



**Committee: Accounts, Audit and Risk Committee**

**Date: Wednesday 26 July 2023**

**Time: 6.30 pm**

**Venue: Bodicote House, Bodicote, Banbury, Oxon OX15 4AA**

## **Membership**

**Councillor Lynn Pratt  
(Chairman)**

Councillor Besmira Brasha  
Councillor Donna Ford  
Councillor Simon Lytton

**Councillor Simon Holland (Vice-Chairman)**

Councillor Andrew Crichton  
Councillor Harry Knight  
Councillor Ian Middleton

## **AGENDA**

**1. Apologies for Absence and Notification of Substitute Members**

**2. Declarations of Interest**

Members are asked to declare any interest and the nature of that interest which they may have in any of the items under consideration at this meeting.

**3. Petitions and Requests to Address the Meeting**

The Chairman to report on any requests to submit petitions or to address the meeting.

**4. Minutes (Pages 9 - 14)**

To confirm as a correct records the Minutes of the meetings of the Committee held on 22 March 2023 and 23 May 2023.

**5. Chairman's Announcements**

To receive communications from the Chairman.

## 6. **Urgent Business**

The Chairman to advise whether they have agreed to any item of urgent business being admitted to the agenda.

## 7. **Housing Benefit and Council Tax Reduction Risk Based Verification** (Pages 15 - 24)

Report of Assistant Director of Finance & S151 Officer

### **Purpose of report**

To provide members with details of the Risk Based Verification (RBV) policy and to seek approval for the reviewed RBV Policy for 2023/24.

### **Recommendations**

The meeting is recommended

- 1.1 To note the contents of this report
- 1.2 To approve the Risk Based Verification policy for the financial year 2023/24 (Appendix 1).

## 8. **Annual Governance Statement 2022-23** (Pages 25 - 46)

Report of the Assistant Director Law and Governance and Monitoring Officer.

### **Purpose of report**

The report sets out the Annual Governance Statement (AGS) for the Council for 2022-23 for approval. The AGS summarises the key governance issues for the Council and the actions required to address these. The AGS is required to be approved by those charged with governance, the Accounts Audit & Risk Committee, under the Accounts and Audit Regulations 2015.

### **Recommendations**

The meeting is recommended:

- 1.1 To approve the Annual Governance Statement 2022-23.
- 1.2 To authorise the Leader of the Council and the Chief Executive to sign the Annual Governance Statement on behalf of Cherwell District Council.

## 9. **Risk Monitoring Report Quarter 1, 2023** (Pages 47 - 80)

Report of Assistant Director – Customer Focus

### **Purpose of report**

To update the committee on how well the council is managing its Strategic Risks and to seek the committee's views on the Council's Risk Management Strategy.

### **Recommendations**

The meeting is recommended:

- 1.1 To note the Risk Monitoring Report for Quarter 1 2023.
- 1.2 To review the Council's current Risk Management Strategy 2022/23 (Appendix 2) and recommend any improvements for Executive consideration.

## **10. External Audit Update**

External Auditors, Ernst & Young to provide verbal update

## **11. Annual Report of the Chief Internal Auditor 2022/23 (Pages 81 - 100)**

Annual Report of the Chief Internal Auditor 2022/23

### **Purpose of report**

This is the annual report of the Chief Internal Auditor, summarising the outcome of the Internal Audit work in 2022/23, and providing an opinion on the Council's System of Internal Control.

### **Recommendations**

The meeting is recommended to:

- 1.1 Consider and endorse this annual report.

## **12. Internal Audit Strategy and Plan 2023/24 (Pages 101 - 114)**

Report of the Assistant Director of Finance & S151 Officer

### **Purpose of report**

The report presents the Internal Audit Strategy and Plan for 2023/24.

### **Recommendations**

The meeting is recommended to:

- 1.1 note and comment on the Internal Audit Strategy and Plan for 2023/24.

## **13. Internal Audit Charter (Pages 115 - 132)**

Report of Assistant Director of Finance

### **Purpose of report**

This report presents the Internal Audit Charter and Internal Audit Quality Assurance Programme for 2023/24.

### **Recommendations**

The meeting is recommended to:

- 1.1 Approve the Internal Audit Charter.
- 1.2 Note the Quality Assurance and Improvement Programme.

## **14. Update on Counter Fraud Annual Plan 2022/23 and presenting the Counter Fraud Annual Plan 2023/24 (Pages 133 - 144)**

Report of Assistant Director of Finance & S151 Officer

### **Purpose of report**

This report presents a summary of activity against the Annual Plan for the Counter-Fraud service at CDC for 2022/23, which was previously presented to the Accounts, Audit & Risk July 2022 committee. The report also presents the new Counter Fraud Plan for the year 2023/24.

