

Agenda Item 9

Report to: Partnership Board –Transport for the South East

Date of meeting: 27 October 2025

By: Chair of Audit and Governance Committee

Title of report: Audit and Governance Committee Update

Purpose of report: To provide an update on the Audit and Governance Committee

RECOMMENDATION:

The Members of the Partnership Board are recommended to comment on the discussions and actions arising at the meeting of the Audit and Governance Committee.

1. Introduction

1.1 The Audit and Governance Committee met on Thursday 25 September 2025. This report provides a summary of the discussions and actions to take forward.

2. Funding for local transport, and future status of TfSE

2.1 The Committee received an update on the Local Transport Grant settlement and associated with this, the letter that DfT sent to Sub-National Transport Bodies on their future funding.

2.2 The Committee provided their initial views, ahead a wider discussion at the Partnership Board meeting in October. Moving forward, the Committee will play a key role in scrutinising any plans for the future status of TfSE.

3. Updates to the TfSE Constitution and Inter Authority Agreement

3.1 The Committee were briefed on amendments to TfSE's Constitution and Inter Authority Agreement that would need to happen as a result of Devolution and Local Government Reorganisation.

3.2 The Committee were also briefed on a number of other amendments that could be made concurrently.

3.3 Changes to TfSE's Constitution will be presented to the Committee and to Partnership Board for approval at the appropriate time. A deed of variation to the Inter-

Authority Agreement must be agreed by each constituent authority's legal team, so it is a longer process to update this.

4. Internal Audit Report

4.1 The Committee reviewed the Internal Audit Report which was commissioned earlier this year to provide assurance over TfSE's governance, financial controls and management of suppliers.

4.2 The audit concluded with the decision of Reasonable Assurance. This means that most controls are in place and are operating as expected to manage key risks to the achievement of system or service objectives.

4.3 The report highlights a number of areas where TfSE delivers good practice, including the work of the Audit and Governance Committee's work to regularly review TfSE's risks and financial management.

4.4 The audit found two actions that TfSE need to undertake to improve governance: update the register of Partnership Board Member Interests; and ensure there is documented Management Team approval before each task order to consultants is signed. Both of these have been implemented, and East Sussex County Council will reassess as part of the next audit review.

4.5 The Committee welcomed the findings of the Internal Audit and the work that TfSE officers undertake to deliver good practice.

5. Finances and Risks

5.1 The Committee reviewed TfSE's finances, which have been presented to the Board, and reviewed TfSE's risk register, which will next be presented to the Board in January.

6. Conclusions and recommendation

6.1 The Partnership Board is recommended to note the discussions and actions arising at the recent meeting of the Audit and Governance Committee.

Councillor Joy Dennis

Chair

Audit and Governance Committee

Transport for the South East

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