

Minutes



OF A MEETING OF THE

Joint Audit and Governance Committee

HELD ON MONDAY 26 MARCH 2018 AT 6.30 PM
MEETING ROOM 1, 135 EASTERN AVENUE, MILTON PARK, MILTON,
OX14 4SB

Present

Members:

South Oxfordshire District Councillors: Kevin Bulmer (Chairman), Toby Newman and Richard Pullen (in place of Charles Bailey)

Vale of White Horse District Councillors: Dudley Hoddinott, Simon Howell and Chris Palmer

Apologies:

Charles Bailey tendered apologies. Richard Pullen substituted for him.

Officers

Sandy Bayley, Susan Harbour, Simon Hewings, William Jacobs, Margaret Reed, Ron Schrieber and Mark Stone

Also present:

Councillors Jane Murphy and John Walsh (South Oxfordshire District Council), Malcolm Haines (EY), Lisa Thomas (Five Councils' Partnership), Clare Dorey, Raj Patel and Richard Spraggett (Capita).

50 Apologies for absence

South Oxfordshire District Councillor Charles Bailey had submitted apologies for absence. Councillor Richard Pullen substituted for him.

51 Minutes

RESOLVED: to adopt as a correct record the minutes of the committee meeting held on 29 January 2018 and agree that the chairman signs them as such.

52 Declarations of interest

None.

53 Urgent business and chairman's announcements

The chairman announced that:

- He had agreed to defer agenda item 9, internal audit review of five councils' partnership governance arrangements, to a future meeting, to enable renegotiation of the contract and the inter-authority agreement to be confirmed.
- In view of the number of items scheduled for the next meeting, he had requested that an additional meeting be arranged in late June/early July.
- Committee members should restrict their questioning of Capita staff to technical matters.
- He was concerned about the timing of Capita's proposed restructuring of the accountancy team and its potential impact on the completion of South and Vale's statements of accounts. Accordingly, he had asked the chief executive and/or head of finance to report back to the committee on this matter.
- Following this meeting, the chief executive would brief members on the renegotiation of the five councils' contracts.

54 Public participation

None.

55 Annual report on the Councillors' Code of Conduct

The committee considered the report of the monitoring officer on complaints received under the councillors' code of conduct during the 2016/17 municipal year and, where concluded, the outcome.

The report stated that, although South and Vale councils had direct responsibility for maintaining Standards in Public Life, they were very limited in terms of sanctions, particularly in relation to parish councillors. This meant that it was often necessary to take a pro-active and/or alternative way to resolve disputes.

RESOLVED: to note the annual report on the councillors' code of conduct for the 2016/17 municipal year.

56 External auditor's progress report

The external auditor gave a brief progress report on its interim work on the statement of accounts audit and stated that no significant issues had been identified to date.

In response to a member's question, the committee was informed that were either council to fail to meet the statutory deadline for completion of the 2017/18 statement of accounts then the consequences would be largely reputational.

RESOLVED: to note the external auditor's progress report.

57 Internal audit activity report quarter four 2017/2018

The committee considered the interim audit manager's report on internal audit activity during the fourth quarter 2017/18. This summarised the outcomes of recent audit activity.

Four audits had been completed during the quarter, two of which had received limited assurance.

Payroll 2017/2018

The committee considered the main findings and recommendations of the internal audit report. Officers and representatives of Capita and the Five Councils' Partnership attended to provide further updates and answer members' questions.

Members noted that many of the report's recommendations had been implemented or were likely to be implemented in the near future. However, they expressed concern about the continuing level of errors in staff salary calculations. The chief executive stated that the impact on staff was not acceptable.

The committee were informed that a rectification plan for payroll accuracy was in place to address the issues identified. Many of the issues were around the training/turnover of payroll staff and these were being addressed.

The committee noted that there were key performance indicators (KPI's) regarding payroll accuracy.

Capital management and accounting 2017/2018

The committee considered the main findings and recommendations of the internal audit report.

RESOLVED: to

1. note the internal audit activity report for the fourth quarter of 2017/18; and
2. request Capita and the 5 Councils' Partnership client representative to circulate the payroll KPIs for the last six months, a progress report and the rectification plan to committee members as soon as possible, so that members can give notice of questions prior to Capita's report back to the next meeting.

58 Internal audit review of Five Councils' Partnership governance

Consideration of this item was deferred to a future meeting.

59 Internal audit management report quarter four 2017/2018

The committee considered the interim audit manager's management report on internal audit for the fourth quarter of 2017/18.

RESOLVED: to note the internal audit management report for the fourth quarter of 2017/18.

60 Internal audit annual plan 2018/2019

The committee considered the interim audit manager's report which explained the process for setting the internal audit plan and for calculating the resources available and which set out the proposed internal audit plan for 2018/19.

RESOLVED: to approve the internal audit plan 2018/19.

61 Statement of accounts 2017/18

The committee considered a report of the head of finance and chief accountant (Capita) setting out the progress being made towards the completion of the 2017/18 statements of accounts and revised statements of accounting policies for both councils for approval.

The committee was informed that the Capita accountancy team was making good progress toward meeting the new statutory deadline. However, completing the statements of accounts on time was dependent on parties outside of finance providing information in accordance with the agreed timetable.

RESOLVED: to

1. note progress on completing the 2017/18 statements of accounts; and
2. approve the revised statements of accounting policies as set out in Appendix 1 (South Oxfordshire District Council) and Appendix 2 (Vale of White Horse District Council).

62 Work programme

The committee considered the work programme and noted that, in view of the number of items scheduled for the next meeting and the additional reports it had requested, a further meeting would be arranged in late June/early July.

The meeting closed at 8.05 pm

Chairman

Date