

Follow Up - the Head of Internal Audit & Counter Fraud will implement appropriate follow-up actions to ensure that action plans developed are implemented in a reasonable timeframe.

## Opportunities for improvement – 2026/27

Opportunity for improvement	Lead Officer/s	Target Date
<p><b>Internal Audit Standards –</b> Implementation of the new Global Internal Audit Standards require adoption of the topical requirements. (Topical requirements are mandatory requirements that apply when internal audit undertakes work in specific high-risk or emerging subject areas, e.g. Cyber Security – they provide core principles and requirements)</p>	<p>Sarah Cox, Head of Internal Audit &amp; Counter Fraud / Katherine Kitashima, Audit Manager / Georgina Queripel, Audit Manager</p>	<p>As each Topical Requirement is released during 2026/27.</p> <p>Cyber Security effective from February 2026.</p> <p>Audit Manual updated – will continue to be reviewed and updated.</p>
<p><b>Data analytics</b> - to continue to embed into the Internal Audit and Counter Fraud assurance activities.</p> <p>This needs to be a continued focus, building awareness and application across the team. Members of the team will undertake further training.</p>	<p>Sarah Cox, Head of Internal Audit &amp; Counter Fraud / Katherine Kitashima, Audit Manager / Georgina Queripel, Audit Manager / Declan Brolly, Counter Fraud Manager</p>	<p>Improvements to assurance activities continue to be embedded throughout 2026/27.</p>
<p><b>Data Protection</b> – fully document arrangements for internal audit and counter fraud compliance, including electronic document retention and data sharing arrangements.</p>	<p>Sarah Cox, Head of Internal Audit &amp; Counter Fraud / Katherine Kitashima, Audit Manager / Georgina Queripel, Audit Manager / Declan Brolly, Counter Fraud Manager</p>	<p>End of September 2026.</p>

**Signed by:**

Sarah Cox, Head of Internal Audit & Counter Fraud  
Lorna Baxter, Deputy Chief Executive and S151 Officer.

Date approved: April 2026

Date of next review: April 2027

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# Oxfordshire County Council

Audit planning report

Year ended 31 March 2026

April 2026



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Agenda Item 9



Private and Confidential  
Audit and Governance Committee  
Oxfordshire County Council  
Oxford  
OX1 1ND

6 May 2026

Dear Audit and Governance Committee Members

**Audit planning report 2025/26**

We are pleased to attach our audit planning report for the forthcoming meeting of the Audit and Governance Committee . The purpose of this report is to provide the Committee with a basis to review our proposed audit approach and scope for the 2025/26 audit, in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2024 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards, and other professional requirements. This report summarises our evaluation of the key issues driving the development of an effective audit. We have aligned our audit approach and scope accordingly. The report also addresses the broader impact of Government proposals aimed at establishing a sustainable local audit system.

This report is intended solely for the information and use of the Audit and Governance Committee Members, and is not intended to be, and should not be used, by anyone other than these specified parties.

We welcome the opportunity to discuss this report with you on 20 May 2026 as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

**Simon Mathers**

For and on behalf of Ernst & Young LLP

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- 1 Overview of our 2025/26 audit strategy
- 2 Audit risks
- 3 Value for money
- 4 Audit materiality
- 5 Scope of the audit
- 6 Audit team
- 7 Audit timeline
- 8 Appendices

Public Sector Audit Appointments Ltd (PSAA) issued the 'Statement of responsibilities of auditors and audited bodies'. It is available from the PSAA website (<https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas. The 'Terms of Appointment and further guidance (updated October 2025)' issued by the PSAA ([Terms of appointment and further guidance from 1 October 2025 - PSAA](#)) sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice 2024 (the NAO Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the AGC Committee and management of Rushmoor Borough Council. Our work has been undertaken so that we might state to the AGC Committee and management of Rushmoor Borough Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the AGC Committee and management of Rushmoor Borough Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



# 01

# Overview of our 2025/26 audit strategy

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# 2025/26 audit strategy overview: Rebuilding Assurance

## The purpose of this report

As the Council's body charged with governance, the Audit and Governance Committee plays a crucial role in ensuring assurance over both the quality of the draft financial statements prepared by management and the Council's wider arrangements to support a timely and efficient audit. Failure to achieve this will significantly increase the level of resources required to fulfil our respective responsibilities.

As part of our responsibilities, we assess and report on the adequacy of the Council's external financial reporting arrangements, as well as the effectiveness of the Audit and Governance Committee in fulfilling its role within those arrangements as part of our Value for Money assessment. Our ability to complete the audit is dependent on the timely formulation of appropriately supported accounting judgements, provision of accurate and relevant supporting evidence, access to the finance team and management's responsiveness to issues identified during the audit. Wherever necessary, we will consider invoking other statutory reporting powers to highlight any weaknesses in these arrangements. We direct Audit and Governance Committee members and officers to the Public Sector Audit Appointment Limited's Statement of Responsibilities (paragraphs 26-28) for expectations on preparing financial statements (see Appendix A).

## Our shared strategy to rebuild assurance

We are now in Phase 2 of the implementation of the Ministry for Housing, Communities and Local Government's (MHCLG) measures to address the backlog facing local government audit. Throughout 2023/24 and 2024/25, we have applied a structured, risk-based prioritisation approach to local government audits to support a return to unqualified audit opinions wherever feasible, while still meeting statutory backstop requirements. Our approach recognises that recovery depends heavily on the Council's own capacity and preparedness and that audit effort must be targeted where it can deliver meaningful assurance.

Management has overall responsibility for leading and sustaining the Council's recovery from a disclaimed audit opinion. This includes ensuring that the financial statements are prepared in accordance with proper practices and supported by complete, accurate and timely audit evidence.

To deliver this, it is essential that management:

- Strengthen the underlying control environment, particularly in areas linked to prior year disclaimers.
- Provide high quality working papers and ensure that all audit evidence is complete, consistent and readily accessible.
- Allocate sufficient, knowledgeable resources throughout the audit cycle.
- Actively engage with auditors, promptly addressing findings and resolving weaknesses in financial reporting arrangements.
- Communicate transparently with the Audit and Governance Committee, as Those Charged with Governance, ensuring that Committee members have clear visibility of risks, progress and emerging issues.

In line with the National Audit Office's Local Audit Reset and Recovery Implementation Guidance (LARRIGs) - and specifically the guidance on rebuilding assurance following a disclaimed opinion - management must support the restoration of reliable opening balances and enable a phased progression from disclaimed to qualified and ultimately unmodified audit opinions. Achieving this requires sustained delivery of the "natural rebuild," through the completion of all planned audit procedures across successive annual cycles, alongside targeted work to rebuild assurance over historical balances, including both usable and unusable reserves, where cumulative gaps in evidence present the most significant challenges.

# 2025/26 audit strategy overview: Rebuilding Assurance

## Our shared strategy to rebuild assurance continued

Appendix A explains the expected timeline to full assurance set out within the NAO's LARRIG 01 guidance, along with our assessment of the Council's status. During 2023/24 and 2024/25, the focus of the rebuild process has been on this "natural" rebuild, to complete all planned audit procedures for each respective audit year. As we set out in Appendix A, as all planned audit procedures for the 2023/24 and 2024/25 audits were completed, the Council's "natural rebuild" is now well progressed. As part of our interim audit procedures for 2025/26, we will undertake a detailed risk assessment to evaluate the risk of material misstatement in the opening reserves balances at 1 April 2025, and to assess management's readiness to support the historic rebuild process over transactions and balances in 2022/23 that were not subject to audit. This work is expected to be completed by 30 June 2026 and is essential to determining whether the pre-2023/24 gaps in assurance - particularly those relating to reserves and other cumulative balances - can be sufficiently addressed to support future progression towards qualified or unmodified audit opinions.

We will discuss the outcome of our risk assessment of the opening reserves balances with management to confirm our proposed approach for 2025/26. Before we commence our audit procedures, it will be essential for management to have completed the necessary review and reconciliation of both usable and unusable reserves, and to be able to provide assurance to Those Charged with Governance that these balances are accurate, supportable, and properly documented. This reflects management's primary responsibility for preparing the financial statements and the underlying evidence base; the audit process is not the first line of defence.

It is likely that we will need to audit certain transactions and movements from 2022/23 to rebuild assurance over the historic position. Should we proceed with this phase of work, we will require assurances from management that high quality working papers and supporting evidence can be provided for transactions from 2022/23 together with sufficient management capacity to support this historic rebuild without compromising the delivery of all planned procedures in 2025/26 over the closing balances and in year movements.

## Preparedness for audit

Our ability to complete the audit is dependent on the timely formulation of appropriately supported accounting judgements, provision of accurate and relevant supporting evidence, access to the finance team and management's responsiveness to issues identified during the audit. Our 2024/25 reporting included our assessment of the effectiveness of the Council's arrangements to support the external audit process across a range of relevant measures (reproduced in Appendix A). We concluded that the Council was well-prepared for the audit however, improvements were required with regards to the completeness of the draft financial statements submitted for audit, including required IFRS 16 related entries and disclosures.

We will continue to report on our assessment of the quality of the Council's financial statements' preparation and support, to support ongoing transparency of the audit process to those charged with governance, and to facilitate benchmarking and tracking of progress in future years.

# 2025/26 audit strategy overview: Rebuilding Assurance

## Scope of our audit

In accordance with the NAO Code, our primary objectives are to conduct work that supports the delivery of our audit report to the Council. Additionally, we aim to ensure that the Council has established proper arrangements for securing economy, efficiency, and effectiveness in its use of resources, as mandated by relevant legislation and the requirements of the NAO Code. We will issue an Audit Results Report that summarises our opinion on the financial statements by 31 January 2027 and other procedures required by the Code. This includes our assessment of the control environment, including our follow up of the recommendations that we made in 2024/25 (refer to Appendix C). In addition, our Auditor's Annual Report will conclude on whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources and report a commentary on those arrangements.

## Timeline

An audit timetable has been agreed with management. In Section 7 we include a provisional timeline for the audit. It is essential that all parties collaborate to ensure compliance with this timeline.

## Our independence considerations

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The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and the Council, and its members and senior management and its affiliates, including all services provided by us and our network to the Council, its members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

There are no relationships from 1 April 2025 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

Please refer to Appendix B for further detail.

# 2025/26 audit strategy overview: Audit risks and materiality

## Audit risks and areas of focus

The purpose of our audit is to obtain reasonable assurance to express an opinion about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. There is one significant change to the scoping for the audit of the 2025/26 financial statements, relating to the implementation of CIPFA's Bulletin 22 in relation to the valuation of Property, Plant and Equipment.

The following 'dashboard' summarises the significant accounting and auditing matters outlined in this report. It seeks to provide the Audit and Governance Committee with an overview of our initial risk identification for the upcoming audit and any changes in risks identified in the current year.

Risk/area of focus	Risk identified	Change from PY	Details
Presumptive risk of management override of controls	Fraud risk	No change in risk or focus	There is a risk that the financial statements as a whole are not free from material misstatement whether caused by fraud or error. We perform mandatory procedures regardless of specifically identified fraud risks.
Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure	Fraud risk	No change in risk or focus	Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition. We have assessed the risk is most likely to occur through the inappropriate capitalisation of revenue expenditure.
Valuation of Property, Plant and Equipment and Investment Property valued at Existing Use Value (EUV)/Fair Value (FV)	Risk of material misstatement	No change in risk or focus	The valuation of land and buildings and investment properties represent material figures within the Council's financial statements. The valuation of those assets on an EUV or FV basis is reliant upon expert valuations based on information provided by the Council, which include several judgements and assumptions. Errors within the judgements, assumptions, or information provided to the valuer can have a material impact on the financial statements.  In the 2025/26 financial statements the Council will be required to consider revisions to the Code of Practice on Local Authority Accounting (the Code) and CIPFA Bulletin 22 which reassesses the current regime of valuation for non-investment assets across the public sector. The Code mandates a quinquennial revaluation or a five-year rolling programme for formal valuations, supported by annual indexation in the intervening years.  Successful implementation will depend on the Council ensuring that their existing valuation programme is adapted in line with the guidance and that appropriate indices are selected to be applied in intervening years.  The Council will implement a five-year rolling programme for formal valuations, supplemented by annual indexation during the intervening years. This means that in the current year, a third of Property, Plant and Equipment will be revalued, and only indexation will take place in 2026/27 and 2027/28. The next formal revaluation is set for 2028/29, specifically for assets last revalued in 2023/24. As this marks the commencement of the five-year cycle, revaluing the same assets again in 2026/27 or subsequent years within this period would not align with the requirements of the Code as specified for 2025/26.




# 2025/26 audit strategy overview: Audit risks and materiality

## Audit risks and areas of focus continued

Risk/area of focus	Risk identified	Change from PY	Details
Pension Liability Valuation and the IAS 19 valuations	Risk of material misstatement	No change in risk or focus	<p>Accounting for the Council's participation in the Oxfordshire Pension Fund involves significant estimation and judgement, including financial and demographic assumptions. There is a risk that the net pension asset/liability recognised is materially misstated, as its recognition and measurement is subject to significant management judgement, including the application of the IAS 19 asset ceiling and the assessment of the Council's ability to realise future economic benefits.</p> <p>The Council engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>

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## Materiality

 <p><b>Planning materiality</b> £24m</p>	<p>Materiality has been set at £24.02 million, which represents 1.8% of 2026 forecasted gross expenditure on provision of services provided by management. (2024/25: £25 million, 1.8%).</p>	 <p><b>Performance materiality</b> £18m</p>	<p>Performance materiality has been set at £18.02 million, which represents 75% of materiality.</p>	 <p><b>Audit differences</b> £1.2m</p>	<p>We will report all uncorrected misstatements relating to the income statement and balance sheet that have an effect on income and misstatements in the OCI over £1.2 million. Other misstatements identified will be communicated to the extent that they merit the attention of the Audit and Governance Committee.</p>
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# 2025/26 audit strategy overview: Value for Money




## Our risk assessment

Under the NAO Code we are required to:

- Satisfy ourselves that the Council has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources, having regard to [NAO AGN 03](#).
- Design work to provide sufficient assurance to support reporting against the Code's specified reporting criteria outlined below; and
- Apply a risk-based approach to our work, informed by sector knowledge, the annual governance statement, evidence from the financial statements audit and relevant work of other bodies.

In undertaking our risk assessment, we obtain an understanding of the key processes the Council has in place, including financial management, risk management and partnership working arrangements. Our final Auditor's Annual Report, which will be issued before 30 November 2026 will include a summary of our commentary on the arrangements in place against each of the three value for money criteria and recommendations raised as a result of any significant weaknesses identified.

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	 <p><b>Financial sustainability</b></p> <p>How the Council plans and manages its resources to ensure it can continue to deliver its services.</p>	 <p><b>Governance</b></p> <p>How the Council ensures that it makes informed decisions and properly manages its risks.</p>	 <p><b>Improving economy, efficiency and effectiveness</b></p> <p>How the Council uses information about its costs and performance to improve the way it manages and delivers its services.</p>
<p>Risks of significant weaknesses in arrangements identified in 2025/26:</p>	<ul style="list-style-type: none"> <li>▪ No risks identified</li> </ul>	<ul style="list-style-type: none"> <li>▪ No risks identified</li> </ul>	<ul style="list-style-type: none"> <li>▪ No risks identified</li> </ul>



# 02 Audit risks

# Our response to significant risks

We have set out the significant risks (including fraud risks denoted by\*) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.

## Presumptive risk of management override of controls\*

### What is the risk, and the key judgements and estimates?

In accordance with ISA 240, the presumptive risk of management override of controls is present at every entity and we design the appropriate procedures to consider such risk.

- Management has the primary responsibility to prevent and detect fraud. It is important that management, with the oversight of those charged with governance, has put in place a culture of ethical behaviour and a strong control environment that both deters and prevents fraud.
- Our responsibility is to plan and perform audits to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatements whether caused by error or fraud.

### Our response: Key areas of challenge and professional judgement

In order to address the risks outlined we will carry out a range of procedures including:

- Identifying fraud risks during the planning stages.
- Inquiry of management about risks of fraud and the controls put in place to address those risks.
- Understanding the oversight given by those charged with governance of management's processes over fraud.
- Discussing with those charged with governance the risks of fraud in the entity, including those risks that are specific to the entity's business sector (those that may arise from economic industry and operating conditions).
- Considering whether there are any fraud risk factors associated with related party relationships and transactions and if so, whether they give rise to a risk of material misstatement due to fraud.
- Considering the effectiveness of management's controls designed to address the risk of fraud and determining an appropriate strategy to address those identified risks of fraud.
- Performing mandatory procedures regardless of specifically identified fraud risks, including testing of journal entries and other adjustments in the preparation of the financial statements.
- Undertaking procedures to identify significant unusual transactions.
- Considering whether management bias was present in the key accounting estimates and judgements in the financial statements.

Having evaluated this risk, we have considered whether we need to perform other audit procedures not referred to above. We concluded that those procedures included under 'Inappropriate capitalisation of revenue expenditure' are required.

# Our response to significant risks

## Inappropriate capitalisation of revenue expenditure\*

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Financial statement impact	What is the risk, and the key judgements and estimates?	Our response: Key areas of challenge and professional judgement
<p>We have assessed that the risk of misreporting revenue outturn in the financial statements is most likely to be achieved through:</p> <ul style="list-style-type: none"> <li>Revenue expenditure being inappropriately recognised as capital expenditure at the point it is posted to the general ledger.</li> <li>Expenditure being classified as revenue expenditure financed as capital under statute (REFCUS) when it is inappropriate to do so.</li> <li>Expenditure being inappropriately transferred by journal from revenue to capital codes on the general ledger at the end of the year.</li> </ul> <p>If this were to happen it would have the impact of understating revenue expenditure and overstating Property, Plant and Equipment (PPE)/Investment Property (IP) additions and/or REFCUS in the financial statements.</p>	<p>Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.</p> <p>We have assessed the risk is most likely to occur through the inappropriate capitalisation of revenue expenditure.</p>	<p>In order to address the risks outlined we will carry out a range of procedures including:</p> <ul style="list-style-type: none"> <li>Testing PPE / IP additions to ensure that the expenditure incurred and capitalised is clearly capital in nature.</li> <li>Assessing whether the capitalised spend clearly enhances or extends the useful life of asset rather than simply repairing or maintaining the asset on which it is incurred.</li> <li>Considering whether any development or other related costs that have been capitalised are reasonable to capitalize, i.e., the costs incurred are directly attributable to bringing the asset into operational use.</li> <li>Testing REFCUS, if material, to ensure that it is appropriate for the revenue expenditure incurred to be financed from ringfenced capital resources. Based on our work at the planning stage of the audit we do not expect there to be material REFCUS in the year.</li> <li>Seeking to identify and understand the basis for any significant journals transferring expenditure from revenue to capital codes on the general ledger at the end of the year.</li> </ul>

# Other areas of audit focus

## Financial statement impact

## What is the risk, and the key judgements and estimates?

## Our response: Key areas of challenge and professional judgement

### Valuation of Property, Plant and Equipment and Investment Property

The valuation of land and buildings and investment properties represent material figures within the Council's financial statements.

Those valued on an Existing Use Value (EUV) and Fair Value (FV) basis are reliant upon judgements and assumptions which can have a material impact on the values on the Council's balance sheet. Errors within the judgments, assumptions, or information provided to the valuer can have a material impact on the financial statements.

The relevant 2024/25 account balances in the audited financial statements were:

Property, plant and equipment: £1,455 million

- Relating to land and buildings valued : £508 million\*
- Relating to infrastructure assets: £758 million
- Additions totalled: £89.6 million

Investment property valued at FV: £23.9m

*\*This includes PPE valued at DRC*

These valuation methods involve higher risk estimates due to the significant assumptions and judgements involved, which trigger the use of experts by both management and EY.

These estimates heighten the risk of material error.

In the 2025/26 financial statements the Council will be required to apply the revised CIPFA Code and related guidance in Bulletin 22 which reassesses the current regime of valuation for non-investment assets across the public sector. The guidance mandates a quinquennial revaluation or a five-year rolling programme for formal valuations, supported by annual indexation in the intervening years. These changes do not impact investment property which is still required to be revalued in full each year.

The Council will implement a five-year rolling programme for formal valuations, supplemented by annual indexation during the intervening years. This means that in the current year, a third of Property, Plant and Equipment will be revalued, and only indexation will take place in 2026/27 and 2027/28. The next formal revaluation is set for 2028/29, specifically for assets last revalued in 2023/24. As this marks the commencement of the five-year cycle, revaluing the same assets again in 2026/27 or subsequent years within this period would not align with the requirements of the Code as specified for 2025/26.

The Bulletin suggests that the BCIS all-in Tender Price Index (BCIS all-in TPI) could be used for DRC valuations. This approach is considered reasonable but only considers the calculation of the Gross Replacement Cost, which is only part of the DRC valuation. Even though we do not consider PPE valued at DRC to be a risk of material misstatement, management should assess whether an adjustment for obsolescence is required.

In response to the risk, we will:

- Review and assess management's assessment and planned approach to the revised CIPFA Code and related guidance in Bulletin 22, in the context of other challenges in the application. In particular considering the appropriateness of indices applied to assets not revalued during intervening years and triggers for revaluation;
- Review and appraise the work performed by the Council's valuer, including the adequacy of the scope of the work performed, their professional capabilities and the results of their work;
- Sample test key asset information used by the valuers in performing their valuation (e.g. floor plans to support price per square metre);
- Assess any changes to useful economic lives against the most recent valuer assessments;
- Test accounting entries have been correctly processed in the financial statements;
- Review and assess management's impairment assessment of ongoing and completed capital projects to ensure assets are held at an appropriate value.

# Other areas of audit focus

We have identified other areas of the audit, that have not been classified as significant risks, but are still important when considering the risks of material misstatement to the financial statements and disclosures and therefore may be key audit matters we will include in our audit report.

Financial statement impact	What is the risk, and the key judgements and estimates?	Our response: Key areas of challenge and professional judgement
<p><b>Valuation of Pension Assets and Liabilities</b></p>		
<p>The Council's net pension liability is measured as the sum of the long-term payments due to members as they retire against the Council's share of the Oxfordshire Pension Fund investments. At 31 March 2025 the Council's net asset totalled £356 million, excluding the impact of IFRIC 14. In line with the accounting requirements of IFRIC 14, the Council had a net liability of £43.2 million.</p> <p>An unfunded liability of £29.1 million was also recorded on the Council's balance sheet.</p> <p>For Oxfordshire Fire and Rescue Service, the Net liability totalled £183.2 million.</p>	<p>The Local Authority Accounting Code of Practice and IAS19 require the Council to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme administered by the Council.</p> <p>The Council's pension fund deficit is a material estimated balance and the Code requires that this liability be disclosed on the Council's balance sheet. The information disclosed is based on the IAS 19 report issued to the Council by the actuary to the Council.</p> <p>Accounting for this scheme involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>	<p>In response to the risk, we will:</p> <ul style="list-style-type: none"> <li>▪ Liaise with the auditor of Oxfordshire Pension Fund to obtain assurances over the information supplied to the actuary and confirm joint assurances in respect of employer and employee contributions. For 2025/26 we will specifically request for work to be done by the Pension Fund auditor to gain assurance over membership data used to inform the 31 March 2025 triennial valuation of the Fund.</li> <li>▪ Engage our actuarial specialists to assess the work of the actuary. This will involve a consideration of the net asset/liability and any calculation of the asset ceiling in accordance with IFRIC 14 where relevant .</li> <li>▪ Assessing the work of PwC, appointed to consider actuarial assumptions used at the year end for all local government sector bodies.</li> <li>▪ Review and test the accounting entries and disclosures made within the Group Council's financial statements in relation to IAS19.</li> <li>▪ Consider the valuation and disclosure of unfunded liabilities, for which there are no plan assets to meet the pension liabilities.</li> </ul> <p>As part of our audit procedures, we will request that the Council obtain an asset ceiling report from its actuaries. Our actuarial specialists will review the asset ceiling report to satisfy themselves that it is materially correct. Following review, we will also ensure that pension assets and liabilities are appropriately recorded within the financial statements.</p>

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# 03 Value for money

# Value for money

## Council's responsibilities for value for money

The Council is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal.

As part of the material published with the financial statements, the Council is required to bring together a commentary on the governance framework and how this has operated during the period in a governance statement. In preparing the governance statement, the Council tailors the content to reflect its own individual circumstances, consistent with the requirements of the relevant accounting and reporting framework and having regard to any guidance issued in support of that framework. This includes a requirement to provide commentary on arrangements for securing value for money from the use of resources.

## Auditor responsibilities

Under the NAO Code we are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. The Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to the Council a commentary against specified reporting criteria (see below) on the arrangements the Council has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period.

The specified reporting criteria are:

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### Financial sustainability

How the Council plans and manages its resources to ensure it can continue to deliver its services.



### Governance

How the Council ensures that it makes informed decisions and properly manages its risks.



### Improving economy, efficiency and effectiveness

How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

# Value for money

## Planning and identifying risks of significant weakness in value for money arrangements

The NAO's guidance notes require us to conduct a risk assessment that collects sufficient evidence to document our evaluation of the Council's arrangements, allowing us to draft a commentary under the three reporting criteria. This involves identifying and reporting on any significant weaknesses in those arrangements and making appropriate recommendations. In considering the Council's arrangements, we consider:

- The annual governance statement;
- Evidence of arrangements during the reporting period;
- Evidence obtained from our audit of the financial statements;
- The work of inspectorates and other bodies; and
- Any other evidence that we deem necessary to facilitate the performance of our statutory duties.

We then evaluate whether there is evidence indicating significant weaknesses in arrangements. According to the NAO's guidance, determining what constitutes a significant weakness and the extent of additional audit work required to address the risk is based on professional judgment. The NAO indicates that a weakness can be considered significant if it:

- Exposes, or could reasonably be expected to expose, the council to significant financial loss or risk;
- Leads to, or could reasonably be expected to lead to, significant impact on the quality or effectiveness of service or on the council's reputation or unlawful actions;
- Identifies a failure to take action to address a previously identified significant weakness, such as failure to implement or achieve planned progress on action/improvement plans.

When planning work identifies a risk of significant weakness, the NAO's guidance requires us to consider the additional evidence needed to verify whether there is a significant weakness in arrangements. This involves conducting further procedures as necessary. We are required to report our planned procedures to the Audit and Governance Committee .

## Reporting on value for money arrangements

If we determine that the Council has not made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources, the NAO Code mandates that we reference this by exception in the audit report on the financial statements.

Additionally, we are required to provide a commentary on the value for money arrangements in the Auditor's Annual Report. The NAO Code specifies that this commentary should be clear, readily understandable, and highlight any issues we wish to draw to the Council's or the wider public's attention. This may include matters that are not considered significant weaknesses in arrangements but should still be brought to the Council's attention. It will also cover details of any recommendations from the audit and the follow-up of previously issued recommendations, along with our assessment of their satisfactory implementation. Our 2025/26 Auditor's Annual Report must be issued in draft by 31 January 2027 to comply with the revised requirements of the NAO Code.

# Value for money

## Value for money risk assessment

We have completed our initial value for money planning, where we have considered:

- Our entity level controls and understanding the business assessment
- The Council's Risk Register/the Annual Governance Statement
- Council meeting minutes and our planning meetings with management
- Key financial and budget information
- Key performance reports/internal audit reports
- Findings of other inspectorates, review agencies and other relevant bodies including the Care Quality Commission.

As part of our initial planning work, we considered whether there were any risks of significant weakness in the body's arrangements for securing value for money that we needed to perform further procedures on. As mentioned in our Audit results report for FY24/25, we identified no risks of significant weaknesses in arrangements and therefore, expect to had no matters to report by exception. We will continue to review the body's arrangements and report.

Page 5

Criteria	2024/25 judgements on arrangements	2025/26 risk assessment	2025/26 expected procedures to respond
Financial sustainability	Based on 2024/25- the Council had proper arrangements in place in 2024/25 in how it uses information about its costs and performance to improve the way it manages and delivers its services	No risk of significant weakness has been identified	Not applicable
Governance	Based on 2024/25- the Council had proper arrangements in place in 2024/25 in how it uses information about its costs and performance to improve the way it manages and delivers its services	No risk of significant weakness has been identified	Not applicable
Improving economy, efficiency and effectiveness	Based on 2024/25- the Council had proper arrangements in place in 2024/25 in how it uses information about its costs and performance to improve the way it manages and delivers its services	No risk of significant weakness has been identified	Not applicable



# 04 Audit materiality

# Materiality

## Council materiality

For planning purposes, materiality for 2026 has been set at £24 million. This represents 1.8% of the Council's 2026 forecasted gross expenditure on provision of services. It will be reassessed throughout the audit process. We have chosen gross expenditure on provision of services as we consider that this is of primary interest to the users of the accounts, We have chosen 1.8%, which is at the top end of the range of percentages within our audit approach for comparable size councils, after consideration of a range of factors such as the public profile of the entity and level of available revenue reserves.

Gross expenditure on provision of services

£1,334m

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Planning materiality  
£24m

Performance materiality  
£18m

Audit differences  
£1.2m

We request that the Audit and Governance Committee confirm its understanding of, and agreement to, these materiality and reporting levels.

## Key definitions

**Planning materiality** – the amount over which we anticipate misstatements would influence the economic decisions of a user of the financial statements.

**Performance materiality** – the amount we use to determine the extent of our audit procedures. We have set performance materiality at £18 million which represents 75% of materiality.

We deem it appropriate to set TE at 75% to reduce the risk of undetected misstatement to a suitably low level.

**Audit difference threshold** – We will report to you all uncorrected misstatements over £1.2 million, relating to the income statement and balance sheet that have an effect on income and misstatements in the OCI.

Other uncorrected misstatements, such as reclassifications and misstatements in the cashflow or disclosures and corrected misstatements will be communicated to the extent that they merit the attention of the Audit and Governance Committee or are important from a qualitative perspective.



# 05 **Scope of our audit**

# Audit process and strategy

## Objectives of our audit scoping

In accordance with the NAO Code, our primary objectives are to conduct work that supports the delivery of our audit report to the Council. Additionally, we aim to ensure that the Council has established proper arrangements for securing economy, efficiency, and effectiveness in its use of resources, as mandated by relevant legislation and the requirements of the NAO Code. We will issue an audit report that covers:

### 1. Financial statement audit

Our opinion on the financial statements:

- Whether the financial statements give a true and fair view of the financial position of the group and its expenditure and income for the period in question; and
- Whether the financial statements have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction.

Our opinion on other matters:

- whether other information published together with the audited financial statements is consistent with the financial statements.

Other procedures required by the Code:

Examine and report on the consistency of the Whole of Government Accounts schedules or returns with the body's audited financial statements for the relevant reporting period in line with the instructions issued by the National Audit Office.

### 2. Arrangements for securing economy, efficiency and effectiveness (value for money)

We are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources and report a commentary on those arrangements.

## Internal audit

We will review internal audit plans and the results of their work. We will reflect the findings from these reports, together with reports from any other work completed in the year, in our detailed audit plan, where they raise issues that could have an impact on the financial statements.



# 06 Audit team

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# Audit team

## Audit team leadership

The global engagement team is led by Simon Mathers, who has overall responsibility for the performance of the audit and for the auditor's report issued on behalf of EY.

## Our approach to the use of specialists

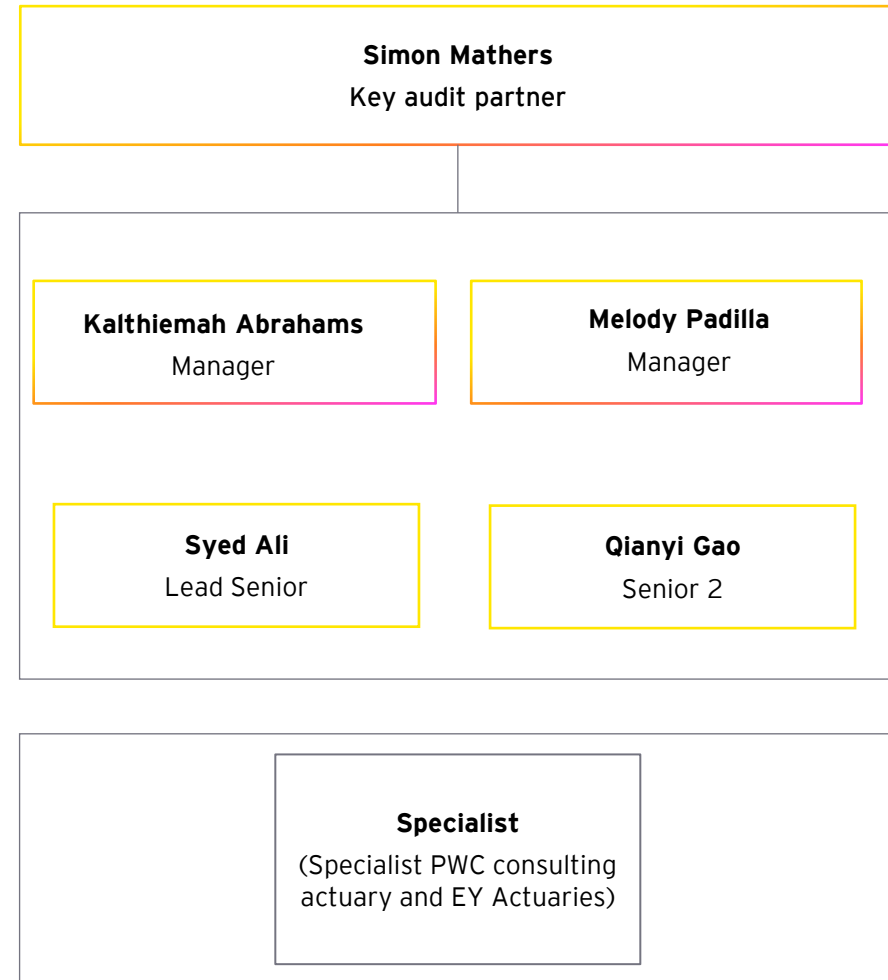
When auditing key judgements, we are often required to use the input and advice provided by specialists who have qualifications and expertise not possessed by the core audit team. The areas where EY specialists are expected to provide input for the current year audit are:

Area	Specialists
Pensions disclosure	EY Actuaries PWC consulting actuary

In accordance with Auditing Standards, we will evaluate each specialist's professional competence and objectivity, considering their qualifications, experience and available resources, together with the independence of the individuals performing the work.

We also consider the work performed by the specialist in light of our knowledge of the Council's business and processes and our assessment of audit risk in the particular area. For example, we would typically perform the following procedures:

- Analyse source data and make inquiries as to the procedures used by the specialist to establish whether the source data is relevant and reliable
- Assess the reasonableness of the assumptions and methods used
- Consider the appropriateness of the timing of when the specialist carried out the work
- Assess whether the substance of the specialist's findings are properly reflected in the financial statements.





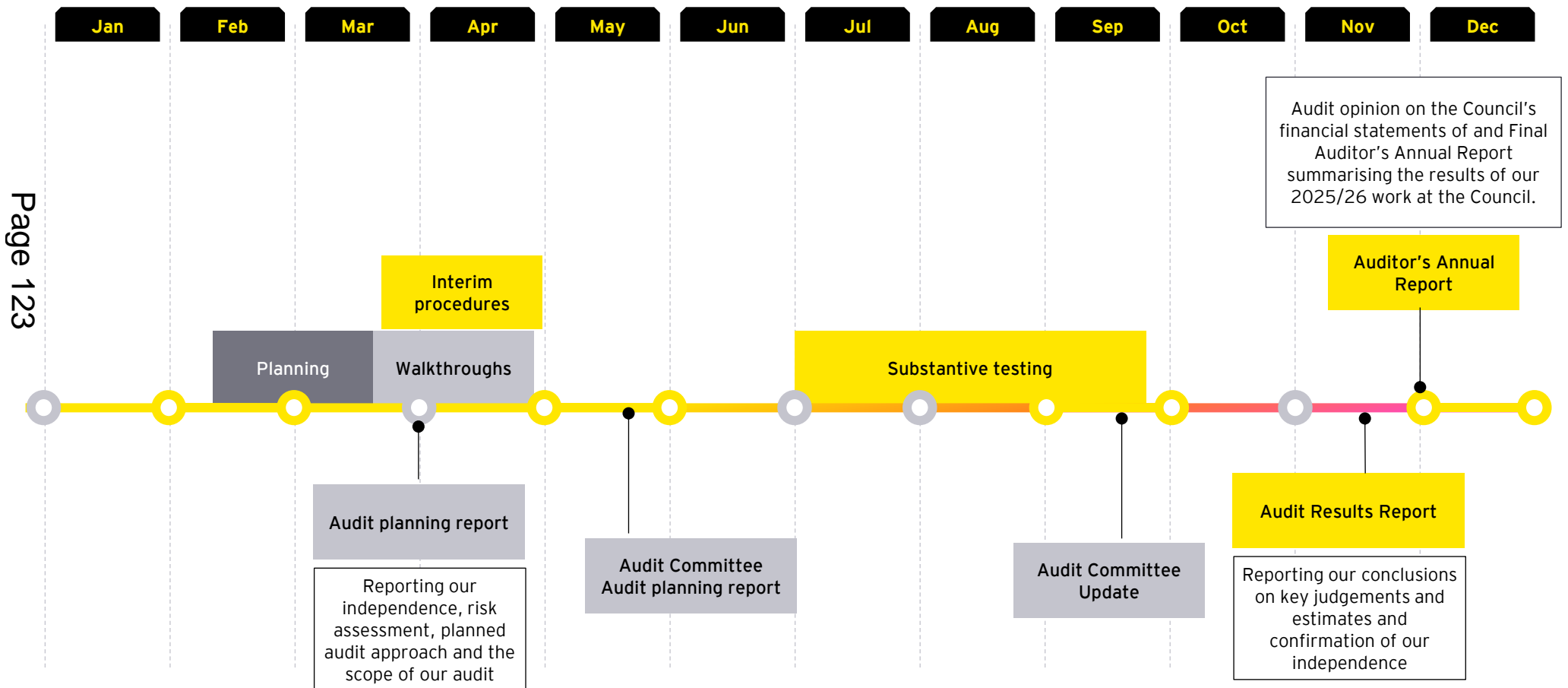
# 07 Audit timeline

# Timetable of communication and deliverables

## Timeline

Below is a timetable showing the key stages of the audit and the deliverables we have agreed to provide to you through the audit cycle in 2026.

From time to time matters may arise that require immediate communication with the Audit Committee and we will discuss them with the Audit Committee Chair as appropriate. We will also provide updates on corporate governance and regulatory matters as necessary.





# 08 Appendices

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# Appendix A – Rebuilding assurance: responsibilities

## The Council's responsibilities

As set out in Appendix B our fee is based on the assumption that the Council complies with PSAA's Statement of Responsibilities of auditors and audited bodies. See <https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>. In particular, the Council should have regard to paragraphs 26-28 of the Statement of Responsibilities which clearly set out what is expected of audited bodies in preparing their financial statements. We set out these paragraphs in full below:

### Preparation of the statement of accounts

26. Audited bodies are expected to follow Good Industry Practice and applicable recommendations and guidance from CIPFA and, as applicable, other relevant organisations as to proper accounting procedures and controls, including in the preparation and review of working papers and financial statements.

27. In preparing their statement of accounts, audited bodies are expected to:

- prepare realistic plans that include clear targets and achievable timetables for the production of the financial statements;
- ensure that finance staff have access to appropriate resources to enable compliance with the requirements of the applicable financial framework, including having access to the current copy of the CIPFA/LASAAC Code, applicable disclosure checklists, and any other relevant CIPFA Codes.

assign responsibilities clearly to staff with the appropriate expertise and experience;

provide necessary resources to enable delivery of the plan;

maintain adequate documentation in support of the financial statements and, at the start of the audit, providing a complete set of working papers that provide an adequate explanation of the entries in those financial statements including the appropriateness of the accounting policies used and the judgements and estimates made by management;

- ensure that senior management monitors, supervises and reviews work to meet agreed standards and deadlines;
- ensure that a senior individual at top management level personally reviews and approves the financial statements before presentation to the auditor; and
- during the course of the audit provide responses to auditor queries on a timely basis.

28. If draft financial statements and supporting working papers of appropriate quality are not available at the agreed start date of the audit, the auditor may be unable to meet the planned audit timetable, and the start date of the audit will be delayed.

## Observations from 2024/25

As we have outlined in prior years, our ability to complete the audit is dependent on the timely formulation of appropriately supported accounting judgements, provision of accurate and relevant supporting evidence, access to the finance team and management's responsiveness to issues identified during the audit. We presented our views on the effectiveness of the Council's arrangements to support external financial across a range of relevant measures as part of our 2024/25 Audit Results Report.

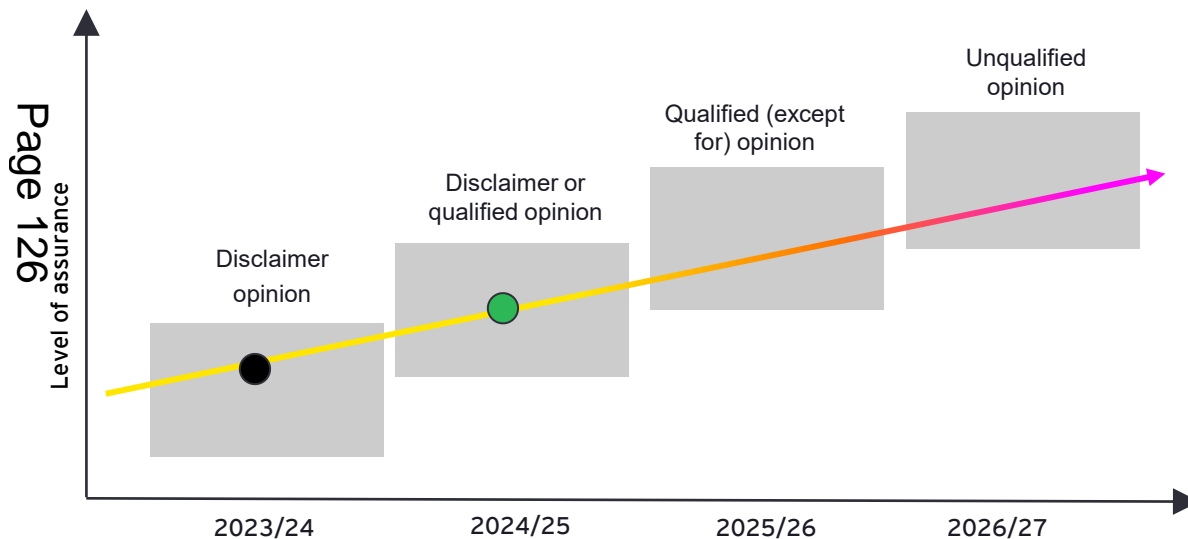
We have repeated this assessment on the following page. Where we have been unable to undertake all planned procedures, this is likely to extend the timetable to recover assurance on the Council's/Authority's financial statements, see page 40 for further details.

# Appendix A – Rebuilding assurance continued

## Progress to full assurance

The chart below sets out the illustrative timescale for the process of rebuilding assurance set out in the NAO's Local Audit Reset and Recovery Implementation Guidance (LARRIG) 01, together with our view of the Council's actual progress against that timescale, the reasons for that assessment and what still needs to be done to successfully rebuild assurance.

The guidance recognises that the path to full assurance, and therefore an unqualified opinion, will usually take a number of years to achieve, and depends upon co-ordination and engagement between the Council and audit team. Since 2022/23, we have applied a structured, risk-based prioritisation approach to local government audits to support a return to unqualified audit opinions wherever feasible, while still meeting statutory backstop requirements.



### Oxfordshire County Council progress

- In the audit report for the year ended 31 March 2025, a qualified audit opinion was issued which drew attention to remaining valuation of property, plant and equipment that were last revalued in the financial years 2022/23 and classification of reserves between useable and unusable. In the audit report for the year ended 31 March 2024 disclaimer of opinion was issued due to the application of the backstop.

In our view, the Council's progress is in line with the expected timescales set out in LARRIG 01.

In 2024/25 we were able to make significant progress in the level of assurance achieved in relation to debtors, pension liabilities, Investments, Cash and cash Equivalents, creditors, borrowings, provisions, grants receipts in advance, disclosures, financing and investment income and expenditure, taxation and non-specific grant income and the cash flow statement.

Our risk assessment for 2025/26 is underway, and our work will seek to focus on continuing to buildback assurances in the following areas:

- Property, plant and equipment balances and related entries to the Consolidated Income and Expenditure Statement, taking account of relevant changes to the CIPFA Code and related guidance in Bulletin 22;
- Reserve balances ; and
- NCOS Income and Expenditure Statement

Efficient delivery will continue to rely on the strong cooperation we have experienced to date as we set out on the following page, including timely responses, clear communication and the provision of good-quality working papers. Maintaining this approach will support us in completing the audit in line with the agreed timetable.

# Appendix A – Rebuilding assurance: responsibilities continued

## Factors impacting the execution of the 2024/25 audit

Area	Status			Explanation	Further detail
	R	A	G		
Timeliness of the draft financial statements	Effective			The financial statements were not published by the 30 <sup>th</sup> June 2025 deadline set out in the Accounts and Audit Regulations.	N/A
Quality and completeness of the draft financial statements	Effective			There were a small number non-material internal inconsistencies, typographical and arithmetic errors in the draft financial statements.	N/A
Delivery of working papers in accordance with agreed client assistance schedule	Requires improvement			The draft financial statements submitted for audit did not contain all the transitional adjustments and disclosures required for implementation of IFRS 16 and supporting working papers were not fully complete, including a consideration of the impact of IFRS 16 on the Council's PFI arrangements. This caused delays completing our procedures. Other than the IFRS 16 implementation working papers, working papers were submitted within the agreed timelines.	This resulted in a scale fee variation.
Quality of working papers and supporting evidence	Effective			Working papers and supporting evidence were generally of a good standard.	N/A
Timeliness and quality of evidence supporting key accounting estimates	Effective			The timeliness and quality of evidence supporting key accounting estimates was generally satisfactory.	N/A
Access to finance team and personnel to support the audit in accordance with agreed project plan	Effective			There were no issues with access to the finance team and key personnel.	N/A
Volume and value of identified misstatements	Requires improvement			A moderate number of misstatements that were above performance materiality in aggregate were detected as a result of our work across both the main financial statements and disclosures.	N/A
Volume of misstatements in disclosure	Requires improvement			A moderate number of misstatements in disclosures were detected in our work. A large proportion of these disclosure misstatements related to IFRS 16.	N/A

**Key:**

**Red: Ineffective.** In our judgement, significant improvements are required in the Council's arrangements to support the rebuilding of assurance. Action should be taken to respond immediately.

**Amber: Requires Improvement.** Matters and/or issues had an impact on the delivery of the audit and should be addressed in future years.

**Green: Effective.** There were no significant matters that impacted the timing or effectiveness of audit procedures.

# Appendix B - Independence and Fees

The FRC Ethical Standard 2024 and ISA (UK) 260 'Communication of audit matters with those charged with governance', requires us to communicate with you on a timely basis on all significant facts and matters that bear upon our integrity, objectivity and independence. The Ethical Standard requires that we communicate formally both at the planning stage and at the conclusion of the audit, as well as during the course of the audit if appropriate. The aim of these communications is to ensure full and fair disclosure by us to those charged with your governance on matters in which you have an interest.

## Required communications

### Planning stage

- The principal threats, if any, to objectivity and independence identified by Ernst & Young (EY) including consideration of all relationships between you, your affiliates and directors and us;
  - The safeguards adopted and the reasons why they are considered to be effective, including any Engagement Quality review;
- The overall assessment of threats and safeguards;
- Information about the general policies and process within EY to maintain objectivity and independence
- The IESBA Code requires EY to provide an independence assessment of any proposed non-audit service (NAS) to the PIE audit client and will need to obtain and document pre-concurrence from the audit committee/those charged with governance for the provision of all NAS prior to the commencement of the service (i.e., similar to obtaining a "pre-approval" to provide the service).

