

**Minutes of the Meeting of the AUDIT AND SCRUTINY COMMITTEE held at the
Council Chamber, Epsom Town Hall on 5 February 2026**

PRESENT -

Councillor Steven McCormick (Chair); Councillor Phil Neale (Vice-Chair); Councillors Chris Ames, Steve Bridger, Tony Froud, Alison Kelly and Chris Watson

In Attendance: Councillor Alex Coley, Councillor James Lawrence and Councillor Clive Woodbridge (for agenda items 1-4), Ade Oyerinde (External Auditor) (Grant Thornton) (in attendance remotely for agenda items 1-7) and Usman Rasheed (External Auditor) (Grant Thornton) (in attendance remotely for agenda items 1-7)

Absent: Councillor Jan Mason

Officers present: Cagdas Canbolat (Director of Corporate Services (S151)), Andrew Bircher (Assistant Director of Corporate Services), Alex Awoyomi (Principal Solicitor), Ian Dyer (Head of Operational Services) (for agenda items 1-4), Sue Emmons (Chief Accountant), Will Mace (Corporate Governance & Strategy Manager), Oliver Nelson (Public Protection Manager) (for agenda items 1-5), Phoebe Batchelor (Democratic Services Officer) and Angela Guest (Democratic Services Officer)

38 QUESTIONS AND STATEMENTS FROM THE PUBLIC

A Member of the Public submitted two questions prior to the meeting and written responses were provided prior to the meeting as attached to the agenda for the meeting. Two supplementary questions were also provided which the Vice Chair read out to the Committee and verbal responses were given by the Chair:

Q1 response: We will do our best to get reports out on time and ahead of time if possible. Sometimes that isn't possible because of the reports, but we will have a discussion and see if we can actually publish them early and going forwards, depending upon what's in the agenda. As can be seen, the agenda is quite large and there is a lot of work that goes on behind the scenes, but I will take that forward to see if we can bring that forward.

Q2 response: The tangible examples of the audit and scrutiny function of this committee can be clearly seen by the agenda items today. We have a call-in item and we have a scrutiny item coming forward.

39 DECLARATIONS OF INTEREST

The Vice Chair, Councillor Phil Neale declared an interest in that he was present as a substitute at the Community & Wellbeing Committee where the decision on Bourne Hall was taken and was subject to call-in at item 4 on the agenda.

40 MINUTES OF THE PREVIOUS MEETING

The Committee confirmed as a true record the Minutes of the Meeting of the Committee held on **13 November 2025** and authorised the Chair to sign them.

41 CALL-IN OF THE DECISION OF THE COMMUNITY AND WELLBEING COMMITTEE MADE ON 13 JANUARY 2026 (ITEM 04) REGARDING THE OPTIONS FOR THE FUTURE OF BOURNE HALL MUSEUM

The Committee considered a report that invited the Audit and Scrutiny Committee to consider the call-in of a decision made by the Community and Wellbeing Committee, under Agenda Item No 4 “Options for the Future of the Museum” at its meeting on 13th January 2026. The call-in had been made in accordance with the procedures set out in Annex 4.6 – Overview, Audit and Scrutiny (including Call-in Procedure and Councillor Calls for Action) of the Council’s Operating Framework.

The following matters were considered:

- a) Councillor Alex Coley was given three minutes to address the committee as the main councillor requesting the call-in. He stated that there were missing reports from the Community and Wellbeing agenda which were pertinent to the decision and therefore the committee did not make their decision with all the relevant information. He had been told that the reports would be published with the agenda pack but instead there were highlights from them within the main report. He was also surprised that there was no mention of the two reports in the Audit & Scrutiny Committee report being discussed tonight. He spoke about the confusion and mixed messaging about the closure or potential closure of the museum, the exclusion of stewardship and governance questions and recharge costs that might not reflect the true cost of running the museum. He therefore called upon the Audit & Scrutiny Committee to request that the decision be taken again and the missing reports be circulated to enable a fully informed decision. The missing reports were the Bourne Hall Museum Service Review (May 2025) and the Epsom & Ewell Borough Council Culture Peer Challenge (August 2025).
- b) Councillor James Lawrence had requested to speak to this item and was also given three minutes to address the Committee. He claimed that this was part of a broader issue with failure to resource the committee system properly and cited an urgent decision as an example where decisions had been taken at committees without the full information. The report author was quoted as acknowledging, with hindsight, to the Community & Wellbeing Committee that they should have had the whole document rather than the executive summary. Councillor Lawrence went on to say that as the two reports were missing from the agenda today that Audit & Scrutiny Committee did not have adequate information to know whether the decision taken at Community & Wellbeing Committee was correct and therefore encouraged the decision of Audit & Scrutiny Committee to recommend withdrawal of the original decision and for Community & Wellbeing Committee to reconsider the entire item with the missing reports as part of the agenda pack.
- c) Councillor Clive Woodbridge, as Chair for the Community & Wellbeing Committee was given three minutes to address the Committee. He stated that the Community & Wellbeing Committee had had a good discussion on this item and was given all the relevant information from both missing reports. They were excluded from the agenda pack, and an executive decision format was used to help council members, so they didn’t have to wade through volumes of information. The pertinent points

from both reports were fully covered in the main report. He felt that all the relevant information was there and that the members had all the information that they needed to make the decision. It was also worth noting that there were three options before committee on that evening. One was to carry on as normal, one was to enhance the museum service with some investment, and the third option broadly was to close the museum. Both the reports said that the museum was of value and did not recommend closure. Both the reports said that at present it was lacking in certain areas and that certain changes needed to be made. Councillor Woodbridge believed that the decision the committee reached was fully in line with the reports and had the reports in their entirety been included that it would not have altered that outcome. The decision was unanimous and the recommendation to Strategy & Resources Committee was also a mechanism by which the council could review the decision. The committee members had also received a briefing in detail on the museum and requested that Audit & Scrutiny Committee leave the decision unamended as the report also needed to go to Strategy & Resources for the financing of the decision and any changes could be made there.

- d) In response to a Member question the Chair explained that a meeting had been arranged with committee members prior to committee just to ensure that members were fully briefed on several items on the agenda and their role/process with a call-in as the council had not dealt with one in over 10 years. Also, the link to the LGA cultural report could be included in the minutes for this meeting. The service review was an operational document and therefore restricted. Any member wishing to have a copy would need to speak with the Chief Executive.
- e) A Member requested legal advice as he believed if a committee was going to discuss background documents such as the LGA Peer Challenge Review in this case, that the document should be attached to the agenda and made public and not just send a link to members on where to find that document. The Chair reiterated that members were being asked to consider whether there was a lack of information for the decision to be taken and if so then this committee could make recommendations to the Community & Wellbeing Committee it was not a diktat and the Community & Wellbeing Committee could either accept the Audit & Scrutiny recommendations, or not. The Principal Solicitor was unable to respond to the specific question but would provide a response following the meeting. However, he did support the Chair's view that committee were to consider whether there was a lack of information for Community & Wellbeing Committee to make their decision.
- f) A previous member of the Community & Wellbeing Committee stated that she was not surprised this item had been on the agenda or the options for decision and was not sure whether she would have needed the other two documents to make a decision.
- g) A Member cited Councillor Coley in saying that the Committee were being asked to decide whether receipt of the service review would have caused a different decision to be made. He asked how, without the document available tonight how the committee were supposed to judge the relevance of that report. He also reiterated that the peer challenge report should have been made public and read from the public record of the report regarding financial information being skewed due to the apportionment of costs to Bourne Hall giving a false picture of the running cost of the museum. That was a major problem that the Community and Wellbeing Committee should have been informed of, and he could not see this reflected in the report the committee received. That was crucial information not given to the committee.

- h) The Head of Operational Service stated that he and his team were responsible for the report and presented operational evidence and what options were looked at. The reports received at committee contained all the operational information needed in the summary. Regarding the finances, the LGA report spoke of was the central service costs and rental of the building. Rental of the museum was about £130k and central services cost approximately £32k. Officer were asked to look at options and could only come up with the three that were offered. The Strategy & Resources Committee would look deeper at the finances.
- i) Councillor Woodbridge gave further clarification by pointing out paragraphs 4 and 4.1 of the main report which gave a budget breakdown including employee costs, accommodation, central services and insurance was a central recharge. He stated that the term skewing was relating to the headline figures which are skewed heavily by the central recharges rather than operational costs of running the museum. He reiterated that he believed Community & Wellbeing Committee had enough information to rely on to make their decision.

Councillor Ames proposed that recommendation c be put to the vote. Councillor Watson seconded the motion.

Following consideration the Committee resolved (three for, two against and the Chair not voting):

That the called-in decision should be referred to the relevant policy committee with a view to its being withdrawn / rescinded and the decision being re-taken.

The Vice Chair declared an interest in that he was present as a substitute at the Community & Wellbeing Committee where this decision was taken even though he did not vote he withdrew from the room whilst the Audit & Scrutiny Committee considered the call-in.

Councillors Steve Bridger and Anthony Froud left the meeting at 20:20hrs and returned at 20:35hrs

Councillor Phil Neale returned to the room at 20:21hrs

42 COMMUNITY SAFETY PARTNERSHIP ANNUAL REPORT

The Committee received a report that updated the Committee on the work of the Epsom and Ewell Community Safety Partnership.

