

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 26 July 2023 at 6.30 pm

Present:

Councillor Lynn Pratt (Chairman)
Councillor Simon Holland (Vice-Chairman)
Councillor Andrew Crichton
Councillor Donna Ford
Councillor Simon Lytton
Councillor Ian Middleton
Harry Lawson (Independent Person – no voting rights)
Sarah Thompson (Independent Person – no voting rights)

Substitute Members:

Councillor Sean Woodcock (in place of Councillor Besmira Brasha)

Apologies for absence:

Councillor Besmira Brasha
Councillor Harry Knight

Also Present:

Councillor Sandy Dallimore, Portfolio Holder for Corporate Services

Also Present Virtually:

Councillor Barry Wood, Leader of the Council

Officers:

Sarah Cox, Chief Internal Auditor
Sandra Ganpot, Benefits Services and Performance Manager
Joanne Kaye, Head of Finance and Deputy S151 Officer
Jacey Scott, Revenues and Benefits Manager
Declan Brolly, Counter Fraud Team Manager (Internal Audit)
Katherine Kitashima, Audit Manager
Sharon Hickson, Democratic and Elections Officer

Officers Attending Virtually:

Shahin Ismail, Interim Legal Services Manager
Shona Ware, Assistant Director of Customer Focus

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 **Minutes**

The Minutes of the meetings of the Committee held on 22 March 2023 and 23 May 2023 were agreed as a correct record and signed by the Chairman.

6 **Chairman's Announcements**

In relation to agenda item 10, the Chairman advised the Committee that Ernst & Young, the council's External Auditors would not be providing an update. The meeting would therefore move straight from item 9 to item 11.

7 **Urgent Business**

There were no items of urgent business.

8 **Housing Benefit and Council Tax Reduction Risk Based Verification**

The Assistant Director Finance submitted a report that provided Members with details of the Risk Based Verification (RBV) policy and to seek approval for the reviewed RBV Policy for 2023/24.

Resolved

- (1) That the report be noted
- (2) That having given due consideration, the Risk Based Verification Policy for the financial year 2023/2024 be approved.

9 **Annual Governance Statement 2022-23**

The Assistant Director Law and Governance submitted a report setting out the Annual Governance Statement (AGS) for the Council for 2022-23 for approval. The AGS summarised the key governance issues for the Council and the actions required to address these.

In introducing the report, the Interim Legal Services Manager advised that the AGS is required to be approved by those charged with governance, the Accounts Audit & Risk Committee, under the Accounts and Audit Regulations 2015.

Resolved

- (1) That, subject to the Monitoring Officer making any necessary amendments in the light of comments made by the Committee, after consultation with the Leader of the Council, the Chief Executive and the Section 151 Officer that the Annual Governance Statement 2022/23 be approved.
- (2) That the Leader of the Council and the Chief Executive be authorised to sign the Annual Governance Statement on behalf of Cherwell District Council.

10 **Risk Monitoring Report Quarter 1, 2023**

The Assistant Director, Customer Focus submitted a report that updated the Committee on how well the council was managing its Strategic Risks and to seek the committee's views on the Council's Risk Management Strategy.

Resolved

- (1) That the Risk Monitoring Report for Quarter 1 2023 be noted
- (2) That the Councils current Risk Management Strategy 2022/23 be noted and no improvements or comments be referred to Executive for consideration.

11 **External Audit Update**

As advised under the Chairman's announcements, External Audit had advised they would not be providing a verbal item to the meeting.

12 **Annual Report of the Chief Internal Auditor 2022/23**

The Chief Internal Auditor submitted a report which summarised the outcome of the Internal Audit work in 2022/23, and provided an opinion on the Council's System of Internal Control.

Resolved

- (1) That, having given due consideration, the Annual Report of the Chief Internal Auditor 2022/23 be endorsed

13 **Internal Audit Strategy and Plan 2023/24**

The Chief Internal Auditor submitted a report which presented the internal Audit Strategy and Plan for 2023/24.

Resolved

- (1) That the Internal Audit Strategy and Plan for 2023/24 be noted.

14 **Internal Audit Charter**

The Assistant Director of Finance submitted a report on the Internal Charter and Internal Audit Quality Assurance programme for 2023/24.

Resolved

- (1) That, having given due consideration, the Internal Audit Charter be approved.
- (2) That the Quality Assurance and Improvement Programme be noted.

15 **Update on Counter Fraud Annual Plan 2022/23 and presenting the Counter Fraud Annual Plan 2023/24**

The Assistant Director of Finance submitted a report which summarised the activity against the Annual Plan for the Counter-Fraud service at CDC for 2022/23, which was previously presented to the Accounts, Audit & Risk at the July 2022 meeting. The report also presented the new Counter Fraud Plan for the year 2023/24.

The Plan supported the Council's Anti-Fraud and Corruption Strategy by ensuring that the Council has in place proportionate and effective resources and controls to prevent and detect fraud as well as investigate those matters that do arise.

In introducing the report, the Chief Internal Auditor highlighted to members that a large piece of work carried out for Cherwell, the National Fraud Initiative was close to conclusion, Figures and details would be reported to the committee at the November meeting of the Committee.

Resolved

- (1) That the summary of activity against the Annual Counter Fraud Plan for 2022/23 be noted.
- (2) That the Counter Fraud Plan for 2023/24 be noted.

16 **Treasury Management Report - Annual Performance Report 2022/23 (March 2023)**

The Assistant Director of Finance & S151 Officer submitted a report that gave information on treasury management performance and compliance with treasury management policy for 2022-23 as required by the Treasury Management Code of Practice

Resolved

- (1) That the Treasury Management Report – Annual Performance Report 2022/23 be noted.

17 **Treasury Management Report - Q1 2023/24 (June 2023)**

The Assistant Director of Finance & S151 Officer submitted a report that gave information on the treasury management performance and compliance with treasury management policy for 2023-24 as required by the Treasury Management Code of Practice.

All treasury management activities undertaken to date during the financial year 2023-24 complied with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy, and all Prudential Indicators were met during the reporting period.

Over the course of the year, there was an overall forecast underspend of £0.376m.

Resolved

- (1) That the Q1 2023/24 Treasury Management Report be noted.
- (2) That the strategy for future borrowing requirements be noted

18 **2022/23 Accounting Policies**

The Assistant Director of Finance and S151 Officer submitted a report for the Committee to review and approve the Accounting Policies for inclusion in the 2022/23 Statement of Accounts. 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. The accounting policies describe how the Council has interpreted and applied the Code of Practice on Local Authority Accounting. There have been no material changes to the Accounting Policies.

In addition, the Committee was advised and requested to note that the 2022/23 Draft Statement of Accounts were not published by the 31 May 2023 deadline, due to delays in the audit of the 2021/22 Statement of Accounts.

Resolved

- (1) That having given due consideration, the accounting policies as approved by the Chief Finance Officer be approved
- (2) That it be noted the 2022/23 Draft Statement of Accounts were not published by the 31 May deadline be noted.

19 **Support to Subsidiaries**

The Assistant Director of Finance & S151 Officer submitted a report that informed the Committee of the overall level of support provided to the councils subsidiaries and how this is considered as part of the external audit.

Resolved

- (1) That the report be noted.

20 **Work Programme**

The Head of Finance updated the Committee on the work programme

Resolved

- (1) That the work Programme be noted

21 **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.

22 **Support to Subsidiaries - exempt appendix**

Resolved

- (1) That the exempt appendix be noted.

The meeting ended at 8.20 pm

Chairman:

Date: