

Report to: Partnership Board –Transport for the South East

Date of meeting: 19 March 2026

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 5 March 2026. This report provides a summary of the discussions and actions to take forward.

2. Local Government Reorganisation and Devolution

2.1 The Committee received an update on Local Government Reorganisation (LGR) and Devolution activity across the region. Members acknowledged that these developments have implications for TfSE's governance and longer-term strategic planning.

3. Amendments to the constitution

3.1 The Committee received an update on the approach to amending the constitution and Inter Authority Agreement (IAA). Members were advised that significant revisions will be required once the statutory instruments are laid, particularly to reflect the new roles of the Combined Authority and unitary authorities as Highway Authorities.

3.2 LGR will also require constitutional changes, including accommodating the creation of East and West Surrey, and further boundary changes across the region. Given

current uncertainties, Members agreed that undertaking revisions in the summer when greater clarity is available would avoid the need for multiple updates.

3.3 The Committee recommended an inclusion in the paper for the Partnership Board that would consider future representation of Highway Authorities within the governance structure.

4. Finance Update

4.1 The Committee were provided with an update on the financial position to the end of January 2026, alongside the forecasted total spend for 2025/26, and confidence ratings.

4.2 The Committee signed off the finance figures and forecasts to be presented to the Board.

5. Strategic Risk Register

5.1 The Committee reviewed TfSE's risk register, which had been updated to reflect developments in government policy on STBs. The text has been updated to acknowledge the fact that following the 2026/27 transition year, DfT will no longer be TfSE's primary funder, and as such the relationship will change and evolve.

5.2 The risk register was also updated to reflect changes that are needed to TfSE's governance and to provide an update on the recent TfSE Transport Forum.

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.

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Chair
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Transport for the South East

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