

AUDIT & GOVERNANCE COMMITTEE – 3 JULY 2013

REPORT OF THE AUDIT WORKING GROUP (AWG)

The Audit Working Group met on 20 June 2013

The meeting was attended by:

Dr Geoff Jones – Chairman; Cllr Wilmshurst; Cllr Mathew; Cllr Roz Smith; Lorna Baxter and Ian Dyson

Part meeting only: AWG 13.12 Lucy Butler, Graham Shaw, Aisling O'Sullivan Darcy, Sarah Cox; AWG13.13 Sara Livadeas, Sarah Breton; AWG13.14 Trevor Askew, Karen Lister; AWG 13.15 Sean Collins; AWG13.16 Peter Clark, David Illingworth; AWG13.17 and 18 Claire Phillips

Observer: Cllr Stratford; Cllr Pressel; Cllr Godden; Cllr Newton

AWG WORK PROGRAMME ITEMS

The main business items of the meeting were as follows:

AWG13.12 Client Charging

The Group noted good progress with the change project, and the actions completed so far. The project plan was reviewed, and the monitoring and decision making processes presented by the Deputy Directors. It was identified that further work is required on the charging policy to ensure there is clarity of the financial implications and rationale behind it, but this remains on target for consultation to be completed by September and Cabinet approval in November. The Group noted with approval that income targets for Adult Social Care had now been agreed as part of the Service and Resource planning process for 2013/4 and would be monitored monthly. It is expected that these targets will be revised if the revised contribution policy is agreed by Cabinet and Council in due course. The Officers have timetabled further updates to the AWG. The change project includes the procurement and implementation of a new Adult Social Care IT System, which the Group suggested should be monitored by the Audit and Governance Committee, starting at the September meeting.

AWG13.13 CEF Contract Procurement and Contract Management

The Group was satisfied with the actions planned by management to address the weaknesses highlighted in the internal audit report, noting that any issues with the implementation should be picked up through the internal audit action tracking process, and through the risk management reporting. It was also noted that a follow up audit is being planned for quarter four of 2013/14. The Group was also informed officers have established a corporate Commercial Services Board to give oversight of commercial projects, and that under the direction of that Board a new contract management framework is being developed. It is intended this will be presented at the pre Audit & Governance Committee members briefing session on 18 September 2013.

AWG13.14 Property Leases performance Report

The Group identified that the number of outstanding leases has not varied significantly since the last report presented to the Audit and Governance Committee,

including some that whilst not material in value have been outstanding for several months and in some cases years. The Group noted that these are low risk, and that performance reports are being routinely presented to Senior Management, however the rationale for negotiations to be allowed to continue for so long once a lease has expired was not evident through the report presented. The Group has requested a further report to come in 6 months (February meeting) to update on the current position, and to include a commentary on the decision making rationale behind any leases that are outstanding.

AWG13.15 P2P Update

Progress on the project was reported. It was noted that progress had been slower than anticipated but the Group was told that step improvements in the performance dashboard could be expected by the September target date. A report is due to be received by the AWG in November to review how effective the management actions have been.

AWG13.16 Draft Annual Governance Statement

The Group commented on the draft statement, with some minor changes to be made to the final version.

AWG13.17 Risk Management Report

The latest report was noted. The Group agreed that it should review the risk management processes in Directorates on a cyclical basis, starting with Children, Education and Families. The Group have asked for copies of the risk registers and will be inviting the risk leads to discuss the processes they have in place; if necessary this will then be followed up by inviting Senior Managers to attend.

AWG13.18 Scrutiny Annual Report

The Group noted the report and there are no material issues to raise; however there was a general feeling that the report lacked comment on how effective the work of Scrutiny had been, and it was suggested this should be included in future reports.

AWG13.19 Work Programme

The AWG work programme has been updated and is attached as appendix 1 to this report

RECOMMENDATION

The Committee is RECOMMENDED to note the report

SUE SCANE

Assistant Chief Executive & Chief Finance Officer

Contact: Officer: Ian Dyson, Chief Internal Auditor Tel 01865 323875
ian.dyson@oxfordshire.gov.uk

**AUDIT WORKING GROUP
TIMETABLE AND WORK PROGRAMME 2013/14**

2013

Thursday 5 September

- Internal Audit Report – Ian Dyson
- Risk Management Report – Claire Phillips
- CEF Risk Management Review - (TBD)
- Draft Fire and Rescue AGS - Richard Smith
- Pension Fund Fraud Risks - Mary Fetigan / Ian Dyson
- Client Charging Update - Graham Shaw/Lucy Butler

Thursday 7 November

- Internal Audit Issues – Ian Dyson
- Risk Management Report – Claire Phillips
- Annual Governance Statement Process – annual review of the assurance framework - Peter Clark
- P2P Dashboard/performance report for Q1 2013/14 - Sean Collins
- Client Charging Update - Graham Shaw/Lucy Butler

2014

Thursday 13 February

- Internal Audit Report – Ian Dyson
- Risk Management Report – Claire Phillips
- Draft work programme 2012/13 – Ian Dyson
- Review of AWG Terms of Reference – Ian Dyson
- Property Leases - Trevor Askew
- Client Charging Update - Graham Shaw/Lucy Butler

Last Updated - 20 June 2013

Ian Dyson
Chief Internal Auditor