The following matters were considered:

- a) In response to a member question regarding statistics that back up the narrative and show where an action in one area had an effect on another area it was reported that the Partnership was heavily reliant on police statistics and that a lot of information goes through the Partnership.
- b) In response to a Member question about attendance the Public Protection Manager reported that there had been some gaps in the past at the Community Safety Partnership (CSP) meetings which were more technical and operational. There was not so much issue at the Executive

meetings which were attended by senior officers. The Chair of CSP had written to urge attendance.

Following consideration the Committee unanimously resolved to:

(1) Note and the work of the Epsom and Ewell Community Safety Partnership (CSP).

43 LOCAL GOVERNMENT & SOCIAL CARE OMBUDSMAN (LGSCO) AND INFORMATION COMMISSIONER'S OFFICE (ICO) UPDATES

The Committee considered a report that contained information on recent council complaint decisions from the Local Government and Social Care Ombudsman (LGCSO) and the Information Commissioner's Office (ICO), as well as an update on data breaches and new legislation.

The following matters were considered:

- a) A Member stated that she was happy that the council were closing mail boxes and enquired about what was considered important when considering retention. The Assistant Director for Corporate Services explained that one must not hold on to anything no longer needed which can be a very subjective decision. Data protection legislation states that if it is no longer needed or no longer valid it should be deleted. It was also important consider storage of any kept information in the correct place.
- b) A Member asked whether there were any specific problems that needed to be addressed when it came to transitioning information as part of the Local Government Reorganisation. The Assistant Director for Corporate Services reported that there was a whole workstream on data protection for the LGR and much work would be undertaken over the coming year.

Following consideration the Committee unanimously resolved to:

(1) Note the report.

44 EXTERNAL AUDIT UPDATE

The Committee considered a report that presented the 2024/25 Statement of Accounts, Grant Thornton's Audit Findings Report, letter of representation and the Auditor's Annual Report following the external audit.

The following matters were considered:

- c) **Role of the Committee.** In response to a member question the Chair confirmed that the Committee would not be separating the Scrutiny from the Audit role and would continue to do both.
- d) **Transparency.** With reference to the Auditor's Annual Report a Member asked what led to the finding of significant weakness last year that's relevant to the issue of the increased engagement between senior officers and the external audit team. The Director of Corporate Services confirmed that this was due to officers not promptly discussing some

issues with external auditors, but they had learned lessons and make sure timely discussions are had with external auditors. There had been a massive improvement in the governance section of the assessment with was now showing as Amber rather than Red. The Auditor confirmed that regular dialogue happened with both the S151 Officer and the Chief Executive.

- e) **Financial Sustainability.** A Member asked how the recommendation on financial sustainability had been implemented in the 2026-27 budget and how had this been achieved. The Director for Corporate Services explained that the accounts being looked at were the 2024/25 budget, but that more detailed papers had been published as part of the full Council agenda that explained how the 2026/27 budget had been balanced. He went on to explain that the council had had a favourable fair funding review as well as receiving various grants that were not expected. In July, a position of approximately £5 million deficit was reported and now we're reporting a deficit of just over half a million over the same period. The Council is bound by law that to have set a balanced budget and the Council is in a much better position that it was in 2024/25.

Following consideration the Committee unanimously resolved to:

- (2) **Approve the Statement of Accounts for the year ended 31 March 2025;**
- (3) **Receive the Audit Findings Report for 2024/25;**
- (4) **Note the management action in response to the audit recommendations detailed on page 39 of the Audit Findings report;**
- (5) **Authorise and agree that the Chair or Vice Chair of Audit and Scrutiny Committee and the Director of Corporate Services and Section 151 Officer (Chief Finance Officer) sign the Statement of Accounts and Letter of Representation on behalf of the Council;**
- (6) **Nominate and authorise the Director of Corporate Services and Section 151 Officer (Chief Finance Officer), in consultation with the Chair or Vice Chair of Audit & Scrutiny Committee, to make any necessary further amendments to the 2024/25 Statement of Accounts;**
- (7) **Note the management actions in response to the recommendations in the Auditor's Annual Report (Value for Money).**

45 REVENUE BUDGET MONITORING - QUARTER 3

The Committee considered a report that presented the forecast revenue outturn position for the current financial year 2025/26, as at quarter 3 (31 December).

There was no further discussion.

Following consideration the Committee unanimously resolved to:

- (8) Receive the revenue budget monitoring report, which sets-out a projected deficit of £520,000 for 2025/26;**
- (9) Note that the final outturn position will be reported to the Strategy & Resources Committee in July 2026, then to this committee in the Statement of Accounts in autumn.**

46 CAPITAL BUDGET MONITORING QUARTER 3

The Committee considered a report that set out the capital monitoring position at quarter 3 for the current financial year 2025/26.