The Plan supports the Council's Anti-Fraud and Corruption Strategy by ensuring that the Council has in place proportionate and effective resources and controls to prevent and detect fraud as well as investigate those matters that do arise.

### **Recommendations**

The meeting is recommended to:

- 1.1 Comment and note the summary of activity against the Annual Counter Fraud Plan for 2022/23.
- 1.2 Comment and note the Counter Fraud Plan for 2023/24.

## **15. Treasury Management Report - Annual Performance Report 2022/23 (March 2023) (Pages 145 - 156)**

Report of the Assistant Director of Finance

### **Purpose of report**

To receive information on treasury management performance and compliance with treasury management policy for 2022-23 as required by the Treasury Management Code of Practice.

### **Recommendations**

The meeting is recommended:

1.1 To note the contents of this Treasury Management Report.

**16. Treasury Management Report - Q1 2023/24 (June 2023) (Pages 157 - 170)**

Report of the Assistant Director of Finance

**Purpose of report**

To receive information on treasury management performance and compliance with treasury management policy for 2023-24 as required by the Treasury Management Code of Practice.

All treasury management activities undertaken to date during the financial year 2023-24 complied with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy, and all Prudential Indicators were met during the reporting period.

Over the course of the year, there is an overall forecast underspend of £0.376m.

**Recommendations**

The meeting is recommended:

1.1 To note the contents of this Treasury Management Report.

1.2 To note the strategy for future borrowing requirements at Appendix 1.

**17. 2022/23 Accounting Policies (Pages 171 - 198)**

Report of the Assistant Director of Finance (S151 Officer)

**Purpose of report**

To review and approve the Accounting Policies for inclusion in the 2022/23 Statement of Accounts. The Council is required to set accounting policies which set out the specific principles, bases, conventions, rules, and practices applied by an authority in preparing and presenting financial statements. The accounting policies describe how the Council has interpreted and applied the Code of Practice on Local Authority Accounting. There have been no material changes to the Accounting Policies.

In addition, to note that the 2022/23 Draft Statement of Accounts were not published by the 31 May 2023 deadline, due to delays in the audit of the 2021/22 Statement of Accounts.

**Recommendations**

The meeting is recommended:

- 1.1 To approve the accounting policies as approved by the Chief Finance Officer (Appendix 1).
- 1.2 Note that the 2022/23 Draft Statement of Accounts were not published by the 31 May 2023 deadline.

**18. Support to Subsidiaries (Pages 199 - 202)**

Report of the Assistant Director of Finance (S151 Officer)

**Purpose of report**

To inform the Committee of the overall level of support provided to the Council's subsidiaries and how this is considered as part of the external audit.

**Recommendations**

The meeting is recommended:

- 1.1 To note the report and raise any queries on the exempt appendix.

**19. Work Programme (Pages 203 - 204)**

To consider and review the Work Programme.

**20. Exclusion of Press and Public**

The following report(s) contain exempt information as defined in the following paragraph(s) of Part 1, Schedule 12A of Local Government Act 1972.

3- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Members are reminded that whilst the following item(s) have been marked as exempt, it is for the meeting to decide whether or not to consider each of them in private or in public. In making the decision, members should balance the interests of individuals or the Council itself in having access to the information. In considering their discretion members should also be mindful of the advice of Council Officers.

Should Members decide not to make a decision in public, they are recommended to resolve as follows:

“That under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following item(s) of business on the grounds that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part I, Paragraph 3 would be disclosed to them, and that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.”

**21. Support to Subsidiaries - exempt appendix (Pages 205 - 210)**

**Councillors are requested to collect any post from their pigeon hole in the Members Room at the end of the meeting.**

## **Information about this Meeting**

### **Apologies for Absence**

Apologies for absence should be notified to [democracy@cherwell-dc.gov.uk](mailto:democracy@cherwell-dc.gov.uk) or 01295 221534 prior to the start of the meeting.

### **Declarations of Interest**

Members are asked to declare interests at item 2 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item.

### **Local Government and Finance Act 1992 – Budget Setting, Contracts & Supplementary Estimates**

Members are reminded that any member who is two months in arrears with Council Tax must declare the fact and may speak but not vote on any decision which involves budget setting, extending or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.

### **Evacuation Procedure**

When the continuous alarm sounds you must evacuate the building by the nearest available fire exit. Members and visitors should proceed to the car park as directed by Democratic Services staff and await further instructions.

### **Access to Meetings**

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

### **Mobile Phones**

Please ensure that any device is switched to silent operation or switched off.

### **Queries Regarding this Agenda**

Please contact Sharon Hickson, Democratic and Elections [democracy@cherwell-dc.gov.uk](mailto:democracy@cherwell-dc.gov.uk), 01295 221534

**Yvonne Rees**  
**Chief Executive**

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