### Final stage

- In order for you to assess the integrity, objectivity and independence of the firm and each covered person, we are required to provide a written disclosure of relationships (including the provision of non-audit services) that may bear on our integrity, objectivity and independence. This is required to have regard to relationships with the entity, its directors and senior management, its affiliates, and its connected parties and the threats to integrity or objectivity, including those that could compromise independence that these create. We are also required to disclose any safeguards that we have put in place and why they address such threats, together with any other information necessary to enable our objectivity and independence to be assessed;
- Details of non-audit/additional services provided and the fees charged in relation thereto;
- Written confirmation that the firm and each covered person is independent and, if applicable, that any non-EY firms used in the group audit or external experts used have confirmed their independence to us;
- Details of any inconsistencies between FRC Ethical Standard and your policy for the supply of non-audit services by EY and any apparent breach of that policy;
- Details of all breaches of the IESBA Code of Ethics, the FRC Ethical Standard and professional standards, and of any safeguards applied and actions taken by EY to address any threats to independence (for breaches of the FRC Ethical Standard include details of its significance); and
- An opportunity to discuss auditor independence issues.

In addition, during the course of the audit, we are required to communicate with you whenever any significant judgements are made about threats to objectivity and independence and the appropriateness of safeguards put in place, for example, when accepting an engagement to provide non-audit services.

We ensure that the total amount of fees that EY and our network firms have charged to you and your affiliates for the provision of services during the reporting period, analysed in appropriate categories, are disclosed.

# Appendix B - Independence and Fees continued

## Relationships, services and related threats and safeguards

We highlight the following significant facts and matters that may be reasonably considered to bear upon our objectivity and independence, including the principal threats, if any. We have adopted the safeguards noted below to mitigate these threats along with the reasons why they are considered to be effective. However we will only perform non-audit services if the service has been pre-approved in accordance with your policy.

## Overall Assessment

Overall, we consider that the safeguards that have been adopted appropriately mitigate the principal threats identified and we therefore confirm that EY is independent and the objectivity and independence of Simon Mathers, your audit engagement partner and the audit engagement team have not been compromised.

## Self interest threats

A self interest threat arises when EY has financial or other interests in the Council. Examples include where we have an investment in your company; where we receive significant fees in respect of non-audit services; where we need to recover long outstanding fees; or where we enter into a business relationship with you. At the time of writing, there are no long outstanding fees and no planned non-audit services.

A self interest threat may also arise if members of our audit engagement team have objectives or are rewarded in relation to sales of non-audit services to you. We confirm that no member of our audit engagement team, including those from other service lines, has objectives or is rewarded in relation to sales to you, in compliance with FRC ES Section 4.

There are no other self interest threats at the date of this report.

# Appendix B - Independence and Fees continued

## Self review threats

Self review threats arise when the results of a non-audit service performed by EY or others within the EY network are reflected in the amounts included or disclosed in the financial statements. There are no self review threats at the date of this report.

## Management threats

Partners and employees of EY are prohibited from taking decisions on behalf of management of your company. Management threats may also arise during the provision of a non-audit service in relation to which management is required to make judgements or decisions based on that work.

There are no management threats at the date of this report.

## Other threats

Other threats, such as advocacy, familiarity or intimidation, may arise.

There are no other threats at the date of this report.

## EY Transparency Report

EY has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained. Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is for the period ended 30 June 2025 and can be found here: [EY UK 2025 Transparency Report](#).

# Appendix B – Independence and Fees continued

The duty to prescribe fees is a statutory function delegated to Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Housing, Communities and Local Government.

This is defined as the fee required by auditors to meet statutory responsibilities under the Local Audit and Accountability Act 2014 in accordance with the requirements of the Code of Audit Practice and supporting guidance published by the National Audit Office, the financial reporting requirements set out in the Code of Practice on Local Authority Accounting published by CIPFA/LASAAC, and the professional standards applicable to auditors' work.

The agreed fee presented is based on the following assumptions:

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- officers meeting the agreed timetable of deliverables;
- our financial statement opinion and value for money conclusion being unqualified;
- appropriate quality of documentation is provided by the Council;
- an effective control environment; and
- compliance with PSAA's Statement of Responsibilities of auditors and audited bodies. See <https://www.psaa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>. In particular the Council should have regard to paragraphs 26-28 of the Statement of Responsibilities which clearly sets out what is expected of audited bodies in preparing their financial statements. These are set out in full on the previous page.

If any of the above assumptions prove to be unfounded, we will seek a variation to the agreed fee. This will be discussed with the Council in advance.

	Current Year	Scale fee	Prior Year
	£m	£m	£m
Total Fee – Code Work	326,949	326,949	318,043
Proposed scale fee variation	Note 2		Note 1
<b>Total fees</b>	<b>TBC</b>	<b>326,949</b>	<b>318,043</b>

## All fees exclude VAT

1. As set in our 2024/25 Audit Results Report, a scale fee variation was submitted to PSAA covering the following areas:
  - Additional procedures to assess the completeness and accuracy of transitional adjustments and disclosures, arising as a result of the implementation of IFRS 16 in 2024/25. PSAA have previously communicated that any additional work required as a result of the implementation of this new accounting standard has not been accounted for within the Scale Fee.
  - Work performed by EY Pensions to review the assumptions used in the Pensions Liability calculation, including the asset ceiling calculation.
  - Additional procedures required as a result of the modification to our audit report and to continue the process of building back assurance following the issue of the disclaimer in 2022/23.
2. For 2025/26 the planned fee represents the base fee, i.e., not including any extended testing. The scale fee also may be impacted by a range of other factors which will result in additional work, which include but are not limited to:
  - Consideration of correspondence from the public and formal objections.
  - Non-compliance with law and regulation with an impact on the financial statements.
  - The need to exercise auditor statutory powers
  - Prior period adjustments
  - Modified financial statement opinions
  - Audit work performed on rebuilding assurance.

# Appendix C – Prior year recommendations

As part of our annual audit procedures we will follow up the specific open and in progress recommendations reported within our 2024/25 reporting, including those relating to value for money arrangements. The two open recommendations from prior years are outlined below, along with the response from management.

Classification of recommendations		
<b>Grade 1:</b> Key risks and / or significant deficiencies which are either critical to the achievement of strategic objectives or significant risks to material compliance with regulatory requirements. Management needs to address and seek resolution urgently.	<b>Grade 2:</b> Risks or potential weaknesses which impact on objectives and compliance, or impact the operation of a single process, and so require prompt but less urgent immediate action by management.	<b>Grade 3:</b> Less significant issues and / or areas for improvement which consider merit attention but do not require to be prioritised by management.

## Internal control weaknesses

No.	Finding and/or risk	Recommendation and grading	Management response / Implementation timeframe
1.	During our walkthrough of the Financial Statement Close Process (FSCP), management was unable to demonstrate arrangements has been fully developed and implemented to adopt the requirements of IFRS 16 in the 2024/25 financial statements. The draft financial statements submitted for audit did not contain all the transitional adjustments and disclosures required for implementation of IFRS 16 and supporting working papers were not fully complete, including a consideration of the impact of IFRS 16 on the Council's PFI arrangements. As a result, some audit work in this area remains ongoing at the date of this report. Some amendments will also be required to both the primary statements of account and supporting disclosures.	<ul style="list-style-type: none"> <li><b>Grade: 2</b></li> <li>When implementing new accounting standards likely to have a material impact, management should devise an appropriately resourced project plan to ensure transitional adjustments and related disclosures are complete and accurate in the financial statements submitted for audit. An accounting paper should be produced to address key management considerations related to recognition, measurement, and disclosure within the Statement of Accounts. Subsequently, detailed working papers should be prepared to ensure alignment between these accounting considerations and the transitional adjustments and disclosures presented in the financial statements submitted for audit.</li> </ul>	Management acknowledges the observation regarding IFRS 16 implementation. This new and complex standard introduces significant changes to lease accounting, which has posed challenges during transition. To ensure compliance, an accounting paper is being finalised to address key considerations on recognition, measurement, and disclosure, including the impact on PFI arrangements. Supporting working papers will be completed and reviewed to ensure alignment with the financial statements. Processes will also be strengthened to monitor future accounting standards and secure timely adoption. All outstanding work will be completed promptly to ensure full compliance with IFRS 16
2.	During the audit of PPE Additions, appropriate supporting evidence for labour costs capitalised was not obtained for one of the sample items selected. This resulted in a judgemental error.	<ul style="list-style-type: none"> <li><b>Grade: 2</b></li> <li>Management should ensure that there is appropriate evidence to support capitalised labour costs.</li> </ul>	We acknowledge the observation regarding missing evidence for capitalised labour costs on one PPE addition. This occurred prior to the implementation of recommendations from last year's audit report. Since then, we have introduced measures to ensure staff time is correctly capitalised and reviewed by management.

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# Appendix D – Regulatory update

## Key regulatory changes

There are a number of key regulatory developments underway relating to local authority governance and the audit of the Council’s financial statements. The following table provides a high level summary of those that have the potential to have the most significant impact on you:

Name	Summary of key measures	Impact on Oxfordshire County Council
English Devolution and Community Empowerment Bill	<p>The Bill has completed all scrutiny stages in the House of Commons and is now at Committee stage (Grand Committee) in the House of Lords. The following measures therefore remain proposals until Royal Assent is granted:</p> <ul style="list-style-type: none"> <li>▪ <b>Local audit system reforms:</b> The Bill includes provisions to reform elements of the local audit framework in England alongside support measures intended to address the audit backlog. The Bill will also enable changes to the way audit oversight and local audit responsibilities operate. Section 61 of the Bill provides for the establishment of the Local Audit Office (LAO). Legislation will set out that the main objective of the LAO is to secure the effective operation of the system of audit, with a view to meeting the needs of users of audited accounts. The LAO will appoint auditors to non-NHS bodies, determine audit fees and prepare one or more Code of Audit Practice.</li> <li>▪ <b>Combined authorities and Combined County Authorities:</b> The Bill expands powers and functions of combined authorities and places combined county authorities on a clearer statutory footing. This will allow further transfer of functions from constituent councils.</li> <li>▪ <b>Devolution of functions to “Strategic Authorities”:</b> The Bill expands the category of Strategic Authorities and allows transfer of responsibilities from central government and councils.</li> <li>▪ <b>Local Government Reorganisation:</b> The Bill supports changes to council structures to support devolution.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Local audit system reforms may result in changes to audit timescales or responsibilities and there may therefore be transition risks in future years.</li> <li>▪ The Bill provides that the Council must have an audit committee, and that at least one member of the committee be an independent person.</li> </ul>
<a href="#">Renters Right Act</a>	<ul style="list-style-type: none"> <li>▪ The Renter’s Rights Act became law on 27th October 2025. Under the Act, Councils are going to gain new powers to investigate landlords; act against rogue landlords; and ensure landlord compliance with new standards expected of them.</li> <li>▪ Local housing authorities will receive £18.2 million in 2025/26 to support preparations for the implementation of the Renters’ Rights Act 2025 and to build enforcement capacity. Funding will be allocated based on the number of private rented sector properties in each local area.</li> </ul>	<p>Enforcement guidance for local Councils has now been published. The guidance provides the critical information that enforcement officers will need to know to carry out their work in line with the new legislation. There will be a bespoke programme of training, webinars and resources through ‘Operation Jigsaw’, a cross-local Councils initiative; Changes will start coming into effect from 1st May 2026.</p>

# Appendix D – Regulatory update continued

## Key regulatory changes continued

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Name	Summary of key measures	Impact on Oxfordshire County Council
<a href="#">Public Office (Accountability) Bill</a>	<p>The Public Office (Accountability) Bill aims to impose a duty on public authorities and public officials to “at all times act with candour, transparency and frankness in their dealings with inquiries and investigations.” Breach of the duty would be a criminal liability.</p> <p>The Bill is expected to apply not only to both core public bodies delivering public services but also private bodies delivering public functions such as those on a government contract.</p> <p>The Bill also proposes:</p> <ul style="list-style-type: none"> <li>▪ A new statutory duty on public authorities to promote and take steps to maintain high standards of ethical conduct, as defined by the Seven Principles of Public Life, or “Nolan Principles”;</li> <li>▪ Reforms that will make it easier to prosecute misconduct in public office; and</li> <li>▪ An offence of misleading the public.</li> </ul>	<ul style="list-style-type: none"> <li>▪ While the Bill continues to make its way through the House of Commons Committee processes, the Council should ensure that training and support for Councillors is enhanced to take account of greater expectations in relation to local government standards.</li> </ul>
<a href="#">Fair Funding Review</a>	<ul style="list-style-type: none"> <li>▪ On 20 November 2025, the government announced a multi-year Local Government Finance Settlement in a decade, together with the Fair Funding Review . Key measures include:</li> <li>▪ There will be a single settlement for 2026/27 to 2028/29</li> <li>▪ The government plans to use up to date English Indices of Multiple Deprivation, together with up-to-date services cost and demand data to calculate individual council allocations for 2026/27 to 2028/29; and</li> <li>▪ The Children and Young People’s Services formula will use the latest index of deprivation affecting children.</li> </ul> <p>The new indices are expected to lead to greater transparency and a reduced reliance on competitive bidding for funds. The Government also announced it will simplify 33 funding streams, worth almost £47 billion over three years.</p>	<p>Using new indices will result in some Councils seeing increases in their allocations, whilst others see decreases. The government has, however, set out transitional arrangements to help with managing change:</p> <ul style="list-style-type: none"> <li>▪ A Recovery Grant funding guarantee to upper tier authorities in receipt of Recovery Grant;</li> <li>▪ Funding floors and phasing in of new allocations across the multi-year settlement; and</li> <li>▪ Additional money in the national settlement for children’s social care and a new ring-fenced combined Homelessness, Rough Sleeping and Domestic Abuse grant over three years.</li> </ul>

# Appendix D – Regulatory update continued

## Other reporting

There are a number of key publications from the National Audit Office that have an impact on the Council. The following table provides a high level summary of those that have the potential to have the most significant impact on you:

Name	Summary of key messages	Impact on Oxfordshire County Council
<a href="#">Local government finance report 2026 to 2027</a>	<p>The 2026-27 Local Government Finance Report introduces a multi-year settlement covering 2026/27 to 2028/29 and implements the Fair Funding Review 2.0. Updated distribution formulas will reallocate resources between councils, reflecting more recent demographic and deprivation data.</p> <p>The report confirms the continuation of council tax referendum principles and introduces significant changes to Special Educational Needs and Disabilities (SEND) funding, including the extension of the statutory override for DSG deficits to 2027/28 and a government-funded write-off of approximately 90% of historical DSG deficits. These policy changes represent one of the most substantial re-baselining exercises in recent years.</p>	<ul style="list-style-type: none"> <li>▪ Councils must re-model their Medium-Term Financial Plans (MTFPs) to account for formula redistribution effects and redesigned SEND funding arrangements. The ongoing restrictions on council tax increases will continue to limit local financial flexibility. For many authorities, particularly those with substantial DSG deficits, the reforms will have material implications for reserves management and financial stability.</li> </ul>
<a href="#">Exceptional Financial Support for local authorities for 2025-26</a>	<p>Exceptional Financial Support (EFS) remains a mechanism for councils facing acute short-term financial pressures.</p> <p>For 2025-26, thirty authorities received in-principal approval for EFS, allowing them to treat certain revenue costs as capital expenditure through capitalisation directions. The government has removed the additional 1% borrowing premium previously applied and has imposed conditions including enhanced assurance reviews and restrictions on community-asset disposals.</p> <p>The NAO notes that, although EFS can prevent immediate failure, it shifts the burden to future years through increased borrowing.</p>	<ul style="list-style-type: none"> <li>▪ For the sector, the continuation of EFS signals sustained financial fragility. Authorities using EFS must demonstrate credible, independently-scrutinised recovery and savings plans, along with significant improvements in governance, financial management, and internal controls.</li> <li>▪ Councils should expect intensive oversight and stringent follow-up from central government when accessing this mechanism.</li> </ul>
<a href="#">Local audit reform: Government response to the consultation to overhaul local audit in England</a>	<p>The government response sets out a comprehensive overhaul of the local audit system in England. Central to the reforms is the creation of the Local Audit Office (LAO), which will assume responsibility for appointing auditors, preparing Codes of Audit Practice, enforcing quality standards, and overseeing audit delivery.</p> <p>A phased transition plan will move existing responsibilities from Public Sector Audit Appointments (PSAA) and other bodies to the NAO between 2026 and 2027, with the aim of stabilising the system, addressing audit backlogs, and restoring confidence in the timeliness and quality of local audit.</p>	<ul style="list-style-type: none"> <li>▪ For Councils, the reforms will lead to more prescriptive expectations around audit readiness, governance, documentation quality, and responsiveness. Authorities should anticipate tighter reporting deadlines and increased scrutiny of working papers, internal controls, and VFM arrangements.</li> </ul>

# Appendix D – Regulatory update continued

## Other reporting continued

Name	Summary of key messages	Impact on Oxfordshire County Council
<a href="#">Local Government Financial Sustainability</a>	<p>The National Audit Office most recently reported on the context of local government finances in February 2024, which included their consideration of service and financial pressures. They concluded that although total local government funding has risen modestly in recent years, it has not kept pace with population growth, rising service demand, or the increasing complexity and cost of supporting people with high needs. Real-terms funding per person fell between 2015-16 and 2023-24, while demand for essential services such as adult social care, children’s social care, SEND provision and homelessness continued to escalate. The NAO highlights growing evidence of strain across services, including delays in Education, Health and Care Plans and a sharp rise in families housed in temporary accommodation for longer than legally permitted. Repeated delays to long-promised funding reforms mean councils continue to rely on short-term, stop-gap measures. Exceptional Financial Support has become increasingly common, but while it prevents immediate failure, it also shifts financial risk into future years, reflecting underlying structural weaknesses in the local government finance system</p>	<ul style="list-style-type: none"> <li>▪ The report signals deepening financial fragility across the sector, with many councils facing heightened risk of issuing Section 114 notices unless systemic pressures are addressed. Rising demand and cost escalation in statutory services are absorbing an ever-greater share of local authority budgets, reducing the capacity to invest in preventative activity and long-term service improvement. The NAO warns that widespread reliance on temporary fixes—including Exceptional Financial Support—creates additional future liabilities and limits councils’ ability to plan sustainably. Without coordinated, cross-government reform of funding, accountability and service oversight frameworks, councils will remain locked in reactive financial management, with growing consequences for service quality, citizen outcomes and long-term financial resilience.</li> </ul>
<a href="#">Unlocking land for housing</a>	<p>The National Audit Office reported in February 2026 that the government aims to deliver 1.5 million new homes by July 2029. To support this ambition, various land-unlocking programmes have been introduced to address constraints such as inadequate infrastructure, land assembly challenges, and site viability issues. Since 2016, £10.5 billion has been allocated across 768 projects, with £8.4 billion committed and £5.7 billion spent.</p> <p>Although these programmes collectively predict enabling around 713,000 homes, the NAO highlights that only a small proportion—around 33,300 homes—can currently be evidenced as completed, pointing to gaps in monitoring and programme assurance. Additionally, the creation of the National Housing Delivery Fund and a new National Housing Bank from April 2026 signals a shift toward a more consolidated and strategic funding model.</p>	<ul style="list-style-type: none"> <li>▪ The sector will experience increased expectations to produce detailed and evidence-based infrastructure planning to secure funding from the new mechanisms. Councils will be required to strengthen the robustness of business cases, improve monitoring of actual housing delivery, and anticipate tighter central-government scrutiny of riskier or larger projects. The shift to a single-gateway funding structure will also compel councils to maintain well-developed pipelines to access multi-year support.</li> </ul>
<a href="#">Improving local areas through developer funding</a>	<p>The NAO identifies developer contributions—primarily Section 106 agreements and the Community Infrastructure Levy (CIL)—as essential tools for funding local infrastructure and affordable housing. However, the report finds significant variation across councils in both the application and governance of these mechanisms. Negotiated viability assessments often reduce the contributions developers agree to provide, while only around half of planning authorities have formally adopted CIL.</p> <p>Developer contributions account for roughly 44% of affordable housing delivery nationally, yet over 17,000 S106-linked affordable homes with planning consent lacked a housing association buyer at the time of review, indicating a delivery bottleneck. The government is providing additional planning capacity funding and establishing a Section 106 Affordable Homes Clearing Service to support councils in unlocking stalled developments.</p>	<ul style="list-style-type: none"> <li>▪ For Councils, strengthening internal governance and transparency around developer contributions will be increasingly important. Authorities will need improved planning capacity, including specialist viability expertise, to mitigate risks of reduced contributions and ensure developer obligations are properly monitored. With the proposed Infrastructure Levy no longer being taken forward, councils must optimise and professionalise the existing S106 and CIL frameworks.</li> </ul>

# Appendix E – Required communications with the Audit Committee

We have detailed the communications that we must provide to the audit committee.

		Our Reporting to you
Required communications	What is reported?	When and where
Terms of engagement	Confirmation by the audit committee of acceptance of terms of engagement as written in the engagement letter signed by both parties.	The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies.
Our responsibilities	Reminder of our responsibilities as set out in the engagement letter	Audit planning report - May 2026 Audit and Governance Committee
Planning and audit approach	<p>Communication of:</p> <ul style="list-style-type: none"> <li>▪ The planned scope and timing of the audit</li> <li>▪ The planned use of internal audit</li> <li>▪ The significant risks identified</li> </ul> <p>When communicating key audit matters this includes the most significant risks of material misstatement (whether or not due to fraud) including those that have the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team</p>	Audit planning report - May 2026 Audit and Governance Committee
Significant findings from the audit	<ul style="list-style-type: none"> <li>▪ Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures</li> <li>▪ Significant difficulties, if any, encountered during the audit</li> <li>▪ Other significant matters, if any, arising from the audit that were discussed, or subject to correspondence with management</li> <li>▪ Circumstances that affect the form and content of our auditor's report</li> <li>▪ Other matters if any, significant to the oversight of the financial reporting process</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee

# Appendix E – Required communications with the Audit Committee continued

Required communications	What is reported?	Our Reporting to you
		When and where
Going concern	<p>Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including:</p> <ul style="list-style-type: none"> <li>▪ Whether the events or conditions constitute a material uncertainty related to going concern</li> <li>▪ Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements</li> <li>▪ The appropriateness of related disclosures in the financial statements</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee
Misstatements	<ul style="list-style-type: none"> <li>▪ A request that any uncorrected misstatement be corrected</li> <li>▪ Material misstatements corrected by management</li> <li>▪ Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation</li> <li>▪ The effect of uncorrected misstatements related to prior periods</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee
Fraud	<ul style="list-style-type: none"> <li>▪ Enquiries of the audit committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity</li> <li>▪ Any fraud that we have identified or information we have obtained that indicates that a fraud may exist</li> <li>▪ Unless all of those charged with governance are involved in managing the entity, unless prohibited by law or regulation any identified or suspected fraud involving: <ul style="list-style-type: none"> <li>▪ Management;</li> <li>▪ Employees who have significant roles in internal control; or</li> <li>▪ Others, when the identified or suspected fraud is other than clearly inconsequential.</li> </ul> </li> <li>▪ The nature, timing and extent of audit procedures necessary to complete the audit when fraud involving management is suspected</li> <li>▪ Matters, if any, to communicate regarding management's process for identifying and responding to the risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud</li> <li>▪ Any other matters related to fraud, relevant to Audit Committee responsibility</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee

# Appendix E – Required communications with the Audit Committee continued

Required communications	What is reported?	Our Reporting to you
		When and where
Related parties	Significant matters arising during the audit in connection with the entity's related parties	Audit results report- Expected November 2026 Audit and Governance Committee
Independence	<p>Communication of the relevant ethical requirements, including those related to independence, that we apply for the audit engagement, including any independence requirements specific to audits of financial statements of the entity.</p> <p>Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, integrity, objectivity and independence</p> <p>Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as:</p> <ul style="list-style-type: none"> <li>▪ The principal threats</li> <li>▪ Safeguards adopted and their effectiveness</li> <li>▪ An overall assessment of threats and safeguards</li> <li>▪ Information about the general policies and process within the firm to maintain objectivity and independence</li> <li>▪ Breaches of IESBA Code of Ethics, local independence regulations or professional standards (for breaches of the FRC Ethical Standard, include details of the breach and its significance)</li> </ul> <p>Communication whenever significant judgements are made about threats to integrity, objectivity and independence and the appropriateness of safeguards put in place.</p> <p>Communication of relevant information to those charged with governance, to enable them to provide concurrence on the non-audit services being provided.</p>	Audit planning report - May 2026 Audit and Governance Committee
External confirmations	<ul style="list-style-type: none"> <li>▪ Management's refusal for us to request confirmations</li> <li>▪ Inability to obtain relevant and reliable audit evidence from other procedures</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee
Consideration of laws and regulations	<ul style="list-style-type: none"> <li>▪ Subject to compliance with applicable regulations, matters involving identified or suspected non-compliance with laws and regulations, other than those which are clearly inconsequential and the implications thereof. Instances of suspected non-compliance may also include those that are brought to our attention that are expected to occur imminently or for which there is reason to believe that they may occur</li> <li>▪ Enquiry of the audit committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the audit committee may be aware of</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee

# Appendix E – Required communications with the Audit Committee continued

Required communications	What is reported?	Our Reporting to you
		When and where
Internal controls	<ul style="list-style-type: none"> <li>Significant deficiencies in internal controls identified during the audit</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee
Representations	Written representations we are requesting from management and/or those charged with governance	Audit results report- Expected November 2026 Audit and Governance Committee
System of quality management	How the system of quality management (SQM) supports the consistent performance of a quality audit	Audit results report- Expected November 2026 Audit and Governance Committee
Material inconsistencies and misstatements	Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	Audit results report- Expected November 2026 Audit and Governance Committee
Auditors report	<ul style="list-style-type: none"> <li>Key audit matters that we will include in our auditor’s report</li> <li>Any circumstances identified that affect the form and content of our auditor’s report</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee

# Appendix F – Additional audit information

## Objective of our audit

In addition to the key areas of audit focus outlined within the plan, we have to perform other procedures as required by auditing, ethical and independence standards and other regulations. We outline the procedures below that we will undertake during the course of our audit.

## Other required procedures during the course of the audit

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
  - Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
  - Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Concluding on the appropriateness of management's use of the going concern basis of accounting.
  - Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtaining sufficient appropriate audit evidence regarding the financial information of the activities within the Council to express an opinion on the financial statements. Reading other information contained in the financial statements, including the board's statement that the annual report is fair, balanced and understandable, the audit committee reporting appropriately addresses matters communicated by us to the audit committee and reporting whether it is materially inconsistent with our understanding and the financial statements.
- Maintaining auditor independence.

## Purpose and evaluation of materiality

For the purposes of determining whether the accounts are free from material error, we define materiality as the magnitude of an omission or misstatement that, individually or in the aggregate, in light of the surrounding circumstances, could reasonably be expected to influence the economic decisions of the users of the financial statements. Our evaluation of it requires professional judgement and necessarily takes into account qualitative as well as quantitative considerations implicit in the definition. We would be happy to discuss with you your expectations regarding our detection of misstatements in the financial statements.

Materiality determines:

- The locations at which we conduct audit procedures to support the opinion given on the financial statements
- The level of work performed on individual account balances and financial statement disclosures

The amount we consider material at the end of the audit may differ from our initial determination. At this stage, however, it is not feasible to anticipate all of the circumstances that may ultimately influence our judgement about materiality. At the end of the audit we will form our final opinion by reference to all matters that could be significant to users of the accounts, including the total effect of the audit misstatements we identify, and our evaluation of materiality at that date.

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# Oxfordshire County Council

Audit planning report

Year ended 31 March 2026

April 2026



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Agenda Item 10



Private and Confidential  
Audit and Governance Committee  
Oxfordshire County Council  
Oxford  
OX1 1ND

6 May 2026

Dear Audit and Governance Committee Members

**Audit planning report 2025/26**

We are pleased to attach our audit planning report for the forthcoming meeting of the Audit and Governance Committee . The purpose of this report is to provide the Committee with a basis to review our proposed audit approach and scope for the 2025/26 audit, in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2024 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards, and other professional requirements. This report summarises our evaluation of the key issues driving the development of an effective audit. We have aligned our audit approach and scope accordingly. The report also addresses the broader impact of Government proposals aimed at establishing a sustainable local audit system.

This report is intended solely for the information and use of the Audit and Governance Committee Members, and is not intended to be, and should not be used, by anyone other than these specified parties.

We welcome the opportunity to discuss this report with you on 20 May 2026 as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

**Simon Mathers**

For and on behalf of Ernst & Young LLP

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Public Sector Audit Appointments Ltd (PSAA) issued the 'Statement of responsibilities of auditors and audited bodies'. It is available from the PSAA website (<https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas. The 'Terms of Appointment and further guidance (updated October 2025)' issued by the PSAA ([Terms of appointment and further guidance from 1 October 2025 - PSAA](#)) sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice 2024 (the NAO Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the AGC Committee and management of Rushmoor Borough Council. Our work has been undertaken so that we might state to the AGC Committee and management of Rushmoor Borough Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the AGC Committee and management of Rushmoor Borough Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



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# Overview of our 2025/26 audit strategy

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# 2025/26 audit strategy overview: Rebuilding Assurance

## The purpose of this report

As the Council's body charged with governance, the Audit and Governance Committee plays a crucial role in ensuring assurance over both the quality of the draft financial statements prepared by management and the Council's wider arrangements to support a timely and efficient audit. Failure to achieve this will significantly increase the level of resources required to fulfil our respective responsibilities.

As part of our responsibilities, we assess and report on the adequacy of the Council's external financial reporting arrangements, as well as the effectiveness of the Audit and Governance Committee in fulfilling its role within those arrangements as part of our Value for Money assessment. Our ability to complete the audit is dependent on the timely formulation of appropriately supported accounting judgements, provision of accurate and relevant supporting evidence, access to the finance team and management's responsiveness to issues identified during the audit. Wherever necessary, we will consider invoking other statutory reporting powers to highlight any weaknesses in these arrangements. We direct Audit and Governance Committee members and officers to the Public Sector Audit Appointment Limited's Statement of Responsibilities (paragraphs 26-28) for expectations on preparing financial statements (see Appendix A).

## Our shared strategy to rebuild assurance

We are now in Phase 2 of the implementation of the Ministry for Housing, Communities and Local Government's (MHCLG) measures to address the backlog facing local government audit. Throughout 2023/24 and 2024/25, we have applied a structured, risk-based prioritisation approach to local government audits to support a return to unqualified audit opinions wherever feasible, while still meeting statutory backstop requirements. Our approach recognises that recovery depends heavily on the Council's own capacity and preparedness and that audit effort must be targeted where it can deliver meaningful assurance.

Management has overall responsibility for leading and sustaining the Council's recovery from a disclaimed audit opinion. This includes ensuring that the financial statements are prepared in accordance with proper practices and supported by complete, accurate and timely audit evidence.

To deliver this, it is essential that management:

- Strengthen the underlying control environment, particularly in areas linked to prior year disclaimers.
- Provide high quality working papers and ensure that all audit evidence is complete, consistent and readily accessible.
- Allocate sufficient, knowledgeable resources throughout the audit cycle.
- Actively engage with auditors, promptly addressing findings and resolving weaknesses in financial reporting arrangements.
- Communicate transparently with the Audit and Governance Committee, as Those Charged with Governance, ensuring that Committee members have clear visibility of risks, progress and emerging issues.

In line with the National Audit Office's Local Audit Reset and Recovery Implementation Guidance (LARRIGs) - and specifically the guidance on rebuilding assurance following a disclaimed opinion - management must support the restoration of reliable opening balances and enable a phased progression from disclaimed to qualified and ultimately unmodified audit opinions. Achieving this requires sustained delivery of the "natural rebuild," through the completion of all planned audit procedures across successive annual cycles, alongside targeted work to rebuild assurance over historical balances, including both usable and unusable reserves, where cumulative gaps in evidence present the most significant challenges.

# 2025/26 audit strategy overview: Rebuilding Assurance

## Our shared strategy to rebuild assurance continued

Appendix A explains the expected timeline to full assurance set out within the NAO's LARRIG 01 guidance, along with our assessment of the Council's status. During 2023/24 and 2024/25, the focus of the rebuild process has been on this "natural" rebuild, to complete all planned audit procedures for each respective audit year. As we set out in Appendix A, as all planned audit procedures for the 2023/24 and 2024/25 audits were completed, the Council's "natural rebuild" is now well progressed. As part of our interim audit procedures for 2025/26, we will undertake a detailed risk assessment to evaluate the risk of material misstatement in the opening reserves balances at 1 April 2025, and to assess management's readiness to support the historic rebuild process over transactions and balances in 2022/23 that were not subject to audit. This work is expected to be completed by 30 June 2026 and is essential to determining whether the pre-2023/24 gaps in assurance - particularly those relating to reserves and other cumulative balances - can be sufficiently addressed to support future progression towards qualified or unmodified audit opinions.

We will discuss the outcome of our risk assessment of the opening reserves balances with management to confirm our proposed approach for 2025/26. Before we commence our audit procedures, it will be essential for management to have completed the necessary review and reconciliation of both usable and unusable reserves, and to be able to provide assurance to Those Charged with Governance that these balances are accurate, supportable, and properly documented. This reflects management's primary responsibility for preparing the financial statements and the underlying evidence base; the audit process is not the first line of defence.

It is likely that we will need to audit certain transactions and movements from 2022/23 to rebuild assurance over the historic position. Should we proceed with this phase of work, we will require assurances from management that high quality working papers and supporting evidence can be provided for transactions from 2022/23 together with sufficient management capacity to support this historic rebuild without compromising the delivery of all planned procedures in 2025/26 over the closing balances and in year movements.

## Preparedness for audit

Our ability to complete the audit is dependent on the timely formulation of appropriately supported accounting judgements, provision of accurate and relevant supporting evidence, access to the finance team and management's responsiveness to issues identified during the audit. Our 2024/25 reporting included our assessment of the effectiveness of the Council's arrangements to support the external audit process across a range of relevant measures (reproduced in Appendix A). We concluded that the Council was well-prepared for the audit however, improvements were required with regards to the completeness of the draft financial statements submitted for audit, including required IFRS 16 related entries and disclosures.

We will continue to report on our assessment of the quality of the Council's financial statements' preparation and support, to support ongoing transparency of the audit process to those charged with governance, and to facilitate benchmarking and tracking of progress in future years.

# 2025/26 audit strategy overview: Rebuilding Assurance

## Scope of our audit

In accordance with the NAO Code, our primary objectives are to conduct work that supports the delivery of our audit report to the Council. Additionally, we aim to ensure that the Council has established proper arrangements for securing economy, efficiency, and effectiveness in its use of resources, as mandated by relevant legislation and the requirements of the NAO Code. We will issue an Audit Results Report that summarises our opinion on the financial statements by 31 January 2027 and other procedures required by the Code. This includes our assessment of the control environment, including our follow up of the recommendations that we made in 2024/25 (refer to Appendix C). In addition, our Auditor's Annual Report will conclude on whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources and report a commentary on those arrangements.

## Timeline

An audit timetable has been agreed with management. In Section 7 we include a provisional timeline for the audit. It is essential that all parties collaborate to ensure compliance with this timeline.

## Our independence considerations

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The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and the Council, and its members and senior management and its affiliates, including all services provided by us and our network to the Council, its members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

There are no relationships from 1 April 2025 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

Please refer to Appendix B for further detail.

# 2025/26 audit strategy overview: Audit risks and materiality

## Audit risks and areas of focus

The purpose of our audit is to obtain reasonable assurance to express an opinion about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. There is one significant change to the scoping for the audit of the 2025/26 financial statements, relating to the implementation of CIPFA's Bulletin 22 in relation to the valuation of Property, Plant and Equipment.

The following 'dashboard' summarises the significant accounting and auditing matters outlined in this report. It seeks to provide the Audit and Governance Committee with an overview of our initial risk identification for the upcoming audit and any changes in risks identified in the current year.

Risk/area of focus	Risk identified	Change from PY	Details
Presumptive risk of management override of controls	Fraud risk	No change in risk or focus	There is a risk that the financial statements as a whole are not free from material misstatement whether caused by fraud or error. We perform mandatory procedures regardless of specifically identified fraud risks.
Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure	Fraud risk	No change in risk or focus	Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition. We have assessed the risk is most likely to occur through the inappropriate capitalisation of revenue expenditure.
Valuation of Property, Plant and Equipment and Investment Property valued at Existing Use Value (EUV)/Fair Value (FV)	Risk of material misstatement	No change in risk or focus	The valuation of land and buildings and investment properties represent material figures within the Council's financial statements. The valuation of those assets on an EUV or FV basis is reliant upon expert valuations based on information provided by the Council, which include several judgements and assumptions. Errors within the judgements, assumptions, or information provided to the valuer can have a material impact on the financial statements. In the 2025/26 financial statements the Council will be required to consider revisions to the Code of Practice on Local Authority Accounting (the Code) and CIPFA Bulletin 22 which reassesses the current regime of valuation for non-investment assets across the public sector. The Code mandates a quinquennial revaluation or a five-year rolling programme for formal valuations, supported by annual indexation in the intervening years. Successful implementation will depend on the Council ensuring that their existing valuation programme is adapted in line with the guidance and that appropriate indices are selected to be applied in intervening years. The Council will implement a five-year rolling programme for formal valuations, supplemented by annual indexation during the intervening years. This means that in the current year, a third of Property, Plant and Equipment will be revalued, and only indexation will take place in 2026/27 and 2027/28. The next formal revaluation is set for 2028/29, specifically for assets last revalued in 2023/24. As this marks the commencement of the five-year cycle, revaluing the same assets again in 2026/27 or subsequent years within this period would not align with the requirements of the Code as specified for 2025/26.




# 2025/26 audit strategy overview: Audit risks and materiality

## Audit risks and areas of focus continued

Risk/area of focus	Risk identified	Change from PY	Details
Pension Liability Valuation and the IAS 19 valuations	Risk of material misstatement	No change in risk or focus	Accounting for the Council's participation in the Oxfordshire Pension Fund involves significant estimation and judgement, including financial and demographic assumptions. There is a risk that the net pension asset/liability recognised is materially misstated, as its recognition and measurement is subject to significant management judgement, including the application of the IAS 19 asset ceiling and the assessment of the Council's ability to realise future economic benefits.  The Council engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.

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## Materiality

 <p><b>Planning materiality</b> <b>£24m</b></p>	<p>Materiality has been set at £24.02 million, which represents 1.8% of 2026 forecasted gross expenditure on provision of services provided by management. (2024/25: £25 million, 1.8%).</p>	 <p><b>Performance materiality</b> <b>£18m</b></p>	<p>Performance materiality has been set at £18.02 million, which represents 75% of materiality.</p>	 <p><b>Audit differences</b> <b>£1.2m</b></p>	<p>We will report all uncorrected misstatements relating to the income statement and balance sheet that have an effect on income and misstatements in the OCI over £1.2 million. Other misstatements identified will be communicated to the extent that they merit the attention of the Audit and Governance Committee.</p>
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# 2025/26 audit strategy overview: Value for Money




## Our risk assessment

Under the NAO Code we are required to:

- Satisfy ourselves that the Council has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources, having regard to [NAO AGN 03](#).
- Design work to provide sufficient assurance to support reporting against the Code's specified reporting criteria outlined below; and
- Apply a risk-based approach to our work, informed by sector knowledge, the annual governance statement, evidence from the financial statements audit and relevant work of other bodies.

In undertaking our risk assessment, we obtain an understanding of the key processes the Council has in place, including financial management, risk management and partnership working arrangements. Our final Auditor's Annual Report, which will be issued before 30 November 2026 will include a summary of our commentary on the arrangements in place against each of the three value for money criteria and recommendations raised as a result of any significant weaknesses identified.

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	 <p><b>Financial sustainability</b></p> <p>How the Council plans and manages its resources to ensure it can continue to deliver its services.</p>	 <p><b>Governance</b></p> <p>How the Council ensures that it makes informed decisions and properly manages its risks.</p>	 <p><b>Improving economy, efficiency and effectiveness</b></p> <p>How the Council uses information about its costs and performance to improve the way it manages and delivers its services.</p>
<p>Risks of significant weaknesses in arrangements identified in 2025/26:</p>	<ul style="list-style-type: none"> <li>▪ No risks identified</li> </ul>	<ul style="list-style-type: none"> <li>▪ No risks identified</li> </ul>	<ul style="list-style-type: none"> <li>▪ No risks identified</li> </ul>



# 02 Audit risks

# Our response to significant risks

We have set out the significant risks (including fraud risks denoted by\*) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.

## Presumptive risk of management override of controls\*

### What is the risk, and the key judgements and estimates?

In accordance with ISA 240, the presumptive risk of management override of controls is present at every entity and we design the appropriate procedures to consider such risk.

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- Management has the primary responsibility to prevent and detect fraud. It is important that management, with the oversight of those charged with governance, has put in place a culture of ethical behaviour and a strong control environment that both deters and prevents fraud.

- Our responsibility is to plan and perform audits to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatements whether caused by error or fraud.

### Our response: Key areas of challenge and professional judgement

In order to address the risks outlined we will carry out a range of procedures including:

- Identifying fraud risks during the planning stages.
- Inquiry of management about risks of fraud and the controls put in place to address those risks.
- Understanding the oversight given by those charged with governance of management's processes over fraud.
- Discussing with those charged with governance the risks of fraud in the entity, including those risks that are specific to the entity's business sector (those that may arise from economic industry and operating conditions).
- Considering whether there are any fraud risk factors associated with related party relationships and transactions and if so, whether they give rise to a risk of material misstatement due to fraud.
- Considering the effectiveness of management's controls designed to address the risk of fraud and determining an appropriate strategy to address those identified risks of fraud.
- Performing mandatory procedures regardless of specifically identified fraud risks, including testing of journal entries and other adjustments in the preparation of the financial statements.
- Undertaking procedures to identify significant unusual transactions.
- Considering whether management bias was present in the key accounting estimates and judgements in the financial statements.

Having evaluated this risk, we have considered whether we need to perform other audit procedures not referred to above. We concluded that those procedures included under 'Inappropriate capitalisation of revenue expenditure' are required.

# Our response to significant risks

## Inappropriate capitalisation of revenue expenditure\*

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Financial statement impact	What is the risk, and the key judgements and estimates?	Our response: Key areas of challenge and professional judgement
<p>We have assessed that the risk of misreporting revenue outturn in the financial statements is most likely to be achieved through:</p> <ul style="list-style-type: none"> <li>Revenue expenditure being inappropriately recognised as capital expenditure at the point it is posted to the general ledger.</li> <li>Expenditure being classified as revenue expenditure financed as capital under statute (REFCUS) when it is inappropriate to do so.</li> <li>Expenditure being inappropriately transferred by journal from revenue to capital codes on the general ledger at the end of the year.</li> </ul> <p>If this were to happen it would have the impact of understating revenue expenditure and overstating Property, Plant and Equipment (PPE)/Investment Property (IP) additions and/or REFCUS in the financial statements.</p>	<p>Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.</p> <p>We have assessed the risk is most likely to occur through the inappropriate capitalisation of revenue expenditure.</p>	<p>In order to address the risks outlined we will carry out a range of procedures including:</p> <ul style="list-style-type: none"> <li>Testing PPE / IP additions to ensure that the expenditure incurred and capitalised is clearly capital in nature.</li> <li>Assessing whether the capitalised spend clearly enhances or extends the useful life of asset rather than simply repairing or maintaining the asset on which it is incurred.</li> <li>Considering whether any development or other related costs that have been capitalised are reasonable to capitalize, i.e., the costs incurred are directly attributable to bringing the asset into operational use.</li> <li>Testing REFCUS, if material, to ensure that it is appropriate for the revenue expenditure incurred to be financed from ringfenced capital resources. Based on our work at the planning stage of the audit we do not expect there to be material REFCUS in the year.</li> <li>Seeking to identify and understand the basis for any significant journals transferring expenditure from revenue to capital codes on the general ledger at the end of the year.</li> </ul>

# Other areas of audit focus

## Financial statement impact

## What is the risk, and the key judgements and estimates?

## Our response: Key areas of challenge and professional judgement

### Valuation of Property, Plant and Equipment and Investment Property

The valuation of land and buildings and investment properties represent material figures within the Council's financial statements.

Those valued on an Existing Use Value (EUV) and Fair Value (FV) basis are reliant upon judgements and assumptions which can have a material impact on the values on the Council's balance sheet. Errors within the judgments, assumptions, or information provided to the valuer can have a material impact on the financial statements.

The relevant 2024/25 account balances in the audited financial statements were:

Property, plant and equipment: £1,455 million

- Relating to land and buildings valued : £508 million\*
- Relating to infrastructure assets: £758 million
- Additions totalled: £89.6 million

Investment property valued at FV: £23.9m

*\*This includes PPE valued at DRC*

These valuation methods involve higher risk estimates due to the significant assumptions and judgements involved, which trigger the use of experts by both management and EY.

These estimates heighten the risk of material error.

In the 2025/26 financial statements the Council will be required to apply the revised CIPFA Code and related guidance in Bulletin 22 which reassesses the current regime of valuation for non-investment assets across the public sector. The guidance mandates a quinquennial revaluation or a five-year rolling programme for formal valuations, supported by annual indexation in the intervening years. These changes do not impact investment property which is still required to be revalued in full each year.

The Council will implement a five-year rolling programme for formal valuations, supplemented by annual indexation during the intervening years. This means that in the current year, a third of Property, Plant and Equipment will be revalued, and only indexation will take place in 2026/27 and 2027/28. The next formal revaluation is set for 2028/29, specifically for assets last revalued in 2023/24. As this marks the commencement of the five-year cycle, revaluing the same assets again in 2026/27 or subsequent years within this period would not align with the requirements of the Code as specified for 2025/26.

The Bulletin suggests that the BCIS all-in Tender Price Index (BCIS all-in TPI) could be used for DRC valuations. This approach is considered reasonable but only considers the calculation of the Gross Replacement Cost, which is only part of the DRC valuation. Even though we do not consider PPE valued at DRC to be a risk of material misstatement, management should assess whether an adjustment for obsolescence is required.

In response to the risk, we will:

- Review and assess management's assessment and planned approach to the revised CIPFA Code and related guidance in Bulletin 22, in the context of other challenges in the application. In particular considering the appropriateness of indices applied to assets not revalued during intervening years and triggers for revaluation;
- Review and appraise the work performed by the Council's valuer, including the adequacy of the scope of the work performed, their professional capabilities and the results of their work;
- Sample test key asset information used by the valuers in performing their valuation (e.g. floor plans to support price per square metre);
- Assess any changes to useful economic lives against the most recent valuer assessments;
- Test accounting entries have been correctly processed in the financial statements;
- Review and assess management's impairment assessment of ongoing and completed capital projects to ensure assets are held at an appropriate value.

# Other areas of audit focus

We have identified other areas of the audit, that have not been classified as significant risks, but are still important when considering the risks of material misstatement to the financial statements and disclosures and therefore may be key audit matters we will include in our audit report.

Financial statement impact	What is the risk, and the key judgements and estimates?	Our response: Key areas of challenge and professional judgement
<p><b>Valuation of Pension Assets and Liabilities</b></p>		
<p>The Council's net pension liability is measured as the sum of the long-term payments due to members as they retire against the Council's share of the Oxfordshire Pension Fund investments. At 31 March 2025 the Council's net asset totalled £356 million, excluding the impact of IFRIC 14. In line with the accounting requirements of IFRIC 14, the Council had a net liability of £43.2 million.</p> <p>An unfunded liability of £29.1 million was also recorded on the Council's balance sheet.</p> <p>For Oxfordshire Fire and Rescue Service, the Net liability totalled £183.2 million.</p>	<p>The Local Authority Accounting Code of Practice and IAS19 require the Council to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme administered by the Council.</p> <p>The Council's pension fund deficit is a material estimated balance and the Code requires that this liability be disclosed on the Council's balance sheet. The information disclosed is based on the IAS 19 report issued to the Council by the actuary to the Council.</p> <p>Accounting for this scheme involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>	<p>In response to the risk, we will:</p> <ul style="list-style-type: none"> <li>▪ Liaise with the auditor of Oxfordshire Pension Fund to obtain assurances over the information supplied to the actuary and confirm joint assurances in respect of employer and employee contributions. For 2025/26 we will specifically request for work to be done by the Pension Fund auditor to gain assurance over membership data used to inform the 31 March 2025 triennial valuation of the Fund.</li> <li>▪ Engage our actuarial specialists to assess the work of the actuary. This will involve a consideration of the net asset/liability and any calculation of the asset ceiling in accordance with IFRIC 14 where relevant .</li> <li>▪ Assessing the work of PwC, appointed to consider actuarial assumptions used at the year end for all local government sector bodies.</li> <li>▪ Review and test the accounting entries and disclosures made within the Group Council's financial statements in relation to IAS19.</li> <li>▪ Consider the valuation and disclosure of unfunded liabilities, for which there are no plan assets to meet the pension liabilities.</li> </ul> <p>As part of our audit procedures, we will request that the Council obtain an asset ceiling report from its actuaries. Our actuarial specialists will review the asset ceiling report to satisfy themselves that it is materially correct. Following review, we will also ensure that pension assets and liabilities are appropriately recorded within the financial statements.</p>

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# 03 Value for money

# Value for money

## Council's responsibilities for value for money

The Council is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal.

As part of the material published with the financial statements, the Council is required to bring together a commentary on the governance framework and how this has operated during the period in a governance statement. In preparing the governance statement, the Council tailors the content to reflect its own individual circumstances, consistent with the requirements of the relevant accounting and reporting framework and having regard to any guidance issued in support of that framework. This includes a requirement to provide commentary on arrangements for securing value for money from the use of resources.

## Auditor responsibilities

Under the NAO Code we are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. The Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to the Council a commentary against specified reporting criteria (see below) on the arrangements the Council has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period.

The specified reporting criteria are:

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### Financial sustainability

How the Council plans and manages its resources to ensure it can continue to deliver its services.



### Governance

How the Council ensures that it makes informed decisions and properly manages its risks.



### Improving economy, efficiency and effectiveness

How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

# Value for money

## Planning and identifying risks of significant weakness in value for money arrangements

The NAO's guidance notes require us to conduct a risk assessment that collects sufficient evidence to document our evaluation of the Council's arrangements, allowing us to draft a commentary under the three reporting criteria. This involves identifying and reporting on any significant weaknesses in those arrangements and making appropriate recommendations. In considering the Council's arrangements, we consider:

- The annual governance statement;
- Evidence of arrangements during the reporting period;
- Evidence obtained from our audit of the financial statements;
- The work of inspectorates and other bodies; and
- Any other evidence that we deem necessary to facilitate the performance of our statutory duties.

We then evaluate whether there is evidence indicating significant weaknesses in arrangements. According to the NAO's guidance, determining what constitutes a significant weakness and the extent of additional audit work required to address the risk is based on professional judgment. The NAO indicates that a weakness can be considered significant if it:

- Exposes, or could reasonably be expected to expose, the council to significant financial loss or risk;
- Leads to, or could reasonably be expected to lead to, significant impact on the quality or effectiveness of service or on the council's reputation or unlawful actions;
- Identifies a failure to take action to address a previously identified significant weakness, such as failure to implement or achieve planned progress on action/improvement plans.

When planning work identifies a risk of significant weakness, the NAO's guidance requires us to consider the additional evidence needed to verify whether there is a significant weakness in arrangements. This involves conducting further procedures as necessary. We are required to report our planned procedures to the Audit and Governance Committee .

## Reporting on value for money arrangements

If we determine that the Council has not made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources, the NAO Code mandates that we reference this by exception in the audit report on the financial statements.

Additionally, we are required to provide a commentary on the value for money arrangements in the Auditor's Annual Report. The NAO Code specifies that this commentary should be clear, readily understandable, and highlight any issues we wish to draw to the Council's or the wider public's attention. This may include matters that are not considered significant weaknesses in arrangements but should still be brought to the Council's attention. It will also cover details of any recommendations from the audit and the follow-up of previously issued recommendations, along with our assessment of their satisfactory implementation. Our 2025/26 Auditor's Annual Report must be issued in draft by 31 January 2027 to comply with the revised requirements of the NAO Code.

# Value for money

## Value for money risk assessment

We have completed our initial value for money planning, where we have considered:

- Our entity level controls and understanding the business assessment
- The Council's Risk Register/the Annual Governance Statement
- Council meeting minutes and our planning meetings with management
- Key financial and budget information
- Key performance reports/internal audit reports
- Findings of other inspectorates, review agencies and other relevant bodies including the Care Quality Commission.

As part of our initial planning work, we considered whether there were any risks of significant weakness in the body's arrangements for securing value for money that we needed to perform further procedures on. As mentioned in our Audit results report for FY24/25, we identified no risks of significant weaknesses in arrangements and therefore, expect to had no matters to report by exception. We will continue to review the body's arrangements and report.

Page

Criteria	2024/25 judgements on arrangements	2025/26 risk assessment	2025/26 expected procedures to respond
Financial sustainability	Based on 2024/25- the Council had proper arrangements in place in 2024/25 in how it uses information about its costs and performance to improve the way it manages and delivers its services	No risk of significant weakness has been identified	Not applicable
Governance	Based on 2024/25- the Council had proper arrangements in place in 2024/25 in how it uses information about its costs and performance to improve the way it manages and delivers its services	No risk of significant weakness has been identified	Not applicable
Improving economy, efficiency and effectiveness	Based on 2024/25- the Council had proper arrangements in place in 2024/25 in how it uses information about its costs and performance to improve the way it manages and delivers its services	No risk of significant weakness has been identified	Not applicable



# 04 Audit materiality

# Materiality

## Council materiality

For planning purposes, materiality for 2026 has been set at £24 million. This represents 1.8% of the Council's 2026 forecasted gross expenditure on provision of services. It will be reassessed throughout the audit process. We have chosen gross expenditure on provision of services as we consider that this is of primary interest to the users of the accounts, We have chosen 1.8%, which is at the top end of the range of percentages within our audit approach for comparable size councils, after consideration of a range of factors such as the public profile of the entity and level of available revenue reserves.

Gross expenditure on provision of services

£1,334m

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Planning materiality  
£24m

Performance materiality  
£18m

Audit differences  
£1.2m

We request that the Audit and Governance Committee confirm its understanding of, and agreement to, these materiality and reporting levels.

## Key definitions

**Planning materiality** – the amount over which we anticipate misstatements would influence the economic decisions of a user of the financial statements.

**Performance materiality** – the amount we use to determine the extent of our audit procedures. We have set performance materiality at £18 million which represents 75% of materiality.

We deem it appropriate to set TE at 75% to reduce the risk of undetected misstatement to a suitably low level.

**Audit difference threshold** – We will report to you all uncorrected misstatements over £1.2 million, relating to the income statement and balance sheet that have an effect on income and misstatements in the OCI.

Other uncorrected misstatements, such as reclassifications and misstatements in the cashflow or disclosures and corrected misstatements will be communicated to the extent that they merit the attention of the Audit and Governance Committee or are important from a qualitative perspective.



# 05 Scope of our audit

# Audit process and strategy

## Objectives of our audit scoping

In accordance with the NAO Code, our primary objectives are to conduct work that supports the delivery of our audit report to the Council. Additionally, we aim to ensure that the Council has established proper arrangements for securing economy, efficiency, and effectiveness in its use of resources, as mandated by relevant legislation and the requirements of the NAO Code. We will issue an audit report that covers:

### 1. Financial statement audit

Our opinion on the financial statements:

- Whether the financial statements give a true and fair view of the financial position of the group and its expenditure and income for the period in question; and
- Whether the financial statements have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction.

Our opinion on other matters:

- whether other information published together with the audited financial statements is consistent with the financial statements.

Other procedures required by the Code:

Examine and report on the consistency of the Whole of Government Accounts schedules or returns with the body's audited financial statements for the relevant reporting period in line with the instructions issued by the National Audit Office.

### 2. Arrangements for securing economy, efficiency and effectiveness (value for money)

We are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources and report a commentary on those arrangements.

## Internal audit

We will review internal audit plans and the results of their work. We will reflect the findings from these reports, together with reports from any other work completed in the year, in our detailed audit plan, where they raise issues that could have an impact on the financial statements.



# 06 Audit team

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# Audit team

## Audit team leadership

The global engagement team is led by Simon Mathers, who has overall responsibility for the performance of the audit and for the auditor's report issued on behalf of EY.

## Our approach to the use of specialists

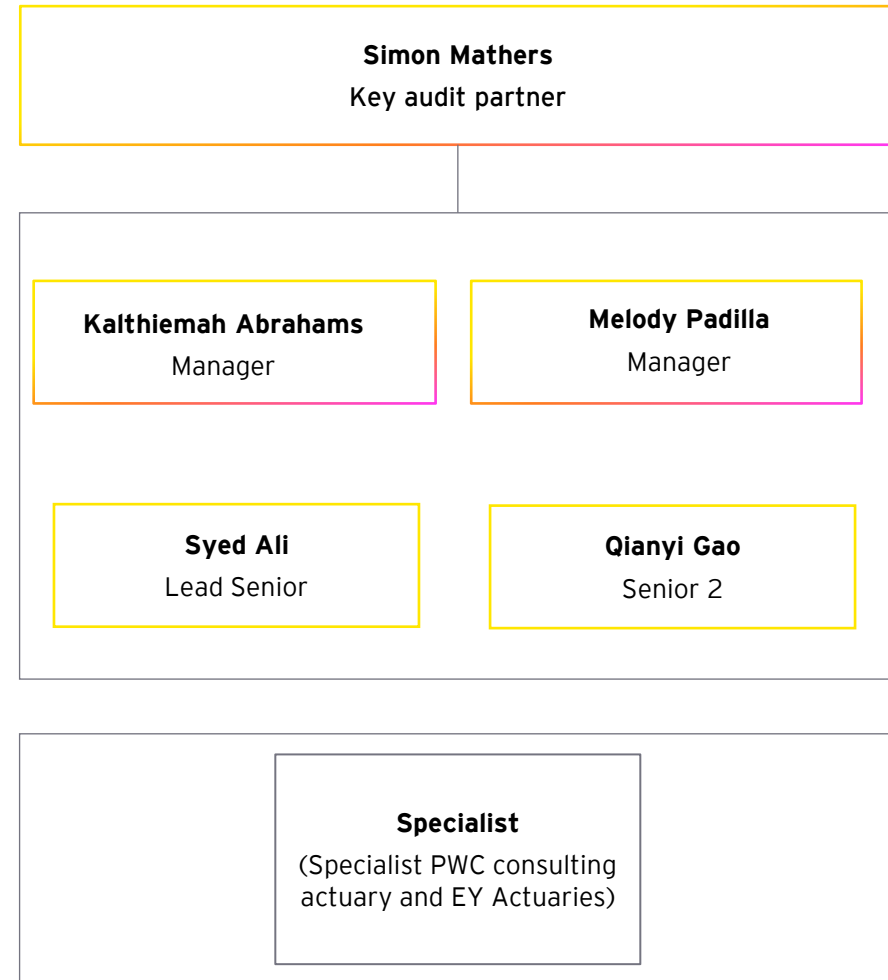
When auditing key judgements, we are often required to use the input and advice provided by specialists who have qualifications and expertise not possessed by the core audit team. The areas where EY specialists are expected to provide input for the current year audit are:

Area	Specialists
Pensions disclosure	EY Actuaries PWC consulting actuary

In accordance with Auditing Standards, we will evaluate each specialist's professional competence and objectivity, considering their qualifications, experience and available resources, together with the independence of the individuals performing the work.

We also consider the work performed by the specialist in light of our knowledge of the Council's business and processes and our assessment of audit risk in the particular area. For example, we would typically perform the following procedures:

- Analyse source data and make inquiries as to the procedures used by the specialist to establish whether the source data is relevant and reliable
- Assess the reasonableness of the assumptions and methods used
- Consider the appropriateness of the timing of when the specialist carried out the work
- Assess whether the substance of the specialist's findings are properly reflected in the financial statements.





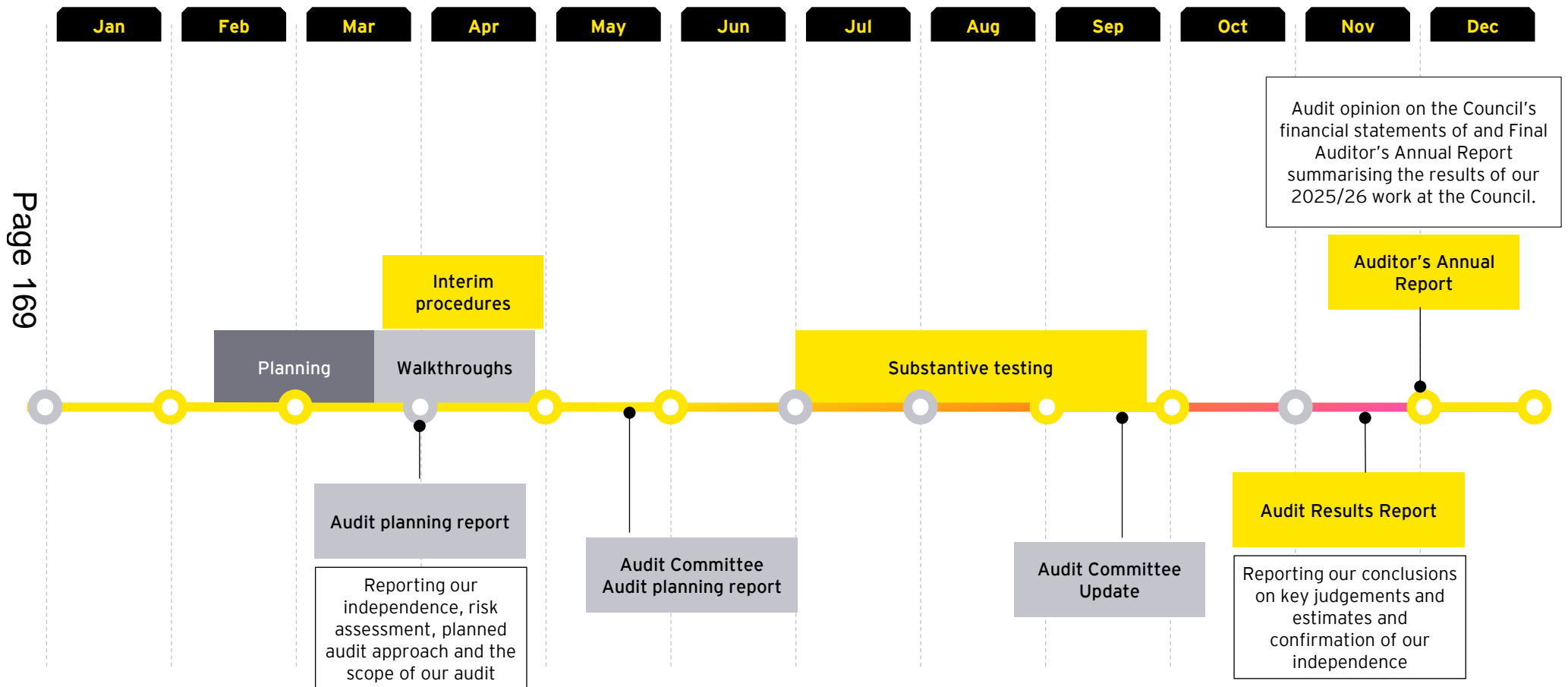
# 07 Audit timeline

# Timetable of communication and deliverables

## Timeline

Below is a timetable showing the key stages of the audit and the deliverables we have agreed to provide to you through the audit cycle in 2026.

From time to time matters may arise that require immediate communication with the Audit Committee and we will discuss them with the Audit Committee Chair as appropriate. We will also provide updates on corporate governance and regulatory matters as necessary.





# 08 Appendices

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# Appendix A – Rebuilding assurance: responsibilities

## The Council's responsibilities

As set out in Appendix B our fee is based on the assumption that the Council complies with PSAA's Statement of Responsibilities of auditors and audited bodies. See <https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>. In particular, the Council should have regard to paragraphs 26-28 of the Statement of Responsibilities which clearly set out what is expected of audited bodies in preparing their financial statements. We set out these paragraphs in full below:

### Preparation of the statement of accounts

26. Audited bodies are expected to follow Good Industry Practice and applicable recommendations and guidance from CIPFA and, as applicable, other relevant organisations as to proper accounting procedures and controls, including in the preparation and review of working papers and financial statements.

27. In preparing their statement of accounts, audited bodies are expected to:

- prepare realistic plans that include clear targets and achievable timetables for the production of the financial statements;
  - ensure that finance staff have access to appropriate resources to enable compliance with the requirements of the applicable financial framework, including having access to the current copy of the CIPFA/LASAAC Code, applicable disclosure checklists, and any other relevant CIPFA Codes.
- assign responsibilities clearly to staff with the appropriate expertise and experience;
- provide necessary resources to enable delivery of the plan;
- maintain adequate documentation in support of the financial statements and, at the start of the audit, providing a complete set of working papers that provide an adequate explanation of the entries in those financial statements including the appropriateness of the accounting policies used and the judgements and estimates made by management;
- ensure that senior management monitors, supervises and reviews work to meet agreed standards and deadlines;
  - ensure that a senior individual at top management level personally reviews and approves the financial statements before presentation to the auditor; and
  - during the course of the audit provide responses to auditor queries on a timely basis.

28. If draft financial statements and supporting working papers of appropriate quality are not available at the agreed start date of the audit, the auditor may be unable to meet the planned audit timetable, and the start date of the audit will be delayed.

## Observations from 2024/25

As we have outlined in prior years, our ability to complete the audit is dependent on the timely formulation of appropriately supported accounting judgements, provision of accurate and relevant supporting evidence, access to the finance team and management's responsiveness to issues identified during the audit. We presented our views on the effectiveness of the Council's arrangements to support external financial across a range of relevant measures as part of our 2024/25 Audit Results Report.

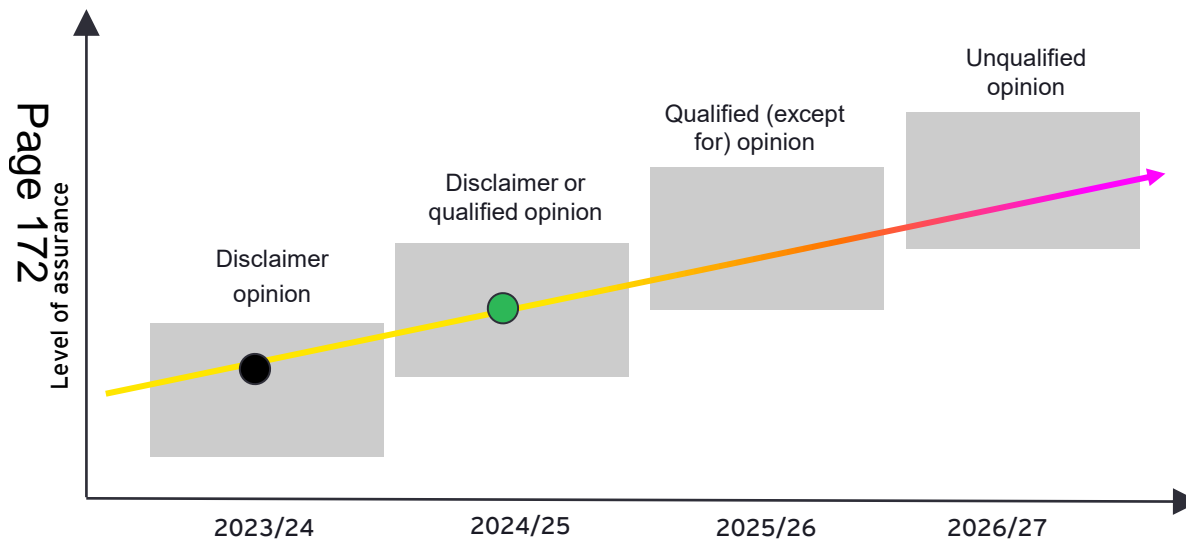
We have repeated this assessment on the following page. Where we have been unable to undertake all planned procedures, this is likely to extend the timetable to recover assurance on the Council's/Authority's financial statements, see page 40 for further details.

# Appendix A – Rebuilding assurance continued

## Progress to full assurance

The chart below sets out the illustrative timescale for the process of rebuilding assurance set out in the NAO's Local Audit Reset and Recovery Implementation Guidance (LARRIG) 01, together with our view of the Council's actual progress against that timescale, the reasons for that assessment and what still needs to be done to successfully rebuild assurance.

The guidance recognises that the path to full assurance, and therefore an unqualified opinion, will usually take a number of years to achieve, and depends upon co-ordination and engagement between the Council and audit team. Since 2022/23, we have applied a structured, risk-based prioritisation approach to local government audits to support a return to unqualified audit opinions wherever feasible, while still meeting statutory backstop requirements.



### Oxfordshire County Council progress

- In the audit report for the year ended 31 March 2025, a qualified audit opinion was issued which drew attention to remaining valuation of property, plant and equipment that were last revalued in the financial years 2022/23 and classification of reserves between useable and unusable. In the audit report for the year ended 31 March 2024 disclaimer of opinion was issued due to the application of the backstop.

In our view, the Council's progress is in line with the expected timescales set out in LARRIG 01.

In 2024/25 we were able to make significant progress in the level of assurance achieved in relation to debtors, pension liabilities, Investments, Cash and cash Equivalents, creditors, borrowings, provisions, grants receipts in advance, disclosures, financing and investment income and expenditure, taxation and non-specific grant income and the cash flow statement.

Our risk assessment for 2025/26 is underway, and our work will seek to focus on continuing to buildback assurances in the following areas:

- Property, plant and equipment balances and related entries to the Consolidated Income and Expenditure Statement, taking account of relevant changes to the CIPFA Code and related guidance in Bulletin 22;
- Reserve balances ; and
- NCOS Income and Expenditure Statement

Efficient delivery will continue to rely on the strong cooperation we have experienced to date as we set out on the following page, including timely responses, clear communication and the provision of good-quality working papers. Maintaining this approach will support us in completing the audit in line with the agreed timetable.

# Appendix A – Rebuilding assurance: responsibilities continued

## Factors impacting the execution of the 2024/25 audit

Area	Status			Explanation	Further detail
	R	A	G		
Timeliness of the draft financial statements	Effective			The financial statements were not published by the 30 <sup>th</sup> June 2025 deadline set out in the Accounts and Audit Regulations.	N/A
Quality and completeness of the draft financial statements	Effective			There were a small number non-material internal inconsistencies, typographical and arithmetic errors in the draft financial statements.	N/A
Delivery of working papers in accordance with agreed client assistance schedule	Requires improvement			The draft financial statements submitted for audit did not contain all the transitional adjustments and disclosures required for implementation of IFRS 16 and supporting working papers were not fully complete, including a consideration of the impact of IFRS 16 on the Council's PFI arrangements. This caused delays completing our procedures. Other than the IFRS 16 implementation working papers, working papers were submitted within the agreed timelines.	This resulted in a scale fee variation.
Quality of working papers and supporting evidence	Effective			Working papers and supporting evidence were generally of a good standard.	N/A
Timeliness and quality of evidence supporting key accounting estimates	Effective			The timeliness and quality of evidence supporting key accounting estimates was generally satisfactory.	N/A
Access to finance team and personnel to support the audit in accordance with agreed project plan	Effective			There were no issues with access to the finance team and key personnel.	N/A
Volume and value of identified misstatements	Requires improvement			A moderate number of misstatements that were above performance materiality in aggregate were detected as a result of our work across both the main financial statements and disclosures.	N/A
Volume of misstatements in disclosure	Requires improvement			A moderate number of misstatements in disclosures were detected in our work. A large proportion of these disclosure misstatements related to IFRS 16.	N/A

### Key:

**Red: Ineffective.** In our judgement, significant improvements are required in the Council's arrangements to support the rebuilding of assurance. Action should be taken to respond immediately.

**Amber: Requires Improvement.** Matters and/or issues had an impact on the delivery of the audit and should be addressed in future years.

**Green: Effective.** There were no significant matters that impacted the timing or effectiveness of audit procedures.

# Appendix B - Independence and Fees

The FRC Ethical Standard 2024 and ISA (UK) 260 'Communication of audit matters with those charged with governance', requires us to communicate with you on a timely basis on all significant facts and matters that bear upon our integrity, objectivity and independence. The Ethical Standard requires that we communicate formally both at the planning stage and at the conclusion of the audit, as well as during the course of the audit if appropriate. The aim of these communications is to ensure full and fair disclosure by us to those charged with your governance on matters in which you have an interest.

## Required communications

### Planning stage

- The principal threats, if any, to objectivity and independence identified by Ernst & Young (EY) including consideration of all relationships between you, your affiliates and directors and us;
  - The safeguards adopted and the reasons why they are considered to be effective, including any Engagement Quality review;
- The overall assessment of threats and safeguards;
- Information about the general policies and process within EY to maintain objectivity and independence
- The IESBA Code requires EY to provide an independence assessment of any proposed non-audit service (NAS) to the PIE audit client and will need to obtain and document pre-concurrence from the audit committee/those charged with governance for the provision of all NAS prior to the commencement of the service (i.e., similar to obtaining a "pre-approval" to provide the service).

### Final stage

- In order for you to assess the integrity, objectivity and independence of the firm and each covered person, we are required to provide a written disclosure of relationships (including the provision of non-audit services) that may bear on our integrity, objectivity and independence. This is required to have regard to relationships with the entity, its directors and senior management, its affiliates, and its connected parties and the threats to integrity or objectivity, including those that could compromise independence that these create. We are also required to disclose any safeguards that we have put in place and why they address such threats, together with any other information necessary to enable our objectivity and independence to be assessed;
- Details of non-audit/additional services provided and the fees charged in relation thereto;
- Written confirmation that the firm and each covered person is independent and, if applicable, that any non-EY firms used in the group audit or external experts used have confirmed their independence to us;
- Details of any inconsistencies between FRC Ethical Standard and your policy for the supply of non-audit services by EY and any apparent breach of that policy;
- Details of all breaches of the IESBA Code of Ethics, the FRC Ethical Standard and professional standards, and of any safeguards applied and actions taken by EY to address any threats to independence (for breaches of the FRC Ethical Standard include details of its significance); and
- An opportunity to discuss auditor independence issues.

In addition, during the course of the audit, we are required to communicate with you whenever any significant judgements are made about threats to objectivity and independence and the appropriateness of safeguards put in place, for example, when accepting an engagement to provide non-audit services.

We ensure that the total amount of fees that EY and our network firms have charged to you and your affiliates for the provision of services during the reporting period, analysed in appropriate categories, are disclosed.

# Appendix B - Independence and Fees continued

## Relationships, services and related threats and safeguards

We highlight the following significant facts and matters that may be reasonably considered to bear upon our objectivity and independence, including the principal threats, if any. We have adopted the safeguards noted below to mitigate these threats along with the reasons why they are considered to be effective. However we will only perform non-audit services if the service has been pre-approved in accordance with your policy.

## Overall Assessment

Overall, we consider that the safeguards that have been adopted appropriately mitigate the principal threats identified and we therefore confirm that EY is independent and the objectivity and independence of Simon Mathers, your audit engagement partner and the audit engagement team have not been compromised.

## Self interest threats

A self interest threat arises when EY has financial or other interests in the Council. Examples include where we have an investment in your company; where we receive significant fees in respect of non-audit services; where we need to recover long outstanding fees; or where we enter into a business relationship with you. At the time of writing, there are no long outstanding fees and no planned non-audit services.

A self interest threat may also arise if members of our audit engagement team have objectives or are rewarded in relation to sales of non-audit services to you. We confirm that no member of our audit engagement team, including those from other service lines, has objectives or is rewarded in relation to sales to you, in compliance with FRC ES Section 4.

There are no other self interest threats at the date of this report.

# Appendix B - Independence and Fees continued

## Self review threats

Self review threats arise when the results of a non-audit service performed by EY or others within the EY network are reflected in the amounts included or disclosed in the financial statements. There are no self review threats at the date of this report.

## Management threats

Partners and employees of EY are prohibited from taking decisions on behalf of management of your company. Management threats may also arise during the provision of a non-audit service in relation to which management is required to make judgements or decisions based on that work.

There are no management threats at the date of this report.

## Other threats

Other threats, such as advocacy, familiarity or intimidation, may arise.

There are no other threats at the date of this report.

## EY Transparency Report

EY has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained. Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is for the period ended 30 June 2025 and can be found here: [EY UK 2025 Transparency Report](#).

# Appendix B – Independence and Fees continued

The duty to prescribe fees is a statutory function delegated to Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Housing, Communities and Local Government.

This is defined as the fee required by auditors to meet statutory responsibilities under the Local Audit and Accountability Act 2014 in accordance with the requirements of the Code of Audit Practice and supporting guidance published by the National Audit Office, the financial reporting requirements set out in the Code of Practice on Local Authority Accounting published by CIPFA/LASAAC, and the professional standards applicable to auditors' work.

The agreed fee presented is based on the following assumptions:

- Page 177
- officers meeting the agreed timetable of deliverables;
  - our financial statement opinion and value for money conclusion being unqualified;
  - appropriate quality of documentation is provided by the Council;
  - an effective control environment; and
  - compliance with PSAA's Statement of Responsibilities of auditors and audited bodies. See <https://www.psaa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>. In particular the Council should have regard to paragraphs 26-28 of the Statement of Responsibilities which clearly sets out what is expected of audited bodies in preparing their financial statements. These are set out in full on the previous page.

If any of the above assumptions prove to be unfounded, we will seek a variation to the agreed fee. This will be discussed with the Council in advance.

	Current Year	Scale fee	Prior Year
	£m	£m	£m
Total Fee – Code Work	326,949	326,949	318,043
Proposed scale fee variation	Note 2		Note 1
<b>Total fees</b>	<b>TBC</b>	<b>326,949</b>	<b>318,043</b>

## All fees exclude VAT

1. As set in our 2024/25 Audit Results Report, a scale fee variation was submitted to PSAA covering the following areas:
  - Additional procedures to assess the completeness and accuracy of transitional adjustments and disclosures, arising as a result of the implementation of IFRS 16 in 2024/25. PSAA have previously communicated that any additional work required as a result of the implementation of this new accounting standard has not been accounted for within the Scale Fee.
  - Work performed by EY Pensions to review the assumptions used in the Pensions Liability calculation, including the asset ceiling calculation.
  - Additional procedures required as a result of the modification to our audit report and to continue the process of building back assurance following the issue of the disclaimer in 2022/23.
2. For 2025/26 the planned fee represents the base fee, i.e., not including any extended testing. The scale fee also may be impacted by a range of other factors which will result in additional work, which include but are not limited to:
  - Consideration of correspondence from the public and formal objections.
  - Non-compliance with law and regulation with an impact on the financial statements.
  - The need to exercise auditor statutory powers
  - Prior period adjustments
  - Modified financial statement opinions
  - Audit work performed on rebuilding assurance.

# Appendix C – Prior year recommendations

As part of our annual audit procedures we will follow up the specific open and in progress recommendations reported within our 2024/25 reporting, including those relating to value for money arrangements. The two open recommendations from prior years are outlined below, along with the response from management.

Classification of recommendations		
<b>Grade 1:</b> Key risks and / or significant deficiencies which are either critical to the achievement of strategic objectives or significant risks to material compliance with regulatory requirements. Management needs to address and seek resolution urgently.	<b>Grade 2:</b> Risks or potential weaknesses which impact on objectives and compliance, or impact the operation of a single process, and so require prompt but less urgent immediate action by management.	<b>Grade 3:</b> Less significant issues and / or areas for improvement which consider merit attention but do not require to be prioritised by management.

## Internal control weaknesses

No.	Finding and/or risk	Recommendation and grading	Management response / Implementation timeframe
1.	During our walkthrough of the Financial Statement Close Process (FSCP), management was unable to demonstrate arrangements has been fully developed and implemented to adopt the requirements of IFRS 16 in the 2024/25 financial statements. The draft financial statements submitted for audit did not contain all the transitional adjustments and disclosures required for implementation of IFRS 16 and supporting working papers were not fully complete, including a consideration of the impact of IFRS 16 on the Council's PFI arrangements. As a result, some audit work in this area remains ongoing at the date of this report. Some amendments will also be required to both the primary statements of account and supporting disclosures.	<ul style="list-style-type: none"> <li><b>Grade: 2</b></li> <li>When implementing new accounting standards likely to have a material impact, management should devise an appropriately resourced project plan to ensure transitional adjustments and related disclosures are complete and accurate in the financial statements submitted for audit. An accounting paper should be produced to address key management considerations related to recognition, measurement, and disclosure within the Statement of Accounts. Subsequently, detailed working papers should be prepared to ensure alignment between these accounting considerations and the transitional adjustments and disclosures presented in the financial statements submitted for audit.</li> </ul>	Management acknowledges the observation regarding IFRS 16 implementation. This new and complex standard introduces significant changes to lease accounting, which has posed challenges during transition. To ensure compliance, an accounting paper is being finalised to address key considerations on recognition, measurement, and disclosure, including the impact on PFI arrangements. Supporting working papers will be completed and reviewed to ensure alignment with the financial statements. Processes will also be strengthened to monitor future accounting standards and secure timely adoption. All outstanding work will be completed promptly to ensure full compliance with IFRS 16
2.	During the audit of PPE Additions, appropriate supporting evidence for labour costs capitalised was not obtained for one of the sample items selected. This resulted in a judgemental error.	<ul style="list-style-type: none"> <li><b>Grade: 2</b></li> <li>Management should ensure that there is appropriate evidence to support capitalised labour costs.</li> </ul>	We acknowledge the observation regarding missing evidence for capitalised labour costs on one PPE addition. This occurred prior to the implementation of recommendations from last year's audit report. Since then, we have introduced measures to ensure staff time is correctly capitalised and reviewed by management.

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# Appendix D – Regulatory update

## Key regulatory changes

There are a number of key regulatory developments underway relating to local authority governance and the audit of the Council’s financial statements. The following table provides a high level summary of those that have the potential to have the most significant impact on you:

Name	Summary of key measures	Impact on Oxfordshire County Council
<p>English Devolution and Community Empowerment Bill</p>	<p>The Bill has completed all scrutiny stages in the House of Commons and is now at Committee stage (Grand Committee) in the House of Lords. The following measures therefore remain proposals until Royal Assent is granted:</p> <ul style="list-style-type: none"> <li>▪ <b>Local audit system reforms:</b> The Bill includes provisions to reform elements of the local audit framework in England alongside support measures intended to address the audit backlog. The Bill will also enable changes to the way audit oversight and local audit responsibilities operate. Section 61 of the Bill provides for the establishment of the Local Audit Office (LAO). Legislation will set out that the main objective of the LAO is to secure the effective operation of the system of audit, with a view to meeting the needs of users of audited accounts. The LAO will appoint auditors to non-NHS bodies, determine audit fees and prepare one or more Code of Audit Practice.</li> <li>▪ <b>Combined authorities and Combined County Authorities:</b> The Bill expands powers and functions of combined authorities and places combined county authorities on a clearer statutory footing. This will allow further transfer of functions from constituent councils.</li> <li>▪ <b>Devolution of functions to “Strategic Authorities”:</b> The Bill expands the category of Strategic Authorities and allows transfer of responsibilities from central government and councils.</li> <li>▪ <b>Local Government Reorganisation:</b> The Bill supports changes to council structures to support devolution.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Local audit system reforms may result in changes to audit timescales or responsibilities and there may therefore be transition risks in future years.</li> <li>▪ The Bill provides that the Council must have an audit committee, and that at least one member of the committee be an independent person.</li> </ul>
<p><a href="#">Renters Right Act</a></p>	<ul style="list-style-type: none"> <li>▪ The Renter’s Rights Act became law on 27th October 2025. Under the Act, Councils are going to gain new powers to investigate landlords; act against rogue landlords; and ensure landlord compliance with new standards expected of them.</li> <li>▪ Local housing authorities will receive £18.2 million in 2025/26 to support preparations for the implementation of the Renters’ Rights Act 2025 and to build enforcement capacity. Funding will be allocated based on the number of private rented sector properties in each local area.</li> </ul>	<p>Enforcement guidance for local Councils has now been published. The guidance provides the critical information that enforcement officers will need to know to carry out their work in line with the new legislation. There will be a bespoke programme of training, webinars and resources through ‘Operation Jigsaw’, a cross-local Councils initiative; Changes will start coming into effect from 1st May 2026.</p>

# Appendix D – Regulatory update continued

## Key regulatory changes continued

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Name	Summary of key measures	Impact on Oxfordshire County Council
<a href="#">Public Office (Accountability) Bill</a>	<p>The Public Office (Accountability) Bill aims to impose a duty on public authorities and public officials to “at all times act with candour, transparency and frankness in their dealings with inquiries and investigations.” Breach of the duty would be a criminal liability.</p> <p>The Bill is expected to apply not only to both core public bodies delivering public services but also private bodies delivering public functions such as those on a government contract.</p> <p>The Bill also proposes:</p> <ul style="list-style-type: none"> <li>▪ A new statutory duty on public authorities to promote and take steps to maintain high standards of ethical conduct, as defined by the Seven Principles of Public Life, or “Nolan Principles”;</li> <li>▪ Reforms that will make it easier to prosecute misconduct in public office; and</li> <li>▪ An offence of misleading the public.</li> </ul>	<ul style="list-style-type: none"> <li>▪ While the Bill continues to make its way through the House of Commons Committee processes, the Council should ensure that training and support for Councillors is enhanced to take account of greater expectations in relation to local government standards.</li> </ul>
<a href="#">Fair Funding Review</a>	<ul style="list-style-type: none"> <li>▪ On 20 November 2025, the government announced a multi-year Local Government Finance Settlement in a decade, together with the Fair Funding Review . Key measures include:</li> <li>▪ There will be a single settlement for 2026/27 to 2028/29</li> <li>▪ The government plans to use up to date English Indices of Multiple Deprivation, together with up-to-date services cost and demand data to calculate individual council allocations for 2026/27 to 2028/29; and</li> <li>▪ The Children and Young People’s Services formula will use the latest index of deprivation affecting children.</li> </ul> <p>The new indices are expected to lead to greater transparency and a reduced reliance on competitive bidding for funds. The Government also announced it will simplify 33 funding streams, worth almost £47 billion over three years.</p>	<p>Using new indices will result in some Councils seeing increases in their allocations, whilst others see decreases. The government has, however, set out transitional arrangements to help with managing change:</p> <ul style="list-style-type: none"> <li>▪ A Recovery Grant funding guarantee to upper tier authorities in receipt of Recovery Grant;</li> <li>▪ Funding floors and phasing in of new allocations across the multi-year settlement; and</li> <li>▪ Additional money in the national settlement for children’s social care and a new ring-fenced combined Homelessness, Rough Sleeping and Domestic Abuse grant over three years.</li> </ul>

# Appendix D – Regulatory update continued

## Other reporting

There are a number of key publications from the National Audit Office that have an impact on the Council. The following table provides a high level summary of those that have the potential to have the most significant impact on you:

Name	Summary of key messages	Impact on Oxfordshire County Council
<a href="#">Local government finance report 2026 to 2027</a>	<p>The 2026-27 Local Government Finance Report introduces a multi-year settlement covering 2026/27 to 2028/29 and implements the Fair Funding Review 2.0. Updated distribution formulas will reallocate resources between councils, reflecting more recent demographic and deprivation data.</p> <p>The report confirms the continuation of council tax referendum principles and introduces significant changes to Special Educational Needs and Disabilities (SEND) funding, including the extension of the statutory override for DSG deficits to 2027/28 and a government-funded write-off of approximately 90% of historical DSG deficits. These policy changes represent one of the most substantial re-baselining exercises in recent years.</p>	<ul style="list-style-type: none"> <li>▪ Councils must re-model their Medium-Term Financial Plans (MTFPs) to account for formula redistribution effects and redesigned SEND funding arrangements. The ongoing restrictions on council tax increases will continue to limit local financial flexibility. For many authorities, particularly those with substantial DSG deficits, the reforms will have material implications for reserves management and financial stability.</li> </ul>
<a href="#">Exceptional Financial Support for local authorities for 2025-26</a>	<p>Exceptional Financial Support (EFS) remains a mechanism for councils facing acute short-term financial pressures.</p> <p>For 2025-26, thirty authorities received in-principal approval for EFS, allowing them to treat certain revenue costs as capital expenditure through capitalisation directions. The government has removed the additional 1% borrowing premium previously applied and has imposed conditions including enhanced assurance reviews and restrictions on community-asset disposals.</p> <p>The NAO notes that, although EFS can prevent immediate failure, it shifts the burden to future years through increased borrowing.</p>	<ul style="list-style-type: none"> <li>▪ For the sector, the continuation of EFS signals sustained financial fragility. Authorities using EFS must demonstrate credible, independently-scrutinised recovery and savings plans, along with significant improvements in governance, financial management, and internal controls.</li> <li>▪ Councils should expect intensive oversight and stringent follow-up from central government when accessing this mechanism.</li> </ul>
<a href="#">Local audit reform: Government response to the consultation to overhaul local audit in England</a>	<p>The government response sets out a comprehensive overhaul of the local audit system in England. Central to the reforms is the creation of the Local Audit Office (LAO), which will assume responsibility for appointing auditors, preparing Codes of Audit Practice, enforcing quality standards, and overseeing audit delivery.</p> <p>A phased transition plan will move existing responsibilities from Public Sector Audit Appointments (PSAA) and other bodies to the NAO between 2026 and 2027, with the aim of stabilising the system, addressing audit backlogs, and restoring confidence in the timeliness and quality of local audit.</p>	<ul style="list-style-type: none"> <li>▪ For Councils, the reforms will lead to more prescriptive expectations around audit readiness, governance, documentation quality, and responsiveness. Authorities should anticipate tighter reporting deadlines and increased scrutiny of working papers, internal controls, and VFM arrangements.</li> </ul>

# Appendix D – Regulatory update continued

## Other reporting continued

Name	Summary of key messages	Impact on Oxfordshire County Council
<a href="#">Local Government Financial Sustainability</a>	<p>The National Audit Office most recently reported on the context of local government finances in February 2024, which included their consideration of service and financial pressures. They concluded that although total local government funding has risen modestly in recent years, it has not kept pace with population growth, rising service demand, or the increasing complexity and cost of supporting people with high needs. Real-terms funding per person fell between 2015-16 and 2023-24, while demand for essential services such as adult social care, children’s social care, SEND provision and homelessness continued to escalate. The NAO highlights growing evidence of strain across services, including delays in Education, Health and Care Plans and a sharp rise in families housed in temporary accommodation for longer than legally permitted. Repeated delays to long-promised funding reforms mean councils continue to rely on short-term, stop-gap measures. Exceptional Financial Support has become increasingly common, but while it prevents immediate failure, it also shifts financial risk into future years, reflecting underlying structural weaknesses in the local government finance system</p>	<ul style="list-style-type: none"> <li>▪ The report signals deepening financial fragility across the sector, with many councils facing heightened risk of issuing Section 114 notices unless systemic pressures are addressed. Rising demand and cost escalation in statutory services are absorbing an ever-greater share of local authority budgets, reducing the capacity to invest in preventative activity and long-term service improvement. The NAO warns that widespread reliance on temporary fixes—including Exceptional Financial Support—creates additional future liabilities and limits councils’ ability to plan sustainably. Without coordinated, cross-government reform of funding, accountability and service oversight frameworks, councils will remain locked in reactive financial management, with growing consequences for service quality, citizen outcomes and long-term financial resilience.</li> </ul>
<a href="#">Unlocking land for housing</a>	<p>The National Audit Office reported in February 2026 that the government aims to deliver 1.5 million new homes by July 2029. To support this ambition, various land-unlocking programmes have been introduced to address constraints such as inadequate infrastructure, land assembly challenges, and site viability issues. Since 2016, £10.5 billion has been allocated across 768 projects, with £8.4 billion committed and £5.7 billion spent.</p> <p>Although these programmes collectively predict enabling around 713,000 homes, the NAO highlights that only a small proportion—around 33,300 homes—can currently be evidenced as completed, pointing to gaps in monitoring and programme assurance. Additionally, the creation of the National Housing Delivery Fund and a new National Housing Bank from April 2026 signals a shift toward a more consolidated and strategic funding model.</p>	<ul style="list-style-type: none"> <li>▪ The sector will experience increased expectations to produce detailed and evidence-based infrastructure planning to secure funding from the new mechanisms. Councils will be required to strengthen the robustness of business cases, improve monitoring of actual housing delivery, and anticipate tighter central-government scrutiny of riskier or larger projects. The shift to a single-gateway funding structure will also compel councils to maintain well-developed pipelines to access multi-year support.</li> </ul>
<a href="#">Improving local areas through developer funding</a>	<p>The NAO identifies developer contributions—primarily Section 106 agreements and the Community Infrastructure Levy (CIL)—as essential tools for funding local infrastructure and affordable housing. However, the report finds significant variation across councils in both the application and governance of these mechanisms. Negotiated viability assessments often reduce the contributions developers agree to provide, while only around half of planning authorities have formally adopted CIL.</p> <p>Developer contributions account for roughly 44% of affordable housing delivery nationally, yet over 17,000 S106-linked affordable homes with planning consent lacked a housing association buyer at the time of review, indicating a delivery bottleneck. The government is providing additional planning capacity funding and establishing a Section 106 Affordable Homes Clearing Service to support councils in unlocking stalled developments.</p>	<ul style="list-style-type: none"> <li>▪ For Councils, strengthening internal governance and transparency around developer contributions will be increasingly important. Authorities will need improved planning capacity, including specialist viability expertise, to mitigate risks of reduced contributions and ensure developer obligations are properly monitored. With the proposed Infrastructure Levy no longer being taken forward, councils must optimise and professionalise the existing S106 and CIL frameworks.</li> </ul>

# Appendix E – Required communications with the Audit Committee

We have detailed the communications that we must provide to the audit committee.

		Our Reporting to you
Required communications	What is reported?	When and where
Terms of engagement	Confirmation by the audit committee of acceptance of terms of engagement as written in the engagement letter signed by both parties.	The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies.
Our responsibilities	Reminder of our responsibilities as set out in the engagement letter	Audit planning report - May 2026 Audit and Governance Committee
Planning and audit approach	<p>Communication of:</p> <ul style="list-style-type: none"> <li>▪ The planned scope and timing of the audit</li> <li>▪ The planned use of internal audit</li> <li>▪ The significant risks identified</li> </ul> <p>When communicating key audit matters this includes the most significant risks of material misstatement (whether or not due to fraud) including those that have the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team</p>	Audit planning report - May 2026 Audit and Governance Committee
Significant findings from the audit	<ul style="list-style-type: none"> <li>▪ Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures</li> <li>▪ Significant difficulties, if any, encountered during the audit</li> <li>▪ Other significant matters, if any, arising from the audit that were discussed, or subject to correspondence with management</li> <li>▪ Circumstances that affect the form and content of our auditor's report</li> <li>▪ Other matters if any, significant to the oversight of the financial reporting process</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee

# Appendix E – Required communications with the Audit Committee continued

Required communications	What is reported?	Our Reporting to you
		When and where
Going concern	<p>Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including:</p> <ul style="list-style-type: none"> <li>Whether the events or conditions constitute a material uncertainty related to going concern</li> <li>Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements</li> <li>The appropriateness of related disclosures in the financial statements</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee
Misstatements	<ul style="list-style-type: none"> <li>A request that any uncorrected misstatement be corrected</li> <li>Material misstatements corrected by management</li> <li>Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation</li> <li>The effect of uncorrected misstatements related to prior periods</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee
Fraud	<ul style="list-style-type: none"> <li>Enquiries of the audit committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity</li> <li>Any fraud that we have identified or information we have obtained that indicates that a fraud may exist</li> <li>Unless all of those charged with governance are involved in managing the entity, unless prohibited by law or regulation any identified or suspected fraud involving: <ul style="list-style-type: none"> <li>Management;</li> <li>Employees who have significant roles in internal control; or</li> <li>Others, when the identified or suspected fraud is other than clearly inconsequential.</li> </ul> </li> <li>The nature, timing and extent of audit procedures necessary to complete the audit when fraud involving management is suspected</li> <li>Matters, if any, to communicate regarding management's process for identifying and responding to the risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud</li> <li>Any other matters related to fraud, relevant to Audit Committee responsibility</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee

# Appendix E – Required communications with the Audit Committee continued

Required communications	What is reported?	Our Reporting to you
		When and where
Related parties	Significant matters arising during the audit in connection with the entity's related parties	Audit results report- Expected November 2026 Audit and Governance Committee
Independence	<p>Communication of the relevant ethical requirements, including those related to independence, that we apply for the audit engagement, including any independence requirements specific to audits of financial statements of the entity.</p> <p>Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, integrity, objectivity and independence</p> <p>Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as:</p> <ul style="list-style-type: none"> <li>▪ The principal threats</li> <li>▪ Safeguards adopted and their effectiveness</li> <li>▪ An overall assessment of threats and safeguards</li> <li>▪ Information about the general policies and process within the firm to maintain objectivity and independence</li> <li>▪ Breaches of IESBA Code of Ethics, local independence regulations or professional standards (for breaches of the FRC Ethical Standard, include details of the breach and its significance)</li> </ul> <p>Communication whenever significant judgements are made about threats to integrity, objectivity and independence and the appropriateness of safeguards put in place.</p> <p>Communication of relevant information to those charged with governance, to enable them to provide concurrence on the non-audit services being provided.</p>	Audit planning report - May 2026 Audit and Governance Committee
External confirmations	<ul style="list-style-type: none"> <li>▪ Management's refusal for us to request confirmations</li> <li>▪ Inability to obtain relevant and reliable audit evidence from other procedures</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee
Consideration of laws and regulations	<ul style="list-style-type: none"> <li>▪ Subject to compliance with applicable regulations, matters involving identified or suspected non-compliance with laws and regulations, other than those which are clearly inconsequential and the implications thereof. Instances of suspected non-compliance may also include those that are brought to our attention that are expected to occur imminently or for which there is reason to believe that they may occur</li> <li>▪ Enquiry of the audit committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the audit committee may be aware of</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee

# Appendix E – Required communications with the Audit Committee continued

Required communications	What is reported?	Our Reporting to you
		When and where
Internal controls	<ul style="list-style-type: none"> <li>Significant deficiencies in internal controls identified during the audit</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee
Representations	Written representations we are requesting from management and/or those charged with governance	Audit results report- Expected November 2026 Audit and Governance Committee
System of quality management	How the system of quality management (SQM) supports the consistent performance of a quality audit	Audit results report- Expected November 2026 Audit and Governance Committee
Material inconsistencies and misstatements	Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	Audit results report- Expected November 2026 Audit and Governance Committee
Auditors report	<ul style="list-style-type: none"> <li>Key audit matters that we will include in our auditor's report</li> <li>Any circumstances identified that affect the form and content of our auditor's report</li> </ul>	Audit results report- Expected November 2026 Audit and Governance Committee

# Appendix F – Additional audit information

## Objective of our audit

In addition to the key areas of audit focus outlined within the plan, we have to perform other procedures as required by auditing, ethical and independence standards and other regulations. We outline the procedures below that we will undertake during the course of our audit.

## Other required procedures during the course of the audit

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtaining sufficient appropriate audit evidence regarding the financial information of the activities within the Council to express an opinion on the financial statements. Reading other information contained in the financial statements, including the board's statement that the annual report is fair, balanced and understandable, the audit committee reporting appropriately addresses matters communicated by us to the audit committee and reporting whether it is materially inconsistent with our understanding and the financial statements.

Maintaining auditor independence.

## Purpose and evaluation of materiality

For the purposes of determining whether the accounts are free from material error, we define materiality as the magnitude of an omission or misstatement that, individually or in the aggregate, in light of the surrounding circumstances, could reasonably be expected to influence the economic decisions of the users of the financial statements. Our evaluation of it requires professional judgement and necessarily takes into account qualitative as well as quantitative considerations implicit in the definition. We would be happy to discuss with you your expectations regarding our detection of misstatements in the financial statements.

Materiality determines:

- The locations at which we conduct audit procedures to support the opinion given on the financial statements
- The level of work performed on individual account balances and financial statement disclosures

The amount we consider material at the end of the audit may differ from our initial determination. At this stage, however, it is not feasible to anticipate all of the circumstances that may ultimately influence our judgement about materiality. At the end of the audit we will form our final opinion by reference to all matters that could be significant to users of the accounts, including the total effect of the audit misstatements we identify, and our evaluation of materiality at that date.

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## AUDIT AND GOVERNANCE COMMITTEE

20 May 2026

### Annual Governance Statement 2025/26

Report by Director of Law & Governance and Monitoring Officer

#### RECOMMENDATION

1. The Audit & Governance Committee is **RECOMMENDED** to approve the Annual Governance Statement 2025/26, subject to the Monitoring Officer making any necessary amendments in the light of comments made by the Committee, after consultation with the Leader of the Council, the Chief Executive, and the Section 151 Officer.

#### Executive Summary

2. The Audit & Governance Committee has the responsibility of approving the Council's Annual Governance Statement (AGS) each year.
3. Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles. This includes reporting on how they have monitored and evaluated the effectiveness of their governance arrangements in the previous year and setting out any planned changes in the coming period.

#### Format of the Annual Governance Statement

4. The Annual Governance Statement (AGS) follows CIPFA and SOLACE guidance, which sets out key principles for local government governance in the "Delivering Good Governance in Local Government: Framework 2016 Edition."
5. The most recent guidance, issued by CIPFA and SOLACE in May 2025, provides updated requirements for the annual evaluation of governance and internal controls, as well as the preparation of the AGS. Serving as an addendum to the original framework, these revisions apply to UK local government statements from the 2025/26 period onward.
6. The addendum also supports the development of a local code of governance, ensuring that authorities implement all essential structures necessary to sustain sound governance practices. It emphasises the importance of conducting comprehensive reviews supported by varied sources of assurance to facilitate robust overall assessments. Authorities are expected to assess whether their governance arrangements remain effective and to identify any significant areas needing improvement.

7. Additionally, the AGS should adopt a forward-looking approach, describing how governance frameworks may be adapted to meet the future requirements of the authority.
8. The council's AGS includes:
  - An opinion on the Council's governance arrangements for 2025/2026 from the Council's Chief Executive and the Leader of the Council;
  - A review of the effectiveness of the Council's governance arrangements for 2025/2026;
  - A conclusion in relation to the effectiveness of those governance arrangements;
  - A review of the action plan from last year's statement;
  - An action plan for the coming year; and,
  - An annex summarising the Council's governance framework.
9. The AGS has been prepared in consultation with the Council's Corporate Governance Assurance Group (CGAG); an officer working group, which is responsible for monitoring the Council's governance arrangements during the year. The statement reflects enquiries made of officers with relevant knowledge, experience, and expertise. The review has been undertaken in consultation with the Council's Head of Paid Service, the Monitoring Officer and Deputy Chief Executive (Section 151 Officer), and all Directors.
10. During the preparation of the AGS, CGAG considered a series of thematic corporate lead statements. These statements, developed by service leads, outline the governance arrangements for the 2025/26 year and identify key areas for attention in 2026/27. CGAG will continue to monitor these areas throughout the forthcoming year.
11. In addition, Director Leadership Teams assessed the level of assurance that they had in their service area regarding colleagues' awareness and compliance.
12. The Strategic Leadership Team (SLT) (comprising the Council's Directors and Statutory S.151 and Monitoring Officers) were asked to reflect on their own view of the governance within their service during 2025/2026 when each completing their own Certificates of Assurance.
13. The action plan for 2026/27 highlights certain aspects of governance which CGAG consider require a particular level of focus this year which might not otherwise be apparent from work regularly reported to the Committee. As such, progress reports on these actions will be reported to the Committee throughout the year. The AGS is therefore a means of giving the Committee, and the public, visibility on those areas of focus.
14. Other governance and audit activity across the Council will be reported to this Committee (and to the Audit Working Group) through the normal work programmes.

## Conclusion

15. Based on the position outlined in the AGS, the 'Opinion' expressed in the AGS is:

"It is our opinion that the Council's governance arrangements in 2025/26 were adequate and provide a platform for achieving the Council's priorities and challenges in 2026/27."

16. The Committee is invited to approve the AGS.

## Financial Implications

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

Comments checked by:

Drew Hodgson, Strategic Finance Business Partner

[drew.hodgson@oxfordshire.gov.uk](mailto:drew.hodgson@oxfordshire.gov.uk)

## Legal Implications

18. The Council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised. In discharging these responsibilities, the Council must put in place proper arrangements for the governance of its affairs and effective exercise of its functions.

19. The Accounts and Audit Regulations 2015 require councils to undertake an annual review of their governance. The Regulations require that an Annual Governance Statement, prepared to fulfil this requirement, should form part of the Council's Statement of Accounts. The report is therefore coming to the Committee to meet this purpose and that timescale. A version of the AGS therefore needs to be approved at this meeting.

20. The Regulations also state that the Annual Governance Statement should be prepared in accordance with proper practices. Compliance with the CIPFA guidance (*Delivering Good Governance in Local Government: Framework (2016)/ May 2025 Addendum*) fulfils this requirement. The AGS put forward with this report is compliant with that guidance/framework.

Comments checked by:

Jay Akbar, Head of Legal & Governance Services, and Deputy Monitoring Officer

[jay.akbar@oxfordshire.gov.uk](mailto:jay.akbar@oxfordshire.gov.uk)

## **Staff Implications**

21. There are no direct staff implications arising from this report.

## **Equality & Inclusion Implications**

22. There are no direct equality and inclusion implications arising from this report.

## **Sustainability Implications**

23. There are no direct sustainability implications arising from this report.

## **Risk Management**

24. There are no direct risk management implications arising from this report.

**Anita Bradley, Director of Law & Governance, and Monitoring Officer**

Annex:                      Annex 1: Annual Governance Statement 2025/26

**Contact Officers:**    Sarah Smith, Senior Governance Lead  
[governance@oxfordshire.gov.uk](mailto:governance@oxfordshire.gov.uk)

May 2026



*Cover Photo: County Library, Oxford*

# **Oxfordshire County Council Annual Governance Statement 2025/2026**

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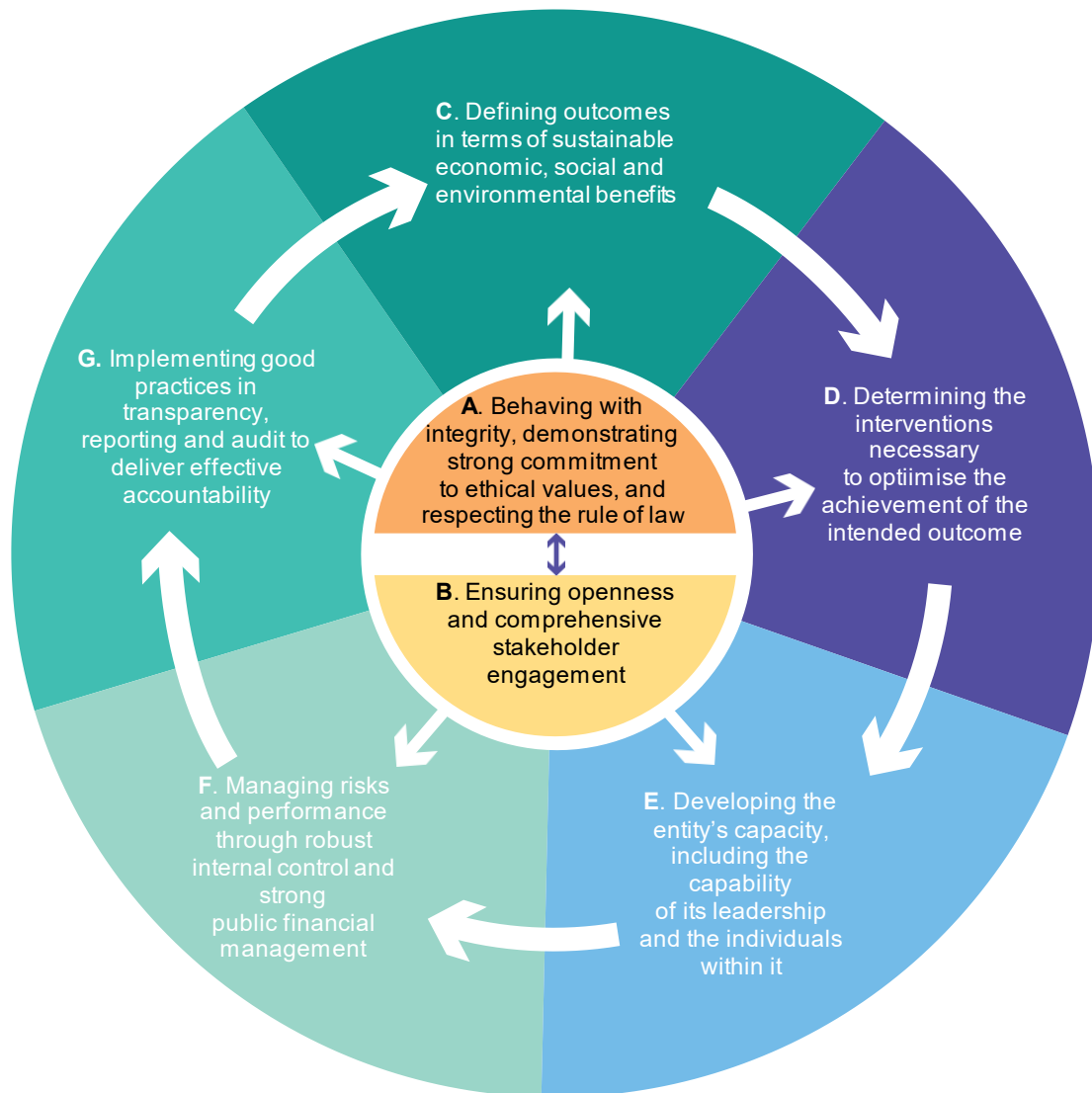
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### Introduction

1. Oxfordshire County Council is obliged to ensure it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives; ensure that the financial and operational management of the authority is effective; and includes effective arrangements for the management of risk.
2. The purpose of the 2025/26 annual governance statement is to offer a comprehensive overview of the organisational frameworks and practices that ensure adherence to the principles of good governance as outlined by CIPFA Solace. The statement should provide transparency and accountability in decision-making processes, demonstrate robust internal controls, and promote ethical behaviour across all levels of the organisation. Additionally, the statement should provide insights into risk management strategies designed to mitigate potential challenges, outline the effectiveness of stakeholder engagement, and describe how the organisation fosters a culture of continuous improvement. The statement should also reflect on the mechanisms in place for monitoring and reviewing governance performance and highlight any significant changes or developments in the governance structure during the year.
3. In accordance with Regulation 6 of the Accounts and Audit Regulations 2015, the council has conducted a review of the effectiveness of its system of internal control in accordance with proper practice as set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice: Delivering Good Governance in Local Government (2016) and addendum (May 2025).
4. Whilst supporting the council's arrangements for risk management, the governance framework cannot eliminate all risk to the achievement of policies, aims and objectives and this review can therefore only provide reasonable and not absolute assurance of effectiveness.
5. Similarly, this review provides assurance that the council has in place appropriate processes to ensure transparency and democratic oversight in decision making.
6. This statement is guided by CIPFA Advisory Note One, "Understanding the Challenge to Local Authority Governance" (March 2022) and describes the council's governance framework, the steps that have been taken to ensure that it is effective and establishes key actions that will be put in place to ensure the ongoing effectiveness of the council's arrangements.
7. The review reflects enquiries made of officers with relevant knowledge, experience, and expertise. The review has been undertaken in consultation with the council's Head of Paid Service, the Monitoring Officer, and the Deputy Chief Executive (Section 151 Officer).

## Governance Framework

- The governance framework at Oxfordshire County Council comprises the systems and processes, culture, and values which the council has adopted in order to deliver on the principles in the below diagram, (as taken from the [International Framework: Good Governance in the Public Sector](#) (CIPFA/IFAC, 2014) (the ‘International Framework’)). This illustrates the various principles of good governance in the public sector and how they relate to each other).
- The council has a separate code of governance, [“the Oxfordshire Code of Corporate Governance”](#) which is consistent with the principles of the CIPFA/SoLACE; Delivering good governance in local government: framework (2016) and addendum (May 2025). This is updated each year, approved by the Audit & Governance Committee and evidence actively collated and assessed for compliance. Compliance with the code was reported to the Audit and Governance Committee on 11 March 2026.



10. This Statement provides:

- a) An *opinion* on the council's governance arrangements from the council's Senior Officers, and signed by the Chief Executive and Leader of the council
- b) A review of the *effectiveness* of the council's governance arrangements during 2025/26
- c) A *conclusion* in relation to the effectiveness of the council's governance arrangements
- d) A review of the *action plan* completed in 2025/26
- e) An *action plan* for activity in 2026/27
- f) An *annex* summarising the council's governance framework.

11. As previously stated, the Annual Governance Statement is required by Regulation 6 of the Accounts and Audit Regulations 2015 and follows the best practice guidance from the Chartered Institute of Public Finance and Accounting.

## Assurance Statement

12. It is our opinion that the council's governance arrangements in 2025/26 were adequate and provide a platform for achieving the council's priorities and challenges in 2026/27.

## Signatures

Signed on behalf of Oxfordshire County Council:



Martin Reeves  
Chief Executive



Councillor Liz Leffman  
Leader of the Council

## Reviewing Our Effectiveness During 2025/26

### Overview and review of overall effectiveness

13. The council reviewed its overall effectiveness through an assessment of governance in all Services in late 2025 / early 2026. This required Directors to each work with their Leadership Teams to assess the level of assurance that they had in their service area regarding colleagues' awareness and compliance in the following areas:
- a) General Corporate Governance
  - b) Business Continuity
  - c) Commercial & Procurement
  - d) Customer Focus
  - e) Finance and Financial Management
  - f) Health and Safety
  - g) Human resources & Cultural Change
  - h) Information, Technology, Innovation and Digital
  - i) Information Services
  - j) Legislation
  - k) Performance Management
  - l) Property and security
  - m) Risk Management
14. In addition to these director assurance statements, corporate lead statements were produced by service leads describing the governance in place during the 2025/26 year and highlighting areas of focus for 2026/27. Statements were produced for areas as noted above at paragraph 13.
15. The council's Corporate Governance Assurance Group (CGAG), an officer working group, chaired by the Director of Law & Governance and Monitoring Officer, monitors any areas of focus throughout the year.
16. Any areas where issues were identified for development or improvement have been considered and will form part of the action plan for 2026/27.
17. In relation to the completion of the action plan for 2025/26, seven of the eight action points were completed, with one requiring further work to be undertaken during 2026/27. The status of these actions is outlined in **Annex 1**. The progress on these actions was reported to the Audit and Governance Committee throughout the year 2025/26.
18. Specific action points for 2026/27 are set out in **Annex 2**. The council believes these actions will help to establish some improved practices arising out of its active learning and experience in 2025/26.
19. Details of how the council's governance proved effective during 2025/26 can be found under the Service Issues section below (paragraph 84 onwards).

## Governance Actions – Review of 2025/26 and priorities for 2026/27

20. The two annexes to this Annual Governance Statement summarise:

**Annex 1:** updates on the priority actions for 2025/26

**Annex 2:** actions for 2026/27

21. The Actions for 2025/26 in **Annex 1** highlight certain aspects of emerging governance that might not otherwise be apparent from work regularly reported to the council's Audit & Governance Committee. As such, progress reports on these actions are reported to the Committee through the year. The Actions for 2026/27 in **Annex 2** will be monitored by the Corporate Governance Assurance Group (CGAG), and the Audit & Governance Committee.

22. Other governance and audit activity across the council will continue to be reported to the [Audit & Governance Committee](#) through its normal work programmes

## Governance in Outline

23. **Annex 3** sets out the council's governance framework in outline. This framework was reviewed and updated in March 2026, by the Corporate Governance Assurance Group (CGAG).



## Our Ambitions and People



### Our strategic plan 2025 – 2028

24. The council's [Strategic Plan 2025-28](#) sets out a vision for shaping strong and connected communities, healthy places to live, and a thriving local economy that benefits everyone.
25. The strategic plan details nine headline projects with specific goals in areas that residents have said are important to them, from a more responsive approach to road repairs to greater provision for children with special educational needs and disabilities (SEND). The plan was approved at the 4 November 2025 meeting of Council.
26. Of the nine headline projects, three are focused on a **greener Oxfordshire** – creating better spaces for residents and visitors in town centres; working with transport partners towards a countywide integrated bus and rail offer; and creating two dedicated highways response teams to tackle issues in priority areas.
27. Three projects focus on a **fairer Oxfordshire** – rolling out a network of family hubs; helping people overcome barriers to employment through initiatives like Connect to Work; and supporting young people leaving care into employment.
28. The final three focus on a **healthier Oxfordshire** – increasing the number of children who reach a good level of development at age five; delivering more specialist school

places for children with special educational needs and disabilities (SEND); and supporting an expanded and coordinated programme of youth provision.

29. Each headline project is supported by a delivery plan, which details the timeline, targets and milestones for delivery.

### **Monitoring and measuring progress towards the nine priorities**

30. Performance in delivering the overall strategy, including progress towards targets, is reviewed communicated every two months through the county council's business management and monitoring reports.
31. The reports are then reviewed by the council's Directors, the Performance and Corporate Services Overview and Scrutiny Committee before being considered by the Cabinet.



# DELIVERING

the Future Together

## Delivering the Future Together 2025/26

32. Over the past year, Delivering the Future Together has continued to evolve from a standalone programme to underpin everything we do as an organisation.
33. During 2025 and into 2026, we remain firmly on our journey to become an employer, partner and place-shaper of choice and are united in our commitment to help make Oxfordshire a greener, fairer and healthier county for everyone.
34. Our network of more than 200 Delivering the Future Together Champions represents every service area. They are ambassadors for our values and help champion new ways of working.
35. Delivering the Future Together champions help embed daily our five values that are the foundation of how we work with one another, with our partners and our residents:
  - a) Always Learning.
  - b) Daring to do it differently.
  - c) Be kind and care.
  - d) Equality and Integrity in all we do.
  - e) Taking Responsibility.
36. To see the progress the council has made and the impact it's having, you can read our [latest annual report](#). Highlights from 2024/25 include:
  - a) Rolling out the innovative Energy Saver App, which has enabled 8,000 residents to save money and install home retrofit measures.
  - b) Supporting 117 community action groups to hold 8,000 events to encourage and inspire environmental and sustainable behaviours.
  - c) Securing £3.6 million to improve public Electric Vehicle (EV) charging, making driving electric vehicles more accessible for all.
  - d) Implementing two natural flood management schemes in Sunningwell and Littleworth, with input from local communities and partners.
  - e) Provided free access to period products on a trial basis in libraries and children and family centres for people facing period poverty.

- f) Spending £3.3 million ensuring families of children entitled to free school meals received support with food costs during the school holidays.
- g) Delivering 17,237 NHS health checks across the county to those aged between 40 and 74.

## **Our statutory governance roles**

37. The council is required to appoint to three specific posts, each of which oversees a key aspect of the council's governance.
- i. **Head of the Paid Service** (HOPS) role; responsible for how the council's functions are delivered, and the appointment and proper management of staff. - Throughout 2025/26 this has been and remains **Martin Reeves, Chief Executive**.
  - ii. **Monitoring Officer** - the council's Director of Law and Governance and Monitoring Officer role; responsible for ensuring the council acts lawfully, dealing with Code of Conduct complaints against elected members and keeping the council's constitution under review. - Throughout 2025/26 this has been and remains **Anita Bradley**.
  - iii. **Section 151 Officer** - the council's Chief Finance Officer, and Deputy Chief Executive (Section 151 Officer) role; responsible for the financial management of the authority. Throughout 2025/26 has been and remains **Lorna Baxter**.

## **Deputy Chief Executives**

38. From 1 April 2025 until 31 December 2025 there were two Executive Director roles identified as Deputy Chief Executives; the Executive Director of People & Transformation, and the Executive Director of Resources (Section 151 Officer) providing direct support to the Chief Executive.
39. The Executive Director of People & Transformation left the council on 31 December 2025 at which point the remaining role was updated to **Deputy Chief Executive (Section 151 Officer)**.
40. The Deputy Chief Executives were integral members of the council's Strategic Leadership Team (SLT). As such, they were fully sighted on the council's objectives, workstreams and emerging plans; and their perspectives and voices continued to be heard in, and to influence, this senior forum. In line with best practice, the Chief Finance Officer and the Monitoring Officer reported directly to the Chief Executive.
41. The Deputy Chief Executive (Section 151 Officer) and the Monitoring Officer both have open access to the Chief Executive at all times and meet regularly as statutory officers.

The Deputy Chief Executive (Section 151 Officer) and the Monitoring Officer carry a statutory responsibility to report issues to the council, if needed. As such, these posts remain pivotal to the council's good governance.

42. In July 2024 Lawyers in Local Government (LLG), CIPFA and SOLACE launched a new Code of Practice on Good Governance for Local Authority Statutory Officers following an extensive consultation process with the sector. The Code of Practice for Good Governance sets out expectations for the Chief Executive, Chief Financial Officer, and the Monitoring Officer in local authorities. The Code aims to support these roles to work effectively together and deliver good governance. They must recognise their responsibilities, understand the separation of powers, and display good governance. As there are higher expectations from individuals in these roles, the Code considers the seven Nolan Principles in conjunction with the "Golden Triangle"<sup>1</sup> to advise and guide them. The Seven Principles of the Golden Triangle are as follows:

- a) Respect Roles and Responsibilities
- b) Act Wisely: A duty of enquiry and the exercise of statutory functions
- c) Be Robust in working arrangements
- d) Resource up: Get the tools to do the job
- e) Build resilience: Appointing Deputies
- f) Champion good decision making
- g) Effective Oversight: External companies and entities of the authority

43. In March 2026, the Director of Law & Governance and Monitoring Officer conducted a self-assessment of the council against the Code of Practice on Good Governance for Local Authority Statutory Officers. This was reviewed in April 2026 once the revised governance arrangements and Statutory Officer meeting Terms of Reference had been agreed. The Monitoring Officer concluded that there is strong alignment with the Code of Practice for Statutory Officers, supported by an established governance framework and a strong focus on ethical leadership.

44. The council considers that it meets all the Principles and Best Practice set out in the Code and will continue to undertake a regular self-assessment against the Code.

### Strategic Leadership Team

45. During 2025/26 the Strategic Leadership Team (SLT) comprised the thirteen most senior leaders in the council. The Strategic Leadership Board (SLB) provided overall vision, leadership and direction for the council, ensuring robust governance, effective partnerships, and continuous improvement. Throughout 2025/26 SLB was responsible for oversight of council performance, finance, and risk, as well as supporting political leadership by advising on the council's strategic plan and medium-term financial

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<sup>1</sup> The Golden triangle is the trio of statutory officers at the top of a local authority – the Head of Paid Service (typically the CEO), The s151 officer (typically the CFO or Director of Finance), and the Monitoring Officer. These roles are crucial for the governance and decision-making processes within a local authority – LLG.

strategy. SLB's core duties included shaping and reviewing strategic policy development, monitoring key performance indicators, guiding major partnerships, steering transformation and reorganisation processes, and prioritising leadership development.

### **Delivering the Future Together (DTFT) Transformation Portfolio Board / Senior Leadership Board: DTFT at The Senior Leadership Board**

46. Until 31 March 2026, the Transformation Portfolio Board provided strategic officer leadership and held ultimate accountability for setting the direction of the council. It exercised cross-council oversight, delegating the day-to-day delivery of strategy to Senior Responsible Officers and Programme Managers while retaining authority for key decisions.
47. The Transformation Portfolio Board's duties included making prioritisation decisions when resources were limited, approving resource allocations, managing risks and issues to ensure successful delivery, and agreeing overall funding and benefits requirements for the transformation programme. This structured approach ensured the organisation's transformation efforts were well-governed, properly resourced, and aligned with strategic objectives during that period.

### **New officer governance arrangements (from 1 April 2026)**

48. As the council prepares for local government reorganisation, and in the spirit of continuous improvement, the council's officer governance will be reorganised from April 2026, so the right decisions are made in the right place, with clear legal and financial assurance. This replaces the previous structure that was effective until 31 March 2026.

### **How the new officer governance works:**

- a) **Futures Forum:** a strategic forum for SLT. It focuses on strategic direction, priorities, policy development, horizon scanning, leadership and culture (not day-to-day operational decisions).
- b) **Directorate Leadership Teams (DLTs):** where directorates take most operational decisions, manage performance and plan work.
- c) **Statutory Officers Group:** (Chief Executive, Deputy Chief Executive & Section 151 Officer, and Monitoring Officer): provides assurance on high-impact legal, financial and governance issues, and signs off key statutory papers and major corporate submissions.
- d) **Approvals Board and Strategic Capital and Commercial Board:** The Approvals Board reviews and approves new ideas and business cases before they enter the organisation's portfolio, while the Strategic Capital and Commercial Board (SCCB)

provide oversight and assurance for major capital and commercial decisions, including high value or high-risk procurement.

- e) The council has set up a **Corporate Portfolio Management Office** which is the central hub for collecting information from programmes and reports into the Portfolio Board with updates, recommendations, risks, progress etc we can see what stage our delivery is at and whether any remedial actions are required.
- f) Whilst SLT will not play a role in the governance directly it will receive updates and, in some cases, identify initiatives to go to the Approvals Board.

## Risk Management

49. Throughout 2025/26 the Deputy Chief Executive (Section 151 Officer) had overarching responsibility for risk management. This function is led by the Head of Strategic Performance and Programme Management and managed on a day-to-day basis by the Performance and Insight Team Leader.

50. The Audit and Governance Committee approved the Risk and Opportunities policy on 26 November 2025, ensuring that the council’s approach is robust, transparent, and aligned with best practice. The strategy itself is shaped with input from the Strategic Leadership Team (SLT) and wider council colleagues across the Services and is subject to an annual review, underpinning the commitment to continual improvement and accountability.

51. This strategy outlines the process of Identification, Assessment, Managing and Controlling and Review and Reporting of risks across the council. The following systems/mechanisms to ensure internal control have been in place throughout 2025/26 and are captured within the Strategy.



52. Strategic risks are assigned ownership to individual Directors, who are responsible for their oversight. These risks are reported quarterly within the Business Management and Monitoring Reports (BMMR), ensuring that senior leaders and members are kept informed and engaged with key risk matters. Member oversight is reinforced by the Audit and Governance Committee, which not only approves the risk policy but also supports the council in effective risk escalation and operational register management.
53. At an operational level, Director Leadership Teams regularly review and manage risks, supported by the Head of Strategic Performance and Programme Management and the Performance and Insight Team. These groups ensure that risks are identified with clarity and escalated appropriately, maintaining strong governance at every tier of the organisation.
54. The objectives of the risk management policy place strong emphasis on promoting consistent understanding, raising awareness, ensuring compliance with governance best practices, and assigning clear accountability. By providing senior leadership and councillors with high-quality risk information, the council strengthens its ability to oversee and govern risk effectively.
55. Regular review at Director Leadership Teams, challenge by risk leads, and the integration of a risk-based audit plan all serve to reinforce governance mechanisms. Strategic risks were frequently reviewed by the Strategic Leadership Board, including through detailed workshops, and are tracked via an enhanced performance management system, ensuring sustained oversight and informed decision-making.

### **Escalation and risk mitigation arrangements: engagement with Cabinet Members**

56. The council's arrangements for escalation and risk mitigation operate through linked officer and member routes. Risks are managed through established service and programme controls, with escalation where issues become strategic and may impact delivery, financial resilience, reputation or statutory duties, ensuring that senior officers and relevant Cabinet Members have timely visibility and oversight.
57. Informal escalation is supported through engagement with the relevant Cabinet Member (portfolio holder) and, where appropriate, discussion at Informal Cabinet to support early sight of emerging issues, cross-portfolio alignment and a coordinated approach to managing the issue, including communications and stakeholder engagement. Where wider cross-group awareness is helpful, particularly for high-profile or cross-cutting matters, issues may also be discussed through PGL (Political Group Leaders). Matters are then progressed, as required, through the council's constitutional decision routes, including Cabinet decisions and Cabinet Member delegated decisions, supported by reports setting out the risk context, options and relevant financial, legal and equality considerations. Delivery of agreed mitigations is monitored through routine performance, risk and financial reporting, with scrutiny oversight applied where appropriate.

## Internal Audit in 2025/26

58. The Council's Internal Audit Service operates within its mandate and in conformance with the Global Internal Audit Standards in the UK Public Sector (implemented from April 2025). It is governed by the CIPFA Code of Practice for the Governance of Internal Audit in Local Government.
59. The Internal Audit Service is structured and delivered in alignment with the five domains of the Global Standards:
- a) Purpose of Internal Auditing – providing independent, objective assurance and advisory services to improve operations;
  - b) Ethics and Professionalism – upholding integrity, objectivity, and confidentiality, and applying the Seven Principles of Public Life (Nolan Principles): selflessness, integrity, objectivity, accountability, openness, honesty, and leadership;
  - c) Governing the Internal Audit Function – ensuring appropriate oversight, independence, and support from the Audit and Governance Committee;
  - d) Managing the Internal Audit Function – maintaining adequate resources, quality assurance, and strategic alignment with organisational goals;
  - e) Performing Internal Audit Services – delivering risk-based audit work that informs the annual opinion and supports continuous improvement.
60. The council's internal audit plan is developed using a structured assessment of risks to the achievement of organisational objectives. This ensures that audit resources are focused on areas of highest priority and emerging risk. Internal audit provides assurance and advisory services that support continuous improvement, value for money, and effective governance, risk management, and control.
61. The Chief Internal Auditor prepared an Annual Report on the work of Internal Audit which concludes for the 12 months ended 31 March 2026, there is satisfactory assurance regarding Oxfordshire County Council's overall control environment and the arrangements for governance, risk management and control. Where issues have been identified through internal audit review, they have worked with management to agree appropriate corrective action and timescale for improvement.
62. Where Internal Audit identifies areas for improvement, management action plans are in place and are routinely monitored by Internal Audit. Managers are required to provide positive assurance that actions have been implemented; performance on implementation is high, demonstrating that control weaknesses identified by Internal Audit are being addressed on a timely basis.
63. As part of governance arrangements between Oxfordshire County Council and the Hampshire Partnership/Integrated Business Centre (IBC), Hampshire provide annual assurance on the adequacy and effectiveness of governance, risk management and control from the work carried out via the IBC. This is provided through a commissioned Service Organisation Controls review under ISAE 3402. (International Auditing and

Assurance Standards Board –which provides a framework for reporting on the design and compliance with control objectives related to financial reporting). The report for 2025/26 is still awaited, however there has been no notification of any material concerns.

64. The council's Audit and Governance Committee provide oversight and assurance on the independence, resourcing, any limitations placed, and performance of the Internal Audit Service.
65. Internal audit is required to undertake an annual self-assessment against professional standards and to undergo an external assessment at least once every five years. The most recent external assessment, conducted in November 2023 under the previous Public Sector Internal Audit Standards, confirmed full conformance with the standards, with no areas of partial or non-conformance and no recommendations. From April 2025, these standards were replaced by the Global Internal Audit Standards for the UK Public Sector. A self-assessment against the new standards has been completed, and the results have been reported to the Audit & Governance Committee.

### **Financial Management Code ('FM Code')**

66. A key goal of the Financial Management Code of Practice (launched by CIPFA in November 2019) is to improve the financial resilience of organisations by embedding enhanced standards of financial management. In accordance with the CIPFA Financial Management (FM) Code, local authorities should disclose compliance with the FM Code in the AGS and identify any outstanding areas for improvement or change.
67. There are clear links between the FM Code and the Governance Framework, particularly with its focus on achieving sustainable outcomes. As set out in the council's Financial Strategy for 2026/27, an assessment has been made of the council's current compliance with the Code for 2025/26 (See Annex 4).
68. The assessment identified that 15 of the 17 standards were assessed as green and two as amber meaning that compliance can be evidenced.
69. Improvements that are needed to support the two standards assessed as amber (see references A and E in the assessment at annex 4) are expected to be supported by the redesign of the Financial & Commercial Services Team, the implementation of a new Financial Management Strategy and through the further development and actions to implement the Commercial Strategy.

### **Procurement and Contract Management**

70. Through Financial Year 2025/26 the service completed its redesign and now forms the new Commercial & Procurement Service for the council. This has been an intentional

move away from a transactional, process driven, function towards a more dynamic, outcome-focused and engaged service with the capability to explore new opportunities, support initiatives from cradle to grave, and drive commercial thinking across the council.

71. The team have continued to embed the new Procurement Act 2023 which came into force on 24 February 2025. This has been a challenging learning curve for all procurement professionals in the public sector, but through collaboration with colleagues internally, and through external peer networks, the team have begun to harness the opportunities and flexibilities that the new rules enable.
72. The Commercial Board has been refreshed to clarify its role as a quality assurance board, focused on ensuring business cases are to the highest possible standard. This includes setting a RAG status for each project that presents to the Board and providing conditions (items that must be addressed before the case progresses) and / or recommendations (opportunities to improve the case but the project team can overrule if they think appropriate). Since the new terms of reference launched at the end of August 2025, 10 projects have come through the board. 9 have been held in abeyance and collectively had 26 conditions applied. Of those 6 projects have now addressed their conditions and are progressing into delivery.

### Customer Experience

73. The governance of Customer Experience is structured across three primary areas:
  - a) Customer Service Centre (CSC): Operates an omnichannel platform via Zoom, ensuring all customer contacts are recorded and monitored. The CSC maintains defined processes for safeguarding vulnerable customers and has established business continuity plans. Additionally, the CSC is advancing self-service and automation initiatives, aligning with the organisation's broader transformation agenda.
  - b) Customer Feedback Team: Responsible for managing all forms of customer feedback, including statutory and corporate complaints, Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests, as well as Members of Parliament (MP) enquiries. The team works closely with the Governance team to ensure consistent responses to Local Government & Social Care Ombudsman enquiries. To improve efficiency, the team is moving from spreadsheet-based tracking to a dedicated case management system, especially for FOI/EIR requests. Performance in these areas is monitored and reported monthly through the Business Monitoring and Management Report.
  - c) Strategic Improvement Team: Focuses on driving ongoing improvements in customer experience, supporting the digital transformation agenda, and ensuring that service enhancements are strategically aligned.

74. Overall responsibility for the Customer Experience function lies with the Head of Customer Experience and the Director of Technology and Customer Experience, ensuring strong leadership and clear accountability.

**Digital Transformation and Service Improvement Governance**

75. The Customer Experience service is currently undergoing a digital transformation to optimise customer journeys and manage capacity more efficiently. This includes process reviews utilising ZoomAI and virtual agent capabilities, in partnership with the Improving Customer Experience programme. The target for completion of these enhancements was Q4 2025/26, with governance provided through regular oversight and programme management.

**Backlog and Capacity Management Oversight**

76. During 2025 the Social and Healthcare Team within the Customer Service Centre, placed a dedicated focus on improving the timeliness and experience of people when partner agencies contact the council to report a concern or incident. The team have successfully recruited to ensure that staffing resource meets key pressures across the week and reduced any delays in information being shared across teams. They have been pioneering the use of AI and automation in administration to ensure that our social and healthcare advisors have more time for effective decision making and direct contact with people. Improvements to the service have been shared with the Oxfordshire Safeguarding Adults Board and work continues to support partner agencies in providing the right information at the right time to the council with the support of the board.

**Devolution**

77. Since the announcement of the Devolution White Paper and the Devolution and Communities Empowerment Bill, Oxfordshire County Council has made sustained and structured progress in advancing the devolution agenda. Following the submission of the Expression of Interest in December 2025, the council has continued to coordinate closely with neighbouring authorities and partners across the Thames Valley to prepare for forthcoming discussions with Government.
78. Work has focused on strengthening governance arrangements, with exploratory work on a joint committee improving the clarity and alignment of shared strategic priorities and ensuring readiness for the requirements arising from the Planning and Infrastructure Bill and the development of a future Spatial Development Strategy. Regular engagement with chief executives, leaders, and wider stakeholders has supported a more collaborative regional approach to growth, infrastructure, and strategic planning.
79. At the same time, the council has enhanced internal oversight of devolution workstreams, strengthened programme management disciplines, and ensured that key

risks, dependencies, and resource requirements are monitored and reported through its established governance mechanisms. This approach has helped maintain transparency, accountability, and preparedness as the council positions itself to respond to ministerial guidance and to realise the potential benefits of a future devolution deal.

### Local Government Reorganisation

80. The council is addressing significant opportunities and challenges related to local government reorganisation (LGR).
81. In November 2025, the council submitted proposals for Local Government Reorganisation to create a single unitary authority for Oxfordshire. Two further proposals were submitted by districts and the city council in which to create two or three unitary authorities incorporating West Berkshire into both proposals
82. The timetable for local government reorganisation is tight. A Mandated decision by the Secretary of State is expected Summer, 2026 with new councils going live in April 2028 preceded by elections in 2027.
83. Oxfordshire County Council is undertaking efforts in which to build the capacity and capability to drive the delivery and governance of LGR internally and in concert with its district partners.

### Service Issues

#### Human Resources and Cultural Change

84. The People and Culture Strategy is undergoing a significant review to align with the forthcoming Local Government Reorganisation (LGR), with a targeted relaunch in March 2026. This strategy is designed to cultivate high-performing, innovative, and inclusive teams that reflect the diversity of the communities served. It prioritises employee wellbeing, engagement, and the creation of an environment where all staff can contribute fully to the organisation's success.
85. Key initiatives include the implementation of a new HR operating model, launched in June 2025, featuring a Strategic People Partner approach, and introducing a centre of excellence and an enhanced HR Service desk. These changes reinforce support for employees, foster engagement, and advance Equality, Diversity and Inclusion (EDI) across the workforce. The strategy's core priorities centre on attracting and retaining top talent, enabling staff to excel in an inclusive setting, promoting growth through targeted development opportunities, and empowering leadership to drive transformation.

86. Performance management is guided by the Managing for Performance framework, which emphasises quality one-to-one conversations and ongoing development planning. Regular reviews and updated HR policies ensure legal compliance and clarify the roles and responsibilities of both managers and employees. Workforce data is monitored and reported quarterly, with real-time access provided to managers and statutory oversight by the Remuneration Committee.
87. Recruitment processes are robustly managed through the Tribepad system, incorporating comprehensive compliance checks and agency worker monitoring to adhere to relevant legislation. Pay determination is underpinned by objective job evaluation, with all salaries subject to rigorous review and approval. Regular independent reviews of payroll systems safeguard accuracy and compliance.
88. Learning and Development takes a continually evolving approach to ensuring statutory and mandatory training, prioritising organisational capabilities, and readiness for Local Government Reorganisation (LGR) remain at the forefront of delivery. This enables learning investment to be targeted where it has the greatest impact, strengthening occupational capability and organisational readiness for change.

### Capital Governance

89. Since the introduction of new governance measures in 2022, there has been a commitment to continuously improve upon what is already in place. An ongoing programme of work is aiming to build upon these foundations, enabling efficiency, transparency, and effectiveness across all areas of Capital Programme governance. Since the last report, a new reporting tool has been implemented across the capital programme, providing enhanced visibility of projects and programmes in delivery. Comprehensive reporting now enables programme boards to exercise better control over delivery of projects and programmes. Additionally, a new centralised repository has been established for all pre-pipeline capital schemes. This provides an organisation-wide view of all pre-pipeline capital schemes, enabling senior leaders to take proactive decisions to expedite priority schemes into delivery and to take early action to address barriers to delivery. A comprehensive review has taken place to redefine workflows, gateways and governance with a particular focus on pre-pipeline activity, which is to be overseen by the newly established Strategic Place Shaping and Investment Board, chaired by the Head of Place Shaping. The purpose of the Board is to ensure early, strategic oversight of Oxfordshire County Council's infrastructure and investment pipeline.
90. There are Capital Programme Boards established for Major Infrastructure, Highways, Property, IT & Digital and Environment & Climate which report into the Strategic Capital & Commercial Board (SCCB), chaired by the Deputy Chief Executive and Section 151 Officer. The SCCB meets monthly and provides a collective officer oversight of capital projects within the Capital Programme. The Board functions as an internal governance requirement, complementary to the council's democratic process and makes

recommendations to an executive decision-maker to an Officer, Cabinet Member or Cabinet.

91. The Board oversees the performance of the council's Capital Programme and addresses risks and / or issues through reporting with a focus on variations in time, scope, and cost, ensuring the programme delivers value for money and reflects the strategic priorities of the council. It also reviews the drafted annual Capital Programme ahead of consideration and approval by the council as part of the business planning process. The Board may also recommend to executive decision-makers, any new in-year additions to the Capital Programme that are greater than £500,000 that have not been considered through the annual business planning process.

### Adult Social Care

92. The Health and Care Act 2022 introduced a new duty for the Care Quality Commission (CQC) to independently review and assess how local authorities are delivering their Care Act functions. In January 2025, the CQC conducted an on-site Local Authority Assessment in Oxfordshire. A total of 179 individuals were interviewed, including leadership, officers, residents, local partners and service providers. In September 2025 the CQC issued its assessment that Oxfordshire County Council is GOOD. Adult Social Care (ASC) was found to have strengths in Safeguarding, Partnerships and Communities, Governance and Learning, Improvement and Innovation. The CQC identified opportunities to improve the practice and performance in relation to Assessing Needs, Supporting People to live healthier lives, Equity in Access and Outcomes and Care Provision, Integration and Continuity. The council welcomes this feedback, which supports ASC's culture of continuous improvement and learning. An Improvement Plan has been developed to build on existing strengths, sharpen our focus on priority areas, and support continued improvement across Adult Social Care during 2026/27.
93. Adult Social Care (ASC) continues to make a positive impact on people's lives, by delivering its vision 'The Oxfordshire Way' which focuses on supporting people to live well in their community, remaining independent for as long as possible. In 2026/27 ASC have focussed on improving lives for some of our most vulnerable residents. We have co-produced a Learning Disability 10 Year Plan with service users and their families and in January the council signed a Deal with My Life My Choice pledging to improve social care support and workforce awareness, to strengthen routes into education, training, volunteering and employment, and ensuring access to well-connected, inclusive communities. ASC has led on the council's development of the national Connect to Work, building on the success of the Oxfordshire Employment Service. ASC has also worked with users, families and carers to co-produce an all-Age Autism Strategy which will be published in 2026.
94. In 2025/26 ASC has continued to work as a system partner, increasing the number of older, frailer people who receive support in their own home, and helping more people return home after a stay in hospital. The Discharge to Assess approach continues to

support a high proportion of people to return directly to their own homes and access reablement following a hospital stay, with 25% more people discharged home from hospital this year compared to last and 85.5% of people achieving independence or a reduction in the amount of care support they require.

95. In July and August 2025, ASC led on the response with NHS partners to the failure of a national equipment provider, ensuring support continued to be available to vulnerable people to keep them safe at home and mobilising a replacement service. The council retained staff in the provider, mobilised its excellent local partnerships and safeguarded its population through a time of high risk.
96. ASC has continued to invest in community alternatives to long-term care and has worked with the local community, local GPs and colleagues in the District Councils to open a new extra care housing development in Faringdon in October 2025. This new facility has developed spaces that can be used by local groups and as potential outreach surgery by the NHS, for the use of residents and the wider community.

### Children and Young Peoples Services

97. The performance, quality, and management of outcomes for the Children's Education and Families service (CEF) continues to be statutorily compliant. The service performance has been inspected through Ofsted and other inspectorates twice in 2025/26 with the Local Area Partnership (LAP) SEND monitoring visit, and a Joint Targeted Area Inspection (JTAI)- child Sexual Abuse in the Family. The former found 'effective action' was taken by the LAP to address priority actions and quality as outlined in the 2023 SEND Area inspection. For the JTAI, formal publication will occur in May 2026 and whilst it is not a graded judgement or solely an inspection of the Local Authority, the outcome confirms that services remain consistent and maintained in quality.
98. The service's ongoing progress is sense checked against a range of performance data and quality assurance mechanisms, including external peer reviews.
99. Despite increasing demand for services and changes being brought about through a raft of new policy and white paper initiatives, key performance indicators across CEF continue to benchmark well with statistical neighbours and transformation plans to comply with the reforms are in place or are being developed.
100. The SEND Improvement and Assurance Board continues to report to the Department for Education and NHS England. A refreshed improvement plan and priority action plan was signed off by the DfE in January 2026. Following the LAP SEND monitoring visit, the improvement notice was lifted.
101. Internal governance and leadership at all levels remains impactful with a four-year business plan and continuous improvement plans.

## Economy and Place

### Monitoring and Evaluation

102. During 2025/26, the council continued to develop its approach to monitoring and evaluation, focussing on Place schemes, recognising the importance of robust evidence in supporting effective governance, value for money and informed decision making. The plans to establish a dedicated Monitoring and Evaluation Centre, led by Innovate Oxfordshire, represents a significant step towards strengthening the council's ability to assess the impact of policy interventions, infrastructure investment and service delivery. Funding has been made available through the 2026/27 budget. A more consistent approach to monitoring and evaluation will support the systematic tracking of outcomes, enable learning to be embedded across the organisation, and provide clearer assurance that resources are being deployed effectively in line with the council's strategic objectives.

### Climate Action

103. During 2025/26, the council continued to strengthen its approach to climate governance and reporting, both within the organisation and through partnership arrangements. Progress against the council's climate commitments is reported through established corporate governance and performance management routes, providing regular oversight of delivery and associated risks. At a partnership level, reporting through the Oxfordshire Leaders Joint Committee supports collective oversight of countywide climate adaptation and mitigation activity, while the Zero Carbon Oxfordshire Partnership provides a framework for tracking emissions reduction and coordinating collaborative action towards net zero. Together, these arrangements enhance transparency, accountability and alignment between organisational and partnership level activity, ensuring climate action is embedded within the council's wider governance framework.

### Enterprise Oxfordshire

104. Enterprise Oxfordshire is coming to the end of its first year of operation following its full integration into the council. The transition has been managed effectively, with delivery performance exceeding targets across core areas of activity, including the mobilisation of a new Government funded Connect to Work programme, alongside prudent financial management as the organisation moves into 2026/27. Governance arrangements have continued to mature, with two senior council officers appointed to the Board as Non-Executive Directors and further work underway to appoint an independent private sector Chair to support the recruitment of a permanent Managing Director. As the council develops refreshed economic plans for Oxfordshire, Enterprise Oxfordshire will review its business plan to ensure continued alignment with emerging priorities, while officers from both organisations continue to explore opportunities to further strengthen governance and shareholder arrangements to support effective oversight and decision making.

## Environment and Highways

105. During 2025/26 the service successfully introduced a temporary Congestion Charging scheme for Oxford as well as making good progress with a number of significant transport infrastructure projects, including commencement of A34 lodge Hill and completion of Banbury Road Roundabout in Bicester and Tramway in Banbury.
106. At the council's Household Waste Recycling Centres, the service successfully implemented a booking system for visitors and have commenced work on a new operating model for management of these centres as the existing contract is coming to an end soon.
107. The service had been waiting for a while to see if its application for Lane Rental (to better manage roadworks on our network) would be successful and were eventually given approval by central government which will see the scheme commence in May 2026.
108. The service has successfully adopted five Local Walking and Cycling Infrastructure Plans (LCWIP) this year and commenced work on developing Movement and Place plans for all the main communities, with 'Science Vale' and 'Bicester and surrounding villages' having been adopted.

## Public Health

109. Aligned to the Joint Health and Wellbeing Strategy, Oxfordshire is moving forward with its work as a Marmot Place to address the wider determinants of health and tackle inequalities. This involves working with stakeholders from across health, care, academia, and communities to address three key Marmot principles (give every child the best start in life, create fair employment and good work for all, and ensure a healthy standard of living for all) and to tackle rural inequalities. A deep dive report into inequalities affecting young people has generated recommendations, which the stakeholders are working together to take forward. The work is led through a Marmot Steering Group with oversight from the Marmot Advisory Board, and reports to the Health and Wellbeing Board.
110. The council is strengthening its strategic research partnership with the University of Oxford and Oxford Brookes University through its Local Policy Lab. The Local Policy Lab provides fellowship opportunities for graduate students to tackle local policy relevant research questions with academic leadership provided by three Chief Scientific Advisors appointed in 2025, each focusing on one of the three Marmot priorities. The Lab is led by the Local Policy Lab Steering Group and supported by a new multi-stakeholder advisory group, appointed in 2026.

### Law & Governance

111. The Monitoring Officer provided her [annual report to the Audit & Governance Committee](#) on the council's governance arrangements. This review was formally reported to and endorsed by the Audit & Governance Committee on [17 September 2025](#). This report confirmed the progress in maintaining democratic accountability and transparency, with members continuing to undertake their role as community leaders.
112. The Constitution Member Working Group reconvened in January 2026, after receiving approval from the Audit & Governance Committee on 26 November 2025, to review and update the council's constitution. The group is expected to meet four times for this task, with plans to report to council by 30 June 2026.
113. Schemes of Delegation are set out in the Constitution as standing delegations. Services operate their business by way of sub-delegations. These sub-delegations are required to be recorded by the Directors and a public document held by the Director of Law and Governance and Monitoring Officer. The Director of Law and Governance and Monitoring Officer is assisting Directors to record their sub-delegations following changes to the council's structure.
114. The county council elections took place on 1 May 2025 and are held every four years. These elections determine the political composition of the county council, thereby shaping policy priorities and resource allocation for the benefit of local residents. Newly elected councillors assumed office on 6 May 2025, with the council leader appointed on 20 May 2025. Their strategic direction and mandates guide the county's future development.
115. The council's Governance Team has developed in-house Whistleblowing online training, which was published on the Learning Zone in October 2025 and is accessible to all employees. Completion of this eLearning course is mandatory for managers, and new employees as part of the induction process, while all employees are encouraged to undertake the training annually. Details of the course have been shared through internal channels including Hive, Viva Engage, and the November Managers' Briefing.
116. A review and update of the following policies and procedures has been completed during 2025-2026:
- a) Anti-Bribery Policy
  - b) Officer Code of Conduct
  - c) Whistleblowing Model Guidance for Oxfordshire Schools
117. The Information Governance Board chaired by the Director of Law and Governance and Monitoring Officer meets on a monthly basis to ensure that the council has adequate arrangements for data protection and information security. The Board comprises the Senior Information Risk Owner (SIRO), Caldicot Guardian and Data Protection Officer along with the Information Services Manager, and reports to the Strategic Leadership Team (SLT). The Board receives updates and awareness on key projects involving

information, including transformation activities, high-risk processing and storage and retention of data, as well as monitoring information security incident trends and data sharing partnerships.

118. The Information Governance Group has an operational role in looking at information governance and security incidents in more detail and highlighting risk areas that need to be addressed through council-wide training. The Group comprises representatives from across the council and refers matters to the Board as appropriate and receives actions from the Board to engage colleagues in data protection and privacy improvements. The Group is also being developed to provide best practice and working group facility to key governance areas and council programmes, such as collaboration with the Data Office and data governance, development of AI governance and ethics and research approaches.
119. A 10-week project to review the council's information governance maturity against the Information Commissioner's accountability framework is being undertaken by Information Governance Officers as part of their apprenticeship. This includes assessing of the framework against current guidance, and recent audits undertaken by the council.
120. The Coroners Service is a locally administered branch of the national judiciary. The Coroners Service is responsible for investigating deaths that are unnatural, of unknown cause, violent, suspicious or occur in any form of state detention. The service also manages any reported finds of potential Treasure.
121. The service is legislated by the Coroners and Justice Act 2009 and the Treasure Act 1996. The service has nationally set performance indicators which are monitored by the Ministry of Justice and Chief Coroner's Office. Coroners are independent judicial office holders (Judges) so are appointed by but not employees of the Local Authority. The Coroners and Justice Act sets out the Local Authority's statutory responsibility to ensure the Coroners Service is adequately, staffed, funded, and resourced.
122. The Registration Service register all births, deaths, still-births, marriages, and civil partnerships which take place in Oxfordshire. In October 2025, the service took the first step towards the digitalisation of records with the introduction of a new national Digital Registration System (DRS), which is being piloted for death registrations in the Oxford Register Office. Between 1 October 2025 to 31 March 2026 more than 900 deaths were registered using DRS. The system is due to be rolled out for all death registrations from Autumn 2026, when the service will move away from paper registration records and all deaths will be recorded in a digital register.
123. Registration Services have a key statutory role in registering deaths and supporting the reformed death certification process introduced in September 2024. All deaths are now subject to independent scrutiny by a Medical Examiner or a coroner, and the service works with health and coronial partners to ensure lawful, timely registration, and strong safeguards.

### Fire & Community Safety

124. During 2025/26, Oxfordshire County Council's Fire and Community Services faced significant operational pressures and major incident activity yet continued to maintain high standards of safety and service delivery. The Service has strengthened its commitment to improvement, with the Fire Improvement Board making demonstrable progress against actions identified in the previous His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) inspection carried out over a three-month period in early 2024 (HMICFRS report was published on 25 July 2024). Through a strong governance framework, supported by HMICFRS representation, the Board has rigorously monitored progress across key areas, ensuring improvements remain on track and in several cases exceed expectations.
125. The Service continues to fulfil its statutory duties under the Fire and Rescue Services Act 2004 and the Civil Contingencies Act 2004 through robust prevention, protection, and response arrangements. Our work directly aligns with the council's Strategic Plan, supporting priorities such as community resilience, safeguarding, reducing health inequalities, and responding to climate challenges.
126. The service has advanced the development of a sustainable, risk-based Fire and Rescue Cover Model, aligned with the Oxfordshire Fire and Rescue Community Safety Plan and wider corporate objectives. As part of this, the Improving the Fire and Rescue Service public consultation ensured transparency, strong community engagement, and evidence base to support decision making. Feedback from residents, staff, partners, and stakeholders has helped shape revised proposals that will ensure resources align with community risk, operational demand, and statutory responsibilities. These revised proposals were agreed via the County Council Cabinet in April 2026. Governance of this programme will continue to be carefully managed through established oversight arrangements, with clear actions, scrutiny, and risk control to maintain public confidence and ensure that any future changes continue to support a safe, effective, and resilient service for Oxfordshire.

### Conclusion

127. The council's governance arrangements are regarded as fit for purpose and will be monitored throughout 2026/27.

## Annex 1 - Significant Governance Issues – 2025/26 Actions Update

### *Actions identified for 2025/26 - Update*

This is a review of the progress during 2025/26 on the priorities for that year. The actions identified were completed in-year

Actions that were planned for 2025/26	Original Timescale	Outcome
<p><b>Schemes of Delegation</b></p> <p>Work is still being undertaken with the new services formed as a result of the Tier 3/ 4 restructure, implemented on 16 December 2024.</p> <p>To complete schemes of delegation for each service area.</p>	31 March 2026	<p><b>Completed.</b></p> <p>All schemes of delegation are completed or in a final draft version for Director sign off.</p>
<p><b>Review of Members’ and Officers’ fiduciary responsibilities and accountability, and legal status in respect of outside bodies including indemnities.</b></p> <p>It is important that the legal status of and responsibilities and accountabilities of Members are clearly understood in relation to outside bodies they are appointed to by the council.</p> <p>To review and update.</p>	31 March 2026	<p><b>Completed.</b></p> <p>Audit &amp; Governance Committee considered a report on 16 July 2025 on the “Review of Appointments to Outside Bodies”</p> <p>The review incorporated the newly developed document, “Guidance for Members who are appointed to Outside Bodies.” Both the review and guidance were submitted to Council on 9 September 2025, where the guidance received formal approval. The document has since been distributed to all Members.</p>

<b>Actions that were planned for 2025/26</b>	<b>Original Timescale</b>	<b>Outcome</b>
<p><b>Contract Management</b></p> <p>A Contract and Supplier Management project has been mobilised with the following five workstreams:</p> <ul style="list-style-type: none"> <li>• The Contract Management Framework</li> <li>• Ways of Working</li> <li>• Governance and Oversight</li> <li>• Systems, processes and data</li> <li>• Skills, capability and knowledge</li> </ul> <p>The introduction of the contract management framework will define the corporate approach to the segmentation of contracts and commercial relationships by value, risk and opportunity; it will also define the system, processes and reporting to provide the oversight of the performance of our contracts and the effectiveness of contract management in achieving best value.</p> <p>Contract management training will be in place to ensure that our contract management have the skills and knowledge needed to manage contracts effectively, proportionate to value and risk.</p>	<p>31 March 2026</p>	<p><b>Completed.</b></p> <p>The redesign of the Commercial &amp; Procurement Service was completed in Q3 with the new structure becoming operational from 15 December 2025. There is now a designated lead for contract and supplier management within the council, who is currently building the team, with recruitment for existing vacancies underway. Internal recruitment has been positive with half of the service’s vacancies being met by exciting talent from within OCC. External recruitment will continue through Q4 and into Q1 FY26-27.</p> <p>With further communications planned to raise awareness across the Council, the new Contract &amp; Supplier Management Team are already having positive impact. Numerous contract issues have already been escalated to the team, testing the advisory services for Bronze, Silver, and Gold contracts, and the hands-on support for Platinum contracts. The service is due back at the Audit Working Group in March '26 to share a progress update and a forward plan for the implementation of the Contract &amp; Supplier Management Framework. Activities will include:</p> <ul style="list-style-type: none"> <li>• Establishing a community of practice to connect the c.320 contract managers across the council to share best practice.</li> </ul>

Actions that were planned for 2025/26	Original Timescale	Outcome
		<ul style="list-style-type: none"> <li>• Establishing a training and development package for contract managers to support their upskilling and the development of contract management as a profession.</li> <li>• Implementing the contract &amp; supplier management framework, including a new risk assessment tool to ensure contract management activity matches the relative risk and complexity of the contract.</li> <li>• Implementing a contract management system to enable a single view of supplier performance across the council, and for support to be deployed to areas of underperformance.</li> </ul>
<p><b>Executive Officer Decisions</b></p> <p>To provide guidance to officers on the procedure for making officer executive decisions, in particular the process that applies to key decisions</p> <p>Changes to the Constitution have highlighted a need to refresh training and templates on officer decision making. An internal group to develop guidance, manage changes to process and templates and to develop training for officers has been set up. Training will follow in 2025/26.</p>	<p>31 March 2026</p>	<p><b>Completed.</b></p> <p>The making of key decisions is covered in the Memorandum of Understanding for the Legal &amp; Governance Service (effective from 1 April 2026) agreed at the Strategic Leadership Board and supported by Directors. In the interim support will be provided by the Governance Team plus further training via Association of Democratic Services Officers once the constitution has been updated (Council, 30 June 2026).</p>

**Annex 1 - Significant Governance Issues – 2025/26 Actions Update**

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<b>Actions that were planned for 2025/26</b>	<b>Original Timescale</b>	<b>Outcome</b>
<p><b>Code of Practice on Good Governance for Local Authority Statutory Officers</b></p> <p>To undertake a self-assessment against the Code of Practice on Good Governance for Local Authority Statutory Officers.</p>	<p>31 March 2026</p>	<p><b>Completed.</b></p> <p>In March 2026, the Director of Law &amp; Governance and Monitoring Officer conducted a self-assessment of the council against the Code of Practice on Good Governance for Local Authority Statutory Officers. This was reviewed in April 2026 once the revised governance arrangements and Statutory Officer meeting Terms of Reference had been agreed. The Monitoring Officer concluded that there is strong alignment with the Code of Practice for Statutory Officers, supported by an established governance framework and a strong focus on ethical leadership.</p> <p>All the Principles and Best Practice set out in the Code are met by the council, and the Director of Law &amp; Governance and Monitoring Officer will continue to undertake a regular self-assessment against the Code.</p>
<p><b>Appointment of Independent Member of the Audit &amp; Governance Committee</b></p> <p>To undertake a recruitment campaign and appoint to this position.</p>	<p>31 December 2025</p>	<p><b>Completed.</b></p> <p>On 8 July 2025 Council approved the appointment of Kate Cartwright and Paul McGinn as Independent Members of the Audit and Governance Committee for a term of four years.</p>

<b>Actions that were planned for 2025/26</b>	<b>Original Timescale</b>	<b>Outcome</b>
<p><b>To commission an Independent Remuneration Panel</b> this year to consider member allowances.</p> <p>An Independent Remuneration Panel must be commissioned to consider member allowances to set a new scheme of allowances from 1 April 2026.</p>	<p>31 December 2025</p>	<p><b>Completed.</b></p> <p>On 8 July Council approved:</p> <ul style="list-style-type: none"> <li>• the appointment of Benjamin Anim-Antwi, Martyn Hocking, Stephen McKechnie and Dave Shelmerdine as Members of the Independent Remuneration Panel (IRP); and,</li> <li>• to formation of the Independent Remuneration Panel for a period of two years.</li> </ul> <p>The IRP undertook its full review of the scheme of allowances and made recommendations to Council on 9 December 2025.</p>
<p><b>Inspections Review: Readiness and Sharing Learning</b></p> <p>To facilitate opportunities for assurance colleagues to share experiences and learning; Raise awareness through internal communications and cultural change: Leverage technology for data efficiencies.</p> <p>To improve collaboration, sharing of inspection insights, and overall inspection readiness within Oxfordshire County Council.</p>	<p>31 March 2026</p>	<p>The Terms of Reference for the working group have been circulated for review; the cohort needs to extend to ensure representatives across all key services are included. Recent inspections have reprioritised colleagues away from this group.</p> <p>The Head of Strategic Performance and Programme Management will work with the coordinator of the working group to establish a clear membership, frequency of meetings and sharing of findings/lessons learned.</p>

**Annex 1 - Significant Governance Issues – 2025/26 Actions Update**

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<b>Actions that were planned for 2025/26</b>	<b>Original Timescale</b>	<b>Outcome</b>
		A report with shared findings/learnings will be collated in early 2026/27 with review and implementation later in the year.  Action to be carried forward into 2026/27.

## Annex 2 - Significant Governance Issues - 2026/27

### Actions identified for 2026/27

	Action now planned for 2026/27	Timescale for Completion	Outcome	Senior Responsible Officer
1.	<b>Capital Governance</b> Transformation of end-to-end capital governance and reporting.	31 March 2027  With actions continuing as necessary ahead of 31/03/28.	This programme aims to improve how the council plans, governs and manages its capital programme, strengthening oversight, financial control and decision-making while improving confidence in delivery.	Director of Financial & Commercial Services / Capital Programme Manager
2.	<b>Politically Restricted Posts Guidance</b>	31 December 2026	Review and refresh of current guidance	Director of HR & Cultural Change / Head of Legal & Governance Services
3.	<b>Implementation of the new Contract Management and Supplier Management Framework.</b>	31 March 2027	The Contract and Supplier Management Framework will be embedded consistently across all services.  This will include establishing a clear corporate approach to the segmentation of contracts and commercial relationships by value, risk and	Head of Commercial & Procurement Service

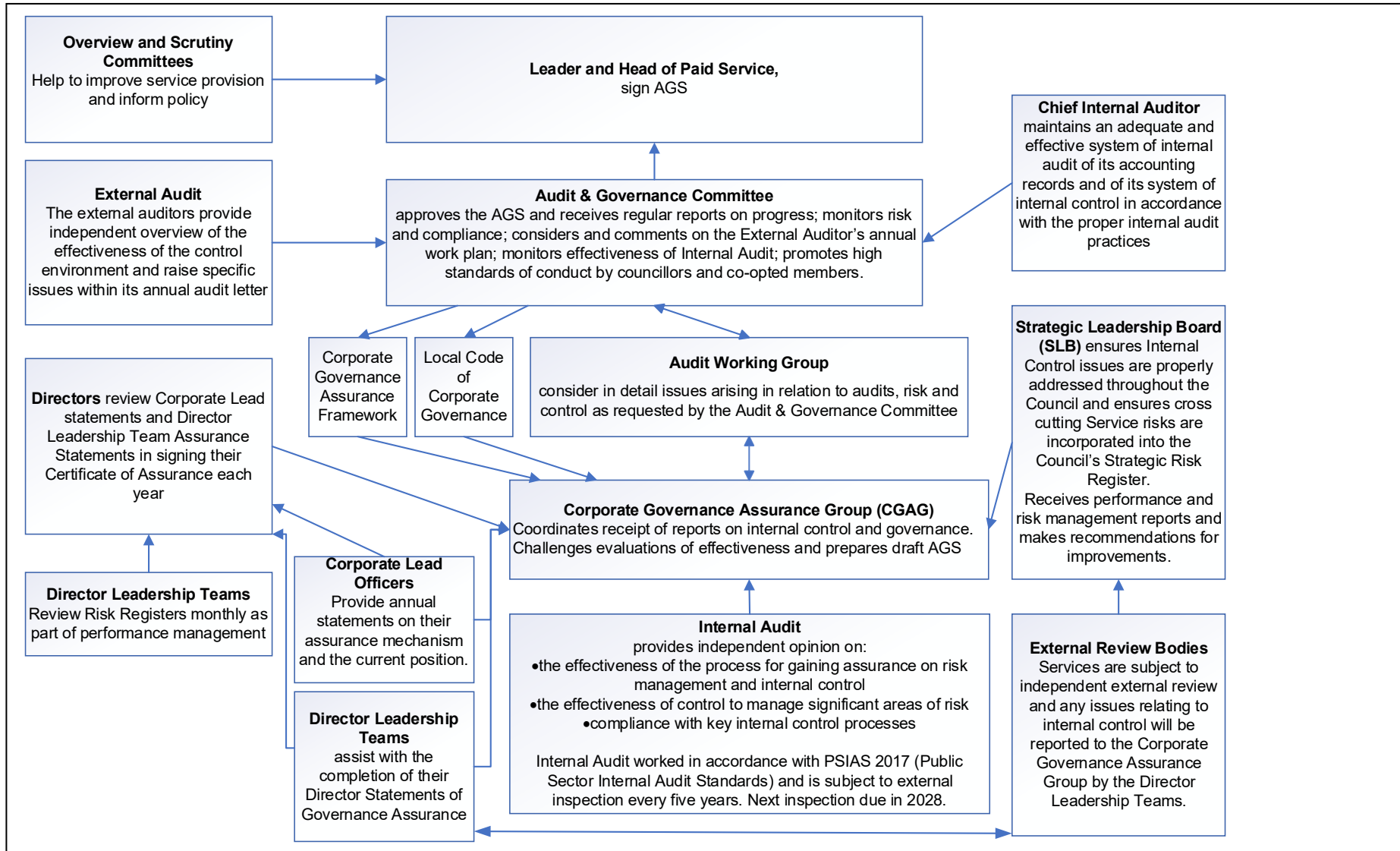
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	<b>Action now planned for 2026/27</b>	<b>Timescale for Completion</b>	<b>Outcome</b>	<b>Senior Responsible Officer</b>
			opportunity. The framework will define the systems, processes, reporting and performance oversight required to strengthen accountability, manage risk effectively, and ensure contracts deliver best value. Targeted contract management training will support this approach, ensuring officers have the skills and knowledge required to manage contracts proportionately and consistently, leading to improved value for money and service delivery across the council.	
<b>4.</b>	<b>Implementation of the agreed management action plan resulting from the Internal Audit of Safeguarding Transport 2025/26 which had the overall conclusion graded as Red.</b>	31 December 2026	To establish a robust governance structure within Fleet and Transport Services, ensuring that all processes are transparent, well-managed, and regularly assessed for quality.	Head of Fleet & Transport Services
<b>5.</b>	<b>Inspections Review: Readiness and Sharing Learning</b>  To facilitate opportunities for assurance colleagues to share experiences and learning: Raise awareness through internal communications and cultural change:	31 December 2026	The Head of Strategic Performance and Programme Management will work together with the coordinator of the working group to establish membership, arrange meeting dates, and share outcomes. A report outlining findings and lessons learned will be prepared during 2026/27, with	Head of Strategic Performance and Programme Management

	<b>Action now planned for 2026/27</b>	<b>Timescale for Completion</b>	<b>Outcome</b>	<b>Senior Responsible Officer</b>
	<p>Leverage technology for data efficiencies.</p> <p>To improve collaboration, sharing of inspection insights, and overall inspection readiness within Oxfordshire County Council.</p> <p>As reported during 2025/26 the Terms of Reference for the working group have been circulated for review; the cohort needs to extend to ensure representatives across all key services are included. Recent inspections have reprioritised colleagues away from this group.</p>		subsequent review and implementation.	
<b>6.</b>	<p><b>Annual Promotion of Gifts &amp; Hospitality / Conflicts of Interest Policies</b></p> <p>To supplement the Manager Briefing and The Hive articles – further promotion of these policies and the expectations to be undertaken.</p>	31 March 2027	Further raise awareness through additional communication and follow-ups to briefings via the council’s Director Leadership Teams.	Director of Law & Governance and Monitoring Officer / Head of Legal & Governance Services
<b>7.</b>	<p><b>Financial Management Strategy</b></p> <p>A new Financial Management Strategy will be agreed and implemented from 2026/27 onwards.</p>	31 March 2027	Improve awareness and accountability for financial management responsibilities.	Head of Financial Services and Head of Corporate Finance

## Annex 3: Overview of Corporate Governance Assurance Framework to 31 March 2026



## Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2025/26

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
<b>1. Responsibilities of the Chief Finance Officer (CFO) and Leadership Team</b>				
A	The leadership team is able to demonstrate that the services provided by the authority provide value for money (VfM)	<p>Working as part of the Strategic Leadership Board (SLB), the Director for Financial &amp; Commercial Services is responsible for the leading on the delivery of the council's <a href="#">Commercial Strategy</a> which was agreed by Cabinet in March 2024. This seeks to promote a wide and more integrated approach to commercial management combining strategic and operational tasks distributed across the council. The Strategic Capital and Commercial Board considers commercial opportunities as part of its remit.</p> <p>The Commercial Transformation Programme has been in place during 2025, reviewing systems, processes, data, management information, roles and responsibilities. This resulted in a full redesign of a new Commercial and Procurement Service that went live in December 2025 with an implementation plan that will continue in 2026.</p> <p>The Strategic Leadership Board considered benchmarking and performance information by way of the IMPOWER index in November 2025. This provided an opportunity to consider areas where improvements could be made to outcomes which cost less. Further work is planned in early 2026 to consider ambitions and opportunities which will help in ensuring a balanced budget can be achieved for 2027/28 and 2028/29.</p> <p>Procurement decisions consider VfM by considering the quality of service and not just price.</p>	<p>More systematic business intelligence information and insight needed to underpin the Commercial Strategy and enable the council to demonstrate that all revenue and capital expenditure provides VfM is being developed.</p> <p>The redesign of Financial &amp; Commercial Services went live in December 2025 with an implementation plan into 2026. This will improve capacity and capability to track and report VfM data and introduce a more commercial approach in line with the council's Commercial Strategy.</p> <p>The Commercial Strategy will be updated in 2026.</p> <p>A new Financial Management Strategy has been drafted and the Financial Management Operating Model is being updated. These will be reviewed by SLB during Q4 ready for roll out and implementation, including training in 2026.</p>	<b>AMBER</b>

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
B	The authority complies with the CIPFA "Statement of the Role of the Chief Finance Officer (CFO) in Local Government"	<p>The CFO is qualified accountant with significant experience working as an active member of the council's leadership team.</p> <p>In carrying out their role as Executive Director of Resources and Section 151 Officer, the CFO is a member of SLB (Strategic Leadership Board) and reports directly to the Chief Executive. The CFO has an influential role with members of the Cabinet, Audit &amp; Governance Committee and lead opposition members.</p> <p>The redesign of Financial &amp; Commercial Services in 2025 has considered the resource required to support financial management and the commercialisation of the council's activities with additional funding for the Commercial Team expected to be met from savings generated through a more commercial approach.</p> <p>Reflecting the need to ensure financial literacy across the council new job roles agreed as part the organisational redesign of the council's senior leadership structure in 2024 clearly set out the financial management responsibilities of each of the council's directors and their direct reports. These responsibilities are being followed up through on-going performance management in 2025/26.</p>		GREEN
<b>2. Governance and Financial Management Style</b>				
C	The Leadership Team demonstrates in its actions and behaviours responsibility for governance and internal control	<p>The Strategic Leadership Board (SLB) understands its responsibilities in relation to Financial Management and considers the assessment against the Code and actions or further work required in order to continuously improve.</p> <p>The Strategic Leadership Board (SLB) receive and review on a quarterly basis a report from the Chief Internal Auditor on progress against the Internal Audit Plan, implementation of agreed management actions and delivery of the Counter Fraud Plan. The Annual Governance Statement (AGS) and Action Plan are also considered.</p>	Following the Fair Funding Review 2.0 the Provisional Finance Settlement for 2026/27 and the following two years indicates that significant budget reductions will be required to balance the council's budget over the medium term. From early 2026 onwards the new Financial Management Strategy and Financial Management Operating Model will be implemented to manage this.	GREEN

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
		<p>In addition, the Audit &amp; Governance Committee have a key role in providing independent assurance over governance, risk and internal control arrangements.</p> <p>While there are some forecast overspends in 2025/26 ongoing focus on managing pressures over the short and medium term to maintain financial resilience is evidenced in the forecast reported through the Business Management &amp; Monitoring Reports to Cabinet.</p> <p>Work to establish a meaningful and effective approach to updating and maintaining schemes of financial delegation across services has been completed in 2025/26.</p>	<p>There will also need to be renewed and sustained focus on managing demand and other pressures throughout the financial year.</p>	<b>GREEN</b>
D Page 234	<p>The authority applies the CIPFA/SOLACE "Delivering Good Governance in Local Government: Framework (2016)"</p>	<p>The Local Code of Corporate Governance sets out how the council complies with the requirements of the Framework and identifies key documents, which provide detailed information as to how the council ensures the Corporate Governance principles are adhered to. The annual update of the Oxfordshire Code of Corporate Governance was last approved by Audit &amp; Governance Committee in <a href="#">March 2025</a>. <a href="#">Appendix B</a> of the report identifies evidence that demonstrates that the council is delivering good governance.</p>		<b>GREEN</b>
E	<p>The Financial Management style of the authority supports financial sustainability</p>	<p>Control over expenditure and prudent use of contingency and other funding was demonstrated in the year end underspend of £12,8m in 2024/25 and the forecast use of contingency (£7.3m) to manage service pressures in 2025/26. Directors are expected to manage within the budget available to them and take action where necessary to do that. However, the use of data and improved reporting to inform service management and needs further development. For example, implementation of a new dashboard to predict expenditure for Children's Services.</p> <p>The cumulative High Needs DSG deficit has grown significantly from £92.3m at 31 March 2025 to a forecast of around £160m in 2025/26 despite on-going action taken through the Deficit Management Plan. Continued increases in demand and inflationary pressures are proving to be considerably more significant than reductions in expenditure</p>	<p>A draft Financial Management Strategy has been developed alongside the redesign of Financial &amp; Commercial Services. The strategy will be finalised and agreed by SLB and following that an implementation plan will be developed and implemented from early 2026.</p> <p>A new data team has been established through the redesign of Financial &amp; Commercial Services which went live in December 2025. This has created capacity to focus on improving data and reporting.</p>	<b>AMBER</b>

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
		<p>that can be achieved through efficiencies and demand management. There is therefore a significant risk that deficits will continue to increase. Based on national guidance funding responsibility for High Needs SEND was expected to transfer to Central Government from 1 April 2028 when the statutory over-ride ends. An update from the government on the future management of both cumulative and future deficits is expected in the Final Local Government Finance Settlement.</p>	<p>The Financial &amp; Commercial Services redesign has created the role of Commercial Partners from December 2025 onwards. People Partners are in place following the redesign of HR and Cultural Change. The intention is to work more closely together as a group of business partners to provide more strategic and aligned advice and support to services.</p>	
3. Page 235	<p><b>Long to Medium-Term Financial Management</b></p>	<p>A review of the 2025/26 CIPFA Financial Resilience index has been undertaken and the assessment will be included in the Financial Strategy (section 4.5 of the Budget &amp; Business Planning Report to Cabinet in January 2026). The Financial Strategy also includes a suite of performance indicators against which financial performance is measured during the year and reported through the Business Management &amp; Monitoring Reports to Cabinet. These measures include the forecast level of General Balances against the minimum risk assessed level for balances taking into account the latest monitoring position in the current year and the forecast achievement of savings built into the budget. The Provisional Local Government Settlement for 2026/27 indicates that funding reductions of over £30m will be required by 2028/29. The forecast cumulative deficit for High Needs DSG will be around £160m by the end of 2025/26 and continues to increase. There is a deficit management plan in place to manage the increase. Measures include new special school places, implementation of a new banding system, savings</p>	<p>While further updates from the Government are awaited sustained action will need to be taken to manage and mitigate the impact of High Needs DSG deficits on the council's financial resilience.</p> <p>The leadership team will need to identify options to manage a significant reduction in funding over the next three years and focus on managing demand and expenditure and achieving savings.</p>	<b>GREEN</b>
	<p>The authority has carried out a credible and transparent financial resilience assessment</p>			

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
		through contract management and a review of internal services and the use of agency staff. Further guidance from the government on the treatment of cumulative and future deficits is expected as part of the Local Government Finance Settlement for 2026/27.		
G	The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members	<p>The Financial Strategy and MTFS outline the financial challenges and opportunities facing the council over the medium term and set out how action is being taken to manage expenditure within the available funding. They also explain where further action is required.</p> <p>The Capital &amp; Investment Strategy and the Capital Programme both cover a 10-year period. The Capital &amp; Investment Strategy sets out the long-term context in which capital expenditure and investment decisions are made and articulates how the council's capital investment will help achieve the council's vision and priorities as well as respond to demographic change.</p> <p>While different budget scenarios have been discussed with SLB and Cabinet uncertainty about the impact of Funding Reform / High Needs DSG deficits and Local Government Reform has made future modelling challenging leading up to the publication of the Local Government Finance Settlement for 2026/27 in late December 2025.</p> <p>Updates on High Needs DSG are reported through the Business Management &amp; Monitoring Reports and as part of the Financial Strategy. Based on national guidance funding responsibility for High Needs SEND was expected to transfer to Central Government from 1 April 2028 when the statutory over-ride ends. An update from the government on the future management of both cumulative and future deficits is expected in the Final Local Government Finance Settlement. Updates on this have been shared as part of the 2026/27 budget process.</p>	<p>Options to manage the impact of funding reductions over the medium term will be developed and discussed with members from early 2026 onwards so that decisions and actions can be taken in advance of setting the budget for 2027/28</p> <p>MHCLG will set out the plans for managing the historic High Needs deficits as part of the Final Local Government Finance Settlement in February 2026. Further action to manage the deficit may be required once this position becomes clear.</p>	<b>GREEN</b>

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
		All councillor briefings on funding reform and the implications for the council are provided as part of the budget process providing opportunity for questions and other feedback.		
H	The authority complies with the CIPFA “Prudential Code for Capital Finance in Local Authorities”	The Capital & Investment Strategy is updated annually and agreed by Council alongside the Capital Programme, Treasury Management Strategy, Annual Investment Strategy and Minimum Revenue Provision Policy. The Capital Programme is monitored monthly with reports produced quarterly for the Strategic Capital Board and Cabinet. Quarterly Treasury Management reports are taken to Audit & Governance Committee, Cabinet and Council, including monitoring of Prudential Indicators. The ratio of financing costs to the net revenue stream is forecast to remain within at around 5% over the medium term with a recommended limit of 5.5%. The future affordability of any proposed new borrowing is a key consideration within the Budget & Business Planning process.		<b>GREEN</b>
	The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans	The council has an integrated Business and Budget Planning Process with a multi-year Medium Term Financial Strategy linked to service plans. This is reviewed and updated each year with new future years added to ensure that the strategy covers at least three years. The MTFS for 2026/27 will cover the period 2026/27 – 2030/31 to enable a high level view of budgets that will be available following local government reform expected to be implemented from April 2028. Following the county council elections in May 2025 service plans have been reviewed to align with the priorities in the Strategic Plan for 2025 – 2028.	Service plans are being reviewed in 2026 to align with the new Strategic Plan, and to with the reduced level of funding available to the council from 2027/28 onwards.	<b>GREEN</b>
<b>4. The Annual Budget</b>				
J	The authority complies with its statutory obligations in respect of the budget setting process	The council produces an annual balanced budget and supporting documentation within the necessary timeframe.		<b>GREEN</b>
K	The budget report includes a statement by the CFO on the robustness of the estimates and a statement on the adequacy of the proposed financial reserves	The CFO’s comprehensive Section 25 report accompanies the suite of Budget documents and includes a commentary on the adequacy of proposed financial reserves with reference to CIPFA’s Resilience Index as well as assessed compliance with the FM Code.		<b>GREEN</b>

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
5.	<b>Stakeholder Engagement and Business Plans</b>			
L	The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget	<p>Following the county council election in May 2025, the county council engaged on a new <a href="#">Strategic Plan</a>. This was part of a number of engagement activities that ran over the summer with residents, focused on their priorities and seeking their views on local government reorganisation. Activities included nine focus groups, four schools' sounding boards and a representative residents' survey.</p> <p>The strategic plan was agreed by Cabinet in October 2025 following consideration of this <a href="#">feedback</a>. This feedback is also being used to inform the budget and business planning process. The strategic plan was approved by Council in November 2025.</p> <p>Additional engagement outputs from the 2025 annual representative residents' survey will also be considered by Cabinet as part of the budget process.</p>	Future proposals to manage expenditure in line with the available funding are likely to require formal consultation. This will either be undertaken during 2026/27 or as part of the budget process for 2027/28.	<b>GREEN</b>
M	The authority uses an appropriate documented options appraisal methodology to demonstrate the value for money of its decisions	<p>Key decisions requiring investment to deliver service improvements, deliver savings or invest or save opportunities require business case to aid decision making via the appropriate governance process (e.g., Strategic Capital &amp; Commercial Board).</p> <p>More systematic business intelligence information and insight needed to underpin the Commercial Strategy and enable the council to demonstrate that all revenue and capital expenditure provides VfM is being developed.</p> <p>The requirements, system, standards and guidance for the development and approval of business cases is being considered as part of the implementation of the Commercial Strategy.</p> <p>The Commercial Transformation Programme includes a workstream which is developing a digitised business case process</p>	The redesign of Financial & Commercial Services which went live in December 2025 will improve capacity and capability to track and report VfM data and introduce a more commercial approach in line with the council's Commercial Strategy. New tools are in development to support the standardised and structured assessment of service delivery models. This will be coupled with the digitised business case process (due early 2026) and an enhanced decision-support tool to improve consistency and depth	<b>GREEN</b>

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
			of climate and equalities impact assessments (due early 2026).	
<b>6. Monitoring Financial Performance</b>				
N	The Leadership Team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability	<p>The regular Business Management and Monitoring Reports to Cabinet include performance, finance and risk so enable the council's leadership team and Cabinet to respond to emerging issues and to take action to manage those. The report format has been updated to focus on key issues and exceptions to ensure that challenge and action is focussed on the more significant issues</p> <p>The regular Capital Programme monitoring report includes updates on scheme activity, performance and risks.</p> <p>A data warehouse covering finance, purchasing and HR. has been developed and the majority of the data extraction from our hosted SAP System has been completed With the new team in Finance formally established in December 2025this is continuing to improve reporting and supporting data driven intelligence and decision-making.</p> <p>Stages 1-4 have been completed in 2025 and stage 5 is scheduled for delivery by end of the year and will continue into 2025/26.</p> <p>A Purchasing Improvement Workstream is automating purchasing tasks across feeder systems and streamlining the options available to buyers so that the correct shopping channel is clear and directs buyers to the right approach. This will reduce invoice and payment disputes and errors and maximise commercial opportunities with new purchasing routes. Phase 1 will be delivered by April 2026.</p> <p>Key enhancements to strengthen capital programme delivery include the introduction of a Pre-Delivery Portal, providing a centralised view of all capital projects prior to delivery and enabling early identification and resolution of barriers. A Strategic Pipeline Board will scrutinise new and developing projects, ensuring cross-service input and better alignment with organisational priorities. In addition, early funding for project development will allow small-scale allocations to</p>		<b>GREEN</b>

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
Page 240		<p>make schemes "shovel-ready", ensuring timely progression when full resources become available. The recent development of a prototype prioritisation tool, a data-driven system designed to rank projects against strategic criteria, will be embedded within our governance framework and will ensure funding is directed towards the highest priorities. This is still in the early stages of development, but teams are working to ensure new ways of working are in place by April 2026</p> <p>Capital Monitoring will be developed further using outputs from the Project Portfolio Management (PPM) system</p> <p>A Strategic Risk Manager has been added to the structure as part of the Financial &amp; Commercial Services redesign and is expected to be in post from early 2026.</p>		
	The Leadership Team monitors the elements of its balance sheet that pose a significant risk to financial sustainability	The Business Management and Monitoring Reports to Cabinet include monitoring of key balance sheet items including balances, reserves, debtors, and cash (including the performance of Treasury Management).		<b>GREEN</b>
<b>7. External Financial Reporting</b>				
P	The CFO has personal and statutory responsibility for ensuring that the statement of accounts produced by the local authority complies with the reporting requirements of the "Code of Practice on Local Authority Accounting in the United Kingdom" (The Code)	<p>The annual accounts are produced in compliance with The Code and always received an unqualified audit opinion up to 2020/21.</p> <p>The statement of accounts for 2022/23 was published on 23 January 2024 following the resolution of the issues with the valuation of infrastructure assets. As a result of the delay, together with the wider requirements of the local audit reset the council's external auditors were not able to complete the detailed audit procedures that would be needed to obtain sufficient appropriate audit evidence to issue an unmodified audit report. Therefore, the council has received a disclaimed opinion on the 2022/23 financial statements.</p> <p>The 2023/24 accounts were published on 28 June 2024 and the audit opinion was received in February 2025. Since it was</p>		<b>GREEN</b>

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
		not possible to have assurance over the brought forward balances from 2022/23 these accounts were also disclaimed. The 2024/25 accounts were published on 30 June 2025. Feedback on the accounts from external audit has been positive and they are expected to be signed off in early 2026.		
Q	The presentation of the final outturn figures and variations from budget allows the leadership team to make strategic financial decisions	The Strategic Leadership Board and Cabinet consider the outturn and year end variances in a Provisional Outturn Report to Cabinet each June. Where relevant this enables strategic financial decisions to be made early in the following financial year.		<b>GREEN</b>

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**Changes to be made by the Monitoring Officer under delegated authority – January 2026**

**Oxfordshire CC Constitution**

In addition to those listed below, the Constitution will be checked prior to publication of the final version for layout, numbering and general formatting and other grammatical errors.

No	Part	Change	Comments
	<b>Part 1.1 The Council’s Constitution</b>		
1	Para 4.1 (c) and (d)  <b>Review of the Constitution</b>	<b>Insert</b> (c) record and analyse issues raised <b>with</b> the Monitoring Officer by Councillors, officers, the public and other relevant stakeholders; and <b>Amend</b> (d) compare practices in the authority with those in other comparable authorities, <del>or</del> <b>and</b> national examples of best practice	Provides clarity
2	Para 6 (b) and (c)  <b>Publication of the Constitution</b>	<b>Amend</b> (b) The Monitoring Officer will ensure that copies of the Constitution are available for inspection at council offices, libraries and other appropriate locations, and is available electronically on the Council’s public website and can be purchased by <del>Councillors</del> <b>Members</b> of the local press and the public on payment of a reasonable fee.	It would appear that ‘Councillors’ was inserted following a generic change. The rest of the constitution will be checked.

No	Part	Change	Comments
<b>Part 1.2 How Oxfordshire CC operates</b>			
3	Section 1, first para <b>Councillors</b>	<p><b>Amend</b> Oxfordshire County Council comprises <del>69</del> County Councillors, <del>due to an increase to 69 Councillors from May 2025</del>, elected every four years (beginning 2001). The terms of office of Councillors will start on the fourth day after being elected and will finish on the fourth day after the date of the next regular election. <b>If that date falls on a Bank Holiday, the terms will start and finish on the next day that is not a Bank Holiday (Local Government Act 1972, Section 243(1)).</b> County Councillors are democratically accountable to the residents of their electoral division. The overriding duty of County Councillors is to the whole community of Oxfordshire, but they have a special duty to their constituents, including those who did not vote for them.</p>	Provides clarity.
4	Section 2, second para <b>Council</b>	<p><b>Amend</b> The Council is responsible for appointing the Leader of the Council and various committees: some of these committees are responsible for overseeing and reviewing the decisions of the Cabinet on behalf of the Council; others have statutory non-executive responsibilities to discharge. <b>Further details of the committees of the Council are summarised below. More detailed information can be found in Parts 4, 5 and 6 of this</b></p>	Provides clarity.

No	Part	Change	Comments
		<b>Constitution.</b> A full list of the responsibilities of Council is set out below:	
5	Fourth para	<b>Amend</b> A full list of the responsibilities of Council is set out below. Only the Council will exercise these following functions: .....	Provides clarity.
6	Section 3, para 3 (f) and (h)  <b>The Chair of Council</b>	<b>Amend – and also possible duplication</b> (f) speaks for the Council <del>as a whole</del> where there is unanimity on non-political issues, particularly on public occasions;	Provides clarity.
7		(h) Where the Council has expressed its wish, does not speak publicly unless explicitly requested to do so by the Council, <del>save in accordance in accordance with the declared wish of the Council.</del> See (f) above;	See above.
8	Section 4, para one  <b>Cabinet</b>	<b>Amend</b> The Cabinet is <del>the part of the Country Council which is</del> responsible.....	The explanation is not required.
9	Para two	<b>Amend</b> Many of the day-to-day decisions on these matters will, in practice, be taken by sub-committees comprising of Councillors or by professional officers acting in accordance with the delegation arrangements described later.	Provides clarity.

No	Part	Change	Comments
10	Section 6  <b>Overview and Scrutiny Committees</b>	<b>Amend</b> These committees monitor the <b>delivery of the Council's strategic objectives and assist with policy development. This is done, in part, by reviewing the</b> actions of the Cabinet, <del>and the other</del> <b>including Cabinet Sub-Committees, by holding and may call them</b> to account. Non-Cabinet members can (subject to certain rules) require decisions of the Cabinet to be 'called in' for review by the relevant Scrutiny Committee. The committee may recommend that the Cabinet reconsider the decision, although the final decision will still remain with the Cabinet.	Provides clarity
11	Section 8  <b>The County Council's Staff</b>	<b>Amend</b> The County Council employs professional staff (or 'officers') to give advice, implement decisions and manage the day-to-day delivery of its services. Some officers have a specific duty to ensure that the County Council acts within the law and uses its resources <b>effectively and efficiently.</b> <del>wisely.</del>	Provides clarity.
<b>Part 1.3 Decision Making</b>			
12	Section 4  <b>Decision Making by Council Bodies Acting as Tribunals</b>	<b>Minor Amendments</b> The Council, a <del>C</del> committee or <del>S</del> sub- <del>C</del> committee of the Council, a <del>C</del> councillor or an officer acting as a tribunal or in a quasi-judicial manner.....	Grammatical changes.

No	Part	Change	Comments
13	Section 5  <b>Decision Making by Officers</b>	<b>Amend</b> The <del>d</del> Decisions made by officers on executive matters will be recorded by the Council.	Grammatical change.
<b>Part 3.1 Council Procedure Rules</b>			
14	Section 1, para 1.1.2 (x)  <b>Timing and Business</b>	“be deemed to have appointed, as <del>substitute</del> <del>alternate</del> members for each member of the Council appointed to a committee, all those members of that member’s political group who are not for the time being members of that committee, save that only Members of the Cabinet shall be deemed to have been appointed as <del>substitute</del> <del>alternate</del> members for other Members of the Cabinet and only non-Cabinet members shall be deemed to have been appointed as <del>substitute</del> <del>alternate</del> members for other non-Cabinet members on scrutiny committees;”	Provides clarity.
15	Section 2, para 2.1 (a)  <b>Ordinary Meetings</b>	<b>Clarification</b>  <b>Ordinary Meetings and Budget Council</b>  a) <del>normally be held on the second</del> <del>third</del> Tuesday in February (the budget meeting);	Provides clarity
16	Section 3, para 3.4	The Chair may exercise <del>his</del> discretion	Correction

No	Part	Change	Comments
17	Section 4, para 4.2 (iv)  <b>Substitution</b>	subject to <b>the completion of</b> any training requirements specified by the Monitoring Officer	Provides clarity
18	Section 6  <b>Notice of and Summons to Meetings</b>	The Proper Officer will give notice to the public of the time and place of any meeting in accordance with the Access to Information Rules. At least five clear days before a meeting, the Proper Officer will send a summons signed by him or her <del>by post and electronic mail</del> to every member of the Council or leave it at an agreed designated place for collection. The summons will give the date, time and place of each meeting and specify the business to be transacted; and will be accompanied by such reports as are available. <b>A copy of the notice will be placed on public inspection and be available online.</b>	Clarifies the current position.
19	Section 8, para 8.2  <b>Attendance</b>	Members attending virtually at Council and members of statutory committees attending virtually at the committee are not <b>legally</b> considered <b>to be</b> present and therefore unable <del>must not</del> to vote, do not count towards the quorum and <b>will not normally be entitled to</b> <del>must not</del> speak at the meeting. The chair of Council or a committee may agree exceptions to <del>this</del> <b>the speaking</b> rule to allow Members to speak virtually.	Provides clarity. Paragraphs will be reformatted.
20	Para 10.5 (i)  <b>Petitions and Request to Address Council</b>	City and District Councillors be given their own speaking slot at meetings of the County Council's Planning & Regulation Committee at the discretion of the Chair of the Committee and normally only where County	Correct grammar

No	Part	Change	Comments
	<b>Chair's Discretion</b>	Councillors enjoyed a similar privilege at District and City planning meetings;	
21	Para 10.5 (ii) <b>Chair's Discretion</b>	where that reciprocal arrangement <del>was</del> <b>is</b> not in place then District and City Councillors <del>would</del> <b>will</b> retain the right to apply alongside other members of the public.	Correct grammar
22	Section 11, Para 11.2 <b>Questions by the Public</b> <b>Order of Questions</b>	Subject to the maximum time allowed for public questions at any one meeting being 30 minutes, questions will <b>normally be listed and asked</b> in the order <del>they were</del> notice of them <del>was</del> received by the Proper Officer. <b>It should be noted that the Chair has the discretion to</b> <del>except that the Chair may</del> group <b>similar questions</b> together. <b>Where this happens the order in which the questions are listed and asked may vary from the order in which they were received.</b>	Provides clarity
23	Para 11.4 <b>Number of Questions</b>	At any one meeting no person <b>or organisation</b> may submit more than one question. <del>and no more than one question may be asked on behalf of any one organisation.</del>	Provides clarity
24	Para 11.8 <b>Written Answers</b>	Any question which cannot be dealt with during public question time, either because of lack of time or because of the non-attendance of the member <b>of the public or representative of an organisation</b> , <del>by</del> <b>to</b> whom it was to be put, will be deemed dealt with by the provision of a written answer.	Provides clarity

No	Part	Change	Comments
25	Section 12  Para 12.2.1  <b>Questions on Notice at Full Council</b>	Subject to Rule 12.3, a member of the Council may ask up to 3 questions <b>at ordinary meetings of the Council with notice, on any matters to which the Council has powers or duties affecting the County</b> of:  (i) <b>To</b> the Leader of the Council; (ii) <b>To</b> other Members of the Cabinet; or (iii) <b>To</b> the Chair of a scrutiny or other council committee;  <del>at ordinary meetings of the Council on any matters in relation to which the Council has powers or duties which affects the County.</del>	Provides clarity
26	Para 12.2.2	Subject to the maximum number of questions from any member being 3, the time allowed for Councillors' questions with notice at any one meeting being 30 minutes, questions will be <b>listed and</b> asked in the order <b>they were</b> <del>notice of them was</del> received by the Proper Officer. <del>except that the Chair may group together similar questions;</del> <b>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.</b>	Provides clarity.
27	Para 12.3.3 (iv)  <b>Notice of Questions</b>	If answering a question would require the disclosure of confidential or exempt information, <del>then</del> the Proper Officer will <del>shall</del> <b>reply to the member in an appropriate writing in a confidential manner;</b>	Provides clarity.

No	Part	Change	Comments
28	Para 12.3.4	In all cases the final decision on whether a question is appropriate falls to the Chair of the Council, <b>having regard to the advice of the Proper Officer.</b>	Provides clarity and tightens the process.
29	Para 12.4  <b>Record of decisions</b>	The Proper Officer will <b>record</b> <del>enter</del> each question <del>in a book</del> <b>which will be stored electronically and be</b> open to public inspection and will immediately send a copy of the question to the member to whom it is to be put. That Member must give her/his reply to the Proper Officer by 10 am on the <del>second</del> working day before the meeting. Rejected questions will include reasons for rejection. Copies of all accepted questions and replies will be circulated to all Councillors on the day prior to the meeting and will be made available to the public attending the meeting.	Reflects current arrangements.
30	Para 12.6.3  <b>Response to Supplementary Question</b>	where the reply cannot conveniently be given orally <b>at the meeting</b> , a written answer <b>subsequently</b> <del>later</del> circulated to the questioner and copied to all Members of the Council.	Provides clarity.
31	Section 13  Para 13.1.2  <b>Motions On Notice</b>  <b>Notice</b>	A motion which, in the opinion of the Chair, following advice from the Monitoring Officer, <b>does not comply with</b> <del>offends against</del> the requirements in Rule 13.3 (Scope) shall be excluded from the agenda. <del>but</del> <b>In such cases</b> the member who gave notice <b>of the motion</b> , it shall first be advised and allowed the opportunity to modify the motion to make it acceptable.	Provides clarity.

No	Part	Change	Comments
32	Para 13.5.6  <b>Treatment of Motions</b>	A motion to amend a motion of which notice has been given under this Rule shall <b>only</b> be considered <del>only</del> if <b>it is</b> presented to the Proper Officer in writing or electronic mail by 9.00 am two working days before the meeting.	Provides clarity.
33	Section 14  Para 14.1 NEW xii and renumber thereafter  <b>Motions Without Notice</b>	The following motions may be proposed without notice:  <b>NEW xii</b>  to provide a personal explanation or clarification or point of order;	Corrects an omission.
34	Para 15.2  <b>Rules of Debate</b>  <b>Right to require Motion in Writing</b>	Unless notice of a motion has already been given, the Chair may require it to be written down and <b>presented to the Chair</b> <del>handed to him/her</del> before it is discussed.	Question of style.
35	Para 15.3  <b>Secunder's Speech</b>	A member seconding a motion or amendment may reserve <b>their right to speak</b> <del>her/his speech</del> until later in the debate but shall lose the right to speak if a motion under Rule 14.1 (vii) "that the question be now put" is carried	Provides clarity.
36	Para 15.4.1  <b>Content and Length of Speeches</b>	Speeches must be directed to the motion under discussion or to a personal explanation or point of order and it shall be the duty of the Chair to stop discussion	Provides clarity.

No	Part	Change	Comments
		which <del>the Chair considers</del> in her/his judgement, is irrelevant.	
37	NEW para 15.4.3	<del>The time limits in 15.4.2 above will be subject to these time limits being</del> extended at the February (or budget setting) meeting to ten minutes and five minutes respectively, when discussing the budget.	Provides clarity.
38	NEW para 15.4.4	<del>In subject to</del> in all cases, the Chair of the Council <del>will have</del> ing the discretion to limit the number of persons who may speak on any issue and the order of speaking in the best interests of the efficiency of the meeting. <del>The Chair shall have regard to the advice of the Proper Officer.</del>	Provides clarity.
39	Para 15.6.1 after (ii)  <b>Amendments to Motions</b>	but any such amendment shall not have the effect of introducing a substantially different proposal <del>into</del> , or negating the whole motion. The amendment must not take the original motion over 250 words.	Provides clarity.
40	Para 15.6.2	Only one amendment will be moved and discussed at any one time, unless the Chair determines otherwise (such as grouping amendments together) to allow for the efficient running of business. No further amendment will be moved until the amendment under discussion has been dealt with unless, in <del>the</del> view of the Chair, the efficient <del>consideration despatch</del> of business would be assisted if two or more amendments were debated simultaneously before being put (separately) to the vote.	Provides clarity.

No	Part	Change	Comments
41	Para 15.6.8	After an amendment has been carried, the Chair will ensure that <del>members</del> <del>Councillors</del> are clear on the wording of the amended motion and, if necessary, read out the amended motion before accepting any further amendments or, if there are none, putting it to the vote.	Provides consistency.
42	Para 15.8 <b>Withdrawal of Motion</b>	A motion or amendment once proposed shall not be withdrawn except with the agreement of the <del>mover and</del> seconder and the consent of the Council. The meeting's consent will be signified without discussion. No member may speak on the <del>withdrawal</del> motion after the mover has asked permission to withdraw it unless permission is refused.	Provides clarity
43	Para 15.9.4 <b>Right of Reply</b>	A member exercising a right of reply shall not introduce new matters.	Grammar
44	Para 15.11 15.11.1 <b>Closure Motions</b>	A member who has not already spoken may move, without comment, at the end of a speech of another member 'that <del>Council moves the vote</del> <del>the question be now put</del> '.	Provides clarity.
45	Para 15.14.1 <b>Time Limit for Debate</b>	Each debate on a motion (including any amendments) shall be subject to a time limit, which shall be determined by the Chair following publication of the agenda and following consultation with Group Leaders. <del>at the pre-meeting briefing meeting</del> . The respective time limits shall be determined having regard to the overall content of the agenda and on the basis of an initial presumption of a maximum of 30 minutes for any one debate (excluding	Provides clarity.

No	Part	Change	Comments
		<p>themed debates, where a maximum of 2 hours shall be applied), and shall be notified to <del>members</del> <del>Councillors</del> through the published Schedule of Business; <del>provided that</del> <del>T</del>the Chair may extend the time limit for debate on a motion if, during the debate, the Chair thinks it desirable to allow extra time for that debate but only to take up time gained on the early despatch of previous business. <del>In such instances the Chair, will a</del>At the conclusion of the time allocated to a debate, <del>the Chair will</del> draw the attention of the meeting to this Rule. The debate <del>will shall</del> immediately be concluded as if the motion “that the question be now put” had been moved and carried in accordance with Rule 15.11.3 above, subject to the right of any seconder who has reserved <del>their</del> <del>her/his</del> speech until later having the right to speak before the rights of reply are exercised.</p>	
46	Para 15.14.2	<p>Where an item on an agenda (for example the Report of the Cabinet) contains a number of items of business, or where items of business (for example Motions on Notice) have been grouped together on an agenda; each <del>such</del> item or grouping shall be deemed to constitute <del>an individual</del> ‘category’ of business. In such circumstances the Chair, following publication of the agenda and subsequent consultation with Group Leaders, shall determine an overall time limit to be applied to each such category. The time limits so allocated, shall be determined and notified in accordance with the arrangements set out at Rule 15.14.1 above. Any business which remains unfinished at the expiry of the time set down shall be deferred either to</p>	Provides clarity.

No	Part	Change	Comments
		<p>an adjourned meeting, to the next scheduled meeting or to an additional, extraordinary meeting. The destination of such deferred business shall be determined by the Chair. This does not apply to Motions of Notice received in accordance with Rule 13 above not proposed and seconded in accordance with Rule 15.1 above, which shall be considered to be dropped.</p>	
47	<p>Para 17.4</p> <p><b>Voting</b></p> <p><b>Recorded Vote</b></p>	<p>If the Chair or seven Councillors, by standing in their places, <b>where possible</b>, so require (whether before or after a show of hands or electronic vote, but before the next business has commenced) a named vote shall be taken when each member shall be called upon to register their vote electronically for or against the motion (or, if required by the Chair, saying ‘yes’, ‘no’ or ‘abstain’). Where a member makes an error in registering their vote <u>they</u> may rectify the error provided this is done before the electronic vote has closed (or the next member has been called upon to vote). The Chair will clarify with Council that all Councillors have voted prior to closing the vote.</p>	Provides clarity
48	<p>Para 18.1</p> <p><b>Minutes</b></p> <p><b>Signing the Minutes</b></p>	<p>The Chair will sign the minutes of the proceedings at the next suitable meeting. The Chair will move that the minutes of the previous meeting(s) be signed as a correct record. <b>There can be no discussion on the Minutes other than to consider</b> <del>The only part of the minutes that can be discussed at this point in the meeting is their accuracy.</del></p>	Provides clarity.

No	Part	Change	Comments
49	Para 18.3  <b>Form of Minutes</b>	Minutes <del>are not a verbatim record and are prepared to provide a summary of the debate and to record the decisions.</del> The Minutes will contain all motions and amendments in their exact form and in the order that they were put to the meeting.	Provides clarity.
50	Para 20.1  <b>Disturbance by Public</b>  <b>Removal of Member of the Public</b>	<b>Removal of a Member of the Public</b>  If a member of the public interrupts proceedings at any meeting, the Chair shall <del>issue a warning.</del> warn her/him. If they continue the interruption, the Chair will order them to leave the meeting room. If they do not leave, the Chair shall order them to be removed. If a member of the public persistently creates a disturbance, the Chair may adjourn the meeting for fifteen minutes or as long as they think necessary.	Provides clarity.
51	Section 21  Para 21.3  <b>Councillors' Conduct</b>  <b>Member not to be heard further</b>	If a member in the opinion of the Chair, misconducts <del>themselves</del> her/himself by persistently disregarding the ruling of the Chair, by using offensive expressions or gestures, or by otherwise behaving improperly or obstructing the business of the meeting; the Chair may require that the member <del>named to</del> withdraws any offensive expression or gesture and may also move that the member named be not further heard. If seconded, this motion shall be put to a vote without debate. If carried, the member <del>named</del> shall not speak further at the meeting.	Provides clarity.
52	Section 22  Para 22.1	All of these Council Rules of Procedure except Rule 17.5 and Rule 18.2 may be suspended by motion on notice or without notice if at least one half of the whole number of	Provides clarity

No	Part	Change	Comments
	<p><b>Suspension and Amendment of Council Procedure Rules</b></p> <p><b>Suspension</b></p>	<p><del>Members</del> Councillors of the Council are present. <b>If granted, the s</b>Suspension <b>will</b> can only <b>apply</b> be for the duration of the meeting.</p>	
<b>Part 4.1 The Cabinet and Current Membership</b>			
53	<p>Para 6</p> <p><b>Responsibility for Functions</b></p>	<p>Cabinet Member – Functions updated</p> <p>Similarly, the membership of the Cabinet and the Opposition Shadow Cabinet has been updated</p>	<p>Titles, names and responsibilities are updated to reflect the current position.</p> <p><i>These are kept updated and administered by the MO under delegated powers.</i></p>
<b>Part 4.2 Cabinet Procedure Rules</b>			
54	<p>Para 3.2</p> <p><b>Questions by Members of the Council</b></p> <p><b>Order of Questions</b></p>	<p>Subject to the maximum time allowed for councillors' questions with notice at any one meeting being 30 minutes, questions will be asked in the order <b>they were</b> notice of them was received by the Proper Officer; <del>except that the Chair may group together similar questions.</del> <b>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</b></p>	<p>Brings into line with the suggested change to paragraph 12.2.2</p>

No	Part	Change	Comments
		the order in which they were received.	
55	Para 3.4, second para  <b>Number of Questions</b>	The Chair may exercise his discretion around the number of questions, including multi-part questions a councillor may ask, where (taken together) these would not, in the Chair's view, take up the whole of the allotted time or otherwise prejudice any other constitutional rights.	Grammatical
56	Para 3.6.2 and 3.6.3  <b>Record of Questions</b>	Need to renumber as there are two 3.6.2s	Typing error
<b>Part 4.3 Cabinet Committees</b>			
57	New Para 3 and Appendix A  <b>Shareholder Committee</b>	<b>(3) Shareholder Committee</b>  The Shareholder Committee was established by Cabinet on 19 November 2024. The Terms of Reference are set out in Appendix A.	Shareholder Committee has been established. Clarifies the position.  <b>See Annex A1 attached.</b>
58	Para 1  <b>Terms of Reference</b>	The Council will appoint <del>three</del> <b>four</b> Overview & Scrutiny committees as set out below.  <i>Membership details for the 4 Committees will also be updated.</i>	Provides clarity

No	Part	Change	Comments
		<ul style="list-style-type: none"> <li>• <i>Education and Young People Overview &amp; Scrutiny Committee</i></li> <li>• <i>People Overview &amp; Scrutiny Committee</i></li> <li>• <i>Performance &amp; Corporate Services Overview &amp; Scrutiny Committee</i></li> <li>• <i>Place Overview &amp; Scrutiny Committee</i></li> </ul>	
<b>Part 5.1A Membership of the Committees and Sub-Committees</b>			
59	Para 1, sub para 42  <b>Regulatory and other Committees - Audit and Governance Committee</b>	After existing sub para 42 insert the following heading:  <b>Ethical Governance</b>  Sub paras 43-45 remain unchanged	Corrects an omission
60	<b>Part 5.1D Membership of Joint Committees</b> <i>(Correction to the title)</i>		
<b>Part 6.1A Overview and Scrutiny Committees</b>			
61	Para 6  <b>Place O&amp;S Committee</b>	<b>Place Overview &amp; Scrutiny Committee</b>  The Place Overview & Scrutiny Committee will have a membership of 9 county councillors. The membership will be politically proportional. Its terms of reference will be:	Updates terms of reference

No	Part	Change	Comments
		<p>Climate change, transport, highways, planning and place-based services. Including the delivery of regulatory services, fire and rescue, community safety and community services such as libraries. NB This Committee will act as the Council's 'Crime and Disorder' Committee. be:</p> <ul style="list-style-type: none"> <li>(i) To focus on the following key areas: <ul style="list-style-type: none"> <li>a. Climate change</li> <li>b. Transport</li> <li>c. Highways and highway maintenance</li> <li>d. Planning and place-based services. This includes the delivery of regulatory services, fire and rescue, community safety, community services such as libraries</li> </ul> </li> <li>(ii) To act as the Council's 'Crime and Disorder' Committee.</li> <li>(iii) To exercise the statutory right to call-in, for reconsideration, decisions made but not yet implemented by or on behalf of the Cabinet.</li> </ul>	
62	Para 5	<p><b>Performance &amp; Corporate Services Overview &amp; Scrutiny Committee</b></p> <p>Its terms of reference will be:</p> <ul style="list-style-type: none"> <li>(i) To review and scrutinise the performance of the Council and to provide a focused review of:</li> </ul>	Updates terms of reference

No	Part	Change	Comments
		<ul style="list-style-type: none"> <li>(a) Corporate performance and directorate performance and financial reporting</li> <li>(b) Budget scrutiny</li> <li>(c) <b>Local Government Reorganisation</b></li> <li>(ii) To monitor the performance of the Council by means of effective key performance indicators, review of key action plans and obligations and through direct access to service managers, Cabinet Members and partners;</li> <li>(iii) To exercise the statutory right to call-in, for reconsideration, decisions made but not yet implemented by or on behalf of the Cabinet;</li> </ul>	
<b>Part 6.1B The Oxfordshire Joint Health Overview and Scrutiny Committees</b>			
63	Para 18	Under Regulation 26(2) of The Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) <b>Regulations 2013</b> , where an NHS or health service provides, or arranges for the provision of, services to persons residing within the area of several local authorities, its duty under paragraph (1) will be satisfied if it provides information to the joint overview and scrutiny committee of those authorities. The Buckinghamshire, Oxfordshire, and Berkshire West Joint Health Overview and Scrutiny Committee qualifies as the joint health overview and scrutiny committee to be informed when a variation in services will affect residents across the Buckinghamshire, Oxfordshire, and Berkshire West	Correction.

No	Part	Change	Comments
		Geography as a collective.	
<b>Part 6.2 Overview and Scrutiny Procedure Rules</b>			
64	Section 19  Para 8 z and z ii  <b>Call in (Exemption)</b>	(z) The foregoing provisions of this Rule shall not apply to any decision of the Cabinet <b>in the following situations:</b> <del>where either:</del> ii the decision is taken by the Cabinet after taking account of any recommendations or other comments by the Scrutiny Committee following a call-in of a decision taken previously by the Cabinet-; <b>or</b>	Clarifies the sentence and current arrangements.
<b>Part 7.1 Officers</b>			
65	Para 2 c  <b>Functions of the statutory post of Head of Paid Service</b>	<b>Urgency.</b> The Head of Paid Service is authorised to take any urgent action necessary to protect the Council's interests and assets where time is of the essence and it is impracticable to secure authority to act where such authority would otherwise be required. The Head of Paid Service, in so acting, will be guided by the Budget and the Policy Framework at Part 1.2 of this Constitution, will consult the other Statutory Officers before acting and will report, in writing, as soon as practicable to the body which would otherwise have been required to give the necessary authority to act. Key decision procedures and call in procedures (Parts 8.1 and 6.2(19) of the Constitution) will	Correction.

No	Part	Change	Comments
		apply to any key decisions taken under the this authorisation.	
66	Para 3 b  <b>Functions of the statutory post of Monitoring Officer</b>	Ensuring lawfulness and fairness of decision making. After consulting with the Head of Paid Service and Chief Finance Officer, the Monitoring Officer, <b>in accordance within their statutory functions</b> , will report to the Full Council or, in the case of an executive function, to the Cabinet, if <del>they</del> <b>the Monitoring Officer</b> considers that any proposal, decision or omission, has given, or would be likely to give rise to unlawfulness, or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered	Provides clarification.
<b>Part 7.2 Scheme of Delegation to Officers</b>			
67	Para 1.5 (f)  <b>Introduction</b>	<del>if when any exercise</del> exercising a delegation <del>an making</del> incorrect references <b>is made</b> to any part of the Constitution, relevant statute, legislation or byelaw, <b>this</b> shall not, of itself, invalidate the authorised delegation.	Provides clarification
68	Para 2.1 (f)  <b>Principles of Delegation</b>	Where an officer is absent from the workplace for a period of time <del>which that</del> requires others to exercise delegated authority in that officer's absence, another officer should be nominated by the Chief Executive. This nomination should be formally recorded in writing.	Provides clarification

No	Part	Change	Comments
69	Para 2.1 (i)	Anything delegated to an officer is also delegated to the Chief Executive, <b>other than the statutory functions assigned to the Monitoring Officer;</b>	Provides clarification.
70	Para 6.7  <b>Specific Powers and Functions</b>	For the avoidance of doubt, the delegation to the Director of Economy and Place <b>is subject to consultation</b> <del>includes the power, jointly</del> with the Director of Law & Governance and Monitoring Officer, to determine applications for certificates of lawfulness of existing or proposed use or development.	Provides clarification.
<b>Part 8.1 Access to Information Procedure Rules</b>			
71	Para 3  <b>Rights to attend and Report on Meetings</b>	Rights to Attend; and Report on; Meetings	Remove commas from heading.
72	Para 14.2  Insert NEW b  <b>The Forward Plan</b>  <b>Contents of the Forward Plan</b>	<b>New (b)</b> renumber after  <b>whether the decision is to be considered in closed session, where it involves confidential or exempt information;</b>	This is a legal requirement and one of the drivers for legislation governing it. Brings into line with 14.3 e
73	Para 16  <b>Special Urgency</b>	If by virtue of the date by which a <b>key</b> decision must be taken Rule 15 (general exception) cannot be followed, then the decision can only be taken if the decision maker	Clarification

No	Part	Change	Comments
		obtains the agreement of the Chair of the relevant Overview and Scrutiny Committee that the taking of the decision cannot be reasonably deferred. If there is no Chair of the Scrutiny Committee, or if the Chair is unable to act, then the agreement of the Chair of the Council, or in their absence the Vice-Chair will suffice.	
74	Para 20  <b>Non-Cabinet Members</b>	All members of the Council and the voting co-opted members of the <b>Education and Young</b> People Overview and Scrutiny Committee <del>will be entitled to</del> receive the Cabinet Forward Plan <b>electronically</b> each month when it is published. All members of the Council will, subject to the provisions of Section 7 of the Protocol on Councillors' Rights and Responsibilities set out at Part 9.2 of this Constitution, be entitled to receive the agenda for and minutes of each meeting of the Cabinet or a committee of the Cabinet. The voting co-opted members of the <b>Education and Young</b> People Overview and Scrutiny Committee will <del>be entitled to</del> receive, subject to the provisions of Section 7 of the Protocol on Councillors' Rights and Responsibilities set out at Part 9.2 of this Constitution, any items on an agenda of the Cabinet or any Committee of the Cabinet which concern the discharge of any education functions.	Provides clarity and updates committee name.
	<b>8.2 Financial Procedure Rules</b>		

No	Part	Change	Comments
75	Para 1.4  <b>Introduction</b>	In Part 7.1 of this Constitution, section 4(b) states that “the Director of Finance will have responsibility for the administration of the financial affairs of the council” under s.151 of the Local Government Act 1972. Part 7.2 then states at paragraph 4.1 that:	Insert colon at end of sentence
76	Section 5 - Para 12.1 and 12.2  <b>Responsibilities of the Cabinet</b>	Re-number 5.1 and 5.2	Correction
77	Para 5.1 (12.1)	The Cabinet is responsible for making sure that there is effective financial planning within the council <b>following advice from the Proper Officer.</b>	Provides clarity.
78	Para 6.2  <b>Responsibilities of Councillors</b>	All councillors must operate within the required accounting standards and timetables to ensure <del>that all the Council’s transactions, material commitments and contracts and other</del> essential accounting information <b>is</b> <del>are</del> recorded completely, accurately and on a timely basis.	Provides clarity.
79	Para 15.1  Financial Regulations	These Financial Procedure Rules set out the high-level principles and responsibilities which apply to all financial matters in the council. Regulations setting out the activities which should be undertaken in support of these financial standards are maintained on the council’s intranet. The <b>Financial</b> Regulations <del>contents list of Regulations</del> <b>is attached</b> at Annex 1 below.	Financial regs now published as part of the Constitution, in full.

No	Part	Change	Comments
<b>8.3 Contract Procedure Rules</b>			
80	Throughout	<ul style="list-style-type: none"> <li>• Rule 5.4 – provides clarity around the route to market including below threshold direct award.</li> <li>• Rule 5.6 – reflects the updated thresholds under the Procurement Act</li> <li>• Rule 7.1 – to align the text with the heading and to expressly provide for the use of Framework/Dynamic Market conditions of contract. Under the current drafting we can include these “Council’s written conditions” but the amendment adds clarity.</li> <li>• Rule 9.7 – excludes the application of certain rules to agreements with statutory undertakers which are governed by the NRSWA 1991. Although technically “contracts”, these arrangements (including sharing of costs) are governed by the Act. The Act imposes as statutory relationship between the Council and the statutory undertaker. Any terms and conditions or engagement accompanying the detailed estimates from the statutory undertakers which are inconsistent with the NRSWA have no legal force. Statutory Undertakers all have their own standard forms of detailed estimates that the council signs up to. These arrangements cannot be completely excluded from CPRs because they are not excluded from the</li> </ul>	<p>Provides clarity.</p> <p><b>See Annex A 2 attached.</b></p>

No	Part	Change	Comments
		<p>Procurement Act 2023 but are covered under the direct award justification where above threshold and may be directly awarded where under threshold with the approval of the Procurement Team. It has only recently become apparent that these arrangements were being entered into by highways colleagues without regard to CPRs. Highway colleagues have been given advice from both Procurement &amp; Legal services that these arrangements are caught under CPRs. However, under Rule 9.1 the Director of Law and Governance can agree that these types of contracts do not have to be in accordance with terms and conditions prepared or approved by the Director of Law &amp; Governance and Monitoring Officer. It is proposed that the Director of Law &amp; Governance give such approval. The amendments to CPR 9.7 will then dovetail with this by removing the mandatory requirements in respect of bribery &amp; corruption, payment terms and sealing contracts over £500k. Work may also be required under other legislation such as Town and County Planning or pursuant to compulsory purchase orders.</p> <ul style="list-style-type: none"> <li>• Rule 14.2 – to ensure that decisions to award are in place prior to commencement of standstill periods and to ensure key decisions to award contracts are not implemented until after the call-in period has expired. I have issued guidance to Procurement Services on this but am still seeing procurement timetables where this is being dealt with incorrectly.</li> </ul>	

No	Part	Change	Comments
	<b>8.4 Officer Employment Procedures</b>		
81	Para 7.5 (a)  <b>Disciplinary Action and Dismissal – Chief Officers</b>	the dismissor has notified the Proper Officer of the name of the <b>Chief Officer recommended for dismissal</b> , <del>person who the dismissor wishes to dismiss</del> and <b>along with</b> any other particulars <b>considered</b> <del>which the dismissor considers</del> are relevant to the dismissal;	Provides clarity.
82	Para 7.5 (b) (i)	the Proper Officer has notified every member of the cabinet of:  (i) the name of the <b>Chief Officer recommended for dismissal</b> ; <del>person who the dismissor wishes to dismiss</del>	Provides clarity.
	<b>8.4 Annex 2 Officer Employment Procedures (Non-permanent staff)</b>		
83	Para 1 (d)  <b>Release for Outside Work While Employed by the Council</b>	the employee has fulfilled their obligations under paragraph 12 above;	Correction.

No	Part	Change	Comments
	<b>9.1 Members' Code of Conduct</b>		
84	Para 5  <b>Application of the Code of Conduct</b>	<del>Your</del> <b>The Council's</b> Monitoring Officer has statutory responsibility for the implementation of the Code of Conduct, and you are encouraged to seek advice from <del>the</del> <b>your</b> Monitoring Officer on any matters that may relate to the Code of Conduct. Town and Parish Councillors are encouraged to seek advice from their Clerk, who may refer matters to the Monitoring Officer.	Provides clarity.
85	Para 6.2.3 third sub-para  <b>Shall promote equalities and not discriminate against any person</b>	The Protection from Harassment Act 1997, defines harassment as conduct that causes alarm or distress or puts people in fear of violence and must involve such conduct on at least two occasions. It can include repeated attempts to impose unwanted communications and contact upon a person in a manner that could be expected to cause distress or fear in any reasonable person.	Grammar. Insert comma after the date of the Act
	<b>9.2 Protocol on Councillors' Rights and Responsibilities</b>		
86	Para 5	The political groups of the Council, other than the Group(s) in power from which the Cabinet is drawn, will	Provides clarity.

No	Part	Change	Comments
	<b>Rights of Opposition and Other Groups to Put Forward their own budgets</b>	have the right to put forward their own proposed budgets for consideration at the relevant Council meeting (normally the February one). <b>They will be assisted by the Proper Officer in that process.</b>	
87	Para 7 <b>Rights of Councillors to Place Items on Agenda</b>	Correct the title:  Rights of Councillors to Place an Item on <b>an Agenda</b>	Grammar
88	Para 11 <b>Rights of Councillors to Access to Documents and Other Information</b>	Correct the title:  Rights of Councillors to Access to Documents and Other Information	Grammar
	<b>9.3 Councillor Call for Action</b>		
89	Para 3 <b>Examples of where members may wish to use CCfA</b>	Government Guidance <b>as prepared by the then on behalf of the Department for Communities and Local Government now known as the Ministry of Housing, Communities and Local Government</b> - together with the Centre for Public Scrutiny gives further examples of how this new power might be used.	Provides clarity

No	Part	Change	Comments
	<b>9.4 Councillors' Planning Code of Practice</b>		
90	Page 9-48  <b>Gifts and Hospitality</b>	<p><del><b>Be careful about accepting</b> gifts or hospitality wherever possible. If some hospitality is unavoidable, ensure that it is not excessive or inappropriate. Whilst not a disclosable pecuniary interest, a councillor, nevertheless, has the option of registering this so as to demonstrate openness and transparency to avoid any allegation of corruption or impropriety.</del></p> <p><b>REPLACE WITH</b></p> <p><b>Don't</b> accept gifts or hospitality from any person involved in or affected by a planning proposal. If a degree of hospitality is entirely unavoidable, ensure it is of a minimum, its acceptance is declared as soon as possible, including its addition to your register of interests where relevant.</p>	Aligns wording with the National Planning Policy Framework.
91	Page 9-50  <b>Procedure if Officers' Advice is not to be Followed</b>	<p><b>Chair</b> may adjourn briefly for proposer and seconder to discuss and formulate reasons with officers, reconvening for a vote and for reasons to be fully recorded. If <b>the</b> Chair concludes that there are opposing views amongst Committee members <b>the Chair</b> may take a vote on the proposal without adjourning for discussion with officers. In such circumstances the planning reasons for the</p>	Provides clarity

No	Part	Change	Comments
		proposal should be set out in detail before the vote is taken.	
	<b>9.5 Protocol on Member/Officer Relations</b>		
92	Para 1.3 <b>Introduction</b>	It is applicable, as appropriate, to non- <del>C</del> councillors ( <b>Co-optees, Independent Members etc</b> ) who are <del>M</del> members of any <del>C</del> committee or <del>S</del> sub- <del>C</del> committee of the Council.	Provides clarity. Need to change capitalisation throughout.
93	Para 3.1.3 <b>Role and Responsibilities - Members</b>	The Council will appoint the Leader and <b>also appoint</b> <del>M</del> members to serve on the Overview and Scrutiny and <b>other</b> Council <del>C</del> committees, as appropriate. Members can also be appointed to represent the Council on a range of external bodies whose work is of importance to the Council and the community.	Provides clarity

## Appendix A – Oxfordshire Shareholder Committee

### Terms of Reference

#### Purpose

1. The purpose of the Shareholder Committee is to approve and oversee the council's strategic objectives for the eCouncil's company, **Enterprise Oxfordshire** and to support the development of the company in line with the eCouncil's regulations and ambitions and the constitutional instruments of the company.
2. The Shareholder Committee will provide strategic oversight of ~~the council's company,~~ **Enterprise Oxfordshire** and provide assurance to the eCabinet that **Enterprise Oxfordshire** ~~the company~~ is compliant with the eCouncil's constitution, rules and procedures including achieving best value.
3. The Shareholder Committee will take decisions on any matters that are reserved to the eCouncil as member or shareholder in **Enterprise Oxfordshire** ~~the company's~~ Articles of Association or Shareholders Agreement and will receive annual and periodic reports for the **Enterprise Oxfordshire** ~~company~~.
4. The Shareholder Committee will not have operational control over **Enterprise Oxfordshire** ~~the council's company~~. The day-to-day operation of **Enterprise Oxfordshire** ~~the company~~ is the responsibility of the **appointed** Directors. The Shareholder Committee will provide overarching oversight including business case sign off in line with the **Enterprise Oxfordshire's** ~~company~~ constitutional governance arrangements. Operational liaison ~~between with~~ **Enterprise Oxfordshire** and the eCouncil's ~~company~~ will be between the **relevant** ~~client~~ service of the Council and the Chief Executive Officer/Managing Director of **Enterprise Oxfordshire** ~~the company~~.

#### Membership

5. The Shareholder Committee shall subject to (7) below comprise such of the Cabinet Members as the Cabinet shall determine.
6. The Leader of the Council and Deputy Leader of the Council shall have the right to attend and speak at meetings of the **Shareholder** Committee.
7. In the absence of any or all the members referred to in (5) above any Cabinet Member(s) nominated by the Leader of the Council or the Deputy Leader of the Council may act in their place as full voting members of the **Shareholder** Committee.

#### Chair

8. The **Shareholder** Committee shall appoint one of its members to act as its Chair, but that member shall not be entitled to cast a second or casting vote.

## Quorum

9. The Shareholder Committee quorum will be two voting members.

## Competency

10. All members of the Shareholder Committee and Cabinet members attending as reserves must:

- have undertaken mandatory training in the relevant law and procedures which relate to the Shareholder Committee's work; and
- undertake further mandatory training, on an ad hoc basis, when there are changes to procedure or relevant legislation that are deemed significant by the relevant Service Director.

## Meeting Frequency

11. The Shareholder Committee will meet at such times as shall be agreed by its members. Any member of the Council shall be entitled to attend and observe any meeting of the Shareholder Committee.

## Decision making

12. Decisions will be taken by a consensus of members present unless any member of the Shareholder Committee requests a vote, in which case a majority decision will be taken with each member present having a single vote.

## Attendees

13. The Council's Chief Executive, the Deputy Chief Executive Director of Resources (Section 151 Officer) and the Monitoring Officer will advise the Shareholder Committee and representatives of Enterprise Oxfordshire the company, including the Company Secretary, and they shall be invited to attend all meetings on a non-voting basis.

14. Other members may be invited to attend meetings on a non-voting basis.

15. Meetings will be operated in accordance with the following rules:

- Agendas will be published 5 clear working days in advance of meetings.
- Members of the public will be able to observe the public parts of meetings and access papers relating to any public business for Enterprise Oxfordshire each company and any related joint venture.
- Officers of the Council will be able to observe the public parts of meetings and access papers relating to any public business for Enterprise Oxfordshire each company and any related joint venture but will only be able to attend private parts of meetings and access papers relating to private business where specifically authorised to do so by the Chair or a statutory officer.

## Relationship to Scrutiny

16. The Performance and Corporate Services Overview and Scrutiny Committee has the **authority** ~~ability~~ to scrutinise the business and decisions of the Shareholder Committee and to make recommendations to the Shareholder Committee. Decisions of the Shareholder Committee will be subject to call in by the Chair of the **Performance and Corporate Services Overview and** Scrutiny Committee or any 4 members.

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Appendix 1 Annex 2

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**OXFORDSHIRE COUNTY COUNCIL  
CONTRACT PROCEDURE RULES**

## **Contract Procedure Rules for the Supply of Goods, Services and Works**

**Contents:**

**CHAPTER ONE: INTRODUCTION**

1. Compliance with these Rules, Council Policies, Relevant Legislation and Legal Requirements
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5. Procurement Process and Thresholds
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7. Invitations to Tender/Request for Quotations
8. Evaluation Criteria
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Appendix 1 Definitions

Appendix 2 Table 1 and Table 2

## **Contract Procedure Rules for the Supply of Goods, Services and Works**

### **CHAPTER ONE: BASIC PRINCIPLES**

#### **1. Compliance with these Rules, Council Policies, Relevant Legislation and Legal Requirements**

##### **Introduction**

1.1 These Rules shall be regarded as standing Orders of the Council for the purposes of section 135 of the Local Government Act 1972 and aim to ensure that when the Council conducts its procurement activities and makes decisions, it:

- (i) furthers its strategic aims and objectives
- (ii) delivers value for money
- (iii) maximises public benefit
- (iv) acts, and is seen to act with integrity,
- (v) shares information with suppliers and others with the purpose of allowing them to understand the Council's procurement policies and decisions
- (vi) treats suppliers the same unless a difference between suppliers justifies different treatment
- (vii) has regard to barriers that may be faced by small and medium-sized enterprises as and when required to do so by the Procurement Legislation.

1.2 These Rules govern all Contracts let by the Council otherwise than specified in these Rules<sup>4</sup>. Further, these Rules apply to arrangements which the Council wishes to enter into in consequence of it having received grant funding from an outside body to procure a service, goods or works, or to receive an income in return for giving another body the right (a concession) to run a service.

1.3 These Rules must be read in conjunction with other parts of the Council's Constitution (for example, if a decision about a contract is also a "key decision" then the requirements set out in the Constitution in relation to key decisions will also have to be met).

1.4 Failure by an Officer to comply with these Rules could lead to disciplinary action being taken against them and in some cases may be referred to

any relevant authorities. Any non-compliance with these Rules should be dealt with in accordance with Rule 18.

**What contracts must comply with**

- 1.5 All Contracts must comply with all of the following:
- (i) English law (including the Council's statutory duties and powers including the Council's fiduciary duty to safeguard public funds);
  - (ii) these Rules, as supplemented by complementary rules in the Council's Constitution including its Financial Procedure Rules;
  - (iii) any relevant Council policies/regulations; and
  - (iv) any legal requirement stipulated by the Director of Law & Governance and Monitoring Officer.
- 1.6 The procurement and award of Contracts must comply with the principles of non-discrimination, transparency, equal treatment, and proportionality.
- 1.7 Where the estimated value of a Contract dictates that the tender procedure is to be carried out under the Procurement Legislation, additional rules applying to such tender procedures must be complied with. The relevant Procurement Team should be consulted for advice.
- 1.8 In addition to Officers, these Rules must be complied with by all other persons who are authorised to carry out procurement and contracting on behalf of the Council ("Agents"). It must be a term of all Contracts between the Council and its Agents that the Agents comply with these Rules.

**Scope**

- 1.9 These Rules do not apply to:
- (i) contracts which are not for the provision of goods, services or works.
  - (ii) contracts entered into by schools with delegated budgets (which should instead be awarded in accordance with the Scheme for Financing Schools).
  - (iii) low value purchases that may be made from petty cash or procurement cards in accordance with any operational instructions and the financial limits issued by the Executive Director of Resources and S151 Officer pursuant to the Financial Procedure Rules.
  - (iv) supply of works, goods or services by the Council.

- (v) grant funding agreements save that all grant funding agreements with a value of £500,000 or more must be sealed. The Financial Procedure Rules and the Financial Regulations govern external arrangements including grants and therefore it is important to ascertain at the outset whether a proposed arrangement is a grant or a contract for services and which rules apply. Subsidy Control Law will need to be considered.
- (vi) contracts which are exempt by virtue of Schedule 2 of the Procurement Act 2023 (e.g. contracts of employments, certain legal and financial services, land transactions etc.) These contracts will, however, need to (i) comply with any requirements imposed by the Procurement Act 2023, (ii) comply with the Council's internal governance requirements and (iii) secure value for money. Officers should seek advice from the relevant Procurement Team/Legal Services at any early stage of planning a procurement if uncertain as to whether a contract is exempt.

1.10 The following Contracts are exempt from the requirement to conduct a competitive procurement process (as would otherwise be required under Rule 5.1):

(i) Health Care Services subject to the Health Care Services (Provider Selection Regime) Regulations 2023 ("PSR Regulations") which are, regardless of value, to be procured under direct award processes (A, B or C) or the most suitable provider process. The decision as to which selection process shall be followed must be made in accordance with the PSR Regulations and on advice from the Relevant Procurement Team.

(ii) Contracts which are to be directly awarded pursuant to either section 41 (and one or more of the justifications in Schedule 5), section 42 or section 34 of the Procurement Act 2023 (including, but not limited to, genuine urgency, user choice, single supplier, insolvency etc).

The rest of the Rules must be complied with.

## 2. Where to get advice

- 2.1 Officers requiring advice on procurement practice and the Procurement Legislation should contact the Relevant Procurement Team who will consult with Legal Services where necessary.
- 2.2 Officers requiring Contracts, terms and conditions or legal advice should contact Legal Services.
- 2.3 Officers requiring support or advice relating to finance issues relating to these Rules should contact the relevant Finance Business Partnering Team.

## CHAPTER TWO: STEPS PRIOR TO PROCUREMENT

### 3. Pre-Tender Authorisations, Requirements and Market Engagement

- 3.1 Authorised Officers must ensure, before entering into any process which will or may result in the incurring of any expenditure for the supply of goods, services or works be it capital or revenue, that:
- (i) Where it is a key decision, the requirements of Part 1.3, paragraph 3(b) (Decision Making), Part 4.2, paragraph 2.3 (Cabinet Procedure Rules) and Part 8.1, paragraph 13 (Access to Information Procedure Rules) of the Constitution will be complied with;
  - (ii) the provisions of the Financial Procedure Rules at Part 8.2 of the Constitution and Financial Regulations have been complied with (including ensuring that there is adequate budgetary provision) and written authorisation has been obtained in accordance with Appendix 2, Table 1 of this Part (unless authorisation has been obtained under the Financial Procedure Rules, Part 8.2 of the Constitution);
  - (iii) they have considered whether any consultation requirements apply, including whether the Public Services (Social Value) Act 2012 applies to any services, and have complied with any such requirements.
- 3.2 The Relevant Procurement Team and Legal Services must be notified before officers enter into any procurement process which will or may result in the incurring of any expenditure for the supply of goods, services or works, where:
- (i) the estimated value of the proposed Contract is £30,000 incl VAT (£25,000 excl VAT) or more; or
  - (ii) the proposed Contract is for the benefit of two or more services or parties; or
  - (iii) the Contract is considered complex, sensitive or high-risk for any other reason (e.g. an outsourcing involving a TUPE transfer of Council staff), or will involve the use of a third party Framework Agreement, dynamic purchasing system or dynamic market.
- 3.3 Prior to the commencement of any procurement exercise:
- 3.3.1 The Head of Pension Fund and the Director of HR & Cultural Change must be notified by the Authorised Officer where the procurement:

- (a) will or may result in any transfers of staff under the Transfer of Undertakings (Protection of Employment) Regulations (“TUPE”) where any of the staff are or were previously Council employees; or
  - (b) will or may result in any transfers of staff under TUPE who are members of the Local Government Pension Scheme.
- 3.3.2 The Director of Property and Assets as Corporate Landlord must be notified where the procurement will or may result (a) in a contract that confers exclusive possession of the Council’s premises or (b) in the acquisition by the Council of a property interest.
- 3.3.3 The Head of IT must be notified where any procurement involves the purchase of IT products or services that are not listed in the ICT Service Catalogue in order to address any potential data security implications for the Council.
- 3.3.4 The Information Governance Manager must be notified where any procurement or contract involves the transfer of personal or sensitive data to ensure compliance with data protection legislation.
- 3.3.5 As part of the options appraisal and business case (if appropriate) for the relevant procurement the Authorised Officer must undertake an appropriate risk assessment before entering into any process which will or may result in the incurring of any expenditure for the supply of goods, services or works to determine whether there are, or may be, financial, reputational, legal or other risks posed by the proposed contract, and how they are to be treated or managed.
- 3.3.6 All contracts must include risk assessed levels of insurance requirements, to be determined pre-procurement, supported by the relevant Procurement Team, and in accordance with any Guidance approved by the Executive Director of Resources and S151 Officer.
- 3.4 Where there is a corporate contract (i.e. a contract for the benefit of the Council as a whole) for the supply of goods, services or works, no other contract may be used for the supply of those goods, services or works unless this has been authorised in advance in writing by the Relevant Procurement Team.

**Market Engagement**

- 3.5 The Officer responsible for any procurement may consult potential suppliers in general terms about the nature, level and standard of the contract packaging and other relevant matters, provided this does not

prejudice any potential Bidder. The Officer must not adopt any technical advice in the preparation of an Invitation to Tender or Request for Quotations from anyone where this may prejudice the equal treatment of Bidders or distort competition. When considering undertaking any pre-tender market engagement in respect of a procurement above the Procurement Act Threshold, the Relevant Procurement Team must be consulted to ensure requirements of the Procurement Act are satisfied.

- 3.6 Authorised Officers must keep and maintain records in respect of each contract in order to demonstrate compliance with these Rules and the Procurement Legislation where applicable. Authorised Officers must work with the Procurement Hub to ensure that the contract management system is updated to hold the relevant contract information and updates throughout the life of the Contract. A Contract must be retained for 6 years after the end of the Contract where it has been signed and for 12 years after the end of the Contract where it has been sealed.

#### **Small and Medium-Sized Enterprises**

- 3.7 Officers must, prior to conducting either a procurement above the Procurement Act Threshold or a regulated below Procurement Act Threshold, (with the exception of below threshold Call-Off Contracts) have regard to the fact that small and medium-sized enterprises may face particular barriers in competing for a contract and consider whether such barriers can be removed or reduced.

#### **4. Establishing the Value of the Contract/Expenditure per Contract**

- 4.1 For the purposes of calculating Contract values under these Rules, the Contract value is the estimated aggregate or recurring value payable in pounds sterling excluding VAT over the entire Contract period, including any form of options or extensions of the Contract. For the purpose of determining whether the procurement thresholds set out in Rule 5.6 Table 1 have been met or exceeded (in which case the Procurement Act will apply) the same calculation will apply except the sum shall be inclusive of VAT. Where the Council is not able to estimate the value of the Contract (for example where the Contract duration is indefinite), the Contract is to be treated as being subject to the Procurement Act (where it applies).
- 4.2 Subject to Rule 4.1, in the case of establishing new Framework Agreements or a dynamic market, the Contract value must be calculated to include the total estimated value of all of the Contracts (or, in respect of open Frameworks, the value of all Frameworks) envisaged to be awarded for the total term of the Framework Agreement or the dynamic market and Concession Contracts must be calculated to include the maximum a Supplier could expect to receive under or in connection with the Contract.

- 4.3 Contracts must not be split into smaller contracts in order to avoid any of these Rules. Spend with Suppliers will be monitored regularly by the Procurement Team to ensure Contracts are not disproportionately awarded and exceeding thresholds.
  
- 4.4 Where the award of a Contract to a particular Supplier creates circumstances where any reasonably foreseeable future additional work could only be awarded to the same Supplier (e.g. because of the Supplier's ownership or exclusive rights in relation to a product or service) the value of the Contract for the purpose of this Rule 4, should include the likely value of such additional work.

## CHAPTER THREE: THE PROCUREMENT PROCESS

### 5. Procurement Process and Thresholds

- 5.1 Please refer to Appendix 2, Table 2 of this Part, for the procurement thresholds and the process to be followed.
- 5.2 Where Requests for Quotation or Invitations to Tender are not required to be sought, Authorised Officers must take practicable steps to secure value for money in accordance with the Guidance approved by the Executive Director of Resources and S151 Officer.
- 5.3 Where Requests for Quotation or Invitations to Tender are required, Authorised Officers must take practical steps to secure value for money through a combination of cost, quality and competition. Competitive quotations or tenders must be sought in consultation with the Relevant Procurement Team following the Guidance approved by the Executive Director of Resources and S151 Officer. A Legal & Procurement instruction form must be completed for all projects with a value of above £25,000 excl VAT and for lower value projects where legal advice is required.
- 5.4 Where the estimated value of a Contract is between £25,000 excl VAT and the current Procurement Act Threshold, the Relevant Procurement Team will, in consultation with the service area, determine the most appropriate method for procuring the supplies, services or works ([which may include direct award](#)). This will consider aspects such as capability and capacity of officers in the relevant service area to manage the procurement themselves, timescales, risk and the relative maturity and state of the supplier market. The rationale for selecting a particular procurement method will be documented, recording details behind the selection.
- 5.5 The Head of Commercial and Procurement Services will maintain a record of all contracts below the Procurement Act Threshold that have been awarded directly to a Supplier ( such record to contain the date of the contract, the nature of the contract, the value and duration of the contract, the name of the Supplier and the relevant service area) and will provide a copy of this record to the Director of Law & Governance and Monitoring Officer at least every 6 months, and where otherwise requested to do so by Director of Law & Governance and Monitoring Officer.
- 5.6 Where the total value of:
  - (i) a Contract;
  - (ii) all contracts to meet a single requirement for goods or services; or
  - (iii) all successive contracts of the same type (the Relevant Procurement Team must be consulted for advice on calculating this)

is equal to or exceeds the Procurement Act Threshold set out below, the Authorised Officer shall contact their Relevant Procurement Team to establish whether the relevant Procurement Act Threshold has been met or exceeded. The Procurement Act Thresholds (in bold) are inclusive of VAT and will be revised every even year. To assist calculations, the values in italics are shown exclusive of VAT).

Table 1

	<b>Threshold (from 1 January 2024) (incl.VAT)</b>
<b>Goods &amp; Services</b>	<b>£214,904</b> <i>(£179,086.67 excl VAT @ 20%)</i>
<b>Works &amp; Concessions</b>	<b>£5,372,609</b> <i>(£4,477,174.17 excl VAT @ 20%)</i>
<b>Light Touch Contracts</b>	<b>£663,540</b> <i>(£552,950 excl of VAT@20%)</i>

	<b>Threshold (from 1 January 2026) (incl.VAT)</b>
<b>Goods &amp; Services</b>	<b>£207,720</b> <i>(£173,100 excl VAT @ 20%)</i>
<b>Works &amp; Concessions</b>	<b>£5,193,000</b> <i>(£4,327,500 excl VAT @ 20%)</i>
<b>Light Touch Contracts</b>	<b>£663,540</b> <i>(£552,950 excl of VAT@20%)</i>

- 5.7 Where it is intended to direct award an above Procurement Act Threshold contract pursuant to either section 41 (and one or more of the justifications in Schedule 5), section 42 or section 34 of the Procurement Act 2023 (including, but not limited to, genuine urgency, user choice, single supplier, insolvency etc), the Relevant Procurement Team must consult Legal Services.

## 6. Pre-Qualification Requirements/Minimum Standards for Suppliers

- 6.1 Authorised Officers are responsible for ensuring that all Suppliers awarded Contracts for the supply of goods, services or works to the Council have met the Council's minimum standards of suitability, as advised by the Relevant Procurement Team.

- 6.2 Where the procurement is for a below Procurement Act Threshold Contract regulated by the Procurement Act, the Council must not restrict the submission of tenders or quotes by reference to an assessment of the Supplier's suitability to perform the Contract. This does not apply to (a) a works contract with a value of not less than £214,905 or (b) an award of a Contract in accordance with a Framework.

## 7. Invitations to Tender/Request for Quotations

- 7.1 All Invitations to Tender or quote must:
- (i) Clearly specify the goods, services or works that are required (subject to appropriate adjustment applicable to the procedure being used);
  - (ii) list the criteria on which the tender(s) will be evaluated (see Rule 8) showing the weighting of the various evaluation criteria unless otherwise advised by the Relevant Procurement Team and Legal Services;
  - (iii) include a requirement for Bidders to declare that the tender content, price and all other figures or particulars concerning the tender have not been disclosed by the Bidder to any other party;
  - (iv) include a requirement for Bidders to complete fully and sign all tender documents including certificates confirming that no canvassing or collusion has taken place; and
  - (v) include the written conditions of contract and state that the Contract will be subject to these. The conditions of contract may either be the Council's own conditions, or where a Framework Agreement/Dynamic Market is being used, the conditions specified by the Framework Agreement/Dynamic Market ~~written conditions of contract and state that the Contract will be subject to these.~~
- 7.2 The list of requirements in Rule 7.1 of this Part, is not exhaustive and any and all additional requirements of the Relevant Procurement Team must also be met.

## 8. Evaluation Criteria

- 8.1 In determining the relevant evaluation criteria for any procurement, Authorised Officers, in consultation with their Relevant Procurement Team, must consider all factors relevant to their requirement, including environmental and social considerations, including social value benefit where appropriate, so far as this is lawful.
- 8.2 The evaluation process must clearly demonstrate that the Council is seeking to award a contract which offers the best value for money. For procurements (including Call-off Contracts under Framework Agreements) under either the Public Contract Regulations 2015 or the

Procurement Act this respectively means the Most Economically Advantageous Tender (MEAT) or the Most Advantageous Tender (MAT) (see Rule 5 of this Part).

## 9. Terms and Conditions of Contracts

- 9.1 Terms and conditions for all Contracts for goods, services and works with a value of ~~£5025~~,000 (excl VAT) or more (and preferably all other Contracts, particularly consultancy contracts to ensure that all intellectual property rights are transferred to the Council, no data is wrongly removed from the Council's possession and no employee or worker rights are acquired by the consultant) must be in accordance with terms and conditions prepared or approved by the Director of Law & Governance and Monitoring Officer, unless otherwise agreed by the Director of Law & Governance and Monitoring Officer.

- 9.2 Any Contract of less than £5025,000 (excl VAT) which is of indefinite duration must be in accordance with any terms and conditions prepared or approved by the Director of Law & Governance and Monitoring Officer so as to ensure that the termination provisions are satisfactory. Other Contracts under £5025,000 (excl VAT) should also be on terms and conditions prepared or approved by Legal Services where there are specific legal issues arising such as ownership of intellectual property rights or the processing of personal data.
- 9.3 All written Contracts (whatever their value) shall require that:
- (i) any payment due from the Council is made no later than 30 days from the date on which the relevant invoice is received provided that the invoice is not considered to be invalid or is disputed. Where an invoice is considered invalid or is disputed, the Supplier must be notified without undue delay;
  - (ii) any invoices submitted by the Supplier are considered and verified by the Council in a timely fashion and undue delay in doing so is not to be regarded as sufficient justification for failing to treat an invoice as valid or undisputed;
  - (iii) any subcontract imposes obligations similar to those which (i) and (ii) require and an obligation that the subcontractor is required to impose such obligations in any further subcontract.
- 9.4 All Contracts with a value of £5025,000 (excl VAT) or more must include a clause empowering the Council to terminate the contract for bribery or corruption and to recover from the Supplier the amount of any loss resulting from such termination in a form approved by the Director of Law & Governance and Monitoring Officer.
- 9.5 All Contracts with a value of £500,000 (excl VAT) or more and any other Contract requiring the additional limitation period of 12 years rather than 6 years for court proceedings in the event of default must be drafted as a deed and sealed by the Council. This is particularly relevant to construction contracts in the case of latent defects.
- 9.6 Any Contract that will result in a public facing website/mobile app where the Council or a Supplier on its behalf is presenting information relating to the Council or services the Council offers, must comply with the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.
- ~~9.69.7~~ Rules 9.3 to 9.5 shall not apply to below Procurement Act Threshold agreements with statutory undertakers for diversion of apparatus under either Sections 84-85 of The New Road and Street Works Act 1991 or other legislation.

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## 10. Third-Party Framework Agreements, Dynamic Purchasing

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**Systems and Dynamic Markets**

- 10.1 A Contract may be awarded by calling-off a third-party Framework providing the following criteria are met:

- i) Legal Services have reviewed the framework documentation, confirmed that the Framework is lawfully accessible to the Council and any access agreements are entered into;
- ii) The Framework Agreement is considered suitable taking into account the complexity and scale of the requirement, the relevant market and value for money (following consultation with the Relevant Procurement Team);
- iii) The call-off can be undertaken in compliance with the terms and conditions of the Framework Agreement (such terms and conditions must meet the Council's requirements as set out in these Rules and have been approved by Legal Services); and
- iv) For above Procurement Act Threshold Contracts, the outcome was not determined prior to identifying the Framework.

10.2 Contracts based on either a third-party Dynamic Purchasing System or Dynamic Market may be awarded if they comply with the relevant Procurement Legislation. Legal and Procurement advice must be sought at an early stage to ensure legal compliance and the relevant access arrangements are put in place.

## **11. Receipt of Tenders (including under Framework Agreements) and Opening of Tenders**

All tenders/quotations must be submitted online via the Tendering Portal except where authorised by the Relevant Procurement Team.

## **12. Evaluation of Tenders or Quotations**

- 12.1 Authorised Officers must ensure that all tenders (including those in mini-competitions under Framework Agreements) are evaluated in accordance with the evaluation criteria specified in the Invitation to Tender or in the Requests for Quotations and that the evaluation process is managed by the Relevant Procurement Team.
- 12.2 The arithmetic in compliant tenders, including those in mini-competitions under Framework Agreements, must be checked.
- 12.3 Authorised Officers must compare submitted tender prices with any project appraisal or pre-tender estimates. Where tender prices are above the estimated value of a contract, Authorised Officers must be satisfied that the tender/quotation represents value for money and ensure that sufficient budget is available prior to proceeding to award.
- 12.4 Where the submitted tender price of any Bidder in response to a PA Tender is an Abnormally Low Tender, the requirements set out in Section 19 (4) & (5) of the Procurement Act must be followed. Where the submitted tender price of any Bidder in response to a non- PA Tender is an Abnormally Low Tender, advice must be sought from the Relevant Procurement Team.

## CHAPTER FOUR: CONTRACT AWARD

### 13. Authorisation for the Award of Contracts

- 13.1 Contracts may only be awarded by the Council if there has been full compliance with these Rules and the Financial Procedure Rules.
- 13.2 Tenders may be evaluated and recommended for acceptance as follows:
- 13.3 No tender can be accepted or Contract awarded unless this is on the basis of the evaluation criteria sent out with the Invitation To Tender or Requests for Quotation.
- 13.4 Where a key decision was obtained to authorise the entering into of the procurement process under Rule 3.1 (i), the Contract must not be awarded unless that decision has been complied with (for example, a new decision may be required prior to award if the risk factors have changed).
- 13.5 Where a key decision was not initially considered necessary under Rule 3.1 (i) but due to the price of the winning bid it has become a key decision, the requirements set out in Rule 3.1 (i) must be complied with before the Contract is awarded.

### 14. Procedure for Award of Contracts

- 14.1 For procurements not covered by Procurement Legislation, following Contract award, successful and unsuccessful Bidders must be notified of the award of the Contract for which they bid. This notification letter will be issued by the Relevant Procurement Team.
- 14.2 Where there has been a procurement covered by Procurement Legislation, the Relevant Procurement Team will need to comply with various transparency requirements prior to award and/or post award. The Authorised Officer must therefore consult the Relevant Procurement Team prior to any award being made. [Where a standstill period is being applied \(whether mandatory or voluntary\), standstill letters/assessment summaries must only be issued following the decision to award. Where a decision to award is a key decision, the decision must not be implemented until the expiration of any applicable call-in period under Rule 19, Part 6.2 of the Constitution - Overview and Scrutiny Rules.](#) Where there is a court challenge prior to completion of the Contract then the Contract must not be completed without the authorisation of the Director of Law & Governance and Monitoring Officer, Executive Director of Resources and S151 Officer, the Relevant Procurement Team and the relevant Director.
- 14.3 All Contracts must be in writing and should be held on the Council's contract management system. Authorised Officers are responsible for providing a copy of the Contract to the Relevant Procurement Team.

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- 14.4 Contracts must be signed or sealed in accordance with Appendix 2, Table 1 (for the avoidance of doubt no elected or co-opted Member of the Council may sign any Contract for or on behalf of the Council).

14.5 In relation to Contracts with a total value in excess of £5,000 excl VAT which have not been supported by the Procurement Team, Authorised Officers must inform the Relevant Procurement Team of all Contracts (including Call-off Contracts) awarded promptly (and preferably within 5 working days of the date of the award) so that the:

- (i) details of the Contract can be added to the Council's Contracts Management System; and the Relevant Procurement Team can publish details of the Contract award in accordance with any legal requirements; and
- (ii) all transparency and reporting requirements can be met.

## **15. Commencement of Contracts**

No supply of goods, services or works must commence until all contract documentation is duly completed (see Rule 14 above) except where otherwise approved by the Director of Law & Governance and Monitoring Officer

**CHAPTER FIVE: POST-AWARD****16. Contract and Risk Management**

Contracts must be managed according to the Procurement Legislation (as applicable) and Guidance approved by the Executive Director of Resources and S151 Officer.

**17. Variations of Contracts (including extensions)**

17.1 Any variation to a concluded Contract for works, supplies or services (including an extension to the length of any such Contract or a replacement of the original Supplier) ('the Variation') is only permissible if the Variation in principle:

- a) demonstrably represents Value For Money or is otherwise in the Council's best interest to progress;
- b) can be funded from an approved budget;
- c) in the opinion of the Head of Commercial and Procurement Services entails no diminution in any Social Value identified at the commencement of the Contract;
- d) does not conflict with the provisions of the Procurement Legislation (where applicable);

and it is established with advice from the Relevant Procurement Team that a competitive process does not need to be followed. The Relevant Procurement Team must consult with Legal Services where the Variation is regulated by Procurement Legislation. The Relevant Procurement Team will publish any required transparency notices.

17.2 Where, as a consequence of a proposed Variation, a Contract originally below the Procurement Act Threshold will exceed the Procurement Act Threshold, the Variation will become regulated by the Procurement Act and the Relevant Procurement Team must be consulted.

17.3 Any Variation outside these requirements would require the conduct of a new tender process for a new Contract.

17.4 Where an Authorised Officer proposes to terminate a Contract which is covered by the Procurement Act or where a Contract which is covered by the Procurement Act is due to expire, the Authorised Officer must consult with the Relevant Procurement Team in order that transparency requirements can be met.

## CHAPTER SIX: GENERAL

### 18. Non-compliance with these Rules

- 18.1 Any officer who becomes aware of any non-compliance or potential non-compliance with these Rules must notify the Relevant Procurement Team, Legal Services and the relevant Finance Business Partner as soon as this is identified, together with a proposed compliant solution wherever possible. Instances of non-compliance may be escalated to the relevant Director for further investigation.
- 18.2 If the non-compliance cannot be remedied by the taking of any appropriate step or measure, the matter must be notified to the Executive Director of Resources and S151 Officer and the Director of Law & Governance and Monitoring Officer by the relevant Director. Where a particular course of action is specified by both the Executive Director of Resources and S151 Officer and the Director of Law & Governance and Monitoring Officer this must be complied with.
- 18.3 If a non-compliance has given rise to, or is likely to give rise to illegality or maladministration, the Executive Director of Resources and S151 Officer and the Director of Law & Governance and Monitoring Officer must be notified.

If these Rules are not complied with, this will not invalidate any Contract entered into by or on behalf of the Council, except where English law provides to the contrary.

### 19. Schemes of Delegation

- 19.1 Directors must ensure that they have Schemes of Delegation identifying:
- (i) Authorised Officers; and
  - (ii) the extent of Authorised Officers' delegated authority (including expenditure limits which reflect authorisation limits set out in the Financial Scheme of Delegation).
- 19.2 Authorised Officers may not, under any circumstances, act outside the delegated powers of their Director.
- 19.3 Directors must ensure that all Authorised Officers receive the necessary training to be and remain conversant with these Rules.

### 20. Conflicts of Interest

Officers and Members must comply with their respective Codes of Conduct under Part 9 of the Constitution to avoid any conflict between their own interests and that of the Council. Where required by the Relevant Procurement Team, a conflict assessment must be undertaken at the start of a procurement and shall

be kept under review during the lifetime of the Contract where one is awarded.  
Conflict Assessments will be retained by the Relevant Procurement Team.

## Appendix 1 Definitions

For the purposes of these Rules:

**Abnormally Low Tender** means a tender which gives rise to doubts that the price offered is economically sustainable and will properly deliver the contract.

**Authorised Officers** means those officers of the Council identified as such by Directors in their Schemes of Delegation and approved by the Executive Director of Resources and S151 Officer to undertake procurement and contracting on behalf of the Council (including authorisation of expenditure, preparing and/or negotiating contract documentation, awarding and signing Contracts and/or managing Contracts) and any Agents as defined in Rule 1.8 of this Part, with such authority;

**Bidder** means a potential Supplier who responds to an Invitation to Tender or Request for Quotations or any person who is invited to submit a tender or quote.

**Concession Contract** means a contract for supply of works or services, for a pecuniary interest, where at least part of the consideration for that supply is a right for the Supplier to exploit the works or services that are the subject of the Contract and where, under the Contract, the Supplier is exposed to a real operating risk.

**Contract** means an agreement which:

- (i) may be oral, written, partly oral and partly written or implied from conduct between the Council and another person;
- (ii) gives rise to obligations which are enforceable or recognised by law (i.e. legally binding); and
- (iii) commits the Council to paying or doing something;

and, where the context requires, a reference to a contract means a contract to which these Rules apply and a "Call-off Contract" means an order made/call-off contract entered into under a Framework Agreement. Note that service level agreements or SLAs are not generally legally binding and must not be used with third parties (i.e. outside the Council) without the consent of Legal Services.

**Director** – for the purposes of these Rules the title "Director" includes Executive Directors, and, where a Director has delegated their function to a Deputy Director or Head of Service under the Scheme of Delegation it shall include the Deputy Director/Head of Service to whom it has been delegated.

**Framework or Framework Agreement** means a Contract with a Supplier or Suppliers that provides for future award of contracts (Call-off Contracts) to the Suppliers or to a Supplier.

**Guidance** means the procurement guidance available on the Council's Intranet.

**Head of Service** means an officer who reports directly to a Director and is designated by them to be a Head of Service;

**Invitation to Tender** means the document headed as such and used by the Council to invite Suppliers to bid for the provision of goods, services or works;

**Light Touch Contract** means a contract wholly or mainly for the supply of services of a kind specified in section 9 of the Procurement Act.

**Monitoring Officer** means the officer appointed under Section 5 of the [Local Government and Housing Act 1989](#). The Monitoring Officer is statutorily responsible for reporting to the Council on any proposal, decision or omission by the Council, any committee, sub-committee, joint committee or officer which has given rise to, or is likely to or would give rise to a breach of the law or potential maladministration.

**PA Tender** means a tender procedure which needs to be carried out under the Procurement Act.

**Person** means any individual, partnership, local authority or incorporated or unincorporated body.

**Procurement Legislation** means either The Public Contracts Regulations 2015, The Concession Contracts Regulations 2016, The Health Care Services (Provider Selection Regime) Regulations 2023 ("PSR Regulations") or the Procurement Act 2023 as appropriate.

**Procurement Act** means the Procurement Act 2023.

**Procurement Act Threshold** means the thresholds set out in Rule 5.4, Table 1 of this Part (as may be revised by the government every two years).

**Relevant Procurement Team** means whichever of the following category based teams advises the Authorised Officer:

- (i) the Economy & Place Team;
- (ii) the Health, Education & Social Care Team; or
- (iii) the Resources Team

**Request for Quotations** means the document headed as such and used by the Council to invite Suppliers to bid for the provision of goods, services or works.

**s151 Officer** means the Chief Finance Officer appointed under s151 Local Government Act 1972 and officers to whom the s151 Officer has delegated their functions in accordance with the relevant Scheme of Delegation;

**Scheme of Delegation** has the meaning given to it under Rule 21.

**Subsidy Control Law** means the Subsidy Control Act 2022 as may be amended or any successor legislation.

**Supplier** means any Person who provides or seeks to provide goods, services or works to the Council.

**Tendering Portal** means the e-tendering system/tool authorised by the Relevant Procurement Team.

## Appendix 2

### Table 1 - Pre-Procurement Authorisation, Contract Award Authorisation and Execution Requirements

Subject to compliance with Rule 3.1(i) and Rule 13.4, authorisations may be given in accordance with the Tables below:

#### Goods and Services

Cumulative expenditure per contract (excl VAT)	Pre- Procurement and Contract Award Authorisation	Execution
Up to but not exceeding £200,000	Authorised Officer in accordance with their delegated financial limits	Signed by one Authorised Officer in accordance with their delegated financial limit.
Above £200,000 but not exceeding £500,000	Head of Service and Executive Director of Resources and S151 Officer*	Signed by Head of Service and one other Authorised Officer in accordance with their delegated financial limit
£500,000 and above	Director and Executive Director of Resources and S151 Officer*	Sealed by the Director of Law & Governance and Monitoring Officer on behalf of the Council on the instructions of the Director and one other Authorised Officer in accordance with their delegated financial limit

#### Works

Cumulative expenditure per contract (excl VAT)	Pre- Procurement and Contract Award Authorisation	Execution
Up to but not exceeding £500,000	Authorised Officer in accordance with their delegated financial limits	Up to £200,000 signed by one Authorised Officer in accordance with their delegated financial limit.  From £200,000 up to £500,000 signed by two Authorised Officers in

		accordance with their delegated financial limits
Above £500,000 but not exceeding £2,000,000	Head of Service and Executive Director of Resources and S151 Officer*	Sealed by the Director of Law & Governance and Monitoring Officer on behalf of the Council on the instructions of the Head of Service and one other Authorised Officer in accordance with their delegated financial limit
£2,000,000 and above	Director and Executive Director of Resources and S151 Officer*	Sealed by the Director of Law & Governance and Monitoring Officer on behalf of the Council on the instructions of the Director and one other Authorised Officer in accordance with their delegated financial limit

\* Authorisation by the Executive Director of Resources and S151 Officer is only required at Contract Award stage where there have been variations to the scope/cost of the contract after the Pre-Procurement Authorisation was obtained.

Note: Framework Agreements and Call-off Contracts should be authorised in accordance with this Appendix 2. However, Framework Agreements over £500k in aggregate value do not need to be sealed but should be signed by a Director and S.151 Officer. Call-off Contracts over £500k should be sealed in accordance with this Appendix 2.

**Table 2 - Procurement thresholds and processes**

<b>Estimated cumulative expenditure per contract</b>	<b>Competition</b>
<b>Supplies, Services or Works £25,000 or above up to the Procurement Act Thresholds</b>	<p>The Relevant Procurement Team will review the needs of the service area and will identify an appropriate procurement method for the required supplies, services or works. This will take into account aspects such as capability and capacity of officers in the relevant service area to manage the procurement themselves, timescales, risk and the relative maturity and state of the supplier market. Where a competitive process is undertaken, templates will be utilised to standardise the process and tenders may be advertised on Find A Tender, depending on the requirements.</p> <p>For all procurements, the rationale for selecting a particular procurement method will be documented, recording details behind the selection.</p>
<b>Equal to or exceeding the relevant Procurement Act Threshold</b>	<p>Tenders must be advertised where required by the Procurement Act and conducted using an appropriate competitive procedure under the Procurement Act (as advised by the Relevant Procurement Team). See Rules 5.7 and 1.10 regarding direct awards under the Procurement Act.</p>

List of recommended changes for approval – January 26

Oxfordshire CC Constitution

The following suggested changes are recommended to provide clarity to the Constitution.

No	Part	Change	Comments
<b>Part 1.2 How Oxfordshire CC operates</b>			
1	Section 2  Fourth para amend (m)  <b>Council</b>	A full list of the responsibilities of Council is set out below. Only the Council will exercise these functions:  agreeing to the creation of new posts established with an annual salary exceeding £100,000; and	Amendment made due to addition in change 2 below  <i>(See also changes to be made by the MO in Appendix A)</i>
2	Section 2  Fourth para  <b>NEW (n) renumber existing (n) (o)</b>	<b>the appointment of Honorary Aldermen/women and the granting of the Freedom of the County; and</b>	Provides clarity and highlights existing arrangements and function of Council.  (See 1 above)

No	Part	Change	Comments
<b>Part 1.3 Decision Making</b>			
3	Section 3, Sub-section (b)  <b>Key Decisions</b>	<p><b>Insert at end, check the quote, amend, clarify contradiction</b></p> <p>A decision taker may only take a key decision in accordance with the requirements of the Cabinet Procedure Rules and Access to Information Rules in this Constitution. Regulations define a “key decision” as “an executive decision which is likely to result in the local authority incurring expenditure which is, or the making of savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates; or to be significant in terms of its effects on communities living or working in an area comprising two or more electoral divisions in the County.” <b>The regulations authorise local authorities to determine their own definitions, building on the guidance provided in the regulations, as highlighted above.</b></p> <p>The Proper Officer in determining the meaning of significant will take into account of any guidance from the Secretary of State.</p> <p><del>In assisting t</del><b>The Proper Officer in determining the meaning of significant, it has been defined ‘significant’ as being one of the following:</b></p>	Provides clarity.

No	Part	Change	Comments
		<ul style="list-style-type: none"> <li>• <del>25% of the annual revenue budget for the relevant service block (i.e. that part of the Council's total revenue budget allocated to the Cabinet Member for the service area concerned) Revenue expenditure of £1m or more, or</del></li> <li>• <del>Expenditure of £2m or more in the case of capital expenditure,</del></li> <li>• <del>A decision that significantly impacts or 25% of the people living or working in two or more divisions in the area affected; or</del></li> <li>• <del>or frequency or hours of operation of a service or facility.</del></li> </ul> <p><b>(Move to unnumbered para 5)</b> Whilst it is lawful for officers to be able to take key decisions, the working rule is that key decisions will routinely be taken by the Cabinet or individual Cabinet Members unless Cabinet or a Cabinet Member has delegated a decision to an officer, which may, depending on the circumstances, amount to a key decision in its own right. Whoever makes a key decision will need to comply with the key decision requirements by providing formal notification on the Forward Plan, together with a decision report that properly sets out the considerations for the decision including any financial and legal implications. Given the public nature of the decision making involved and the work involved in drafting a report it is considered appropriate that these decisions are taken in the main by Members. Officers taking a key decision within this definition may only do so after consultation</p>	

No	Part	Change	Comments
		<p>with the relevant Cabinet Member(s) and the Section 151 Officer.</p> <p><b>NEW UNNUMBERED 6</b></p> <p>All key decisions should be published in advance on the Council’s Forward Plan. Legally, at least 28 days’ notice must be given before a key decision can be taken (unless there are exceptional, or urgent, reasons otherwise, in which case other Constitutional provisions apply). The Forward Plan process is essential to enable transparency to the public. Key decisions are also subject to call-in under the Council’s scrutiny rules and, as such, decisions cannot be implemented until the call-in timeframe has passed.</p>	
4	<p>Section 3, Sub-section (c)</p> <p><b>Executive and Non-Executive Decisions</b></p>	<p><b>Clarify contradiction</b></p> <p>An executive decision other than a key decision can be taken by the Cabinet, a Committee of the Cabinet, an Individual Member of the Cabinet or an officer. <b>Please refer to paragraph 5 above.</b> Non-executive decisions are those decisions which relate to non-executive functions and are those which are set out in this Constitution and can be taken by a Council <del>C</del>committee or <del>S</del>sub-<del>C</del>committee or an officer.</p>	Aligns with above

No	Part	Change	Comments
5	Section 3, paragraph 5  Decision making by Officers	The decisions by officers on executive matters will be recorded by the Council. <b>In order to ensure that decisions that materially affect the Council’s position are published, all decisions over £100,000 will be published. (Openness of Local Government Bodies Regulations 2014.)</b>	Provides clarity of current requirements.
<b>Part 3.1 Council Procedure Rules</b>			
6	Section 3, New para 3.4  <b>Extraordinary Meetings</b>	<b>The appointment of Honorary Aldermen/women and the granting of the Freedom of the County may be held at an Extraordinary meeting of the Council.</b>	Provides clarity and highlights existing arrangements and function of Council.
7	Section 5  Para 5.1	<p><b>Suggested revision:</b></p> <p><b>5. TIME AND PLACE OF MEETINGS</b></p> <p>5.1 All meetings of the Council will:</p> <p>(i) take place in the Council Chamber at County Hall, Oxford;</p> <p>(ii) Commence 10.030 am;</p> <p>(iii) be adjourned for lunch around 1 pm and finish by 3.30 pm;</p> <p>subject to the Chair, after consultation with Group Leaders where appropriate, varying any or all of the</p>	

No	Part	Change	Comments
		above. In all cases, the date, place and start time shall be set out in the summons to the meeting.	
8	Section 10, para 10.1 (i)  <b>Petitions</b>	“Any person (other than a member of the Council) may present a petition at a Council meeting provided that:  the petition <b>relates the council’s functions or to the economic, social or environmental well-being of the area;</b> ” <del>is relevant to a function which the Local Authority has a responsibility for and/or directly affects the County or its inhabitants</del>	Provides clarity
9	NEW 10.3.3  <b>Chair’s discretion</b>	<b>In the event of guest speakers being invited by the Chair to address Council, the maximum speaking time allotted may be increased by the Chair, subject to prior consultation with the Leaders and the Proper Officer.</b>	Provides clarity.
10	Section 13  Para 13.2.1  <b>Motion set out in Agenda</b>	Each political group shall have only one motion on the agenda at a meeting. Where two or more motions have been submitted by members of <del>the</del> <b>a same</b> group, the Group Leader shall notify the Proper Officer, within 24 hours of the deadline for receipt of motions having passed, which motion is to be taken on the agenda. If no such notice has been received, the first motion received will be taken.	Provides clarity.
11	Section 13  13.2.2	Number paragraphs correctly – 13.2.1 – 13.2.4	Correction

No	Part	Change	Comments
<b>Part 7.2 Scheme of Delegation to Officers</b>			
12	Para 3.4  <b>Recording of Delegations and Decisions</b>	<p>Any decision of an officer having <b>material substantive</b> effect shall be recorded in such a manner that all those who may have an interest in that decision have certain knowledge of its effect. <b>Additionally, in order to ensure that decisions that materially affect the Council's position are published, all decisions over £100,000 will be published. (Openness of Local Government Bodies Regulations 2014.)</b></p> <p>Any key decision shall be recorded as required by the Access to Information Rules and notification given in accordance with the Scrutiny Procedure Rules at Part 6.2 of this Constitution.</p>	Provides clarity of current requirements.
<b>9.5 Protocol on Member/Officer Relations</b>			
13	Para 7  New Para 7.5  <b>Contact Between Members and Officers</b>	<b>When officers are communicating with an individual member, they should exercise discretion and respect confidentiality. Officers should refrain from automatically copying such communication with other members, including those of other groups, and/or the relevant portfolio holder. Officers need to be vigilant when receiving email chain correspondence. If in doubt, officers should seek the express concern of the member concerned.</b>	Provides clarity

No	Part	Change	Comments
14	Para 7  New Para 7.5  <b>Contact Between Members and Officers</b>	Members may occasionally wish to refer their constituents to officers directly. Members should not ordinarily pass on officer details without the consent of the officer, certainly not those of junior officers (officers below grade 10). Service numbers that are available on the Council's website and/or in the public domain can be given. If in doubt, members should check with the officer or team concerned.	Provides clarity

**AUDIT AND GOVERNANCE COMMITTEE**  
**20 MAY 2026**

**CONSTITUTION WORKING GROUP REPORT**

**Report by the Director of Law & Governance and Monitoring Officer**

**RECOMMENDATION**

1. The Audit and Governance Committee is **RECOMMENDED** to:
  - a) **Endorse the proposed amendments to the Council's Constitution as recommended by the Constitution Working Group; and**
  - b) **Recommend Council to formally approve the proposed changes to the Council's Constitution and to request the Director of Law and Governance and Monitoring Officer to ensure the necessary changes are made; and**
  - c) **Note that following changes to the Senior Management Structure further amendments are being made to the Officer Scheme of Delegation to reflect the new structure. These amendments will be completed prior to the Council meeting scheduled for 30 June 2026.**

**Executive Summary**

1. Following the re-establishment of the Constitution Working Group (CWG), four meetings have been undertaken with the CWG to discuss proposed changes and improvements to the Constitution. Meetings of the CWG were held on 2 February, 6 March, 16 and 28 April 2026, respectively.
2. This report sets out the findings and conclusions of those discussions and requests Audit and Governance Committee to recommend to Council the formal adoption of the changes to the Council's Constitution, as set out in Appendices 1 and 2.

**Report**

3. On 26 November 2025 Audit and Governance Committee agreed to re-establish the Constitution (Member) Working Group. It was reported to that meeting that the Council has a duty to keep its Constitution under review. The review covered all of the relevant codes and protocols, the procedure rules for committees, as well as general corrections, updates, amendments, and any developments required to the Constitution following legislative changes and arrangements. Given a Constitution Working Group had previously served as a vital forum for cross-party engagement and consensus-building on matters relating specifically to the review and updating of the Council's Constitution, the working group was re-established with cross-party support.

4. Since that time, the CWG has reviewed and considered a number of changes. These include recommendations made by the Director of Law & Governance and Monitoring Officer as well as suggestions from Members. The changes from the Director of Law & Governance and Monitoring are set out in Appendix A, provide clarity to content, update memberships and descriptions, through to highlighting some other grammatical and formatting anomalies. It should be noted that the Director of Law & Governance and Monitoring Officer has delegated authority to undertake such changes. This is set out in Part 7.2 of the Constitution (Scheme of Delegation to Officers), paragraph 6.4 (t); which states the Director of Law & Governance and Monitoring Officer is authorised to:  
  
“make textual amendments to the Constitution to address any inconsistencies or correct any cross-referencing errors arising from or as a consequence of the amendments, along with updating job and group titles if those referred to in the Constitution are obsolete (insofar as the Director of Law & Governance and Monitoring Officer does not already have such a delegation);”.
5. In view of the Monitoring Officer’s delegation, a number of amendments have already been made to the Constitution. Appendix 1 lists the changes to provide transparency.
6. The CWG also considered a number of other more significant changes which required Member consideration prior to submission to Council for final approval. These relate to changes to the Council’s Key Decision arrangements (Appendix 2) and the Officer Scheme of Delegation, where work is currently ongoing, as well as changes to the Council’s petition scheme, clarity on guest speakers and contact between Members and officers.
7. The Key Decision definition has been revised to simplify the arrangements. Additional text has been included to explain the process for dealing with key decisions and the publication of decisions. The Council’s management structure will be updated, as set out in Part 7.1 of the Constitution. At Part 7.2, the Officer Scheme of Delegation, will also be revised to cover technical issues as well as to provide transparency on the powers delegated to officers. These amendments will be completed prior to the Council meeting scheduled to take place on 30 June 2026. Members of the CWG will be kept updated and a verbal update will be provided at the meeting.
8. The CWG debated a number of issues associated with Council meeting arrangements. These included the number of motions and order, as well as Council meeting start and finish times. The time allocated to guest speakers was also discussed. These are set out in Appendix 2, items 7, 9, 10 and 11. Whilst the CWG was of the view that it was appropriate to bring the start time of Council forward, the consensus was that the finish time should not be changed. The CWG was of the view that the time allocations for individual items on the Council agenda as currently adopted, should remain the same, noting the Chair’s discretion. It was agreed that these measures, as well as a commitment to focus the debate, would provide Council with sufficient time to work through its business. The change to the order of Party Group motions as they appear on the Council agenda, reflects current convention, which is by way of rotation.

In the event that not all of the Party Group motions listed are considered at the meeting, a new approach is proposed to the order of motions as they appear on the Council agenda.

9. The changes set out in the attached Appendices, are presented in a format to provide clarity to the information given. Summary comments are included in Appendices 1 and 2, so as to explain the rationale behind the proposed changes.
10. It should be noted that prior to publication of the Constitution, the content will be fully reviewed for grammar and layout. This approach was supported and welcomed by the CWG.
11. The target date for approval of all the proposed changes to the Council's Constitution by Council is 30 June 2026.

## **Financial Implications**

12. There are no direct financial implications directly relating to, or arising from, the recommendations in this report.

Checked by: Drew Hodgson  
Strategic Finance Business Partner – Resources, FRCS and  
TDCE

## **Legal Implications**

13. The recommendations set out in this report are consistent with the Council's duty under Section 9P of the Local Government Act 2000 to have a constitution and to keep it up to date. The Constitution must contain (a) a copy of the authority's standing orders, (b) a copy of the authority's code of conduct (if any) under section 28 of the Localism Act 2011 and (c) such information as the Secretary of State may direct, and (d) such other information (if any) as the authority considers appropriate.
- 14.
15. The Council's Constitution must comply with The Local Government Act 2000 (Constitutions)(England) Direction 2000 issued on 12 December 2000 by the then Secretary of State for the Environment, Transport and the Regions. Part 1.2 of the Council's Constitution at 2(a) confirms that adopting and changing the Constitution is reserved for approval by the Council.

Checked by: Jay Akbar  
Head of Legal and Governance Services (Deputy  
Monitoring Officer)

## **Equality & Inclusion Implications**

16. The recommendations in this report do not in themselves raise equality implications. However, keeping the Constitution up to date is important to its accessibility. The recommendation for bringing forward proposals for reviewing the Constitution recognises that any such proposals would involve consultation with elected members. Furthermore, as part of the review officers are currently reviewing the guidance provided on the Council's website in relation to public engagement in the Council's formal decision-making arrangements.

**Anita Bradley**  
**Director of Law & Governance and Monitoring Officer**

Background papers:           None

Contact Officer:               Dave Burn, Chief Governance Officer (Interim),  
[dave.burn@oxfordshire.gov.uk](mailto:dave.burn@oxfordshire.gov.uk)

April 2026

## **AUDIT AND GOVERNANCE COMMITTEE**

**20 MAY 2026**

### **CONSTITUTION WORKING GROUP REPORT**

#### **Addendum Report to Item 12 by the Director of Law & Governance and Monitoring Officer**

#### **RECOMMENDATION**

1. **The Audit and Governance Committee is RECOMMENDED to:**
  - a) **Endorse the proposed amendments to the Council's Constitution as recommended by the Constitution Working Group; and**
  - b) **Recommend Council to formally approve the proposed changes to the Council's Constitution set out in Appendices and 2 attached to the agenda and to request the Director of Law and Governance and Monitoring Officer to ensure the necessary changes are made; and**
  - c) **Recommend Council to approve the additional changes, including the amendments to the Officer Scheme of Delegation to reflect the new structure, as set out Addendum 1, attached.**
  - d) **To note that Council will be requested to formally adopt the changes recommended by Audit and Governance Committee on 30 June 2026.**

#### **Report**

1. As highlighted in the main report for item 12, additional work has been undertaken on the Council's constitution. This has been concentrated on the Officer Scheme of Delegation which has been changed to reflect the new structure and provides clarity. Additionally, some further technical points have been identified as they required clarification. This information is set out in Appendix 3 and Annexes 1 and 2.
2. In order to assist the Committee revised recommendations are set out above to take account of the additional information attached at Appendix 3 and Annexes 1 and 2.

**Anita Bradley**  
**Director of Law & Governance and Monitoring Officer**

Background papers:       None

Contact Officer:           Dave Burn, Chief Governance Officer (Interim),  
[dave.burn@oxfordshire.gov.uk](mailto:dave.burn@oxfordshire.gov.uk)

April 2026

List of recommended additional changes for approval

Oxfordshire CC Constitution

The following suggested changes are recommended to provide clarity to the Constitution.

No	Part	Change	Comments				
<b>Part 1 The Constitution</b>							
1	Part 1.2, paragraph 2 Table 2.A  <b>How Oxfordshire County Council operates</b>	<table border="1"> <tr> <td><b>Plan/strategy</b></td> <td><b>Statutory basis</b></td> </tr> <tr> <td>Local Development Scheme and Development Plan Documents (including Minerals and Waste)  Minerals and Waste Plan</td> <td>Section 15<sup>CB</sup> Planning and Compulsory Purchase Order Act 2004</td> </tr> </table>	<b>Plan/strategy</b>	<b>Statutory basis</b>	Local Development Scheme and Development Plan Documents (including Minerals and Waste)  Minerals and Waste Plan	Section 15 <sup>CB</sup> Planning and Compulsory Purchase Order Act 2004	Required a result of changes made by the Levelling Up and Regeneration Act 2023, which have only recently come into effect
<b>Plan/strategy</b>	<b>Statutory basis</b>						
Local Development Scheme and Development Plan Documents (including Minerals and Waste)  Minerals and Waste Plan	Section 15 <sup>CB</sup> Planning and Compulsory Purchase Order Act 2004						
<b>Part 3 Council</b>							
2	Paragraph 1, 1.1.2 (iv)  <b>Annual Meeting of Council</b> and the same change in  <b>Ordinary Meetings Paragraph 2.2 (ii)</b>	approve the minutes of the last meeting. <del>and receive for information any matters arising from them</del>	To consider matters arising from the minutes would be contrary to the Local Government (Access to Information) Act 1985 (as now incorporated into the Local Government Act 1972).				

No	Part	Change	Comments
3	Paragraph 3, 3.1 (iv) and Remove existing (v)  <b>Extraordinary Meetings</b>	any <del>ten</del> <b>five</b> Members of the Council if they have signed a requisition presented to the Chair of the Council and they have refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition  <del>at least one third of the Members of the Council if they have signed a requisition presented to the Chair of the Council to move a motion for the removal of the Leader of the Council.</del>	Makes the position legally compliant, in accordance with the LG Act 1972.
<b>Part 4 Cabinet</b>			
4	Part 4.1, Paragraph 3  <b>Leader</b>	The Leader will be a Councillor elected by the Council to that position. This will normally be at the Annual Meeting following whole council elections <b>which are held every four years</b> . The Leader will hold office for the <b>full four year remaining</b> term of the Council unless: <ul style="list-style-type: none"> <li>(a) they resign from the office; or</li> <li>(b) they are no longer a councillor; <b>or</b></li> <li>(c) <b>on the expiry date of their fixed term of office as Leader which is the date of the post-election annual meeting which follows their election as Leader; or</b></li> <li>(d) or they are removed from office by resolution of the Council.</li> </ul>	Makes the position legally compliant, in accordance with the LG Act 1972 and the Local Government Act 2000 as amended.

No	Part	Change	Comments
		<p>In the event that the circumstances in (a) to (c) above occur to create a vacancy in the office of leader of the council, an election to fill the vacancy will be taken at the next ordinary meeting of the Council or at an extraordinary meeting of the Council. In the case of (c) the election to fill the vacancy should occur, where possible, at the same meeting at which the resolution removing the leader is passed. The newly elected leader will remain in office for the remaining term of the Council subject to paragraphs 3(a) to (c).</p> <p>In the event of (d) above and the Council passes a resolution to remove the Leader, a new Leader is to be elected:</p> <ul style="list-style-type: none"> <li>(a) at the meeting at which the Leader is removed from office; or</li> <li>(b) at a subsequent meeting; or</li> <li>(c) at an extraordinary meeting of the Council called for that purpose</li> </ul> <p>The Leader may be removed from office by resolution of the Council on notice of a Motion to Council and approved, without amendment, by the Council. Any such Motion must be delivered to the Proper Officer in writing at least ten working days before the date of the meeting at which it is to be addressed. If the Council passes such a</p>	

No	Part	Change	Comments
5	<p><b>New Paragraph 4</b></p> <p><b>Deputy Leader</b></p> <p>Re-number following paragraphs accordingly</p>	<p>resolution, a new Leader is to be elected in accordance with paragraph x (a) – (c) above.</p> <p>The Leader will appoint at least one of the Cabinet Members as Deputy Leader, who will hold office until the end of the Leader’s term of office, unless they:</p> <ul style="list-style-type: none"> <li>• resign as Deputy Leader,</li> <li>• cease to be a councillor; or</li> <li>• removed from office by the Leader.</li> </ul> <p>Where a vacancy occurs, the Leader must appoint another Deputy Leader. The Deputy Leader must, if for any reason the Leader is unable to act or the office of Leader becomes vacant (and pending the election of a new Leader by the Council), discharge all roles and functions of the Leader. If, for any reason, both the Leader and Deputy Leader are unable to act or both positions become vacant, the Cabinet must act in the Leader’s place or must arrange for another Cabinet Member to act in their place.</p>	<p>Makes the position legally compliant, in accordance with the LG Act 1972</p>
6	<p>Existing 4, Renumber 5</p> <p><b>Other Cabinet Members</b></p>	<p>In addition to the Deputy Leader, the Leader will appoint a maximum of eight members to serve as <del>Other</del> Cabinet Members. The Leader will maintain and publish a list of portfolio responsibilities of the individual Cabinet Members, which will be <del>shall be</del> Councillors appointed by the Leader and notified to the Council. <del>One of the other Cabinet Members will be designated as Deputy Leader.</del> Cabinet Members will hold office until:</p>	<p>Makes the position legally compliant, in accordance with the LG Act 1972.</p>

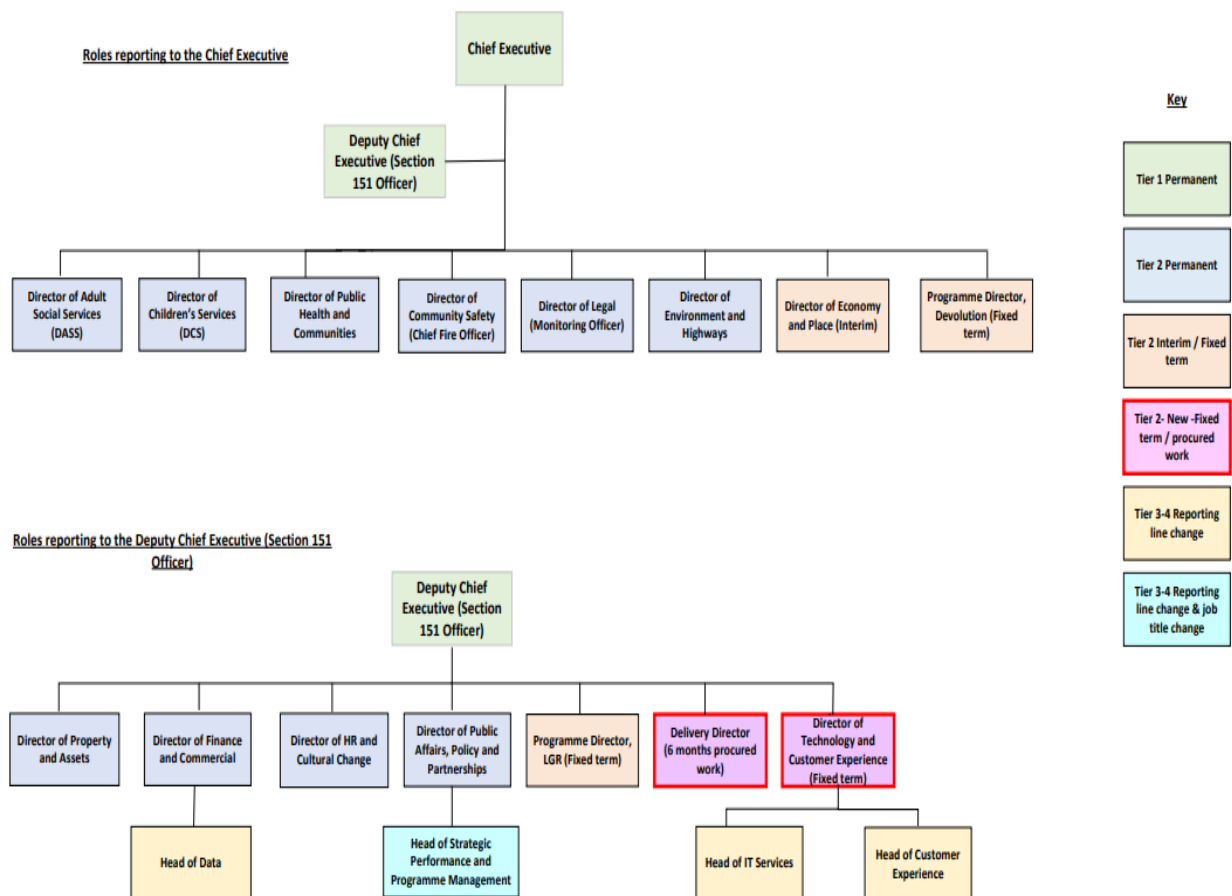
No	Part	Change	Comments
		(a) they resign from office; or (b) they are no longer councillors; or (c) they are removed from office by the Leader of the Council who must give written notice of any removal to the Proper Officer in writing or by e-mail. The removal will take effect two working days after receipt of notice by the Proper Officer.	
<b>Part 7 Scheme of Delegation to Officers</b>			
7	Part 7.1 <b>Officers</b>	Reflects the new officer structure	See Annex 1
8	Part 7.2 <b>Scheme of Delegation to Officers</b>	Provides clarity and reflects the new officer structure	See Annex 2
<b>Part 9 Codes and Protocols</b>			
9	Part 9.2, paragraph 7, 7 d (i) and (iii)  Rights of Councillors to Place Items on an Agenda	notice of the request is received by the Proper Officer by 5.00 p.m. on the <del>tenth</del> <b>twentieth</b> working day before the meeting of a committee or sub-committee, <b>to enable a report to be prepared;</b>	To comply with the Local Government (Access to Information) Act 1985 (as now incorporated into the Local Government Act 1972).

No	Part	Change	Comments
		the item will normally be for oral report unless 20 working days' prior notice is given to enable a report to be prepared.	

# Officers

## 1. Management Structure

- (a) The ~~full~~ Council may engage staff (referred to as officers) as it considers necessary to carry out its functions.
- (b) The Council has engaged officers to the following posts which, together form the Council’s senior leadership team.



Post	Principal Areas of <del>Service</del> Responsibility
Chief Executive	Head of the Council's Paid Service; corporate management and promotion of the Council's strategic objectives; overall responsibility for emergency planning, disaster recovery and resilience as defined in the Civil Contingencies Act 2004; overall responsibility for health and safety as it relates to the functions of the Council (Health and Safety at Work Act 1974).
<del>Executive Director of People and Transformation</del>	<del>Cross Council Transformation programme; line management of Director: of Public Health and Communities, Director: Adult Social Care and Director: Children's Services; Chief Fire Officer and Community safety, community hubs; customer services; insight; digital and transformation.</del>
<del>Executive Director of Resources Deputy Chief Executive (and Section 151 Officer)</del>	Corporate financial management and administration (Section 151 Officer); internal audit & counter fraud; procurement & commercial; Oxfordshire Local Government Pension Fund; human resources and cultural change; health and safety; property services; equalities, diversity and inclusion; corporate strategy; public affairs; marketing and communications; and IT Services; Senior Information Risk Owner (SIRO).
Director of Law & Governance and Monitoring Officer	Monitoring Officer; the Constitution and corporate governance framework; ethical governance; Legal Services and advice; support for councillors and the democratic process; access to information; elections; Local Government and Social Care Ombudsman; information governance; Data <del>p</del> Protection Officer and Data Controller qualified person pursuant to S36 of the Freedom of Information Act 2000; <del>e</del> Coroners <del>s</del> Service and Registration.

Post	Principal Areas of <u>Service Responsibility</u>
Director of Public Health & Communities	Statutory role including: delivery of the council's public health duties; steps to improve the health of the people in its area; planning for, and responding to, emergencies that present a risk to the public's health. Services in connection with teenage pregnancy; drugs and alcohol; Libraries and Heritage services, which includes libraries, history and museum services; <u>Asylum and Resettlement services including services for refugees.</u>
Director of Adult Social -Services	<p>Statutory role: <u>The Director of Adult Social Services (DASS) including: holds statutory</u> responsibility for adult social care including improving preventative services and delivering earlier intervention; tackling inequalities and improving access to services; increasing support for people with the highest levels of need; <u>and</u> promoting social inclusion and wellbeing. <u>The role is responsible for the Ddelivery and oversight of a comprehensive range of adult social care-services</u> including residential and nursing care; supported living; intermediate care; home support; assessment and re-ablement; occupational therapy; sensory impairment <u>services</u>; hospital <u>social work</u> teams; mental health <u>services</u>; carers' services; translation and interpretation <u>services</u>. <u>Shared Lives</u> (CQC registered); <u>the employment services</u>; <u>print services</u>; community support services; <u>Approved Mental Health Professional (AMPH)</u> services and transitions teams.</p> <p><u>The DASS also holds Rresponsibility for the joint commissioning team with the Integrated Care Board (ICB) which includes responsibility-accountability for the governance, management and assurance of associated Section 75 partnership agreements.</u></p>

Director of Children's Services	<p>Statutory role including: discharging the education, <a href="#">SEND</a>, and children's social <a href="#">care</a> services, <a href="#">Youth Offending services</a> functions of the local authority; leadership, strategy and effectiveness of local authority children's services; securing the provision of services which address the needs of all children and young people. -Delivery of social care and education including: early years and childcare; family support; fostering and adoption; looked-after children; residential and leaving care; asylum seekers; child protection; school performance; resourcing and support for schools; school governor support; school admissions; school transport (policy); special educational needs; behaviour support; youth service; youth justice.</p> <p><a href="#">Statutory delegation on behalf of the Chief Executive to discharge and oversee safeguarding responsibility across the local authority geography.</a></p>
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Post	Principal Areas of <u>Service Responsibility</u>
Director of Environment and Highways	Highways <u>maintenance</u> ; network management; road safety; travel planning; - bus services; nature policy; countryside, <u>trees</u> and <u>public</u> rights of way services; archaeological service; waste management; <del>Lead Local Flood Authority transport scheme and infrastructure delivery,</del> and <del>T</del> transport <del>P</del> policy <u>and</u> <del>S</del> strategy.
Director of Economy and Place	Inclusive economic development <u>and business engagement</u> ; climate change, <u>adaptation, circular economy, and energy</u> policies and programmes; development plans and developer funding; strategic development schemes; place shaping <u>and regeneration</u> , strategic and regulatory planning; <u>Rail Strategy and Programmes</u> ; <u>Lead Local Flood Authority, strategic development strategies</u> ; transport development control; local highway authority responses to consultations on planning applications; minerals and waste; <del>devolution,</del> strategic <u>and regional</u> partnerships <del>and business engagement</del> ; <u>and Innovation, service; flood risk management.</u>
Chief Fire Officer and Director of Community Safety	Fire and rescue services*; trading standards; animal welfare; emergency planning; community safety.  *NB -The Chief Fire Officer has statutory responsibility for the fire and rescue service
<u>Interim</u> Director of <u>Transformation Technology, Digital and Customer Experience</u>	Public enquiries; <del>Transformation programme; IT and the</del> digital programme; data hub; <del>performance and insights.</del>
Director of Financial and Commercial Services	Commercial strategy; green finance initiatives; budget planning and forecasting; internal auditing; capital programme; local authority's pension fund; treasury management; procurement and social value.
Director of Property and Assets	<u>Provide S strategically leadership and operational oversight for the council's property and asset portfolio, including the management and maintain optimisation of council-owned and /operated buildings; fleet services; manage and maintain fleet owned/operated by the council; and home-to-school and service transport for Adults and/ Children, 's including SEND provision, home to school/facilities transport; supporting Adults &amp; Children's with associated property needs; gypsy and traveller services. Ensure the effective delivery of property-related services supporting Adults' and Children's services (including Gypsy and Traveller sites), alongside the development and assurance of the council's Health and Safety management system and policy framework.</u>

Director of Public Affairs, Policy and Partnerships	External communications, marketing and campaigns; consultations and engagement; public affairs; strategy and policy development, including equality, diversity and inclusion; key partnerships, including the voluntary and community sector and the civilian military partnership; councillor priority fund scheme. <a href="#">Corporate Portfolio Management Office (CPMO), performance and insight; business improvement.</a>
Director of HR and Cultural Change	Human resources; recruitment and retention; cultural change (Delivering the Future Together); internal communications; staff training and development; apprenticeship management.

- (c) **Head of Paid Service, Monitoring Officer and Chief Finance Officer**  
The Council has designated officers to perform these statutorily prescribed roles as follows:

<b>Designation</b>	<b>Officer</b>
Head of the Council's Paid Service	Chief Executive
Monitoring Officer	Director of Law and Governance <a href="#">and Monitoring Officer</a>
Chief Finance Officer (Section 151 Officer)	<del>Executive Director of Resources</del> <a href="#">Deputy Chief Executive (S.151 Officer)</a>

The duties associated with these designations are set out in paragraphs 2 - 4 below.

## 2. Functions of the statutory post of Head of Paid Service

- (a) **Discharge of functions by the Council.** The Head of Paid Service will report to ~~full~~ Council on the manner in which the discharge of the Council's functions is co-ordinated, the number and grade of officers required for the discharge of functions and the organisation of officers.
- (b) **Restrictions on functions.** The Head of Paid Service may not be the Monitoring Officer but may hold the post of Chief Finance Officer if a qualified accountant.
- (c) **Urgency.** The Head of Paid Service is authorised to take any urgent action necessary to protect the Council's interests and assets where time is of the essence and it is impracticable to secure authority to act where such authority would otherwise be required. The Head of Paid Service, in so acting, will be guided by the Budget and the Policy Framework at Part 1.2 of this Constitution, will consult the other Statutory Officers before acting and will report, in writing, as soon as practicable to the body which would otherwise have been required to give the necessary authority to act. Key decision procedures and call in procedures (Parts 8.1 and 6.2(19) of the Constitution) will apply to any key decisions taken under ~~the~~ this authorisation.

## 3. Functions of the statutory post of Monitoring Officer

- (a) **Maintaining the Constitution.** The Monitoring Officer will maintain an up-to-date version of the Constitution and will ensure that it is available to councillors, staff and the public.
- (b) **Ensuring lawfulness and fairness of decision making.** After consulting with the Head of Paid Service and Chief Finance Officer, the Monitoring Officer [in accordance with their statutory functions](#) will report to the ~~Full~~ Council or, in the case of an executive function, to the Cabinet, if ~~they~~ [the Monitoring Officer](#) considers that any proposal, decision or

omission has or would be likely to give rise to unlawfulness or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.<sup>1</sup>

- (c) **Supporting the Audit & Governance Committee.** The Monitoring Officer will contribute to the promotion and maintenance of high standards of conduct through provision of support and advice to the Audit & Governance Committee.
- (d) **Receiving complaints.** The Monitoring Officer will receive and act on complaints about Councillor conduct.
- (e) **Reviewing complaints.** The Monitoring Officer will review complaints in accordance with the Council's arrangements for dealing with member complaints.
- (f) **Proper officer for access to information.** The Monitoring Officer will ensure that decisions, together with the reasons for those decisions and relevant officer reports and background papers are made publicly available as soon as possible.
- (g) **Advising whether executive decisions are within the budget and policy framework.** The Monitoring Officer will advise whether decisions of the Cabinet are in accordance with the budget and policy framework.
- (h) **Providing advice.** The Monitoring Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all councillors.
- (i) **Restrictions on posts.** The Monitoring Officer cannot also hold the position of Chief Finance Officer or the
- (j) **Issue of Guidance.** The Monitoring Officer will issue guidance from time to time on the discharge of the above functions.

#### 4. Functions of the statutory position of Chief Finance Officer

- (a) **Ensuring lawfulness and financial prudence of decision making.** After consulting with the Head of Paid Service and the Monitoring Officer, the Chief Finance Officer will report to the ~~full~~ Council or, in the case of an executive function, to the Cabinet, and to the Council's external auditor, if they consider that any proposal, decision or course of action will involve incurring unlawful expenditure, or is unlawful and is likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully.
- (b) **Administration of financial affairs.** The Chief Finance Officer will have responsibility for the administration of the financial affairs of the Council.<sup>2</sup>

<sup>1</sup> Section 5 of the Local Government & Housing Act 1989

<sup>2</sup> Section 151 of the Local Government Act 1972

- (c) **Contributing to corporate management.** The Chief Finance Officer will contribute to the corporate management of the Council, in particular through the provision of professional financial advice.
- (d) **Providing advice.** The Chief Finance Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all councillors and will support and advise councillors and officers in their respective roles.
- (e) **Giving financial information.** The Chief Finance Officer will provide financial information to the media, members of the public and the community.

## 5. Duty to Provide Sufficient Resources to the Monitoring Officer and Chief Finance Officer

The Council will provide the Monitoring Officer and Chief Finance Officer with such officers, accommodation and other resources as are in their opinion sufficient to allow their duties to be performed.

## 6. Deployment and Management of Staff in General

- (a) The recruitment, selection and dismissal of officers will comply with the Officer Employment Rules set out at Part 8.4 of this Constitution.
- (b) The Head of Paid Service will determine and publicise a description of the overall structure of the paid service of the Council showing the management structure and deployment of officers. This is set out on the Council's Intranet.

## 7. Powers Exercisable by Officers

Officers may exercise functions of the Council, the Cabinet and committees of the Council to the extent and subject to the conditions specified in the Officer Delegations set out in Part 7 of this Constitution.

## 8. Sub-Delegation to Designated Officers

The Chief Executive's and other officers' powers conferred by this Part 7.1, including any proper officer functions, may be exercised by other officers designated in writing by the Chief Executive, (and the ~~Executive Director of Resources~~ [Deputy Chief Executive \(S.151 Officer\)](#) in relation to financial delegations), either generally or in specific circumstances.

## 9. Conduct of Officers

Officers will comply with the Officers' Code of Conduct and the Protocol on Member/Officer Relations.

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# Scheme of Delegation to Officers

## 1. Introduction

- 1.1. This scheme of delegation authorises the relevant officers to exercise the functions of the Council as set out in this scheme and the Constitution. For the purpose of this scheme, 'officers' includes those officers included in Part 7.1 of the Constitution.
- 1.2. This scheme is without prejudice to the exercise of the Council's functions by the Council, the Cabinet, the Council's committees and sub-committees and their own powers of delegation and by the officers mentioned within 1.1 above.
- 1.3. For the avoidance of doubt anything which is not covered by this scheme, including the appointment of a proper officer for the purpose of any statutory function, will be determined by the Chief Executive.
- 1.4. The Council has given a General Indemnity to any officer acting in the purported discharge of any authority delegated to them for any action, costs, claim or liability incurred by them.
- 1.5. For the avoidance of doubt:
  - (a) the Chief Executive has over all other officers the powers which they are entitled to exercise under this Scheme;
  - (b) an officer may refer any matter to the Council, the Cabinet, or a committee of the Council as appropriate either:
    - (i) in lieu of exercising their powers in relation to that matter; or
    - (ii) for consultative purposes before exercising those powers;
  - (c) the power to exercise any function includes the power to exercise that function in a positive or negative manner or to refuse to exercise the function;
  - (d) nothing in this Scheme prevents the Council, the Cabinet or a committee of the Council from exercising a [non-operational](#) function in place of an officer;
  - (e) in this Scheme references to the Cabinet shall be taken to include the relevant Cabinet Member, or a committee of the Cabinet insofar as the function concerned has for the time being been delegated to such member or committee;
  - (f) ~~if when any exercise of exercising a~~ delegation ~~an making~~ incorrect references ~~is made~~ to any part of the Constitution, relevant statute, legislation or by ~~law; this~~ shall not, of itself, invalidate the authorised delegation.

## 2. Principles of Delegation

2.1. The Chief Executive and other officers (as defined in paragraph 1.1 of this Scheme) – are empowered to make decisions on behalf of the Council in accordance with the following general principles:

- (a) If a function, power or responsibility has not been specifically reserved to the Council, a committee, or the Cabinet, the other officers within whose remit the matter falls ~~are~~<sup>is</sup> authorised to act.
- (b) The Council, its committees and the Cabinet will make decisions on matters of significant policy. The Chief Executive and the other officers have express authority to take all necessary actions to implement Council, committee and Cabinet decisions that commit resources, within agreed budgets in the case of financial resources, as necessary and appropriate.
- (c) The Chief Executive and the other officers are empowered to take all operational decisions, within agreed policies, in relation to the services for which they are responsible.
- (d) The Chief Executive and the other officers are empowered to take all necessary decisions in cases of emergency<sup>1</sup>.
- (e) In relation to all delegated authority conferred on the other officers by this scheme, the Chief Executive may allocate or re-allocate responsibility for exercising particular powers to any officer of the Council in the interests of effective corporate management as they think fit.
- (f) Where an officer is absent from the workplace for a period of time ~~which~~<sup>which</sup> requires others to exercise delegated authority in the officer's absence, another officer should be nominated by the Chief Executive. This nomination should be formally recorded in writing.
- (g) Where there is doubt over the responsibility for the exercise of a delegated power, the Chief Executive or their nominee is authorised to act;
- (h) All officers are empowered to act as deputies of the Chief Executive in their absence, subject to the following:
  - (i) In the first instance, the person deputised to act will be the other officer named on the duty rota operated by the Council

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<sup>1</sup> For the purposes of this scheme, emergency shall mean any situation in which the relevant officer believes that failure to act would seriously prejudice the Council's or the public's interests. Such interests are to be interpreted widely and include (but are not limited to) the risk of damage to property or threat to the health or wellbeing of an individual.

- (ii) In the absence of both the Chief Executive and the duty rota officer, any other officers may deputise for the Chief Executive in consultation with the Director of Law & Governance and Monitoring Officer and the ~~Executive Director of Resources~~ Deputy Chief Executive (S.151 Officer).
  - (i) Anything delegated to an officer is also delegated to the Chief Executive, other than those reserved to the statutory officers;
  - (j) These delegations should be interpreted widely to aid the smooth running of the organisation, the effective deployment of resources, the efficient delivery of services, and the achievement of the Council's goals.
  - (k) The exercise of delegated functions shall be in accordance with the managerial requirements of the Chief Executive otherwise than in matters of professional expertise, and subject to the legal requirements of the Director of Law & Governance and Monitoring Officer and the financial requirements of the ~~Executive Director of Resources~~ Deputy Chief Executive (S.151 Officer).
- 2.2. In deciding whether or not to exercise such delegated powers, the Chief Executive and the other officers should consider whether to consult the appropriate Cabinet member(s) or committee chair and have regard to their views. Officers shall always be entitled to refer matters for decision to the appropriate member body where they consider it expedient to do so.
- 2.3. The Chief Executive and the officers may authorise officers in their service areas to exercise, on their behalf, powers delegated under this scheme.

### **3. Recording of Delegations and Decisions**

- 3.1. All delegations conferred under this scheme must be recorded in writing by the Chief Executive and the other officer in such a form as the Director of Law & Governance and Monitoring Officer may prescribe (including for the avoidance of doubt any delegation under paragraph 2.1(e) above). Any decision taken under such authority shall remain their responsibility, and must be taken in their name.
- 3.2. Each officer will maintain a separate record of sub-delegations pertaining to their directorate and will provide copies to the Director of Law & Governance and Monitoring Officer for retention.
- 3.3. The Director of Law & Governance and Monitoring Officer will maintain a central record of all delegations under this scheme and make this available for public inspection. The record shall be kept up to date according to any additions or other variations to the powers and functions which are delegated to officers.
- 3.4. Any decision of an officer having substantive effect shall be recorded in such a manner that all those who may have an interest in that decision have certain knowledge of its effect. Any key decision shall be recorded as required by the

Access to Information Rules and notification given in accordance with the Scrutiny Procedure Rules at Part 6.2 of this Constitution.

#### 4. Scope of Powers

- 4.1. In exercising these delegated powers the officers concerned shall have broad discretion, subject to complying with all relevant legislation, the Council's Constitution, including its ~~C~~contract Procedure Rules and Financial Procedures Rules (~~at Part 8.2 of this Constitution~~) and ~~R~~regulations (respectively at Parts 8.3 and 8.2 of this Constitution) (and any guidance made in respect of these rules), and overall Council policy, to use the most efficient and effective means available, including the deployment of staffing and other resources within their control and the procurement of other resources necessary, whether within or outside the Council.
- 4.2. Without prejudice to the generality of the foregoing the Chief Executive and the other officers shall have the power:
- (a) to take all lawful action consistent with overall Council policy to deliver agreed strategy, plans and policy within their area of responsibility and within approved budgets. This shall include, but not exhaustively:
    - (i) invitation ~~and acceptance~~ of tenders and award of contracts, subject to the Contract Procedure ~~R~~rules at Part 8.3 of this Constitution;
    - (ii) preparation and submission of bids for external funds or grants for purposes related to the provision of services and acceptance of such funds and grants on such terms and conditions as may be agreed, subject to consulting the Director of Law & Governance and Monitoring Officer where contractual obligations are involved;
    - (iii) write-off of irrecoverable amounts (including bad debts) up to such limit as may for the time being be prescribed by the Financial Procedure Rules at Part 8.2 of this Constitution subject in each case to the written approval of the ~~Executive Director of Resources~~ Deputy Chief Executive (S.151 Officer) (or of a member of their staff nominated by them for that purpose) and to such approval being shown in the accounting records;
    - (iv) virement (within the budget framework);
    - (v) disposal and acquisition of assets;
    - (vi) subject to the requirements of the Director of Law & Governance and Monitoring Officer given either generally or in a particular case, the issue of formal notices, orders, instructions and instruments required under any legislation relating to their

- functions and areas of service or otherwise to give legal effect to the exercise of the powers set out above;
- (vii) authorising the institution, defence or appearance in criminal or civil proceedings in relation to any legislation which they are responsible for monitoring, enforcing or otherwise implementing on behalf of the council, subject to authorisation by the Director of Law & Governance and Monitoring Officer;
  - (viii) the negotiation of agreements or arrangements with other services of the Council or other companies or organisations relating to the provision of services for their area of responsibility;
- (b) to put in place management arrangements, which define the area of responsibility of all officers under their area of responsibility;
- (c) in the case of any overspend to notify the ~~Executive Director of Resources~~ [Deputy Chief Executive \(S.151 Officer\)](#) in the role of Section 151 officer in accordance with the Financial Procedure Rules and regulations;
- (d) subject to the Officer Employment Rules set out at Part 8.4 of this Constitution, to determine staffing arrangements within their service within approved budgets (except for staff employed in schools with delegated budgets), including:
- (i) appointments, unless the power to appoint to a particular post rests with the Council or a committee of the Council;
  - (ii) dismissal of any employee subject to the concurrence of the Director of Human Resources [and Cultural Change](#) (except where the power of dismissal is vested by law in the other officer);
  - (iii) the transfer of posts within the total establishment of their service;
  - (iv) all disciplinary matters;
  - (v) granting ex-gratia payments up to a limit determined by the Director of Law & Governance and Monitoring Officer to employees who have suffered loss of, or damage to, personal property in the course of their work;
  - (vi) extending an employee's sick leave on half pay for a period not exceeding the equivalent period of half pay already received; and
  - (vii) granting up to 10 days' additional paid leave on compassionate grounds, or up to twelve months unpaid leave;
  - (viii) granting unpaid leave beyond twelve months, and any other exceptional request for leave, subject to the agreement of the

Director of HR and Culture Change and the ~~Executive Director of Resources~~ Deputy Chief Executive (S.151 Officer).

- (e) to take all action to recruit, appoint, develop, manage and reward employees, in accordance with legislation and within approved Council policies and procedures (including operation of policies for voluntary severance, early retirement, redundancy and redeployment) and relevant conditions of service for staff.

## 5. Delegation in Practice

5.1. In taking any decision, the officer concerned must be satisfied that the following issues have been properly considered and completed where appropriate. All of these issues should be considered at the earliest possible stage:

- (a) a key decision should be taken in accordance with the [relevant requirements set out in the Constitution for key decisions](#) (including the requirements for the recording of such decisions under Rule 18 of Part 8.1 of this Constitution). [It should be noted that officers can only take key decisions when delegated by Cabinet or the relevant Cabinet Portfolio Holder](#);
- (b) the views of the relevant Cabinet member(s) and committee chair following the application of the consultation criteria set out in paragraph (c) below;
- (c) the implication of any Council policy, initiative, strategy or procedure. Officers need to be aware of any potential impact of a delegated decision on other services. In such cases, consultation with officers, relevant Cabinet member(s) or committee chairs from any affected portfolio and local members, where the issue relates to a specific area, should take place;
- (d) consultation in accordance with the Council's consultation strategy and the views emanating from that process;
- (e) the range of available options;
- (f) the staffing, financial and legal implications;
- (g) the assessment of any associated risks in accordance with the Council's risk management strategy;
- (h) the involvement of appropriate statutory officers and/or other officers;
- (i) the relevance of any regional or national guidance from other bodies;
- (j) the Council's Constitution, including the Forward Plan, its contract and financial procedures and regulations, all relevant guidance, legislation, codes of practice and protocols.

- 5.2. Any member may request that executive decisions taken by officers under delegated powers are scrutinised by the appropriate scrutiny committee.

## 6. Specific Powers and Functions

6.1. Subject to the foregoing and without prejudice to the general effect of this scheme, the Chief Executive and the other officers designated for the purpose may exercise such specific powers and functions:

- (a) in the capacity of proper officer; or
- (b) otherwise on behalf of the Council, the Cabinet or a committee of the Council

as may be delegated to them from time to time. The powers and functions which are for the time being delegated to the Chief Executive, Director of Law & Governance and Monitoring Officer, ~~and the Executive Director of Resources Deputy Chief Executive (S.151 Officer) and other service directors~~ are listed in this section.

- 6.2. The Director of Law & Governance and Monitoring Officer shall keep this scheme of delegation up to date according to any additions or other variations to the powers and functions of the Chief Executive, Director of Law & Governance and Monitoring Officer, the ~~Executive Director of Resources Deputy Chief Executive (S.151 Officer)~~ and the other officers.

6.3. The **Chief Executive** is authorised to undertake:

- (a) The functions under Section 4 of the Local Government and Housing Act 1989 as the Head of Paid Service of the Council, and in accordance with Part 7.1 of this Constitution.
- (b) Allocation of accommodation for the purposes of the Council, the Cabinet, committees, sub-committees and members.
- (c) Any function of the Cabinet or of a Council committee or sub-committee, after consultation with the appropriate other officer and thereafter:
  - (i) in the case of an executive function, with the Leader of the Council or, in their absence, the Deputy Leader of the Council; or
  - (ii) in any other case, with the Chair of the relevant committee or sub-committee or, in their absence, the Deputy Chair of the relevant committee or sub-committee.

Any exercise of these functions shall be reported to the Cabinet or other relevant committee or sub-committee and shall be published on the website as soon as possible.

- (d) Following consultation with employees' representatives and with the Cabinet Member having responsibility for human resources and any

other member(s) of the Cabinet whose responsibilities include a service particularly affected, approval of amendments to the ~~County~~ Council's personnel policies and procedures, subject to reference being made to the Cabinet where either:

- (i) they would have material budget implications; or
  - (ii) material concerns about them have been expressed by the employees' representatives.
- (e) The powers and duties of County Returning Officer for the purposes of Section 35 of the Representation of the People Act 1983.
- (f) Overall responsibility for emergency planning, disaster recovery and resilience as defined in the Civil Contingencies Act 2004.
- (g) Overall responsibility for health and safety as it relates to the functions of the Council (Health and Safety at Work Act 1974).

6.4. The **Director of Law & Governance and Monitoring Officer** is authorised to:

- (a) take any action to implement any decision taken by or on behalf of the Council, including the signature and service of statutory and other notices and any document; and authority to apply the Common Seal of the ~~County~~ Council to deeds in order to execute them;
- (i) The Director of Law and Governance and Monitoring Officer will be responsible for the safe-keeping and secure administration of the Common Seal of the Council.
  - (ii) The Common Seal of the Council may be affixed either by physical means or by such electronic means as the Director of Law and Governance and Monitoring Officer may from time to time authorise. References in this Rule and elsewhere in the Constitution to the Common Seal (or the Seal) of the Council and to the sealing of documents shall be taken to refer to the official seal and any accompanying attesting signatures as being affixed either by physical means, or by the electronic means provided for in this Rule.
  - (iii) The Director of Law and Governance and Monitoring Officer or other person authorised by them may authenticate any document that may be required for legal proceedings.
- (b) institute, defend, settle or participate in any legal proceedings or disputes in any case where such action is necessary to give effect to decisions of the Council or in any case where the Director of Law and Governance and Monitoring Officer considers that such action is necessary to protect the Council's interests;

- (c) consult with and instruct counsel, solicitors and other experts for legal proceedings, public inquiries, and other matters involving the Council, and the negotiation and settlement of legal disputes on behalf of the Council, the Cabinet, committees of the Council or officers and arrangements for their representation in any court, public inquiry or other forum where they consider formal representation to be proper, including the incurring of such fees in respect thereof as may be appropriate;
- (d) authorisations under Section 223 of the Local Government Act 1972 (appearance by persons other than solicitors in legal proceedings);
- (e) acting as trustee on behalf of the Council in respect of any matter whereon they consider such action to be appropriate;
- (f) enter objections to any proposal affecting the County, the Council or the inhabitants of the County;
- (g) undertake the following proper officer functions of the Council under the Local Government Act 1972:
  - (i) Declaration of Acceptance of Office (Section 83);
  - (ii) Notice of Resignation of Office (Section 84);
  - (iii) Convening of and Summonses to Meetings (Section 88 & Schedule 12);
  - (iv) Filling of Casual Vacancies (Section 89);
  - (v) Ordnance Survey (Section 191);
  - (vi) Charitable Trusts (Section 210);
  - (vii) Deposit of Documents (Section 225);
  - (viii) Certificate of Photographic Copies of Documents (Section 229);
  - (ix) Authentication of Documents (Section 234);
  - (x) Procedure etc. for Bye-Laws (Section 236);
  - (xi) Evidence of Bye-Laws (Section 238);
  - (xii) Enactments relating to Town & Country Planning (Schedule 16 where not repealed)
  - (xiii) Adaptations, Modifications and Amendments of Enactments (Schedule 29);
- (h) the functions of Monitoring Officer within the meaning of Section 5 of the Local Government and Housing Act 1989 and in accordance with Part 7.1 of this Constitution;
- (i) the proper officer functions of the Council for the purposes of giving public notice of the receipt of a report from the Local Government and Social Care Ombudsman, for the purposes of Part III of the Local Government Act 1974;
- (j) following consultation with the [Executive Director of Resources Deputy Chief Executive \(S.151 Officer\)](#) -and with the Leader and Deputy Leader of the Council, approval of new or amended operational policies and

procedures for the governance of the Council, subject to reference being made to the Cabinet where either:

- (i) they would have material budget or substantive policy implications; or
  - (ii) material concerns about them have been expressed by the employees' representatives;
- (k) such proper officer functions of the Council other than those specified in this section as are not specifically delegated to any other officer;
- (l) the functions under Section 16(1) and Section 16(2) of the Local Government and Housing Act 1989 to give effect to the wishes of the political groups as regards membership of overview and scrutiny committees and committees of the Council;
- (m) the proper officer functions of the Council for the purposes of Part VA of the Local Government Act 1972 (Access to Information);
- (n) making of appointments to outside bodies in accordance with the Council's published arrangements relating to representation on outside bodies;
- (o) making of appointments to school admission and exclusion appeal panels and school transport appeal panels;
- (p) to adjust the terms of reference of an overview and scrutiny committee to reflect detailed changes in the remits of individuals or bodies which are specified in those terms of reference, consulting with the Overview and Scrutiny Chairs and Deputy Chairs in each case;
- (q) authorisation of the reproduction or display of the Council's armorial bearings or any part thereof;
- (r) as Monitoring Officer, the functions of the 'qualified person' under the Freedom of Information Act 2000 (Section 36(5)(o)(iii)) for determining whether the exemptions under Section 36 are engaged;
- (s) to put in place appropriate indemnity and insurance to enable councillors to undertake their functions;
- (t) make textual amendments to the Constitution to address any inconsistencies or correct any cross-referencing errors arising from or as a consequence of the amendments, along with updating job and group titles if those referred to in the Constitution are obsolete (insofar as the Director of Law & Governance and Monitoring Officer does not already have such a delegation);
- (u) approve councillor attendance at conferences and councillor claims for expenses including travelling, subsistence and accommodation.

- (v) The Monitoring Officer is authorised to make any changes to the Constitution which are required:
  - a) to comply with the law; or
  - b) to give effect to decisions of the Council or (so far as within their powers) the Cabinet, scrutiny committees and ordinary committees; or
  - c) to correct errors and otherwise for accuracy or rectification.
- (w) to update Part 10.1 of the Constitution - Members' Allowances annually in line with any requirement under the Scheme of Allowances to apply indexation to Members' Allowances.

(x) [the proper officer functions of the Council for the purposes of providing statutory oversight and governance of the data protection and processing of personal data by the Controller \(the Council\) under the Data Protection Act 2018 \(s.69-71\), the UK General Data Protection Regulation, the Data \(Use and Access\) Act 2025, the Privacy and Electronic Communications Regulation 2003 and relevant data legislation. Position of Data Protection Officer \(Data Protection Act 2018, section 70\).](#)

6.5. The [Deputy Chief Executive \(S.151 Officer\)](#)~~Executive Director of Resources~~ is authorised to undertake:

- (a) The proper officer functions of the Council for the purposes of Section 115 of the Local Government Act 1972 (Receipt of Money) and for the administration of the Council's financial affairs under Section 151 of the Act, and in accordance with Part 7.1 of this Constitution.
- (b) The proper officer functions of the Council for the purposes of Section 146 of the Local Government Act 1972 – Transfer of Securities.
- (c) The functions of 'responsible officer' for the purposes of financial administration under the Local Government Finance Act 1988.
- (d) Functions as the officer responsible for maintaining an adequate and effective system of internal audit.
- (e) Implementation of pay awards made nationally or locally under procedures recognised by the Council.
- (f) The making of investments of the County Pension Fund in accordance with the policies determined by the Pension Fund Committee.
- (g) Determination of cases of whether the education or training should be treated as continuous where an eligible child for the payment of a dependent's pension benefit under the Local Government Pension Scheme Regulations is over 17 and has been engaged continuously in

full-time education or in training for a trade, profession or vocation has taken a gap year, subject to a report to the Pension Fund Committee on such determinations.

**6.6. The Director of Adult Social Services is authorised to undertake:**

- (a) The proper officer functions for the Council for the purposes of Section 6(1) Local Authority Social Services Act 1970;
- (b) The proper officer functions for the Council for the purposes of the Health and Social Care (National Data Guardian) Act 2018; National Data Guardian. To act as the Caldicott Guardian for the Council, ensuring compliance with the Caldicott Principles and statutory guidance on the use and sharing of personal confidential information in health and social care; and
- (c) All functions relating to Adult Social Services and Commissioning and be the Authority's designated Director of Adult Services as required by the Care Act 2014, the Mental Capacity Act 2005, the Mental Health Act 1983 and the Human Rights Act 1998.

**6.7. The Director of Children's Services is authorised to undertake:**

- (a) The proper officer functions for the Council for the purposes of Section 18 Children Act 2004;
- (b) The proper officer functions for the Council for the purposes of Section 532 Education Act 1996;
- (c) All functions relating to Children's Services as set out in legislation, and be the Authority's designated Director of Children's Services as required by the Children Act 2004;
- (d) Delegated statutory functions for safeguarding on behalf of the Chief Executive Officer under 'Working Together' legislation 2024 and 2026;
- (e) All functions relating to education except for decisions to publish statutory notices to open or make significant changes to schools which must be taken in consultation with the Cabinet Portfolio Holder; and
- (f) All functions relating to the Youth Service and the Youth Justice Service.

6.8. The **Chief Fire Officer and Director of Community Safety** is authorised to undertake:

- (a) The proper officer functions for the Council for the purposes of Section 72(1)(a) Weights and Measures Act 1985 (as Chief Inspector of Weights and Measures);
- (b) Measures to ensure the provision of the Fire & Rescue Services Act 2004, the Regulatory Reform (Fire Safety) Order 2005, Civil Contingencies Act 2004, Fire Protection and Trading Standards legislation and associated policies are discharged appropriately;
- (c) All functions relating to the Fire and Rescue Service;
- (d) All enforcement and licensing functions relating to Health and Safety including the storage of explosives and petroleum;
- (e) All functions relating to Trading Standards, Weights and Measures and Consumer Protection;
- (f) All functions relating to food standards and safety;
- (g) All functions relating to animal health and welfare, and animal feed;
- (h) All functions relating to Civil Aid and Emergency Planning;
- (i) All functions relating to investigations and enforcement to enable delivery of the service; and
- (j) All other functions relating to the delivery of the service as outlined in the legislative framework.

6.9. The **Director of Economy and Place** is authorised to undertake:

- (a) Those delegated decisions associated with the Council's role as a Planning Authority and Minerals and Waste Authority as delegated by the Planning and Regulatory Committee including the conclusion and management of s106 obligations and other legal agreements related to planning decisions, development management and enforcement;
- (b) Other steps to ensure that the Council fulfils its statutory and non-statutory responsibilities in relation to the Planning Framework, such as archaeology and conservation, including commissioning and agreeing the Council's formal responses to planning and other related consultations as statutory and non-statutory consultee;
- (c) The negotiation, conclusion and management of Agreements under the Highways Act 1980;

- (d) The Council's functions as Lead Local Flood Authority;
- (e) The development of place infrastructure related policy and strategy, including the Oxford Infrastructure Strategy;
- (f) Steps to ensure that services build enduring relationships with partner Local Authorities and their Planning and Regeneration teams to secure joined up and effective place services;
- (g) The integrated delivery, improvement, management, and performance of a diverse portfolio of Council services including Innovation (iHub), Innovate Oxfordshire and the client role for Enterprise Oxfordshire, commissioning and directing activity within the Council and externally, as required; and
- (h) All other functions relating to Economy and Place, including the development and implementation of policy and strategy relating to Minerals and Waste development, Climate Action, Adaptation and Circular Economy, Energy, Future Economy, Healthy and Sustainable Place Shaping and Regeneration and Rail.

6.10. The **Director of Environment & Highways** is authorised to undertake:

- (a) All functions relating to highways (including highways management, maintenance and network management);
- (b) All functions relating to the development of transport infrastructure in respect of the planning and delivery;
- (c) All functions relating to environmental and countryside services, such as Public Rights of Way, biodiversity and landscape promotion, arboriculture management;
- (d) All functions relating to traffic management;
- (e) All functions relating to passenger transport;
- (f) All functions relating to road safety;
- (g) All functions relating to waste, including disposal and Household Waste Recycling Centre Services;
- (h) The development of transport planning related policy and strategy, including the Local Transport Plan and associated documents;
- (i) All functions relating to investigations and enforcement for the delivery of the highways and environment service.; and
- (j) All other functions relating to the delivery of the highways and environment service as outlined in the legislative framework.

6.11. The **Director of Financial and Commercial Services** is authorised to undertake:

- (a) All functions relating to Financial and Commercial Services to ensure the implementation of effective and compliant financial and procurement practice across the whole organisation;
- (b) the implementation of the Council's Medium Term Financial Strategy;
- (c) All functions relating to Pension Services;
- (d) The provision of an effective Internal Audit and Counter Fraud service; and
- (e) The delivery of the Capital Strategy with a focus on capital programme evaluation control and governance.

6.12. The **Director of HR and Cultural Change** is authorised to undertake:

- (a) The management of the Council's HR and Cultural Change activities including job evaluation and judgement on market forces and employee benefits;
- (b) Industrial relations and employment matters; and
- (c) All functions relating to HR.

6.13. The **Director of Property and Assets** is authorised to undertake:

- (a) All actions to deliver the effective, efficient, and compliant management of the Council's land and property portfolio, aligning asset decisions to corporate priorities and service outcomes;
- (b) All actions in relation to the disposal of land or property under section 123, taking consideration towards a wider social, economic, and service objectives, delivering best value while supporting the Council's strategic priorities;
- (c) The management of leases granted or entered into by the Council including lease renewals, rent reviews, applications for consents and the negotiation and enforcement of schedules of dilapidations;
- (d) Facilities management, premises-related contracts, property maintenance to ensure assets remain safe, compliant, operationally fit for purpose, and cost-effective;

- (e) The discharge of all functions related to the provision of Adults' and Children's SEND home-to-school and facilities transport, ensuring accessibility, safety, and value for money;
- (f) All functions relating to the provision, management, and compliance of travellers' sites; and
- (g) Overall responsibility for all functions as outlined in the relevant legislative framework relating to property and assets, providing assurance, governance, and professional leadership across the Council's estate.

6.14. The **Director of Public Affairs, Policy and Partnerships** is authorised to undertake:

- (a) All functions relating to external communications, marketing and campaigns; public affairs; strategy and policy development;
- (b) All functions relating to partnerships, including the voluntary and community sector and the civilian military partnership;
- (c) All functions relating to Corporate Portfolio Management Office (CPMO); business improvement; and performance & insight; and
- (a) All functions relating to the councillor priority fund scheme.

6.15. The **Director of Public Health and Communities** is authorised to undertake:

- (a) The proper officer functions for the Council for the purposes of Section 73A of the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012);
- (b) All functions relating to Public Health;
- (c) All functions relating to Libraries and Heritage services, which includes libraries, history and museum services; and
- (d) All functions relating to Asylum and Resettlement services.

6.16. The **Interim Director of Technology and Customer Experience** is authorised to undertake:

- (a) All functions relating to public enquiries, IT and the digital programme; and data hub.

**6-6-6.17. Other Officers**

Each officer is authorised to act on behalf of the Council in relation to any operational matters within the service areas for which they are responsible as set out in Part 7.1, subject to the provisions of Part 7.2 of this Constitution. The Officer will maintain a separate record of sub-delegations pertaining to their directorate and will provide copies to the Director of Law & Governance and Monitoring Officer for retention under this Schedule.

~~6-7-6.18.~~ For the avoidance of doubt, the delegation to the Director of Economy and Place is subject to consultation jointly with the Director of Law & Governance and Monitoring Officer, to determine the Council's own applications for certificates of lawfulness of existing or proposed use or development.

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## **AUDIT & GOVERNANCE COMMITTEE WORK PROGRAMME – 2026/27**

### **15 July 2026**

1. Treasury Management- Outturn report 2025/2026 (Tim Chapple)
2. 2025/26 Statement of Accounts (Ella Stevens)
3. Counter Fraud Plan and Update (Sarah Cox)
4. Risk Management Update (Louise Tustian)
5. Local Government and Social Care Ombudsman's Annual Review Report (Anita Bradley)
6. Assessment of Council's financial management, controls & governance (Kathy Wilcox)
7. Health and Safety Annual Report (Paul Lundy)
8. Ernst & Young Update (Ernst & Young LLP)
9. Audit & Governance Committee Work Programme

### **16 September 2026**

1. Treasury Management Quarter 1 Performance Report 2026/2027 (Tim Chapple)
2. Monitoring Officer Annual Report (Anita Bradley)
3. RIPA Policy (Jody Kerman)
4. Progression on Statement of Accounts 2025/2026 Audit (Ella Stevens)
5. Internal Audit 2026/27- Progress Report (Sarah Cox)
6. Ernst & Young Update (Ernst & Young LLP)
7. Audit & Governance Committee Work Programme

### **18 November 2026**

1. Counter Fraud Update (Sarah Cox)
2. Treasury Management Mid Term Review 2026/27 (Tim Chapple)
3. Oxfordshire Fire & Rescue Service Statement of Assurance 2025-26 (Matt Schanck)
4. Risk Management Update (Louise Tustian)
5. Audit Working Group Update (Sarah Cox)
6. Annual Governance Statement- Update on Actions (Anita Bradley)
7. Annual Report on Whistleblowing (Anita Bradley)
8. Oxfordshire County Council 2025/26 Ernst & Young LLP Draft Audit Results Report
9. Oxfordshire County Council 2025/26 Ernst & Young LLP Draft Auditor's Annual Report
10. Oxfordshire Pension Fund 2025/26 Ernst & Young LLP Draft Audit Results Report
11. Audit & Governance Committee Work Programme

### **13 January 2027**

1. Annual Governance Statement- Update on Actions (Anita Bradley)
2. Internal Audit 2026/27 Progress Report (Sarah Cox)
3. Treasury Management Strategy Statement and Annual Investment Strategy for 2027/28
4. Financial Management Code (Kathy Wilcox)
5. Audit Working Group Update (Sarah Cox)
6. Ernst & Young Update (Kalthiemah Abrahams)
7. Audit & Governance Committee Work Programme

### **17 March 2027**

1. Counter Fraud Update (Sarah Cox)
2. Audit and Governance Committee Annual Report to Council (Sarah Cox)
3. Treasury Management Q3 Performance Report 2026/27 (Tim Chapple)
4. Risk Management Update (Louise Tustian)
5. Oxfordshire Code of Corporate Governance (Anita Bradley)
6. Audit Working Group Update (Sarah Cox)
7. Accounting Policies (Ella Stevens)
8. Ernst & Young Update (Kalthiemah Abrahams)
9. Audit & Governance Committee Work Programme

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