The following matter was considered:

- f) Stew Ponds. A Member expressed concern about delayed projects such as the stew ponds and the impact it might have on Section 106 (S106) or Community Infrastructure Levy (CIL) funds in that if funds are not spent before being reorganised then Epsom and Ewell would be disadvantaged if it gets put into a combined pot. The Chief Accountant explained that Stew Ponds was to be funded by capital receipt rather than S106 or CIL and the reason for delay was the quotes received were significantly higher than budgeted for. She went on to say that S106 were legal agreements that specified what it was to be spent on so one could assume that those funds would stay in Epsom & Ewell. It was also believed that CIL funds stayed in the area it had been levied and not dispersed to other areas of East Surrey, but this would be confirmed following the meeting.

Following consideration the Committee unanimously resolved to:

- (10) Receive the capital monitoring position at quarter 3, as set out in the report:**
- (11) Note the progress of capital projects as set out in Appendix 1.**

47 EQUITY, DIVERSITY AND INCLUSION (INC. MODERN SLAVERY) ANNUAL REPORT 2025-26

A report that summarised the activities undertaken in 2025-2026 by the Council to progress its Diversity, Equity and Inclusion Framework was considered. The Framework included three thematic objectives that demonstrate how the council was meeting its responsibilities under the public sector equality duty.

There was no further discussion and the Chair thanked officers for the large amount of work undertaken.

Following consideration the Committee unanimously resolved to:

- (2) Note and comment on the activities undertaken in 2025-2026 by the Council to progress our Diversity, Equity and Inclusion Framework (Appendix 1).**

48 PERFORMANCE AND RISK REPORT – FEBRUARY 2026

The Committee considered a report where the appendix provided an overview of the council's performance with respect to its ongoing annual plan actions from 2024-25, key performance indicators, corporate risks, committee risks, and annual governance statement actions.

There was no further discussion.

Following consideration the Committee unanimously resolved to:

- (12) Note and comment on the performance and risk information located at Appendix 1.**

49 CODE OF CORPORATE GOVERNANCE ANNUAL REVIEW 2025

The Council's Code of Corporate Governance - 'the Code' - was updated and brought to the Committee in November 2024. The Code sets out the principles of good governance, and the arrangements the Council has in place to demonstrate its compliance with them. As part of best practice, the Code is reviewed annually by officers and submitted to the Audit and Scrutiny Committee. Attached at Appendix 1 is an updated Code, representing changes since last year's edition.

The following matter was considered:

- g) **Standards.** A Member asked about whether in the light of reorganisation that there could be any scaling back of the workload and there was the Standards and Constitution Committee where work could be scaled back – or is this something the council will have to continue. The Corporate Governance and Strategic Manager explained that the council would need to remain compliant up until it merges to a new authority. Therefore, all policies and other key documents would continue to be reviewed. With regards to the work of Standards and Constitution Committee a written response would be sought from the Chair of that committee following this meeting.

Following consideration the Committee unanimously resolved to:

- (13) Note the updated Code of Corporate Governance attached at Appendix 1.**

50 WORK PROGRAMME - FEBRUARY 2026

The Committee received a report that set out the Committee's rolling annual Work Programme.

Councillor Lawrence attended the meeting and made a statement.

The following matters were considered:

- h) Proposed items from Cllr Ames.** The Chair explained that a further proposal for scrutiny had been made by Cllr Ames and it was for the Committee to decide if this goes on the workplan. He explained that the method of getting an item on the agenda was not prescriptive and he was minded to request that Standards & Constitution Committee look at amending the framework document. The item proposed by Cllr Ames was do with Urgent Decision 158 (UD158) and the process in which that was taken. It was an exempt officer decision. That decision could not be reviewed or undone but the committee could propose improvements to the process for future use.
- i) Legal Powers.** A Member stated that he had never had an answer to his previous question on whether the officer who took UD158 had the power to make that decision an exempt one. He also stated that officers needed to make it clear in future why something was exempt and the legal basis for that. The Principal Solicitor stated that he was unable to respond to that question tonight and that it would form part of the scrutiny debate.

Cllr Ames proposed an additional item for the workplan looking at the processes of exempt urgent decisions. This was seconded by Cllr Bridger.

Following consideration the Committee resolved (6 for and chair not voting) to agree the motion put by Cllr Ames.

- j) Workplan.** The Chair explained that the additional item would be put onto the future work programme and brought to Committee as soon as possible. The work programme needed to be populated with statutory items for the coming year. The item previously proposed by Cllr Ames was listed on the workplan for March because there were no further committee dates beyond March. It was reported that it was extremely unlikely it would come to the March committee meeting but that the committee would be notified as soon as possible if it wasn't.

Following consideration the Committee unanimously resolved to:

(14) Note and agree the ongoing Work Programme as presented in Section 2.

The meeting began at 7.30 pm and ended at 9.40 pm

COUNCILLOR STEVEN MCCORMICK (CHAIR)