



To: Members of the Audit & Governance Committee

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

Wednesday, 5 July 2017 at 2.00 pm

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

Peter G. Clark
Chief Executive

June 2017

*Committee Officers: Colm Ó Caomhánaigh, Tel 07393 001096; E-mail:
colm.ocaomhanaigh@oxfordshire.gov.uk*

Membership

Chairman – Councillor Nick Carter
Deputy Chairman - Councillor Tony Ilott

Councillors

Paul Buckley
Ian Corkin
Helen Evans

Charles Mathew
Deborah McIlveen
Les Sibley

Roz Smith

Co-optee

Dr Geoff Jones

Notes:

- ***A training session for Committee Members will be held at 12 Noon on the day of the meeting in Meeting Room 2.***
- ***A pre-meeting briefing for the Chairman, Deputy Chairman and Opposition Spokesperson will take place at 1pm on Thursday 29 June 2017 in Meeting Room 1.***
- ***Date of next meeting: proposed to be changed to 6 September 2017.***

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 Glenn Watson on **07776 997946** or glenn.watson@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 - 8)

To approve the minutes of the meetings held on 26 April 2017 and 16 May 2017 and to receive information arising from them.

4. Proposed change of meeting date

RECOMMENDATION: That the Committee agrees to change the date of the Committee meeting originally scheduled for 13 September 2017 to take place on 6 September 2017, starting at 2pm.

5. Petitions and Public Address

6. Audit Working Group Terms of Reference and Appointment of the Audit Working Group (Pages 9 - 12)

2.10pm

Report by the Director of Finance.

This report presents the updated Audit Working Group Terms of Reference and requests that the Committee appoint the new Audit Working Group members.

The committee is RECOMMENDED to:

- a) Approve the Audit Working Group Terms of Reference; and
- b) Appoint the members and substitute members of the Audit Working Group.

7. Review of Performance Management of the Highways Partnership Contract

2.30pm

Oxfordshire County Council has had a contractual relationship with Skanska for seven years. Over this time Council officers and Skanska have worked closely together to ensure continuous improvement in the way that services are delivered and that value

for money is being achieved in undertaking a highway maintenance function. There is governance in place to regularly monitor the performance of the contractor and the shared outcomes achieved from the partnership and to benchmark the service against other authorities.

The presentation will address 5 main themes

- The highways contract and how it works
- Value for Money and performance management
- Changes to the ways of working
- Asset valuation and the depreciation of the asset
- Progress against previous Payment Audits

8. Treasury Management Outturn 2016/17 (Pages 13 - 30)

3.10pm

Report by the Director of Finance

The report sets out the Treasury Management activity undertaken in the financial year 2016/17 in compliance with the CIPFA Code of Practice. The report includes Debt and Investment activity, Prudential Indicator Outturn, Investment Strategy, and interest receivable and payable for the financial year.

The Committee is RECOMMENDED to note the report, and to RECOMMEND Council to note the Council's Treasury Management Activity in 2016/17.

9. Internal Audit Charter (Pages 31 - 46)

3.30pm

Report by the Director of Finance

This report presents the updated Internal Audit Charter and also the Internal Audit Quality Assurance and Improvement Programme.

The committee is RECOMMENDED to:

- a) Approve the Internal Audit Charter; and**
- b) Note the Quality Assurance and Improvement Programme.**

10. External Auditors (Pages 47 - 54)

3.50pm

A representative from the external auditors, Ernst & Young, will attend to present the following item:

- Progress Report

11. Update on Hampshire Partnership (Pages 55 - 66)

4.10pm

Report by the Director of Finance.

In July 2015 the Council joined the Hampshire Partnership with HR and Finance operations being delivered through their Integrated Business Centre (IBC). The Audit and Governance Committee has received regular updates on the operation of the partnership, and issues arising. This report covers the period from January 2017.

The Committee is RECOMMENDED to:

- a) note the report;**
- b) confirm whether updates are required routinely and at what frequency, or reported by exception should material issues arise;**
- c) agree to receive a detailed presentation on the Customer Service Improvement Programme.**

12. Review of effectiveness of internal audit (Pages 67 - 74)

4.30pm

Report by the Monitoring Officer.

Each year the Monitoring Officer undertakes a survey of senior managers about the effectiveness of Internal Audit at Oxfordshire County Council. There is no longer a statutory requirement for a formal annual review of the effectiveness of Internal Audit, however this Committee last year agreed that the Monitoring Officer should continue to undertake this survey and report its outcomes to the Committee.

This report summarises the responses to the survey. In short, the survey of the extended County Council Management Team reveals a positive picture of the effectiveness of Internal Audit during the year 2016/17.

The Committee is RECOMMENDED to note and comment upon the report.

13. Work Programme (Pages 75 - 76)

4.50pm

To review the Committee's Work Programme.

Close of meeting

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