



To: Members of the Audit & Governance Committee

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

**Wednesday, 10 May 2023 at 2.00 pm**

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

If you wish to view proceedings, please click on the Live Stream Link on the website. Please note, that will not allow you to participate in the meeting.

Martin Reeves  
Chief Executive

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

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**Membership**

Chair – Councillor Roz Smith  
Deputy Chair - Councillor Brad Baines

*Councillors*

Yvonne Constance OBE  
Trish Elphinstone  
Ted Fenton

Nick Leverton  
Ian Middleton  
Freddie van Mierlo

Judy Roberts

*Co-optee*

Dr Geoff Jones

**Notes:**

- ***Date of next meeting: 19 July 2023***

## **AGENDA**

- 1. Apologies for Absence and Temporary Appointments**
- 2. Declaration of Interests - see guidance note**
- 3. Minutes (Pages 1 - 12)**

To approve the minutes of the meeting held on 15 March 2023 and to receive any information arising from them.

### **4. Petitions and Public Address**

Members of the public who wish to speak at this meeting can attend the meeting in person or 'virtually' through an online connection.

To facilitate 'hybrid' meetings we are asking that requests to speak or present a petition are submitted by no later than 9am four working days before the meeting i.e., 9am on Wednesday 3 May 2023. Requests to speak should be sent to [jonathan.deacon@oxfordshire.gov.uk](mailto:jonathan.deacon@oxfordshire.gov.uk).

If you are speaking 'virtually', you may submit a written statement of your presentation to ensure your views are taken into account. A written copy of your statement can be provided no later than 9am 2 working days before the meeting. Written submissions should be no longer than 1 A4 sheet.

### **5. Chief Internal Auditor's Annual Report (Pages 13 - 52)**

Report by the Director of Finance.

This is the annual report of the Chief Internal Auditor, summarising the outcome of the Internal Audit work in 2022/23, and providing an opinion on the Council's System of Internal Control.

The Audit & Governance Committee is RECOMMENDED to consider and endorse the annual report.

### **6. Internal Audit Strategy & Internal Annual Plan 2023/24 (Pages 53 - 68)**

Report by the Director of Finance.

This report presents the Internal Audit Strategy and Internal Audit Plan for 2023/24.

The Audit & Governance Committee is RECOMMENDED to comment on and note the Internal Audit Strategy and Internal Audit Plan for 2023/24.

## **7. Statement of Accounts 2022/23 (Pages 69 - 96)**

Report by the Director of Finance.

This report sets out the approach taken to the preparation of the 2022/23 Statement of Accounts including:

- (a) The proposed date for publication of draft 2022/23 Statement of Accounts, and
- (b) The approved Significant Accounting Policies which describe how the Council has interpreted and applied the CIPFA 2022/23 Code of Practice in Local Authority Accounting in the UK (the Code) and the basis of preparation of the accounts.

The Audit & Governance Committee is RECOMMENDED to a) Endorse the proposed timetable to produce the draft Statement of Accounts for 2022/23 and b) Ratify the accounting policies as approved by the Director of Finance and included as an annex to this report.

## **8. Update on the Procurement Hub and the Implementation of the Social Value Policy (Pages 97 - 118)**

Report by the Director of Finance.

This report provides an update to the Committee on the development of the Procurement Hub since the last report to Audit & Governance Committee in January 2021. It also reports on the implementation and progress of the Social Value Policy, which was approved and implemented in February 2022.

The Committee is RECOMMENDED to note the development of the Procurement Hub as a service.

## **9. Ernst & Young verbal update**

A verbal update from the representatives of the Council's external auditors, Ernst & Young.

## **10. 2020/21 Draft Audit Results Report (Pages 119 - 180)**

Report by the Council's external auditors, Ernst & Young.

The audit is designed to express the opinion of the external auditors on the 2020/21 financial statements and address current statutory and regulatory requirements. The report contains E&Y's substantive findings related to the areas of audit emphasis, its views on Oxfordshire County Council's accounting policies and judgements and material internal control findings.

## **11. Annual Governance Statement 2022/23 (Pages 181 - 184)**

Report by the Director of Law & Governance and Monitoring Officer.

The Audit & Governance Committee has the responsibility of approving the Council's Annual Governance Statement (AGS) each year. Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles. This includes reporting on how they have monitored and evaluated the effectiveness of their governance arrangements in the previous year and setting out any planned changes in the coming period.

The Audit & Governance Committee is RECOMMENDED to note the update on the Annual Governance Statement for 2022/23.

## **12. Review of Audit and Governance Committee Terms of Reference (Pages 185 - 194)**

Report of the Director of Law & Governance and Monitoring Officer

The Audit & Governance Committee is requested to RECOMMEND TO COUNCIL 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 1 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).

## **13. Audit Working Group Update (Pages 195 - 198)**

Report by the Director of Finance.

This report sets out the matters considered by the Audit Working Group at the meeting held on 5 April 2023.

The Committee is RECOMMENDED to note the report.

## **14. Audit & Governance Committee Work Programme (Pages 199 - 200)**

To review the Committee's Work Programme.

**Close of meeting**

## **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.