



To: Members of the Audit & Governance Committee

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

Wednesday, 29 November 2023 at 1.00 pm

Rooms 1&2 - County Hall, New Road, Oxford OX1 1ND

If you wish to view proceedings, please click on this [Live Stream Link \(to be added.\)](#) Please note, that will not allow you to participate in the meeting.

Martin Reeves
Chief Executive

Deadline(pubagenda

*Committee Officers: Committee Services
Email: committees.democraticservices@oxfordshire.gov.uk*

Membership

Chair – Councillor Roz Smith
Deputy Chair - Councillor Brad Baines

Councillors

Yvonne Constance OBE
Trish Elphinstone
Ted Fenton

Jenny Hannaby
Nick Leverton
Ian Middleton

Judy Roberts

Co-optee

Dr Geoff Jones
Vacancy Co-Optee

Notes:

- ***Date of next meeting: 10 January 2024***



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 20 September 2023 (**AG3**) and to receive information arising from them.

- 4. Petitions and Public Address**
- 5. Counter Fraud Update (Pages 11 - 18)**

This report presents a summary of activity against the Counter Fraud Plan for 2023/24, presented to the July 2023 Audit & Governance committee meeting. The Counter Fraud plan supports the Council's Anti-Fraud and Corruption Strategy by ensuring that the Council has proportionate and effective resources and controls in place to prevent and detect fraud as well as investigate those matters that do arise.

The Committee is **RECOMMENDED** to Note the summary of activity against the Counter Fraud Plan for 2023/24.

- 6. Treasury Management Mid Term Review (Pages 19 - 32)**

The Chartered Institute of Public Finance and Accountancy's (CIPFA's) 'Code of Practice on Treasury Management 2021' requires that committee to which some treasury management responsibilities are delegated, will receive regular monitoring reports on treasury management activities and risks. This report sets out the position at 30 September 2023.

The Audit & Governance Committee is **RECOMMENDED** to note the council's treasury management activity in the first half of 2023/24 and recommend Council to note council's treasury management activity in the first half of 2023/24.

- 7. Future Council Governance Group recommendations (Pages 33 - 36)**

The report presented to the committee on 29 September 2023 summarised the purpose and activities of the Future Council Governance.

The Committee are **RECOMMENDED** to note the report.

8. Whistleblowing Policy (Pages 37 - 50)

A revised Whistleblowing Policy was presented to the Audit and Governance Committee on 17 November 2021 and the Council has operated under that Policy since November 2021. It focuses primarily on employees, councillors and contractors. A copy of the policy is attached to the report.

The main thrust of national whistleblowing guidance and policies is on encouraging internal persons to blow the whistle on a situation in the public interest, that the public might otherwise lack the internal knowledge to raise. The policy, however, recognises that the public may sometimes also wish to raise a whistleblowing concern. The emphasis is on encouraging legitimate concerns rather than being unduly prescriptive on who can raise concerns.

The Committee are RECOMMENDED to:

1. To note the number of incidents of Whistleblowing during the 2022-23 financial year.
2. To note the work being undertaken on the development of a revised Whistleblowing Policy in light of the lessons learned from operation of the current Policy since November 2021.

9. Oxford Fire & Rescue Service Statement of Assurance 2022-23 (Pages 51 - 72)

The Fire and Rescue National Framework for England 2018 sets out a requirement for all fire and rescue authorities to provide annual assurance on financial, governance and operational matters through publishing an Annual Statement of Assurance. Oxfordshire Fire and Rescue Services, Annual Statement of Assurance confirms that we are demonstrating due regard to the requirements included in the framework and the expectations set out in the authorities' risk management plans. It covers activities across the Service including Fire and Rescue response, Road Safety, Emergency Planning, Trading Standards and Gypsy and Traveller Services.

The Committee is RECOMMENDED to Consider and approve the Community Safety Services, Statement of Assurance 2022/23 for publication. This document is procedural and not recommending any policy decision, strategy or project involving major change.

10. Oxfordshire Fire and Rescue Service 2021/22 Annual Report (Pages 73 - 100)

The Community Safety Services, Annual Report provides information to members of the public on Oxfordshire Fire and Rescues activities and performance. It demonstrates what

we have done between 2022 and 2023 across our strategic priorities of protection, prevention, response and people. The Annual Report supports principles of good governance, transparency, regular reporting and public accountability. The report covers the five teams that make up Oxfordshire Fire and Rescue Service including Emergency Response, Road Safety, Emergency Planning, Trading Standards and Gypsy and Traveller Services.

The Committee is RECOMMENDED to Consider and approve the Community Safety Services, Annual Report 2022/23 for publication. This document is procedural and not recommending any policy decision, strategy or project involving major change.

11. Audit Working Group Update (Pages 101 - 104)

The Audit Working Group (AWG) met on 8 November 2023. The group received a briefing on IT governance arrangements for new system implementation and also an update on the Counter Fraud Team's activities.

The Committee is RECOMMENDED to note the report.

12. Annual Governance Statement 2022/23 (Pages 105 - 116)

On 19 July 2023, this Committee approved the Annual Governance Statement (AGS) for the year 2022/23. Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles and to give an opinion on the effectiveness of those arrangements. As part of the process, authorities are expected to highlight particular areas of focus for the year following.

This report therefore updates the Committee on the thirteen particular areas of focus identified for 2023/24.

The Committee is RECOMMENDED to receive this update on the actions from the Annual Governance Statement 2022/23 and to make any comment upon them.

13. Terms of Reference (Pages 117 - 128)

Proposed changes to the terms of reference were previously presented to the Audit and Governance Committee on 13 November 2019 but did not go through the normal approval process due to the interruption in meetings at the start of the Covid-19 Pandemic.

The proposed changes were in line with those recommended in the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance on the function and operation of audit committees Audit Committees in Local Authorities and Police 2018 edition.

The Committee are RECOMMENDED to make the changes to the terms of reference of the Audit and Governance Committee (Part 5.1A of the Constitution) as highlighted in Annex A to the report. This reflects the latest guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA) - *Audit Committees: Practical Guidance for Local Authorities and Police (2022)*.

14. Effectiveness of Internal Audit Review (Pages 129 - 134)

The Committee are RECOMMENDED to note the results of the review of the effectiveness of Internal Audit.

15. Ernst & Young Update (Pages 135 - 232)

Ernst and Young to update the Committee on:

- 2021/22 EY Draft Audit Results Report;
- 2021/22 EY Draft Pension Fund Audit Results Report

16. Audit and Governance Committee Work Programme (Pages 233 - 234)

To review the Committee's Work Programme.

17. Date of Next Meeting

Members to note the date of the next meeting will be 10 January 2024.

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 **Date Not Specified** at **Time Not Specified** for the Chairman, Deputy Chairman and Opposition Group Spokesman.

Councillors declaring interests

General duty

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed 'Declarations of Interest' or as soon as it becomes apparent to you.

What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your employment; sponsorship (i.e. payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest. If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member 'must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself' and that 'you must not place yourself in situations where your honesty and integrity may be questioned'.

Members Code – Other registrable interests

Where a matter arises at a meeting which directly relates to the financial interest or wellbeing of one of your other registerable interests then you must declare an interest. You must not participate in discussion or voting on the item and you must withdraw from the meeting whilst the matter is discussed.

Wellbeing can be described as a condition of contentedness, healthiness and happiness; anything that could be said to affect a person's quality of life, either positively or negatively, is likely to affect their wellbeing.

Other registrable interests include:

- a) Any unpaid directorships

- b) Any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority.
- c) Any body (i) exercising functions of a public nature (ii) directed to charitable purposes or (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management.

Members Code – Non-registrable interests

Where a matter arises at a meeting which directly relates to your financial interest or wellbeing (and does not fall under disclosable pecuniary interests), or the financial interest or wellbeing of a relative or close associate, you must declare the interest.

Where a matter arises at a meeting which affects your own financial interest or wellbeing, a financial interest or wellbeing of a relative or close associate or a financial interest or wellbeing of a body included under other registrable interests, then you must declare the interest.

In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied:

Where a matter affects the financial interest or well-being:

- a) to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b) a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest.

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

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AUDIT & GOVERNANCE COMMITTEE

MINUTES of the meeting held on Wednesday, 20 September 2023 commencing at 1.00 pm and finishing at 4.20 pm

Present:

Voting Members: Councillor Roz Smith – in the Chair
Councillor Brad Baines (Deputy Chair)
Councillor Yvonne Constance OBE
Councillor Trish Elphinstone
Councillor Ted Fenton
Councillor Jenny Hannaby
Councillor Nick Leverton
Councillor Ian Middleton
Councillor Judy Roberts

Other Members in Attendance: Dr Geoff Jones

Officer Attendance:

Whole of meeting Lorna Baxter (Director of Finance), Anita Bradley (Director of Law & Governance and Monitoring Officer), Sarah Cox (Chief Internal Auditor) and Shilpa Manek (Democratic Services Officer)

Part of meeting Simon Harper (Head of Governance), Tim Chapple (Treasury Manager), Richard Quayle (Chief Accountant), Sean Collins (Service Manager (Pensions)), Councillor Calum Miller (Cabinet Member for Finance), Adrian Balmer and Maria Grindley (EY)

The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and decided as set out below. Except as insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports [agenda, reports and schedule/additional documents], copies of which are attached to the signed Minutes.

58/23 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

(Agenda No. 1)

Apologies for absence were received from Louise Tustian, Head of Insight and Corporate Programmes.

59/23 DECLARATION OF INTERESTS - SEE GUIDANCE NOTE

(Agenda No. 2)

No Declarations of Interest were received.

60/23 MINUTES

(Agenda No. 3)

The Committee approved the minutes of the meeting held on 19 July 2023 and authorised the Chair to sign them as a correct record. All actions had been completed.

The Monitoring Officer informed the Committee that the Terms of Reference of the Committee had been postponed to the next Committee meeting. The Committee were also informed that there was no reference to the RIPA Policy being presented to the Committee. It would be approved by Cabinet.

Resolved: that the minutes of the meeting held on 19 July 2023 were a true and accurate record.

61/23 PETITIONS AND PUBLIC ADDRESS

(Agenda No. 4)

There were no petitions or requests of public address received.

62/23 TREASURY MANAGEMENT QUARTER 1 PERFORMANCE REPORT

(Agenda No. 5)

The Chair welcomed the Cabinet Member for Finance, Councillor Miller. The Treasury Management Quarter 1 Performance Report was presented by Lorna Baxter, Director of Finance. It was reported that the performance was for the quarter to June 2023 and measured against the budget agreed by Council in February 2023.

The following points were reported to the Committee:

- The Councils outstanding debt totalled £302m and the average rate of interest paid on long-term debt during the year was 4.41%. There had been no new external borrowing arranged during the quarter, whilst £4m of maturing Public Works Loans Board (PWLB) loans were repaid during the quarter. The Treasury Management Strategy for 2023/24 that was agreed in February 2023 assumed an average base rate of 4.25%.
- The budgeted average daily balance of temporary surplus cash invested in-house was expected to be £480m in 2023/24, with an average in-house return of 3%.
- During the quarter the Council achieved an average in-house return of 3.29% on average cash balances of £490.534m, producing gross interest receivable of £4.030m. In relation to external funds, the return for the quarter was £0.593m, bringing total investment income to £4.623m. This compares to

budgeted investment income of £3.341m, giving a net overachievement of £1.282m.

- At 30 June 2023, the councils investment portfolio of £580.537m comprised £436.500m of fixed term deposits, £50.242m at short term notice in money market funds and £93.795m in pooled funds with a variable net asset value.
- Given the forecast for borrowing rates, the strategy for 2023/24 assumed no external borrowing during the year, with any increase in capital financing requirement met through internal borrowing.
- The authority had 44 PWLB loans totalling £252.383m, 9 Lender's Option/Borrower's Option (LOBO) loans totalling £45m and one £5m money market loan. The average rate of interest paid on PWLB debt was 4.72% and the average on cost of the LOBO debt was 3.94%. The cost of debt on the money market loan was 3.95%. The combined weighted average interest paid on long term debt was 4.41%. The weighted average interest rate payable on matured loans was 5.63%. The forecast outturn for interest payable was £13.00m which was below the budgeted figure of £13.15m.
- The Council continued to adopt a cautious approach to lending to financial institutions and continuously monitored credit quality information relating to counterparties.
- The actual average daily balance of temporary surplus cash invested in-house was £490.534 for the first quarter and the average in-house return was 3.29%, producing gross interest receivable of £4.030m. Gross distributions from pooled funds totalling £0.593m were also realised in the quarter, bringing total investment income to £4.623m. This compares to budgeted investment income of £3.341m, giving a net overachievement of £1.282m.
- The cash balances for the year were forecasted to be lower than they would have been as a result of negative DSG balances, forecasted to be £59.50m, which was an estimated opportunity cost of £1.76m in unearned interest for the year.
- The Council operated a number of instant access call accounts and money market funds to deposit short-term cash surpluses. The average balance held on instant access was £69.704m, at an average of 4.33%.
- The total value of pooled fund investments was £93.796m, this was down from 31 March 2023 due to global financial volatility as a result of the war in Ukraine.
- The Councils investment portfolio of £580.537m, comprised £436.500m of fixed term deposits, £50.242m at short term notice in money market funds and £93.795m in pooled funds with variable net asset value.

The following points were raised by the Committee:

- The Money Market Funds were clarified, where some were used for daily liquidity, so funds are used and then replaced. Some of these had not yet had the interest added hence were round figures. The Money Market Funds had no property market exposure.
- The figures at page 19 of the Authorised limit for external debt should read £570,000,000 and the Operational limit for external debt should read £555,000,000. The Council were not near either of the limits.
- No LOBO debts had been called in during Quarter 1, however, one had been called in the second quarter. For the last year, since there had been a risk of

them being called, the ability to repay anyone that had a risk to be called, had been included in the cash flow. The one that had been called in the second quarter for £5,000,000 had been repaid. There was a potential £15m that could be called in the remainder of the financial year.

- A very detailed cash flow profile was kept for 12-18 months, broken down to a daily basis. All were very comfortable with this. There was also a medium-term forecast going out five years so all was monitored very carefully.
- The risk in lending to local authorities that may issue a section 114 was managed. There was no reason to strike of any that had or were going to as the security was unquestionable as the money would be returned and we would be prioritised to be repaid.
- All cash invested by the treasury function is earmarked to be spent at some future point. Before they are due to be spent, they will be invested by the Treasury Management Team as agreed in the annual investment strategy.

Resolved: that the Committee noted the Council's Treasury Management activity for the first quarter of 2022/23.

63/23 MONITORING OFFICER ANNUAL REPORT

(Agenda No. 6)

The Monitoring Officer, Anita Bradley, presented the Monitoring Officer's Annual Report. The Monitoring Officer highlighted that the terms of reference of the Audit and Governance Committee included the responsibilities to promote high standards of conduct by councillors and co-opted members. The Committee were reminded that there were two Independent Persons that supported the Monitoring Officer and Members in the consideration of Code of Conduct complaints.

The report included the number of complaints that had been dealt with in terms of complaints or allegations for breaches of the code of conduct and it was pointed out that not all allegations amounted in a complaint. The Monitoring Officer investigated any allegations that were received along with an Independent Person and decided if no further action needed to be taken, refer the complaint for an informal resolution or refer the complaint for investigation. There had been 24 cases received in 2022/23 that had been determined. Of the 24 cases, none had formal action. Member training and awareness raising sessions had been run, including a session on Code of Conduct. An update was given on the democratic process and decision-making governance, closed sessions and closed sessions and urgent decisions. There had been no scrutiny call-ins and accountability and transparency had been maintained.

The Committee raised the following points:

- Any complaints that went directly to the Ombudsman were corporate complaints, however, if the complaintive had been unhappy with the Monitoring Officers decision, that could also be taken to the Ombudsman.
- The Monitoring Officer's report dealt specifically on Member Code of Conduct complaints.
- It would be very useful to have a short description of the outcome in the table provided to the Committee, going forward.

- The Committee noted that each complaint took a significant amount of time to consider and take a decision on.
- Could training be provided to Members on using social media to provide guidance on keeping to the Nolan principles.
- The engagement to training would be revisited and the Monitoring Officer would be looking to recommend that the Member Code of Conduct training be made compulsory.
- Members asked for a column which showed if the complaint was from a Member or Public.

ACTION: Revisit the training for Social Media.

ACTION: Revisit table of complaints to add whether from the public or another Member and the formatting and making clear that no further action taken.

Resolved: that the Committee considered and endorsed the report.

64/23 FUTURE COUNCIL GOVERNANCE GROUP

(Agenda No. 7)

The Monitoring Officer introduced the Future Council Governance Group report. A number of Members of the Committee were part of the Group. A comment was made that there were many items on each Scrutiny Committee agenda that could not be effectively scrutinised and that four meetings a year were not enough. Many points were being considered by the Group and all the points were being considered by the Group.

Resolved: that the Committee noted the progress and the next steps presented in the report.

65/23 LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN'S ANNUAL REVIEW REPORT

(Agenda No. 8)

The report was present to the Committee by the Monitoring Officer. The Committee were asked to comment on the Local Government and Social care Ombudsman Annual Review for 2022/23 and the work that had been undertaken by the Council regarding its handling of complaints.

The Council had seen an increase in the number of complaints upheld in 2022-23. However, there had been a change in the LGSCO investigation processes.

A total of 102 complaints had been received by the LGSCO against the Council, of which 76 complaints related to special educational needs and disability (SEND) and the handling and issuing of Education Health and Care Plans.

The focus had been renewed for 2023-24 as highlighted in the report.

The Committee made the following comments:

- Paragraph 21 of the report referenced a joint complaint handling code that would provide a standard for organisations to work to. The timescales for this were not known.

ACTION: Inform Committee on timescales for the Joint Complaint Handling Code publication

- The Council were also in the process of carrying out an internal audit of the complaints process, across all services. The Committee requested that this be presented to the Audit Working Group.

ACTION: Add IA of Complaints process to be added to future Audit Working Group

- It seemed that a lot was being done on handling the complaint but were complaints being resolved. It seemed as if the same complaint was being logged numerous times. The complaints at the beginning of the year were the same as the end of the year and had not been resolved.
- No mechanisms were in place to address the complaints with SEND. The Committee were aware of the staffing issues, changes in management, but there seem to be very poor communication reported.
- The Committee considered looking at Partners that the Council worked with and understanding if any improvements could be made. There seem to be a lack of communication. This report highlighted the need for an Education Scrutiny Committee as that would have been a Forum to address and resolve these issues earlier.
- The Committee expressed dissatisfaction in terms of the performance in relation to dealing with the complaints relating to and particularly the special educational needs and cases with the health and care plans and where these should be addressed.
- The report referenced a quarterly quality assurance scheme but there was no reference to where this would report, but it was confirmed that the service area would ensure that there was management and quality assurance process taking place.
- Any compensation paid out to families was made from the Directorate budgets that was there to deliver the service.

Resolved: that the Committee received the report and made comments on the Annual Review and the work undertaken by the Council

66/23 CHANGES TO CONSTITUTION OF PENSION FUND COMMITTEE

(Agenda No. 9)

The report was presented to the Committee by the Service Manager (Pensions), Sean Collins.

The Committee were recommended to endorse the proposed changes to the Constitution agreed by the Pension Fund Committee and recommend them to Council. The changes were:

A) The addition of two voting Members, appointed by the County Council in accordance with the rules of political proportionality.

B) The deletion of the two non-voting positions representing the Academy sector.

Resolved: that the Officers recommendation be endorsed and recommended to Council

67/23 UPDATE ON STATEMENT OF ACCOUNTS

(Agenda No. 10)

Richard Quayle, Chief Accountant, reported that the 2020/21 accounts were ready to be signed and the Team were working really hard on the 2021/22 accounts and providing the responses to the auditors hoping to complete and sign off accounts by November 2023.

The Director of Finance updated the Committee that nationally there was supposed to be a consultation on the backstop dates that had been announced. However, this had slipped as things had not progressed enough. There seem to be a number of audits that would not be complete by the backstop date, so this was being considered.

Ernst and Young gave their update at this point.

Resolved: that the Committee noted the timing for the 2022/23 Statement of Accounts along with the updates on prior years.

68/23 INTERNAL AUDIT 2023/24 - PROGRESS REPORT

(Agenda No. 11)

The Committee received a report from the Chief Internal Auditor, Sarah Cox. Sarah Cox introduced the new members of the Team.

The Committee were informed of the following points:

- Some funds had been secured to use an external company to carry out four complex internal audits. The company had been used before and the quality was very good.
- First seven of the audits in the report were from last year and the remaining three are from this year's plan.
- There were no new red reports and in terms of management reports, were in a good place.
- There were no material concerns that needed reporting from the monthly chasing.

Members asked questions about performance indicators, identifying management actions, business continuity and the climate audit. Members were happy with the responses given by the Chief Internal Auditor.

Resolved: that the Committee noted the progress with the 2023/24 Internal audit Plan and the outcome of the completed audits.

69/23 AUDIT WORKING GROUP UPDATE

(Agenda No. 12)

The Chair of the Audit Working Group highlighted the work programme and that members of the Group had raised issues of the IT system, referenced as fleet management in the report and that since the HIF 1 item was not yet going to be presented, it would be good to get a presentation about the IT development plan at the next meeting in November 2023 as well as the Counter Fraud report.

Resolved: that the Committee noted the report.

70/23 RISK MANAGEMENT OVERVIEW

(Agenda No. 13)

The Director of Finance presented the report to the Committee. The Committee were informed that the report required some amendments. Risk training had been provided to Members and the training had been recorded for those that could not attend.

ACTION: Provide Risk Training link to Committee Members

Some of the points raised included:

- The financial risk had been increased.
- There were seven risks over 9 areas and these would be reviewed by SLT in October.
- It was worth Members noting that a number of risks had been removed as these had descaled to operational risk registers, they had not just been removed. These risks were being managed and monitored at an operational level and could be escalated if required.
- It was highlighted that the Audit Working Group did not receive regular risk management updates or the Strategic Risk Register, therefore the report needed to be amended.

ACTION: Amend Section 1.5, paragraph 3

ACTION: Information about the different parameters to be circulated to Members.

ACTION: Circulate latest version of Strategic Risk Register to Members

Resolved: that the Committee approved the Risk Management Strategy 2023-24

71/23 ERNST & YOUNG UPDATE

(Agenda No. 14)

Adrian Balmer and Maria Grindley updated the Committee on the final position of the 2020/21 audit and the matters arising from the audits – as part of this update they made with the following points:

- The 2020/21 accounts were ready to be signed off subject to final checks.

- The Pension Fund was substantially complete, there had been an adjustment of £183m due to a reclassification of some of the investment assets between level 2 and level 3. This had impacted both the 2020/21 and 2021/22 auditand accounts. This would be an unqualified audit opinion for the 2020/21 accounts.
- The infrastructure assets work had now been concluded and the revised disclosure had been agreed and was now in line with the guidance.
- The work on the triennial valuation and the updates that this would have on the open accounts. This work had been concluded and no impact had been noted.
- Currently the work was being completed on the going concern assessment.
- The Value for Money conclusion was being finalised as under the new code, commentary needed to be provided.
- The final checks were being carried out on the 2020/21 final accounts.

In response to a question from the Committee, Maria Grindley, EY, informed the Committee that across the firm, all Partners had pulled together the local resource boards positions and EY were looking at the national picture to see which of the outstanding audits could be completed with the resource available to ensure a fair and firm-wide approach.

The Director of Finance added that it was a very complex process because there were many reasons, many challenges and many requirements. The two key things that are required are robust and clear accounts, which OCC had, and they needed to be prepared and audited in a timely manner. Nationally there would be many accounts that still required to be audited and therefore there was a risk of unaudited accounts but there were a range of disclaimers that were being drawn up.

Resolved: that the Committee noted the update from Ernst and Young.

72/23 AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME

(Agenda No. 15)

The Committee noted the Work Programme and suggested a few minor amendments and requested that the private meetings be move to 12 noon so that the meeting could begin at 1pm.

Resolved: that the Committee noted the work programme

..... in the Chair

Date of signing

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AUDIT & GOVERNANCE COMMITTEE

29 November 2023

COUNTER FRAUD UPDATE

Report by Executive Director of Resources

RECOMMENDATION

1. The Committee is **RECOMMENDED** to
 - a) Note the summary of activity against the Counter Fraud Plan for 2023/24.

Executive Summary

2. This report presents a summary of activity against the Counter Fraud Plan for 2023/24, presented to the July 2023 Audit & Governance committee meeting. The Counter Fraud plan supports the Council's Anti-Fraud and Corruption Strategy by ensuring that the Council has proportionate and effective resources and controls in place to prevent and detect fraud as well as investigate those matters that do arise.

Counter-Fraud Team Update

Counter-Fraud Service & Resources Update

3. As reported to the July 2023 meeting, the Counter Fraud team comprises of the Counter Fraud Team Manager, Senior Counter Fraud Officer, Data and Intelligence Officer and the apprentice Counter Fraud Assistant.
4. As noted in previous updates, the Counter Fraud team receive, log and triage all whistleblowing reports. The Chief Internal Auditor and Counter Fraud Team Manager meet with the Director of Law & Governance monthly to review, discuss and progress all whistleblowing investigations. A separate report on Whistleblowing is being brought to the November 2023 Audit and Governance Committee meeting.
5. **Case Figures 2023/24 (as at October 2023):**

| Indicator | Value |
|--|---------------------------|
| New Cases 2023/24 (April – October 2023) | 12 cases |
| Current open cases (by year) | 2023/24: 12 2022/23: 6 |

| | |
|------------------------------|---|
| With the Police | 2021/22: 1 2020/21: 2 1 case under joint investigation with the police |
| New Cases by type | Employee: 4 Whistleblowing (being investigated by the Counter-Fraud Team): 1 Contractor: 2 Blue Badge: 4 Deprivation of Assets: 1 |
| New Cases by referral source | Whistleblower: 1 Government Agency: 3 Employee / Internal Control: 8 |

6. Update against the Counter-Fraud Plan 2023/24

The 2023/24 Plan, which was previously presented to the Audit & Governance July 2023 meeting, has been structured around the 5 pillars of anti-fraud activity in the Local Government Counter Fraud and Corruption Strategy – Fighting Fraud and Corruption Locally:

| Objective | Actions | Timescale | Nov 2023 update |
|---|--|----------------------------|---|
| Govern: Have robust arrangements in place to ensure counter-fraud, bribery and corruption measures are embedded throughout the organisation. | 1) Deliver awareness training sessions to a range of staff and members to include knowledge of fraud risks, their role in prevention activity and process to refer suspicions. | 1) Ongoing. | 1) Fraud awareness training to headteachers and school business managers was delivered in October 2023. |
| | 2) Provide the Audit & Governance Committee with reports during the year about the arrangements in place to protect the council against fraud and | 2) July, November & March. | 2) Ongoing. Being delivered in accordance with the Counter-Fraud Plan. |

| | | | | |
|---|----|--|----------------------|--|
| | 3) | the effectiveness of these. Review the council's anti-fraud strategy and identify areas for development by reference to the Fighting Fraud and Corruption Locally strategy. | 3) End of quarter 3. | 3) A revised Anti-Fraud and Corruption Strategy has been sent to the Monitoring Officer for review. It will be published once approved. |
| Acknowledge: Understand fraud risk and maintain a robust anti-fraud response. | 1) | Undertake an assessment of the council's overall response to fraud and identify any areas for improvement. | 1) End of quarter 3. | 1) This has been incorporated into the review of the Anti-Fraud and Corruption strategy. |
| | 2) | Continue development of Council's fraud risk register. | 2) End of quarter 3. | 2) Work is currently being done on updating and further developing the Council's Fraud Risk Register. The Register is used to aid both audit planning and proactive counter-fraud exercises. |
| Prevent: Prevent and detect fraud taking place against the organisation, using proactive work and data analysis. | 1) | Fraud alerts to be provided to service areas as necessary. | 1) Ongoing. | 1) Alerts have been provided to relevant service areas as required. |
| | 2) | Delivery of the NFI 2022/2023 exercise. | 2) End of quarter 3. | 2) The NFI 2022/23 exercise is currently being completed (please see section 8). |
| | 3) | To complete Joint Internal Audit & Counter Fraud proactive reviews into Procurement Cards & Expenses (included in Internal Audit Plan 23/24). | 3) End of quarter 4. | 3) The first proactive review into Procurement Cards is currently underway; starting with whole population testing on transaction data, and a review of |

| | | | | |
|---|--|---|---|--|
| | 4) | To enhance data analytic capability to support potential areas of proactive work. | 4) Ongoing. | Procurement Card Guidance. Sample testing will then be carried out based on the outcome of the whole population testing. 4) A review of potential areas for proactive work is ongoing. |
| Pursue: Carry out fraud investigations, apply sanctions to offenders and recover losses. | 1) 2) | 1) Conduct investigations into suspected fraud and malpractice. 2) Continue enforcement activities against Blue Badge fraud and misuse by completing on-street exercises. | 1) Ongoing. 2) One per quarter. | 1) Ongoing. There are currently 21 open cases. 2) The most recent Blue Badge on-street exercise was completed in September 2023 (please see section 8). |
| Protect: Recognising the harm that fraud can cause in the community. | 1) 2) 3) | 1) Review and share fraud trends and new threats with relevant service areas. 2) Respond to information requests from the Police, other Local Authorities and investigation bodies such as HMRC. 3) Continue to foster relations with other internal teams. | 1) Ongoing. 2) Ongoing. 3) Ongoing. | 1) Information on new trends and alerts have been provided to relevant service areas as required. 2) Ongoing and as required. 3) Ongoing. 8 new cases in 2023/24 have been received from other internal teams / internal controls. |

7. Cases to Note (open/closed)

A confidential detailed update on Counter Fraud cases and current activity was provided to the Audit Working Group meeting on 8 November 2023. This reports on cases which have recently been completed.

Financial Management of a school.

A fraud investigation was undertaken into the financial practices of a managed School. This was undertaken alongside a governance and financial management audit by the Internal Audit Team. Inconsistencies with the school's financial administration and lack of adherence to expected financial management procedures were noted. This resulted in the audit team agreeing 38 management actions, 36 of which have been implemented by the new Headteacher and Senior Leadership Team. The remaining two are not yet due. A separate Counter Fraud report was issued with corporate management actions to follow up and resolve issues identified, these actions are all in progress of being implemented.

Attempted hijacking of supplier bank details.

An investigation took place into a fraudulent attempt at obtaining a payment of approx. £40k for a child's social care placement. A supplier's email account was compromised, and the hacker used this to communicate with OCC. Internal systems highlighted the irregular activity and no payments were made. A review of internal controls is currently taking place to establish if further control enhancements are required. Both Action Fraud and the National Anti-Fraud Network (NAFN) were notified of the attempt.

School business manager.

A school business manager has been dismissed for defrauding a primary school. The matter was referred to Thames Valley Police and the individual will receive a police caution (which results in a criminal record). A condition of the caution is that he signs an agreement to repay OCC in full.

8. Other updates

Blue Badge:

The most recent blue badge on street enforcement exercise took place on the 26 September 2023 and resulted in two blue badges being seized for misuse. Both cases are currently under investigation. One of the badges being misused had been reported stolen and the person using the badge appears to have provided false name and address details. We have however been able to identify the badge user / driver following PNC requests made to Thames Valley Police.

Pre interview disclosure has been issued in both cases in order to carry out interviews under caution. Should the evidential and public interest tests be passed, prosecution files will be sent to OCC Legal with a request that prosecutions be undertaken under the Road Traffic Regulation Act 1984.

These are cases that OCC itself, rather than the CPS will prosecute. The team will liaise with external comms in order that any prosecution can be publicised in order to provide reassurance to the public, that this is an area the council takes seriously.

NFI:

The National Fraud Initiative (NFI) reports from the 2022/23 bi-annual data matching exercise were released in February 2023 and are in the process of being reviewed. There are a total of 33 reports and 30,934 matches.

There are 10 reports relating to potential duplicate payments to creditors, or duplicate creditor records. A sample of the duplicate creditor record matches have been reviewed by the Counter-Fraud Team and the Financial Systems Support Manager. No issues or fraudulent records were found and all 3 reports were closed.

A sample of the 7 duplicate payment reports have been reviewed by the Counter-Fraud Team and is still underway. For one key report that had captured sets of payments with identical invoice amounts and creditor references, the Counter Fraud Team exported the 5,000 total matches and performed a number of 'whole population' data analysis tests to reduce the sample size in a targeted way. This enabled the team to focus on analysing potential duplicate payments with the highest risk of fraud. Nil duplicate creditor payments were found, which demonstrates strong controls in place within the organisation.

A total of 1,149 matches relating to Blue Badges have been processed by the Customer Services Team, with 4 matches still being investigated by Customer Services and Counter Fraud. 510 badges have been cancelled where it was identified that the badge holder had passed away, which reduces the risk of the badges being misused. The Cabinet Office allocates a figure for reporting purposes of £650.00 per cancelled badge, which is their estimate of the value of parking charges up to the point of cancellation plus an estimate of future losses prevented. (510 badges = £331,500)

A total of 2607 matches relating to Concessionary Travel Passes have been processed by the Customer Services Team. 2159 passes were cancelled where it was identified that the pass holder had passed away, which reduces the risk of the passes being misused. The Cabinet Office allocates a figure for reporting purposes of £31.00 per pass cancelled, which is their estimate of future losses prevented. (2607 passes = £66,929).

A total of 18 matches related to Resident Parking Permits have also been processed by the Customer Services Team. 3 passes were cancelled where it was identified that the pass holder had passed away, and a further 8 are still under investigation. A new report matching vehicle registration numbers to parking permits was released in September and is currently under review.

The 3 Pensions reports are in the process of being reviewed by the Pensions Team. 12 accounts identified in the 'Pensions to DWP Deceased' report are being investigated, resulting in a potential total overpayment of £49,071. Information from the 'Tell Us Once' service is now provided to the Pensions Team on a monthly basis. They

now also use a monthly mortality tracing service to identify any relevant information not provided through 'Tell Us Once'. This means that the number of NFI matches needed to be investigated has decreased compared to previous years. However, this provides positive assurance that the information held by the Pensions Team is accurate and up to date.

All reports remaining are on target to be reviewed within Quarter 3.

Training and awareness:

Fraud Awareness training is provided to teams across OCC, for example HR, Direct Payments, Social Care Debt Recovery and Financial Assessments. We often see a positive impact of the training delivered with increased referrals received. Fraud Awareness training and an overview of whistleblowing has also been provided to members of the Audit & Governance Committee. The ongoing programme of training and awareness sessions is continuing, with Headteachers and School Business Managers receiving training in October 2023.

The combined areas of Finance and Procurement now meet quarterly for an 'all team' event and the December meeting will include a presentation from the fraud team. Government figures show that procurement, is one of the high-risk areas for fraud and a tailored training session will be provided.

Controls Improvement:

Upon the conclusion of each investigation, where applicable, the control environment is reviewed, and a post investigation report issued. The report highlights any weaknesses identified and includes agreed actions to prevent, stop and minimise the risk of reoccurrence. The agreed action plan is monitored for implementation by the Counter Fraud Team. Since the last update, the Team have issued one investigation report regarding financial irregularities at a maintained school (as reported above).

Financial Implications

9. There are no direct financial implications arising from this report. The report presents amounts recovered and prevented future losses from individual investigations.

Comments checked by:

Lorna Baxter, Executive Director of Resources,
lorna.baxter@oxfordshire.gov.uk

Legal Implications

10. There are no direct legal implications arising from this report. The Director of Law and Governance and also the Head of Legal are involved in all

Whistleblowing referrals and fraud referral cases that proceed to investigation stages.

Comments checked by:

Paul Grant, Head of Legal, paul.grant@oxfordshire.gov.uk

Staff Implications

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

Equality & Inclusion Implications

12. There are no direct equality and inclusion implications arising from this report.

Sustainability Implications

13. There are no direct sustainability implications arising from this report.

Risk Management

14. There are no direct risk management implications arising from this report.

Lorna Baxter, Executive Director of Resources

Annex: Nil

Background papers: Nil

Contact Officers: Sarah Cox, Chief Internal Auditor
sarah.cox@oxfordshire.gov.uk
Declan Brolly, Counter Fraud Team Leader,
Declan.brolly@oxfordshire.gov.uk

November 2023

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|------------------|
| Division(s): N/A |
|------------------|

ITEM 6

AUDIT & GOVERNANCE COMMITTEE – 29 NOVEMBER 2023

TREASURY MANAGEMENT MID TERM REVIEW 2023/24

Report by the Director of Finance

RECOMMENDATION

1. **Audit & Governance Committee is RECOMMENDED to note the council's treasury management activity in the first half of 2023/24 and recommend Council to note council's treasury management activity in the first half of 2023/24.**

Executive Summary

2. Treasury management is defined as: "The management of the organisation's borrowing, investments and cash flows, including its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks."
3. The Chartered Institute of Public Finance and Accountancy's (CIPFA's) 'Code of Practice on Treasury Management 2021' requires that committee to which some treasury management responsibilities are delegated, will receive regular monitoring reports on treasury management activities and risks. This report sets out the position at 30 September 2023.
4. Throughout this report, the performance for the first half of the year (1 April to 30 September 2023) is measured against the budget agreed by Council in February 2023.
5. As at 30 September, the council's outstanding debt totalled £297m and the average rate of interest paid on long-term debt during the year was 4.41%. No new external borrowing was arranged during the first half of the year, whilst £4m of maturing Public Works Loan Board (PWLB) loans and a £5m LOBO were repaid during the first half of the year. The Council's forecast debt financing position for 2023/24 is shown in Annex 1.
6. The [Treasury Management Strategy for 2023/24](#) agreed in February 2023 assumed an average base rate of 4.25%.
7. The average daily balance of temporary surplus cash invested in-house was expected to be £480m in 2023/24, with an average in-house return of 3.00%.
8. During the first half of the year the Council achieved an average in-house return of 3.53% on average cash balances of £499.055m, producing gross interest receivable of £8.866m. In relation to external funds, the return for the for six months was £1.836m, bringing total investment income to £10.702m. This compares to budgeted investment income of £7.073m, giving a net overachievement of £3.629m.

9. At 30 September 2023, the council's investment portfolio of £577.189m comprised £440.500m of fixed term deposits, £43.216m at short term notice in money market funds and £93.473m in pooled funds with a variable net asset value. Annex 4 provides an analysis of the investment portfolio at 30 September 2023.

Treasury Management Activity

Debt Financing & Maturing Debt

10. The Strategy for Long Term Borrowing agreed in February 2023 included the option to fund new or replacement borrowing up to the value of £180m through internal borrowing. The aim was to reduce the Council's exposure to credit risk and reduce the long term cost of carry (difference between borrowing costs and investment returns).
11. The council is able to borrow from the Public Works Loan Board (PWLB) or through the money markets. Persistently high inflation has led to bond yields, and therefore PWLB rates, remaining high. The expectation is that as inflation falls, PWLB rates should reduce over the medium term. Given the forecast for borrowing rates, the strategy for 2023/24 assumes no new external borrowing during the year, with any increase in capital financing requirement met through internal borrowing.
12. As at 30 September 2023, the authority had 44 PWLB loans totalling £252.383m, 8 LOBO¹ loans totalling £40m and one £5m money market loan. The average rate of interest paid on PWLB debt was 4.72% and the average cost of LOBO debt in 2023/24 was 3.94%. The cost of debt on the money market loan was 3.95%. The combined weighted average for interest paid on long-term debt was 4.41%. The Council's debt portfolio as at 30 September 2023 is shown in Annex 1.
13. The Council repaid £4m of maturing PWLB loans during the quarter. The Council also repaid one LOBO of £5m without penalty when the provider used their option to "call" the loan. The weighted average interest rate payable on the matured loans was 4.62%. The forecast outturn for interest payable in 2023/24 is £12.95m which is below the budgeted figure of £13.15m. The details are set out in Annex 2.

Investment Strategy

14. The Council holds deposits and invested funds representing income received in advance of expenditure plus balances and reserves. The guidance on Local Government Investments in England gives priority to security and liquidity and the Council's aim is to achieve a yield commensurate with these principles. The Council continued to adopt a cautious approach to lending to financial institutions and continuously monitored credit quality information relating to counterparties.
15. During the first half of the financial year term fixed deposits have been placed with other Local Authorities as per the approved lending list, whilst Money Market Funds have been utilised for short-term liquidity. Inter Local Authority lending remains an attractive market to deposit

¹ LOBO (Lender's Option/Borrower's Option) Loans are long-term loans which include a re-pricing option for the bank at predetermined intervals.

funds with from a security view point, whilst the Government's Debt Management Deposit Facility (DMADF) has also provided a competitive and secure counterparty from time to time.

16. The Treasury Management Strategy Statement and Annual Investment Strategy for 2023/24 included the use of external fund managers and pooled funds to diversify the investment portfolio through the use of different investment instruments, investment in different markets, and exposure to a range of counterparties. It is expected that these funds should outperform the Council's in-house investment performance over a rolling three-year period. The strategy permitted up to 50% of the total portfolio to be invested with external fund managers and pooled funds (excluding Money Market Funds). The performance of the pooled funds will continue to be monitored by the Treasury Management Strategy Team (TMST) throughout the year against respective benchmarks and the in-house portfolio.
17. At the start of the year the UK Bank Rate was 4.25% which was in line with the forecast. With ongoing inflationary pressures impacting on the UK economy, interest rates rose higher than forecast to 5.00% in June. The new forecast is that rates peaked at 5.25% in August 2023, and remain there until autumn 2024 where it is expected they will slowly reduce to 2.50% by summer 2026.

The Council's Lending List

18. In-house cash balances are deposited with institutions that meet the council's approved credit rating criteria. The approved lending list, which sets out those institutions, is updated to reflect changes in bank and building society credit ratings. Changes are reported to Cabinet as part of the Business Management & Monitoring Report. The approved lending list may also be further restricted by officers, in response to changing conditions and perceived risk. There were no changes to the lending list during the first half of 2023/24.

Investment Performance

19. Temporary surplus cash balances include: developer contributions; council reserves and balances; and various other funds to which the Council pays interest at each financial year end. The budgeted annual return on these in-house balances for 2023/24 was 3.00% and assumed an average annual in-house cash balance of £379.144m.
20. The actual average daily balance of temporary surplus cash invested in-house was £499.055m for the first half of 2023/24 and the average in-house return was 3.53%, producing gross interest receivable of £8.866m. Gross distributions from pooled funds totalling £1.836m were also realised in the first half of the year, bringing total investment income to £10.702m. This compares to budgeted investment income of £7.073m, giving a net overachievement of £3.629m. This reflects a combination of higher than forecast average cash balances, and higher than forecast interest rates.
21. Cash balances for the year are forecast to be lower than they otherwise would be as a result of negative Dedicated Schools Grant balances relating to High Needs. The cumulative negative DSG balance is forecast to be £59.4m by the end of 2023/24. Since this reflects actual cash spent by the council this means there is an estimated opportunity cost of £1.8m in unearned interest for the year. The cumulative opportunity cost of lost interest is estimated to be £2.55m by the end of 2023/24.

22. The Council operates a number of instant access call accounts and money market funds to deposit short-term cash surpluses. During the first half of 2023/24 the average balance held on instant access was £68.845m, at an average rate of 4.75%.
23. At 30 September 2023 the total value of pooled fund investments was £93.473m. This is marginally down from the value as at 30 June 2023 of £93.796m.
24. At 30 September 2023, the Council's investment portfolio of £577.189m comprised £440.500m of fixed term deposits, £43.216m at short term notice in money market funds and £93.473m in pooled funds with a variable net asset value. Annex 4 provides an analysis of the investment portfolio at 30 September 2023.
25. The Council's Treasury Management Strategy Team regularly monitors the risk profile of the Council's investment portfolio. An analysis of the credit and maturity position of the portfolio at 30 September 2023 is included at Annex 4.

Prudential Indicators for Treasury Management

26. During the financial quarter, the Council operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy for 2023/24. The position as at 30 September 2023 for the Prudential Indicators is shown in Annex 3.

Financial Implications

27. This report is mostly concerned with finance and the implications are set out in the main body of the report.

Comments checked by:

Lorna Baxter, Section 151 Officer, lorna.baxter@oxfordshire.gov.uk

Legal Implications

28. The report meets the requirements of both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003. There are no other legal implications.

Comments checked by:

Paul Grant, Head of Legal, paul.grant@oxfordshire.gov.uk

Sustainability Implications

29. This report is not expected to have any negative impact with regards to the Council's zero carbon emissions commitment by 2030.

Contact officer: Tim Chapple – Treasury Manager
Contact number: 07917 262935
October 2023

OXFORDSHIRE COUNTY COUNCIL DEBT FINANCING 2023/24

| | |
|---|--------------------|
| <u>Debt Profile</u> | £m |
| 1. PWLB | 64% 256.38 |
| 2. Other Long Term Loans | 12% 50.00 |
| 3. Sub-total External Debt | 306.38 |
| 4. Internal Balances | 24% 96.34 |
| 5. Actual Debt at 31 March 2023 | 100% 402.72 |
| 6. Prudential Borrowing | 73.35 |
| 7. Borrowing in Advance | 0.00 |
| 8. Minimum Revenue Provision | -11.84 |
| 9. Forecast Debt at 31 March 2024 | 464.23 |
| <u>Maturing Debt</u> | |
| 10. PWLB loans maturing during the year | -12.00 |
| 11. PWLB/LOBO loans repaid prematurely | -10.00 |
| 12. Total Maturing Debt | -22.00 |
| <u>New External Borrowing</u> | |
| 13. PWLB Normal | 0.00 |
| 14. PWLB loans raised in the course of debt restructuring | 0.00 |
| 15. Money Market LOBO loans | 0.00 |
| 16. Total New External Borrowing | 0.00 |
| <u>Debt Profile Year End</u> | |
| 17. PWLB | 52% 244.38 |
| 18. Money Market loans (incl £35m LOBOs) | 9% 40.00 |
| 19. Forecast Sub-total External Debt | 284.38 |
| 20. Forecast Internal Balances | 39% 179.85 |
| 21. Forecast Debt at 31 March 2024 | 100% 464.23 |

Line

- 1 – 5 This is a breakdown of the Council's debt at the beginning of the financial year (1 April 2020/21). The PWLB is a government agency operating within the Debt Management Office. LOBO (Lender's Option/ Borrower's Option) loans are long-term loans, with a maturity of up to 60 years, which includes a re-pricing option for the bank at predetermined time intervals. Internal balances include provisions, reserves, revenue balances, capital receipts unapplied, and excess of creditors over debtors.
- 6 'Prudential Borrowing' reflects Prudential Borrowing taken by the authority there is a robust investment to save model; or the council has a significant unmet capital need.
- 7 'Borrowing in Advance' is the amount the Council borrowed in advance to fund future capital finance costs.
- 8 The amount of debt to be repaid from revenue. The sum to be repaid annually is laid down in the Local Government and Housing Act 1989, which stipulates that the repayments must equate to at least 4% of the debt outstanding at 1 April each year.
- 9 The Council's forecast total debt by the end of the financial year, after taking into account new borrowing, debt repayment and movement in funding by internal balances.
- 10 The Council's normal maturing PWLB debt.
- 11 PWLB debt repaid early during the year.
- 12 Total debt repayable during the year.
- 13 The normal PWLB borrowing undertaken by the Council during 2023/24.
- 14 New PWLB loans to replace debt repaid early.
- 15 The Money Market borrowing undertaken by the Council during 2023/24
- 16 The total external borrowing undertaken.
- 18-22 The Council's forecast debt profile at the end of the year.

Long-Term Debt Maturing 2023/24**Public Works Loan Board: Loans maturing during 2023/24**

| Date | Amount £m | Rate % |
|--------------|------------------|---------------|
| 30/04/2023 | 2.000 | 5.625% |
| 22/05/2023 | 2.000 | 5.625% |
| 01/11/2023 | 8.000 | 5.000% |
| | | |
| Total | 12.000 | |

LOBO Loans called & repaid during 2023/24

| Date | Amount £m | Rate % |
|--------------|------------------|---------------|
| 31/08/2023 | 5.000 | 3.820% |
| 27/10/2023 | 5.000 | 4.290% |
| | | |
| Total | 10.000 | |
| | | |

Prudential Indicators Monitoring at 30 September 2023

The Local Government Act 2003 requires the Authority to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. To demonstrate that the Authority has fulfilled the requirements of the Prudential Code the following indicators must be set and monitored each year.

Authorised and Operational Limit for External Debt

Actual debt levels are monitored against the Operational Boundary and Authorised Limit for External Debt below. The Operational Boundary is based on the Authority's estimate of most likely, i.e. prudent, but not worst case scenario for external debt. The council confirms that the Operational Boundary has not been breached during the first quarter of 2023/24.

The Authorised Limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements. The Authority confirms that the Authorised limit was not breached in the first quarter of 2023/24.

| | |
|--|--------------|
| Authorised limit for External Debt | £555,000,000 |
| Operational Limit for External Debt | £570,000,000 |
| Capital Financing Requirement for year | £508,413,000 |

| | Actual 30/09/2023 | Forecast 31/03/2024 |
|-----------------------------|------------------------------|--------------------------------|
| Borrowing | £297,382,618 | £284,382,618 |
| Other Long-Term Liabilities | £ 17,000,000 | £ 17,000,000 |
| Total | £314,382,618 | £301,382,618 |

Interest Rate Exposures

These indicators are set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest exposures. Fixed rate investments are borrowings are those where the rate of interest is fixed for the whole financial year. Instruments that mature during the financial year are classed as variable rate.

Fixed Interest Rate Exposure

| | |
|------------------------------------|---------------|
| Fixed Interest Net Borrowing limit | £350,000,000 |
| Actual at 30 September 2023 | -£135,117,382 |

Variable Interest Rate Exposure

| | |
|---------------------------------------|--------------|
| Variable Interest Net Borrowing limit | £0 |
| Actual at 30 September 2023 | -£79,727,407 |

Principal Sums Invested over 365 days

| | |
|--|--------------|
| Total sums invested for more than 364 days limit | £215,000,000 |
| Actual sums invested for more than 364 days | £ 96,500,000 |

Maturity Structure of Borrowing

This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing and the actual structure at 30 September 2023, are shown below. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

| | Limit % | Actual % |
|---------------------|----------------|-----------------|
| Under 12 months | 0 – 20 | 7.73 |
| 12 – 24 months | 0 – 25 | 3.36 |
| 24 months – 5 years | 0 – 35 | 28.25 |
| 5 years to 10 years | 5 – 40 | 27.37 |
| 10 years + | 25 – 95 | 33.29 |

OXFORDSHIRE COUNTY COUNCIL INVESTMENT PORTFOLIO 30/09/2023

Fixed term deposits held at 30/09/2023

| Counterparty | Principal Deposited | Maturity Date |
|--|----------------------------|----------------------|
| The Highland Council | £5,000,000.00 | 10/10/2023 |
| South Ayrshire Council | £5,000,000.00 | 11/10/2023 |
| Powys County Council | £10,000,000.00 | 12/10/2023 |
| Plymouth City Council | £10,000,000.00 | 19/10/2023 |
| DMADF | £10,000,000.00 | 20/10/2023 |
| DMADF | £10,000,000.00 | 25/10/2023 |
| London Borough of Hillingdon Council | £5,000,000.00 | 26/10/2023 |
| Liverpool City Council | £5,000,000.00 | 27/10/2023 |
| Moray Council | £5,000,000.00 | 31/10/2023 |
| Medway Council | £5,000,000.00 | 06/11/2023 |
| Plymouth City Council | £5,000,000.00 | 07/11/2023 |
| West Dunbartonshire Council | £5,000,000.00 | 20/11/2023 |
| Cambridgeshire County Council | £10,000,000.00 | 22/11/2023 |
| Wrexham County Borough Council | £5,000,000.00 | 22/11/2023 |
| Reading Borough Council | £5,000,000.00 | 22/11/2023 |
| Medway Council | £5,000,000.00 | 23/11/2023 |
| Worcestershire County Council | £5,000,000.00 | 08/12/2023 |
| Great Yarmouth Borough Council | £6,000,000.00 | 13/12/2023 |
| Watford Borough Council | £5,000,000.00 | 14/12/2023 |
| Surrey County Council | £5,000,000.00 | 22/12/2023 |
| Cambridgeshire County Council | £5,000,000.00 | 10/01/2024 |
| Denbighshire County Council | £5,000,000.00 | 18/01/2024 |
| London Borough of Lambeth Council | £10,000,000.00 | 22/01/2024 |
| Manchester City Council | £10,000,000.00 | 23/01/2024 |
| Fife Council | £5,000,000.00 | 24/01/2024 |
| Oadby and Wigston Borough Council | £8,000,000.00 | 24/01/2024 |
| Falkirk Council | £5,000,000.00 | 25/01/2024 |
| Fife Council | £5,000,000.00 | 25/01/2024 |
| Guildford Borough Council | £10,000,000.00 | 25/01/2024 |
| Aberdeenshire Council | £5,000,000.00 | 05/02/2024 |
| Aberdeenshire Council | £5,000,000.00 | 08/02/2024 |
| Kirklees Council | £5,000,000.00 | 15/02/2024 |
| South Ayrshire Council | £3,000,000.00 | 22/02/2024 |
| Gravesham Borough Council | £6,000,000.00 | 07/03/2024 |
| Gravesham Borough Council | £5,800,000.00 | 15/03/2024 |
| Bury Metropolitan Borough Council | £2,000,000.00 | 10/04/2024 |
| Ashford Borough Council | £5,000,000.00 | 23/04/2024 |
| North Lanarkshire Council | £5,000,000.00 | 24/04/2024 |
| Ashford Borough Council | £5,000,000.00 | 24/04/2024 |
| Police and Crime Commissioner for Merseyside | £5,000,000.00 | 24/04/2024 |

| | | |
|--|----------------------------|----------------------|
| Rotherham Metropolitan Borough Council | £5,000,000.00 | 26/04/2024 |
| Rotherham Metropolitan Borough Council | £5,000,000.00 | 26/04/2024 |
| Gravesham Borough Council | £2,500,000.00 | 26/04/2024 |
| Gravesham Borough Council | £2,400,000.00 | 26/04/2024 |
| Gravesham Borough Council | £1,800,000.00 | 26/04/2024 |
| Rushmoor Borough Council | £5,000,000.00 | 10/05/2024 |
| London Borough of Newham Council | £5,000,000.00 | 13/05/2024 |
| London Borough of Newham Council | £5,000,000.00 | 13/05/2024 |
| Gloucester City Council | £7,000,000.00 | 15/05/2024 |
| Cheshire East Borough Council | £5,000,000.00 | 15/05/2024 |
| West Dunbartonshire Council | £5,000,000.00 | 16/05/2024 |
| The Highland Council | £3,000,000.00 | 17/05/2024 |
| Rushmoor Borough Council | £5,000,000.00 | 21/05/2024 |
| North Lanarkshire Council | £5,000,000.00 | 21/05/2024 |
| South Ayrshire Council | £5,000,000.00 | 24/05/2024 |
| Worcestershire County Council | £5,000,000.00 | 06/06/2024 |
| Manchester City Council | £5,000,000.00 | 17/06/2024 |
| Worcestershire County Council | £5,000,000.00 | 27/06/2024 |
| Bradford Metropolitan District Council | £5,000,000.00 | 28/06/2024 |
| The Highland Council | £5,000,000.00 | 01/07/2024 |
| Conwy County Borough Council | £5,000,000.00 | 03/07/2024 |
| Isle of Wight Council | £5,000,000.00 | 05/07/2024 |
| North Lanarkshire Council | £5,000,000.00 | 05/07/2024 |
| Bradford Metropolitan District Council | £5,000,000.00 | 24/07/2024 |
| London Borough of Newham Council | £10,000,000.00 | 30/07/2024 |
| Cambridgeshire County Council | £5,000,000.00 | 15/08/2024 |
| London Borough of Brent Council | £5,000,000.00 | 15/08/2024 |
| West Dunbartonshire Council | £5,000,000.00 | 15/08/2024 |
| Plymouth City Council | £5,000,000.00 | 04/09/2024 |
| London Borough of Haringey Council | £5,000,000.00 | 05/09/2024 |
| Short Term Deposit Total | £387,500,000.00 | |
| Counterparty | Principal Deposited | Maturity Date |
| Rotherham Metropolitan Borough Council | £5,000,000.00 | 30/09/2024 |
| Worthing Borough Council | £3,000,000.00 | 19/11/2024 |
| Falkirk Council | £5,000,000.00 | 03/01/2025 |
| Police and Crime Commissioner for Lancashire | £5,000,000.00 | 06/01/2025 |
| Falkirk Council | £5,000,000.00 | 31/01/2025 |
| Police and Crime Commissioner for Lancashire | £5,000,000.00 | 14/04/2025 |
| Kirklees Council | £5,000,000.00 | 15/08/2025 |
| Derbyshire County Council | £5,000,000.00 | 26/08/2025 |
| North East Lincolnshire Council | £5,000,000.00 | 21/11/2025 |
| Worthing Borough Council | £5,000,000.00 | 21/11/2025 |
| Derbyshire County Council | £5,000,000.00 | 25/08/2026 |
| Long Term Deposit Total | £53,000,000.00 | |
| | | |
| Total Deposits | £440,500,000.00 | |

Money Market Funds

| Counterparty | Balance at 30/09/23 (£) | Notice period |
|---|-------------------------|---------------|
| Aberdeen Liquidity Fund | 50,308.47 | Same day |
| Goldman Sachs Sterling Liquid Fund | 0.00 | Same day |
| Deutsche Sterling Liquid Fund | 0.00 | Same day |
| Federated Sterling Liquidity Funds | 18,150,000.00 | Same day |
| Legal & General Sterling Liquidity Fund | 25,000,000.00 | Same day |
| CCLA Public Sector Deposit Fund | 0.00 | Same day |
| Morgan Stanley Sterling Liquid Fund | 260.31 | Same day |
| Total | 43,200,568.78 | |

Notice / Call Accounts

| Counterparty | Balance at 30/09/23 (£) | Notice period |
|------------------------|-------------------------|---------------|
| Santander Call Account | 3,694.65 | Same day |
| Barclays Current | 9,248.11 | Same day |
| Handelsbanken | 2,385.83 | Same day |
| Total | 15,328.59 | |

Strategic Bond Funds

| Fund | Balance at 30/09/23 (£) | Notice period |
|---|-------------------------|---------------|
| Threadneedle strategic bond fund (income) | 11,714,678.92 | 4 days |
| Threadneedle Global Equity Income Fund | 15,025,164.64 | 4 days |
| Kames Diversified Income | 8,747,673.99 | 4 days |
| Ninety One Diversified Income | 8,713,360.18 | 4 days |
| M&G Strategic Corporate Bond Fund | 10,612,547.96 | 4 days |
| Schroder Income Maximiser | 10,527,147.38 | 4 days |
| CCLA Diversified Income Fund | 4,622,656.80 | 4 days |
| Total | 69,963,229.86 | |

Property Funds

| Fund | Balance at 30/09/22 (£) | Notice period |
|--------------------------------------|-------------------------|---------------|
| CCLA Local Authorities Property Fund | 23,509,669.19 | Monthly |
| Total | 23,509,669.19 | |

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Division: **ALL**

ITEM 7

AUDIT AND GOVERNANCE COMMITTEE – 29 November 2023 FUTURE COUNCIL GOVERNANCE GROUP

Report of the Director of Law & Governance and Monitoring Officer

RECOMMENDATION

1. **The Committee is RECOMMENDED to note the report**

Background

2. The report presented to the committee on 29 September 2023 summarised the purpose and activities of the Future Council Governance.
3. For reference, the membership of the group is:

Liberal Democrat Green Alliance (4) Cllrs Robin Bennett, Andrew Gant, Judy Roberts and Roz Smith

Conservative Independent Alliance (3) Cllrs Yvonne Constance, Ted Fenton and Eddie Reeves (Cllr Kieron Mallon has replaced Cllr Ted Fenton)

Labour and Cooperative Party Group (2) Cllrs Brad Baines and Charlie Hicks
Non-aligned Independent (1) Cllr Stefan Gawrysiak

4. Cllr Stefan Gawrysiak is the chair of the group.

Governance model

5. There is no consensus among members of the group for changing from leader with cabinet to a committee system. It is felt too late in the current council cycle, with the next election in May 2025, to consider a governance change. Members believe that changing to a different governance model at the present time would provide an unnecessary distraction from critical service issues.

Improving the current governance arrangements

6. The group has identified the following key issues:
 - a) Backbench members need to be more engaged in policy development with opportunities provided to influence decision-making. This might involve the appointment of deputy cabinet members for cabinet portfolios and setting-up cabinet advisory groups on a time-limited basis to focus on particular policy areas.

- b) More opportunities for scrutiny of young people services were essential, particularly in light of the outcome of the Ofsted inspection of Special Educational Needs. This involves establishing a Young People Scrutiny Committee which will focus on the lived experiences of young people (up to the age of 25) and future generations.
- c) Developing an integrated forward plan that brings together the business of the Cabinet and Cabinet Members with full Council and Scrutiny.

Participatory process

- 7. Kellogg College, Oxford, has shown how local people could participate on citizen panels and influence local policies. Key to their success, however, is topic selection and appropriate resources for support staff, subject matter experts and expenses for participants.

Locality working

- 8. Members value the current format of meetings which allow them to meet with members from neighbouring divisions and share areas of concern with each other and council officers.

Democratic Processes Working Group

- 9. Following a relaunch discussion, the Democratic Processes Working Group has agreed to wait until the conclusion (or at least agreement of recommendations) of the Future Governance Working Group to allow for its findings to feed into the discussions of the Democratic Processes Working Group. The Democratic Processes Working Group's focus will be on three key areas:
 - a) Changes to Democratic Services, and how this fits in with the needs of members.
 - b) How members can be more effectively communicated with.
 - c) Whether political support is necessary for members to undertake their role.

Recommendations regarding these areas will be presented to the Performance and Corporate Services Overview and Scrutiny Committee.

Next steps

- 10. The next meeting of the Future Council Governance Group will be held on 27 November 2023 to consider the areas identified at 5, 6, 7 and 8 and formulate recommendations, if necessary, for full Council. Subject to the outcome of discussions at that meeting, a report setting out the recommendations of the group will be presented to the committee (Annex A will follow if necessary).

Corporate policies and priorities

- 11. The Council has a stated priority to ensure a vibrant participatory democracy

Financial implications

12. Should there be a change in governance model, the cost of implementation, plus any on-going costs from 2024-25, would need to be considered as part of the budget agreed by Council in February 2024.

Legal implications

13. Governance arrangements are included in the Local Government Act 2000 (LGA 2000), as amended by the Localism Act 2011. Section 9B of Part 1A of the LGA 2000 sets out the three governance models: executive arrangements, committee system or prescribed arrangements. Section 9BA sets out the power of the Secretary of State to prescribe additional permitted governance arrangements.
14. Any change of the model of governance or changes to the Council's Scrutiny arrangements or Constitution would require approval of Council.

Equality and inclusion implications

15. Any proposal to change the Council's governance arrangements would need to be accompanied by an equality impact assessment which will identify how the changes affect protected groups.

Anita Bradley
Director of Law & Governance and Monitoring Officer

Background papers: Centre for Governance and Scrutiny publication
'Rethinking Council Governance'

Annex A to follow if available: Report setting out the recommendations of the Future Council Governance Group.

Contact officer: Simon Harper
Head of Governance
Email simon.harper@oxfordshire.gov.uk

November 2023

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Divisions affected – **ALL**

ITEM 8

AUDIT AND GOVERNANCE COMMITTEE

29 November 2023

WHISTLEBLOWING POLICY

Report by the Director of Law & Governance and Monitoring Officer

RECOMMENDATION

1. **To note the number of incidents of Whistleblowing during the 2022-23 financial year.**
2. **To note the work being undertaken on the development of a revised Whistleblowing Policy in light of the lessons learned from operation of the current Policy since November 2021.**

Background

3. A revised Whistleblowing Policy was presented to the Audit and Governance Committee on 17 November 2021 and the Council has operated under that Policy since November 2021. It focuses primarily on employees, councillors and contractors. A copy of the policy is attached to the report.
4. The main thrust of national whistleblowing guidance and policies is on encouraging internal persons to blow the whistle on a situation in the public interest, that the public might otherwise lack the internal knowledge to raise. The policy, however, recognises that the public may sometimes also wish to raise a whistleblowing concern. The emphasis is on encouraging legitimate concerns rather than being unduly prescriptive on who can raise concerns.
5. There is sometimes confusion on whether an individual raising a concern is whistleblowing or making a complaint. If the concern refers to others, for example the organisation, other staff, clients or the wider public, this is categorised as whistleblowing. If the concern refers to the individual, for example a personal grievance about terms of employment, pay or unfair treatment, this would be categorised as a complaint or grievance.

6. A single point of confidential contact is available at whistleblowing@oxfordshire.gov.uk and overseen by the Monitoring Officer and Chief Internal Auditor. The policy gives the contact details of senior managers and external organisations in case a person wishes to raise matters that way in the first instance.

Incidents of whistleblowing during 2022-23

7. Ten whistleblowing allegations were received. Three were assessed by the Monitoring Officer as requiring action under a different council policy (e.g. Grievance Procedure) and seven were accepted as requiring investigation under the council's whistleblowing policy. Summary details are provided below:
- a) Allegation of poor standard of care provided by a Council Service. Investigation completed.
 - b) Allegations of bullying behaviour by Council employee. Investigation completed.
 - c) Allegations of bullying in an educational setting and the organisational response. Investigation completed.
 - d) Allegations regarding the treatment of a looked-after child. Investigation completed.
 - e) Failure of a directorate to perform a statutory function. Investigation completed.
 - f) Allegations regarding the failure to follow an internal human resources process. Investigation completed.
 - g) Allegations of false representations being made by a supplier to the Council. Investigation completed.
8. One of the allegations was reported by another public sector organisation, one was anonymous, three were from council contractors and two were reported by Council employees.
9. For the first six months of 2023-24, 1 April to 30 September 2023, nine whistleblowing allegations were received. Of these, five were assessed by the Monitoring Officer as requiring action under a different Council policy. Three have been accepted as requiring investigation under the Council's Whistleblowing Policy and one is currently being assessed by the Monitoring Officer. These incidents will be reported to the Audit and Governance Committee in due course.
10. The Whistleblowing Policy is currently under review having been in operation for two years to provide greater clarity in the explanation of the six categories

set out in the Employment Rights Act 1996 that make a complaint a qualifying disclosure under the Public Interest Disclosure Act 1998. It will also set out how a complaint that does not fall within the strict definition of a whistleblow may be investigated. An updated policy will be presented to the committee in due course and once a revised Policy has been approved training will be rolled out on that Policy.

11. On 23 June 2023 – World Whistleblowers’ Day an article featured on the front page of the Council’s intranet to raise awareness amongst employees as to how they could raise a concern under the Whistleblowing Policy. The receipt of whistleblowing complaints is considered as a healthy indicator that within an organisation people are prepared to speak out if they do not consider something is right or safe.

Corporate policies and priorities

12. The Whistleblowing Policy supports the Council’s organisational values, most notably ‘equality and integrity in all that we do’ and ‘taking responsibility’.

Financial implications

13. No direct financial implications

Risk management implications

14. Without clear arrangements for employees to raise whistleblowing concerns safely, it is difficult for an organisation effectively to manage the risks it faces.

Legal implications

15. Under the scheme of delegation in the Constitution, the Monitoring Officer has authority to agree and adopt the governance policies for the Council, including the Whistleblowing Policy, following consultation with the Leader, Deputy Leader and Director of Finance.
16. The Public Interest Disclosure Act 1998 sets out a framework for a worker to make disclosure (whistleblowing) about categories of wrong-doing, if there is a public interest in doing so. A person raising such a concern has a right not to suffer any detriment. The Council’s Whistleblowing Policy is consistent with the expected framework, and other best practice guidance, and sets out the expected protections.

Equality and inclusion implications

17. The Whistleblowing Policy is intended to give confidence to all who wish to raise an allegation of wrongdoing and not to disadvantage any individual that has one or more protected characteristic.

Anita Bradley
Director of Law & Governance and Monitoring Officer

Annex: Whistleblowing Policy

Contact Officer: Simon Harper, Head of Governance
Email simon.harper@oxfordshire.gov.uk

November 2023

Whistleblowing Policy

- A. Introduction**
- B. What is whistleblowing**
- C. Who can use this Policy**
- D. Confidentiality**
- E. Supporting and protecting whistleblowers**
- F. Untrue allegations**
- G. Role of trade unions and professional associations**
- H. How to blow the whistle**
- I. Review of policy, contacts and flowchart**

A. Introduction

1. This policy explains the types of concerns that are regarded as whistleblowing; how they can be raised directly with the council; and details of alternative channels, where this is more appropriate. The aim of this policy is primarily to ensure that our employees, agency workers, self-employed contractors, volunteers and councillors with Oxfordshire County Council know how to raise concerns about the council .
2. This policy aims to:
 - a) encourage people working for the council to report any suspected wrongdoing as soon as possible, in the knowledge that their concern will be taken seriously and investigated as appropriate, and that their confidentiality will be respected as far as possible.
 - b) provide guidance on how to raise those concerns.
 - c) reassure anyone raising a genuine concern, made in the public interest, that this can be done without fear of reprisals, even if they turn out to be mistaken.
3. Concerns about an employee's own employment should be raised by following the procedures set out in the council's Resolving Grievances Policy.

B. What is 'Whistleblowing'?

4. Whistleblowing is the raising of any serious concern about a fraud, crime, danger or other serious risk that could threaten customers, the public, colleagues or the Council's reputation. The concern must relate to something which it is in the public interest, and not solely a person's own interests, to raise. An employee who makes a disclosure under this policy must reasonably believe:
 - (i) that they are acting in the public interest; and
 - (ii) that the disclosure tends to show past, present or likely future wrongdoing falling into one or more of the following categories:
 - conduct which is an offence or breach of the law;
 - health and safety risks, including risks to the public as well as employees/workers;
 - damage to the environment;
 - abuse of clients;
 - safeguarding concerns relating to children, young people or adults with care and support needs;
 - practice which falls below established standards of practice;
 - unauthorised use of public funds;
 - possible fraud, corruption or financial irregularity including unauthorised use of Council funds (please see the Anti-Fraud and Corruption Policy);
 - unauthorised disclosure of confidential information;
 - unreasonable conduct resulting in unfair pressures on staff;
 - any other unethical conduct; and
 - covering up information about anything listed above.
5. The above list is neither exclusive nor exhaustive. Thus, any serious concerns that you have, which are in the public interest, about any aspects of service provision can be reported under the Whistleblowing Policy. In some instances, concerns expressed about the conduct of officers or members of the council or others acting on behalf of the council will need to be considered under the relevant complaints arrangements, eg. complaints about councillors would normally need to be reviewed under the Complaints Arrangements underpinning the Member Code of Conduct
6. These issues could have arisen in the past, be currently happening or likely to happen in the future.

C. Who can use this Policy?

- A Council employee (current or past)
- A Council Contractor, agency worker or consultant
- A Volunteer with the council
- A Councillor
- Supplier (or someone working for the supplier, employed or self-employed)
- If necessary, a member of the public

7. Members of the public can raise concerns through the Council's complaints processes or via the Local Government and Social Care Ombudsman or the Council's External Auditors. However, while the Whistleblowing Policy is intended mainly for concerns raised by employees, and for those working with or for the Council, any concerns from the members of the public raised through this Policy will be reviewed.
8. If a member of the public or a member of staff contacts a County Councillor with a whistleblowing concern, then the Councillor should contact the Monitoring Officer in the first instance.

D. Confidentiality

9. All concerns will be treated sensitively and with due regard to confidentiality and where possible every effort will be made to protect a whistleblower's wishes. However, the Council does not encourage staff to make disclosures anonymously as this can constrain the process of investigation. The information will, normally, need to be passed on to those with a legitimate need to see it in order to investigate the matter and to act upon any findings. Annex 3 includes some further guidance about the protections when a concern is raised.
10. It may be necessary for the whistleblower to provide a written statement or act as a witness in any subsequent disciplinary proceedings or enquiry. This will always be discussed with the whistleblower first.
11. Where concerns are expressed anonymously, the Council's Monitoring Officer will determine how best an investigation may still be carried out, depending on the nature of the allegations, the evidence/information presented, and the public interest involved.

E. Supporting and protecting whistleblowers

12. Staff will not suffer any detrimental treatment as a result of raising a concern or making a disclosure. Employees have a right to report their concerns if they have reasonable belief that wrongdoing may be occurring, or has occurred, within the Council. We recognise that deciding to report a concern can be a difficult decision to make. We will not tolerate any harassment or reprisals of whistleblowers and will take appropriate action to protect you when you raise a concern in good faith.
13. The Public Interest Disclosure Act 1998 protects employees from reprisal, victimisation or harassment at work if they raise a concern that they reasonably believe is in the public interest. If any persons raising a concern believe themselves to be suffering a detriment for having raised a concern, this should be made known to the Monitoring Officer (contact details below).

F. Untrue allegations

14. If you make an allegation in good faith and in the public interest but it is not confirmed by the investigation, no action will be taken against you. Allegations that are made without a reasonable belief as to their truth or made maliciously are a serious matter and are likely to be a disciplinary offence.

G. Role of trade unions and professional associations

15. Employees can raise concerns directly themselves or can ask their trade union or professional association to do so on their behalf. Whistleblowers can bring a trade union or professional association representative or friend with them to any meetings.

H. How to blow the whistle

Step 1 – Blowing the whistle

16. You can raise your concern in writing at whistleblowing@oxfordshire.gov.uk or verbally via the Whistleblowing hotline: 01865 328573.
17. This is a confidential email address and telephone number, attended by the service reporting directly to the Council's Chief Internal Auditor. You can also whistleblow in writing to the Chief Internal Auditor (Whistleblowing), Oxfordshire County Council, New Road, Oxford, OX1 1ND.
18. It is hoped that in many cases employees will be able to raise any concerns with their line manager or director, as a means of resolving concerns quickly, effectively and at the earliest opportunity. A list of senior managers is included at Annex 1. Similarly, there are external organisations you may wish to contact or consult, listed at Annex 2. You should give as much evidence or other reasonable grounds as you can when you raise your concern. This will help with any investigation into the alleged wrongdoing.

Step 2 – how the Council will respond to your whistleblow

19. Once you've raised your concern it will be acknowledged as soon as possible. Within 10 working days you'll receive a reply setting out:
 - How the concern will be dealt with
 - Whether any further information is needed from you at this stage.
 - An estimate of how long it will take to provide a final response.
 - Whether any initial enquiries have been made.
 - Whether further investigations will take place, and if not why not.
 - Details of support available to you.

20. Advice for managers and councillors on dealing with concerns is available from the Counter Fraud Team at whistleblowing@oxfordshire.gov.uk

Step 3 - Investigation

21. If an investigation has been considered necessary, it may lead to one or more of the following:
- an internal investigation under the direction of the Monitoring Officer for example it might take the form of a disciplinary investigation or an investigation by Internal Audit.
 - a referral to the Police.
 - a referral to the council's external auditor.
 - arranging an external independent investigation.

Step 4 - Outcome

22. The council will inform you in writing of the outcome of any investigation or any action taken, subject to the constraints of confidentiality and the law.
23. If you do not believe your concern has been addressed adequately, you can raise it with an independent body such as:
- the council's external auditor
 - Trade Union
 - Citizens' Advice Bureau
 - a relevant professional body or regulatory organisation
 - a relevant voluntary organisation
 - Police
 - Local Government and Social Care Ombudsman
 - Equalities and Human Rights Commission
 - NSPCC should the concern relate to a child.

See Annex 2 for contact details.

24. There is a continuing duty to the Council not to disclose confidential information. This does not prevent you from seeking independent advice at any stage nor from discussing the issue with the charity Protect (previously called Public Concern at Work) on 020 3117 2520 and www.protect-advice.org.uk, in accordance with the provisions of the Public Interest Disclosure Act 1998.

I. Review of this policy

25. The Council's Monitoring Officer has overall responsibility for this Policy, how it is used and how the Policy is working. It will be reviewed annually, with the Monitoring Officer taking an annual report to the Audit & Governance Committee to assess the effectiveness of the Policy and the arrangements and training underpinning it. The Monitoring Officer will also make an annual report on the type of cases dealt with under this Policy.

Responsible Officer: Monitoring Officer

Published: November 2023

Annex 1 - Contact Details (Oxfordshire County Council)

Confidential email: whistleblowing@oxfordshire.gov.uk

List of senior managers:

| | |
|---|---|
| Chief Executive and Head of Paid Service | Martin.Reeves@oxfordshire.gov.uk |
| Executive Director of Resources and Section 151 Chief Finance Officer | Lorna.Baxter@oxfordshire.gov.uk |
| Director of Law & Governance and Monitoring Officer | Anita.Bradley@oxfordshire.gov.uk |
| Chief Internal Auditor | Sarah.Cox@oxfordshire.gov.uk |
| Executive Director of People | Stephen.Chandler@oxfordshire.gov.uk |
| Head of Legal and Deputy Monitoring Officer | Paul.Grant@oxfordshire.gov.uk |
| Head of Governance | Simon.Harper@oxfordshire.gov.uk |
| Directors | |
| Corporate Director for Adult Social Care | Karen.Fuller@oxfordshire.gov.uk |
| Interim Corporate Director for Children's Services | Anne.Coyle@oxfordshire.gov.uk |
| Corporate Director for Public Health and Community Safety | Ansaf.Azhar@oxfordshire.gov.uk |
| Corporate Director for Environment and Place | Bill.Cotton@oxfordshire.gov.uk |
| Chief Fire Officer and Corporate Director for Community Safety | Rob.MacDougall@oxfordshire.gov.uk |
| Your Local Councillors (if you live in Oxfordshire) | Web site: www.oxfordshire.gov.uk Click on: council services>about your council>councillors |

Annex 2 – External Organisations

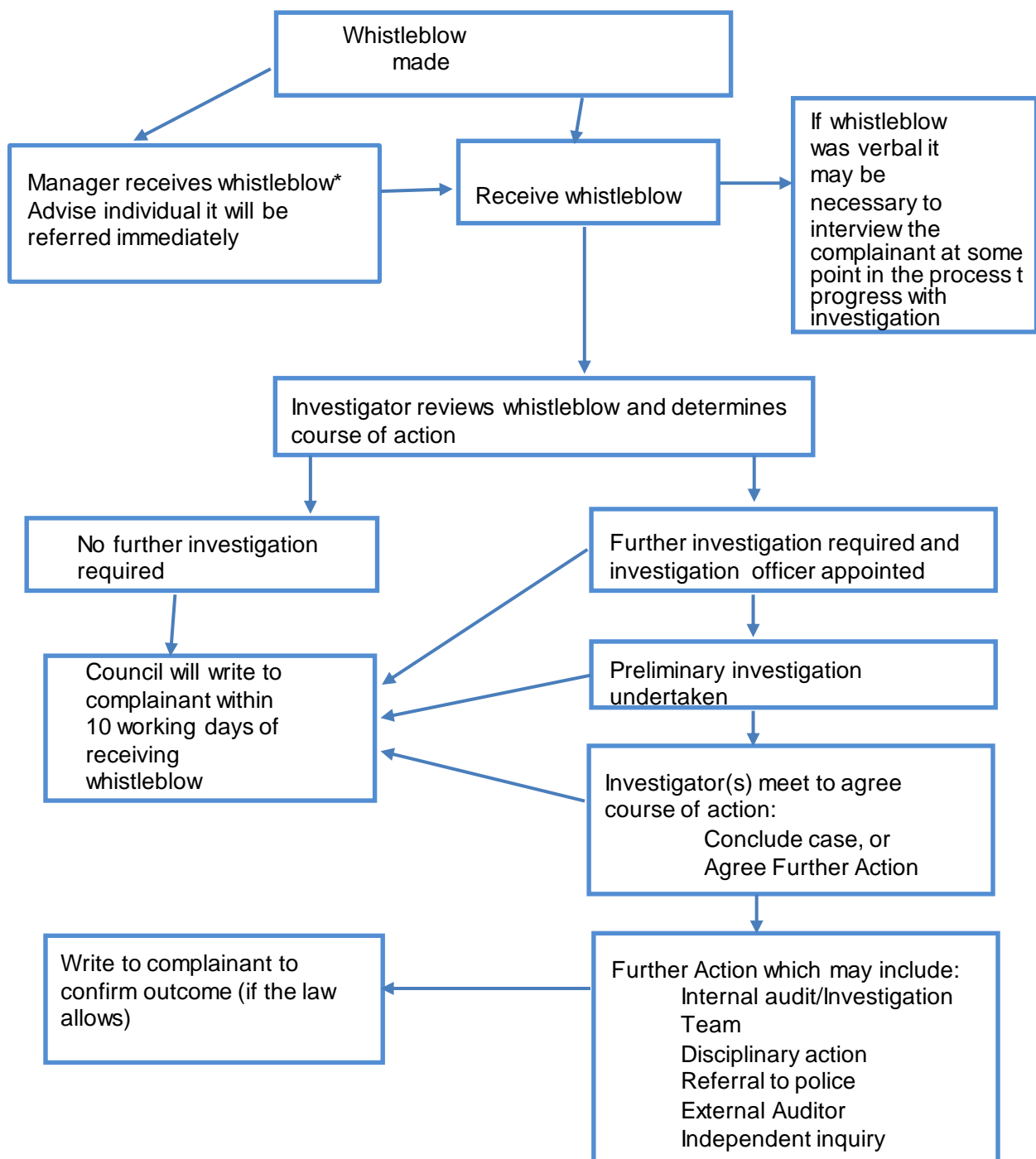
| Contact | Details |
|--|--|
| External Auditors Ernst & Young LLP | 2 Blagrove Street, Reading, RG1 1AZ www.ey.com 0118 928 1100 |
| The Local Government and Social Care Ombudsman | PO Box 4771, Coventry CV4 0EH www.lgo.org.uk 0300 061 0614 |
| The Equalities and Human Rights Commission | www.equalityhumanrights.com/en/whistleblowing#report |
| The Health and Safety Executive (Regional Office) | Priestley House, Priestley Road, Basingstoke, Hampshire. RG24 9NW www.hse.gov.uk 0300 790 6787 |
| The Environment Agency (Thames Regional Office) | Kings Meadow House, Kings Meadow Road, Reading. RG1 8DQ www.environment-agency.gov.uk 03708 506506 |
| Citizens Advice Bureau | www.citizensadvice.org.uk |
| Whistleblowing Helpline Free advice for NHS and Social Care | https://speakup.direct/ 08000 724725 |
| The NSPCC Whistleblowing Helpline (when it relates to children) | 0800 028 0285 Whistleblowing Advice Line NSPCC |
| Police | www.gov.uk/contact-police |
| Your Local Councillors (if you live in Oxfordshire) | You can find your Oxfordshire County Councillor on our website : |

Any directly relevant Body listed in the Department for Business, Energy & Industrial Strategy website under "[Blowing the whistle: list of prescribed people and bodies](#)"

Annex 3 – Whistleblowing & protections

- a) If a whistleblower has any doubt about whether it is lawful to make a disclosure, it is recommended that they take advice from the Director of Law and Governance or Chief Internal Auditor, before disclosing the detail to avoid inappropriate disclosure. This is so the whistleblower keeps any protection the law affords as a consequence of their actions. The law protects the whistleblower from any retaliation or discrimination which may occur, so long as any “protected disclosure” made is done so in good faith, it is proportionate to the circumstances and importantly that it is made to a prescribed person or relevant body only. to include reference to the for further advice regarding whether it is lawful to make a disclosure
- b) An employee is not protected or immune from other action being taken against them if making the disclosure breaks the law
- c) Any protection the whistleblower may be entitled to by law, may be compromised or lost if the disclosure is made to the press.

Whistleblowing Procedure – Flow chart



Audit and Governance Committee

DATE 29 November 2023

Community Safety Services Oxfordshire Fire and Rescue Service Statement of Assurance 2022/23

Report by Matt Cook, Deputy Chief Fire Officer

RECOMMENDATION

1. The Committee is RECOMMENDED to

Consider and approve the Community Safety Services, Statement of Assurance 2022/23 for publication. This document is procedural and not recommending any policy decision, strategy or project involving major change.

Executive Summary

The Fire and Rescue National Framework for England 2018 sets out a requirement for all fire and rescue authorities to provide annual assurance on financial, governance and operational matters through publishing an Annual Statement of Assurance. Oxfordshire Fire and Rescue Services, Annual Statement of Assurance confirms that we are demonstrating due regard to the requirements included in the framework and the expectations set out in the authorities' risk management plans. It covers activities across the Service including Fire and Rescue response, Road Safety, Emergency Planning, Trading Standards and Gypsy and Traveller Services.

Exempt Information

2. No areas of exemption requested. Content will be public facing and open to public scrutiny.

About the Community Safety Services, Oxfordshire Fire and Rescue Service, Statement of Assurance 2021/22

Purpose

3. Oxfordshire Fire and Rescue Authority is the designated Fire and Rescue Authority for the County of Oxfordshire. It has a primary responsibility to protect the community, reduce harm and save lives. The Chief Fire Officer and the Cabinet Member for Community Services and Safety ensure the Council meets its legal and operational responsibilities to provide an effective fire and rescue service for Oxfordshire's communities.

4. The Community Safety Services, Statement of Assurance is published in line with statutory reporting requirements. It provides assurance against the four strategic areas of protection, prevention, response and people outlined in the Services 2022-23 Fire and Rescue, Service Delivery Plan.
5. The Statement of Assurance supports principles of good governance by ensuring transparency, regular reporting and public accountability across the Services strategic priorities. Information has been presented with “readability” and engagement in mind and will be available online.
6. The Statement of Assurance signposts readers to further information to support understanding of the Directorates activities and performance. For example, the CSS Directorates Annual Report 2022/23 which is submitted to this Committee for approval as a separate document. The Annual Report includes a more detailed breakdown of the types and numbers of incidents fire crews attended. Both documents support assurance and good governance enabling elected members and communities to scrutinise how outcomes are being achieved efficiently, effectively and in accordance with statutory requirements.

Aligning with Oxfordshire County Council’s Corporate Policies and Priorities

7. The Statement of Assurance is aligned directly to the Councils Vision, Values, Objectives and Strategic Priorities. The document highlights how Community Safety Services contribute in particular to the following strategic priorities:
 - 1) Taking action to address the climate emergency in the way we work
 - 2) Tackling inequalities in Oxfordshire
 - 3) Prioritising the health and wellbeing of residents through our prevention and response work
 - 4) Supporting carers and the social care system through safeguarding and consumer protection
 - 5) Creating opportunities for children and young people to reach their full potential through education, work experience and fire cadets
 - 6) Engaging with our communities to play our part in a vibrant and participatory local democracy.
 - 7) Working with local businesses and partners for environmental, economic and social benefit.

Financial Implications

7. There are no new or additional financial implications arising from the Statement of Assurance. The document forms part of the annual procedural reporting process.

Legal Implications

8. There are no new or additional legal implications arising from the Statement of Assurance. The document forms part of the annual procedural reporting process.

Staff Implications

9. There are no new or additional resourcing implications. The document forms part of the annual procedural reporting process.

Equality & Inclusion Implications

9. There are no additional equality and inclusion implications. The Community Safety Services Directorate aims to ensure all areas of service delivery are considered within a risk based framework targeting those most vulnerable from harm. The Statement of Assurance contains references to initiatives designed to develop inclusivity within the Community Safety Services Directorate. All policies, procedures and working practices are assessed against an Equality Impact assessment. The Statement of Assurance document has been produced with accessibility and readability in mind.

Sustainability Implications

10. There are no sustainability implications within this proposal. Consideration has been given to limit environmental impact from printing and the publication will be made available to the general public as an online publication.

Risk Management

11. Community Safety Services activities are managed through robust national and local risk assessment frameworks. These include utilising and aligning with National Fire Chiefs Council guidance and National Fire Standards to manage operational and strategic risks. The Service also maintains a Directorate risk register and acts as the local authorities lead agency in business continuity, resilience, and emergency planning. The Service also Chairs the Local Resilience Forum, the CBRN (Chemical Biological Radioactive and Nuclear) group and engages in regular interoperability training with Category 1 and 2 responders. This report is not recommending any policy decision, strategy or project that would impact on the existing risk management strategy.

Consultations

12. There were no specific consultation requirements to producing the Community Safety Services, Statement of Assurance.

| | |
|--------------------|--|
| NAME | Rob MacDougall, Director of Community Safety and Chief Fire Officer |
| Annex: | Community Safety Services, Oxfordshire Fire and Rescue Service, Statement of Assurance 2022-23 |
| Background papers: | CSS Annual Report, Oxfordshire Fire and Rescue Service, Statement of Assurance 2022-23 |

Other Documents

- [Oxfordshire Fire and Rescue Service, Community Risk Management Plan, 2022-26](#)
- [HMICFRS Inspection Report 2021/22, Oxfordshire Fire and Rescue Service, Effectiveness efficiency and people.](#)

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November 2023

Oxfordshire Fire and Rescue Service

Statement of Assurance 2022-23

This important document outlines the way we meet our statutory duties.

You will find information on the following areas

- Introduction
- What is a Statement of Assurance?
- Governance
- Finance
- Annual Report 2022/23
- Community Risk Management Plan 2022/26
- Operational
- Emergency Response
- Prevention work
- Safeguarding
- Culture and Leadership
- Fire Protection activity
- Employee Relations and Resources
- Health and Safety
- Operational Learning, Training and Development
- National Fire Standards
- National Operational Guidance
- Emergency Planning
- Technology and Innovation
- Collaborative working
- Prevent
- Business and Corporate Services
- Gypsy and Traveller Services
- Trading Standards
- HMICFRS Inspection Report 2021/22
- Legislative and Constitutional frameworks – further information

**Please note hyperlink to Annual Report 2022/23 will be added following approval and pre-publication. The document pages are not numbered as it will be published as a seamless HTML page for easier reading.*

Introduction

Welcome to Oxfordshire Fire and Rescue Service's Statement of Assurance for 2022 to 2023. As the Cabinet Member and the Director of Community Safety and Chief Fire Officer, we are pleased to report on how we met the statutory duties of the Fire and Rescue Services Act, Regulatory Reform (Fire Safety) Order, Civil Contingencies Act and the Fire and Rescue National Framework for England.

The year has seen Oxfordshire Fire and Rescue Service (OFRS) deliver many successful initiatives by engaging with our diverse communities. For example, we saved Oxfordshire's most vulnerable communities thousands of pounds from scams by highlighting how fraudsters work. At the same time our firefighters faced an unprecedented number of fires from high summer temperatures related to climate change

Successful service delivery is linked to our staff and communities working together. Our drive to be one of the country's leading inclusive organisations continues unabated. Oxfordshire County Council invests heavily in the wellbeing of our staff and working culture where everyone is valued and can bring their whole selves to work.

Community Safety Services continues to deliver forward thinking services that aim to stop events from happening in the first place. We recognise that this can only be achieved by putting Oxfordshire's communities at the heart of what we do. Our staff are well motivated, equipped and trained to respond to the challenges we face in a rapidly changing world. We look forward to building on our successes and are firmly committed to continuing to improve wherever we can.

Councillor Dr Nathan Ley, Cabinet Member for Public Health, Inequalities and Community Safety

Rob MacDougall, Director of Community Safety and Chief Fire Officer

What is a Statement of Assurance?

The Fire and Rescue National Framework for England 2018 sets out a requirement for all fire and rescue authorities to provide annual assurance on financial, governance and operational matters through publishing an Annual Statement of Assurance. Oxfordshire Fire and Rescue Service's Annual Statement of Assurance confirms that we are demonstrating due regard to the requirements included in the framework and the expectations set out in the authority's risk management plans. The service also produces a separate Annual Report for 2022/23 detailing performance in important areas of service delivery.

You can read a copy of the Annual Report 2022/23 [*here](#)

Governance

Oxfordshire County Council is the designated Fire and Rescue Authority for the county of Oxfordshire. It has a primary responsibility to protect the community, reduce harm and save lives through prevention, protection and response. The Chief Fire Officer and the Cabinet Member for Community Services and Safety ensure the council meets its legal and operational responsibilities to provide an effective fire and rescue service for Oxfordshire's communities.

OFRS governance is carefully managed through regularly reviewed policies, procedures and assurance systems managed by monitoring officers and senior leadership officers. Effective systems of internal control are assured through a corporate governance framework. The Service adheres to the principles of the CIPFA / SOLACE framework "Delivering Good Governance in Local Government". Our Annual Governance statement demonstrates that we have fulfilled its obligations under this framework.

Further information can be found in Oxfordshire County Council's Annual Governance Statement which is included in our Statement of Accounts publication. A link to this information is included at the end of this document.

Finance

Our budget for 2022-2023

The total expenditure for Oxfordshire Fire and Rescue Service including corporate core costs was £28.6 million between 2022/23. This is equivalent to just 10.8p a day per person in Oxfordshire or £39.46 p/annum. As a Directorate of Oxfordshire County Council, the Service minimises its corporate running costs wherever possible through shared business support functions.

Community Safety Services works closely with other local authorities and agencies wherever possible to realise savings through collaborative purchasing arrangements.

Financial data is taken from the Local Authority Revenue, Expenditure and Financing 2022-23 Provisional Outturn return. Oxfordshire Fire and Rescue Service are an integral part of Oxfordshire County Council (OCC) who provide the *Statement of Accounts, audit reports and *Pay Policy statement. A summary of the Auditors' Report and findings can be found in the [Annual Audit letter](#).

Annual report 2022/23

As part of our reporting process, Community Safety Services also produces an Annual Report highlighting performance across key areas of service delivery. This document is designed to communicate our activities and aspirations to members of the public in an engaging and easy to read format. The Annual Report also highlights where our efforts and resources will be directed in the future. The report highlights where we have done well, identifies new incident trends and explores areas for improvement. It is an important demonstration of our community risk management planning processes. You can read a copy of the *latest annual report [here](#)

Community Risk Management Plan 2022/26 (CRMP)

Oxfordshire Fire and Rescue Service has produced a detailed CRMP outlining how we will reduce risk from fire and other emergencies between 2022 and 2026. The plan was published following extensive consultation and research to ensure our response, prevention, protection and people and wellbeing strategies consider current and future risks to our communities, businesses and infrastructure. You can read a copy of the CRMP [here](#).

Our CRMP aligns directly with the county council's vision and corporate objectives highlighting how we will work with statutory agencies, businesses and communities. The plan also outlines how we will carry out our statutory responsibility to support national emergencies in other parts of the UK. To ensure our planning remains current, key strategic risks are subject to regular review and analysis. Consideration of new and emerging risks are built into a horizon scanning and planning process.

Operational

OFRS functions within a clearly defined statutory and policy framework. As highlighted earlier, we address these core functions through our Community Risk Management Plan which identifies and assesses foreseeable fire and rescue related risks that could affect our community. You can find out more about legislative duties that govern fire and rescue services by following the hyperlinks at the end of this document.

Emergency Response

Oxfordshire Fire and Rescue Service responded to 6341 incidents between 2022 and 2023. Incidents ranged from wildfires caused by extreme summer temperatures to road traffic collisions. The Service also responded to special service calls with incident types including large animal rescues to supporting our blue light partners. This included helping to gain access to properties for paramedics where vulnerable injured people required medical care.

Between 2022 and 2023 our crews attended **6341** incidents in total. This included:

- 1451 fires
- 309 fires in people homes
- 151 fires in commercial properties
- 438 road traffic collisions
- 1799 Special services calls
- 176 Incidents of flooding
- 3097 Automatic fire alarms

We are a predominantly rural Service crewed by firefighters working shift and duty systems that reflect the response and risk profile of station areas.

Our operational response is provided through 25 stations and a dedicated team of 576 firefighters. This includes:

- 3 stations which are crewed by Whole Time firefighters 24/7 and On-Call
- 3 stations crewed during the day by Whole Time firefighters moving to an On-Call response during the evenings and at night
- 19 On-Call stations

Our crews are actively engaged in work to prevent incidents happening in the first place. They lead and support on a wide range of prevention activities in people's homes, schools, hospitals, community venues and local businesses. In addition, firefighters continue to build their understanding of risks in their area by visiting commercial premises.

We aim to attend 80% of all incidents within 11 minutes and 95% within 14 minutes of a call. Unfortunately, our performance reduced by 2% across both these targets compared to the year before. Between 2022/23 we attended 72% of incidents under 11 minutes and 84% of all incidents in under 14 minute. Response times are the ideal standards we set ourselves to get to an emergency. Many different factors can affect attendance times including the weather, road traffic conditions, the location of the nearest appliance, availability of crews etc. We have a dedicated Resource Management Team who pro-actively monitor and manage staffing on a daily basis to ensure appropriate crewing levels are maintained.

Over 50% (342) of our firefighters are employed through the On-Call duty system. On-Call duty firefighters are trained and equipped to the same standards as full-time firefighters. When required they are mobilised to a fire station directly from their home or work address. On-Call firefighters are often closely connected to their communities as they live or work close to the stations they respond to. Their ability to reach out and understand their communities supports our ability to better target our prevention work.

However, it has become an increasing challenge to recruit and retain sufficient numbers of On-Call firefighters. This is a national problem affecting Services based in predominantly rural areas. Lifestyles and social expectations are rapidly changing. Many people are unable to respond from their places of work or due to other personal care and social commitments. To address this decline the Service is working on a number of initiatives to attract members of the community who would normally never consider becoming an On Call firefighter. The Service is carrying out a comprehensive review across the service this includes monitoring different response models to ensure we meet current and future risks.

Prevention activity

The Prevention Department delivers education, advice and support targeting three risk areas i.e., fire, water and road safety. These activities are aimed at helping communities reduce and avoid incidents from happening in the first place. Between 2022/23 we rolled out a wide range of initiatives linked to our vision to make Oxfordshire one of the healthiest and safest counties in the country. This included:

- Carrying out 2849 Safe and Well visits targeting those most vulnerable to fire. Advice and support was given by our Prevention Team and fire crews to residents on how to avoid fires happening in the first place. These visits included checking and fitting smoke alarms where required. Our frontline staff are trained to look at wider issues and more than 32% of these visits resulted in a referral for additional support being made to our partner agencies.

A customer satisfaction evaluation exercise of this activity recorded a 100% satisfaction rate.

- In 2023 we launched a “#bewateraware” campaign to reduce the number of accidental drownings. This initiative involved engaging with and educating communities at many local events as well as through social media campaigning.
- Educating and developing the next generation to be safe and healthy has been a key plank of the Services prevention strategy. Between 2022/23 we visited 122 schools to talk about fire safety and carried out 173 safety cycling “Bikeability” courses benefitting 4,103 children.
- In 2022, 350 motorcyclists were killed in Great Britain, whilst 5,618 were reported to be seriously injured and 10,975 slightly injured. Our Prevention Team delivered 21 “Bikerdown” motorcycle safety training sessions reaching 221 bikers. Professional tutors provided practical skills and advice on avoiding crashes as well as how to provide lifesaving first aid to those involved in a motorcycle accident.

In 2022-23 we also implemented a new four-year prevention strategy that prioritised:

- Using data and links with our partner agencies to ensure we effectively target those most at risk to accidents and fire in our communities
- Developing digital solutions including introducing a mobile tablet app for crews to use when carrying out safe and well visits
- Evaluating our work and using an evidence-based approach to ensure we continuously learn and adapt how we work
- Increasing collaboration with other statutory and voluntary sector organisations
- Developing and rolling out a competency based framework to ensure our staff have a high standard of knowledge and understanding when carrying out Safe and Wells.

Safeguarding

Safeguarding continues to remain a priority for OFRS. Many of our frontline staff are uniquely placed and trusted by our communities. We often learn about issues ranging from hoarding, falls risk and isolation that others might be unaware of. The service collaborates with wide ranging partners connecting health, social care, and voluntary services to identify and support vulnerable members of the community.

In 2022/23 we ran 40 Safeguarding training sessions for over 370 front line staff. As result of regular training and learning, we recorded over 350 concerns being reported for additional social and welfare support services following a Safe and Well visit or an incident we attended.

The Service also participates in Oxfordshire's Annual Safeguarding Board's, peer review assessment and were pleased to have achieved a positive rating across each of the standards set by the board. You can read a copy of the most recent Oxfordshire Safeguarding Adults Board Report [here](#).

Culture and Leadership

His Majesties, Inspector of Constabularies and Fire and Rescue Services (HMICFRS) in 2021-22 reported that OFRS has a positive culture, supported health and wellbeing, and was worked hard to listen to staff. OFRS have continued to build positive cultures through regular staff engagement, monitoring diversity and community centred service delivery to help create a fully inclusive and diverse organisation. This includes aligning with the aspirations set out within the National Fire Chiefs Council's Core code of Ethics and inclusive behaviours.

Our values and vision encompasses our lived values and expectations at every level of the organisation. These are captured in the following four statements:

- **Be kind and care.** We value our staff; we respect and treat everyone with understanding and compassion; we care not just for our customers but each other. We take care of our own and others wellbeing.
- **Taking responsibility,** we hold ourselves accountable, take responsibility for what and how we deliver; we give and seek to be empowered to make a difference; we actively contribute to delivering the best for all
- **Daring to do it differently.** We innovate, we look to do things differently and improve the way we do things every day; we're not satisfied with the status quo and work creatively to solve problems.
- **Equality and integrity.** We embrace equality, diversity and inclusion valuing the difference in others. We always act with integrity, working in honest, ethical and supportive ways, building effective relationships; we trust each other to do what we promise.

Oxfordshire Fire and Rescue Service works hard to support and engage staff. Regular communication through in person and online resources such as "keeping you connected" and "Your Voice Matters" allow our staff to not only hear about the latest developments but engage with them. We also have a number of active staff networks and resources to support physical and mental wellbeing.

You can read about our efforts to develop a forward thinking and inclusive organisation in our *2022/23 annual report.

Fire Protection Activity

Our Fire Protection department continues to build on the successes from the previous year. Central government funding aimed at preventing future tragedies and learning from events such as Grenfell Towers enabled us to invest and improve our staff training, systems, and capacity. Key activities included:

Improved business engagement

Our business engagement lead delivered key themed activities targeting premises identified through the audit process. Between 2022 and 2023, our campaign work focused on visiting over 140 premises providing guesthouse and bed and breakfast facilities. Businesses were provided with leaflets and advice to help them comply with the latest fire safety legislation. This activity was run alongside an engaging social media campaign which recorded over 18,000 viewing engagements. Our*Primary Authority team also entered into two new agreements with social housing providers to provide assured management of fire safety advice.

*A Primary Authority agreement enables local authorities to improve compliance and build enhanced relationships with specific businesses. Our Fire Protection Team partnered with organisations that support vulnerable people to provide advice related to regulatory Fire Safety.

Fire Safety Audits

The Fire Protection uplift grant allowed us to continue to employ additional, qualified fire safety inspectors to undertake auditing and enforcement work. This continued investment enabled us to complete 566 fire safety building audits to be completed, a 13% increase compared to the previous year. Our fire safety audits use a clear risk-based approach to ensure that we focus on protecting Oxfordshire's most vulnerable communities from fire. We have continued to upskill our staff across the department to ensure we continue to meet, and often exceed, the requirements of the national competency framework. This included specialist courses being provided to improve fire safety in schools, hospitals and heritage buildings.

False Alarms

The number of false alarm incidents at commercial premises rose by 3% (3097) compared to the year before. While this rise may be related to more premises being equipped with fire detection systems, false alarms continue to be a disruptive and inefficient use of valuable operational resources locally and nationally. The Service engages in robust and pro-active discussion with business to ensure crews are only called out to respond to confirmed fires. This is balanced with ensuring safety where fire in high-risk premises where fire is suspected. A collaborative project planned with neighbouring Thames Valley fire and rescue services between 2023-24 has the objective of reducing false alarms as much as possible.

Fire Investigation Collaboration

Oxfordshire Fire and Rescue Service has led an ambitious collaborative project with Thames Valley Police and our two Thames Valley fire and rescue service partners to establish an ISO accredited joint forensic fire scene investigation unit. This project will ensure all our forensic investigation activities and evidence is delivered to demanding ISO standards so that it remains admissible in court.

Risk Information

A revised site-specific risk information system with improved mapping and supporting data has significantly enhanced the ability of our firefighters to quickly access safety critical hazard information on all medium and high-risk sites. This information is easily available to operational crews attending incidents through mobile data terminals installed in appliances or through portable devices.

Employee Relations and Resources

The Employment, Relations and Resource Team have continued to support the organisation by leading recruitment events and selection processes which have seen 43 On Call Firefighters pass the required tests. 28% of those that were successful were women and an improvement on the previous year. The Team have also facilitated training for managers to help them to have effective one-to-one meetings with their staff. This will result in both improved wellbeing and subsequently performance. The Employee, Relations and Resource Team has also improved our processes following an internal pay audit to ensure compliance.

Wellbeing for our employees is always at the front of our thoughts and this is reflected in our absence rates for our Wholetime Firefighters.

Oxfordshire Fire and Rescue Service have the third lowest absence levels compared with over 40 fire and rescue services that report on this.

We have identified areas of improvement which includes ensuring our staff reflect the communities we serve. This includes carrying out positive engagement activities to encourage more women and people from minority ethnic backgrounds to apply. Although our messaging and imagery is inclusive, the number of people applying and successfully passing tests from ethnically diverse backgrounds is still very low.

Health and Safety

Driving a positive Health Safety and Wellbeing culture remains a key priority for the Service. In 2022/23, the Health, Safety and Wellbeing Team completed an internal audit process followed by a peer audit from our southeast regional fire and rescue partners. We were really pleased with the results and areas of improvements identified are being actively addressed. A further comprehensive audit is planned for 2023/24.

Key achievements include:

- Improved Health and Safety recording through a revised electronic recording system
- Prioritising wellbeing through providing access to webinars on financial wellbeing as well as mental health and physical wellbeing resources.
- Over 99% of our Firefighters passed their annual fitness tests

Operational Learning, Training and Development

Oxfordshire Fire and Rescue Service places great importance on operational staff being highly skilled and knowledgeable, enabling them to respond safely to different types of emergencies at any time. Training is delivered through a range of methods ranging from on station firefighting practice to major exercises involving blue light partners, emergency planning officers and specialist advisors. Firefighters are exposed to wide ranging training scenarios ranging from those created using virtual reality modelling at our state-of-the-art VRX suite in Slade, to large commercial building fire simulations at the National Fire College or water rescue training at the Wallingford Hydrology centre.

Training Instructors have nationally recognised teaching and assessing qualifications covering breathing apparatus, road traffic collision and water rescue. Our training team has enhanced its capability to assess at nationally accredited Skills for Justice (SFJ) levels. We can now provide in house training and assessment from firefighter to station manager level.

Innovative and inclusive training material to support varied learning styles has been developed and introduced through 2022-23. Training packages have been refreshed and re-launched into videos and recorded formats. A review of the training and recording database has resulted in software refresh in 2023 -2024. Managers will be able to better monitor training and staff competence while firefighters will have enhanced access to training material across a range of mobile platforms.

Key achievements during 2022-23 include:

- The Incident Command Development team running 157 courses and assessments to develop command skills and competence.
- Our Training Teams led 242 core training courses including breathing apparatus, initial firefighter training, casualty care, working at height, and water rescue.
- The Driving Centre team delivered 77 emergency specialist driving skills courses covering fire engines to response cars. Emergency driver training courses could vary in length from a single day to ten days of input.
- The Training Team also facilitated a wide range of external specialist training ranging from hazardous material tactical courses to improving internal audit processes.

National Fire Standards

The National Fire Standards are a set of professional expectations for fire and rescue services in England. The standards establish a “benchmark” of what good practice looks like. They are an important consideration that HMICFRS Inspectors refer to when measuring performance in fire and rescue services. We are continuing to ensure that our existing processes and systems align with National Fire Standards. Oxfordshire Fire and Rescue Service have also regularly contributed to the development of new standards. You can read more about the National Fire Standards [here](#).

National Operational Guidance

National Operational Guidance provides industry good practice for fire and rescue services within the UK to develop local policies and procedures. Oxfordshire Fire and Rescue Service continued to work through 2022-23 to align our hazard, risk and training information with nationally agreed operational standards.

Emergency Planning

Oxfordshire Fire and Rescue Service supports emergency planning and business continuity from major events through its membership of the Thames Valley Local Resilience Forum (LRF) risk group and by integrating more widely with the LRF and Oxfordshire County Council response strategy. The service also chairs the LRF CBRN (Chemical Biological Radioactive and Nuclear) group and engages in regular interoperability training with Category 1 and 2 responders.

Notable achievements of 2022 and 2023 include:

- 1112 business given business continuity advice to help ensure they are prepared for emergencies.
- 53 community resilience events attended to ensure Oxfordshire residents are prepared for emergencies.
- 2742 community resilience bags issued to ensure that vulnerable residents have contact phone numbers and information to prepare for emergencies and support attending emergency services.
- Supporting RAF Brize Norton to run a Major Accident Control plan exercised with multi agency partners.
- Supporting communities through major emergency road closures, heat wave, water and gas leaks.

National and Local Risk Assessments

The National and Local Risk Assessment considers severe weather events, pandemics, and major industrial accidents that could seriously impact on significant parts of the UK. This assessment is considered alongside our own Community Risk Registers to help the Service and Local Resilience Forum (LRF's) plan for major events in our County.

Technology and Innovation

Oxfordshire Fire and Rescue Service constantly assesses equipment and new technological solutions with neighbouring Services to equip staff with the ability to respond to incidents safely and effectively. The new enhanced Breathing Apparatus sets purchased as part of a collaborative project will ensure our firefighters have the latest equipment to enable them to operate safely in fire situations.

Improving how we utilise technology also extends to the preventative services we deliver to communities. In 2022-23, the Service introduced fully portable, internet enabled tablets allowing crews to refer vulnerable people to other services and access risk information on high-risk premises.

A project to improve how managers record, monitor and manage performance information is being developed. The “In-Phase-Unity” platform will be integrated directly into Oxfordshire County Councils performance management system and support more effective service planning and reporting.

Collaborative arrangements

HMICFRS Inspectors were pleased to discover that the Service met its statutory duties to collaborate and routinely consider opportunities with other emergency responders. The Services approach to joint working was recognised as “good” and aligned with the priorities in the CRMP. For example, our partnership with Thames Valley blue light partners has resulted in an enhanced ability to provide ISO standard Fire Investigation evidence. This means that evidence and information produced following a fire is legally admissible in a court of law.

Collaboration with other Service providers has realised wide area benefits ranging from improved training, shared learning and enhanced procurement and purchasing efficiencies to support standardising emergency response across County borders. An example of this is the joint purchase, development and roll out of new breathing apparatus sets. This not only reduced costs but allows three neighbouring countries to better integrate their emergency response at cross border incidents.

Prevent

The Channel Panel is an early intervention programme chaired by Oxfordshire’s, Chief Fire Officer to support people who are at risk of radicalisation. The programme continues to provide practical support tailored to individual needs through helping them make positive choices about their lives. The Prevent scheme utilises a multi-agency safeguarding framework set up between local authorities to collaborate on issues related to reducing radicalisation.

Business and Corporate Services

Our Business and Executive Services Team support a number of vital functions across the Service. This includes maintenance and replacement of all our operational assets including our fire engines and other vehicles, uniforms and PPE, procurement and contracts as well as managing all the buildings used by the fire service (25 fire stations). The Team work hard to deliver the Councils vision for a more sustainable and environmentally service and where practical we have steadily replaced polluting diesel and petrol vehicles with electric ones.

Between 2023 and 2024 we will be working on an exciting project to look at upgrading and developing two of our fire stations. This includes establishing a partnership with local business to significantly re-develop and modernise Rewley Road station. At the same time we are developing plans to build a community safety education centre as well as developing new firefighter training facilities. Most of our fire stations were built over 50 years ago and we want to make sure they are fit for the future.

Gypsy and Traveller Services

Oxfordshire County Council has a duty of care to all Gypsy and Travellers within the county and will address their welfare, health and educational needs. Gypsy and Traveller Services is committed to ensuring that all issues that affect Travellers staying on land within the county are supported in a fair and positive manner. In 2022/23, Oxfordshire County Council received £362,090 in rent payments from the 6 permanent Gypsy and Traveller sites we are responsible for. We also attended 28 unauthorised encampments in the county and supported business and landowners with advice on how to prevent unsuitable encampments occurring in the first place.

Trading Standards

The Trading Standards Service fulfils the County Council's responsibilities for the enforcement of a wide range of consumer protection and public safety legislation. The responsibilities of the Service are widespread and include:

Legal metrology (weights and measures), product safety, food and farming standards, trade representations and trademarks, unfair trading practices, animal health, disease control and welfare, environmental requirements, price marking and price comparisons, supply of age restricted products, licensing and inspection of explosives and petroleum storage facilities, safety certification of sports grounds.

Notable achievements in 2022/23 include:

- 2718 people directly reached with trading standards preventative advice and support.
- 1377 interventions conducted with businesses, including visits, provision of advice, sampling and testing activities.
- 100% of high-risk food standards inspections completed.
- 246 'Friends Against Scams' recruited.
- £220,000 saved or recovered for victims of doorstep crime, scams and other forms of financial abuse.

His Majesty's Inspectorate of Constabulary and Fire & Rescue Services - Inspection report 2021/22

The *HMICFRS 2021/22 inspection report is an important independent examination of performance across Oxfordshire FRS.

The Service were really pleased to have been awarded a “good” rating in the three inspection areas covering effectiveness, efficiency and how we look after our people. HMICFRS inspectors found that:

- The Service's understanding of risk and demand was effective and supported its prevention and protection activities.
- Oxfordshire Fire and Rescue Service was financially stable and well supported by the County Council and has a very positive culture that actively promotes equality, diversity, and inclusion.
- Support for health and wellbeing was excellent and the Service was working hard to listen to staff.

Areas within the HMICFRS identified as being ‘areas for improvement’ have been embedded into our improvement planning process. We are also assessing and embedding the recommendations of the HMICFRS spotlight report into Values and Culture, in UK Fire & Rescue Services into our ambitious cultural development plan.

Business continuity National Pay Dispute

As with many other public services, the fire and rescue sector faced a national pay dispute in 2022/23 with the potential for industrial action. Even though firefighters are employed by Oxfordshire County Council, pay and conditions are negotiated at a national level through the National Joint Council (NJC). These disputes are always very difficult for employees and their families, but the service’s priorities remained focussed on maintaining safe levels of emergency cover for Oxfordshire’s communities.

The imminent threat of industrial action led to a review of the service’s planning and business continuity arrangements in the event strike action occurred. This root and branch review between October and February culminated in a number of large-scale exercises involving our Thames Valley fire and rescue service partners. Improvements to our planning arrangements were made to ensure we have a resilient process in place to maintain emergency cover during any period of industrial action.

