

Minutes



OF A MEETING OF THE

Joint Audit and Governance Committee

HELD ON TUESDAY 29 MARCH 2022 AT 6.30 PM

FIRST FLOOR MEETING SPACE, 135 EASTERN AVENUE, MILTON PARK,
OX14 4SB

Present in the meeting room

Members:

South Oxfordshire District Councillors: Mocky Khan (Co-Chair in the Chair) and Peter Dragonetti

Vale of White Horse District Councillors: Andy Foulsham (Co-Chair), Simon Howell, and Mike Pighills

Officers: Michael Flowers (Democratic Services Officer)

Remote attendance:

South Oxfordshire District Councillor: Leigh Rawlins

Vale of White Horse District Councillors: Amos Duveen, Debby Hallett, and Emily Smith

Officers: Patrick Arran (Head of Legal and Democratic and Monitoring Officer), Victoria Dorman-Smith (Internal Audit Manager), David Fairall (People and Culture Manager), Simon Hewings (Head of Finance), Jeremy Lloyd (Broadcasting Officer), Richard Spraggett (Strategic Finance Manager), and Ben Watson (Exchequer Procurement Manager)

117 Apologies for absence

South Oxfordshire District Council Councillors George Levy and Jane Murphy tendered apologies.

118 Minutes

RESOLVED: to approve the minutes of the meeting held on Tuesday 25 January 2022 as a correct record and agree that the chair signs them as such.

119 Declarations of interest

None.

120 Urgent business and chair's announcements

The chair informed the committee that an additional meeting would be held on the 24th May, which would be for the statement of accounts 2020/21.

121 Public participation

None.

122 Statement of accounts - 2021/22

The strategic finance manager introduced the report. The committee were informed that this was the annual update to note the progress on completing the current year's statement of accounts. The deadline for the draft statement was the 31st July and they were expecting to complete the work by the 30th June. The audited accounts would then need to be approved by the 30th November, which was a four month extension from the statutory deadline of the 31st July and a two month extension from the temporary deadline of 30th September. This was due to ninety-one per cent of councils failing to meet the 30th September deadline for the 2021 statement of accounts. It was also noted that the accounting policies for both councils were shown in appendixes one and two of the report. The strategic finance manager then explained that CIPFA had consulted with councils for two issues which were identified as helping councils get their audits back on track. The first was to introduce the use of property indices to replace property evaluations, and the second was to delay IFRS16 leases by two years.

South Oxfordshire District Council **RESOLVED:** to

- a. Note the progress on completing the 2021/22 statement of accounts
- b. To approve the statement of accounting policies as shown in Appendix 1 of the report.

Vale of White Horse District Council **RESOLVED:** to

- a. Note the progress on completing the 2021/22 statement of accounts
- b. To approve the statement of accounting policies as shown in Appendix 2 of the report

123 Internal audit activity report - fourth quarter 2021/22

The internal audit manager introduced the report. The committee was informed that for the activity report, two planned audits had been completed during the quarter, and no limited assurance audits needed to be raised to the committee. The internal audit manager highlighted for the committee that an error had been identified on page fifty of the report at section seven, and confirmed that only two satisfactory audits had happened and zero full audits.

The committee was informed that there was an update on the Covid-19 grants audit, and this included a summary of the grants being looked into and that the recommendations were being finalised with auditees. The expectation was that this could then be presented to the committee at its next meeting. A question was asked by the committee on whether

the joint Covid-19 grants report would be ready for the committee in May. The response from the internal audit manager was that she expected it would be.

A secondary question followed, requesting clarification of the outstanding items being completed. The response to this was that the item was raised with Ernst and Young (EY) and they responded that it was a management decision, and so would go to the senior management team in the next week.

A final question was asked by the committee on 'not agreed actions' for the joint contract management, seeking clarification on what this meant. The internal audit manager confirmed that this was an abbreviation and should read the number that was agreed. Additionally, they were all agreed on contract management.

RESOLVED: to note the internal audit activity report – fourth quarter 2021/22.

124 Internal audit management report - fourth quarter 2021/22

The internal audit manager confirmed that there were no specific concerns to raise to the committee's attention.

RESOLVED: to note the internal audit management report – fourth quarter 2021/22.

125 Internal audit plan - 2022/23

The internal audit manager introduced the report. The committee was shown the proposed audit plan for the next financial year, and how it had been put together. The internal audit manager highlighted that she had mapped the top risks of both councils' corporate risk registers for the next three years. Secondly, the plan for the current year was to reassess the audit plan at the half year mark to make sure it was in-line with any changes to risks or services across the councils.

The committee commented that they were happy with the work that had been done for the audit plan and it was a good example of joined up thinking and was to be commended.

A question was raised regarding the war in Ukraine and whether there were any emerging risks relating to the associated refugee crisis from the war. The response was that the internal audit manager did meet regularly with the risk team to share any new risks added to the register and so they would be monitoring this. There was also budget in the plan in the event any unexpected reviews of that nature were required.

A final question followed asking if there had been any progress with the external consultant on identifying properties that were not paying non-domestic business rates or council tax. The head of finance responded that they had engaged an external company and were currently working through the results of this. The revenue and benefits client manager was putting together a report and the results could be shared with the committee at a later date.

RESOLVED: to note the internal audit plan – 2022/23.

126 Insourcing of exchequer services and financial management system upgrade

The exchequer procurement manager introduced the report. The committee were informed that the councils had taken control of financial services in February 2020, and this had been a two stage process with accountancy work returning in April 2020, and exchequer services in April 2021. It was explained to the committee that the council had subsequently embarked on work to upgrade their financial management system. Confirmation was given that despite a challenging timetable, the councils were able to recruit a new exchequer team, upgrade the existing system, and complete ancillary activities. It was concluded by the exchequer procurement manager that the service was now stable, and the councils were already seeing the benefits from a modern financial management system.

The committee asked whether there could be any assurance that no duplication would work between EY and internal audit in relation to the new system. The response by the exchequer procurement manager was that EY would complete their normal auditing work and the records held within the system would be looked into. The internal audit manager commented that their team was planning to conduct a detailed user access review, and they would check with EY to avoid duplication.

The committee expressed satisfaction regarding the work that had been undertaken, and commented that they had been impressed with this.

The committee asked whether there had been any reputational damage arising from the issues surrounding the backlog of payments. The response from the exchequer procurement manager was that the backlog had been cleared for some time and everyone was being paid on time. They confirmed that they were not aware of any reputational damage.

The committee asked a final question on what feedback had been received from users. The response to this was that the system was largely a newer version of the previous system, but feedback had been positive.

RESOLVED: to note the insourcing of exchequer services and financial management system upgrade report.

127 Adoption of Oxfordshire code of conduct for councillors

The monitoring officer introduced the report and explained that they had some concerns regarding the existing code of conduct for the two councils. The monitoring officer explained that they had worked with other monitoring officers across Oxfordshire to produce an Oxfordshire Code of Conduct which was based on the LGA model code with some refinements. The proposed model code was described as being far more comprehensive, and gave members clearer guidance on what was expected in terms of ethical standards and behaviour. The guidance that would complement the new document was expected to act as a complimentary piece. The committee were then told that further training for members would take place in June and September, and the monitoring officer concluded that should the committee express satisfaction and commend the code of conduct to the council, it would be sent to Annual Council and take immediate effect once adopted.

The committee commented that they supported the harmonisation of a code of conduct across the Oxfordshire authorities, and that this would both protect members and officers, and be a positive step forward. The committee also expressed wider support for the training that would be delivered and indicated strong support for the proposed Oxfordshire Code of Conduct.

A question was asked regarding other registrable interests and what was considered a body in which an interest would need to be declared. The response from the monitoring officer was that it would be applicable where a member had influence such as management or general control. This would take away from purely a financial perspective, but ensure members did not take part in matters where they would have other vested interests.

South Oxfordshire District Council **RESOLVED:** to approve the Oxfordshire Code of Conduct appended in the report and commend it to the council for adoption.

Vale of White Horse District Council **RESOLVED:** to approve the Oxfordshire Code of Conduct appended in the report and commend it to the council for adoption.

128 Health and safety progress review

The Vale of White Horse cabinet member for corporate services and transformation introduced the report. The committee were informed that this was the first review since health and safety had been brought into the people and culture service. The initial priority following this transition was the publication of a new health and safety policy which would underpin the management framework. The new policy was now live, and there was a number of supplementary policies and procedures currently being completed. It was confirmed that the production of training courses for staff was also currently underway.

RESOLVED: to

- a. Agree to a half-yearly progress review of health and safety actions as outlined in the health and safety strategic review
- b. To note the progress made against the corporate health and safety action plan

129 Work programme

The committee were informed that in addition to the items on the work programme, that the annual internal audit report would be presented at the July meeting of the committee. In addition, the treasury management outturn report would be presented to the committee in the September meeting.

The democratic services officer informed the committee that alongside the May meeting that was mentioned in the chair's announcements, that a provisional meeting of the committee was being arranged for November, with a date to be confirmed.

RESOLVED: to note the committee work programme.

The meeting closed at 7.15 pm

Chair

Date

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