

# Minutes



Listening Learning Leading



OF A MEETING OF THE

## Joint Audit and Governance Committee

HELD ON MONDAY 14 OCTOBER 2019 AT 6.30 PM  
MEETING ROOM 1, 135 EASTERN AVENUE, MILTON PARK, MILTON,  
OX14 4SB

### Present

South Oxfordshire District Councillors: Peter Dragonetti, Mocky Khan (Co-Chairman acting as vice-Chairman), George Levy and Jane Murphy

Vale of White Horse District Councillors: Amos Duveen, Andy Foulsham, Eric de la Harpe and Simon Howell (Co-Chairman acting as Chairman)

### Officers

Victoria Dorman-Smith, Simon Hewings, Ron Schrieber, Richard Spraggett, Mark Stone and Gary Williams

### Also present:

South Councillors Sue Cooper and David Turner; Vale Councillor Andy Crawford. Malcolm Haines and Kevin Suter (EY); Chris Milburn and Graham Oliver (Capita)

### 12 Minutes

**RESOLVED:** to approve the minutes of the committee meeting held on 29 July 2019 as a correct record and agree that the Chairman signs them as such.

### 13 Declarations of interest

None.

### 14 Urgent business and chairman's announcements

None.

## **15 Public participation**

None.

## **16 External auditor's audit results report 2018/19**

The committee considered the external auditor's audit results report for the year ending 31 March 2019. The following points were noted:

### **Significant risks**

Whilst some risks of material misstatement to the financial statements and disclosures had been identified, there were no significant risks.

### **Value for money**

Three significant risks had been identified:

- Implementation of the revised arrangements for the 5 Councils' contract
- Programme governance review
- Financial resilience (SODC only)

The report concluded that the councils had adequate arrangements in place.

### **Outstanding matters**

Appendix B listed a number of items relating to the completion of the account were still outstanding. Subject to no significant issues being identified EY would issue unqualified audit reports.

The external auditor apologised for the late publication of the report and acknowledged that committee members had not had enough time to fully consider it. Should committee members have further questions they could submit them to him via the officers.

**RESOLVED:** to note the external auditor's audit results report for the year ending 31 March 2019.

## **17 Statement of Accounts 2018/19**

The committee considered the latest versions of the Statement of Accounts for South Oxfordshire and Vale of White Horse for the year 2018/19. Attached as an appendix to the accounts was a schedule of changes to the accounts that had been identified by the external auditors during the course of their audit work to date.

As the external audit process was not yet complete, the committee was asked to agree a process by which, if, following the meeting, minor or significant changes to the accounts were identified.

**RESOLVED:** to

- (a) approve the statement of accounts for South Oxfordshire District Council and Vale of White Horse District Council for 2018/19, as amended.

- (b) agree that the statement of accounts for South Oxfordshire District Council be signed by the chairman of this meeting of the committee and by the co-chairman from South Oxfordshire District Council
- (c) agree that the statement of accounts for Vale of White Horse District Council be signed by the chairman of this meeting
- (d) authorise the Head of Finance to agree minor changes identified by the external auditor to the statements of accounts following this meeting, and to ask the chairman and co-chairman of this meeting to sign an amended version of the accounts if required that reflects those changes.
- (e) agree, in the event of significant changes being identified by the external auditor following this meeting, that the statements of accounts be brought to a further meeting of this committee.

## **18 Annual Governance Statement 2018/19 - South Oxfordshire**

The committee considered South Oxfordshire's Annual Governance Statement 2018/19. The committee approved the statement, noting that it formed part of the council's Statement of Accounts.

**RESOLVED:** to approve South Oxfordshire's Annual Governance Statement 2018/19 to form part of the Statement of Accounts.

## **19 Annual Governance Statement 2018/19 - Vale of White Horse**

The committee considered Vale of White Horse's Annual Governance Statement 2018/19. The committee approved the statement, noting that it formed part of the council's Statement of Accounts.

**RESOLVED:** to approve Vale of White Horse's Annual Governance Statement 2018/19 to form part of the Statement of Accounts.

## **20 Letter of Representation to the external auditor - South Oxfordshire**

Tabled at the meeting was a draft letter of representation from the co-chairman to the external auditor, EY, as part of the process in completing the Statement of Accounts.

**RESOLVED:** to agree that the co-chairman from South Oxfordshire District Council signs the letter of representation to the external auditor.

## **21 Letter of Representation to the external auditor - Vale of White Horse**

Tabled at the meeting was a draft letter of representation from the co-chairman to the external auditor, EY, as part of the process in completing the Statement of Accounts.

**RESOLVED:** to agree that the co-chairman from Vale of White Horse District Council signs the letter of representation to the external auditor.

## **22 Treasury outturn 2018-19**

The committee considered the head of finance's report on the treasury outturn for both South Oxfordshire and the Vale of White Horse in 2018/19.

**RECOMMENDED** to Cabinet to

- (a) note the treasury management outturn report 2018/19; and
- (b) that the committee is satisfied that the treasury activities have been carried out in accordance with the treasury management strategy and policy.

## **23 Internal audit activity report quarter two 2019/2020**

The committee considered the internal audit manager's report on internal audit activity during the second quarter of 2019/20. This summarised the outcomes of recent audit activity.

5 audits and 2 follow up reviews had been completed during the quarter, of which one audit had received limited assurance.

### **Property Management 2018/2019**

The committee considered the main findings and recommendations of the internal audit report. Property management was last subject to an internal audit review in October 2017 and all five recommendations raised in that review had not been implemented and had been restated as part of this review. In April 2018 the outsourced service had been brought back in-house.

The committee was advised that, since the service had been brought back in-house, the issues identified in the audit review were being addressed and the resources were in place to meet the review recommendations implementation dates.

**RESOLVED:** to note the internal audit activity report for the second quarter of 2019/20.

## **24 Internal audit management report quarter two 2019/2020**

The committee considered the internal audit manager's management report on internal audit for the second quarter of 2019/20.

The committee was advised that it was anticipated that one of the two auditor vacancies would be filled by 21 October with recruitment for the remaining vacancy continuing into quarter three. Two agency auditors had been engaged during quarter two to assist the audit team in the completion of the 2019/20 key financial audits.

**RESOLVED:** to note the internal audit management report for the second quarter of 2019/20.

## **25 Work programme**

The committee noted its work programme.

## **26 Exclusion of the public**

**RESOLVED:** to exclude members of the press and public from the meeting for the following items of business under Part 1 of Schedule 12A Section 100A(4) of the Local Government Act 1972 and as amended by the Local Government (Access to Information) (Variation) Order 2006 on the grounds that:

- i. it involves the likely disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 12A of the Act, and
- ii. the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

## **27 Corporate Fraud and Cyber Security Risk Review**

The committee considered a summary of findings from the corporate fraud and cyber risk review, commissioned by the strategic management team.

**RESOLVED:** to note the report.

The meeting closed at 8.00 pm

Chairman

Date