



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

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

**Wednesday, 15 January 2025 at 1.00 pm**

**Room 2&3 - County Hall, New Road, Oxford OX1 1ND**

If you wish to view proceedings, please click on this [Live Stream Link](#)  
Please note, that will not allow you to participate in the meeting.

Martin Reeves  
Chief Executive

January 2025

*Committee Officers: Committee Services*  
*Email: [committees.democraticservices@oxfordshire.gov.uk](mailto:committees.democraticservices@oxfordshire.gov.uk)*

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**Membership**

Chair – Councillor Ted Fenton  
Deputy Chair - Councillor Roz Smith

*Councillors*

Yvonne Constance OBE  
Jenny Hannaby  
Charlie Hicks

Bob Johnston  
Nick Leverton  
Ian Middleton

Glynis Phillips

*Co-optee*

Dr Geoff Jones

**Notes:**

- ***Date of next meeting: 12 March 2025***

## **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 27 November 2024 (**AG3**) 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. Requests to speak should be sent to [committeesdemocraticservices@oxfordshire.gov.uk](mailto:committeesdemocraticservices@oxfordshire.gov.uk)

If you are speaking 'virtually', you may submit a written statement of your presentation to ensure that 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. Highways Contract Arrangements (Pages 11 - 36)**

Report by Director of Environment and Highways

The existing highway maintenance contract with M-Group Infrastructure (Milestone) is set to expire on 31 March 2025 with no options to extend. Following Cabinet approval in October 2023, officers were instructed to prepare and commence the procurement of a new highway maintenance contract to start on 1st April 2025 (following a mobilisation period) for 8 years with options for two 3-year extensions (14-year potential contract length).

**The Audit & Governance Committee is RECOMMENDED to**

- a) Note the governance in place and associated activities to enable the successful transition from the existing to new highways maintenance contract due to commence on 1<sup>st</sup> April 2025.**

### **6. Treasury Management Strategy Statement and Annual Investment Strategy for 2025/26 (Pages 37 - 56)**

Report by Executive Director of Resources & Section 151 Officer

The Treasury Management Strategy & Annual Investment Strategy for 2025/26 outlines the council's strategic objectives in terms of its debt and investment management for the financial year 2025/26.

**Audit & Governance Committee is RECOMMENDED to endorse the Treasury Management Strategy & Annual Investment 2025/26 as outlined in the report.**

## **7. Annual Governance Statement-Update on Actions (Pages 57 - 60)**

Report by the Director of Law & Governance and Monitoring Officer

The Head of Legal and Deputy Monitoring Officer presented an update to Committee on 27 November 2024 on the seven areas of focus identified in the Annual Governance Statement 2023/24 for action in 2024/25. This report to Committee is therefore a report on only those actions where an additional update is required.

**The Committee is RECOMMENDED to receive this update on the actions from the Annual Governance Statement 2023/24 and to make any comment upon them.**

## **8. Electoral Fees and Charges April 2025 (Pages 61 - 76)**

Report by Director of Law & Governance and Monitoring Officer

The County Returning Officer, Martin Reeves, is responsible for the conduct of the County Council elections and by-elections. The expenditure properly incurred by the Returning Officer is paid by the Council and, as such, a scale of expenses is set as a guide to such expenditure. The scale of expenses set out in the Annex would be applicable to the County Council Elections, which will be held on Thursday, 1 May 2025, as well as any by-elections which may need to be held within the 2025/26 financial year.

**The Committee is RECOMMENDED to note the Scale of Election Expenses for the financial year 2025/26, 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. Consultation - Local Audit Strategy (Pages 77 - 94)**

Report by Executive Director Resources and Section151 Officer

The Government has launched a statement of intent and consultation on their proposals to overhaul the current local audit system in England. In the Annex to this report is a document setting out the six areas identified to be reformed, and the proposed responses to the specific consultation questions posed in each of those six areas.

**The Committee is RECOMMENDED to agree to the proposed consultation response outlined in the Annex to this report.**

## **10. Financial Management Code (Pages 95 - 116)**

Report by Executive Director of Resources and Section 151 Officer

The Chartered Institute of Public Finance and Accountancy (CIPFA) launched the Financial Management Code of Practice (FM Code) in November 2019. The FM Code was developed on behalf of the then Ministry of Housing, Communities and Local Government (MHCLG), now referred to as the Department for Housing, Communities and Local Government in the context of increasing concerns about the financial resilience and sustainability of local authorities.

**The Audit & Governance Committee is RECOMMENDED to**

- **Endorse the assessment of compliance against the Financial Management Code for 2024/25 (Annex 1)**

## **11. Risk Management Update (Pages 117 - 122)**

Report by Executive Director of Resources and Section 151 Officer

This report sets out updates to Risk Management and an overview of the latest strategic risk register which contains the Council's most significant risks. The strategic risk register is closely managed by the Council Management Team and reported into the Strategic Leadership Team as part of the Council's Business Management and Monitoring Reports. These combined reports contain performance, risk and finance progress updates against the delivery of the current strategic plan priorities.

**The Committee is RECOMMENDED to note the Risk Management Update.**

## **12. Consultation - Strengthening the Standards and Conduct Framework for Local Authorities in England (Pages 123 - 138)**

Report by Director of Law and Governance and Monitoring Officer

The Government has launched a consultation regarding the application of standards and conduct in local authorities. The consultation opened on 18 December 2024 and runs for 10 weeks, closing on 26 February 2025. In the Annex to this report is a set of proposed answers to the specific questions which are posed, together with supporting text where appropriate.

**The Committee is RECOMMENDED to agree to the proposed consultation response outlined in the Annex**

## **13. Ernst & Young Update (Verbal Report)**

A verbal update on the 2023/24 County Council and Pension Fund audits.

## **14. Internal Audit 2024/25 Progress Report (Pages 139 - 176)**

Report by the Executive Director of Resources and Section 151 Officer

This report provides an update on the Internal Audit Service, including resources, completed and planned audits.

**The Committee is RECOMMENDED to note the progress with the 2024/25 Internal Audit Plan and the outcome of the completed audits.**

## **15. Extra Meeting and Work Programme (Pages 177 - 178)**

The Committee is asked to agree to add a meeting to the 2025/26 schedule as follows:  
Wednesday 4 June 2025.

The Committee is invited to note and comment on the work programme

### **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.