

Cherwell District Council

Accounts, Audit and Risk Committee

Minutes of a meeting of the Accounts, Audit and Risk Committee held at Bodicote House, Bodicote, Banbury, Oxon OX15 4AA, on 20 March 2024 at 6.30 pm

Present:

Councillor Lynn Pratt (Chairman)

Councillor Donna Ford

Councillor Simon Lytton

Councillor Ian Middleton

Sarah Thompson, Independent Person (no voting rights)

Substitute Members:

Councillor Adam Nell (In place of Councillor Simon Holland)

Apologies for absence:

Councillor Simon Holland

Councillor Besmira Brasha

Councillor Andrew Crichton

Councillor Harry Knight

Harry Lawson, Independent Person (no voting rights)

Also Present Virtually:

Councillor Barry Wood, Leader of the Council

Councillor Sandy Dallimore, Portfolio Holder for Corporate Services

Officers:

Michael Furness, Assistant Director Finance & S151 Officer

Joanne Kaye, Head of Finance and Deputy Section 151 Officer

Jacey Scott, Head of Revenues and Benefits

Natasha Clark, Governance and Elections Manager

Officers Attending Virtually:

Shiraz Sheikh, Assistant Director Law & Governance and Monitoring Officer

Sarah Cox, Chief Internal Auditor

Declan Brolly, Corporate Fraud Officer

Celia Prado-Teeling, Performance Team Leader

Alex Rycroft, Strategic Finance Business Partner

56 **Declarations of Interest**

There were no declarations of interest.

57 **Petitions and Requests to Address the Meeting**

There were no petitions or requests to address the meeting.

58 **Minutes**

The Minutes of the meeting of the Committee held on 17 January 2024 were agreed as a correct record and signed by the Chairman.

59 **Chairman's Announcements**

There were no Chairman's announcements.

60 **Urgent Business**

There were no items of urgent business.

61 **Risk Based Verification Policy 2024/2025**

The Assistant Director Finance submitted a report to seek approval of the reviewed Risk Based Verification (RBV) Policy for 2024/25.

In response to Members' questions regarding how the policy operated in practice, the Head of Benefits and Revenues Services gave an overview of the process. RBV was a method of applying different levels of checks to new claims for Housing Benefit and Council Tax Reduction dependent upon a complex risk profile given to each customer. The profile was determined by specific software using statistical information and experience about what type of claim represents what type of risk. The higher the risk, the greater the checks used to establish that the claim was genuine.

Resolved

- (1) That the report be noted.
- (2) That the Risk Based Verification Policy for the financial year 2024/2025 be approved.

62 **Internal Audit Contract Procedure**

The Head of Finance advised the Committee that Oxfordshire County Council would cease to provide the Internal Audit service to Cherwell District Council. Following due process, arrangements were being put in place for provision from May 2024. The Internal Audit Plan 2024/2025 would be submitted to the 29 May meeting of the Committee.

Resolved

- (1) That the verbal update be noted.

63 **Update on Counter Fraud Annual Plan 2023/24**

The Assistant Director of Finance submitted a report to present a summary of activity against the Annual Plan for the Counter-Fraud service at CDC for 2023/24, which was previously presented to the Accounts, Audit & Risk Committee at the July 2023 meeting. The Plan supported the Council's Anti-Fraud and Corruption Strategy by ensuring that the Council had in place proportionate and effective resources and controls to prevent and detect fraud as well as investigate those matters that did arise.

The Committee commended the work being undertaken by the service.

In response to a question regarding the resource required to receive the outputs, the Chief Internal Auditor explained that the work undertaken was discussed with the Assistant Director Finance to ensure it was in the best interests of the Council and its residents. The Assistant Director Finance highlighted that the work also served as a prevention tool as it demonstrated that the Council did investigate as part of its zero approach to fraud.

In response to a question regarding handover of work to the new provider, the Chief Internal Auditor explained that Oxfordshire County Council would cease to provide the service to Cherwell District Council (CDC) at the end of April 2024. There would be some residual work and a pragmatic approach would be taken as the new provider would be delivering both the Internal Audit and Counter-Fraud service for CDC.

Resolved

- (1) That, having given due consideration, the summary of activity against the Annual Counter Fraud Plan for 2023/24 be noted.

64 **Draft Annual Report of Accounts, Audit and Risk Committee**

The Assistant Director of Finance submitted a report which presented the draft Annual report of the Accounts, Audit & Risk Committee.

In introducing the report, the Chief Internal Auditor confirmed that following the draft report being circulated to Committee members in February, the report had been updated to reflect changes suggested.

Resolved

- (1) That, having given due consideration, it be agreed that the draft Annual Report of the Accounts, Audit and Risk Committee be finalised in preparation for presentation to Council by the Chair of the Accounts, Audit & Risk Committee.

65 **Risk Monitoring Report January 2024**

The Assistant Director Customer Focus to update the Committee on how well the Council was managing its strategic risks.

In introducing the report, the Portfolio Holder for Corporate Services confirmed that there were no score changes in the Leadership Risk Register during January 2024.

Resolved

- (1) That the Risk Monitoring Report for January 2024 be noted.

66 **2021/22 Final Audit Results Report**

The Assistant Director Finance submitted a report to ask the Committee to note the final audit results and annual report of the council's external auditors in relation to the 2021/22 statement of accounts. The report also asked the Committee to note the final Letter of Representation and the final 2020/21 Statement of Accounts.

In introducing the report, the Portfolio Holder for Finance thanked the Finance Team for achieving great progress with the External Auditor.

In response to a question regarding the classification of Castle Quay, the Assistant Director Finance explained that the External Auditor had been provided with the paperwork at the time of purchase. The External Auditor had acknowledged that Castle Quay was in the wrong category, and it had been restated in previous years' accounts to provide a like-for-like comparison.

Resolved

- (1) That the final 2021/22 Audit Results Report be noted.
- (2) That the final 2021/22 Annual Audit Report of the External Auditor be noted.
- (3) That the final Letter of Representation be noted.

- (4) That the final Statement of Accounts for 2021/22 be noted.

67 **Draft Statement of Accounts 2022-23**

The Assistant Director Finance submitted a report to provide an opportunity for review of the draft 2022/23 Statement of Accounts which were published on 2 February 2024.

Resolved

- (1) That the report and publication of the draft statement of accounts 2022/23 be noted.
- (2) That the current consultations from Central Government to implement 'backstop' dates to combat the backlog of outstanding audits across England be noted.

68 **2023/24 Accounting Policies**

The Assistant Director of Finance submitted a report to review and approve the Accounting Policies for inclusion in the 2023/24 Statement of Accounts which were due to be published by 31 May 2024. The council was 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.

Resolved

- (1) That the accounting policies as recommended by the Chief Finance Officer be approved.

69 **Annual Governance Statement 2022/2023 - Update on Actions**

The Monitoring Officer & Assistant Director of Law & Governance submitted a report to consider an update on actions from the Annual Governance Statement (AGS) 2022/2023.

Resolved

- (1) That, having given due consideration, the update on the actions arising from the Annual Governance Statement 2022/2023 be noted.

70 **Work Programme**

The Head of Finance advised that the first meeting of the Committee in 2024/205 would take place on Wednesday 29 May. Mandatory training for Members appointed to the Committee would take place on the same date.

Resolved

- (1) That the work programme update be noted.

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Chairman's Thank You

As this was the last meeting of the municipal year, the Chairman thanked Committee members and officers for their work during the cycle of meetings. The Chairman also thanked the Independent Persons for their diligence in their roles.

The meeting ended at 7.50 pm

Chairman:

Date: