Southwark Council

Audit, Governance and Standards Committee

MINUTES of the OPEN section of the Audit, Governance and Standards Committee held on Wednesday 19 November 2025 at 6.30 pm at Ground Floor Meeting Room G01A - 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Barrie Hargrove (Chair)
Councillor Ellie Cumbo
Councillor Dora Dixon-Fyle MBE
Councillor Graham Neale
Councillor Andy Simmons

OTHER MEMBERS PRESENT:

OFFICER SUPPORT:

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Adam Hood.

2. CONFIRMATION OF VOTING MEMBERS

The members present were noted as the voting members.

3. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT

There were none.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were none.

5. MINUTES

The minutes of the meeting of 8 September 2025 were agreed as a correct record.

6. INTERNAL AUDIT PROGRESS REPORT NOVEMBER 2025

The internal auditors introduced the report. Members had questions for the auditors.

RESOLVED:

That the audit, governance and standards committee noted the update reports, as attached at Appendix A and B of the report.

7. FINAL STATEMENT OF ACCOUNTS 2024-25

Officers introduced the report. Members had questions for the officers.

RESOLVED:

1. That the Audit, Governance and Standards committee:

    a. Noted the adjustments to the council's accounts as set out in paragraph 8 of the report.

    b. Reviewed the Statement of Accounts (Appendix A of the report) and raised any questions which provided the assurance needed to approve the Statement of Accounts.

    c. Approved the draft letters of representation for the Council and Pension Fund (Appendices B and C of the report) as required by KPMG in order to conclude the audit of the 2024-25 statement of accounts.

    d. Approved the Statement of Accounts 2024-25.

    e. Authorised the Strategic Director of Resources, in consultation with the Chair of the Audit, Governance and Standards committee, to make any final amendments to the accounts from outstanding audit work prior to the approval of accounts by the auditor.

8. EXTERNAL AUDITOR'S (KPMG) REPORTS FOR 2024-25

The external auditors presented the report. Members had questions for the auditors.

Officers undertook to bring a report back to the committee on how the council ensures the accuracy of service charges for leaseholders.

Officers confirmed the regular report back to the committee on the council's action plan arising from the accounts in the next year.

Officers undertook to update the committee by email on the KPIs in insourcing the leisure service.

RESOLVED:

1. That the Audit, Governance and Standards committee:

    a. Considered the matters raised in KPMG's Year End Report (ISA260) for the council's core financial statements 2024-25 (Appendix A of the report) before approval of the council's accounts

    b. Considered the matters raised in KPMG's Auditor's Annual Report (Appendix B of the report)

    c. Considered the matters raised in the KPMG's Year End Report (ISA260) for the Pension Fund 2024-25 (Appendix C of the report).

9. INTERNAL AUDIT: SHARED SERVICE PROPOSAL

Officers introduced the report. Members had questions for the officers.

Officers undertook to update the committee by email on further details not included in the report.

Officers undertook to bring a update report on the management of the service in 2026.

RESOLVED:

That the audit, governance and standards committee noted the proposal to enter into a shared service agreement with Lambeth Council with effect from January 2026 for the delivery of internal audit.

10. 2025-26 Q3 REPORT OF THE CORPORATE ANTI-FRAUD TEAM AND THE SPECIAL INVESTIGATIONS TEAM

Officers introduced the report. Members had questions for the officers.

RESOLVED:

That the audit, governance and standards committee noted the Q3 2025-26 report of the Corporate Anti-Fraud Team (CAFT) and the Special Investigations Team (SIT).

11. COMPLAINTS AND CUSTOMER SERVICE

Officers introduced the report. Members had questions for the officers.

Officers undertook to circulate further information on housing and on members' enquiries to the committee by email.

RESOLVED:

That the audit, governance and standards committee note the Complaints and Customer Service progress report, as attached at Appendix A of the report.

12. UPDATE REPORT ON CORPORATE RISK

Officers introduced the report. Members had questions for the officers.

Officers undertook to share the risk matrix with the committee by email.

Officers undertook to discuss the circulation of the risk register with the lead cabinet member.

RESOLVED:

1. That the audit, governance and standards committee noted the revised format of the corporate risk register to an assurance framework.

2. That the audit, governance and standards committee reviewed the revised format and content and provided comments to officers for their consideration prior to the finalisation of the register by the Strategic Director of Resources.

