

AUDIT & GOVERNANCE COMMITTEE – 13 January 2021

REPORT OF THE AUDIT WORKING GROUP – 16 December 2020

Report by Director of Finance

RECOMMENDATION

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

Executive Summary

2. The Audit Working Group met on 16 December 2020. The group received the quarterly internal audit progress report and also the annual whistleblowing report. Officers attended to provide updates on the implementation of the agreed action plan from the previous audit of Direct Payments and also an update from the recent external review of the procurement award process. The group considered an update from the audit of ContrOCC Childrens Payments.

Introduction

Attendance:

Full Meeting: Chairman Dr Geoff Jones Councillors: Nick Carter, Roz Smith, Deborah McIlveen, Glynis Phillips and Charles Mathew.

Ian Dyson, Assistant Director of Finance; Sarah Cox, Chief Internal Auditor, Lucy Tyrrell, Committee Officer, Katherine Kitashima, Audit Manager, Erin Cribben, Assistant Auditor.

Part Meeting:

Glenn Watson, Principal Governance Officer, Steve Jorden Corporate Director for Commercial Development, Assets and Investment, Karen Fuller Deputy Director of Adult Social Care, Natalia Lachkou Programme and Change Manager.

Matters to Report:

AWG 20.27 Annual Whistleblowing Report

3. The group considered the annual report of Whistleblowing received from staff or the public. Individual cases and the outcomes were noted.

AWG 20.28 Review of Procurement Award Process

4. Following a recent external review of a procurement award process, which was commissioned by the Chief Executive, a report and action plan was presented and considered by the AWG. The group expressed concern that this has not been brought to the AWG at an earlier stage, due to the

significance of the weaknesses that the report had highlighted. This was acknowledged by officers but explained that the report was provided at the next available meeting once final settlement had been reached and Informal Cabinet notified. The group noted the action plan setting out activities to address the issues identified and actions taken to date.

5. It was agreed that this item should be referred to the full A&G committee and will be scheduled for the March meeting.

AWG 20.29 Direct Payments

6. The group received a further update on the progress in addressing the weaknesses identified during the audit of Direct Payments completed during 2019/20, which had an overall grading of Red. The group noted the work already being undertaken to transform Oxfordshire's approach to direct payments, noting the key priorities and action plan progress.
7. The group were satisfied with the progress made to date, however acknowledged there is still significant work to be completed to fully implement that agreed action plan and implement the new ways of working. The group requested a further update to be made to the June meeting.

AWG 20.30 Internal Audit Update

8. The group received an update from the Chief Internal Auditor on progress against the Internal Audit Plan. A full update on plan progress is due to be made to the January A&G committee.
9. The group noted the ongoing follow up of Red reports and have scheduled updates from officers at future AWG meetings to report back on progress of implementation of agreed actions.
10. The group noted the positive improvement with the implementation of priority 1 management actions, and also previous actions which had not been responded to. Where actions remain outstanding from previous financial years these will continue to be followed up by Internal Audit with each Directorate.
11. The group considered the executive summaries from the reports finalised since the last update to the A&G committee is September. It was noted from the Highways Contract audit that a new system will be implemented by the contractor. The group requested an update for the January committee.

AWG 20.31 Children's ContrOCC Payments

12. A paper was circulated and considered, which provided the group with an update on the 2019/20 audit of Children's ContrOCC Payments, finalised in May 2020, which had an overall grading of Red.

13. The group noted that the majority of the actions were now reported as complete and that these actions are now mitigating the material system risks that were previously identified. The remaining actions are in progress and are being managed, however these represent only a low risk exposure.
14. The group noted that Internal Audit are due to undertake a follow up audit, which will provide assurance over the effectiveness of the implementation of the action plan. This will be reported back to the AWG.

LORNA BAXTER,
Director of Finance

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December 2020.

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Date of next AWG meeting Wednesday 10 February 2021 at 14:00

Agenda items for AWG February meeting:

- Risk Management Update – including Leadership Risk Register
- Directorate Risk Management Update – CDAI.
- SEND