Further information

Legislative frameworks that govern Oxfordshire Fire and Rescue Services
Oxfordshire Fire and Rescue functions within a clearly defined statutory and policy framework. The key documents setting this out are:

- [The Fire and Rescue Services Act 2004](#)
- [The Civil Contingencies Act 2004](#)
- [The Regulatory Reform \(Fire Safety\) Order 2005](#)
- [The Fire and Rescue Services \(Emergencies\) \(England\) Order 2007](#)
- [The Localism Act 2011](#)
- [The Fire and Rescue National Framework for England](#)

Further reading

- [The Council Constitution](#)
- [Annual Accounts and Audit](#)
- [The National Fire Standards](#)
- [The HMICFRS Spotlight Cultural Review](#)

* Community Safety Services – Oxfordshire Fire and Rescue Services Annual Report 2022/23 (*link to be added on final publication*)

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Audit and Governance Committee

DATE 29 November 2023

Community Safety Services Oxfordshire Fire and Rescue Service Annual Report 2022/23

Report by Matt Cook, Deputy Chief Fire Officer

RECOMMENDATION

1. The Committee is RECOMMENDED to

Consider and approve the Community Safety Services, Annual Report 2022/23 for publication. This document is procedural and not recommending any policy decision, strategy or project involving major change.

Executive Summary

The Community Safety Services, Annual Report provides information to members of the public on Oxfordshire Fire and Rescues activities and performance. It demonstrates what we have done between 2022 and 2023 across our strategic priorities of protection, prevention, response and people. The Annual Report supports principles of good governance, transparency, regular reporting and public accountability. The report covers the five teams that make up Oxfordshire Fire and Rescue Service including Emergency Response, Road Safety, Emergency Planning, Trading Standards and Gypsy and Traveller Services.

Exempt Information

2. No areas of exemption requested. Content will be public facing and open to public scrutiny.

About the Community Safety Services, Oxfordshire Fire and Rescue Service, Annual Report 2021/22

Purpose

3. Oxfordshire Fire and Rescue Authority is the designated Fire and Rescue Authority for the County of Oxfordshire. It has a primary responsibility to protect the community, reduce harm and save lives through prevention, protection and response. The Chief Fire Officer and the Cabinet Member for Community Services and Safety ensure the Council meets its legal and operational responsibilities to provide an effective fire and rescue service for Oxfordshire's communities.

4. The Community Safety Services, Annual Report provides information to members of the public on Oxfordshire Fire and Rescues performance between 2022/23. It demonstrates in an easy-to-read manner our activities against our strategic priorities of protection, prevention, response and people outlined in the Services 2022-23 Fire and Rescue, Service Delivery Plan.
5. The Annual Report supports principles of good governance by ensuring transparency, regular reporting and public accountability across the Services strategic priorities. Information has been presented with “readability” and engagement in mind and will be available online.
6. The Annual Report signposts readers to further information where appropriate. This includes links to the CSS Directorates Statement of Assurance 2022/23 which is submitted to this Committee for approval as a separate document. Both documents support assurance and good governance enabling elected members and communities to scrutinise how outcomes are being achieved efficiently, effectively and in accordance with statutory requirements.

Aligning with Oxfordshire County Council’s Corporate Policies and Priorities

7. The Community Safety Services 2022/23, Annual Report is aligned directly to the Councils Vision, Values, Objectives and Strategic Priorities. The document highlights how Community Safety Services contribute to the following strategic priorities:
 - 1) Taking action to address the climate emergency in the way we work
 - 2) Tackling inequalities in Oxfordshire
 - 3) Prioritising the health and wellbeing of residents through our prevention and response work
 - 4) Supporting carers and the social care system through safeguarding and consumer protection
 - 5) Creating opportunities for children and young people to be safe and reach their full potential through education, work experience and fire cadets
 - 6) Engaging with our communities to play our part in a vibrant and participatory local democracy.
 - 7) Working with local businesses and partners for environmental, economic and social benefit.

Financial Implications

7. There are no new or additional financial implications arising from the CSS 2022/23 Annual Report. The document forms part of the annual procedural reporting process.

Legal Implications

8. There are no new or additional legal implications arising from the Annual Report. The document forms part of the annual procedural reporting process.

Staff Implications

9. There are no new or additional resourcing implications. The document forms part of the annual procedural reporting process.

Equality & Inclusion Implications

9. There are no additional equality and inclusion implications. The Community Safety Services directorate aims to ensure all areas of Service delivery are considered within a risk based framework targeting those most vulnerable from harm. The Annual Report contains references to initiatives designed to develop inclusivity within the Community Safety Services Directorate. All policies, procedures and working practices are assessed against an Equality Impact assessment. The Annual Report document has been produced with accessibility and readability in mind.

Sustainability Implications

10. There are no sustainability implications within this proposal. Consideration has been given to limit environmental impact from printing and the publication will be made easily available as an online publication.

Risk Management

11. Community Safety Services activities are managed through robust national and local risk assessment frameworks. These include utilising and aligning with National Fire Chiefs Council guidance and National Fire Standards to manage operational and strategic risks. The Service also maintains a Directorate risk register and acts as the local authorities lead agency in business continuity, resilience, and emergency planning. The Service also Chairs the Local Resilience Forum, the CBRN (Chemical Biological Radioactive and Nuclear) group and engages in regular interoperability training with Category 1 and 2 responders. This report is not recommending any policy decision, strategy or project that would impact on the existing risk management strategy.

Consultations

12. There were no specific consultation requirements to producing the Community Safety Services, Annual Report.

NAME Rob MacDougall, Director of Community Safety and Chief Fire Officer

Annex: Community Safety Services, Annual Report 2022-23

Background papers: Community Safety Services, Oxfordshire Fire and Rescue Service, Statement of Assurance 2022-23

Other Documents

- [Oxfordshire Fire and Rescue Service, Community Risk Management Plan, 2022-26](#)
- [HMICFRS Inspection Report 2021/22, Oxfordshire Fire and Rescue Service, Effectiveness efficiency and people.](#)

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November 2023



OXFORDSHIRE
COUNTY COUNCIL

Public Health &
Community Safety Services

Annual Report

2022-2023

Oxfordshire Fire & Rescue Service



Protecting
our communities
reducing harm
and saving lives

Page 77



OXFORDSHIRE
FIRE & RESCUE SERVICE

Welcome to Oxfordshire Community Safety Services Services



Page 78



Welcome to Oxfordshire Fire and Rescue Service's Annual Report for 2022 to 2023. As the Cabinet Member and Chief Fire Officer for Oxfordshire Fire and Rescue Service, we are pleased to report on how we met the statutory duties of the Fire and Rescue Services Act, Regulatory Reform (Fire Safety) Order, Civil Contingencies Act and the Fire and Rescue National Framework for England.

The year has seen Oxfordshire Fire and Rescue Service deliver many successful initiatives by engaging with our diverse communities. For example, our Trading Standards Team saved Oxfordshire's most vulnerable communities thousands of pounds from scams by

*Working in partnership to
make Oxfordshire a greener,
fairer and healthier county.*



OXFORDSHIRE
FIRE & RESCUE SERVICE

highlighting how fraudsters work. At the same time our firefighters tackled an unprecedented number of fires as a result of extreme summer temperatures linked to climate change.

Community Safety Services continues to deliver forward thinking services that aim to prevent incidents from happening in the first place. We recognise that this can only be achieved by putting Oxfordshire's communities at the heart of what we do.

Oxfordshire County Council invests heavily in the wellbeing of our staff and working culture. Our staff are well motivated, equipped and trained to respond to the challenges we face in a rapidly changing world. We are working hard to become one of the countries leading inclusive fire and rescue service by creating an environment where everyone is valued and can bring their whole selves to work.

We look forward to building on our successes and are firmly committed to continuing to improve wherever we can.

Councillor Dr Nathan Ley
Cabinet Member for Public Health,
Inequalities and Community
Safety

Rob MacDougall
Director Community Safety
Services, Chief Fire Officer



*Proud to protect
our communities,
by reducing harm
& saving lives*

Councillor Dr Nathan Ley
Cabinet Member for Public
Health, Inequalities and
Community Safety



Key achievements in 2022-2023

A snapshot of key achievements and highlights of the work done by Community Safety Services throughout the year.



Page 79

Our fire safety officers conducted more than **566** fire safety Audits of businesses.

Our trading standards officers seized **810** packs of cigarettes and **229** packs of tobacco.

Thames Valley Fire Control took over **42,535** calls. An **18.5%** increase compared to the year before

Our firefighters attended over **6300** incidents between 2002 and 2023

Only **3%** of the Council Tax budget was spent by Oxfordshire Fire and Rescue Service. That is less than **10.8** pence per resident per day

173 Bikeability cycle training courses benefited over **4,103** children across Oxfordshire

Over **£220,000** saved or recovered from scams, doorstep crime and other financial abuse

We provided **11,429** leaflets to residents about how to prepare for flooding events and other emergencies

2742 Community Resilience bags issued to vulnerable residents ensuring emergency information is available when its needed most. This is 900 more than the year before.



About
Oxfordshire
Fire and Rescue
Service
A lot more than fire!

COMMUNITY SAFETY SERVICES

Covering an area over

1,006 Square miles

Oxfordshire Fire and Rescue Service is part of Oxfordshire County Council. By being part of the County Council we can work in close partnership with other council teams such as education and social care. This arrangement ensures our work is closely connected with the wider strategies of the County Council.

It also avoids duplication and by sharing and connecting our systems and properties we can save money to realise the best value for our residents.

Oxfordshire Fire and Rescue Service is made of five teams who work together to lead positive change by working to make Oxfordshire a greener, fairer and healthier county.

Protecting a diverse community

725,300 people

Spending in 2022/23

£28.6 million

We employ skilled operational and non-operational staff

576 firefighters

342 On-Call firefighters, 234 Whole Time firefighters and 84 Support Staff

24/7 emergency service for only 10.8p a day per resident across Oxfordshire



34 appliances

We also have specialist vehicles and 4x4 capabilities

25 Stations

19 On-Call stations. Firefighters respond from their homes or work places to the station

3 Wholetime and On-Call stations. These stations are crewed 24/7 by both Whole time and On-Call firefighters

3 Day Crewed stations. Whole time crewed during the day and combined with On Call firefighters at night overnight

**OXFORDSHIRE
FIRE & RESCUE
SERVICES**

**TRADING
STANDARDS**



**ROAD
SAFETY**

A 24/7 county wide service that costs £28.6 million. That's £39.46 per year for each resident or 10.8 pence per day. Only 3% of the Council tax budget went towards the fire and rescue Service.

**EMERGENCY
PLANNING**



**GYPSY AND
TRAVELLER
SERVICES**

Page 80

Emergency Response what we attended in 2022/23

A lot more than fires!

Oxfordshire Fire and Rescue Service responded to 6341 incidents between 2022 and 2023. Incidents ranged from wildfires caused by extreme summer temperatures to road traffic collisions to incidents involving flooding.

The service also responded to 1799 special service calls. This type of incident could involve anything from rescuing trapped large animals or supporting our blue light partners to using our specialist skills and equipment to gain access to properties where an elderly or vulnerable person might be trapped.

Our operational response is provided through a dedicated team of over 576 firefighters. Crews work a number of shift and duty systems with more than half of our firefighters (342) employed through the On-Call duty system.

On-Call firefighters come from all walks of life and are mobilised to a fire station near their home or work address. Many are closely connected to their communities and can bring to bear valuable local knowledge when responding to incidents or supporting prevention work. All of our operational response crews play a central role to help prevent accidents and incidents occurring in the first place.

Firefighters carry out prevention work by visiting people's homes, schools, hospitals, community venues and local businesses. Operational staff dedicate time on top of their response and training activities to understand risks in their area by visiting commercial premises and businesses. You can read about how we carry out our prevention and protection activities further along in this report.

6341

Incidents attended
between 2022-23

438 Road
Traffic
Collisions

66

Animal rescues

384 Gaining entry for

other services **111** lift rescues

18 Rescues from water **63**

Hazardous materials events **16**

Incidents involving other types
of transport including aircraft

6 Evacuations **306**

Residential fires

1451
Fires

176

Flooding
Incidents

157
Assisting
other
agencies

3097

False Alarms

almost half of what we
get alerted to are
false alarms.
We are working
hard to reduce
this.

Our
Firefighters
work in partnership
with a wide range of agencies
including Health, Police, the
Environment Agency, Social
Services and many community
groups to keep you safe

Our values and looking after our staff



We have continued to build positive cultures through regular staff engagement, monitoring diversity and community centred service delivery to help create a fully inclusive and diverse organisation. Our values and vision encompasses our lived values and expectations at every level of the organisation. These include:

We have the third lowest firefighter sickness rates out of 40 Fire and Rescue Services

- ✓ **Be kind and care.** We value our staff; we respect and treat everyone with understanding and compassion, we care not just for our communities but each other. We take care of our own and others wellbeing.
- ✓ **Taking responsibility,** we hold ourselves accountable, take responsibility for what and how we deliver; we give and seek to be empowered to make a difference; we actively contribute to delivering the best for all
- ✓ **Daring to do it differently.** We innovate, we look to do things differently and improve the way we do things every day; we're not satisfied with the status quo and work creatively to solve problems.
- ✓ **Equality and integrity.** We embrace equality, diversity and inclusion valuing the difference in others. We always act with integrity, working in honest, ethical and supportive ways, building effective relationships; we trust each other to do what we promise

Wellbeing for our employees is always at the front of our thoughts and this is reflected in our absence rates for our Wholtime Firefighters. Oxfordshire Fire and Rescue Service has the third lowest absence levels compared with over 40 fire and rescue services that report on this. Our staff have access to a range of resources to maintain both their physical and mental well being. This ranges from gym facilities to maintain fitness, to staff discount schemes and counselling support.

Research comissioned by the Fire Brigade Union identified that firefighter mortality rates were 1.6 times higher than the general population. Operational staff are exposed to many differenttypes of hazardous chemicals and toxins at the incidents they attend. The Service is rolling out equipment and improved ways of working to decontaminate staff and minimise contact with post fire toxins. This includes introducing a “clean cab” policy where any equipment or PPE used at a fire can be stored outside the fire engine cab.

Our staff help develop a positive and supportive culture through staff networks. For example, the Inclusive Network, REACH, Christian and Women's Network share learning and run activities to help understand issues around equality, well being and development.



A place where everyone is welcome and valued

+10% of our Firefighters are female

Delivering the future with staff that reflect the communities we serve

Oxfordshire Fire and Rescue Service, Employee Relations Team have continued leading recruitment events to encourage people from across the community to consider joining the Service.

18 people attended fire and rescue service's 'have a go' days and women now represent over **10** per cent of the service's operational workforce. **43** On Call Firefighters passed the entry tests between 2022/23 with **28%** successful female candidates. This is an improvement on previous years but we realise that we are still not reflective of our communities.

High performing organisations are diverse and inclusive ones. When people can bring their different experiences, skill sets and whole selves to work, teams collectively solve problems quicker and more effectively. As a service we welcome diversity that goes beyond simple tick box compliance and actively encourage people who may be neuro-diverse or who have a hidden disability to consider joining.

Our teams regularly engage with schools, community groups, churches and mosques. We know that being a fire-fighter is not for everyone, but we want to make sure everyone knows that they would be welcomed and supported from the time they express an interest, to the time they put on their uniform. We also want our staff to have careers not just a job. Our staff are encouraged to continue learning and we are developing new processes to help maximise individual potential. We want to equip those interested in management and leadership to get the best academic and professional exposure possible. We invest heavily in training and developing our managers to be dynamic but caring leaders.

Running an emergency service also requires many other types of specialist who are not firefighters. Without their support our operational crews would not be able to their job. This includes the many dedicated staff who look after our fire engines, stations, IT systems, HR, facilities management and communication. We are working hard to remove barriers to develop and progress across our staffing groups.

Equality and Integrity in everything we do

Daring to do things differently

Taking responsibility

Be kind and care

Always learning



24/7 Emergency Response across Oxfordshire

Number of emergency Incidents
attended by Station between

6341
incidents attended
between 2002/23



We attended **6341** incidents
between 2022 and 2023. An increase of
7 % compared to the year before

Our On Call stations responded to
2494 incidents between 2022 and
2023. An increase of **5.77 %** compared
2021/22

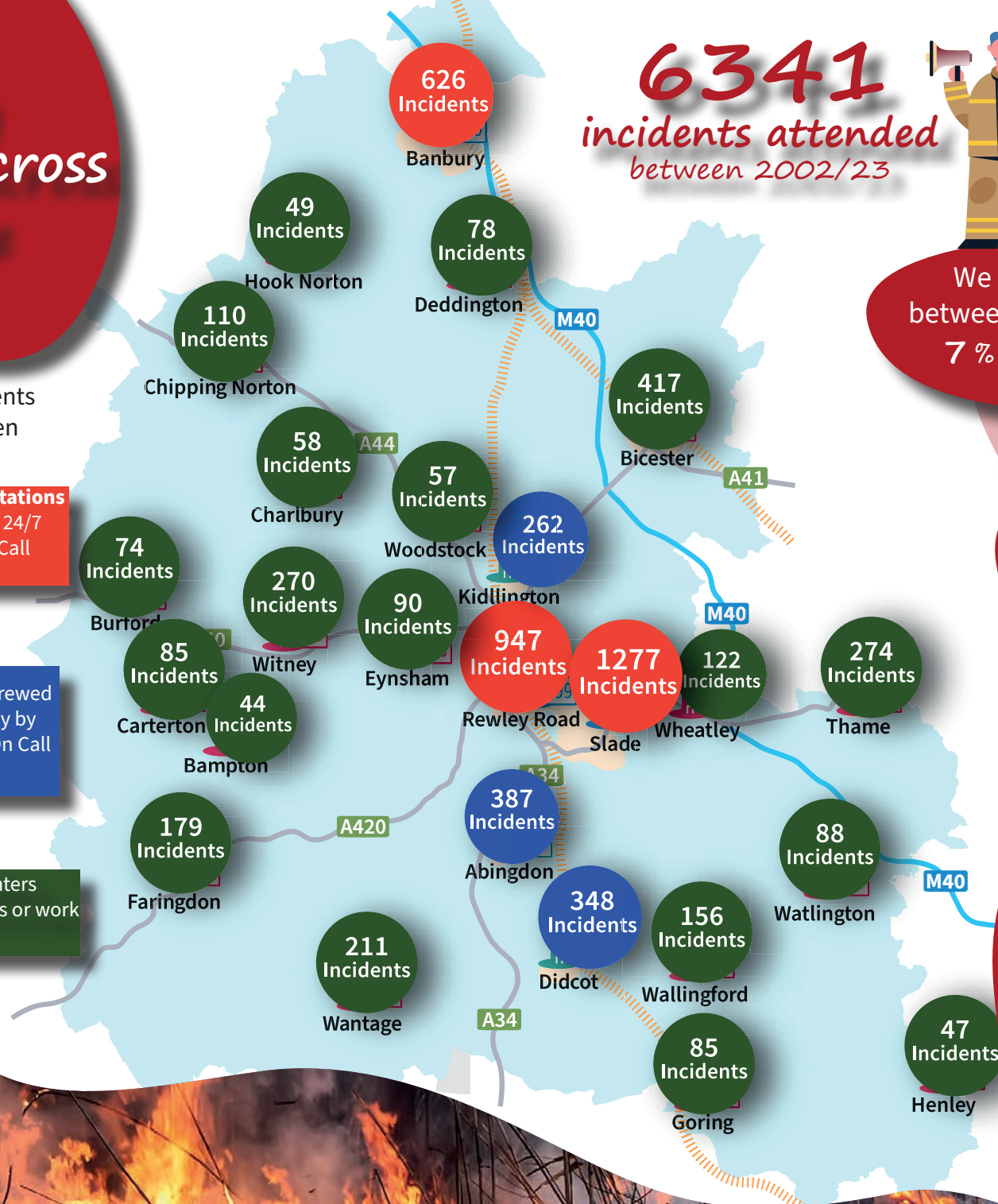
1451 emergency incidents
attended were related to fire. Fire
accounted for **22%** of the total
incidents we responded to an
increase from **17.86%** compared
to the year before. The extreme
summer tempratures saw many
more outdoor fires than normal
between 2022/23. There was **1** fire
related fatatlity compared to 2 the
year before.

Wholetime and On-Call stations

These stations are crewed 24/7
by both Whole tie and On Call
firefighters

Day Crewed stations. Crewed
during the day and jointly by
on call and whole time On Call
overnight

On-Call stations. Firefighters
respond from their homes or work
places to the station





Thames Valley Control Services (TVFCS)



When members of the public ring 999 and ask for the fire service anywhere in the Thames Valley area, it is TVFCS that takes and manages these emergency calls. Operators quickly mobilise fire engines and other resources to incidents ensuring essential and relevant information is passed to firefighters. At the same time, TVFCS also liaise with other emergency services such as the police, ambulance and other agencies to resolve incidents.

Between 2022 and 2023, TVFCS were directly involved in supporting major national events including supporting the funeral arrangements for Her Majesty Queen Elizabeth at Windsor Castle. We also carried out a full hardware update of the command and control system ensuring our systems are ready for the future. In 2024 there are plans for a further technical upgrade of the communications system as part of the proposed Emergency Services Network (ESN). This government led national infrastructure project plans to replace the current Airwave communication service used by the emergency services across Great Britain. ESN will enable fast, safe and secure voice, video and data communication allowing first responders immediate front-line access to life-saving data, images and information in live situations and emergencies.

ESN's critical secure mobile technology will mean communication between the emergency services will take priority over other network traffic, even at peak times in busy built-up locations and more rural areas.



999

Thames Valley
Fire Control Service

EMERGENCY CALL

42,535 emergency calls were responded to between 2022-23. That is an 18.5% increase from the year before. During the summer heatwaves of 2022, TVFCS handled 580 fire calls in a single day in July! Two members of staff received awards from the Home Secretary for their work during this time.



94.64% calls answered



5 seconds

Hello!



97.02% calls answered



10 seconds

Hello!

42,535 emergency calls responded to
18.5% increase on the year before

This will allow emergency services and other first responders to share vital data, information and expertise quickly and securely when it is needed most.

TVFCS also has robust arrangements in place with other services across the country. During extremely busy periods 999 calls are automatically and quickly re-routed to other service centres. This arrangement is reciprocal and TVFCS will also answer and manage calls for other services experiencing unprecedented demand.

Always Learning

We are an always learning organisation.

We have identified these areas that we will be working hard to improve. Oxfordshire fire has a number of long term objectives set out in our Community Risk Reduction Plan 2022-2026. Some of the benefits and changes are longer term objectives. However, the fire and rescue environment is dynamic and we continuously review risks to our communities and firefighters to meet new challenges.

Page 86

False alarms in commercial premises

False Alarms in commercial premises increased to 1037 (3071). Over 50% of our total calls are false alarms we are working hard to reduce this.

False Alarms

The number of false alarm at commercial premises rose **3%** compared to the year before. While this rise may be related to more premises being equipped with fire detection systems, false alarms continue to be a disruptive and inefficient use of valuable operational resources nationally. The Service continues to engage in robust and pro-active action with business to ensure crews are only called out to respond to confirmed fires. This is balanced with ensuring safety where fire in high-risk premises is suspected. A collaborative project planned with neighbouring Thames Valley fire and rescue services between 2023-24 has the objective of reducing false alarms as much as possible.

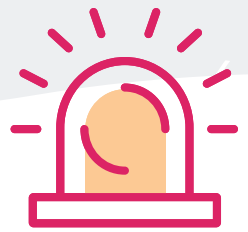


On-Call availability

On-Call availability reduced from **62.40%** in 2021-2022 to **59.32%** this year.

On-Call fire firefighters make a fantastic contribution across the County helping us to provide emergency services particularly in our more rural areas. On-Call firefighters come from all walks of life and are often closely connected to their villages and towns. However, maintaining high levels of availability once again continues to remain a challenge both in Oxfordshire as well as nationally. The majority of our stations have seen decreasing levels of availability particularly during the working week. Rural communities where On-Call stations are traditionally based no longer have as many people able to respond directly from work or home within a few minutes of their fire station. As On Call firefighters retire or increasingly work away from their station areas it is becoming increasingly difficult to replace them. Oxfordshire fire and rescue has embarked on a wide ranging campaign to attract members of the community who would not normally have considered applying with some success. At the same time emergency cover is continuously monitored and any potential shortcomings are managed through re-distributing staffing capacity from other stations. The Service is also currently engaged in a review of alternative models to ensure improvements in emergency cover remains sustainable and response times are appropriate.





Response standards and operational availability

We aim for **80%** of attendances to be made within **11 minutes**, and **95%** to be made within **14 minutes** of a call.

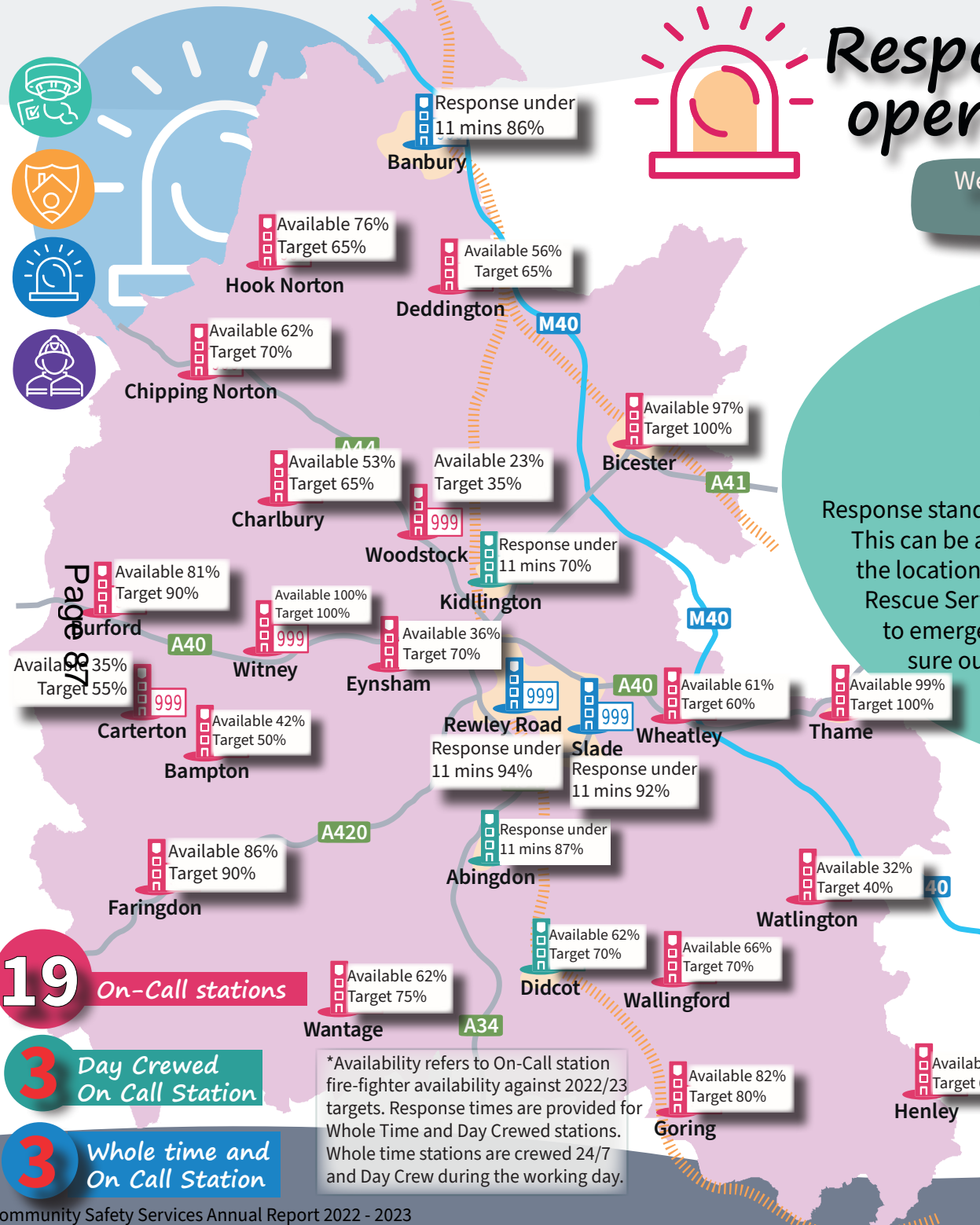


Between 2022/23 we responded to **72% of incidents within 11 minutes**. This was 2% slower than the year before and below our performance target of 80%.



Response standards for attendance **within 14 minutes** also reduced by 2% from 87.37% to **84.64%** compared to 2021/22.

Response standards are the ideal target times we set ourselves to get to an emergency. This can be affected by many factors ranging from weather, road traffic conditions, the location of the nearest appliance, availability of crews etc. Oxfordshire Fire and Rescue Service is currently examining different models to ensure we can respond to emergencies wherever they occur in an appropriate time. We want to make sure our resources are placed and managed in the most effective way to meet current and future risks.



- 19** On-Call stations
- 3** Day Crewed On Call Station
- 3** Whole time and On Call Station

*Availability refers to On-Call station fire-fighter availability against 2022/23 targets. Response times are provided for Whole Time and Day Crewed stations. Whole time stations are crewed 24/7 and Day Crew during the working day.

Our Fire Stations & Crews

6 fire stations are crewed by whole-time personnel. **3** of these are staffed 24/7. The other **3** are staffed during the day and with On-Call crews at night. All **25** fire stations also have an On-call crew. **19** fire stations are crewed only by On-Call personnel. On Call firefighters are trained and equipped to the same standards as whole time firefighters but respond to a station from their work or home address.

Safeguarding

Looking out
for the most
vulnerable in our
society

Training our staff to recognise concerns and support families

In 2022-23 we delivered safeguarding training to all front-line staff and managers, we completed **40** sessions and trained over **370** personnel. By having staff who are able to identify when things are not quite right and do something about it is vital. Support and intervention at an early stage helps families and individuals get advice and help that is available.

For example, a safeguarding concern was raised by firefighters following a Safe and Well visit. A specialist Fire Setter advisor from the Home and Community Safety Team then visited the family. They worked together and identified that the mother would benefit from additional social care and GP support. A partnership of coordinated support involving the childrens school, health and social care resulted in the family managing to live their lives safely and independently.

We recognise preventing incidents happening in the first place is vital and we are focussing additional resources into Prevention training to build our skills and capacity further. This includes producing a Safe and Well competency framework for all staff employed involved in safe and well work.



350+

Safeguarding concerns
raised to Social care
and other agencies



370

Staff trained to
recognise safeguarding
concerns and make
referrals



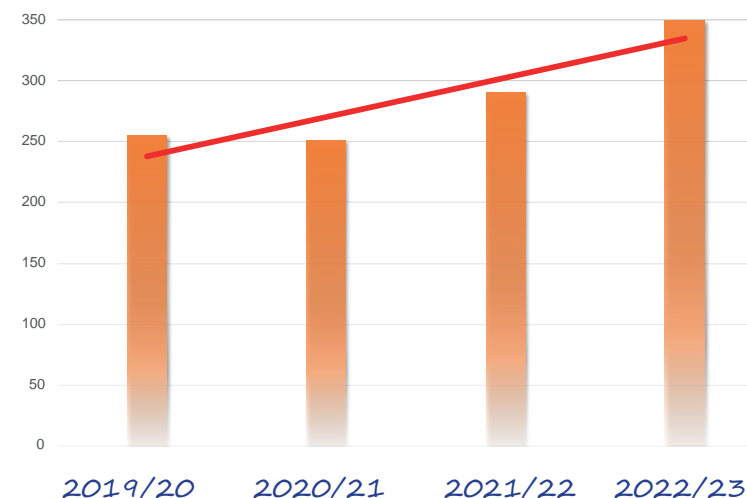
40

Training sessions
for staff across the
service

Safeguarding and supporting vulnerable people

Raising safeguarding concerns or making care and support referrals to partner agencies is increasing annually. This means we are helping more vulnerable residents receive the support that they need from the right agency. At the same time our partnership working through increased confidence in reporting.

Rise in safeguarding concerns raised to
Social Care and other partner agencies



Safe and Well

Keeping you safe at home through prevention

Carrying out safe and wells helps people remain in their own home

Safe and Well visits play a vital role in helping to keep our residents safe, and to reduce risks within our own homes. During the year a total of **2849** visits were carried out by our specialist team of Home and Community Safety Advisors, operational fire crews and in some instances external agencies. Those most at risk were prioritised by fire risk indicators such as a lack of working smoke alarms, smoking and fire loading in the property.

To keep improving what we do, we ask the people who we visit what they thought of the service and how we might improve. Customer satisfaction with the service provided was high with **98%** willing to recommend the service to friends and family, and **100%** describing the service provided as helpful/very helpful. Being able to provide an intelligence based approach to targeting Safe and Well visits based on risk is to be enhanced over the next year.

More than 32% of all safe and wells results in a referral for additional support being made

Within the prevention team we are fully invested in making our communities safer and working closely with other agencies helps us to achieve this. During Safe and Well visits there is an ideal opportunity to make a greater impact on the resident's safety by signposting or referring to other agencies.

There were **462** onward referrals this year giving people the opportunity to live full lives or stay living in their own homes. This demonstrates a truly person centred approach to the visit and shows our commitment to supporting people to live independently. This was a **3.5%** increase in referral rates compared to 2021/2022. Great examples of this increase can be seen by the onward referrals to falls prevention, and sensory impairment, making up **32.9%** and **32%** of the 2022/23 referrals.

2849

The number of Safe and Well visits carried out between 2022/23

100% Customer satisfaction. 98% willing to to recommend the service to friends

100%

462

Onward referrals made to other agencies to help people to continue living at home.

Prevention **#bewateraware**

keeping our communities safe on the roads and waterways



April/May saw the launch of our **#bewateraware** campaign, to reduce the loss of life in water related incidents. The aim is to create safer habits for life around waterways, be it rivers, canals or at the beach. The campaign was delivered through face to face work and online through social media.

Almost half of those involved in water related incidents fell into the water accidentally while walking, cycling or running. To target the intervention the face to face aspect was delivered at local town markets, and to runners at park runs in Oxford and Abingdon. The part of the campaign run on social media included short videos and a questionnaire. This questionnaire was evaluated for its effectiveness at changing behaviours and was able to show a significant shift away from risk taking behaviours. One sample question was related to perceived danger around open water, and following the intervention a greater number of the same people were able to identify the risk associated with open water sources.

Bikerdown

Bikerdown is a FREE workshop which offers people the chance to learn practical skills to help avoid being involved in a crash. The training includes essential first aid and scene management skills should they find themselves first on the scene of a crash where someone is injured. In 2023, **21** sessions resulted in **221** bikers attending. This included clubs events and military groups supported by the Firebike team. Riders are given Royal Society for the Prevention of Accidents (RoSPA) membership and we continue to support additional IAM road safety charity, RoSPA and Bikesafe safety courses as well.



Helping children to think about traffic and roads

Footsteps road safety training helps children to learn to think for themselves and gradually get better at dealing with roads and traffic and is aimed at KS1 children. We provide schools and parents with a guide which includes holding sessions for parents to help support them use the guide.

6786
visits to our
walking with
children web
page

In 2022/23 we had **6786** visitors to our footsteps web page Walking with children.



Our road safety team are linked into the key Council initiatives and priorities. This includes Vision Zero and Active Travel to ensure that we are consistent in our messages. Our input into road safety activities works alongside strategies and initiatives being carried out across Oxfordshire County Council to increase active travel. help people live healthier lives and reduce our climate impact.

221

21 training sessions
attended by 221 bikers.
Learning how to avoid
crashes and life saving
skills intervention

Education and learning how to stay safe

Training the next generation and making cycling safer for thousands of Oxfordshire's children

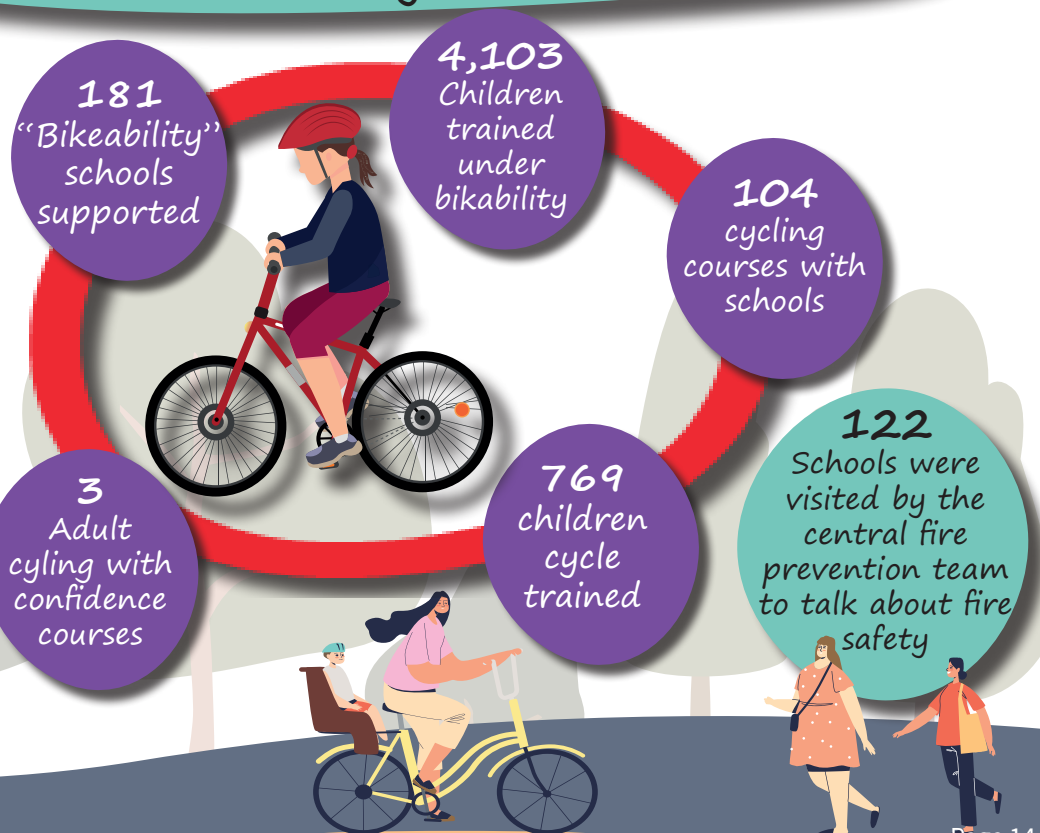
We have **6** cadet groups with **84** children aged between **12-18** based at Banbury, Kidlington, Bicester, Witney, Slade Park and Watlington. Cadets get involved in activities aimed to build their confidence, team working and respect. The cadets are registered for UK cadet awards and support major community events across the County. So far this year **3** cadets have achieved the Duke of Edinburgh Community Safety award, **3** have achieved the UK Fire Cadet award 1 and **14** have achieved their Social Action award. **Overall we have 84 cadets, with some stepping into a role as a firefighter beyond the age of 18.**



Bikeability- educating young people and adults on how to stay safe while cycling

In 2022/23 we ran **173** Bikeability Courses and we now have **181** Bikeability Schools benefiting **4,103** children. Bikeability is the Department for Transport's flagship national cycle training programme for schoolchildren in England. We receive grant funding support from the Bikeability Trust to run courses through Oxfordshire. Teaching children to ride safely and confidently safety supports the Council's key vision for a healthy start, encouraging travel that reduces our climate impact.

Alongside the Bikeability courses we also run additional cycle training for children. This included **104** training courses covering **71** schools benefiting **769** children receiving training. But its not only children who need to stay safe while cycling. We also launched our adults cycling with confidence courses running **3** courses with **9** adults who are now a lot more confident and safer on the road.



Trading Standards

Consumer protection,
business compliance, scams,
licensing and so much

We work with
business to help them
comply with the law,
and we also show
vulnerable people how
to avoid scams

60

Trading standards
officers investigated
hundreds of reports
regarding HGVs
inappropriately using
weight-restricted
roads and bridges,
leading to over 60
prosecutions.

The Trading Standards Service fulfils the County Council's responsibilities for the enforcement of a wide range of consumer protection and public safety legislation. Our responsibilities are widespread and include, Legal metrology (weights and measures), product safety, food and farming standards, trade representations and trademarks, unfair trading practices, animal health, disease control and welfare, environmental requirements, price marking and price comparisons, supply of age restricted products, licensing and inspection of explosives and petroleum storage facilities, safety certification of sports grounds.

Between 2022/23 our teams carried out a wide range of activities from educating business and members of the public to testing electric blankets. We also take enforcement action when laws are broken.

£220,000

Saved or
recovered for victims of
doorstep crime, scams and
financial abuse

2718

People directly
given trading
standard advice

100

Total number of
food operator business
attending training to learn
about their food allergen
responsibilities

246

"Friends
against scams"
recruited

2,400

non
compliant
e-cigarettes seized.
Over 30 retailers
visited resulting in 3
prosecutions. We also
seized 810 packs
of cigarettes and
229 packs of
tobacco

1377

Business
Interventions including
advice, sampling and testing
activities 30% more than
last year

100%

High risk
food standard
inspections
completed



County Emergency Planning Team

Working and preparing communities and organisations for major events

We help prepare business and communities to plan for incidents that could cause major disruption. We are available 24/7 to advise and support our partners



Oxfordshire Fire and Rescue Service's, Emergency Planning Team supports business continuity from major events. We achieve this through our partnership with the Thames Valley Local Resilience Forum (LRF) risk group and by integrating with the Oxfordshire County Council response strategy. The service also chairs the LRF CBRN (Chemical Biological Radioactive and Nuclear) group and engages in regular interoperability training with Category 1 and 2 responders.

Notable achievements of 2022 and 2023 include:

- Supporting RAF Brize Norton to run a Major Accident Control plan exercised with multi agency partners

Supporting communities through major emergency road closures, heat wave, water and gas leaks

- 3 smoke plumes requiring warning and informing local communities
- Providing response and support to reduce Industrial Action impacts
- Setting up an emergency reception centre to care for those involved in a bus crash
- Providing coordinated support through 4 storms and 8 flooding responses
- Supporting the state funeral arrangements of the Queen including mutual aid support to Windsor



1112

Business given continuity guidance to help ensure they are prepared for emergencies. The team provides advice and a 10 minute Business Continuity assessment.

53

Community Resilience events attended these include talks to WI groups to ensure residents are prepared for emergencies and visits to brownie and scout groups to educate.

2742

Community resilience bags and ICE issued (In Case of Emergency) bottles issued these ensure that vulnerable residents have contact phone numbers and information to prepare for emergencies. As well as providing essential information for first responders.

11,429

We provided 11,429 leaflets to residents on how to prepare for a flood.

Our team also dealt with 11 water supply disruptions, a gas leak, 4 fires requiring community support and helping setting up a reception centre following a bus crash.

Be Prepared

Fire Protection and building safety

Our Fire Protection Team has invested heavily to work with business to prevent tragedies like Grenfell from happening

Our fire protection officers carry out hundreds of audits working with local business to ensure they understand and comply with the latest fire safety legislation. This not only minimises risk to their business, but also their staff and local residents.

Our Fire Protection department continues to build on the successes from the previous year. Central government funding aimed at preventing future tragedies by learning from events such as Grenfell Towers enabled us to invest and significantly improve our staff training, systems, and capacity.

Key activities included using a Fire Protection uplift grants employ additional, qualified fire safety inspectors to undertake auditing and enforcement work. This continued investment enabled us to complete **566** fire safety building audits, a **13%** improvement compared to the previous year. Our fire safety audits use a clear risk-based approach to ensure that we focus on protecting Oxfordshire's most vulnerable communities safe from fire.

We have also continued to up skill our staff across the department to ensure we continue to meet, and often exceed, the requirements of the national competency framework. This included specialist courses being provided to improve fire safety in schools and hospitals and heritage building fire safety training.

We support compliance to fire safety standards in commercial premises ranging from small bed and breakfasts hotels to hospitals and large factories. Between 2022-23 our Business Engagement lead delivered themed activities targeting premises identified through the audit process. Our campaign focused on visiting over **140** premises providing guest house and bed and breakfast facilities. Businesses were provided with leaflets and advice to help them comply with the latest fire safety legislation. This activity was run alongside an engaging social media campaign which recorded over **18,000** viewing.

Our Fire Protection Teams were finalists in the NFCC Fire Prevention and Protection Awards 2023!

550

Our Fire Safety Officers conducted more than **550** fire safety inspections of business

140

140 inspections of guest houses and bed and breakfast premises. Making sure Oxford's many visitors stay safe

18,000

Views on our website. This helped many business learn about changing legal responsibilities



Fire Protection and Building Safety

Our Fire Protection Team has invested heavily to work with business to prevent tragedies like Grenfell from happening

1822

False Alarms in commercial premises

+3% from 2021/22

Educating business is an important part of our

work. Face to face activity was supported with a social media

campaign that achieved a reach of 18,000 with an impressive 5% engagement rate

(anything above 1% is widely considered 'good'). Our Primary Authority team also signed two

new agreements with social housing providers which allow us to extend our provision of assured advice

for the management of fire safety in organisations that support and house the most vulnerable in society.

As mentioned earlier, we have invested heavily in up-skilling our staff across the department to ensure we not only meet but often exceed the requirements of the national competency

framework. This included one member of the team entering the final year of a fire engineering degree,

Training builds confidence in our staff and enables them to give great advice where it is needed and take formal enforcement action where businesses are wilfully failing to meet their obligations to keep people safe from fire.

Unfortunately, the number of false alarm incidents at commercial premises continues to rise – up 3 % on last year. While this rise may be evidence that more buildings being equipped with the latest fire detection systems to raise an alarm, it is nonetheless an unwelcome drain on our limited operational resources which could be better used elsewhere. A new project is now underway in collaboration with the other two Thames Valley Fire Services to identify ways to reduce our attendance at false alarms.

Oxfordshire
Fire and Rescue

Service has led an ambitious collaborative project with Thames Valley Police and our two Thames Valley fire and rescue service partners to establish an ISO accredited joint forensic fire scene investigation unit. This project will ensure all our forensic investigation activities and evidence is delivered to demanding ISO standards so that it remains admissible in court.



Gypsy and Traveller Services

Oxfordshire County Council manages six permanent gypsy and traveller sites

Oxfordshire County works closely with our gypsy and traveller communities. We help with welfare, health and educational advice as well as managing council owned sites.

Gypsy and Traveller Services work in close partnership with representatives from these communities to avoid unsuitable encampments being set up in the first place. On the occasions where an unsuitable encampment takes place we support council teams and landowners with tackling and removing these. We also continue offer guidance to landowners on how to protect open spaces and recreational areas from unauthorised encampments.

In 2022/23 we visited **35** gypsy and traveller site plots to provide advice on fire safety compared to **26** the previous year. We also responded to **28** unauthorised encampments, which is **1** less than in then the year before.

Statutory Guidance for the Police has been published in June 2022. It is a comprehensive summary of the current powers that are available to the Police in respect of unauthorised encampments.

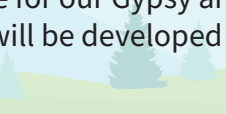
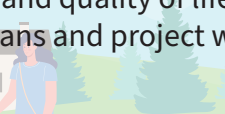
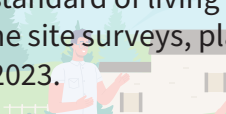
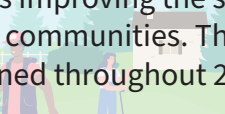
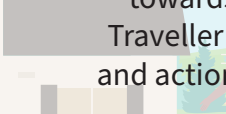
We have established a good relationship with the Department of Work and Pensions Universal Credit department. A majority of the rent fees we collect are now being paid directly to us. These include rental arrears for individuals previously struggling to manage debt.

Our partnership with Property and Facilities Management Department, resulted in an agreement for utility blocks on the Oxfordshire County Council static sites to be upgraded. The refurbishment works are essential towards improving the standard of living and quality of life for our Gypsy and Traveller communities. The site surveys, plans and project will be developed and actioned throughout 2023.

£362,090 Received in rent from fixed traveller sites in 2022/23

Oxfordshire County Council has a duty of care to all Gypsy and Travellers within the county and will address their welfare, health and educational needs. Gypsy and Traveller Services is committed to ensuring that all issues that affect Travellers staying on land within the county are supported in a balanced and proportionate manner.

Our Gypsy and Traveller Service also attend unauthorised encampments in the county and manage 6 permanent Gypsy and Traveller sites with a total of **89** plots.



Operational training and Development

High quality training equipping our staff with skills ranging from the latest firefighter techniques to leadership and management skills.

OFRS places great importance on operational staff being highly skilled and knowledgeable, enabling them to respond safely to different types of emergencies at any time. Training is delivered in many different ways ranging from on station firefighting practice to major exercises involving our blue light partners, emergency planning officers and specialist advisors. Firefighters are exposed to wide ranging scenarios including incident command virtual reality simulations at our state-of-the-art VRX suite in Slade, to large commercial building live fire exercises at the National Fire College or water rescue training at the Wallingford Hydrology centre.

Our training Instructors have nationally recognised teaching and assessing qualifications covering breathing apparatus, road traffic collision and water rescue techniques. We have also enhanced our capability to assess at nationally accredited Skills for Justice (SFJ) levels. This means we can now provide in house training and assessment from firefighter all the way up to station manager.

Innovative and inclusive training material to support varied learning styles have been extensively developed through the 2022-23. Many training packages have been refreshed and re-launched into videos and recorded formats. A review of the training and recording database resulted in a software upgrade in. Managers can now better monitor training and staff competence while firefighters will have enhanced access to training material across a range of mobile platforms.

242

Training courses run covering breathing apparatus, introductory core skills, casualty care, water rescue and working at height

157

Incident Command courses to give our managers the skills needed to manage incidents from house fires to a major emergency.

Our Training and Development Team help equip our staff with all the skills they need to respond to a wide range of emergency incidents. This includes not just core operational fire and rescue skills but more specialist hazardous material training. We also facilitate training on improving leadership, management skills and auditing

77

Emergency Driving specialist training and assessments carried out. Courses from 1 day to 10 covering fire engines to response cars

500+

Firefighters trained to use the new Breathing Apparatus sets. Equipped with the latest in telemetry and communication systems

Health & Safety managing risk

We continuously learn from safety events incidents locally and nationally. Combining high quality accredited training, risk information with robust assurance and audit processes ensures we keep our staff and communities safe.

Having a skilled and safe workforce who can quickly identify hazards and manage risks is vital. It helps us keep both staff and the public safe across the wide range of emergency incidents we attend every year.

Our technical and practical training packages are aligned to National Operational Guidance. This is a nationally recognised platform for best practice related to fire and rescue operations. We are one of the first fire and rescue services to do so, and this subsequently assures that our training is delivered to staff at the highest level.

Development programmes for operational staff is regularly internally and externally assured and accredited by Skills For Justice. Our Operational level incident commanders are also assessed internally with Skills For Justice accredited Level 1 and 2 incident command qualifications, whilst our Tactical and Strategic commanders are assessed externally, again using accredited systems.

Our training Instructors have nationally recognised teaching and assessing qualifications as well as specific instructor qualifications in core skill areas such as Breathing Apparatus, Road Traffic Collision and Water Rescue. We have a robust internal quality assurance process to ensure internal assessment decisions are accurate and fair.

Risk information where you need it most

A revised site-specific risk information system with improved mapping and supporting data has significantly enhanced the ability of our firefighters to quickly access safety critical information on all medium and high-risk sites. This information is quickly available to operational crews attending incidents using mobile data terminals installed in appliances or through portable devices.

Health and Safety

Establishing a Health Safety and Wellbeing culture continues to underpin all aspects of our work. In 2022/23, the Health, Safety and Wellbeing Team completed an internal audit process followed by a peer audit from our South East regional fire and rescue partners. We were really pleased with the results and areas of improvements identified are being actively addressed. A further comprehensive audit is planned for 2023/24.

Key achievements 2023/24 include

- Improved Health and Safety recording through a revised electronic recording system
- Prioritising wellbeing through providing access to webinars on financial wellbeing as well as mental health and physical wellbeing resources.
- Over 99% of our Firefighters passed their annual fitness tests

Over
99% of
our firefighters
passed their
annual fitness
tests



What next?

We have number of exciting initiatives planned between 2023-24. These will look at improving our stations, culture, performance and how we deliver services

Between 2023 and 2024 we will be working on an exciting project to look at upgrading and developing two of our fire stations. This includes establishing a partnership with local business to significantly re-develop and modernise Rewley Road station. We are also exploring plans to build a community safety education centre as well as new training facilities. Most of our fire stations were built over 50 years ago and we want to make sure they are fit for the future.

We are carrying out a comprehensive review of how we deliver our services. Housing developments, climate change and changing community dynamics means we have to make sure our future service delivery model meets changing risks. The majority of our firefighters are On Call, and changing lifestyles and working patterns means it is becoming increasingly difficult to recruit and retain staff in many rural services. The review will help us to look at different service delivery models. The review will help us continue to provide a highly professional, responsive service that also provides best value for money for our Oxfordshire's residents.

Over the coming year we are upgrading our training and development software. This will allow a much more integrated, accessible and user friendly way to access training packages on a range of devices. A large percentage of our operational workforce are On Call firefighters who do not work from a fire station permanently. The new software will also allow firefighters and managers to update learning records and monitor training needs more effectively.

Between 2023/24 we will be replacing ageing front line fire engines with modern and more efficient appliances as part of our fleet replacement strategy

Building a fully inclusive Service that is committed to our values remains a priority. High performing organisations are both diverse and places where staff feel comfortable to bring their whole selves to work. To ensure we fully understand how are staff feel working for us we plan to carry out an independent cultural review towards the end of 2023 to help with this. We are also developing an Inclusive Service framework and cultural plan with our staff networks.

We are developing and rolling out a new performance reporting platform supported by our colleagues in the County Council. The software will provide at a glance data on how we are meeting our targets and look at ways to improve. Having the right information also allows us to quickly identify, monitor and respond to trends and changes in the many incidents we attend including the numbers of fires, their locations, who was affected, times of day and incident types. Our managers can also can also easily get service wide performance data on areas ranging from staff well being to the number of policies that require reviewing.



Contact us

Should you require any further information please contact us:

Community Safety Services
Sterling Road
Kidlington
OX5 2DU

Telephone: 01865 895 999

8.30am - 5pm Monday – Thursday
8.30am - 4pm Fridays

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AUDIT & GOVERNANCE COMMITTEE

29 November 2023

Report of the Audit Working Group 8 November 2023

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 8 November 2023. The group received a briefing on IT governance arrangements for new system implementation and also an update on the Counter Fraud Team's activities.

Introduction

3. Attendance:
Full Meeting: Chairman Dr Geoff Jones. Councillors: Roz Smith, Brad Baines, Judy Roberts, Yvonne Constance OBE

Officers: Full meeting: Shilpa Manek, Committee Officer, Sarah Cox Chief Internal Auditor, Paul Grant, Head of Legal, Ian Dyson, Assistant Director of Finance.

Officers: Part meeting: Tim Spiers Director IT, Innovation, Digital and Transformation, Declan Brolly, Counter Fraud Team Manager, Nick Stokes, Intelligence and Data Officer.

Apologies: Anita Bradley, Director of Law & Governance

Matters to Report:

IT governance arrangements for new systems implementation

4. The group were provided with a briefing on the IT governance arrangements for the implementation of new IT systems across the council. This included an overview of the approval process for new IT projects, management of the delivery stages of implementation and oversight and management reporting procedures.

5. The group discussed some of the history around previous IT implementations and change management within the organisation. It was acknowledged that there can be technical challenges in getting systems to interact with each other and that closer involvement by IT at an early stage was needed. A robust IT Strategy for Change was implemented in 2019. The IT service has improved customer engagement with the services, ensuring the IT Business Partners are involved from the initial “idea” stage of any potential IT procurement and implementation.
6. The group were updated that organisation now has a newly formed strategic transformation board and that a new portfolio approach is being implemented to manage programmes and major projects. A new Data, Insights and Delivery Hub is being established which includes the creation of a new PMO (Project Management Office). IT are a key enabler in the delivery of these major projects.
7. It was agreed that the Audit & Governance Committee should receive a briefing on the new governance arrangements for managing programmes and major projects.

Counter Fraud Team Update

8. Officers provided a detailed report of the Counter Fraud Team’s current case activity. The group noted the number of current investigations and discussed cases to note, including the current status of the investigations and the sanctions being sought / achieved. The importance of the work undertaken by the team with each investigation, to review any control weaknesses identified, which includes agreeing actions to improve controls and minimise the risk of reoccurrence was also noted.
9. The group were updated on the activities by the team in respect of blue badge enforcement, processes for the development of data analytics and review of fraud referral processes and routes to prosecution.
10. The group were satisfied with the activity and actions of the team and continued focus to protect, detect and investigate cases of fraud and irregularity.

Financial Implications

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

Comments checked by: Lorna Baxter, Executive Director of Resources
lorna.baxter@oxfordshire.gov.uk

Legal Implications

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

Comments checked by: Paul Grant, Head of Legal
paul.grant@oxfordshire.gov.uk

Lorna Baxter
Executive Director of Resources

Annex: None
Background papers: None

Contact Officer: Sarah Cox, Chief Internal Auditor.
Email: sarah.cox@oxfordshire.gov.uk

November 2023

Next AWG meeting: 31 January 2024.

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AUDIT AND GOVERNANCE COMMITTEE – 29 November 2023

**ANNUAL GOVERNANCE STATEMENT 2022/23 –
UPDATE ON ACTIONS**

Report of the Director of Law & Governance and Monitoring Officer

RECOMMENDATION

1. **The Committee is RECOMMENDED to receive this update on the actions from the Annual Governance Statement 2022/23 and to make any comment upon them.**

Executive summary

2. On 19 July 2023, this Committee approved the Annual Governance Statement (AGS) for the year 2022/23. Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles and to give an opinion on the effectiveness of those arrangements. As part of the process, authorities are expected to highlight particular areas of focus for the year following.
3. This report therefore updates the Committee on the thirteen particular areas of focus identified for 2023/24.

Annual Governance Statement actions for 2023/24

4. The Annual Governance Statement outlines eight areas for particular focus during 2023/24 and the outcomes expected. Thirteen separate actions were identified:

| Service area | Action |
|---|---|
| 1. Directorate Scheme of Delegation: Powers and Financial Powers | To review and update all outwardly facing documentation, as well as review the location of information. |

| | |
|--|---|
| 2. Cherwell-Oxfordshire Decoupling Programme | <p>Following Decoupling in 2022, Cherwell District Council and the Council agreed a way forward for continued provision of certain services between Cherwell District Council and the Council</p> <p>Where appropriate for each council, revised partnership arrangements will remain in-place within the framework of new agreements.</p> |
| 3. HR policies | <p>To review and update the following:</p> <ul style="list-style-type: none"> • Domestic abuse- supporting employees: policy and guidance (HR and Public Health) • Sickness/supporting attendance policy and process maps • Agile working policy • Additions to pay policy (to include honorariums, market supplements) • Capability policy and procedures • Disciplinary policy and procedures |
| 4. Governance Policies and Procedures | <p>To review and update the following:</p> <ul style="list-style-type: none"> • Register of interests • Gifts & Hospitality • Member representation on Outside Bodies • Social Media for Members (as part of the Council's Main Social Media Policy) • Officer Guidance on executive decision making and key decisions. |
| 5. Constitution | <p>Reconvene the Constitution Working Group and continue the review of the Council's Constitution</p> |
| 6. Member training | <p>To provide a further programme of Member training and briefings responding to the identified needs of Members.</p> <p>To act upon evaluation of Member feedback following training events.</p> |
| 7. Members' and Officers' fiduciary responsibilities and accountability, and legal status in respect of outside bodies including indemnities. | <p>To review</p> |

| | |
|--|--|
| 8. Customer Feedback | To review |
| 9. Current culture of dealing with information requests and the expectations of the Information Commissioner's Office (ICO) | The Customer Feedback, and Governance Teams to review the joint working approach when dealing with requests for information under the Environmental Information Regulations (EIR), Freedom of Information Act (FOIA), and Subject Access Request (SAR) regimes. Teams to meet regularly to ensure the Council is working in accordance with the relevant legislation and to consult with the ICO during the year to assist with the monitoring of the Council's performance. |
| 10. Recording of Decisions | |
| 11. Proactive Training for Governance | Governance sessions to raise awareness and skills level within the Organisation to be carried out by Head of Legal. |
| 12. Review of the Annual Governance Statement Process | |
| 13. Financial Management Strategy | The Financial Management Strategy is in development which will set out the improvements required to enhance financial management capabilities including financial management reporting structures and the development of business objects dashboard reporting |

UPDATES

A Directorate Scheme of Delegation: Powers and Financial Powers

5. The updated Scheme of Delegation pages within the Constitution (7.1 and 7.2) were approved by Council on 16 May 2023 and will be published in the next Constitution update for the website (expected by 30 November 2023)
6. Directorate level Schemes of Delegation have been reviewed by representatives of each directorate and updated versions have been submitted to the Council's Governance Team. Directorate level Schemes of Delegation are not included in the Constitution but will be held by each directorate with a central copy held by the Governance Team on behalf of the Monitoring Officer.
7. Financial Powers: The Council's Finance Team are undertaking a complete

update in relation to the financial scheme of delegation with the intention that going forward the schedule of authorised officers will be updated on a rolling basis rather than an annual update. The team are also working with the directorates to agree the principles of how their authorisations will work going forward and documenting directorate specific schemes of financial delegation (like a financial powers documents). This was a more significant piece of work than originally expected due to significant changes that have occurred in the organisation. As with the completion of the directorate delegated powers documents, completing the finance directorate schemes and schedules has been a time challenge.

8. Below are details of the intended outputs and our progress to date.

| Output | Status | Notes | Completion Date |
|--|------------------|--|---|
| 1) Update the schedules to the scheme of delegation | In progress | See details of progress below. | Nov-23/Dec-23 |
| 2) Update the scheme of financial delegation, aligning with the updated Contract Procedure rules | Not started | Finance will need Governance/Legal to support with completing the update | TBC – dependent on support availability |
| 3) Update the S151 scheme of financial delegation | In progress | | Nov-23 |
| 4) Directorate Schemes of Financial Delegation | Part in progress | Adults/Children/Finance are in the process of documenting their local Financial Powers. Other Directorates | Dec-23 By end of financial year |
| 5) Update intranet pages | In progress | Draft pages edits – complete, pending sign off. Draft IBC guidance – complete, pending sign off. Draft Financial Schedule update | Nov-23 |

| | | | |
|--|--|---|--|
| | | guidance, pending sign off. | |
| | | Need to check with governance on page management – complete | |

9. Directorate schedules of authorised directorate officers, status is:

| Directorate | Status | By when |
|--|--|--------------|
| Adults | Final draft due to go to SC/KF/TJ to sign | w/c 13/11/23 |
| Childrens | Approach and levels agreed with Director 2/11/23, final draft being prepared | w/c 20/11/23 |
| Environment and Place | Final draft due to go to director | w/c 20/11/23 |
| Property | Some clarifications for Director | w/c 4/12/23 |
| Resources | With FBP/Director | Dec-23 |
| Customer/Culture Law & Gov Public Health | Updated schedules pending | Dec-23 |

B Cherwell-Oxfordshire Decoupling Programme

10. The ongoing partnership documentation required by the recommendation from the 4 July 2022 Joint Shared Services and Personnel Committee has been finalised.

C HR policies to be reviewed and updated for 2023/2024

11. The Domestic Abuse Supporting Employee's Policy and How-To Guide launch date has now been deferred to 29 January 2024 due to further consultation/amendments being required.
12. Sickness/supporting attendance policy: Now in Consultation stage with Unions; target date moved to 30 November 2023.
13. Agile: policy launched 30 October 2023.
14. Additions to pay: under review. HR Director due taking a paper to CMT regarding market supplements.
15. No change to remainder of policies but target date for completion remains as

31 March 2024.

D Governance policies and procedures

16. All policies and procedures comply with the law, promote best practice, consistency of approach and are straightforward and easy to use.
17. A review will be undertaken of procedures around member representation on outside bodies by 31 March 2024.
18. Officer guidance on executive decisions and key decisions has been published and awareness raising sessions have been held.

E Constitution

19. A further report to Council to recommend changes to the Council's Constitution to improve the effectiveness of the governance arrangements within the Council will be brought forward once the Members' Working Group has undertaken the next tranche of work. The Members' Working Group is expected to resume in January 2024.

F Member training

20. An improved and responsive training programme to reflect the evolving requirements of elected Members will be developed by 31 March 2024.

G Review of members' and officers' fiduciary responsibilities and accountability, and legal status in respect of outside bodies including indemnities

21. The legal status of and responsibilities and accountabilities of Members are clearly understood in relation each outside body they are appointed to by the Council with appropriate indemnities in place. This will form part of the review of representation on outside bodies to be completed by 31 March 2024.

H. Review of customer feedback

22. During the first 8 months of 2023/24, there has been a heightened level of engagement and communication about the complaints (statutory and corporate) process and the need to have an improved performance in terms of responsiveness and quality.
23. Actions include:
 - a) A complaints (and FOI) report is produced for each monthly Business Monitoring and Management Report (BMMR). This is reviewed, signed off

and owned at CMT level. On a bi-monthly basis, the report is also taken to Cabinet.

- b) On 5 July 2023, the Director for Customer Experience and Cultural services wrote to all Extended Leadership Team (ELT) colleagues requesting the cascade of the message to all colleagues to improve the current responsiveness rates; this was followed by articles in the Managers' Briefings and on the intranet
 - c) On 30 July 2023, the Director for Customer Experience and Cultural Services wrote to all ELT colleagues asking for them to provide feedback on the draft revised complaints process.
 - d) In November 2023, the newly updated complaints policy was launched.
24. In addition, the Customer Feedback team have provided the following information:
- a) Stage 1 training has been provided for Children's Social Care. There were around 90 attendees, and a further session is due to take place at the end of November for those staff unable to attend the original training date.
 - b) The Customer Feedback Team are working closely with the Partnership Youth Development Manager to support stage 1 responses within the relevant timeframe.
 - c) Work is being undertaken with Head of The Multi-agency Safeguarding Hub (MASH)/front door to provide a face-to-face training session on the quality of responses. This training should be rolled out in the New Year and will become mandatory going forwards. If this training works well, the team will look to replicate in other service areas.
 - d) The next step is to provide stage 2 staff training to managers in Children's Services: this will outline the process, expectations, and the role of the Adjudicator. The training was rolled out in March 2023 and the Deputy Director for Children's Services will work with the team to ensure that all managers attend. Attendance
 - e) The team have provided Statutory Stage 2 training to SEND colleagues to provide an overview of the process should any complaints become part of the statutory process.
 - f) The team have created guidance to support staff with writing responses until the they are able to provide in person training to all.
25. Although there is still work to do, the Customer Feedback team are working closely with the services and building key relationships to support staff with the complaints process and completing their responses in a timely and qualitative manner.

I Review the current culture of dealing with information requests and the expectations of the Information Commissioner's Office (ICO)

26. The Customer Feedback Team has appointed a Senior Freedom of Information (Fol) Officer. This role will liaise with the Governance Team to seek specialist advice on compliance with legislative provisions and to alert the Governance team when communication is received from the ICO.
27. The Governance Team alerts the FOI Team to any themes, issues with the quality of responses, or compliance concerns that have been identified, to enable actions to be put in place before a complaint is taken to the ICO.
28. Teams meet regularly to discuss any issues and to ensure that the approach when dealing with requests remains consistent, in line with statutory duties, and services are communicated with accordingly.
29. There is also an opportunity for key issues to be considered at the Council's Information Governance Group, which is chaired by the Head of Governance.
30. Six-monthly meetings have taken place with an ICO Case Worker to assist in the understanding of the Council's performance against other similar authorities.
31. The table below details the number of enquiries received from the ICO relating to complaints about the Council's handing of requests so far for 2023/2024. Data for the previous four years has also been included for comparison.

| | 2023/2024 (as at 15/11/2023) | 2022/2023 | 2021/2022 | 2020/2021 | 2019/2020 |
|---|---|------------------|------------------|------------------|------------------|
| Number of ICO enquiries received | 16 | 13 | 1 | 1 | 0 |
| Number of decision notices issued | 5 | 3 | 1 | 0 | 0 |
| Number of decision notices issued: Upheld | 3 | 2 | 1 | 0 | 0 |
| Number of decision notices issued: Partly Upheld | 2 | 0 | 0 | 0 | 0 |

| | | | | | |
|--|----------|----------|----------|----------|----------|
| Number of decision notices issued: Not Upheld | 0 | 1 | 0 | 0 | 0 |
|--|----------|----------|----------|----------|----------|

32. Please note that the ICO's approach is to try and resolve informally rather than to take through the formal process and issue a decision notice; this is reflected in the above figures.
33. To ensure corporate visibility there has been an enhanced focus on FOI/EIR data and compliance rates by reporting through the Business Monitoring and Management Report (BMMR) at Council Management Team (CMT) and Cabinet.

J. Recording of decisions

34. A paper was taken to the CMT setting out the approach to key decisions and officer decision notices. This detailed the need for consistency in decision making and reminded colleagues of the importance of making and retaining records of officer decisions where such matters were not taken before a political decision maker. Internal communications regarding the approach to key decisions has been publicised and guidance added to the intranet. A similar exercise is now required for officer decision notices

K. Proactive training for governance

35. Following a review of the Governance policies, training will be put in place including raising awareness about the Council's whistleblowing process and amended policy.

L. Review of the Annual Governance Statement process

36. The Corporate Governance Assurance Group (CGAG) is actively reviewing the process for the 2023/24 AGS and will make recommendations to the Council Management Team (CMT).

37. M. Financial Management Strategy

38. Update to be reported to A&G Committee in January 2024.

Financial implications

39. There are no direct financial implications directly relating to, or arising from, the recommendation in this report.

Legal implications

40. The Council has a legal duty to agree an Annual Governance Statement. This report does not itself raise legal implications but is an update on the actions arising from last year's AGS and is consistent with the responsibility of this Committee to ensure the effectiveness of the Council's governance.

Equality and inclusion implications

41. The recommendations in this report do not themselves raise equality implications. However, the effectiveness and inclusivity of the Council's governance arrangements are integral to the effective running of the Council and of the outcomes for the community.

Anita Bradley

Director of Law and Governance & Monitoring Officer

Contact Officer Sarah Smith, Senior Governance Lead
governance@oxfordshire.gov.uk

November 2023

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Division: **ALL**

ITEM 14

AUDIT AND GOVERNANCE COMMITTEE – 29 November 2023

COMMITTEE TERMS OF REFERENCE

Report of the Director of Law & Governance and Monitoring Officer

RECOMMENDATION TO COUNCIL

1. **To make the changes to the terms of reference of the Audit and Governance Committee (Part 5.1A of the Constitution) as highlighted in Annex A to the report. This reflects the latest guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA) - *Audit Committees: Practical Guidance for Local Authorities and Police (2022)*.**

Background

2. Proposed changes to the terms of reference were previously presented to the Audit and Governance Committee on 13 November 2019 but did not go through the normal approval process due to the interruption in meetings at the start of the Covid-19 Pandemic.
3. The proposed changes were in line with those recommended in the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance on the function and operation of audit committees Audit Committees in Local Authorities and Police 2018 edition.

Proposed changes

4. The terms of reference have been updated at Annex A to reflect the 2018 CIPFA guidance along with the latest 2022 CIPFA guidance on audit committees.
5. The revised terms of reference are split into seven areas:
 - Governance, risk and control
 - Internal Audit
 - External Audit

- Financial reporting
 - Accountability arrangements
 - Treasury management
 - Ethical governance
6. For reference, the present terms of reference for the committee in the Constitution are included at Annex B.

Corporate policies and priorities

7. The role of the Audit and Governance Committee underpins good corporate governance in the Council.

Financial implications

8. There are no direct financial implications arising from the report. The proposed changes to the terms of reference will however strengthen financial management reporting arrangements.

Legal implications

The Audit and Governance Committee is a key component of the Council's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The expectation is that the terms of reference for the Committee comply with CIPFA guidance as the leading national body for public sector accountancy and audit and are set out in the Constitution as recommended Council.

Comments checked by: Anita Bradley, Director of Law and Governance

Staff implications

9. None arising directly from this report

Equality and inclusion implications

10. None arising directly from this report

Anita Bradley

Director of Law & Governance and Monitoring Officer

Annex A: Updated terms of reference for the Audit and Governance Committee

Annex B: Current terms of reference for the Audit and Governance Committee

Background papers: CIPFA publication *Audit Committees: Practical Guidance for Local Authorities and Police* (2022)

Contact officer: Simon Harper, Head of Governance
Email simon.harper@oxfordshire.gov.uk

Annex A – updated terms of reference for the Audit and Governance Committee

Statement of purpose

1. The Audit and Governance Committee is a key component of Oxfordshire County Council's corporate governance framework. It provides an independent and high-level focus on the adequacy of the risk management framework, the internal control environment, the integrity of the financial reporting and governance processes. By overseeing Internal and External Audit it makes an important contribution to ensuring that effective assurance arrangements are in place.

Governance, risk and control

2. To review the Council's corporate governance arrangements against the good governance framework, including the ethical framework and consider the Local Code of Governance.
3. To be responsible for ensuring effective oversight of the Council's functions: making arrangements for proper administration of financial affairs, that processes are in place for the appointment of 'proper officers' and making arrangements for the designation of the Head of Paid Service and the Monitoring Officer (including the provision of staff).
4. To review the AGS (Annual Governance Statement) prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account Internal Audit's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
5. To consider whether the annual evaluation for the AGS fairly concludes that governance arrangements are fit for purpose, supporting the achievement of the authority's objectives.
6. To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
7. To consider reports on the effectiveness of financial management arrangements, including compliance with CIPFA's Financial Management Code.
8. To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.

9. To monitor the effective development and operation of risk management in the Council.
10. To monitor progress in addressing risk-related issues reported to the committee.
11. To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
12. To review the assessment of fraud risks and potential harm to the council from fraud and corruption.
13. To monitor the counter-fraud strategy, actions and resources
14. To review the governance and assurance arrangements for significant partnerships or collaborations.
15. To draw to the attention of the appropriate scrutiny committee any issues which in the committee's view would benefit from a scrutiny review or further investigation.

Internal Audit

16. To approve the Internal Audit Charter
17. To review proposals made in relation to the appointment of external providers of Internal Audit Services and to make recommendations.
18. To approve the risk-based Internal Audit Plan, including Internal Audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
19. To approve significant interim changes to the risk-based internal audit plan and resource requirements.
20. To make appropriate enquiries of both management and the Head of Internal Audit to determine if there are any inappropriate scope or resource limitations.
21. To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of Internal Auditing of the Head of Internal Audit. To approve and periodically review safeguards to limit such impairments.

22. To consider reports from the Head of Internal Audit on Internal Audit's performance during the year, including the performance of external providers of Internal Audit Services. These will include:
- Updates on the work of Internal Audit including key findings, issues of concern and action in hand as a result of internal audit work.
 - Regular reports on the results of the QAIP (Quality Assurance Improvement Programme).
 - Reports on instances where the internal audit function does not conform to the PSIAS, (Public Sector Internal Audit Standards) considering whether the non-conformance is significant enough that it must be included in the AGS.
23. To consider the Head of Internal Audit's annual report:
- The statement of the level of conformance with the PSIAS – this will indicate the reliability of the conclusions of Internal Audit.
 - The opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the committee in reviewing the AGS.
24. To consider summaries of specific Internal Audit reports as requested.
25. To receive reports outlining the action taken where the head of Internal Audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
26. To contribute to the QAIP and in particular to the external quality assessment of Internal Audit that takes place at least once every five years.
27. To consider a report on the effectiveness of internal audit to support the AGS.
28. To provide free and unfettered access to the Audit Committee Chair for the Head of Internal Audit, including the opportunity for a private meeting with the committee.

External Audit

29. To support the independence of External Audit through consideration of the External Auditor's annual assessment of its independence and review of any issues raised by PSAA (Public Sector Audit Appointments) or the authority's auditor panel as appropriate.
30. To consider the External Auditor's Annual Letter, relevant reports and the

report to those charged with governance.

- 31. To consider specific reports as agreed with the External Auditor.
- 32. To comment on the scope and depth of External Audit work and to ensure it gives value for money.
- 33. To advise and recommend on the effectiveness of relationships between External and Internal Audit and other inspection agencies or relevant bodies.
- 34. To provide free and unfettered access to the Audit Committee Chair for the Council's External Auditor, including the opportunity for a private meeting with the committee.

Financial reporting

- 35. To review the Annual Statement of Accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
- 36. To monitor the arrangements and preparations for financial reporting to ensure that statutory requirements and professional standards can be met.
- 37. To consider the External Auditor's report to those charged with governance on issues arising from the audit of the accounts.

Accountability arrangements

- 38. To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and Internal and External Audit functions.
- 39. To report to full Council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.
- 40. To publish an annual report of the work of the committee, including a conclusion on the compliance with the CIPFA Position Statement.

Treasury management

- 41. To be responsible for ensuring effective scrutiny of the treasury management

strategy and policies. Receiving regular reports of activity, reviewing the treasury risk profile and adequacy of treasury risk management processes.

Ethical governance

- 42. To promote high standards of conduct by councillors and co-opted members.
- 43. To have oversight of the process for granting dispensations to councillors and co-opted members from the requirements relating to interests set out in the code of conduct for members. This includes making recommendations to Council on general dispensations relating to a wider group of councillors. Note: the Monitoring Officer is authorised to grant individual dispensations where appropriate.
- 44. To advise the Council as to the adoption or revision of the members' code of conduct and arrangements for complaints against members.

Elections

- 45. To be responsible for ensuring effective oversight of the Council's functions relating to elections including ensuring that arrangements are in place to appoint a Returning Officer, advertise casual vacancies and hold elections.

Regulation of Investigatory Powers (RIPA) Act 2000

- 46. To be responsible for effective scrutiny of the Council's Regulation of Investigatory Powers (RIPA) Policy and related processes.

Annex B – current terms of reference for the Audit and Governance Committee

- | | |
|------------------------------|--|
| Audit & Governance Committee | <div style="display: flex; justify-content: space-between;"> <div style="width: 40%;"> <p>(1)</p> <p>(2)</p> <p>(3)</p> <p>(4)</p> </div> <div style="width: 55%;"> <p>The functions relating to elections specified in Section D of Schedule 1 to the Functions Regulations.</p> <p>The functions in relation to the designation of particular officers for certain purposes specified in Paragraphs 39, 40, 43 and 44 in Section I of Schedule 1 to the Functions Regulations.</p> <p>The functions in relation to the approval of the statement of accounts etc specified in Paragraph 45 in Section I of Schedule 1 to the Functions Regulations including the Annual Governance Statement (including Statement on Internal Control).</p> <p>To monitor the risk, control and governance arrangements within the Council, together with the adequacy of those arrangements and those of others managing Council resources:</p> <ul style="list-style-type: none"> - to ensure compliance with relevant legislation, guidance, standards, codes and best practice, whether external or internal; - to provide assurance on the effectiveness of those arrangements both generally and for the purposes of the Annual Governance Statement, including arrangements for reporting significant risks; and </div> <div style="width: 40%; text-align: right;"> <p>(5)</p> </div> </div> |
|------------------------------|--|

- to ensure coordination between internal and external audit plans to maximise the use of resources available as part of a total control assurance framework;

and to draw to the attention of the appropriate scrutiny committee any issues which in the Committee's view would benefit from a scrutiny review or further investigation.

- (5) To consider and comment on the Council's External Auditor's annual work plan, the annual audit letter and any reports issued by the Audit Commission or the Council's External Auditor. Where issues affect the discharge of executive functions, to make recommendations as appropriate to the Cabinet, and where any issues affect the discharge of non-executive functions, to make recommendations to the appropriate Council Committee.
- (6) To systematically monitor:
 - the performance and effectiveness of Internal Audit Services processes within the Council, including undertaking an annual review using key performance indicators e.g., client satisfaction, percentage of plan completed, percentage of non-chargeable time;
 - the strategic Internal Audit Services Plan and annual work plan, advising on any changes required to ensure that statutory duties are fulfilled;
 - resourcing for the service, making recommendations to the Cabinet and Council on the budget for the service;
 - arrangements for the prevention and detection of fraud and corruption; and
 - the system for Treasury Management
 - and to draw to the attention of the appropriate scrutiny committee any issues which in the Committee's view

would benefit from a scrutiny review or further investigation.

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Division: **ALL**

ITEM 15

AUDIT AND GOVERNANCE COMMITTEE – 29 November 2023

REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT

Report of the Director of Law & Governance and Monitoring Officer

RECOMMENDATION

1. **To note the results of the review of the effectiveness of Internal Audit.**

Background

2. The Monitoring Officer has undertaken a survey of senior officers about the effectiveness of Internal Audit at the Council. This report summarises the responses to the survey.
3. An annual review of the effectiveness of Internal Audit is no longer a requirement of Public Sector Internal Audit Standards but it is still regarded as good practice.
4. Every five years an external assessment is undertaken of Internal Audit and this has just been undertaken by Cipfa. The survey provided a useful source of information for their assessment, the results of which will be reported to the Audit and Governance Committee in January 2024.

Annual Survey

5. Questionnaires were sent to senior Council managers including members of the Strategic Leadership Team, Council Management Team and other senior officers who have regular contact with Internal Audit. This resulted in 20 responses.
6. A full breakdown of the results is attached at Annex A to this report. The first part of the survey asked a series of questions to which respondents were invited to provide a rating in answer (from strongly agree through neutral to strongly disagree).
7. Overall, the results are very favourable. Three core questions demonstrated a strong level of satisfaction about the nature and effectiveness of the service:

65% of respondents agreed or strongly agreed that the service was proactive in giving adequate information about its role and purpose.

8. The survey asked respondents to rate the overall level of service – with 90% of respondents considering the service to promote good governance and organisational improvement and 95% strongly agreeing or agreeing.
9. The survey also asked two open-ended questions seeking views on ‘high value activity’ and ‘instances of concern’.
10. There were no issues as regards the integrity, or capability, of any of the officers of Internal Audit and the comments continue to reflect that the service is well-regarded.
11. It is encouraging that respondents considered themselves to be aware of the proactive information from Internal Audit and respondents had confidence in the service’s independence.

Corporate policies and priorities

12. The role of Internal Audit underpins good corporate governance in the Council.

Financial implications

13. There are no direct financial implications arising from the report.

Legal implications

14. There are no direct legal implications arising from the report.

Anita Bradley

Director of Law & Governance and Monitoring Officer

Annex A: Results of the survey

Contact officer: Simon Harper, Head of Governance

Email simon.harper@oxfordshire.gov.uk



Breakdown of Results from Effectiveness of Internal Audit Survey

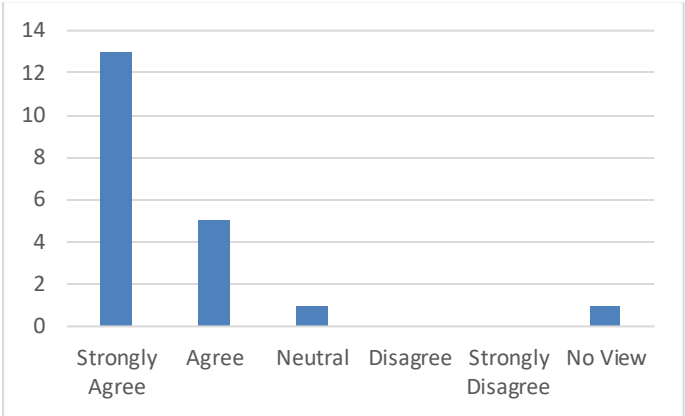
1. In what capacity are you involved in Internal Audit?



There was a mixture of responses from Senior Managers, Head of Service, Service Area, S151 Officer, Director, Customer, Being Audited, CMT and Recipients.

2. I am satisfied that Internal Audit is independent and objective.

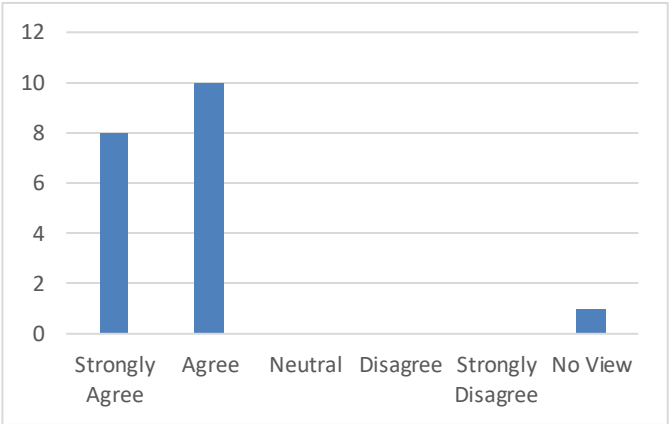
| | |
|-------------------|----|
| Strongly Agree | 13 |
| Agree | 5 |
| Neutral | 1 |
| Disagree | 0 |
| Strongly Disagree | 0 |
| No View | 1 |



The results showed that 13 out of 20 (65%) strongly agreed and 5 out of 20 (25%) agreed and one was neutral.

3. Internal Audit promotes good governance and organisational improvement.

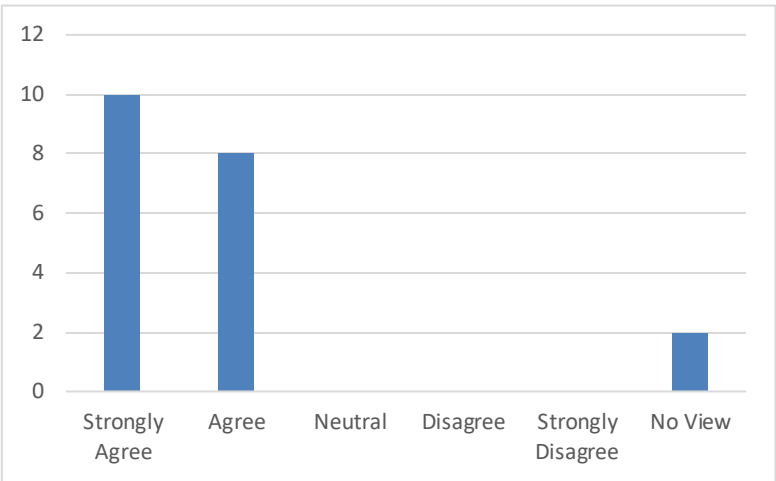
| | |
|-------------------|----|
| Strongly Agree | 8 |
| Agree | 10 |
| Neutral | 0 |
| Disagree | 0 |
| Strongly disagree | 0 |
| No View | 1 |



The results showed that 8 out of 20, strongly agreed and 10 out of 20 agreed and one had no view.

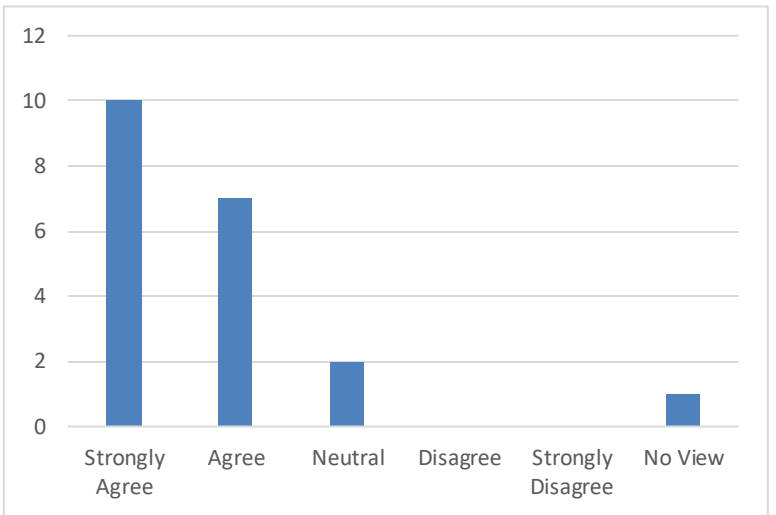
4. I am consulted and given the opportunity to comment on areas of risk to be covered by the Internal Audit activity.

| | |
|---------------------|----|
| • Strongly Agree | 10 |
| • Agree | 8 |
| • Neutral | 0 |
| • Disagree | 0 |
| • Strongly Disagree | 0 |
| • No View | 2 |



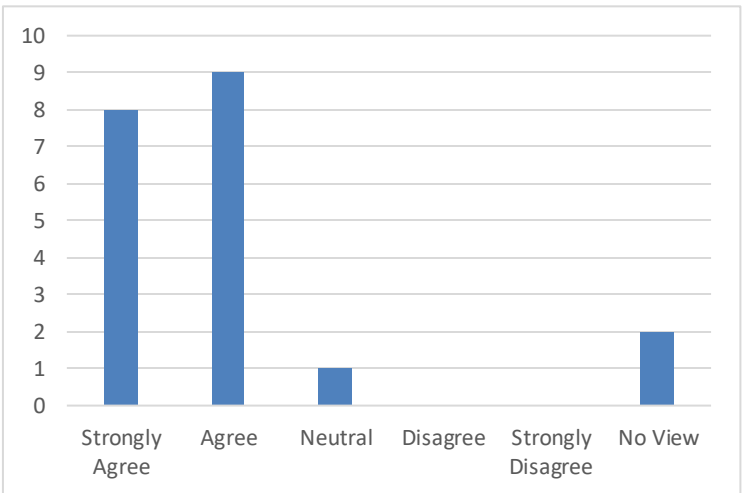
5. I can discuss the relevance of planned audit activity throughout the year and I have the opportunity to request other areas to be looked at where assurance is required

| | |
|---------------------|----|
| • Strongly Agree | 10 |
| • Agree | 7 |
| • Neutral | 2 |
| • Disagree | 0 |
| • Strongly Disagree | 0 |
| • No View | 1 |



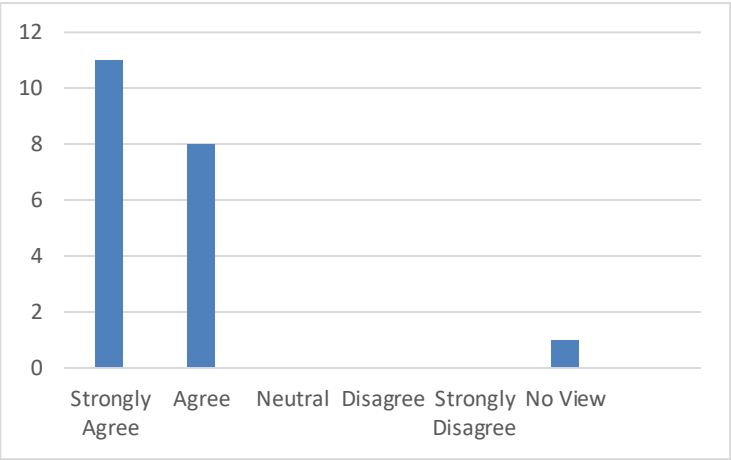
6. Internal Audit reports are timely, practical and support managers in the management of their key risks.

| | |
|---------------------|---|
| • Strongly Agree | 8 |
| • Agree | 9 |
| • Neutral | 1 |
| • Disagree | 0 |
| • Strongly disagree | 0 |
| • No View | 2 |



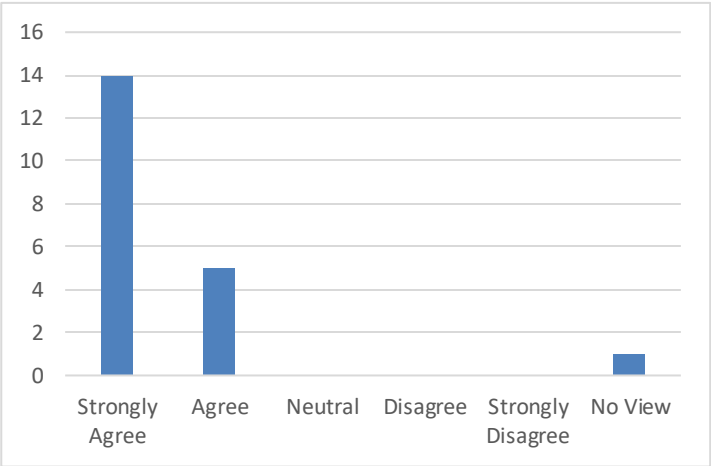
7. Internal Audit makes an important contribution to ensuring that effective assurance arrangements are in place and identifying improvements to the control environment.

| | |
|-------------------|----|
| Strongly Agree | 11 |
| Agree | 8 |
| Neutral | 0 |
| Disagree | 0 |
| Strongly Disagree | 0 |
| No View | 1 |



8. I am aware that Internal Audit reports are reported to the Audit Working Group and Audit & Governance Committee and that I may be obliged to attend as appropriate.

| | |
|-------------------|----|
| Strongly Agree | 14 |
| Agree | 5 |
| neutral | 0 |
| Disagree | 0 |
| Strongly Disagree | 0 |
| No View | 1 |



9. Question 9 asked for any instances of high value that were experienced with Internal Audit during 2022/23. Responses included Direct payment audits, Leasing Contracts activity, good communication for planning of audits, Pension Fund Audits, Whistleblowing Policy, General assurance that operational services are performing within the Corporate Financial and decision-making framework, Business Continuity to deliver improvements, Climate Change and Section 106 audits.
10. Question 10 asked about instances of concern experienced and nine responses were received. There was only one concern raised which was timescales for completion and subsequent reporting on audits.

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Oxfordshire County Council Draft Audit Results Report

Year ended 31 March 2022
17 November 2023

Page 135

EY

Building a better
working world

Agenda Item 15



Oxfordshire County Council

Audit & Governance Committee
County Hall
New Road
Oxford OX1 1ND

17 November 2023

Dear Audit & Governance Committee Members

2021/22 Draft audit results report

We are pleased to attach our draft audit results report, summarising the status of our audit for the forthcoming meeting of the Audit & Governance Committee. We will update the Audit & Governance Committee at its meeting scheduled for 29 November 2023 on further progress to that date and explain the remaining steps to the issue of our final opinion.

The audit is designed to express an opinion on the 2021/22 financial statements and address current statutory and regulatory requirements. This report contains our substantive findings related to the areas of audit emphasis, our views on Oxfordshire County Council's accounting policies and judgements and material internal control findings. Each year sees further enhancements to the level of audit challenge and the quality of evidence required to achieve the robust professional scepticism that society expects. We thank the management team for supporting this process. We have also included an update on our work on value for money arrangements.

This report is intended solely for the information and use of the Audit & Governance Committee, other members of the Council and senior management. It is not intended to be and should not be used by anyone other than these specified parties.

We welcome the opportunity to discuss the contents of this report with you at the Audit & Governance Committee meeting on 29 November 2023.

Yours faithfully

Partner
For and on behalf of Ernst & Young LLP
Encl

Contents



Public Sector Audit Appointments Ltd (PSAA) issued the "Statement of responsibilities of auditors and audited bodies". It is available from the PSAA website (<https://www.psaa.co.uk/audit-quality/statement-of-responsibilities/>). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The "Terms of Appointment and further guidance (updated April 2018)" issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the Audit & Governance Committee and management of **Oxfordshire County Council** in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the Audit & Governance Committee, and management of Oxfordshire County Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Audit & Governance Committee and management of Oxfordshire County Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



01

Executive summary

Scope update

Consideration of materiality - In our audit planning report tabled at the March 2023 Audit & Governance Committee meeting, we provided you with an overview of our audit scope and approach for the audit of the financial statements. Our planning materiality assessment was made using the draft financial statements for 2021/22 and as part of our work we have continued to reconsider our risk assessment. Our conclusion is that materiality does not need to be amended. Based on our planning materiality measure of 1.8% of gross expenditure on provision of services and performance materiality at 50% of planning materiality the materiality for the audit remained at those communicated in our audit planning report which were:

| Materiality | Audit Plan |
|-------------|------------|
| Planning | £20.921 m |
| Performance | £10.460 m |
| Reporting | £1.046 m |

Executive summary

Scope Update

Additional audit procedures as a result of Covid-19

Other changes in the entity and regulatory environment as a result of Covid-19 that have not resulted in an additional risk, but result in the following impacts on our audit strategy were as follows:

Information Produced by the Entity (IPE): We identified an increased risk around the completeness, accuracy, and appropriateness of information produced by the entity due to the inability of the audit team to verify original documents or re-run reports on-site from the Council's systems. We undertook the following to address this risk:

- Used the screen sharing function of Microsoft Teams to evidence re-running of reports used to generate the IPE we audited; and
- Agree IPE to scanned documents or other system screenshots.

Changes in risk during the audit:

Infrastructure Assets

As part of our 2021/22 Audit Plan we identified Inappropriate infrastructure asset recognition and derecognition as an inherent risk. Since issuing the audit plan in March 2023, we have concluded our assessment on the treatment of infrastructure assets as part of the 2020/21 audit and therefore the inherent risk of Inappropriate infrastructure asset recognition and derecognition was removed from our audit plan for 2021/22.

Triennial Valuation

- When the accounts were prepared, the 2019 triennial valuation informed key judgements and estimates in the 2021/22 financial statements, including the defined benefit liability derived from a roll-forward of the 2019 valuation. In March 2023 the triennial valuation as at March 2022 for Oxfordshire Pension Fund was finalised. This counts as new information available for any open accounts and therefore following the receipt of the final triennial valuation for 2022, account preparers need to consider whether there is a material difference to the information used in the roll forward and whether amendments need to be made to the 2021/22 accounts under Section 3.8 of the CIPFA Code of Practice. Audit teams will also be required to consider this information when reviewing their testing of those judgments and estimates. We concluded in the 2020/21 audit that the Triennial valuation did not have a material impact on the 2020/21 accounts but as part of the 2021/22 audit we need to reconsider the impact on the Council's 21/22 statements. The work has been completed but is subject to manager and partner review, we will update the Audit and Governance Committee on 29 November with our findings.

Executive summary

Status of the audit

Our audit work in respect of the Council opinion is nearing completion. Details of each outstanding item including those in relation to final conclusion, actions required to resolve and responsibility is included in Appendix D.

Given that the audit process is still ongoing, we will continue to challenge the remaining evidence provided and the final disclosures in the Narrative Report and Accounts which could influence our final audit opinion

Auditor responsibilities under the new Code of Audit Practice 2020

Under the Code of Audit Practice 2020 we are still required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. The 2020 Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to the Council a commentary against specified reporting criteria (see below) on the arrangements the Council has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period.

The specified reporting criteria are:

Financial sustainability

How the Council plans and manages its resources to ensure it can continue to deliver its services;

Governance

How the Council ensures that it makes informed decisions and properly manages its risks; and

- Improving economy, efficiency and effectiveness:

- How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

Status of the audit – Value for Money

We have previously reported to the Committee the changes to the arrangements for our work on Value for Money (VfM) resulting from the updated NAO Code for 2021/22

Our work on Value for Money (VfM) resulting from the updated NAO Code for 2021/22 is currently underway. We will update the Audit and Governance Committee on 29 November with the progress made in this area.



Executive summary

Audit differences

As at the date of this report, through of our testing we have identified two corrected misstatements that are greater than our performance materiality, these relate to two balance sheet reclassification entries. See Section 4 of this report for further details of the mis-statements.

There are currently four uncorrected mis-statement greater than our uncorrected misstatements reporting threshold of £1.046m, these relate to four projected cut off misstatements identified in our testing. See Section 4 of this report for further details of the mis-statements.

There have been a number of presentational and disclosure amendments which we have identified and have been corrected by management.

Given that the audit process is still ongoing, and areas of the accounts are subject to manager and partner review, there may be further misstatements identified as the audit reaches its conclusion. We will update the Audit and Governance Committee on 29 November 2023 with any updates in this area.

Other reporting issues

Our procedures on the information presented in the Annual Governance Statement are in progress, we will update the Audit and Governance Committee on 29 November 2023 with our conclusions in this area.

We have not yet performed the procedures required by the National Audit Office (NAO) on the Whole of Government Accounts (WGA) submission. This work will be completed at the end of the audit and we will provide an update on WGA at the May 2023 Audit & Governance Committee meeting.

We have no other matters to report.

Executive summary

Areas of audit focus

In our Audit Plan we identified a number of key areas of focus for our audit of the financial report of Oxfordshire County Council. This report sets out our observations and status in relation to these areas, including our views on areas which might be conservative and areas where there is potential risk and exposure. Our consideration of these matters and others identified during the period is summarised within the "Areas of Audit Focus" section of this report.

We request that you review these and other matters set out in this report to ensure:

- There are no residual further considerations or matters that could impact these issues;
- You concur with the resolution of the issue; and
- There are no further significant issues you are aware of to be considered before the financial report is finalised.

There are no matters, as at the date of this report, other than those reported by management or disclosed in this report, which we believe should be brought to the attention of the Audit & Governance Committee or Management. The audit process is still ongoing, and areas of the accounts are subject to manager and partner review there may be further misstatements identified as the audit reaches its conclusion. We will update the Audit and Governance Committee on 29 November 2023 with any updates in this area.

Control observations

As at the date of this report, we have not identified any significant deficiencies in internal control.

However, during the audit we identified an issue in relation to journal authorisation and have made recommendations for improvement in relation to management's financial processes and controls these are also included in Section 7 of this report - Assessment of the control environment. In addition, we also made a recommendation in relation to the Council's de minimis for accrual/deferrals of income and expenditure.

The audit process is still ongoing and therefore further control observation may be identified as the audit reaches its conclusion, we will provide an update on 29 November 2023 with any further findings in this area.

Independence

In our Audit Plan presented at the 6 March 2023 Audit & Governance Committee meeting we did not identify any independence issues.

Please refer to Section 9 for our update on Independence.

Executive summary

Areas of audit focus

Our audit plan identified significant risks and areas of focus for our audit of the Authority's financial statements. We summarise below our latest findings.

| Significant risk | Findings & conclusions |
|--|--|
| Misstatements due to fraud or error | Our work on this area is substantially complete and we will update the Audit and Governance Committee on 29 th November 2023 with our final conclusions. |
| Incorrect capitalisation of revenue expenditure | Our work on this area is substantially complete and we have found no instances of incorrect capitalisation of revenue expenditure but have noted some cut off issues between 2020/21 and 2021/22 through our testing. The work on this significant risk is subject to final manager and partner review. We will update the Audit and Governance Committee on 29 th November 2023 with our final conclusions. |
| Valuation of land and buildings | Our work on valuations is now complete but subject to manager and partner review. We identified limited issues with the valuations in 2021/22 for more details please see section 2 of this report. We will update the Audit and Governance Committee on 29 th November 2023 with our final conclusions. |
| Other area of audit focus | Findings & conclusions |
| Pension liability | We have agreed the Authority's pension liability disclosures to the actuarial report with no issues. We have received the IAS19 assurance letter from the auditor of the Oxfordshire Pension Fund. We have also used our internal EY Pension specialists to support us with an assessment of the reasonableness of the roll forward of liabilities. This is in response to the changes in ISA 540 (Accounting Estimates). As at the date of this report, the specialist conclusion is outstanding we will update the Audit and Governance Committee with the final outcome of this report on 29 November 2023. The audit work on the pensions liability is subject to manager and partner review, we will update the Audit and Governance Committee with the final results of our testing on 29 November 2023. |
| Inappropriate infrastructure asset recognition and derecognition | As part of our 2021/22 Audit Plan we identified inappropriate infrastructure asset recognition and derecognition as an inherent risk. Since issuing the audit plan in March 2023, we have concluded on the treatment of infrastructure assets as part of the 2020/21 audit and therefore the inherent risk of Inappropriate infrastructure asset recognition and derecognition was removed from our audit plan for 2021/22. |



02 Areas of audit focus





Significant risk

Incorrect capitalisation of revenue expenditure

Page 146

What is the risk?

Under ISA240 there is also a presumed risk that revenue may be misstated due to improper recognition of revenue. In the public sector, this requirement is modified by Practice Note 10, issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.

For Oxfordshire County Council, we consider this risk to be present in:

- Additions to property, plant and equipment and Revenue Expenditure Financed from Capital Under Statute (REFCUS).

We have considered the capitalisation of revenue expenditure on property, plant and equipment as a specific area of risk given the extent of the Authority's capital programme.

What judgements are we focused on?

How management decides on appropriate capitalisation of revenue expenditure, including consideration of REFCUS.

What did we do?

We sample tested additions to property, plant and equipment to ensure that they have been correctly classified as capital and included at the correct value in order to identify any revenue items that have been inappropriately capitalised.

What are our conclusions?

Our testing is substantially complete, subject to work undertaken as at the date of this report:

We have not identified any issues with management's accounting policies or practices in relation to opting to finance expenditure from capital sources.

Capital expenditure in relation to Investment is not material, therefore we focused our testing on property, plant and equipment capital additions and also Revenue Expenditure Financed from Capital Under Statute (REFCUS) capital additions.

Our testing of capital additions is complete and we have identified no instances where expenditure had been inappropriately capitalised. However, we have identified some cut off issues between 2020/21 and 2021/22. This has been reported in the audit results report as a uncorrected differences and is shown in section 4 of this report. The work on this significant risk and the conclusions drawn is subject to final manager and partner review before our conclusions can be finalised, we will update the Audit and Governance Committee on 29 November with our final conclusions.



Areas of audit focus

Significant risk

Risk of error in the valuation of land and buildings

What is the risk?

The fair value of Property, Plant and Equipment and Investment Properties represent significant balances in the Authority's accounts, totalling approximately £1.2 billion and are subject to valuation changes, impairment reviews and depreciation charges.

In calculating amounts recorded in the Authority's balance sheet, management are required to make material judgements and apply estimation techniques.

What judgements are we focused on?

We focused on aspects of the land and buildings valuation which could have a material impact on the financial statements, primarily:

- harder to value assets – such as schools which are valued on a depreciated replacement cost basis;
- the assumptions and estimates used to calculate the valuation; and
- changes to the basis for valuing the assets.

What did we do?

We confirmed that the Authority's valuers are members of RICS and registered valuers. We reviewed the instructions provided to the valuer against the requirements of the Code and IFRS and found no issues.

For a sample of assets we assessed whether the valuation basis was appropriate and whether the assumptions used were supportable and reperformed the valuers' calculations.

We challenged the information provided by the valuer as management's expert.

We have considered the impact of assets not revalued in year, and whether this could lead to a material misstatement of the closing asset valuation.

We:

- considered the competence, capability and objectivity of the Council's valuers;
- considered the scope of the valuers' work;
- ensured Land & assets have been revalued within a 5 year rolling programme as required by the Code;
- ensured Investment Property assets had been annually revalued as required by the Code;
- considered if there were any specific changes to assets that should have been communicated to the valuer(s);
- ensured that it was appropriate that no disclosure needed to be made in the accounts in relation to any valuation uncertainty;



Areas of audit focus

Significant risk (cont'd)

Risk of error in the valuation of land and buildings

What is the risk?

The fair value of Property, Plant and Equipment and Investment Properties represent significant balances in the Authority's accounts, totalling approximately £1.2 billion and are subject to valuation changes, impairment reviews and depreciation charges.

In calculating amounts recorded in the Authority's balance sheet, management are required to make material judgements and apply estimation techniques.

Page 48

What did we do? – continued from previous page

As at the date of this report our work on valuations is now substantially complete, we have:

- Tested a sample of assets revalued in year to confirm that the valuation basis is appropriate and the accounting entries are correct;
- Sample tested key inputs used by the valuer(s) when producing valuations;
- Considered the results of the valuers' work;
- Challenged the assumptions used by the Council's valuers by reference to external evidence and our EY valuation specialists (where necessary);
- Tested journals for the valuation adjustments to confirm that they have been accurately processed in the financial statements; and
- Reviewed assets that are not subject to valuation in 2021/22 to confirm the remaining asset base is not materially misstated.

What are our conclusions?

Our internal valuation specialists viewed a sample of assets valued by the Council's external valuer, there was one asset, valued under a depreciation replacement cost (DRC) approach, which was deemed to be outside of an acceptable range, due to a difference in professional judgment on the obsolescence factor used in the valuation. We are currently working to determine the effect of this difference on the remaining DRC population.

There are still some outstanding procedures that need to be performed in relation to the assets not valued in year.

The work on valuation is substantially complete, there are still some outstanding procedures that are required to be completed before our final conclusions can be drawn. The work is also subject to final manager and partner review, we will update the Audit and Governance Committee on 29 November with our progress on the valuation testing.



Areas of audit focus

Other areas of audit focus

We have identified other areas of the audit, that have not been classified as significant risks, but are still important when considering the risks of material misstatement to the financial statements and disclosures and therefore may be matters that we report on

What is the risk/area of focus?

What did we do?

Valuation of defined benefit pension scheme

The Local Authority Accounting Code of Practice and IAS19 require the Council to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme administered by Oxfordshire County Council.

The Council's pension liability is a material estimated balance and is required to be disclosed on the Council's balance sheet. At 31 March 2021 this totalled £1,119 million.

The information disclosed is based on the IAS 19 report issued by the Pension Fund actuary to the Council. Accounting for these schemes involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on its behalf.

We are required to undertake procedures on the use of the use of the actuary as management's expert and the assumptions underlying fair value estimates.

- Our testing for the defined pension liability is substantially complete. From the work completed to date we have not identified any material amendments and will provide an update at the Audit & Governance Committee meeting.
- We have received the IAS 19 Assurance Letter from the auditor of the Oxfordshire Pension Fund.
- We used our internal specialists to assess the acceptability of the Scheme's liability for disclosures as at 31 March 2022. These were independently assessed as being within an acceptable range of <0.2%.
- We have reviewed the updated IAS 19 calculation as a results of the triennial valuation and have concluded that this is not materially different from the original IAS 19 liability calculation and therefore no update is required in the accounts.



03 Audit report



Audit report

Draft audit report 2021/22

Our opinion on the financial statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXFORDSHIRE COUNTY COUNCIL

Opinion

We have audited the financial statements and the firefighters' pension fund financial statements of Oxfordshire County Council 'the Council') for the year ended 31 March 2022 under the Local Audit and Accountability Act 2014 (as amended). The financial statements comprise the:

- Council Movement in Reserves Statement;
- Council Comprehensive Income and Expenditure Statement;
- Council Balance Sheet;
- Council Cash Flow Statement;
- the related notes 1 to 61; and,
- include the firefighters' pension fund financial statements comprising the Fund Account, the Net Assets Statement, and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022).

In our opinion the financial statements:

- give a true and fair view of the financial position of Oxfordshire County Council as at 31 March 2022 and of its expenditure and income for the year then ended; and
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's AGN01, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director of Finance's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Council's ability to continue as a going concern for a period of twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Director of Finance with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Council's ability to continue as a going concern.



Audit report

Draft audit report 2021/22

Our opinion on the financial statements

Other information

The other information comprises the information included in the Statement of Accounts 2021/22, other than the financial statements and our auditor's report thereon. The Director of Finance is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we report by exception

We report to you if:

- in our opinion the annual governance statement is misleading or inconsistent with other information forthcoming from the audit or our knowledge of the Council;
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 (as amended);
- we make written recommendations to the audited body under Section 24 of the Local Audit and Accountability Act 2014 (as amended);

- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 (as amended);
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 (as amended);
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014 (as amended); and
- we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We have nothing to report in these respects

Responsibility of the Director of Finance

As explained more fully in the Statement of the Director of Finance's Responsibilities set out on pages [...], the Director of Finance is responsible for the preparation of the Statement of Accounts, which includes the financial statements and the firefighters pension fund financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022), and for being satisfied that they give a true and fair view and for such internal control as the Director of Finance determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director of Finance is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to cease operations, or has no realistic alternative but to do so.



Audit report

Draft audit report 2021/22

Our opinion on the financial statements

The authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Council and determined that the most significant are:

- Local Government Act 1972;
- School Standards and Framework Act 1998 [applicable to authorities that are responsible for education within their jurisdiction, Local education authorities;

- Education Act 2002 and school Standards and Framework Act 1998 (England);
- Local Government Act 2003;
- The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 as amended in 2018, 2020, and 2022;
- National Health Service Act 2006;
- Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (SI 2010/948);
- The Local Audit and Accountability Act 2014 (as amended); and
- The Accounts and Audit Regulations 2015.

In addition, the Council has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection, employment Legislation, tax Legislation, general power of competence, procurement and health & safety.

•

We understood how Oxfordshire County Council is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, the head of internal audit, those charged with governance and the monitoring officer and obtaining and reading documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our reading of the Council's committee minutes, through enquiry of employees to confirm the Council policies, and through the inspection of employee handbooks and other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.



Audit report

Draft audit report 2021/22

Our opinion on the financial statements

We assessed the susceptibility of the Council's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified inappropriate capitalisation of revenue expenditure and management override of controls to be our fraud risks.

To address our fraud risk of inappropriate capitalisation of revenue expenditure we tested the Council's capitalised expenditure to ensure the capitalisation criteria were properly met and the expenditure was genuine.

To address our fraud risk of management override of controls, we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice 2020, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in December 2021, as to whether the Oxfordshire County Council had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Oxfordshire County Council put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Oxfordshire County Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 (as amended) to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Certificate

We certify that we have completed the audit of the accounts of Oxfordshire County Council in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended) and the Code of Audit Practice issued by the National Audit Office.

We cannot formally conclude the audit and issue an audit certificate until the NAO as group auditor has confirmed that no further assurances will be required from us as component auditors of Oxfordshire County Council. We are satisfied that this work does not have a material effect on the financial statements or our work on value for money arrangements.

We cannot formally conclude the audit and issue an audit certificate until the NAO as group auditor has confirmed that no further assurances will be required from us as component auditors of Oxfordshire County Council. We are satisfied that this work does not have a material effect on the financial statements or our work on value for money arrangements.



Audit report

Draft audit report 2021/22

Our opinion on the financial statements

Use of our report

This report is made solely to the members of Oxfordshire County Council, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 (as amended) and for no other purpose, as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council and the Council's members as a body, for our audit work, for this report, or for the opinions we have formed.

Maria Grindley (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
Reading
Date



04 Audit differences



Audit differences

In the normal course of any audit, we identify misstatements between amounts we believe should be recorded in the financial statements and the disclosures and amounts actually recorded. These differences are classified as “known” or “judgemental”. Known differences represent items that can be accurately quantified and relate to a definite set of facts or circumstances. Judgemental differences generally involve estimation and relate to facts or circumstances that are uncertain or open to interpretation.

Summary of adjusted differences

Factual Misstatements

We have identified two audit mis-statements as at the date of this report greater than our performance materiality of £10.460m.

- 1) The first misstatement relates to capital grants receipts in advance, in the draft accounts the short term capital grants receipts in advance figure was shown as positive, management prepared a revised working paper which was audited by the audit team, this resulted in a reclassification between short term and long term capital grants receipts in advance, there was no change to the total capital grants receipts in advance figure.
- 2) The second relates to a reclassification between debtors and creditors. It was noted that there was a casting error in the collection fund working paper, this resulted in the credit balances incorrectly being posted to a debtors codes and debit balances being posted to a creditors code. Management corrected the working paper and this resulted in a reclassification between debtors and creditors.

| Corrected misstatements March 2022 (Currency'000) | Effect on the Current period: | | Net assets (Decrease)/Increase | | | |
|--|----------------------------------|---|---|--|---|--|
| | OCI Debit/(Credit) | Comprehensive Income and Expenditure Statement Debit/(Credit) | Assets current Debit/ (Credit) | Assets non current Debit/ (Credit) | Liabilities current Debit/ (Credit) | Liabilities non- current Debit/ (Credit) |
| Corrected Misstatements | | | | | | |
| Factual Misstatements | | | | | | |
| • Reclassification of Capital Grants Receipts in Advance | | | | | -30,901 | 30,901 |
| • Reclassification of Collection Fund Entries | | | 14,183 | | -14,183 | |
| Total | | | 14,183 | | -45,084 | 30,901 |



Audit differences

In the normal course of any audit, we identify misstatements between amounts we believe should be recorded in the financial statements and the disclosures and amounts actually recorded. These differences are classified as “known” or “judgemental”. Known differences represent items that can be accurately quantified and relate to a definite set of facts or circumstances. Judgemental differences generally involve estimation and relate to facts or circumstances that are uncertain or open to interpretation.

Summary of unadjusted differences

As at the date of this report there are four unadjusted mis-statements above our reporting threshold of £1.046m which we need to bring to the attention of the Audit & Governance Committee.

- 1) Income cut off error- Through our testing of income we identified one item that related to 2022/23 which had been recorded in 2021/22. On enquiry management had not posted an adjustment to defer the income as the amount was below the £10k de minimis. We have extrapolated the error of £78 over the representative population and calculated an projected error of £1.230m.
- 2) Creditors cut off error (post)-Through out testing of creditors cut off we identified several invoices posted in 2022/23 that related to 2021/22 expenditure. In some instances part of the item had been accrued for and in some cases no accrual had been made as the amount was below the Council's £10k de minimis. We have extrapolated the error of £5,127 over the representation population and calculated an projected error of £6.073m.
- 3) Creditors cut off error (pre)-Through out testing of creditors cut off we identified one invoice posted in 2021/22 that related to 22/23 expenditure. This related to a software license which had been invoiced in advance, the Council had not made an adjustment for the prepayment, the same license was invoiced early in 2020/21 and no adjustment was made, the net impact was £902. We have extrapolated the error of £902 over the representation population and calculated an projected error of £1.5m.
- 4) Property, plant and equipment additions cut off error-Through our testing of PPE additions we identified several items that relate to good delivered or services performed in 2020/21 which had not been accrued for in the prior year. The cut off error identified was £12,656 in our representative sample, this resulted in an understatement of prior PPE additions and an overstatement of current year PPE additions. We extrapolated the error over the representative population and calculated a projected misstatement of £1.557m. As the misstatement is below our planning materiality level no prior year adjustment is required and the double entry is not shown in the following table.

In line with our overall approach to unadjusted differences we will request specific representations from management in the Letter of Representation to be signed at the end of the audit.



Audit differences

In the normal course of any audit, we identify misstatements between amounts we believe should be recorded in the financial statements and the disclosures and amounts actually recorded. These differences are classified as “known” or “judgemental”. Known differences represent items that can be accurately quantified and relate to a definite set of facts or circumstances. Judgemental differences generally involve estimation and relate to facts or circumstances that are uncertain or open to interpretation.

Summary of unadjusted differences

We set out below how the unadjusted differences impact the financial statements:

| Uncorrected misstatements 31 March 2022 (Currency'000) | Effect on the Current period: | | Net assets (Decrease)/Increase | | | |
|---|----------------------------------|---|---|--|---|--|
| | OCI Debit/(Credit) | Comprehensive Income and Expenditure Statement Debit/(Credit) | Assets current Debit/ (Credit) | Assets non current Debit/ (Credit) | Liabilities current Debit/ (Credit) | Liabilities non- current Debit/ (Credit) |
| Uncorrected Misstatements | | | | | | |
| Projected misstatements: | | | | | | |
| • Income Cut off Error | | 1,230 | -1,230 | | | |
| • Creditors cut off error (post)- | | 6,073 | | | -6,073 | |
| • Creditors cut off error (pre)- | | -1,504 | | | 1,504 | |
| Total | | 5,799 | -1,230 | | -4,569 | |



05 Value for money



Value for money

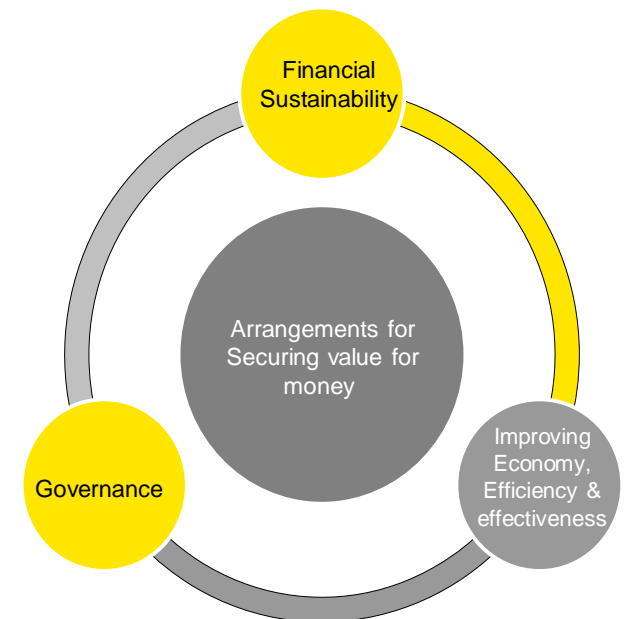
The Council's responsibilities for value for money (VFM)

The Council is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal.

As part of the material published with its financial statements, the Council is required to bring together commentary on its governance framework and how this has operated during the period in a governance statement. In preparing its governance statement, the Council tailors the content to reflect its own individual circumstances, consistent with the requirements of the relevant accounting and reporting framework and having regard to any guidance issued in support of that framework. This includes a requirement to provide commentary on its arrangements for securing value for money from their use of resources.

Risk assessment

We are finalising our VFM conclusion and commentary and will update the Audit and Governance Committee with the progress in this area on 29 November 2023.





06 Other reporting issues

Other reporting issues

Consistency of other information published with the financial statements, including the Annual Governance Statement

We must give an opinion on the consistency of the financial and non-financial information in the Statement of Accounts 2021/22 with the audited financial statements

We must also review the Annual Governance Statement for completeness of disclosures, consistency with other information from our work, and whether it complies with relevant guidance.

Financial information in the Statement of Accounts 2021/22 and published with the financial statements was consistent with the audited financial statements.

Our work on the Annual Governance Statement is currently in progress, we will update the Audit and Governance Committee on 29 November if we identify any findings during our procedures.

Whole of Government Accounts

Alongside our work on the financial statements, we also review and report to the National Audit Office on your Whole of Government Accounts return. The extent of our review, and the nature of our report, is specified by the National Audit Office.

We are yet to commence our work in this area – we will do so and report any matters arising to the Audit & Governance Committee.

Other reporting issues

Other powers and duties

We have a duty under the Local Audit and Accountability Act 2014 to consider whether to report on any matter that comes to our attention in the course of the audit, either for the Authority to consider it or to bring it to the attention of the public (i.e. “a report in the public interest”). As at the date of this report, we have not identified any issues which required us to issue a report in the public interest.

Other matters

As required by ISA (UK&I) 260 and other ISAs specifying communication requirements, we must tell you significant findings from the audit and other matters if they are significant to your oversight of the Authority’s financial reporting process. They include the following:

- Significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures;
- Any significant difficulties encountered during the audit;
- Any significant matters arising from the audit that were discussed with management;
- Written representations we have requested;
- Expected modifications to the audit report;
- Any other matters significant to overseeing the financial reporting process;
- Findings and issues around the opening balance on initial audits (if applicable);
- Related parties;
- External confirmations;
- Going concern;
- Consideration of laws and regulations.

As at the date of this report we have nothing in respect of other matters that we need to bring to the attention of the Audit & Governance Committee.



07

Assessment of control environment



Assessment of control environment

Financial controls

It is the responsibility of the Authority to develop and implement systems of internal financial control and to put in place proper arrangements to monitor their adequacy and effectiveness in practice. Our responsibility as your auditor is to consider whether the Authority have put adequate arrangements in place to satisfy itself that the systems of internal financial control are both adequate and effective in practice.




As part of our audit of the financial statements, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed.

Although our audit was not designed to express an opinion on the effectiveness of internal control we are required to communicate to you significant deficiencies in internal control.

As at the date of this report, we have not identified any significant deficiencies in the design or operation of an internal control that might result in a material misstatement in your financial statements of which you are not aware but we do make one recommendation in respect of de minimis for accrual as can be seen on the next slide.

The table below provides an overview of the 'high' 'moderate' and 'low' rated observations we have from the 2021/22 audit (including IT controls). We will discuss with management and follow up as part of 2021/22 audit..

| 2 | High | Moderate | Low | Total |
|------------------------------|------|----------|-----|-------|
| New points raised in FY21/22 | 0 | 0 | 1 | 1 |

- Key:
-  A weakness which does not seriously detract from the internal control framework. If required, action should be taken within 6-12 months.
 -  Matters and/or issues are considered to be of major importance to maintenance of internal control, good corporate governance or best practice for processes. Action should be taken within six months.
 -  Matters and/or issues are considered to be fundamental to the mitigation of material risk, maintenance of internal control or good corporate governance. Action should be taken either immediately or within three months.

The matters reported on the next slide are limited to those that we identified during the audit and that we concluded are of sufficient importance to merit being reported to you.



Assessment of Control Environment

| Area | Accruals | Rating | Low |
|--------------------|--|--------|-----|
| Observation | <p>We note that management have a de minimis in place when accruing and deferring income and expenditure. As noted in section 4 of the report, there were a number of projected cut off misstatements identified as a result of our audit testing, these projected misstatements were greater than our reporting threshold but below our planning materiality. We recommend that management reviews its de minimis threshold to ensure hat they are comfortable this this could not result in a material misstatement.</p> | | |
| Management comment | | | |

Reliance on internal audit

Whilst we do not rely on the work of your internal auditors, we have reviewed Internal Audit reports issued to management covering the period up until March 22. This is to ensure that any financial statement risks identified are considered in determining the extent of our audit procedures.



08 Data analytics

Management Override of Controls

What is the risk?

In line with ISA 240 we are required to test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

What judgements are we focused on?

We review journals by certain risk based criteria to focus on higher risk transactions, such as journals posted manually by management, those posted around the year-end, those with unusual debit and credit relationships, and those posted by individuals we would not expect to be entering transactions.

The purpose of this approach is to provide a more effective, risk focused approach to auditing journal entries, minimising the burden of compliance on management by minimising randomly selected samples.

What did we do?

We obtained general ledger journal data for the period and have used our analysers to identify characteristics typically associated with inappropriate journal entries or adjustments, and journals entries that are subject to a higher risk of management override.

We then performed tests on the journals identified to determine if they were appropriate and reasonable.

What are our conclusions?

Our journal entry testing is in progress. We have not identified any issues which we need to bring to the attention of the Audit & Governance Committee at this point in our testing. We will update the Audit & Governance Committee on 29 November 2023 with the progress of our procedures.



Journal Entry Data Insights

The graphic outlined below summarises the journal population for 2021/22. We isolated a sub set of journals for further investigation and obtained supporting evidence to verify the posting of these transactions included in our data subset.





Page 171

09

Independence

Relationships, services and related threats and safeguards

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and the Council, and its directors and senior management and its affiliates, including all services provided by us and our network to your company, its directors and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on the our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

There are no relationships from 1st April 2021 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

Services provided by Ernst & Young

The next page includes a summary of the fees that you have paid to us in the year ended 31 March 2022 in line with the disclosures set out in FRC Ethical Standard and in statute. Full details of the services that we have provided are shown below. Further detail of all fees has been provided to the Audit & Governance Committee with measurement against pre-approved limits.

at the date of this report, there are no future services which have been contracted and no written proposal to provide non-audit services has been submitted.

We confirm that we have undertaken non-audit work in respect of Teacher's Pension certification for 2021-22. This work does not impact in any way on the work undertaken on the main audit. The fee for this work is approximately £14,000.

Confirmation and analysis of Audit fees

We confirm there are no changes in our assessment of independence since our confirmation in our audit planning board report dated 15 March 2023.

We complied with the APB Ethical Standards. In our professional judgement the firm is independent and the objectivity of the audit engagement partner and audit staff has not been compromised within the meaning of regulatory and professional requirements.

We consider that our independence in this context is a matter that should be reviewed by both you and ourselves. It is therefore important that you and your Audit & Governance Committee consider the facts of which you are aware and come to a view. If you wish to discuss any matters concerning our independence, we will be pleased to do so at the forthcoming meeting of the Audit & Governance Committee on 29 November 2023.

We confirm we plan to undertake non-audit work outside of the Statement of Responsibilities of auditors and audited bodies as issued by the Public Sector Audit Appointments Ltd. We will apply the necessary safeguards in our completion of this work.

Page 173

(*) The scale fee for 2020/21 and 2021/22 is set by PSAA as indicative and does not reflect the actual costs of undertaking the audit, to address all risks identified and to meet current regulatory standards. We set out the key areas of focus of our work on pages 7-15. In our planning report, we included an estimate of the fee of £145,200 to reflect those underlying costs.

(**) The 2020/21 work on the Teacher's Pension certification has been completed. For 2021/22 the planned fee represents the base fee, i.e. not including any extended testing.

| Description | Final Fee 2021/22 £ | Planned Fee 2021/22 £ | Final Fee 2020/21 £ |
|---|---------------------------|-----------------------------|---------------------------|
| Total Audit Fee – Code work | 145,200* | 145,200* | 145,200* |
| Additional Fee | TBC | | 169,860*** |
| Other Objection – 2015/16 | - | - | 27,225 |
| Other Objection – 2016/17 | - | - | 19,998 |
| Total Audit Fees | Note*** | 145,200* | 144,391 |
| Non-audit work (Teacher's Pensions Certification) | 14,000** | 14,000** | 13,500** |
| Total non-audit services | 14,000 | 14,000 | 13,500 |
| Total fees | Note*** | Note*** | 157,391 |

(***) During 2020/21 We have also incurred additional costs in addressing the increased risks associated with C 19, including asset valuations and the impact on the going concern assessment. Our work on asset valuations identified 66 assets which needed to be re-stated for 3 years due to issues with the obsolescence assumption. We also experienced significant delays due to key changes in the finance team which cumulatively delayed the audit and resulted in significant inefficiency and delay. We will discuss and agree a fee with management and PSAA, and communicate progress to the Audit & Governance Committee.

Other communications

EY Transparency Report 2020

Ernst & Young (EY) has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained.

Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is for the year end 30 June 2023:

[EY UK 2023 Transparency Report](#) | [EY UK](#)



10 Appendices



Audit approach update





We summarise below our approach to the audit of the balance sheet and any changes to this approach from the prior year audit.

Our audit procedures are designed to be responsive to our assessed risk of material misstatement at the relevant assertion level. Assertions relevant to the balance sheet include:




- Existence: An asset, liability and equity interest exists at a given date
- Rights and Obligations: An asset, liability and equity interest pertains to the entity at a given date
- Completeness: There are no unrecorded assets, liabilities, and equity interests, transactions or events, or undisclosed items
- Valuation: An asset, liability and equity interest is recorded at an appropriate amount and any resulting valuation or allocation adjustments are appropriately recorded

Presentation and Disclosure: Assets, liabilities and equity interests are appropriately aggregated or disaggregated, and classified, described and disclosed in accordance with the applicable financial reporting framework. Disclosures are relevant and understandable in the context of the applicable financial reporting framework

Appendix A

| Balance sheet category  | Audit Approach in current year  | Audit Approach in prior year  | Explanation for change  |
|--|--|--|--|
| Trade receivables | We tested controls over all relevant assertions with limited substantive testing performed in accordance with auditing standards | We tested controls over all relevant assertions with limited substantive testing performed in accordance with auditing standards | No change |
| Trade payables | We tested controls over all relevant assertions with limited substantive testing performed in accordance with auditing standards | We tested controls over all relevant assertions with limited substantive testing performed in accordance with auditing standards | No change |
| Investments | Substantively tested all assertions | Substantively tested all assertions | No change |
| Tangible fixed assets | Substantively tested all assertions | Substantively tested all assertions | No change |
| Cash | We tested controls over all relevant assertions with limited substantive testing performed in accordance with auditing standards | We tested controls over all relevant assertions with limited substantive testing performed in accordance with auditing standards | No change |
| Borrowing | Substantively tested all assertions | Substantively tested all assertions | No change |
| Capital grants receipts in advance | Substantively tested all assertions | Substantively tested all assertions | No change |
| Pensions liability | Substantively tested all assertions | Substantively tested all assertions | No change |

Summary of communications- continued

| Date  | Nature  | Summary  |
|--|--|--|
| 21 st September 2022 | Meeting | The partner in charge of the engagement, accompanied by other senior members of the audit team, met with the Audit & Governance Committee and gave a verbal update on the progress of the delayed 2020/21 accounts and also updated the Committee on the national infrastructure issue. |
| 23 rd November 2022 | Meeting | The senior management of the audit team presented a verbal update to the Audit & Governance Committee in relation to the national infrastructure assets issue. |
| 6 th March 2023 | Report | The 2021/22 draft audit plan, including confirmation of independence, was issued to the Audit & Governance Committee. |
| 5 th March 2023 | Meeting | The partner in charge of the engagement, accompanied by other senior members of the audit team, met with the Audit & Governance Committee to present the draft audit plan for 2021/22. EY also gave a verbal update on the national infrastructure asset issue |
| 19 th July 2023 | Meeting | The partner in charge of the engagement, accompanied by other senior members of the audit team, met with the Audit & Governance Committee and gave a verbal update on the progress of the delayed 2020/21 accounts and also updated the Committee on progress in respect of the 2021/22 audit. |
| 09 th November 2023 | Meeting | The partner in charge of the engagement, accompanied by other senior members of the audit team, met with the Director of Finance and the Chief Accountant to discuss the status of the 2021/22 audit, initial findings and also the timeline to complete the audit. At the meeting we also obtained a general update from the Director of Finance. |
| 17 th November 2023 | Report | The 2021/22 draft audit results report, including confirmation of independence, was issued to the Audit & Governance Committee. |

In addition to the above specific meetings and letters the audit team met with the Chief Accountant and his team on a weekly basis throughout the period January 2023 – November 2023





Required communications with the Audit & Governance Committee

There are certain communications that we must provide to the Audit & Governance Committees of UK entities. We have detailed these here together with a reference of when and where they were covered:

| Our Reporting to you | | |
|-------------------------------------|---|---|
| Required communications | What is reported? | When and where |
| Terms of engagement | Confirmation by the Audit & Governance Committee of acceptance of terms of engagement as written in the engagement letter signed by both parties. | The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies |
| Our responsibilities | Reminder of our responsibilities as set out in the engagement letter. | Draft Audit planning report presented at the 15 March 2023 Audit & Governance Committee meeting |
| Planning and audit approach | Communication of the planned scope and timing of the audit, any limitations and the significant risks identified. When communicating key audit matters this includes the most significant risks of material misstatement (whether or not due to fraud) including those that have the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. | Draft Audit planning report presented at the 15 March 2023 Audit & Governance Committee |
| Significant findings from the audit | <ul style="list-style-type: none"> • Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures • Significant difficulties, if any, encountered during the audit • Significant matters, if any, arising from the audit that were discussed with management • Written representations that we are seeking • Expected modifications to the audit report • Other matters if any, significant to the oversight of the financial reporting process | Draft Audit planning report presented at the 15 March 2023 Audit & Governance Committee meeting |

| | | Our Reporting to you |
|-------------------------|--|--|
| Required communications | What is reported? | When and where |
| Page 180 | <ul style="list-style-type: none"> About the directors' explanation in the annual report as to how they have assessed the prospects of the entity, over what period they have done so and why they consider that period to be appropriate (in accordance with Code provision 31), and their statements: <ol style="list-style-type: none"> In the financial statements, as to whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, including any related disclosures identifying any material uncertainties to the entity's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements (in accordance with Code provision 30); and In the annual report as to whether they have a reasonable expectation that the entity will be able to continue in operation and meet its liabilities as they fall due over the period of the assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions (in accordance with Code provision 31); Any other matters identified in the course of the audit that we believe will be relevant to the board or the Audit & Governance Committee in the context of fulfilling their responsibilities referred to above. | |
| | <p>Public Interest Entities</p> <p>For the audits of financial statements of public interest entities our written communications to the Audit & Governance Committee include:</p> <ul style="list-style-type: none"> A declaration of independence The identity of each key audit partner The use of non-member firms or external specialists and confirmation of their independence The nature and frequency of communications A description of the scope and timing of the audit Which categories of the balance sheet have been tested substantively or controls based and explanations for significant changes to the prior year, including first year audits Materiality Any going concern issues identified Any significant deficiencies in internal control identified and whether they have been resolved by management | <p>Draft Audit planning report presented at the 15 March 2023 Audit & Governance Committee</p> <p>and</p> <p>Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting</p> |

Appendix C

| | |  Our Reporting to you |
|-------------------------|--|--|
| Required communications |  What is reported? |   When and where |
| Page 181 | <ul style="list-style-type: none"> • Subject to compliance with regulations, any actual or suspected non-compliance with laws and regulations identified relevant to the Audit & Governance Committee • Subject to compliance with regulations, any suspicions that irregularities, including fraud with regard to the financial statements, may occur or have occurred, and the implications thereof • The valuation methods used and any changes to these including first year audits • The scope of consolidation and exclusion criteria if any and whether in accordance with the reporting framework • The identification of any non-EY component teams used in the group audit • The completeness of documentation and explanations received • Any significant difficulties encountered in the course of the audit • Any significant matters discussed with management • Any other matters considered significant | |
| | Going concern <ul style="list-style-type: none"> • Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including: <ul style="list-style-type: none"> • Whether the events or conditions constitute a material uncertainty related to going concern • Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements • The appropriateness of related disclosures in the financial statements | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting |
| | Misstatements <ul style="list-style-type: none"> • Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation • The effect of uncorrected misstatements related to prior periods • A request that any uncorrected misstatement be corrected • Material misstatements corrected by management | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting |
| | Subsequent events <ul style="list-style-type: none"> • Enquiry of the Audit & Governance Committee where appropriate regarding whether any subsequent events have occurred that might affect the financial statements. | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting |





Appendix C

| | | Our Reporting to you |
|-------------------------|---|--|
| Required communications | What is reported? | When and where |
| Fraud | <ul style="list-style-type: none"> Enquiries of the Audit & Governance Committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity Any fraud that we have identified or information we have obtained that indicates that a fraud may exist Unless all of those charged with governance are involved in managing the entity, any identified or suspected fraud involving: <ul style="list-style-type: none"> a. Management; b. Employees who have significant roles in internal control; or c. Others where the fraud results in a material misstatement in the financial statements. The nature, timing and extent of audit procedures necessary to complete the audit when fraud involving management is suspected Any other matters related to fraud, relevant to Audit & Governance Committee responsibility. | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting |
| Related parties | <p>Significant matters arising during the audit in connection with the entity's related parties including, when applicable:</p> <ul style="list-style-type: none"> Non-disclosure by management Inappropriate authorisation and approval of transactions Disagreement over disclosures Non-compliance with laws and regulations Difficulty in identifying the party that ultimately controls the entity | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting |
| Independence | <p>Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, objectivity and independence.</p> <p>Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as:</p> <ul style="list-style-type: none"> The principal threats Safeguards adopted and their effectiveness An overall assessment of threats and safeguards Information about the general policies and process within the firm to maintain objectivity and independence | <p>Draft Audit planning report presented at the 15 March 2023 Audit & Governance Committee meeting</p> <p>and</p> <p>Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting</p> |

Appendix C

| | | Our Reporting to you |
|-------------------------|--|---|
| Required communications | What is reported? | When and where |
| Page 183 | <p>Communications whenever significant judgements are made about threats to objectivity and independence and the appropriateness of safeguards put in place.</p> <p>For public interest entities and listed companies, communication of minimum requirements as detailed in the FRC Revised Ethical Standard 2019:</p> <ul style="list-style-type: none"> • Relationships between EY, the company and senior management, its affiliates and its connected parties • Services provided by EY that may reasonably bear on the auditors' objectivity and independence • Related safeguards • Fees charged by EY analysed into appropriate categories such as statutory audit fees, tax advisory fees, other non-audit service fees • A statement of compliance with the Ethical Standard, including any non-EY firms or external experts used in the audit • Details of any inconsistencies between the Ethical Standard and Group's policy for the provision of non-audit services, and any apparent breach of that policy • Where EY has determined it is appropriate to apply more restrictive rules than permitted under the Ethical Standard • The Audit & Governance Committee should also be provided an opportunity to discuss matters affecting auditor independence | |
| | <p>External confirmations</p> <ul style="list-style-type: none"> • Management's refusal for us to request confirmations • Inability to obtain relevant and reliable audit evidence from other procedures. | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting |
| | <p>Consideration of laws and regulations</p> <ul style="list-style-type: none"> • Subject to compliance with applicable regulations, matters involving identified or suspected non-compliance with laws and regulations, other than those which are clearly inconsequential and the implications thereof. Instances of suspected non-compliance may also include those that are brought to our attention that are expected to occur imminently or for which there is reason to believe that they may occur • Enquiry of the Audit & Governance Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Audit & Governance Committee may be aware of | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting |

Appendix C




| | |  Our Reporting to you |
|--|---|--|
| Required communications |  What is reported? |   When and where |
| Significant deficiencies in internal controls identified during the audit | <ul style="list-style-type: none"> Significant deficiencies in internal controls identified during the audit. | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meetings |
| Written representations we are requesting from management and/or those charged with governance | <ul style="list-style-type: none"> Written representations we are requesting from management and/or those charged with governance | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting |
| Material inconsistencies or misstatements of fact identified in other information which management has refused to revise | <ul style="list-style-type: none"> Material inconsistencies or misstatements of fact identified in other information which management has refused to revise | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting |
| Auditors report | <ul style="list-style-type: none"> Key audit matters that we will include in our auditor's report Any circumstances identified that affect the form and content of our auditor's report | Draft Audit results report presented at the 29 November 2023 Audit & Governance Committee meeting |



Appendix D

Outstanding matters

The following items relating to the completion of our audit procedures are outstanding at the date of the release of this report:

| Item  | Actions to resolve  | Responsibility  |
|---|---|--|
| EY Pension Report | We are due to receive the EY Pensions report imminently, following receipt the audit team will need to consider the impact of the report on the IAS 19 pensions liability. | EY |
| PPE Valuations-assets not revalued in year | As part of the audit plan we planned to perform a review of on the assets held under a revaluation model which have not be subject to a formal valuation in year. As at the date of this report, this area of testing is outstanding. | EY |
| Cash, capital grants receipts in advance, creditors, pooled budgets, financial instruments, all other disclosures, review of the AGS and narrative statement, revaluation reserve, contract review. | These accounts have a number of small queries outstanding, the audit team will work with management to resolve the outstanding queries to allow final conclusions to be drawn on these areas of the accounts. | EY and management |
| Journal Testing | Audit Team to review evidence provided by management | EY |
| Final Manager and Partner Review of the execution work | There are a number of area of execution that are subject to manager and partner review and there may be further matters arising from the review process. We have not listed each of the areas in detail here. | EY |
| Final Accounts | Review of the Final Accounts and associated support for disclosures Incorporation of EY review comments on disclosure notes | EY and management |
| Going concern review and disclosures | EY central review process and finalisation of disclosures and opinion wording | EY and management |
| Management representation letter | Receipt of signed management representation letter | Management and Audit & Governance Committee |
| Subsequent events review | Completion of subsequent events procedures to the date of signing the audit report | EY and management |
| Value for Money Conclusion | EY to conclude on Value for Money conclusion and report back findings in Auditor's Annual Report | EY and management |

Until all our audit procedures are complete, we cannot confirm the final form of our audit opinion as new issues may emerge or we may not agree on final detailed disclosures in the Annual Report. At this point no issues have emerged that would cause us to modify our opinion, but we should point out that some key disclosures remain to be finalised and audited. A draft of the current opinion (with outstanding areas highlighted) will be provided in our final audit results report.

Management representation letter

Management Rep Letter

[To be prepared on the entity's letterhead]

[Date]

Maria Grindley

Ernst & Young

R+ Building,

2 Blagrove St,

Reading

RG1 1AZ

Dear Maria,

This letter of representations is provided in connection with your audit of the financial statements of Oxfordshire County Council ("the Council") for the year ended 31/03/2022. We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view of the Council financial position of Oxfordshire County Council as of 31 March 2022 and of its income and expenditure for the year then ended in accordance with CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022)).

We understand that the purpose of your audit of our financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (UK), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with the Accounts and Audit Regulations 2015 and CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022)).
2. We acknowledge, as members of management of the Council, our responsibility for the fair presentation of the financial statements. We believe the financial statements referred to above give a true and fair view of the financial position, financial performance (or results of operations) and cash flows of the Council in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022)), and are free of material misstatements, including omissions. We have approved the financial statements.
3. The significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.
4. As members of management of the Council, we believe that the Council has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022)), that are free from material misstatement, whether due to fraud or error. We have disclosed to you any significant changes in our processes, controls, policies and procedures that we have made to address the effects of the 19 pandemic on our system of internal controls and the effects of the conflict and related sanctions in Ukraine, Russia and/or Belarus on our system of internal controls.

Management representation letter

Management Rep Letter (cont.)

Page 187

5. We believe that the effects of any unadjusted audit differences, summarised in the accompanying schedule, accumulated by you during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. We have not corrected these differences identified by and brought to the attention from the auditor because [specify reasons for not correcting misstatement].

6. We confirm the Council does not have securities (debt or equity) listed on a recognized exchange.

B. Non-compliance with law and regulations, including fraud

1. We acknowledge that we are responsible to determine that the Council's activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws and regulations, including fraud.

2. We acknowledge that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud.

3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

4. We have no knowledge of any identified or suspected non-compliance with laws or regulations, including fraud that may have affected the Council (regardless of the source or form and including without limitation, any allegations by "whistleblowers"), including non-compliance matters:

- involving financial improprieties;
- related to laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Council's financial statements;

- related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the Council's activities, its ability to continue to operate, or to avoid material penalties;
- involving management, or employees who have significant roles in internal controls, or others; or
- in relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:

- Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- Additional information that you have requested from us for the purpose of the audit; and
- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

2. All material transactions have been recorded in the accounting records and all material transactions, events and conditions are reflected in the financial statements, including those related to the COVID-19 pandemic, and including those related to the conflict and related sanctions in Ukraine, Russia and/or Belarus.

3. We have made available to you all minutes of the meetings of the Council/ and committees Council and Audit & Governance Committee meetings (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the period to the most recent meeting on the following date: 29 November 2023

Management representation letter

Management Rep Letter (cont.)

Page 188

4. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Council's related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the period end. These transactions have been appropriately accounted for and disclosed in the financial statements.
1. We believe that the methods, significant assumptions and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in accordance with CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022)).
2. We have disclosed to you, and the Council has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
3. From the date of our last management representation letter dated 25 September 2023 through the date of this letter we have disclosed to you, to the extent that we are aware, any (1) unauthorized access to our information technology systems that either occurred or to the best of our knowledge is reasonably likely to have occurred based on our investigation, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material impact to the financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. We have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent, and have disclosed in Note 58 to the financial statements all guarantees that we have given to third parties.

E. Going Concern

1. Note 1 to the financial statements discloses all the matters of which we are aware that are relevant to the Council's ability to continue as a going concern, including significant conditions and events, our plans for future action, and the feasibility of those plans.

F. Subsequent Events

1. There have been no events, including events related to the COVID-19 pandemic, and including events related to the conflict and related sanctions in Ukraine, Russia and/or Belarus subsequent to period end which require adjustment of or disclosure in the financial statements or notes thereto.

G. Other information

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises other than the financial statements and our auditors report thereon.
2. We confirm that the content contained within the other information is consistent with the financial statements

Management representation letter

Management Rep Letter (cont.)

H. Climate-related matters

1. We confirm that to the best of our knowledge all information that is relevant to the recognition, measurement, presentation and disclosure of climate-related matters has been considered and reflected in the financial statements.
2. The key assumptions used in preparing the financial statements are, to the extent allowable under the requirements of CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022)), aligned with the statements we have made in the other information or other public communications made by us.

I. Ownership of Assets

1. Except for assets capitalised under finance leases, the Council has satisfactory title to all assets appearing in the balance sheet(s), and there are no liens or encumbrances on the Council's assets, nor has any asset been pledged as collateral. All assets to which the Council has satisfactory title appear in the balance sheet(s).

J. Reserves

1. We have properly recorded or disclosed in the financial statements the useable and unusable reserves.

K. Use of the Work of a Specialist- Pensions and Property, Plant and Equipment

1. We agree with the findings of the specialists that we engaged to evaluate the valuation of property, plant and equipment and the valuation of the pension liability and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the financial statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists

L. Estimates-Pension Liability and Property, Plant and Equipment Estimates

1. We confirm that the significant judgments made in making the Property, Plant and Equipment and Pension Liability valuations have taken into account all relevant information and the effects of the COVID-19 pandemic on Oxfordshire County Council of which we are aware.
2. We believe that the selection or application of the methods, assumptions and data used by us have been consistently and appropriately applied or used in making the Pension Liability and Property, Plant and Equipment Estimates.
3. We confirm that the significant assumptions used in making the Property, Plant and Equipment and Pension Liability valuations appropriately reflect our intent and ability to carry out valuations on behalf of the entity.
4. We confirm that the significant assumptions used in making the Pensions Liability and Property, Plant and Equipment valuations appropriately reflect our intent and ability to carry out pensions and property valuations on behalf of the entity. We confirm that the disclosures made in the financial statements with respect to the accounting estimates, including those describing estimation uncertainty and the effects of the COVID-19 pandemic on Oxfordshire County Council, are complete and are reasonable in the context of CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022)).

Management representation letter

Management Rep Letter (cont.)

1. We confirm that appropriate specialized skills or expertise has been applied in making the Pension Liability and Property, Plant and Equipment Estimates.
2. We confirm that no adjustments are required to the accounting estimates and disclosures in the financial statements, including due to the COVID-19 pandemic

M. Retirement benefits

1. On the basis of the process established by us and having made appropriate enquiries, we are satisfied that the actuarial assumptions underlying the scheme liabilities are consistent with our knowledge of the business. All significant retirement benefits and all settlements and curtailments have been identified and properly accounted for.

Yours faithfully,

Lorna Baxter - Director of Finance

This Letter was included in Audit & Governance Committee Papers for review.

Councillor Roz Smith - Chair of the Audit & Governance Committee

Progress report on implementation of IFRS 16 Leases

In previous reports to the Audit & Governance Committee, we have highlighted the issue of new accounting standards and regulatory developments. IFRS 16 introduces a number of significant changes which go beyond accounting technicalities. For example, the changes have the potential to impact on procurement processes as more information becomes available on the real cost of leases. The key accounting impact is that assets and liabilities in relation to significant lease arrangements previously accounted for as operating leases will need to be recognised on the balance sheet. IFRS 16 requires all substantial leases to be accounted for using the acquisition approach, recognising the rights acquired to use an asset.

IFRS 16 does not come into effect for the Council until 1 April 2024. However, officers should be acting now to assess the Council's leasing positions and secure the required information to ensure the Council will be fully compliance with the 2023/24 Code. The following table summarises the actions necessary to implement the adoption of IFRS 16 from 1 April 2024:

| IFRS 16 theme | Summary of key measures |
|--|--|
| Data collection | <p>Management should have:</p> <ul style="list-style-type: none"> Put in place a robust process to identify all arrangements that convey the right to control the use of an identified asset for a period of time. The adequacy of this process should be discussed with auditors. Classified all such leases into low value; short-term; peppercorn; portfolio and individual leases Identified, collected, logged and checked all significant data points that affect lease accounting including: the term of the lease; reasonably certain judgements on extension or termination; dates of rent reviews; variable payments; grandfathered decisions; non-lease components; and discount rate to be applied. |
| Policy Choices | <p>The council need to agree on certain policy choices. In particular:</p> <ul style="list-style-type: none"> Will [the council adopt a portfolio approach? Has the low value threshold been set and agreed with auditors? Which asset classes, if any, are management adopting the practical expedient in relation to non-lease components? What is managements policy in relation to discount rates to be used? |
| Code adaptations for the public sector | <p>Finance teams should understand the Code adaptations for the public sector. The Code contains general adaptations, (e.g. the definition of a lease); transitional interpretations (e.g. no restatement of prior periods) and adaptations that apply post transition (e.g. use of short-term lease exemption).</p> |
| Transitional accounting arrangements | <p>Finance teams should understand the accounting required on first implementation of IFRS 16. The main impact is on former operating leases where the authority is lessee. However, there can be implications for some finance leases where the Council is lessee; and potentially for sub-leases, where the Council is a lessor, that were operating leases under the old standard.</p> |
| Ongoing accounting arrangements | <p>Finance teams need to develop models to be able to properly account for initial recognition and subsequent measurement of right of use assets and associated liabilities. This is more complex than the previous standard due to more regular remeasurements and possible modifications after certain trigger events.</p> |
| Remeasurements and modifications | <p>Finance teams need to familiarise themselves with when the 'remeasurement' or 'modification' of a lease is required and what to do under each circumstance. A modification can lead to an additional lease being recognised. It is also important to know when remeasurements require a new discount rate is to be applied to the lease.</p> |

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ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

Oxfordshire Pension
Fund
Audit results report
Year ended 31 March 2022

November 2023

Page 193



November 2023

Dear Committee Members

We are pleased to attach our Audit Results Report in relation to the audit of Oxfordshire Pension Fund, for the forth coming meeting of the Audit and Governance Committee. We will update the Committee at its meeting on the completion of the audit work and explain the remaining steps for the issue of our opinion.

The audit is designed to express an opinion on the 2021/22 financial statements and address current statutory and regulatory requirements. This report contains our findings related to the areas of audit emphasis, our views on Oxfordshire Pension Fund's accounting policies and judgements and material internal control findings. Each year sees further enhancements to the level of audit challenge and the quality of evidence required to achieve the robust professional scepticism that society expects. We thank the management team for supporting this process.

This report is intended solely for the information and use of the Audit and Governance Committee and management. It is not intended to be, and should not be, used by anyone other than these specified parties.

Yours faithfully

Kevin Suter, Partner

For and on behalf of Ernst & Young LLP

Encl

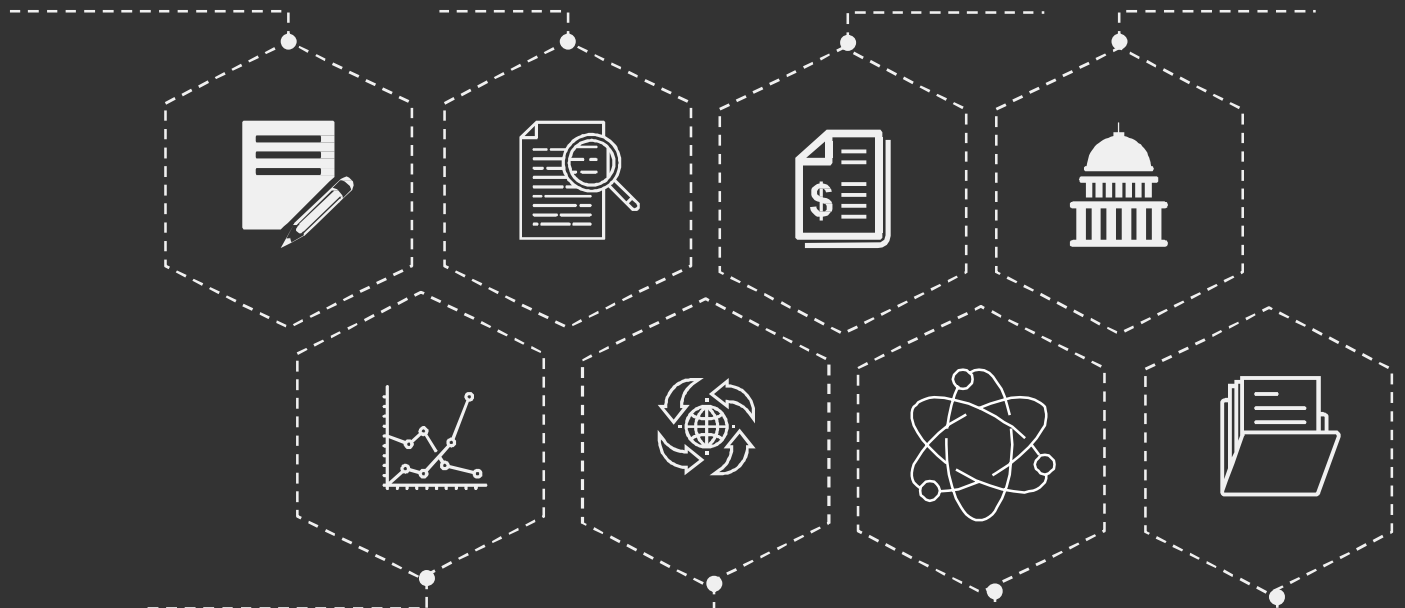
Contents

01 Executive Summary

02 Areas of Audit Focus

03 Draft Audit Report

04 Audit Differences



05 Other reporting issues

06 Assessment of Control Environment

07 Independence

08 Appendices

Public Sector Audit Appointments Ltd (PSAA) issued the "Statement of responsibilities of auditors and audited bodies". It is available from the PSAA website (<https://www.psaa.co.uk/audit-quality/statement-of-responsibilities/>). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The "Terms of Appointment and further guidance (updated April 2018)" issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the Audit and Governance Committee and management of Oxfordshire County Council in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the Audit and Governance Committee, and management of Oxfordshire County Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Audit and Governance Committee and management of Oxfordshire County Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



01 Executive Summary

Executive Summary

Scope update

In our audit planning report presented to the 18 January 2023 Audit Committee meeting, we provided you with an overview of our audit scope and approach for the audit of the financial statements. We carried out our audit in accordance with this plan with the following updates.

Changes in materiality

We updated our planning materiality assessment using the draft financial statements and have also reconsidered our risk assessment.

| | Planning Materiality | Performance Materiality | Audit Differences |
|---------|---|--|---|
| | Our planning materiality represents 1% of the Fund's net assets, consistent year on year. | Performance materiality represents 75% of planning materiality and is the top of our range, consistent year on year. | We will report all uncorrected misstatements relating to the primary statements (net asset statement and fund account) greater than 5% of planning materiality. |
| Planned | £32.80m | £24.60m | £1.64m |
| Final | £32.90m | £24.68m | £1.65m |

Status of the audit

Our audit work in respect of the Fund opinion is substantially complete. Procedures required to complete before we can issue our opinion are listed below:

- Agreement of the final set of financial statements;
- Subsequent events review;
- Receipt of signed management representation letter; and
- Final Manager, Engagement Partner and Engagement Quality Reviewer review.

We must give an opinion on the consistency of the financial and non-financial information in the Statement of Accounts 2021/22 with the audited financial statements. The audit of the full annual statement of accounts of Oxfordshire County Council for the year ended 31 March 2022 is not yet complete, and we undertake this final procedure in conjunction with our colleagues auditing the full statement of accounts. There were no issues arising from our review of the draft financial statements.

Finally, we must also give an opinion on the consistency of the financial statements included within the Pension Fund Annual Report, with those audited and included within the County Council's Statement of Accounts 2021/22. This consistency opinion can only be given at or after providing the audit report on the Statement of Accounts 2021/22.



Executive Summary

Areas of audit focus

Our audit plan identified significant risks and areas of focus for our audit of the Authority's pension fund financial statements. We summarise below our latest findings. This report sets out our observations and status in relation to these areas, including our views on areas which might be conservative and areas where there is potential risk and exposure. Our consideration of these matters and others identified during the period is summarised in the "Areas of Audit Focus" section of this report.

| Fraud risks | Findings & conclusions |
|--|--|
| Misstatements due to fraud or error | <p>We carried out procedures to address fraud risks as set out in our audit plan, including identifying risks, considering controls and their effectiveness, testing journal entries and reviewing estimates for evidence of management bias. Using data analytics is central to our approach. We also undertook procedures to identify unusual transactions outside the normal course of business, but did not identify any.</p> <p>We have completed our audit work and have not identified any misstatements.</p> |
| Fraud risks | Findings & conclusions |
| Risk of inappropriate posting of investment journals | <p>We carried out procedures to address fraud risks as set out in our audit plan, including testing of journals at year-end to ensure there are no unexpected or unusual postings, undertaking a review of reconciliations between the fund manager/ custodian reports/ valuer's reports and investigating any reconciling differences over a specified threshold, re-performing the detailed investment note using the reports we have acquired directly from the custodian or fund managers; and checking the reconciliation of holdings included in the Net Assets Statement back to the source reports.</p> <p>We have completed our audit work and have not identified any misstatements.</p> |
| Significant risk | Findings & conclusions |
| Valuation of complex investments (Level 3 unquoted and pooled investments) | <p>We carried out procedures as set out in our audit plan to ensure that these investment valuations are supported. Our work in this area has been completed.</p> <p>We have identified differences between the balance per custodian report and balance per fund manager's report. Updated valuation reports from Brunel had not been used initially. Management have now adjusted for these differences.</p> |



Executive Summary

Areas of audit focus (continued)

| Areas of audit focus | Findings & conclusions |
|--|---|
| Valuation of complex investments - Level 2 assets (higher inherent risk) | <p>We carried out procedures as set out in our audit plan to ensure that these investment valuations are supported. Our work in this area has been completed.</p> <p>For the pooled property investments we have identified differences between the balance per the capital account statements from Brunel and the figures in the financial statements. Management have now adjusted for these differences.</p> <p>In addition, similar to our findings in the previous 2020/21 audit, we disagreed with a number of valuations disclosed as Level 2 assets, with our judgement they are more appropriate to be disclosed as Level 3.</p> |
| Areas of audit focus | Findings & conclusions |
| IAS26 – Present value of retirement benefits | <p>We carried out procedures as set out in our audit plan. Additionally due to the timing of the audit, we undertook procedures to evaluate the impact of the triennial valuation of the pension fund completed as at 31 March 2022, and published by 31 March 2023.</p> <p>Our work in this area has been completed, and there are no issues to bring to your attention.</p> |

Audit differences

We have no unadjusted audit differences and three adjusted differences to report. These were;

- £8.75m understatement of level 3 investments - Level 3 investments did not reflect the updated valuations for funds managed by Brunel.
- £1.77m understatement of level 2 investments – Level 2 investments did not reflect the capital account statements.
- £243m reclassification of pooled property funds from Level 2 to Level 3 fair value hierarchy classification due to absence of support to ascertain that the investments are correctly classified as Level 2.

We include further details in Section 4.

As we have audit procedures to complete, further misstatements may be identified.



Executive Summary

Control observations

We have identified no significant control deficiencies, but highlight one area for improvement.

Independence

We have no matters to report in our assessment of our Independence.



02 Areas of Audit Focus



Areas of Audit Focus

Fraud risk

Misstatements due to fraud or error*

What is the risk?

The financial statements as a whole are not free of material misstatements whether caused by fraud or error.

As identified in ISA (UK) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We identify and respond to this fraud risk on every audit engagement.

What did we do and what judgements did we focus on?

Page 202
e:

- Identified fraud risks during the planning stages and determined appropriate strategy to address those risks;
Inquired management about risks of fraud and the controls put in place to address those risks;
- Understood the oversight given by those charged with governance of management's processes over fraud; and
 - Considered the effectiveness of management's controls designed to address the risk of fraud.

We also performed mandatory procedures regardless of specifically identified fraud risks, including:

- Testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements;
- Reviewing accounting estimates for evidence of management bias; and
- Evaluating the business rationale for any significant unusual transactions.

We used our data analytics capabilities to assist with our work, including journal entry testing. We assessed journal entries for evidence of management bias and evaluated for business rationale.

What are our conclusions?

Based on our audit procedures, we have not identified any material weaknesses in controls or evidence of material management override. We have not identified any instances of inappropriate judgements being applied or management bias. We have not identified any transactions during our audit which appeared unusual or outside the Pension Fund's normal course of business.



Areas of Audit Focus

Fraud risk

Risk of inappropriate posting of investment journals*

What is the risk?

Investment valuations are manually input on the general ledger, so there is opportunity to manipulate the valuation of investments reported in the Net Asset Statement.

What did we do and what judgements did we focus on?

Page 203.

- We:
- tested journals at year-end to ensure there are no unexpected or unusual postings;
 - undertook a review of reconciliations between the fund manager/ custodian reports/ valuer's reports and investigating any reconciling differences over a specified threshold;
 - re-performed the detailed investment note using the reports we have acquired directly from the custodian or fund managers; and
 - checked the reconciliation of holdings included in the Net Assets Statement back to the source reports.

What are our conclusions?

Based on our audit procedures, we have not identified any material weaknesses in controls or evidence of inappropriate posting of investment journals.



Areas of Audit Focus

Significant risk

Valuation of complex investments (Level 3 Fair Value hierarchy)

What is the risk?

Investments at Level 3 are those where at least one input that could have a significant effect on the asset's valuation is not based on observable market data. In 2021/22, £472.7m investments were initially reported as Level 3 investments in the draft financial statements).

Significant judgements are made by the Investment managers or administrators to value these investments whose prices are not publicly available. The material nature of Investments means that any error in judgement could result in a material valuation error.

Market volatility means such judgments can quickly become outdated, especially when there is a significant time period between the latest available audited information and the fund year end. Such variations could have a material impact on the financial statements.

Page 204

What did we do and what management judgements did we focus on?

We:

- Obtained a schedule of investments to ensure correct classification, presentation and disclosure of items in the financial statements and corresponding notes;
- Obtained an understanding and evaluating of the work of management's expert;
- Obtained and evaluated the ISAE 3402 report for Custodian and/or Fund Manager where applicable;
- Reviewed the latest audited accounts for the relevant fund managers to ensure there are no matters arising that highlight weaknesses in the funds valuation;
- Where the latest audited accounts are not as at 31 March 2022, made enquiry of what procedures management have performed to take account of this risk, performing analytical procedures and checking the valuation output for reasonableness against our own expectations;
- Performed triangulation work to agree amounts per the financial statements to Fund Manager and to Custodian; and
- Tested accounting entries have been correctly processed in the financial statements.

What are our conclusions?

Our work in this area has been concluded and we have identified differences of £8.75m between the balance per custodian report and balance per fund manager's report. Management have adjusted for these differences.



Areas of Audit Focus

| Risk / area of focus | What did we do? | What are our conclusions? |
|--|---|---|
| <p>Valuation of Complex Investments (Level 2 Investments)</p> <p>The Pension Fund held £2,613.9m level 2 investments at 31 March 2022. These are assets where quoted market prices are not available; for example, where an instrument is traded in a market that is not considered to be active, or where valuation techniques are used to determine fair value. Valuations are based on either evaluated prices provided by independent pricing services, closing</p> | <p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> Where funds are actively traded in listed markets, test the valuation by using the EY Investment Security Pricing Tool; Alternatively, inspecting quotations, financial statements of investees and other evidence of current value, cost or equity amount of investments and test that investments are classified, recorded and measured in accordance with the entity's accounting policies and applicable financial reporting framework; Performed triangulation work to agree amounts per the financial statements to Fund Manager and to Custodian; and Where Level 2 Investments were not listed, reverted to the Level 3 testing approach as detailed on page 12. | <p>Our work in this area has been concluded.</p> <p>For the pooled property investments we have identified differences of £1.77m between the balance per the capital account statements from Brunel and the figures in the financial statements. Management have now adjusted for these differences. In addition, similar to the findings in the prior year identified £243m assets that in our judgement should be classified as Level 3. Following discussion, management agreed to amend the classification of these assets.</p> |
| <p>IAS 26 – Present value of retirement benefits</p> <p>The Pension Fund had a disclosed present value of funded obligation of £4,677m as at 31 March 2021 and £4,529m as at 31 March 2022 as per the accounts presented for audit. Accounting for the present value of retirement benefits involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying the estimates.</p> | <p>We:</p> <ul style="list-style-type: none"> Obtained the supporting actuarial report and agreed this to disclosures in the accounts. Review the PWC Consulting Actuary Report and issues arising from the EY Internal Review of that report with regarding to the assumptions made by actuaries when preparing IAS 26 reports. Ensure the basis of our conclusion that the key assumptions are appropriate to the Pension Fund. <p>As the audit was still in progress after 31 March 2023 when the triennial valuation of the Pension Fund (as at 31 March 2022) was completed and published, we evaluated the impact of this on the IAS26 disclosures.</p> | <p>Our work in this area has been concluded, we did not find any issues with the planned work carried out.</p> <p>We reviewed the details of the 2022 Triennial Valuation against the 2019 Triennial Valuation, we assessed that the present value of funded obligation disclosed in the Pension fund accounts is reasonable.</p> |



03 Audit Report



Audit Report

Draft audit report

Our draft opinion on the financial statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXFORDSHIRE COUNTY COUNCIL

We have audited the Pension Fund ("the Fund") financial statements for the year ended 31 March 2022 under the Local Audit and Accountability Act 2014 (as amended). The pension fund financial statements comprise the Fund Account, the Net Assets Statement and the related notes 1 to 28.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

Page 207

In our opinion the pension fund financial statements:

- give a true and fair view of the financial transactions of the Fund during the year ended 31 March 2022 and the amount and disposition at that date of its assets and liabilities as at 31 March 2022; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Council as administering authority for the Pension Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's AGN01, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director of Finance's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the authority's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Director of Finance with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the authority's ability to continue as a going concern.

Other information

The other information comprises the information included in the Statement of Accounts 2021/22, other than the financial statements and our auditor's report thereon. The Director of Finance is responsible for the other information contained within the Statement of Accounts 2021/22.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.



Audit Report

Our draft opinion on the financial statements

Matters on which we report by exception

We report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 (as amended);
- we make written recommendations to the audited body under Section 24 of the Local Audit and Accountability Act 2014 (as amended);
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 (as amended);
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 (as amended); or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014 (as amended).

We have nothing to report in these respects.

Responsibility of the Chief Financial Officer

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 12, the Director of Finance is responsible for the preparation of the Council's Statement of Accounts 2021/22, which includes the pension fund financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22, and for being satisfied that they give a true and fair view. The Director of Finance is also responsible for such internal control as the Director of Finance determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director of Finance is responsible for assessing the Pension Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Administering Authority either intends to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with the Director of Finance.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Pension Fund and determined that the most significant are the Local Government Pension Scheme Regulations 2013 (as amended), and The Public Service Pensions Act 2013.
- We understood how the Fund is complying with those frameworks by making enquiries of the management. We corroborated this through our reading of the Pension Board minutes, through enquiry of employees to confirm pension policies, and through the inspection of other information.



Audit Report

Our draft opinion on the financial statements

- Based on this understanding, we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved making enquiries of the management for their awareness of any non-compliance of laws or regulations and review of minutes
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements and documenting the controls that the Fund has established to address risks identified, or that otherwise seek to prevent, deter or detect fraud.
- In common with all audits under ISAs (UK), we performed specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any identified significant transactions that were unusual or outside the normal course of business. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- The Fund is required to comply with The Local Government Pensions Scheme regulations, other legislation relevant to the governance and administration of the Local Government Pension Scheme and requirements imposed by the Pension Regulator in relation to the Local Government Pension Scheme. As such, we have considered the experience and expertise of the engagement team, including the use of specialists, to ensure that the team had an appropriate understanding of the relevant pensions regulations to assess the control environment and consider compliance of the Fund with these regulations as part of our audit procedures.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of Oxfordshire County Council, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 (as amended) and for no other purpose, as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Oxfordshire County Council and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Kevin Suter (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
Southampton
[Date]



04 Audit Differences



Audit Differences

In the normal course of any audit, we identify misstatements between amounts we believe should be recorded in the financial statements and the disclosures and amounts actually recorded. These differences are classified as “known” or “judgemental”. Known differences represent items that can be accurately quantified and relate to a definite set of facts or circumstances. Judgemental differences generally involve estimation and relate to facts or circumstances that are uncertain or open to interpretation.

Summary of adjusted and uncorrected differences

There were three misstatements greater than £1.65m which have been corrected by management or other specific misstatements identified during the course of our audit which we wish to draw to your attention. These were;

- £8.75m understatement of level 3 investments - Level 3 investments did not reflect the updated valuations for funds managed by Brunel.
- £1.77m understatement of level 2 investments – Level 2 investments did not reflect the capital account statements.
- £243m reclassification of pooled property funds from Level 2 to Level 3 fair value hierarchy classification due to absence of support to ascertain that the investments are correctly classified as Level 2.

There were no uncorrected misstatements identified.



05 Other reporting issues

Other reporting issues

Consistency of other information published with the financial statements

We must give an opinion on the consistency of the financial and non-financial information in the Statement of Accounts 2021/22 with the audited financial statements. Our work in this area is currently is yet to be completed as we have not yet received the full final Oxfordshire County Council Statement of Accounts 2021/22. However, there were no issues arising from our review of the draft financial statements.

Following issuing the opinion on the accounts, we will also undertake procedures to provide a report on the consistency of the financial statements within the pension fund's annual report, to those within the Statement of Accounts 2021/22. There were no issues arising on review of the draft, which is still subject to the final audit amendments.

Other powers and duties

We have a duty under the Local Audit and Accountability Act 2014 (as amended) to consider whether to report on any matter that comes to our attention in the course of the audit, either for the Authority to consider it or to bring it to the attention of the public (i.e. "a report in the public interest"). We also have a duty to make written recommendations to the Authority, copied to the Secretary of State, and take action in accordance with our responsibilities under the Local Audit and Accountability Act 2014 (As amended). We have had no reason to exercise these duties.

Other matters

As required by ISA (UK&I) 260 and other ISAs specifying communication requirements, we must tell you significant findings from the audit and other matters if they are significant to your oversight of the Fund's financial reporting process. We have no matters to report.



06

Assessment of Control Environment



Assessment of Control Environment

Financial controls

Our responsibilities

It is the responsibility of the Fund to develop and implement systems of internal financial control and to put in place proper arrangements to monitor their adequacy and effectiveness in practice. Our responsibility as your auditor is to consider whether the Fund has put adequate arrangements in place to satisfy itself that the systems of internal financial control are both adequate and effective in practice.

As part of our audit of the financial statements, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. As we have adopted a fully substantive approach, we have therefore not tested the operation of controls. Although our audit was not designed to express an opinion on the effectiveness of internal control we are required to communicate to you significant deficiencies in internal control.

Findings

In completing the set of accounts, the Pension Fund management has identified an error on classification of Level 2 investments amounting to £243 million in the Fair Value Hierarchy disclosure. While the error does not have an impact in the Net Asset Statements nor in the Net Return on Investment Statements, the Fair Value Hierarchy note disclosure should be updated to reflect the correct classification of the investments.

The misstatement occurred due to an oversight in the assessment of investment classification by the Pension Fund in completing the financial statements. This error was corrected in the 2021/22 financial statements, but to ensure such errors do not recur in future years, the Authority should perform a robust review and assessment of its investments and their proper classification. This should be at the investment asset level, and not solely at the level of a class or type of asset.



07

Independence

Relationships, services and related threats and safeguards

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and the Fund, and its members and senior management and its affiliates, including all services provided by us and our network to the Fund, its members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on the our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

There are no relationships from 1 April 2021 to the date of this report which we consider may reasonably be thought to bear on our independence and objectivity.

Services provided by Ernst & Young

The table below sets out a summary of the fees that you have paid to us in the year ended 31 March 2022 in line with the disclosures set out in FRC Ethical Standard and in statute.

As at the date of this report, there are no future services which have been contracted and no written proposal to provide non-audit services has been submitted.

| | Final fee 2021/22 | Planned fee 2021/22 | Proposed Final Fee 2020/21 |
|--|----------------------|------------------------|-------------------------------|
| | £'s | £'s | £'s |
| Total Fee – Code work | 18,563 | 18,563 | 18,563 |
| Work required to address professional and regulatory requirements and scope associated with risk (Note 1) | 51,242 | 51,242 | 51,242 |
| Additional work required for issues arising specific to the audit year (Note 2) | TBC | 974 | 9,348 |
| Additional Audit Fee in respect of work on behalf of Admitted Body auditors (recharged to the Pension Fund) (Note 3) | 5,500 | 5,500 | 5,500 |
| Total fees | TBC | 76,279 | 84,653 |

We are driving greater innovation in the audit through the use of technology. The significant investment costs in this global technology continue to rise as we seek to provide enhanced assurance and insight in the audit.

The planned fee presented was based on the following assumptions:

- Officers meeting the agreed timetable of deliverables;
- Our accounts opinion being unqualified;
- Appropriate quality of documentation is provided by the Pension Fund; and
- The Pension Fund has an effective control environment.

All fees exclude VAT

Fees (Continued)

Note 1: For 2020/21 and 2021/22 the scale fee has been re-assessed to take into account the risk profile of the Fund and the increase in regulatory standards. This additional fee has not been agreed but has been highlighted to Management and is subject to review and approval by PSAA Ltd.

Note 2: For 2020/21 we anticipate submitting a scale fee variation. This includes £974 for the new requirements of ISA540, which is a recurring requirement and also reflected in 2021/22. The remaining proposal is for the impact of identified errors, delays and the need to repeat requests for information. This additional fee has been highlighted to Management and is subject to review and approval by PSAA Ltd. A similar fee is expected for 2021/22, and will be quantified at the end of the audit.

Note 3: We anticipate charging an additional fee of £5,500 in 2021/22 to take into account the additional work required to respond to IAS19 assurance requests from admitted bodies and their auditors. The Pension Fund can recharge these fees to the relevant admitted bodies.

Other communications

EY Transparency Report 2022

Ernst & Young (EY) has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained.

Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is for the year end 30 June 2023:

[EY UK 2023 Transparency Report | EY UK](#)






08

Appendices

Appendix A

Required communications with the Audit Committee





There are certain communications that we must provide to the audit committees of UK clients. We have detailed these here together with a reference of when and where they were covered:

| Our Reporting to you | | |
|-------------------------------------|---|--|
| Required communications |  What is reported? |   When and where |
| Terms of engagement | Confirmation by the Audit Committee of acceptance of terms of engagement as written in the engagement letter signed by both parties. | The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies |
| Our responsibilities | Reminder of our responsibilities as set out in the engagement letter. | Audit Plan – dated January 2023 |
| Planning and audit approach | Communication of the planned scope and timing of the audit, any limitations and the significant risks identified. | Audit Plan – dated January 2023 |
| Significant findings from the audit | <ul style="list-style-type: none"> • Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures • Significant difficulties, if any, encountered during the audit • Significant matters, if any, arising from the audit that were discussed with management • Written representations that we are seeking • Expected modifications to the audit report • Other matters if any, significant to the oversight of the financial reporting process | Audit Results Report – dated November 2023 |

Appendix A

| | | Our Reporting to you |
|-------------------------|---|---|
| Required communications | What is reported? | When and where |
| Going concern | <p>Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including:</p> <ul style="list-style-type: none"> • Whether the events or conditions constitute a material uncertainty • Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements • The adequacy of related disclosures in the financial statements | No conditions or events have so far been identified, either individually or together to raise any doubt about Oxfordshire Pension Fund's ability to continue for the 12 months from the date of our report. |
| Misstatements | <ul style="list-style-type: none"> • Uncorrected misstatements and their effect on our audit opinion • The effect of uncorrected misstatements related to prior periods • A request that any uncorrected misstatement be corrected • Material misstatements corrected by management | Audit Results Report – dated November 2023 |
| Subsequent events | <ul style="list-style-type: none"> • Enquiry of the Regulation, Audit Committee where appropriate regarding whether any subsequent events have occurred that might affect the financial statements. | Audit Results Report – dated November 2023 |
| Fraud | <ul style="list-style-type: none"> • Enquiries of the Audit Committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the Pension Fund • Any fraud that we have identified or information we have obtained that indicates that a fraud may exist • Unless all of those charged with governance are involved in managing the Fund, any identified or suspected fraud involving: <ul style="list-style-type: none"> a. Management; b. Employees who have significant roles in internal control; or c. Others where the fraud results in a material misstatement in the financial statements. • The nature, timing and extent of audit procedures necessary to complete the audit when fraud involving management is suspected • Any other matters related to fraud, relevant to Regulation, Audit Committee responsibility. | Audit Results Report – dated November 2023 |




Appendix A

| | |  Our Reporting to you |
|-------------------------|---|--|
| Required communications |  What is reported? |   When and where |
| Related parties | <p>Significant matters arising during the audit in connection with the Fund's related parties including, when applicable:</p> <ul style="list-style-type: none"> • Non-disclosure by management • Inappropriate authorisation and approval of transactions • Disagreement over disclosures • Non-compliance with laws and regulations • Difficulty in identifying the party that ultimately controls the Pension Fund | Audit Results Report – dated November 2023 |
| Independence | <p>Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, objectivity and independence.</p> <p>Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as:</p> <ul style="list-style-type: none"> • The principal threats • Safeguards adopted and their effectiveness • An overall assessment of threats and safeguards • Information about the general policies and process within the firm to maintain objectivity and independence <p>Communications whenever significant judgments are made about threats to objectivity and independence and the appropriateness of safeguards put in place.</p> <p>For public interest entities and listed companies, communication of minimum requirements as detailed in the FRC Revised Ethical Standard 2019:</p> <ul style="list-style-type: none"> • Relationships between EY, the company and senior management, its affiliates and its connected parties • Services provided by EY that may reasonably bear on the auditors' objectivity and independence • Related safeguards • Fees charged by EY analysed into appropriate categories such as statutory audit fees, tax advisory fees, other non-audit service fees • A statement of compliance with the Ethical Standard, including any non-EY firms or external experts used in the audit | <p>Audit Plan – dated January 2023 and</p> <p>Audit Results Report – dated November 2023</p> |

Appendix A

| | | Our Reporting to you |
|---|---|---|
| Required communications | What is reported? | When and where |
| | <ul style="list-style-type: none"> Details of any inconsistencies between the Ethical Standard and the Fund's policy for the provision of non-audit services, and any apparent breach of that policy Details of any contingent fee arrangements for non-audit services Where EY has determined it is appropriate to apply more restrictive rules than permitted under the Ethical Standard The audit committee should also be provided an opportunity to discuss matters affecting auditor independence | |
| Internal confirmations | <ul style="list-style-type: none"> Management's refusal for us to request confirmations Inability to obtain relevant and reliable audit evidence from other procedures. | We have received all requested confirmations |
| Consideration of laws and regulations | <ul style="list-style-type: none"> Subject to compliance with applicable regulations, matters involving identified or suspected non-compliance with laws and regulations, other than those which are clearly inconsequential and the implications thereof. Instances of suspected non-compliance may also include those that are brought to our attention that are expected to occur imminently or for which there is reason to believe that they may occur Enquiry of the audit committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the audit committee may be aware of | We have asked management and those charged with governance. We have not identified any material instances or non-compliance with laws and regulations |
| Significant deficiencies in internal controls identified during the audit | <ul style="list-style-type: none"> Significant deficiencies in internal controls identified during the audit. | Audit Results Report – dated November 2023 |

Appendix A

| | |  Our Reporting to you |
|--|--|--|
| Required communications |  What is reported? |  When and where |
| Written representations we are requesting from management and/or those charged with governance | <ul style="list-style-type: none"> Written representations we are requesting from management and/or those charged with governance | Audit Results Report – dated November 2023 |
| Material inconsistencies or misstatements of fact identified in other information which management has refused to revise | <ul style="list-style-type: none"> Material inconsistencies or misstatements of fact identified in other information which management has refused to revise | Audit Results Report – dated November 2023 |
| Auditors report | <ul style="list-style-type: none"> Any circumstances identified that affect the form and content of our auditor's report | Audit Results Report – dated November 2023 |
| Fee Reporting | <ul style="list-style-type: none"> Breakdown of fee information when the audit planning report is agreed Breakdown of fee information at the completion of the audit Any non-audit work | Audit Plan – dated January 2023 Audit Results Report – dated November 2023 |

Management representation letter

Oxfordshire Pension Fund – anticipated draft, based on the current position of the audit. Further representations may be required.

Management Representation Letter

Date tbc.

Kevin Suter
Partner
Ernst & Young LLP
Grosvenor House, Grosvenor Square
Southampton
SO15 2BE

This letter of representations is provided in connection with your audit of the financial statements of Oxfordshire Pension Fund ("the Fund") for the year ended 31 March 2022. We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view of the financial transactions of the Fund during the year ended 31 March 2022, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year, in accordance with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

We understand that the purpose of your audit of the Fund's financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (UK), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 and for keeping records in respect of contributions received in respect of active members of the Fund.
2. We confirm that the Fund is a Registered Pension Fund. We are not aware of any reason why the tax status of the Fund should change.
3. We acknowledge, as members of management of the Fund, our responsibility for the fair presentation of the financial statements and the Summary of Contributions. We believe the financial statements referred to above give a true and fair view of the financial transactions and the financial position of the Fund in accordance with applicable law the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 and are free of material misstatements, including omissions. We have approved the financial statements.

Management representation letter

4. The significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.
5. As members of management of the Fund we believe that the Fund has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 that are free from material misstatement, whether due to fraud or error. We have disclosed to you any significant changes in our processes, controls, policies and procedures that we have made to address the effects of the COVID-19 pandemic and the effects of the conflict and related sanctions in Ukraine, Russia and/or Belarus on our system of internal controls.
6. There are no unadjusted audit differences identified during the current audit and pertaining to the latest period presented.

B. Non-compliance with laws and regulations, including fraud

1. We acknowledge that we are responsible to determine that the Fund's activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws and regulations, including fraud.
2. We acknowledge that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have not made any reports to the Pensions Regulator, nor are we aware of any such reports having been made by any of our advisors.
5. There have been no other communications with the Pensions Regulator or other regulatory bodies during the Fund year or subsequently concerning matters of noncompliance with any legal duty.
6. We confirm that we are not aware of any breaches of the Payment Schedule/Schedule of Contributions or any other matters that have arisen which we considered reporting to the Pensions Regulator.
7. We have no knowledge of any identified or suspected non-compliance with laws or regulations, including fraud that may have affected the Fund (regardless of the source or form and including without limitation, any allegations by "whistleblowers"), including non-compliance matters:
 - Involving financial improprieties
 - Related to laws or regulations that have a direct effect on the determination of material amounts and disclosures in the Fund's financial statements
 - Related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the Fund's business, its ability to continue in business, or to avoid material penalties
 - Involving management, or employees who have significant roles in internal control, or others
 - In relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters.
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. You have been informed of all changes to the Fund rules.

Management representation letter

3. All material transactions have been recorded in the accounting records and [all material transactions, events and conditions] are reflected in the financial statements, including those related to the COVID-19 pandemic and including those related to the conflict and related sanctions in Ukraine, Russia and/or Belarus.

4. We have made available to you all minutes of the meetings of members of the management of the Fund and committees of members of the management of the Fund (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the year up to the most recent meeting on the following date: [\[list date\]](#).

5. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Fund's related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the year end. These transactions have been appropriately accounted for and disclosed in the financial statements.

6. We believe that the methods, significant assumptions and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

7. We have disclosed to you, and the Fund has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

8. No transactions have been made which are not in the interests of the Fund members or the Fund during the year or subsequently.

9. From the date of our last management representation letter through the date of this letter we have disclosed to you, to the extent that we are aware, any (1) unauthorized access to our information technology systems that either occurred or is reasonably likely to have occurred, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material impact to the financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.

2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.

3. We have recorded and/or disclosed, as appropriate, all liabilities related litigation and claims, both actual and contingent, and have disclosed in Note 23 to the financial statements all guarantees that we have given to third parties.

E. Subsequent Events

1. Other than described in the financial statements, there have been no events, including events related to the COVID-19 pandemic, and including events related to the conflict and related sanctions in Ukraine, Russia and/or Belarus, subsequent to period end which require adjustment of or disclosure in the financial statements or notes thereto.

Management representation letter

F. Other information

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises the information other than the pension fund financial statements, contained within the Oxfordshire County Council's Statement of Accounts 2021/22 other than the financial statements.
2. We confirm that the content contained within the other information is consistent with the financial statements.

G. Advisory Reports

1. We have not commissioned any advisory reports which may affect the conduct of your work in relation to the Fund's financial statements.

H. Independence

1. As members of management of the Fund, we are not aware of any matters which would render Ernst & Young LLP ineligible to act as auditor to the Fund.

I. Derivative Financial Instruments and Pooling investments, including the use of collective investment vehicles and shared services

1. We confirm that all investments in derivative financial instruments have been made after due consideration by the members of management of the Fund of the limitations in their use imposed by The Occupational Pension Schemes (Investment) Regulations 2005; namely that they contribute to a reduction in Scheme risk, facilitate efficient portfolio management, and that any such investment has been made to avoid excessive risk exposure to a single counterparty and to other derivative operations; and the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016. The Fund's Investment Strategy Statement has been duly reviewed to ensure that such investments comply with any limitations imposed by their provisions. The financial statements disclose all transactions in derivative financial instruments that have been entered into during the period, those still held by the members of management of the Fund at the Fund year end and the terms and conditions relating thereto.

The members of management of the Fund have duly considered and deemed as appropriate the assumptions and methodologies used in the valuation of 'over the counter' derivative financial instruments which the Fund is holding, and these have been communicated to you.

2. We confirm that all investments in pooling arrangements, including the use of collective investment vehicles and shared services, meet the criteria set out in the November 2015 investment reform and criteria guidance and that the requirements of the LGPS (Management and Investment of Funds) Regulations 2016 in respect of these investments has been followed.

J. Actuarial valuation

The latest report of the actuary Hymans Robertson as at 31 March 2022 and dated 31 March 2023 has been provided to you. To the best of our knowledge and belief we confirm that the information supplied by us to the actuary was true and that no significant information was omitted which may have a bearing on his report.

Management representation letter

K. Estimates

Investment Valuations and IAS26 present value of retirement benefits estimates ("the Estimates")

1. We confirm that the significant judgments made in making the estimates have taken into account all relevant information and the effects of the COVID-19 pandemic of which we are aware.
2. We believe that the selection or application of the methods, assumptions and data used by us have been consistently and appropriately applied or used in making the estimates.
3. We confirm that the disclosures made in the financial statements with respect to the estimates, including those describing estimation uncertainty, are complete and are reasonable in the context of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.
4. We confirm that appropriate specialized skills or expertise has been applied in making the estimates.
5. We confirm that no adjustments are required to the accounting estimate(s) and disclosures in the financial statements, including due to the COVID-19 pandemic.

L. Use of the Work of a Specialist

1. We agree with the findings of the specialists that we have engaged to value the investment assets and the IAS26 present value of retirement benefits and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the financial statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

M. Going Concern

1. Based on our assessment of going concern, the details of which have been shared with you, we confirm that we are not aware of any material uncertainties related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. We do not intend to wind up the Fund. We are satisfied that the use of the going concern basis of accounting is appropriate in the preparation and presentation of the financial statements.

N. Climate-Related Matters

1. Whilst recognising that the Climate Change Governance and Reporting Regulations do not cover the Local Government Pension Scheme, we confirm that to the best of our knowledge all information that is relevant to the recognition, measurement, presentation and disclosure of climate-related matters has been as well as the impact resulting from the commitments made by the Fund, in the financial statements.

Yours faithfully,

Director of Finance

Chair of the Audit & Governance Committee

Date

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

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AUDIT & GOVERNANCE COMMITTEE WORK PROGRAMME – 2023/24

10 January 2024

1. Annual Governance Statement – Update on Actions (Anita Bradley).
2. Internal Audit Plan – Progress Report (Sarah Cox)
3. Treasury Management Strategy Statement and Annual Investment Strategy for 2023/24 (Tim Chapple)
4. Risk Management Update (Louise Tustian)
5. Financial Management Code self-assessment (Lorna Baxter)
6. Ernst & Young update (Maria Grindley/Adrian Balmer).
7. Review of Member Code of Conduct Arrangements (Anita Bradley)
8. Constitution Update (Lorna/Anita)
9. Ian/Tim – IT
10. 2022/23 Pension Fund planning report (EY)

13 March 2024

1. Counter Fraud Update (Sarah Cox).
2. Audit & Governance Committee Annual Report to Council (Sarah Cox)
3. Treasury Management 3rd Quarter Performance Report 2023/24 (Tim Chapple)
4. Oxfordshire Code of Corporate Governance (Anita Bradley)
5. Ernst & Young update (Maria Grindley/Adrian Balmer).

8 May 2024

1. Chief Internal Auditor's Annual Report (Sarah Cox)
2. Internal Audit Strategy 2024/25 (Sarah Cox)
3. Risk Management Update (Louise Tustian)
4. Ernst & Young update (Maria Grindley/Adrian Balmer).

July 2024

Annual Governance Statement 2023/2024

