

Cherwell District Council

Accounts, Audit and Risk Committee

Minutes of a meeting of the Accounts, Audit and Risk Committee held at 39 Castle Quay, Banbury, OX16 5FD, on 28 May 2025 at 6.30 pm

Present:

Councillor Simon Lytton (Chair)
Councillor David Rogers (Vice-Chair)
Councillor Frank Ideh
Councillor Nicholas Mawer
Councillor Ian Middleton
Councillor Robert Parkinson
Councillor Dom Vaitkus
Sarah Thompson, Independent Person

Substitute Members:

Apologies for absence:

Councillor Besmira Brasha

Also Present:

Councillor Lesley McLean, Deputy Leader and Portfolio Holder for Finance, Regeneration and Property
Councillor Chris Brant, Portfolio Holder for Corporate Services
Connor Munro, Internal Audit, Veritau

Also Present Virtually:

Sarah Butler, Internal Audit, Veritau

Officers:

Michael Furness, Assistant Director Finance & S151 Officer
David Peckford, Assistant Director Planning & Development
Denzil Turbervill, Head of Legal Services
Ruth Wooldridge, Health and Safety Manager
Natasha Clark, Governance and Elections Manager
Patrick Davis, Democratic and Elections Officer

Officers Attending Virtually:

Paul Seckington, Head of Development Management

Declarations of Interest

There were no declarations of interest.

4 **Minutes**

The Minutes of the meetings of the Committee held on 19 March 2025 and 21 May 2025 were agreed as a correct record and signed by the Chairman.

5 **Chairman's Announcements**

- 1) The Chair updated the Committee on the process to recruit a new Independent Person. This was still ongoing with the current deadline for applications to be received by the 22 June.
- 2) Members of the Committee were reminded that Treasury Management training would take place after the next meeting on the 16 July 2025.

6 **Requests to Address the Meeting**

There were no petitions or requests to address the meeting.

7 **Urgent Business**

There were no items of urgent business.

8 **Head of Internal Audit Annual Report 2024/25**

The Assistant Director of Finance (Section 151 Officer) submitted a report which presented the Head of Internal Audit's Annual Report for 2024/25. This summarised internal audit work undertaken in 2024/25 provided an opinion on the Council's System of Internal Control. The report also included an update to the internal audit charter, which had been updated to ensure that it reflects the requirements of the Global Internal Audit Standards in the UK Public Sector, which came into effect on 1 April 2025

In introducing the report, Connor Munro, Assistant Director – Audit Assurances at Veritau advised the Committee that the paper reported on the outcomes of the internal audit work carried out and the strength of opinion on the Council's arrangements for risk management, governance and internal controls. The Committee was advised that for the 2024-25 financial year the Head of Internal Audit's opinion was that this framework provided "Reasonable Assurance" but that there were two areas which needed to be considered for inclusion in the Annual Governance Statement.: Health and Safety Management system; and the Management of strategic site applications.

In response to a question regarding the possibility of including a timeline of overdue audit recommendations to show how quickly these had been

actioned, the Assistant Director – Audit Assurance confirmed that this was something Veritau intended to include in future reports.

Resolved

- (1) That the results of internal audit work undertaken, and the opinion of the Head of Internal Audit that Reasonable Assurance can be provided on the adequacy and effectiveness of the council's framework of governance, risk management and internal control be noted.
- (2) That the outcome of Veritau's quality assurance and development arrangements, including the confirmation that the internal audit service conforms to public sector internal auditing standards be noted.
- (3) That the two significant control weaknesses that had been identified by internal audit during the year which were considered relevant to the preparation of the Annual Governance Statement: the council's health and safety management system and its handling of strategic site applications, be noted.
- (4) That the draft internal audit charter be approved.

9

Counter Fraud Annual Report

The Assistant Director of Finance (Section 151 Officer) submitted the Counter Fraud Annual Report for 2024/25.

In introducing the report, Sarah Butler, Corporate Fraud Manager at Veritau advised the Committee that the report updated the Committee on the Fraud Team's work in 2024/25. Veritau had established a good working relationship with various departments within the Council and that twelve fraud investigations had taken place.

In response to a question regarding how the figure of 66% of successful outcomes of fraud investigations compared to previous years and other Councils, the Corporate Fraud Manager explained that the industry standard was around 50% but it was difficult to provide comparative data due to the nature of the work undertaken. Comparisons with previous years were not available as this was the first year Veritau had been engaged as the Council's counter-fraud provider.

Resolved

- (1) That the Counter Fraud Annual Report 2024/2025 be noted.

Annual Health and Safety Report 2024-25

The Assistant Director of Human Resources submitted a report that provided the Committee with the Council's Health and Safety performance over the 2024/25 financial year and its plan for the current year.

In introducing the report, the Portfolio Holder for Corporate Services explained that the majority of incidents and accidents that had been recorded involved Environmental Services. Due to the nature of the work undertaken, this was the highest area of risk for the Council. Each incident was investigated thoroughly with appropriate corrective actions taken as necessary including training, supervision and monitoring.

In response to a question regarding the availability of comparative data from other local District Councils, the Committee was advised that this was reported monthly to the Core Leadership Team and that Cherwell's data was similar to other Councils.

In response to a question regarding the increase in the amount of vehicle accidents in 2024/2025, the Health and Safety Manager explained that the Environmental Services management team was working on an action plan to reduce the number of accidents.

The Committee requested that, as far as practicable, additional information on vehicle accident rates and the impact of the associated action plan; updated information on near misses and systems in place to address these; and, days lost for incidents that were non-RIDDOR accidents be included in future reports.

Resolved

- (1) That the Annual Health and Safety Report 2024/2025 be noted.
- (2) That it be noted that Health and Safety performance reports would be submitted quarterly to the Committee and officers be requested to incorporate the following in future reports as far as practicable: update on vehicle accident rates and impact of the action plan; update on near misses and systems in place to address these; and, days lost for incidents that are non-RIDDOR accidents.

Treasury Management Report - Annual Performance Report 2024/25

The Assistant Director Finance (S151 Officer) submitted a report which provided information on treasury management performance and compliance with treasury management policy for the end of the financial year 2024-25 as required by the Treasury Management Code of Practice. The report also demonstrated that all treasury management activities undertaken during the reporting period complied with the CIPFA Code of Practice and the council's approved Treasury Management Strategy.

In introducing the report, the Portfolio Holder for Finance, Property and Regeneration advised that as at 31 March 2025 the Council had borrowings of £165M, with an arranged overdraft of £15M and investments of £5M, which resulted in a net borrowing of £160M. This was similar to the 31 March 2024 year end net borrowing figure of £159M. The Treasury Management budget outturn position 2024/25 was a surplus of £1.571M.

In response to a question regarding the increase in the estimated ratio of financing costs to 36.8% in 2026/27, the Committee was advised that this was due to the anticipated business rates reset that was being implemented by Central Government.

In response to questions from the Committee regarding comparative data for the non-treasury investments position and the assumptions that had been made relating to the forecasted increase on financial investments, the Assistant Director of Finance agreed to provide this data after the meeting.

Resolved

- (1) That the Treasury Management Annual Performance Report 2024/2025 be noted.
- (2) That the Treasury Management Annual Performance Report 2024/2025 be recommended to Council.

12 Review of Committee Work Programme

The Assistant Director of Finance provided an update on the Committee's work programme.

Resolved

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

13 Rutten Lane planning application: fact finding review outcomes and action plan

The Assistant Director of Planning and Development submitted a report with exempt appendices which presented the outcomes of the Veritau fact finding report surrounding the handling of the Rutten Lane planning application and subsequent appeal. The exempt appendices also provided the Committee with information on the Development Management service's draft action plan, which had been prepared in response to Veritau's review and to a separate lessons learned exercise carried out by the service.

It was proposed by Councillor Lytton and seconded by Councillor Rogers that the meeting move into private session to consider the exempt appendices to the report.

14 **Exclusion of public and press**

Resolved

That under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the ground that, if the public and press were present, it would be likely that exempt information falling under the provisions of Schedule 12A, Part 1, 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.

15 **Rutten Lane planning application: fact-finding review outcomes and action plan - Exempt Appendices**

The Portfolio Holder for Finance, Property and Regeneration introduced the exempt appendices, which included an action plan for the management of strategic planning applications which would be developed further with the Portfolio Holder for Planning and Development.

In response to a question regarding funding of the additional resources required to address the recommendations arising from the report, the Committee was advised that this was under ongoing consideration by the Corporate Leadership Team.

In response to a question enquiring the suitability of the current software used and if there could be improved use of technology to assist with the process of managing large scale planning applications, the Assistant Director Planning and Development explained that the use and longer term suitability of the current software would be reviewed.

16 **Readmittance of the Press and Public**

Resolved

That the press and public be readmitted to the meeting.

17 **Rutten Lane planning application: fact finding review outcomes and action plan**

The press and public having been readmitted to the meeting, the Portfolio Holder for Finance, Property and Regeneration gave an overview of the report highlighting the timeline of the events that led to the appeal and the rationale as to the subsequent award of costs against the Council.

The Committee was advised that the review had been undertaken to reduce the risk of a similar outcome in the future and to produce a draft action plan to improve the management of strategic planning applications.

Resolved

- (1) That the findings and conclusions from Veritau's fact-finding review be noted.
- (2) That it be noted that a strategic planning applications action plan had been drafted by the council's Development Management service to help manage delivery of the identified improvements and that this would be finalised in consultation with the Portfolio Holder for Planning and Development Management.

The meeting ended at 8.30 pm

Chair:

Date: