



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

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

Wednesday, 16 January 2013 at 2.00 pm

County Hall, Oxford, OX1 1ND

Peter G. Clark.

Peter G. Clark
County Solicitor

January 2013

Contact Officer:

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Membership

Chairman – Councillor David Wilmshurst
Deputy Chairman - Councillor Charles Mathew

Councillors

Roz Smith
Jim Couchman
Roy Darke

Ray Jelf
Caroline Newton
Larry Sanders

Lawrie Stratford

Co-optee

Dr Geoff Jones

Notes:

- **Date of next meeting: 27 February 2013**

Declarations of Interest

The duty to declare.....

Under the Localism Act 2011 it is a criminal offence to

- (a) fail to register a disclosable pecuniary interest within 28 days of election or co-option (or re-election or re-appointment), or
- (b) provide false or misleading information on registration, or
- (c) participate in discussion or voting in a meeting on a matter in which the member or co-opted member has a disclosable pecuniary interest.

Whose Interests must be included?

The Act provides that the interests which must be notified are those of a member or co-opted member of the authority, **or**

- those of a spouse or civil partner of the member or co-opted member;
- those of a person with whom the member or co-opted member is living as husband/wife
- those of a person with whom the member or co-opted member is living as if they were civil partners.

(in each case where the member or co-opted member is aware that the other person has the interest).

What if I remember that I have a Disclosable Pecuniary Interest during the Meeting?.

The Code requires that, at a meeting, where a member or co-opted member has a disclosable interest (of which they are aware) in any matter being considered, they disclose that interest to the meeting. The Council will continue to include an appropriate item on agendas for all meetings, to facilitate this.

Although not explicitly required by the legislation or by the code, it is recommended that in the interests of transparency and for the benefit of all in attendance at the meeting (including members of the public) the nature as well as the existence of the interest is disclosed.

A member or co-opted member who has disclosed a pecuniary interest at a meeting must not participate (or participate further) in any discussion of the matter; and must not participate in any vote or further vote taken; and must withdraw from the room.

Members are asked to continue to pay regard to the following provisions in the code that *“You must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself”* or *“You must not place yourself in situations where your honesty and integrity may be questioned.....”*.

Please seek advice from the Monitoring Officer prior to the meeting should you have any doubt about your approach.

List of Disclosable Pecuniary Interests:

Employment (includes *“any employment, office, trade, profession or vocation carried on for profit or gain”*.), **Sponsorship, Contracts, Land, Licences, Corporate Tenancies, Securities.**

For a full list of Disclosable Pecuniary Interests and further Guidance on this matter please see the Guide to the New Code of Conduct and Register of Interests at Members’ conduct guidelines. <http://intranet.oxfordshire.gov.uk/wps/wcm/connect/occ/Insite/Elected+members/> or contact Rachel Dunn on (01865) 815279 or Rachel.dunn@oxfordshire.gov.uk for a hard copy of the document.

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. **Declaration of Interests - see guidance note**
3. **Minutes** (Pages 1 - 6)

To approve the minutes of the meeting held on 21 November 2012 (**AG3**) and to receive information arising from them.

4. **Petitions and Public Address**

EXEMPT ITEM

The Committee is RECOMMENDED that the public be excluded for the duration of item 5 in the Agenda since it is likely that if they were present during that item there would be a disclosure of exempt information as defined in Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) and specified in relation to the item in the Agenda since it is considered that, in all the circumstances of each case, the public interest outweighs the public interest in disclosing the information.

THE REPORT RELATING TO THE EXEMPT ITEM HAS NOT BEEN MADE PUBLIC AND SHOULD BE REGARDED AS STRICTLY PRIVATE TO MEMBERS AND OFFICERS ENTITLED TO RECEIVE IT.

5. **Leased / Licenced out Council Property** (Pages 7 - 16)

2:10

Report by the Director of Environment & Economy (**AG5**).

At its last meeting, the Audit Committee had requested an update position on Knights Court and other County Council properties which are occupied by third parties where the rent / licence fee is not being collected following a report to the Audit Working Group on 10 September.

This report provides the history of the Knights Court lease; what actions have been taken so far; and what is being done now. This report also provides assurances that internal control measures are in place and matters will be monitored and escalated.

The public should be excluded during this item because its discussion in public would be likely to lead to the disclosure to members of the public present of information in the following prescribed category:

3. *Information relating to the financial or business affairs of any particular person*

(including the authority holding that information) and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The Committee is RECOMMENDED to note the report.

6. Ernst and Young External Auditors (Pages 17 - 28)

2:30

A representative of Ernst & Young will attend for these items (**AG6**).

- 12/13 Audit Fee letter - Oxfordshire County Council;
- 12/13 Audit Fee letter - Oxfordshire Pension Fund;
- Audit Committee update paper - issues in the sector;
- Audit Progress - verbal update.

The Committee is RECOMMENDED to consider and receive the reports.

7. Annual Governance Statement Process - Annual Review of the Assurance Framework (Pages 29 - 40)

2:50

Report by Monitoring Officer and Head of Law and Governance (**AG7**).

A review of the corporate governance assurance framework has been undertaken by the Monitoring Officer and Head of Law and Governance and the Corporate Governance Assurance Group. The report and revised framework are submitted for the Committee to consider.

The Committee is RECOMMENDED to approve the revised Corporate Governance Assurance Framework.

8. Internal Audit Plan - 2012/13 Progress Report and Quarter 4 Plan (Pages 41 - 80)

3:10

Report by the Assistant Chief Executive & Chief Finance Officer (**AG8**).

This reports presents the Internal Audit progress report and Plan for quarter 4 2012-13 for the approval of the Audit & Governance Committee.

The Committee is RECOMMENDED to note the report.

9. Treasury Management Strategy Statement and Annual Investment Strategy for 2013/14 (Pages 81 - 112)

3:30

A copy of the report to Cabinet on 29 January 2013 by the Assistant Chief Executive & Chief Finance Officer on the Treasury Management Strategy Statement and the Annual Investment Strategy for 2013/14 is attached (**AG9**).

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

10. Dispensations for Full Council (Pages 113 - 116)

3:50

Report by the County Solicitor and Monitoring Officer (**AG10**).

The Audit & Governance Committee has the power to grant dispensations to councillors who might otherwise be unable to participate in decision-making by virtue of a disclosable pecuniary interest in the matter under consideration. Failure to register a disclosable pecuniary interest “without reasonable excuse” is a criminal offence under Section 34 of the Localism Act 2011.

This report addresses the question as to whether a dispensation is required for County Councillors in the setting of the Council’s budget where a member holds “any beneficial interest in land which is within the area of the relevant authority” (Relevant Local Authorities (Disclosable Pecuniary Interests) Regulations 2012). It concludes that no such dispensation is required because, in the view of the Monitoring Officers of all of Oxfordshire’s principal councils, the holding of such a beneficial interest is not a disclosable pecuniary interest under the Localism Act 2011. Therefore no dispensation is necessary.

The Committee is RECOMMENDED to consider the advice in this report and to agree that no dispensation is required with regards to the setting of the Council budget and that County Councillors be advised accordingly.

11. Procure to Pay Project - Update

4:10

There are a series of workshops happening this month regarding the Procure to Pay Project. Sean Collins and Paul Ashby will attend the meeting to update the Committee in the light of those workshops and outline the next steps of implementation of the project.

12. Audit Committee - Draft Work Programme 2013/14 (Pages 117 - 118)

4:25

To review/update the Committee's Work Programme (**AG12**).

CLOSE OF MEETING

4:30

Pre-Meeting Briefing

There will be a pre-meeting briefing at County Hall on Thursday 10 January 2013 at **2.00 pm** for the Chairman, Deputy Chairman and Opposition Group Spokesman.