

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 29 May 2019 at 7.30 pm

Present: Councillor Mike Kerford-Byrnes (Chairman)
Councillor Hugo Brown (Vice-Chairman)

Councillor Hannah Banfield
Councillor Nathan Bignell
Councillor Nicholas Mawer
Councillor Tom Wallis
Councillor Sean Woodcock

Also Present: Councillor Barry Wood, Leader of the Council
Councillor Tony Ilott, Lead Member for Financial Management and Governance
Anand Persaud, CW Audit Services, Internal Audit
Neil Harris, Ernst Young, External Audit

Apologies for absence: Councillor Les Sibley

Officers: Adele Taylor, Executive Director: Finance (Interim) & Section 151 Officer
Kelly Watson, Deputy Section 151 Officer
Isaac Aisu, Closedown Project Manager
Atilla Pek, Principal Accountant - Technical
Natasha Clark, Governance and Elections Manager

3 Declarations of Interest

There were no declarations of interest.

4 Petitions and Requests to Address the Meeting

There were no petitions or requests to address the meeting.

5 Urgent Business

There were no items of urgent business.

6 **Minutes**

The Minutes of the meetings of the Committee held on 13 March 2019 and 14 May 2019 were agreed as correct records and signed by the Chairman.

7 **Chairman's Announcements**

The Chairman made the following announcements:

A Members workshop on the Cherwell Industrial Strategy would be held on Tuesday 11 June, in the Council Chamber. The workshop would run from 6pm to 9pm, buffet style refreshments would be available from 5:30pm. Invitations had been sent to all Members via email in the last few weeks.

There would also be a session on Universal Credit, with representatives attending from the DWP. The session was on Wednesday 17 July and further details would be sent out in due course.

8 **Internal Audit - Annual Report 2018/19**

The Executive Director, Finance (Interim) which presented CW Audit Services Annual Report for 2018/19 in relation to the Internal Audit work undertaken during 2018/19.

Anand Persaud, CW Audit Services, the council's internal auditor introduced the Annual Report and advised the Committee that internal audit opinion fed into the Annual Governance Statement, which Members would consider as a later agenda item. The Annual Report was very positive and the internal audit overall opinion was that significant assurance could be given.

In response to Members' comments regarding areas that had been identified as still having work to be done and issues to be addressed, the Executive Director, Finance (Interim) explained that reviews were undertaken to address these areas and Lead Members were kept fully briefed. Additionally, the audit plan was linked to the strategic risk register.

Resolved

- (1) That the 2018/19 annual report from CW Audit Services, the council's internal auditor, be noted.

9 **External Audit Update (Verbal)**

Neil Harris, Ernst Young, the council's external auditor, gave a verbal update advising the Committee that all work was on track and the issues that had arisen with external audit the previous year had been addressed and he would ensure resource was available for the account sign off. There were no significant concerns and there was full cooperation with the Finance team.

Resolved

- (1) That the verbal update on from Ernst Young, the council's external auditor, be noted.

10

DRAFT Statement of Accounts and Annual Governance Statement 2018/19

The Executive Director Finance (Interim) submitted a report to ask members to consider and note the draft Statement of Accounts 2018/19 and to consider and endorse the Annual Governance Statement 2018/19.

The Executive Director Finance (Interim) commended the Finance Team for their hard work in producing the draft statement of accounts. Members were reminded Members that the accounts were in draft form and the should advise of any typos or areas for clarification that could be addressed for the final statement of accounts.

In introducing the report the Executive Director Finance (Interim) advised Members that the financial statement being considered by the Committee were different to the outturn management accounts which were considered by Budget Planning Committee and Executive.

The Executive Director Finance (Interim) gave an overview of the draft Statement of Accounts 2018/19 and the Annual Governance Statement advising that the overall conclusion was that it was a positive statement.

On behalf of the Committee, the Chairman thanked the Executive Director, Finance (Interim) and the Closedown Team for their hard work in delivering the statement of accounts on time for a second year in a row and noted the positive feedback from the External Auditor.

Resolved

- (1) That, having given due consideration, the DRAFT Statement of Accounts 2018/19.
- (2) That, having given due consideration, the Annual Governance Statement 2018/19 be endorsed.

11

Report of Those Charged with Governance 18/19

The Executive Director Finance (Interim) submitted a report which set out the response to Ernst & Young (EY) regarding the review of management assurance.

In introducing the report, the Deputy Section 151 Officer confirmed that letter would be signed at the end of July at the time the statement of accounts were finalised.

Resolved

- (1) That the response relating to management assurances from those Charged with Governance (annex to the Minutes as set out in the Minute Book) be approved.

12 **External Audit Fees 2019/20**

The Executive Director Finance (Interim) submitted a report for Members to note the indicative external audit fee for 2019/20.

Resolved

- (1) That the contents of the letter setting out the indicative annual audit fees for 2019/20 from the Councils External Auditors, Ernst & Young (EY) be noted.

13 **Exclusion of Press and Public**

Resolved

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.

14 **Progress of Counter Fraud Service**

The Senior Investigation Officer – Corporate Fraud Team submitted an exempt report which provide 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.

Resolved

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

15 **Deputy Section 151 Officer, Kelly Watson**

The Chairman paid tribute to the Deputy Section 151 Officer, Kelly Watson, who would be leaving her role as Assistant Director: Finance, Property and Procurement and Section 151 Officer at South Northamptonshire Council and

associated role as Deputy Section 151 Officer at Cherwell District Council at the end of June to take up a new post with a company in London.

On behalf of the Committee and the Council, the Chairman thanked Kelly for her hard work during her time at CDC during which she had overseen a tremendous improvement in the council's financial management.

The Chairman wished Kelly all the best in her new role.

The meeting ended at 8.45 pm

Chairman:

Date: