

Joint Audit and Governance Committee

Annual Report

Report of the work of Joint Audit and Governance Committee during 2023/24

Introduction

Joint Audit and Governance Committee operates as the audit committee for both South Oxfordshire District Council and Vale of White Horse District Council.

As outlined in the Chartered Institute of Public Finance and Accountancy's (CIPFA's) 2022 Position Statement on Audit Committees in Local Authorities and Police, the purpose of audit committees is follows:

“Audit committees are a key component of an authority’s governance framework. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. The committee’s role in ensuring that there is sufficient assurance over governance risk and control gives greater confidence to all those charged with governance that those arrangements are effective.

In a local authority the full council is the body charged with governance. The audit committee may be delegated some governance responsibilities but will be accountable to full council. The committee has oversight of both internal and external audit together with the financial and governance reports, helping to ensure that there are adequate arrangements in place for both internal challenge and public accountability.”

The purpose, role and function of the Joint Audit and Governance Committee is outlined in the councils’ constitution.

Committee meetings during 2023/24

The committee met four times during 2023/24, although given its content and proximity to the end of the financial year, this reports also includes the committee meeting held on 15 April 2024 as if it took place during 2023/24. The table overleaf summarises the activity undertaken each meeting.

Key JAGC activities	Committee date				
	July 4 2023	3 October 2023	30 October 2023	30 January 2024	*15 April 2024
Financial reporting					
Update on local authority audit					
Statement of accounts 2021/22					
Update on 2022/23 and 2023/24 statement of accounts					
Treasury management					
Outturn report 2022/23					
Mid-year monitoring report 2023/24					
Strategy 2024/25					
Internal audit					
Internal audit annual report 2022/23					
Internal audit 2023/24 quarterly update reports					
Follow up on internal audits:					
1) Information security audit					
2) Health and safety audit					
Internal audit plan 2024/25					
External audit					
External auditor's audit results report 2021/22					
External audit plan 2023/24					
Governance and risk management					
Code of conduct annual report 2022/23					
Annual complaints report 2022/23					
Corporate risk review					
Review of Terms of Reference for appointment of independent person					
Annual governance statement 2021/22					
Regulation of investigatory powers Act 2000 (RIPA) annual review					
Code of corporate governance					
* 15 April 2024 meeting included in table as meeting agenda reflected work undertaken in 2023/24					

Financial reporting

The committee is responsible for the review and approval of the statements of accounts on behalf of the Council.

The committee has been kept updated on the efforts nationally to deal with the local government audit backlog and the impact of those developments on the councils. During the year the audit of the 2021/22 accounts for both councils was concluded by EY and the accounts were published in December 2023.

Treasury management

The committee receives the treasury management reports that are required during the year, exercising its stewardship role, and has the opportunity to make recommendations for consideration at respective cabinet and council meetings. The reports considered were:

- Outturn report 2022/23,
- Mid-year monitoring report 2023/25,
- Strategy 2024/25.

Internal audit

In respect of the 2022/23 financial year, the committee received the internal audit annual report. Based on work undertaken in 2022/23, the internal audit and risk manager reported that she reached the overall opinion that there was a satisfactory system of governance, risk, internal control. Findings indicate that overall, arrangements were satisfactory, although some enhancements have been recommended.

With the 2023/24 internal audit plan agreed before the start of the 2023/24 financial year, the committee received quarterly reports on progress during the year. Up to and including quarter three of the year, the results of 22 (17 for 2022/23 and five for 2023/24) audits were presented. Of these, three (two for 2022/23 and one for 2023/24) were limited assurance.

The committee specifically requested follow-ups on two internal audits, which were presented to the committee during the year. These were:

- Information security, and
- Health and Safety.

At the meeting held in April 2024, the committee approved the internal audit plan for 2024/25.

External audit

As noted above, EY presented the results of their audit of the 2021/22 statements of accounts for both councils, and those statements have now been finalised and published.

The audit of the 2022/23 statements of accounts, which will be the last to be audited by EY, was underway at the end of the financial year. Bishop Fleming, who are the councils' auditors from the 2023/24 statements of accounts onwards, presented their 2023/24 audit plan to the April 2024 committee.

Governance and risk management

The committee welcomed a non-voting, independent member during 2023/24. The terms of reference for the independent person were reviewed during the year.

As part of the sign-off of the 2021/22 accounts following the audit by EY, the committee approved the 2021/22 annual governance statements.

The committee received a number of annual reports, namely:

- Code of Conduct annual report 2022/23,
- Complaints annual report 2022/23,
- Regulation of Investigatory Powers Act 2000 (RIPA) annual review.

The committee received two updates on risk during the year. Following consideration of the second update on risk at its meeting in April 2024, a follow-up report was requested on a specific, confidential item. This was brought to the committee in July 2024.

2023/24 training

Committee members received training in the following areas during 2023/24:

- The role of internal audit (delivered by the Internal Audit and Risk Manager),
- Developing the audit committee (delivered by CIPFA)
- Risk management, (delivered by the Risk and Insurance Team Leader),
- Treasury management (delivered by Link Asset Services).

2023/24 key achievements

The co-chairs consider the following to be the key achievements during 2023/24:

- Taking on board the advice of the external trainer who provided a training session in September 2023, leading to this annual report and the forthcoming review of the committee's terms of reference,
- Since the district council elections in May 2023, the joint committee has worked well together with a mix of experienced and new members,
- The arrival of an independent member to the committee has brought a new, external perspective to the committee's discussions,
- The committee has taken more of an interest in governance matters, and will receive a report on Future Oxfordshire Partnership governance in the coming months,
- There has been greater liaison with Scrutiny committee chairs to discuss the appropriate committee to bring matters for discussion (for example Affordable Housing Delivery),
- Due to closer collaboration with Heads of Services, key team members and committee members agenda items and meetings are now more focused on pertinent issues and topics so relevant reports come to be debated and discussed.