

AUDIT AND GOVERNANCE COMMITTEE – 25 FEBRUARY 2015

REPORT OF THE AUDIT WORKING GROUP (AWG)

The Audit Working Group met on 12 February 2015

The meeting was attended by:

Dr Geoff Jones – Chairman; Cllr Wilmshurst; Cllr R Smith; Cllr N Hards; Cllr J Hannaby; Lorna Baxter, and Ian Dyson.

Part meeting only: AWG14.34 Steve Thomas and Gill Halstead; AWG14.35 Jackie Wilderspin and Alan Rouse; AWG14.36 Neil Shovell

Apologies: Cllr S Lovatt; Peter Clark

Matters to report:

There were three main items considered at the meeting with no material matters for reporting to Committee:

AWG 14.34 and AWG 14.35 Review of SCS and Public Health Risk Management Process

The Group reviewed the risk registers and were content with the risk management processes.

AWG 14.36 Internal Audit Update

There have been no material issues identified by Internal Audit since the last update. The outstanding actions were reviewed and whilst overall the implementation rates are very good, the group was concerned at number still outstanding where managers had not updated the system. The Group requested more details on these actions at the next meeting.

AWG 14.37 AWG Terms of Reference

The annual review of the Terms of Reference was completed by the Group, with no material changes recommended. The terms of reference are attached as annex 1 to this report.

AWG 14.38 Work Programme

The updated work programme is attached as annex 2 to this report. There were three additions identified at the meeting:

The private session with the Chief Internal Auditor will be scheduled for the hour preceding the Audit & Governance Committee meeting on Wednesday 22 April 2015 (1:00-2:00pm).

The private session with Ernst and Young will be scheduled for the hour preceding the Audit & Governance Committee meeting on Wednesday 16 September 2015 (1:00-2:00pm).

At the meeting on Thursday 9 April, Ernst and Young will present the annual Fraud Benchmarking report produced by the Audit Commission.

RECOMMENDATION

The Committee is RECOMMENDED to note the report.

LORNA BAXTER

Chief Finance Officer

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ANNEX 1

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 up to three named members of the Audit and Governance Committee who will deputise as required.

The Chief Finance Officer, the Monitoring Officer and Head of Law and Governance, and the Chief Internal Auditor, 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 Chief Finance Officer will report to the Audit & Governance 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 & Governance 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 2015

Review Date.....February 2016

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ANNEX 2

**AUDIT WORKING GROUP
TIMETABLE AND WORK PROGRAMME 2015/16**

09 April 2015 - 14:00 - 16:00

- Indicative Annual Governance Statement actions for 2015/16 - David Illingworth
- Internal Audit Progress Report - Ian Dyson
- Risk Management Report - Ian Dyson
- C EX Risk Register - Eira Hale
- Oxfordshire Fire & Rescue Service Risk Register - Richard Smith
- Whistleblowing Incidents 2014/15 - Peter Clark
- 2014/15 NFI summary - Ian Dyson
- Fraud Benchmarking Report - EY

Special AWG - 22 April 2015 1:00 - 2:00

- Private meeting with Chief Internal Auditor

11 June 2015 - 14:00 - 16:00

- Follow up on governance issues in ITU - Alexandra Bailey
- Draft Annual Governance Statement - Peter Clark
- Internal Audit Report - Ian Dyson
- Risk Management Report - Ian Dyson
- Strategic Risk Register - Ian Dyson

03 September 2015 - 14:00 - 16:00

Date in calendar if required

Special AWG - 16 September 2015 1:00 - 2:00

- Private meeting with Ernst & Young

15 October 2015 - 14:00 - 16:00 (Audit & Governance meeting 18 November 2015)

- Risk Management Update
- Directorate annual risk management review (CEF)
- Internal Audit Update

05 November 2015 - 14:00 - 16:00

Date in calendar if required

09 December 2015 (WEDNESDAY) - 14:00 - 16:00 (Audit & Governance meeting 13 January 2016)

- Internal Audit update
- Risk Management Update

- Directorate annual risk management review (EE)

IAN DYSON
Chief Internal Auditor