



To: Members of the Audit & Governance Committee

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

Wednesday, 16 September 2015 at 1.00 pm

Rooms 1 & 2, County Hall, Oxford, OX1 1ND

Peter G. Clark.

Peter G. Clark
County Solicitor

September 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: 18 November 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 Wednesday, 8 July 2015 (**AG3**) and to receive information arising from them.

4. Petitions and Public Address

5. Final Accounts 2014/15 (Pages 11 - 34)

1:10

The Accounts and Audit Regulations 2011 require the Statement of Accounts 2014/15 to be considered by a committee of the Council by 30 September 2015 and, following that consideration, to be approved by a resolution of that committee. The regulations also require that, following approval, the Statement of Accounts is signed and dated by the chairman of the committee approving the accounts. The Chief Finance Officer must re-certify the Statement of Accounts before the committee approves it.

The Statement of Accounts presented for the Audit & Governance Committee's approval reflects minor amendments made following the audit of the accounts. Ernst & Young LLP's annual governance reports set out that no audit issues have been identified as yet during the course of the audit of the main accounts or the Pension Fund accounts. Small changes to some of the disclosure notes have been agreed with the auditors, however these are not significant enough to be reported in their annual governance reports. There are no changes to the main financial statements.

Given the minor nature of the changes that have been made to the accounts, the final version has not been included with the agenda papers. Members should refer to the draft version presented to the Audit & Governance Committee on 8 July 2015 available on the council's website. The changes that have been made are set out in the report (**AG5**).

RECOMMENDATION

The Committee is RECOMMENDED to:

- (i) Consider and approve the Statement of Accounts for 2014/15 presented to the Committee on 8 July 2015 with the minor amendments as set out;
- (ii) Consider and approve the Annual Governance Statement presented to the

Committee on 8 July 2015 with the minor amendments as set out;

- (iii) Consider and approve the Letter of Representation 2014/15 for the Oxfordshire County Council accounts;
- (iv) Consider and approve the Letter of Representation 2014/15 for the Oxfordshire Pension Fund accounts.

6. Ernst & Young - Annual Results

1:30

Report to follow.

7. Local Government Ombudsman's Review of Oxfordshire County Council (Pages 35 - 48)

1:50

Each year, the Local Government Ombudsman (LGO) issues an Annual Review Report about each council in relation to the complaints made to the Ombudsman about that Council in the previous financial year. My report (**AG7**) to this Committee therefore informs members about the LGO's Annual Review Report for Oxfordshire County Council for the year 2014/15.

In previous years, the Ombudsman issued more detailed Annual Reports with a commentary on each authority's performance. Following changes to the LGO's investigations procedures, this is no longer the case.

However, these figures, in comparison with other information published separately by the Ombudsman for all authorities, demonstrate that the Council's system of control as expressed through the Council's engagement with the Ombudsman is working well.

RECOMMENDATION

The Committee is RECOMMENDED to note and comment upon this report and on the Local Government Ombudsman's Annual Review of Oxfordshire County Council for 2014/15.

8. Internal Audit 2015/16 Progress Report (Pages 49 - 66)

2:10

This report (**AG8**) presents the Internal Audit progress report for 2015/16.

RECOMMENDATION

The committee is RECOMMENDED to approve the Q3 Internal Audit Plan.

9. Report on the Authority's Policy for compliance with the Regulation of Investigatory Powers Act 2000 and use of activities within the scope of this Act (Pages 67 - 78)

2:30

The Regulation of Investigatory Powers Act 2000 ('the Act') regulates the use of covert activities by Local Authorities. It creates the statutory framework by which covert surveillance activities may be lawfully undertaken. Special authorisation arrangements need to be put in place whenever a Local Authority considers commencing covert surveillance or considers obtaining information by the use of informants or officers acting in an undercover capacity.

Codes of Practice issued under the Act provide guidance to authorities on the use of the Act. The Code of Practice relating to covert surveillance specifies that elected members should review the authority's use of the Act and set the policy at least once a year. They should also consider internal reports on the use of the Act periodically.

This paper (**AG9**) provides an overview of the use of activities falling within the scope of the Regulation of Investigatory Powers Act 2000 by Oxfordshire County Council in the period from April 2014 to March 2015. The report also provides an overview of the authority's Policy and the full policy is provided as an annex for committee members to review.

RECOMMENDATION

The Committee is RECOMMENDED to consider and note the periodic and annual use of RIPA by Oxfordshire County Council.

10. Governance Arrangements (Pages 79 - 82)

2:50

As a result of the current Chief Executive leaving the Council at the end of September 2015, the Committee at its last meeting asked for assurance that the Council's corporate governance arrangements would continue to be fully managed.

This followed the Council's intention to appoint Mr Peter Clark as the Head of Paid Service and, consequently, to appoint Mr Nick Graham as the Council's Monitoring Officer with effect from the cessation of the current Chief Executive's employment with the Council.

This report (**AG10**) sets out the planned arrangements to give appropriate assurance to the Committee as to how the corporate governance framework is to be maintained and the management arrangements that will be put in place going forward.

RECOMMENDATION

The Committee is RECOMMENDED to comment on and note the limited amendments to senior officer responsibilities for governance outlined in paragraph 10 of this report.

11. County Returning Officer Appointment (Pages 83 - 84)

3:10

(AG11)

As a result of the current Chief Executive leaving the Council at the end of September 2015, it is a legal requirement for the Council to appoint a new County Returning Officer.

The Council is required to appoint a County Returning Officer under Section 35(1) of the Representation of the People Act 1983. The Returning Officer is responsible for the arrangement of elections to the County Council.

Under the Council's Constitution, the Audit & Governance Committee retains delegated responsibility for appointing the Council's Returning Officer and it is for the Committee to appoint a suitably qualified person to fulfil the role.

RECOMMENDATION

The Committee is RECOMMENDED to appoint Mr Peter Clark, the current Chief Legal Officer, as the County Returning Officer for the Council, with effect from the cessation of the current Chief Executive's employment with the Council.

12. Update on Hampshire Partnership

3:30

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.

RECOMMENDATION

The committee is RECOMMENDED to receive the presentation.

13. Report from the Audit Working Group (Pages 85 - 88)

3:50

Report by the Chief Internal Auditor **(AG13)**.

The report summarises the matters arising at the most recent meeting of the Audit Working Group (AWG).

RECOMMENDATION

The Committee is RECOMMENDED to note the report.

14. Audit & Governance Committee Work Programme (Pages 89 - 90)

4:00

To review the Committee's Work Programme (**AG14**).

Close of meeting

An explanation of abbreviations and acronyms is available on request from the Chief Internal Auditor.

Pre-Meeting Briefing

There will be a pre-meeting briefing at County Hall on **Thursday, 10 September** at **11:30** for the Chairman, Deputy Chairman and Opposition Group Spokesman in the Members' Boardroom.