

To: Members of the Audit Committee

Notice of a Meeting of the Audit Committee

Thursday, 7 July 2011 at 2.00 pm

County Hall



Peter G. Clark
County Solicitor

June 2011

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Membership

Chairman – Councillor David Wilmshurst
Deputy Chairman - Councillor Charles Mathew

Councillors

Alan Armitage
Tony Crabbe
Roy Darke

A.M. Lovatt
Larry Sanders
C.H. Shouler

Lawrie Stratford

Co-optee

Dr Geoff Jones

Notes:

- ***Date of next meeting: 21 September 2011***
- ***The Cabinet Member for Finance & Property has a standing invitation to attend and speak on agenda items within his portfolio***
- ***The Chairman (or Deputy Chairman) of the Strategy & Partnerships Scrutiny Committee has a standing invitation to attend and speak on agenda items***

Declarations of Interest

This note briefly summarises the position on interests which you must declare at the meeting. Please refer to the Members' Code of Conduct in Part 9.1 of the Constitution for a fuller description.

The duty to declare ...

You must always declare any "personal interest" in a matter under consideration, ie where the matter affects (either positively or negatively):

- (i) any of the financial and other interests which you are required to notify for inclusion in the statutory Register of Members' Interests; or
- (ii) your own well-being or financial position or that of any member of your family or any person with whom you have a close association more than it would affect other people in the County.

Whose interests are included ...

"Member of your family" in (ii) above includes spouses and partners and other relatives' spouses and partners, and extends to the employment and investment interests of relatives and friends and their involvement in other bodies of various descriptions. For a full list of what "relative" covers, please see the Code of Conduct.

When and what to declare ...

The best time to make any declaration is under the agenda item "Declarations of Interest". Under the Code you must declare not later than at the start of the item concerned or (if different) as soon as the interest "becomes apparent".

In making a declaration you must state the nature of the interest.

Taking part if you have an interest ...

Having made a declaration you may still take part in the debate and vote on the matter unless your personal interest is also a "prejudicial" interest.

"Prejudicial" interests ...

A prejudicial interest is one which a member of the public knowing the relevant facts would think so significant as to be likely to affect your judgment of the public interest.

What to do if your interest is prejudicial ...

If you have a prejudicial interest in any matter under consideration, you may remain in the room but only for the purpose of making representations, answering questions or giving evidence relating to the matter under consideration, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

Exceptions ...

There are a few circumstances where you may regard yourself as not having a prejudicial interest or may participate even though you may have one. These, together with other rules about participation in the case of a prejudicial interest, are set out in paragraphs 10 – 12 of the Code.

Seeking Advice ...

It is your responsibility to decide whether any of these provisions apply to you in particular circumstances, but you may wish to seek the advice of the Monitoring Officer before the meeting.

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.

AGENDA

1. **Apologies for Absence and Temporary Appointments**
2. **Declarations of Interest - see guidance note**
3. **Minutes** (Pages 1 - 4)

To approve the minutes of the meeting held on 20 April 2011 (**AU3**) and 22 June 2011 (to follow) and to receive information arising from them.

4. **Petitions and Public Address**
5. **Audit Commission** (Pages 5 - 16)

2:10

Audit of Oxfordshire County Council Financial Statements - Compliance with International Auditing Standards

Letter from the Audit Commission to the Chairman of the Committee.

Audit Commission Progress Report

A representative of the Audit Commission will attend for these items (**AU5**).

6. **Audit Working Group - 16 June 2011** (Pages 17 - 20)

2:30

Report by Assistant Chief Executive & Chief Finance Officer (**AU6**).

The report summarises the matters arising from the most recent meeting of the Audit Working Group (AWG).

The Committee is RECOMMENDED to note the report.

7. **Annual Report of the Head of Internal Audit 2010/11** (Pages 21 - 44)

2:50

Report by the Head of Internal Audit (**AU7**).

The Committee is RECOMMENDED to note the report.

8. Internal Audit Plan - Quarter 2, 2011/12 (Pages 45 - 62)

3:10

Report by Assistant Chief Executive & Chief Finance Officer (**AU8**).

The report presents the Internal Audit Plan for quarter 2 2011/12.

The Committee is RECOMMENDED to approve the quarter 2 Internal Audit Plan and approve the Counter-Fraud Plan.

9. Treasury Management Outturn 2010/11 (Pages 63 - 80)

3:30

Report by Assistant Chief Executive & Chief Finance Officer (**AU9**).

The report sets out the Treasury Management activity undertaken in the financial year 2010/11 in compliance with the CIPFA Code of Practice. The report includes Debt and Investment activity, Prudential Indicator outturn, changes in Strategy, any breaches of approved Strategy and interest receivable and payable for the financial year.

The Committee is RECOMMENDED to consider the report prior to Cabinet.

10. Annual Governance Statement 2010/11 (Pages 81 - 102)

3:50

The Monitoring Officer reports as follows:

The County Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. Corporate governance is the framework of accountability to users, stakeholders and the wider community, within which organisations take decisions, and lead and control their functions, to achieve their objectives. The quality of corporate governance arrangements is a key determinant of the quality for services provided by organisations. This Statement (**AU10**) explains how the County Council has complied with the Code and also meets the requirements of the Accounts and Audit Regulations 2011 in relation to the publication of a Statement on Internal Control.

The Committee is RECOMMENDED to approve the Annual Governance Statement 2010/2011, subject to the County Solicitor & Monitoring Officer, following consultation with the Leader of the Council, Chief Executive and Section 151 Officer, making any necessary amendments in the light of comments made by the Committee.

11. Statement of Accounts 2010/11 (Pages 103 - 290)

4:10

Report by Assistant Chief Executive and Chief Finance Officer (**AU11**).

The report presents the 2010/11 Statement of Accounts.

The Accounts and Audit Regulations have been revised this year and include changes to the approval process for the Statement of Accounts. The 2011 Regulations require the Assistant Chief Executive and Chief Finance Officer to sign the Statement of Accounts no later than 30 June, and certify that they give a true and fair view of the County Council's position. The regulations require that the Audit Committee considers and approves the accounts no later than 30 September, allowing members to make a better informed decision when the findings of the audit are available. This report presents the accounts certified by the Chief Finance Officer to the Audit Committee for information, before the start of the public inspection period and the commencement of the audit.

The 2010/11 Statement of Accounts is attached at Annex 1. An overview of the financial position of the Council at 31 March 2011 is contained in the explanatory foreword.

The Committee is RECOMMENDED to:

- (a) ***note the Statement of Accounts for 2010/11 to be submitted to the auditor; and***
- (b) ***note the Summary Accounts 2010/11.***

12. Scrutiny Committees - Annual Report 2010/11 (Pages 291 - 300)

4:40

On 14 June 2011 the Council received the Scrutiny Committees Annual Report (**AU12**) which the Committee has included in its Work Programme.

The Corporate Performance & Review Manager will attend for this item.

The Committee is RECOMMENDED to note the report.

13. Audit Committee Work Programme - Review / Update (Pages 301 - 302)

5:00

To review / update the Committee's Work Programme (**AU13**).

5:05 Close of meeting

An explanation of abbreviations and acronyms is available on request from the Assistant Head of Finance (Audit).

Pre-Meeting Briefing

There will be a pre-meeting briefing at County Hall on **Thursday 30 June 2011 at 2:00pm** for the Chairman, Deputy Chairman and Opposition Group Spokesman.