



To: **Members of the Audit & Governance Committee**

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

**Wednesday, 15 March 2023 at 2.00 pm**

**Council Chamber - 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](mailto:committees.democraticservices@oxfordshire.gov.uk)*

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**Membership**

Chair – Councillor Roz Smith  
Deputy Chair - Councillor Brad Baines

*Councillors*

Yvonne Constance OBE  
Ted Fenton  
Nick Leverton

Ian Middleton  
Freddie van Mierlo  
Judy Roberts

*Co-optee*

Dr Geoff Jones

**Notes:**

- ***Date of next meeting: 10 May 2023***

## **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 Wednesday 18 January 2023 and to receive 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 Thursday 9 March 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. Future Highway Maintenance Contract (Pages 11 - 32)**

Report by the Corporate Director for Environment and Place.

The existing highways maintenance contract with M-Group Infrastructure (Milestone) is set to expire on 31<sup>st</sup> March 2025 with no options to extend remaining. Oxfordshire County Council therefore needs to undertake a procurement of a new contract prior to the expiry of the existing.

The Audit and Governance Committee is **RECOMMENDED** to note the governance in place and associated process being followed for the procurement of the future highway maintenance contract.

### **6. Annual Report of the Audit & Governance Committee (Pages 33 - 44)**

Report by the Director of Finance.

In accordance with The Chartered Institute of Public Finance & Accountancy (CIPFA) Audit Committee Guidelines for Local Authorities 2022, it is recommended practice for an annual public report to be produced and reported to Council demonstrating how the Committee has discharged its responsibilities.

The Audit & Governance Committee is **RECOMMENDED** to review the draft report, agree any amendments and finalise in preparation for presentation to Council by the Chair of the Audit & Governance Committee.

## **7. Treasury Management 3rd Quarter Performance Report 2022/23** (Pages 45 - 64)

Report by Director of Finance.

This report covers the treasury management activity for the third quarter of 2022/23 in compliance with the CIPFA Code of Practice on Treasury Management 2021. It provides an update on the anticipated position and prudential indicators set out in the Treasury Management Strategy Statement & Annual Investment Strategy for 2022/23 agreed as part of the Council's budget and Medium Term Financial Strategy in February 2022.

The Audit & Governance Committee is **RECOMMENDED** to note the report, and to **RECOMMEND** Council to note the Council's treasury management activity in the third quarter of 2022/23.

## **8. Scale of Election Expenses 2023-24** (Pages 65 - 74)

Report by Director of Law & Governance and Monitoring Officer.

The Audit and Governance Committee is **RECOMMENDED** to note the Scale of Election Expenses for the financial year 2023/24, as shown in the Annex to this report, for the election of County Councillors and any other poll associated with the County Council during the year.

## **9. Oxfordshire Code of Corporate Governance** (Pages 75 - 88)

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

In 2016 CIPFA & SOLACE produced an updated guidance and framework with the identified principles that should underpin the governance of each local authority, and a structured approach to assist individual authorities to achieve good governance, "Delivering Good Governance in Local Government: Framework 2016 Edition." The Council's Code of Corporate Governance is based upon this guidance.

The Committee is **RECOMMENDED** to approve the Oxfordshire Code of Corporate Governance.

## **10. Ernst & Young update**

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

## **11. Draft Audit Plan 2021/22 (Pages 89 - 134)**

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

The purpose of the report is to provide the Audit and Governance Committee with a basis to review the proposed audit approach and scope for the 2021/22 audit in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2020 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards and other professional requirements.

## **12. Constitution Change - Employment Rules Part 8.4 C**

Report by the Director of Law and Governance

The purpose of the proposals for amendment to the Employment Procedure Rules Part 8.4 is to update the rules in the Council's constitution relating to the appointment and dismissal of its statutory and non statutory chief officers.

The Committee is **RECOMMENDED** to recommend to Council to approve the proposals for amendment to the Employment Procedure Rules Part 8.4 in the Councils Constitution.

## **13. Audit Working Group Update - 8 February meeting (Pages 135 - 138)**

Report by the Director of Finance.

This report sets out the matters considered by the Audit Working Group at the meeting held on 8 February 2023.

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

## **14. Counter Fraud Update (Pages 139 - 144)**

Report by the Director of Finance.

This report presents a summary of activity against the Counter Fraud Plan for 2022/23, presented to the July 2022 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 2022/23.

## **15. Renewal of the Appointment of Independent Persons (Pages 145 - 148)**

Report by the Director of Law & Governance and Monitoring Officer

The County Council must appoint one or more Independent Persons whose views are to be sought, and considered, by the authority before it makes its decision on an allegation that a councillor has breached the Members' Code of Conduct.

The Committee is **RECOMMENDED** to receive notice of the extension of the appointment of Mr Martyn Hocking and Mr Nicholas Holt-Kentwell to the role of Independent Persons for Oxfordshire County Council for a second term of two years from 14 July 2022 to 13 July 2024. Independent Persons perform a key role in the Council's procedures for investigating any such complaints.

**Close of meeting**

***An explanation of abbreviations and acronyms is available on request from the Chief Internal Auditor.***

## **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.