13. SOUTHWARK360: PROGRESS ON THE ENTERPRISE RESOURCE PLANNING (ERP) REPLACEMENT PROGRAMME

Officers introduced the report. Members had questions for the officers.

Officers undertook to bring periodic updates on this project to the committee.

RESOLVED:

That the Audit, Governance and Standards Committee noted the report on progress with the Southwark360 Programme for replacement of the council's Enterprise Resource Planning system by April 2027.

14. RETROSPECTIVE APPROVAL FOR GATEWAY REPORT (PRINT MANAGEMENT SERVICES)

Officers introduced the report. Members had questions for the officers.

RESOLVED:

That the reasons set out in paragraphs 7-10 of the report for the retrospective approval of the 12-month contract extension for Print Management Services with Corporate Document Services Ltd. (CDS) be noted.

15. REPORT ON RETROSPECTIVE CONTRACT-RELATED DECISION: HOUSING AIDS AND ADAPTATIONS

It was moved, seconded, and agreed that the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1 to 11 of the access to information procedure rules of the constitution.

Officers introduced the report. Members had questions for the officers.

RESOLVED:

1. That the Audit, Governance and Standards Committee noted the part retrospective contract decision detailed in the report.

2. That the Audit, Governance and Standards Committee noted the actions taken by the Director of Repairs and Maintenance as set out in paragraphs 11 to 15 of the report to ensure that the risk of future retrospective contract decisions is minimised for the future.

3. That the Audit, Governance and Standards Committee considered whether it would wish to make recommendations to help improve future decision-making.

16. HOUSING REVENUE ACCOUNT (HRA) GOVERNANCE AND FINANCIAL MONITORING

The meeting returned to open session.

Officers introduced the report. Members had questions for the officers.

RESOLVED:

That the audit, governance and standards committee noted the contents of this report and provided feedback and recommendations as appropriate.

17. TREASURY MANAGEMENT STRATEGY AND CAPITAL STRATEGY 2026-27

Officers introduced the report. Members had questions for the officers.

RESOLVED:

That the Audit, Governance and Standards committee noted the draft Treasury Management Strategy (TMS) for 2026-27, and its appendices:

- Appendix A – Treasury Management Strategy 2026-27
- Appendix B - Interest Rate forecasts
- Appendix C - Prudential Indicators
- Appendix D - Annual Investment Management Strategy (AIS)
- Appendix E - Capital Strategy
- Appendix F- Annual Minimum Revenue Provision
- Appendix G - Glossary Statement.

18. INDEPENDENT MEMBERS OF THE AUDIT, GOVERNANCE AND STANDARDS (CIVIC AWARDS) SUB-COMMITTEE: RECOMMENDATIONS

Officers introduced the report. Members had questions for the officers.

The committee noted that paragraph 9 of the report should refer to the independent members having a balance between sexes, and recommended that they should “reflect the diversity of the borough,” not limiting the recognition of other groups outside culture and ethnicity.

RESOLVED:

1. That the committee noted the criteria set out below for inviting individuals to join the audit, governance and standards (civic awards) sub-committee (‘the civic awards sub-committee’) for evaluating nominations for the 2025 Civic Awards.

2. That the committee considered any recommendations they would have for individuals or groups to be invited to join the civic awards sub-committee.

19. IN YEAR REVIEW OF WORK PROGRAMME 2025-26: NOVEMBER 2025

Officers introduced the report. Members had questions for the officers.

Officers undertook to invite the strategic director of children and adults’ services to attend the February 2026 committee meeting instead of the chief executive.

Officers undertook to update the list of expected reports to include items raised at this meeting.

RESOLVED:

That the audit, governance and standards committee noted the proposed work programme for 2025-26

20. REPORT ON RETROSPECTIVE CONTRACT-RELATED DECISION: HOUSING AIDS AND ADAPTATIONS

The decision for this report is set out in item 15.

Meeting ended at 9.00 pm

CHAIR:

DATED:

[CABINET ONLY]

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 17 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, [DATE].

THE ABOVE DECISIONS WILL NOT BE IMPLEMENTABLE UNTIL AFTER THAT DATE. SHOULD A DECISION OF THE CABINET BE CALLED-IN FOR SCRUTINY, THEN THE RELEVANT DECISION WILL BE HELD IN ABEYANCE PENDING THE OUTCOME OF SCRUTINY CONSIDERATION.