

AUDIT & GOVERNANCE COMMITTEE – 17 APRIL 2013

REPORT OF THE AUDIT WORKING GROUP (AWG)

The Audit Working Group has met twice since the last Audit and Governance Committee. This report covers both meetings:

Thursday 14 February 2013

The meeting was attended by:

Dr Geoff Jones – Chairman; Cllr Wilmshurst; Cllr Mathew; Cllr Roz Smith; Sue Scane; Ian Dyson; Peter Clark; and, Claire Phillips.

Part meeting only: Sarah Cox; AWG4 Sean Collins and Tim Willott; and, AWG5&6 John Morgan.

Observer: Cllr Couchman; Cllr Darke; and, Cllr Stratford.

AWG WORK PROGRAMME ITEMS

The main business items of the meeting were as follows:

AWG 4 P2P Project Progress Report
AWG 5 SCS Adult Social Care Management Control
AWG 6 SCS Personal Budgets
AWG 7 Risk Management Report
AWG 8 Quarterly Update – AGS Action Plan
AWG 9 Internal Audit Update
AWG 10 Timetable and Work programme
AWG 11 Review of AWG Terms of Reference

The Group was satisfied with the reports and updates received with no material issues to be referred to the Audit & Governance Committee. The matters for the Committee to note or action are listed below:

AWG4 P2P Project Progress Report

The Group noted satisfactory progress with the project. The Committee is due to receive a further update at the meeting on 17 April 2013 when it is expected that the management dashboard populated with the performance targets will be presented. The Group has requested a report to their meeting on 7 November 2013 showing the actual performance achieved in the first quarter of 2013/14 to consider the impact of the implemented improvement plan.

AWG5 and AWG 6 - SCS Personal Budgets and SCS Adult Social Care Management Control

The Group received a progress report on the implementation of actions arising from the internal audit reports, and was pleased to note that the new operational governance group was operating well. It was confirmed that the Deputy Director would be attending the next AWG to provide a further update.

AWG7 Risk Management Report

A revised risk management framework is to be presented to the Committee on 17 April 2013.

It was noted that the briefing on the new procedure for Programme Management, cancelled as the pre committee briefing 16 January 2013, has been rescheduled for 3 July 2013.

AWG10 Timetable and Work Programme

The AWG timetable and work programme is attached as appendix 1 to this report

AWG 11 Review of AWG terms of reference.

There are no material changes being proposed the Group. The terms of reference is attached as appendix 2. The Committee is recommended to approve the terms of reference.

Thursday 4 April 2013

The meeting was attended by:

Dr Geoff Jones – Chairman; Cllr Wilmshurst; Cllr Roz Smith; Sue Scane; and, Ian Dyson.

Part meeting only: Cllr Mathew; Peter Clark; David Illingworth; Katherine Kitashima; AWG3 Lucy Butler and Graham Shaw; AWG6 Glenn Watson.

Observer: Cllr Darke and Cllr Sanders.

AWG WORK PROGRAMME ITEMS

The main business items of the meeting were as follows:

AWG 3 “The Future of Adult Social Care in Oxfordshire”

AWG 4 Internal Audit progress report

AWG 5 AGS Actions – 2011/12 update and 2012/13 early draft

AWG 6 Whistleblowing Incidents 2012/13

MATTERS FOR REPORT TO THE AUDIT COMMITTEE:

AWG 3 “The Future of Adult Social Care in Oxfordshire”

This item is subject to a separate report on the Committee's agenda.

AWG 4 Internal Audit Progress Report

The results of recently completed audits were noted. The Chief Internal Auditor (CIA) also highlighted the current audit of CEF Contract Procurement and Contract Management. The Group agreed that the CEF Deputy Directors responsible for this area should be invited to the next AWG to discuss report.

The Group noted the progress on implementation of management actions and welcomed the additional analysis showing actions where original implementation dates have changed. There was concern at the number of changes, and whilst reassured by the CIA that the internal audit process is to check with Senior Managers they are aware and have agreed the change in dates, the Group has requested more information on why the dates have been changed.

AWG 5 AGS Actions

The Group noted the position of the 11/12 AGS actions, and was invited to review the early draft of proposed actions for 2012/13. It was suggested that the Corporate Governance Assurance Group should consider an additional action with regard to Adult Social Care strategy, as set out in the presentation to the Group (AWG 3),

once the expected development plan has been produced. There is a draft action for 2012/13 referring to the newly formed Commercial Services Board; the Group requested a copy of the terms of reference for the Group be circulated.

AWG 6 Whistleblowing Incidents 2012/13

The Group noted the report highlighted a small increase in the number of whistleblowing incidents overall in 2012/13 compared with 2011/12; however, the report did not highlight any areas for concern or further action.

RECOMMENDATIONS

The Committee is RECOMMENDED to approve the Audit Working Group terms of reference.

SUE SCANE

Assistant Chief Executive & Chief Finance Officer

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April 2013

APPENDIX 1

AUDIT WORKING GROUP TIMETABLE AND WORK PROGRAMME 2013/14

2013

Wednesday 17 April 1:00-2:00

- Private meeting with Ernst and Young
- Private meeting with Chief Internal Auditor

Thursday 20 June

- Property Leases performance report - Mark Kemp
- Internal Audit Report – Ian Dyson
- CEF Contract Procurement and Contract Management - TBC
- "Future of Adult Social Care" follow up - Lucy Butler/Graham Shaw
- Risk Management Report – Claire Phillips
- Draft Annual Governance Statement

Thursday 5 September

- Internal Audit Report – Ian Dyson
- Risk Management Report – Claire Phillips

Thursday 7 November

- Internal Audit Issues – Ian Dyson
- Risk Management Report – Claire Phillips
- Annual Governance Statement Process – annual review of the assurance framework - Peter Clark
- P2P Dashboard/performance report for Q1 2013/14 - Sean Collins

2014

Thursday 13 February

- Internal Audit Report – Ian Dyson
- Risk Management Report – Claire Phillips
- Draft work programme 2012/13 – Ian Dyson
- Review of AWG Terms of Reference – Ian Dyson

Last Updated - 4 April 2013

Ian Dyson
Chief Internal Auditor

APPENDIX 2

Audit Working Group Terms of Reference

Membership

The Audit Working Group shall comprise of:-

the independent member of the Audit and Governance Committee who will chair the Group, together with three members of the Audit and Governance Committee, one of whom shall be the Chairman of the Committee. There will also be three named members of the Audit and Governance Committee who will deputise as required.

The Assistant Chief Executive & Chief Finance Officer, the Monitoring Officer and Head of Law and Governance, the Chief Internal Auditor, and the Corporate Performance & Review Manager, or their representatives shall attend the Group meetings.

Members of the Group and their deputies should have suitable background and knowledge to be able to address satisfactorily the complex issues under consideration and should receive adequate training in the principles of audit, risk and control.

All members of the Audit and Governance Committee can attend Audit Working Group Meetings as observers.

Role

The Audit Working Group shall:

act as an informal working group of the Audit and Governance Committee in relation to audit, risk and control to enable the Committee to fulfil its responsibilities effectively in accordance with its terms of reference (Part 2 Article 8 Section 1a of the Constitution);

routinely undertake a programme of work as defined by the Audit and Governance Committee;

consider issues arising in detail as requested by the Audit and Governance Committee;

receive private briefings on any matters of concern;

at least annually hold a private session with the External Auditors not attended by any officers, and a further private session on Internal Audit matters with the Chief Internal Auditor only.

Reporting

The Assistant Chief Executive & Chief Finance Officer will report to the Audit Committee on matters identified by the Group following consultation with the Chairman and members of the Group.

Meeting

The Group shall meet regularly in cycle with the Audit Committee.

The Group may invite any officer or member of the Council to attend its meetings to discuss a particular issue and may invite any representative of an external body or organisation as appropriate.

Confidentiality

The Group will meet in private to allow full and frank consideration of audit, risk and control issues.

All matters discussed and papers submitted for the meetings including minutes of the previous meeting must be treated as confidential. Papers will be circulated in advance to all members of the Audit Committee for information whether attending the Group or not.

Where any other member wishes to inspect any document considered by the Group and believes that s/he has a 'need to know' as a County Councillor, the procedure in the Council's Constitution relating to Members Rights and Responsibilities (Part 9.3) shall apply.

UpdatedFebruary 2013

Review Date.....February 2014

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