

AUDIT & GOVERNANCE COMMITTEE

4 June 2025

Report of the Audit Working Group 26 March 2025

Report by Executive Director of Resources

RECOMMENDATION

1. The Committee is RECOMMENDED to note the report.

Executive Summary

2. The Audit Working Group (AWG) met on 26 March 2025. The group received an update on the implementation of management actions arising from the audit of Strategic Contract Management which was undertaken in 2024/25. The group also received an update from the Counter Fraud Team, on current and recently completed cases and on the development of the counter fraud risk register.

Introduction

3. Attendance:
Full Meeting: Chairman Dr Geoff Jones. Councillors: Ted Fenton, Roz Smith, Yvonne Constance.

Officers: Full meeting: Sarah Cox, Chief Internal Auditor, Ian Dyson, Director of Financial and Commercial Services, Shilpa Manek, Committee Officer.

Officers: Part meeting: Kim Sawyer, Interim Head of Legal and Governance (and Deputy Monitoring Officer), Sam Egerton, Principal Auditor, Declan Brolly, Counter Fraud Manager.

Apologies: Anita Bradley, Director of Law & Governance and Monitoring Officer, Councillor Glynis Philips.

Matters to Report:

Internal Audit of Strategic Contract Management 2024/25

4. The Internal Audit of Strategic Contract Management was undertaken during 2024/25. The overall conclusion was graded Amber. The audit identified that the aims of the Contract Management Framework, including the Provision Cycle Handbook had not been fully implemented and achieved with inconsistencies in

approach to strategic contract management across the Council. Contract management plans were not in place for all platinum rated contracts and improvements were required to management information and reporting. Spend analysis was hampered by inaccurate data records.

5. The Director of Financial and Commercial Services provided an update on the issues raised and reported that they had been further investigated under the Commercial Transformation Programme which includes a project on Contract Management. The Audit Working Group were also updated that a new Head of Commercial and Procurement has recently been appointed with an expected start date of June 2025.
6. The Director of Financial and Commercial Services reported that the actions agreed within the internal audit report have been superseded by the contract management project and the Audit Working Group reviewed the summary of progress made so far. The Audit Working Group acknowledged the significant work now being led through the Commercial Transformation Programme and were assured that the issues raised within the audit report are going to be addressed.
7. The Audit Working Group requested that officers attend in 6 months to provide an update on the implementation of the improvements to strategic contract management governance and processes.

Counter Fraud Update – Case discussion and Update on development of counter fraud team risk register.

8. The Audit Working Group were presented with a detailed report on current case activity and discussed the types of investigations under review, action taken by the counter fraud team, sanctions being pursued, and the work undertaken by the team which addresses any control weaknesses identified through the activity and controls improvement work completed to minimise the risk of reoccurrence.
9. The Audit Working Group were also updated on some of the proactive counter fraud activity being undertaken by the team, including the proactive Blue Badge enforcement exercises, the use of data analytics and counter fraud awareness training.
10. The Audit Working Group were updated on the work currently underway to develop a counter fraud team risk register, which maps counter fraud risk at an organisational and operational level. It was noted that the register has been extended to map where there has been an exposure identified against a particular risk area and also mapping internal audit and counter fraud assurance activity against the risk areas to better inform the risk scoring. The register is used to inform both the proactive activity of the counter fraud team and also feeds into the internal audit planning process. The Audit Working Group were satisfied with the process that had been developed.

Financial Implications

11. There are no direct financial implications arising from this report.

Comments checked by: Ian Dyson, Director of Financial and Commercial Services ian.dyson@oxfordshire.gov.uk

Legal Implications

12. There are no direct legal implications arising from this report.

Comments checked by: Kim Sawyer, Interim Head of Legal and Governance, kim.sawyer@oxfordshire.gov.uk

Lorna Baxter
Executive Director of Resources

Annex: None
Background papers: None

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March 2025