

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, OX15 4AA, on 12 April 2018 at 6.30 pm

- Present: Councillor Ian Corkin (Chairman)
Councillor Hugo Brown (Vice-Chairman)
- Councillor Sean Gaul
Councillor Mike Kerford-Byrnes
Councillor Barry Richards
- Substitute Members: Councillor Barry Wood (In place of Councillor Nicholas Mawer)
- Also Present: Councillor Tony Ilott, Lead Member for Financial Management
- Apologies for absence: Councillor Nicholas Mawer
Councillor Tom Wallis
Councillor Sean Woodcock
- Officers: Yvonne Rees, Chief Executive
Adele Taylor, Interim Executive Director: Finance and Governance
Claire Taylor, Director: Customers and Service Development, for agenda item 8
Cecilie Booth, Interim Deputy Section 151 Officer
Kelly Watson, Assistant Director: Finance and Procurement
Hedd Vaughan Evans, Assistant Director Performance and Transformation, for agenda item 8
Rakesh Kumar, Strategic Intelligence and Insight Manager, for agenda item 8
Isaac Aisu, Closedown Project Manager
Natasha Clark, Interim Democratic and Elections Manager
- Also Present: Neil Harris, Engagement Partner, Ernst & Young, External Audit
Steve Bladen, Engagement Partner, Ernst & Young, External Audit

Declarations of Interest

There were no declarations of interest.

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

There were not petitions or requests to address the meeting.

42 **Urgent Business**

There were no items of urgent business.

43 **Minutes**

The Minutes of the meeting of the Committee held on 24 January 2018 were agreed as a correct record and signed by the Chairman.

44 **Chairman's Announcements**

There were no Chairman's announcements.

45 **Statement of Accounts 2016/17**

The Deputy Section 151 Officer submitted a report to obtain official sign-off by the Deputy Section 151 Officer and the Chairman of the Accounts, Audit and Risk Committee on the audited Statement of Accounts 2016/17.

In introducing the Statement of Accounts 2016/17, the Deputy Section 151 Officer gave a presentation which provided some background and information on the Annual Governance Statement, Statement of Accounting Policies, the council's core financial statements, supplementary statements and group accounts.

The Deputy Section 151 Officer explained that external auditors had queried the significant year-on-year reduction in valuation of assets contained in the 2016/17 accounts resulting in two key outstanding issues: Significant changes to the valuation of fixed assets; and, a change in the categorisation of certain assets to recognise the Council's control over and residual interest in them. These changes had now been fully incorporated in the draft 2016/17 accounts and key judgements had been made in relation to service concessions on assets.

The council's External Auditor explained that Cherwell District Council would receive an unqualified opinion on the 2016/17 financial statements and a modified value for money opinion which reflected the causes of the delay in finalising the statement of accounts. The External Auditor referred to the letter of representation which required approval by the Committee.

In considering the officers' report and External Audit Year End Audit Results report, members asked a number of questions to which answers were duly provided.

Resolved

- (1) That the External Audit Year End (31 March 2017) Audit Results report be noted.
- (2) That the Letter of Representation to External Auditors be approved.
- (3) That the draft 2016/17 financial statements be approved.

46 **Leadership Risk Review 2017-18**

The Director – Customers and Service Development submitted a report which summarised the Council's Risk monitoring position as at 23 March 2018 with updates to the current risk strategy.

Resolved

- (1) That, having given due consideration, the Leadership Risk Register be noted and no issues be identified for further consideration or referral to Executive.
- (2) That the updated Risk strategy reflecting the Leadership register amendments be noted.

47 **Schedule of Meetings for 2018/19**

The Committee noted the schedule of meetings for 2018/19. The Interim Executive Director for Finance and Procurement confirmed that an informal meeting of the Committee would be held prior to the 30 May 2018 meeting.

Resolved

- (1) That the schedule of meetings for 2018/19 be noted.

48 **Quarter 3 Treasury Management Report**

The Deputy Section 151 Officer submitted a report which presented information on treasury management performance and compliance with treasury management policy for 2017/18 as required by the Treasury Management Code of Practice.

Resolved

- (1) That the contents of the third quarter (Q3) Treasury Management Report be noted.

49 **Exclusion of Press and Public**

There being no questions or comments on the exempt appendix it was not necessary to exclude the press and public.

50 **Quarter 3 Treasury Management Report - Exempt Appendix**

Resolved

- (1) That the exempt appendix be noted.

The meeting ended at 7.45 pm

Chairman:

Date: