

**Statement made by Tom Horwood, Chief Executive, Waverley Borough Council to the Audit Committee on Monday 2<sup>nd</sup> March 2020.**

The committee has before it the full report of the independent auditors' investigation into air quality management.

While I am not pleased that this case happened, I am pleased that we can now publish this report after two years of it being part of a criminal case, which concluded in December.

1st August 2017 sticks in my mind for two reasons. Firstly, it was the day I started at Waverley Borough Council as interim managing director. Secondly, I received an email from David Harvey, who runs ADM Ltd, a Farnham-based company providing expert professional services in air quality assessment and management.

Mr Harvey had some serious concerns about errors in the 2016 air quality status report. As a result of his email, we commissioned two independent reports on the data itself and on how these errors occurred. The latter is in your papers this evening.

I would like to take this opportunity of formally recording my and the council's thanks to Mr Harvey for raising the issue in the first place and for his constructive support in subsequent meetings and conversations. His intervention was crucial.

As the audit report of January 2018 indicated to us that the reporting problems were due to the wilful activity of a former employee, we referred the matter to Surrey Police and requested an investigation. That process concluded with a guilty plea by that individual, conviction, and then sentencing on 12th December 2019.

The independent investigation and the court hearings recognised that the fraud in relation to air quality figures was due to the actions of one individual. Nevertheless, I would like to apologise to the committee and to the community for the gaps in process and oversight that enabled it to happen undetected for so long until Mr Harvey's intervention and our response in August 2017. I am sorry for that, for the lack of reliable data, and for the expense and anxiety caused by the whole episode.

The Audit Committee and Environment Overview and Scrutiny Committee have received reports throughout this time. The chairs and vice-chairs of those committees, and members of the Executive, were also briefed internally on the legal processes. All supported the actions we were taking without hesitation.

My colleagues, Ms Righton and Mr Homewood, will be able to talk about the corrections to process and oversight that were implemented once we uncovered these problems. It is these strengthened governance arrangements that are the focus of the recommendation to the committee tonight. I hope you will see that the Council has dealt with this situation very seriously since it emerged, and that our new regime of air quality reporting provides sound data to inform the current important discussions on air quality. I thank you, chairman, for allowing me to add my reflections on how we got to this point.

ENDS