

Cherwell District Council

Accounts, Audit and Risk Committee

Minutes of a meeting of the Accounts, Audit and Risk Committee held as at virtual meeting, on 18 November 2020 at 6.30 pm

Present:

Councillor Mike Kerford-Byrnes (Chairman)
Councillor Hugo Brown (Vice-Chairman)
Councillor Nicholas Mawer
Councillor Sean Woodcock

Substitute Members:

Councillor Barry Wood, (in place of Councillor Nathan Bignell)

Also Present:

Councillor Tony Ilott; Lead Member for Financial Management and Governance
Maria Grindley, Associate Partner, Ernst & Young (external audit)
Sue Gill, Ernst & Young (external audit)

Apologies for absence:

Councillor Hannah Banfield
Councillor Nathan Bignell
Councillor Conrad Copeland
Councillor Tom Wallis

Officers:

Lorna Baxter, Director of Finance & Section 151 Officer
Michael Furness, Assistant Director Finance
Sarah Cox, Chief Internal Auditor
Ian Dyson, Assistant Director of Finance, Oxfordshire County Council (OCC)
Louise Tustian, Head of Insight and Corporate Programmes
Robert Ducker, Senior Investigations Officer
Claire Taylor, Corporate Director Customers and Organisational Development
Joanne Kaye, Strategic Business Partner
Shaista Moughal, Account Closure Consultant
Sharon Hickson, Democratic and Elections Officer

Declarations of Interest

There were no declarations of interest.

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

There were no petitions or requests to address the meeting.

30 **Minutes**

The Minutes of the meeting of the Committee held on 20 September 2020 were agreed as a correct record, to be signed by the Chairman in due course.

31 **Chairman's Announcements**

There were no chairman's announcements

32 **Urgent Business**

There were no items of urgent business.

33 **Monthly Performance, Risk and Finance Monitoring Report - Quarter 2 / September 2020**

The Director of Finance and Head of Insight and Corporate Programmes, presented a report which summarised the Council's Performance, Risk and Finance monitoring position as at the end of September 2020.

The Head of Insight and Corporate Programmes informed members there had been one risk rating score change during September; L15 – Oxfordshire Growth Deal had decreased.

Resolved

- (1) That the monthly Performance, Risk and Finance Monitoring Report be noted.

34 **Review of Those Charged with Governance**

The Director of Finance presented a report which set out the response to Ernst & Young (EY) regarding the view of management assurance.

The Director of Finance confirmed the wording in paragraph 8 in relation to significant parties, would be checked to ensure correctness.

Resolved

- (1) That the draft response relating to management assurances from Those Charged with Governance (Annex to the Minutes as set out in the Minute Book) be noted.

- (2) That it be agreed that the Director of Finance, in conjunction with the Chairman of the Accounts, Audit and Risk Committee, make any further changes to the response relating to management assurances from Those Charged with Governance (Annex to the Minutes as set out in the Minute Book) that may arise as a result of the audit.

35 **External Audit - Annual Audit Opinion 2019/20**

The Director of Finance submitted a report which set out the External Audit Opinion for 2019/20.

Resolved

- (1) That the contents of the External Audit Opinion (ISA260) for 2019/20 be noted.

36 **Statement of Accounts Update**

The Director of Finance submitted a report asking Members to consider changes to be incorporated to the draft statement of accounts.

Resolved

- (1) That subject to the changes required, agree that the Draft Statement of Accounts 2019/20 be endorsed and once the final audit opinion is received the Director of Finance (S151 Officer), in consultation with the Chair of the Accounts, Audit and Risk Committee (or Vice Chair in case the Chairman is unavailable) be authorised to sign the accounts and it be noted that if any material changes to the accounts are required, then an additional committee meeting would be convened to consider the changes.
- (2) That the Director of Finance, in consultation with the Chair of the Accounts, Audit and Risk Committee (or Vice Chair in their absence), be authorised to make any further changes to the letters of representation that may arise during completion of the audit.

37 **2018/19 Audit Fee**

The Director of Finance submitted a report that made the Committee aware of the updates in the 2018/19 Audit Fee.

Members thanked Ernst & Young for the work carried out on the audit this year.

Resolved

- (1) That the £33,977 audit fee for work over and above the 2018/19 scale fee be noted.

38 **Treasury Management Report - Q2 (September 2020)**

The Director of Finance submitted a report which provided information on treasury management performance and compliance with treasury management policy and Prudential Indicators for 2020-21 as required by the Treasury Management Code of Practice.

Resolved

- (1) That the contents of the Q2 (September 2020) Treasury Management Report be noted.

39 **Progress of Counter Fraud Service**

The Director of Finance submitted a report providing an overview of the current progress of the Authority's counter fraud response following the delegation of authority in July 2018 to Oxford City Council.

The Senior Fraud Officer advised Members that the Fraud Team had been involved in the covid support grants payments to local businesses. The Team had investigated cases which had been referred as possibly fraudulent. Of these cases, four applicants had been interviewed and would be issued warning letters, one further applicant would be interviewed once Covid-19 lockdown restrictions had been lifted.

Resolved

- (1) That the current performance of the Corporate Fraud team be noted.
- (2) That after due consideration of the future work plans and the impact that this will have on future performance and income to the authority, the report be noted.

40 **Update on Counter-Fraud Arrangements for 2021/22**

The Director of Finance submitted a report presenting the revised arrangements for Counter-Fraud, to become fully operational from April 2021/22.

The Assistant Director of Finance (OCC) updated members on the recruitment to the counter-fraud service. Two Counter Fraud Officers had been appointed and recruitment of the Intelligence & Data Officer would begin shortly. These appointments would ensure that the team was fully resourced by 1 April 2021.

Resolved

- (1) The updated arrangements for Counter-Fraud for 2021/22 be noted.

41 **Redmond Review into Local Government Audit**

The Director of Finance submitted a report updating the Accounts, Audit and Risk Committee on the outcome of the Redmond Review into Local Government Audit.

In highlighting the recommendations set out as part of the review, the Director of Finance advised members that some of the recommendations would require Acts of Parliament before they could be adopted.

Resolved

- (1) That the findings of the Redmond Review be noted

42 **Work Programme**

The Committee considered the work programme for the remainder of 2019/20.

Members thanked the Finance department for the assistance given to External Auditors on the 2019/20 Statement of Accounts.

Resolved

- (1) That the work programme be noted.

The meeting ended at 7.49 pm

Chairman:

Date: