



To: **Members of the Audit & Governance Committee**

***Notice of a Meeting of the Audit & Governance
Committee***

Wednesday, 8 July 2015 at 1.00 pm in Room 2

County Hall, Oxford, OX1 1ND

Peter G. Clark.

Peter G. Clark
County Solicitor

June 2015

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Membership

Chairman – Councillor David Wilmshurst
Deputy Chairman - Councillor Sandy Lovatt

Councillors

David Bartholomew
Yvonne Constance OBE
Tim Hallchurch MBE

Jenny Hannaby
Nick Hards
Roz Smith

John Tanner

Co-optee

Dr Geoff Jones

Notes:

- ***Date of next meeting: 16 September 2015***

Declarations of Interest

The duty to declare.....

Under the Localism Act 2011 it is a criminal offence to

- (a) fail to register a disclosable pecuniary interest within 28 days of election or co-option (or re-election or re-appointment), or
- (b) provide false or misleading information on registration, or
- (c) participate in discussion or voting in a meeting on a matter in which the member or co-opted member has a disclosable pecuniary interest.

Whose Interests must be included?

The Act provides that the interests which must be notified are those of a member or co-opted member of the authority, **or**

- those of a spouse or civil partner of the member or co-opted member;
- those of a person with whom the member or co-opted member is living as husband/wife
- those of a person with whom the member or co-opted member is living as if they were civil partners.

(in each case where the member or co-opted member is aware that the other person has the interest).

What if I remember that I have a Disclosable Pecuniary Interest during the Meeting?.

The Code requires that, at a meeting, where a member or co-opted member has a disclosable interest (of which they are aware) in any matter being considered, they disclose that interest to the meeting. The Council will continue to include an appropriate item on agendas for all meetings, to facilitate this.

Although not explicitly required by the legislation or by the code, it is recommended that in the interests of transparency and for the benefit of all in attendance at the meeting (including members of the public) the nature as well as the existence of the interest is disclosed.

A member or co-opted member who has disclosed a pecuniary interest at a meeting must not participate (or participate further) in any discussion of the matter; and must not participate in any vote or further vote taken; and must withdraw from the room.

Members are asked to continue to pay regard to the following provisions in the code that *“You must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself”* or *“You must not place yourself in situations where your honesty and integrity may be questioned.....”*.

Please seek advice from the Monitoring Officer prior to the meeting should you have any doubt about your approach.

List of Disclosable Pecuniary Interests:

Employment (includes *“any employment, office, trade, profession or vocation carried on for profit or gain”*.), **Sponsorship, Contracts, Land, Licences, Corporate Tenancies, Securities.**

For a full list of Disclosable Pecuniary Interests and further Guidance on this matter please see the Guide to the New Code of Conduct and Register of Interests at Members’ conduct guidelines. <http://intranet.oxfordshire.gov.uk/wps/wcm/connect/occ/Insite/Elected+members/> or contact Glenn Watson on (01865) 815270 or glenn.watson@oxfordshire.gov.uk for a hard copy of the document.

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.

AGENDA

1. Apologies for Absence and Temporary Appointments

2. Declaration of Interests - see guidance note

3. Minutes (Pages 1 - 10)

To approve the minutes of the meeting held on 10 June 2015 (**AG3**) and to receive information arising from them.

4. Petitions and Public Address

5. Corporate Lead Presentation

1:10

There are eleven 'Corporate Leads' that provide assurance on an issue for governance purposes. The Audit & Governance Committee has asked to be given presentations from each Corporate Lead during the year so that they can better understand each area, particularly focusing on the assurance process:

- How Corporate Leads assure themselves (and then directors) that things are well within their areas; and
- How Leads decide that issues need to be mentioned for 'Action'; and
- How leads ensure that their area complies with regulations and the law.

The Committee will receive the remaining Corporate Leads presentation – Project and Programme Management.

The Committee is RECOMMENDED to receive the presentation.

6. Fire & Rescue Service Statement of Assurance 2014/15 (Pages 11 - 40)

1:25

Report by the Chief Fire Officer (**AG6**)

The Fire and Rescue National Framework for England (the Framework) sets out a requirement for fire and rescue authorities to provide an annual statement of assurance on financial, governance and operational matters and to show how they have due regard to the requirements of the Framework and the expectations set out in authorities' own integrated risk management plans.

To demonstrate this, the Framework requires that each authority must publish an

annual statement of assurance. The Statement of Assurance 2014/15 document is intended to meet the obligation to produce this statement through reference to public webpages, existing reports and documents. The report was prepared following the Department for Communities and Local Government guidance on statements of assurance for fire and rescue authorities in England. The structure of the report was based on guidance contained in Chief Fire Officers Association (CFOA) Circular 2013-10 appendix - draft table of contents statement of assurance. The statement of assurance is intended to be published on the public website only, it is not intended to produce hard copy versions. The OCC Annual Governance Statement 2014/15 makes reference to the statement of assurance and provides a link to the web address. The statement of assurance should be signed on behalf of Oxfordshire County Council by Councillor Rodney Rose, Cabinet Member with responsibility for the fire and rescue service.

The Audit & Governance Committee is RECOMMENDED to consider the Statement of Assurance 2014/15 for approval.

7. Annual Report of the Monitoring Officer (Pages 41 - 58)

1:45

Report by the Monitoring Officer (**AG7**)

The Audit and Governance Committee is responsible for promoting standards of conduct for elected councillors and co-opted members and for ensuring the integrity of the democratic decision-making process. Consequently, the Monitoring Officer reports annually to this Committee on relevant actions and issues that have occurred in the previous year. This report therefore summarises certain activities for the year 2014/15.

The Committee is RECOMMENDED to consider and endorse the report.

8. Annual Report of the Chief Internal Auditor (Pages 59 - 82)

2:05

Report by the Chief Internal Auditor (**AG8**).

This is the annual report of the Chief Internal Audit, summarising the outcome of the Internal Audit work in 2014/15, and providing an opinion on the Council's System of Internal Control. The opinion is one of the sources of assurance for the Annual Governance Statement.

The Committee is RECOMMENDED to consider and endorse the report.

9. Ernst & Young (Pages 83 - 118)

2:25

Representative of Ernst & Young will attend for the following items:

Oxfordshire County Council Progress Report July 2015 (**AG9**);
Oxfordshire Pension Fund Audit Plan (**AG9**);
Local Government Sector Update, including Questions (**AG9**).

The Committee is RECOMMENDED to note the reports.

10. Report from the Audit Working Group (Pages 119 - 122)

2:45

Report by the Chief Internal Auditor (**AG10**).

The report summarises the matters arising at the meeting of Audit Working Group on 11 June 2015.

The Committee is RECOMMENDED to note the report.

11. Treasury Management Outturn 2014/15 (Pages 123 - 130)

3:05

Report by the Chief Finance Officer (**AG11**)

The report sets out the Treasury Management activity undertaken in the financial year 2014/15 in compliance with the CIPFA Code of Practice. The report includes Debt and Investment activity, Prudential Indicator Outturn, Investment Strategy, and interest receivable and payable for the financial year.

The Committee is RECOMMENDED to note the report, and to RECOMMEND Council to note the Council's Treasury Management Activity in 2014/15.

12. Statement of Accounts 2014/15 (Pages 131 - 318)

3:25

Report by the Chief Finance Officer (**AG12**).

The Accounts and Audit Regulations 2011 require the Chief Finance Officer to sign the Statement of Accounts no later than 30 June, and certify that they give a true and fair view of the County Council's position. This report presents the accounts certified by the Chief Finance Officer to the Audit & Governance Committee for information, before the start of the public inspection period and the commencement of the audit. The Audit & Governance Committee will be asked to consider and approve the accounts at its meeting on 16 September 2015, when the findings of the audit are available.

An overview of the financial position of the Council at 31 March 2015 is contained in the explanatory foreword. A simplified summary of the accounts is attached at Annex 1.

The full 2014/15 Statement of Accounts is attached at Annex 2.

The Committee is RECOMMENDED to note:

- (a) the Summary Accounts 2014/15; and***
- (b) the Statement of Accounts for 2014/15 to be submitted to the Auditor.***

13. Annual Governance Statement - 2014/15 (Pages 319 - 346)

3:45

The Head of Law & Governance and County Solicitor reports as follows:

The County Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. Corporate Governance is the framework of accountability to users, stakeholders and the wider community, within which organisations take decisions and lead and control their functions, to achieve their objectives. The quality of corporate governance is a key determinant of the quality of the services that we provide. This Statement (**AG12**) explains how the County Council has complied with the Code in 2014/15. It meets the requirement to produce an Annual Governance Statement in the Accounts and Audit Regulations 2011.

The Statement includes an update on actions identified last year that were to be carried out during 2014/15. It also lists new actions for 2015/16. The separate statement of assurance needed by the Fire and Rescue service is also mentioned.

We normally publish the Statement at the back of the Statement of Accounts. However, to avoid duplication these two documents appear separately on this agenda.

The Committee is RECOMMENDED to approve the Annual Governance Statement 2015/16, subject to the Head of Law & Governance making any necessary amendments in the light of comments made by the Committee, after consultation with the Leader of the Council, Chief Executive and Section 151 officer.

14. Update on Hampshire Partnership

4.05

The Chief Finance Officer will provide the Committee with a verbal update on the status of the On Boarding Project in respect of the Partnership arrangement with Hampshire County Council for the provision of HR and Finance Services effective from 1 July 2015.

The Committee are RECOMMENDED to receive the presentation.

15. Work Programme (Pages 347 - 348)

4:30

CLOSE OF MEETING

4:35

Pre-Meeting Briefing

There will be a pre-meeting briefing at County Hall on **Thursday 2 July 2015** at **11.30 am** for the Chairman, Deputy Chairman and Opposition Group Spokesman.