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 22 March 2023 at 6.30 pm

Present:

Councillor Donna Ford (Chairman)
Councillor Hugo Brown (Vice-Chairman)
Councillor Patrick Clarke
Councillor Ian Middleton
Councillor Chris Pruden
Councillor Sean Woodcock
Councillor Barry Wood
Harry Lawson (Independent Person – no voting rights)
Sarah Thompson (independent Person - no voting rights)

Substitute Members:

Councillor Andrew Beere (In place of Councillor Andrew Crichton)

Apologies for absence:

Councillor Andrew Crichton

Also Present:

Councillor Adam Nell, Portfolio Holder for Finance

Also Present Virtually:

Alison Kennett, Audit Manager, Ernst & Young (External Audit)

Officers:

Michael Furness, Assistant Director Finance & S151 Officer
Joanne Kaye, Head of Finance and Deputy S151 Officer
Natasha Clark, Governance and Elections Manager

Officers Attending Virtually:

Sarah Cox, Chief Internal Auditor
Declan Brolly, Senior Counter Fraud Officer (internal Audit)
Celia Prado-Teeling, Performance & Insight Team Leader

58   **Declarations of Interest**

There were no declarations of interest.

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

There were no petitions or requests to address the meeting.

60   **Minutes**

The Minutes of the meeting of the Committee held on 25 January 2023 were agreed as a correct record and signed by the Chairman.

61   **Chairman's Announcements**

Independent Persons
On behalf of the Committee, the Chairman welcomed Sarah Thompson and Harry Lawson to their first Accounts, Audit and Risk Committee meeting. Independent persons did not have voting rights in the same way as councillors on the committee but brought their knowledge and expertise in an advisory manner and would be fully involved in our discussions.

The Independent Persons, Committee Members and officers introduced themselves.

Councillor Hugo Brown
The Chairman paid tribute her Vice-Chairman, Councillor Brown, who was attending his last Accounts, Audit and Risk Committee meeting as he was standing down at the May elections.

62   **Urgent Business**

There were no items of urgent business.

63   **January 2023 - Risk Monitoring Report**

The Assistant Director – Customer Focus which summarised the Council's Risk monitoring position of January 2023.

In introducing the report, the Performance and Insight Team Leader advised that there were two score changes in the leadership risk register during January. The residual score had been decreased from 12 (medium risk) to 6 (low risk) for both, L04 – Business continuity and L05 – Emergency planning.

In response to Members' comments regarding risk L04 – Business Continuity and L08 – Cyber Security, the Performance and Insight Team Leader

explained that business continuity was now based on agile working. Whilst there were links between the two risks, they were deliberately kept separate. Due to the high impact associated with cyber security, it was unlikely it could be mitigated to a green rating.

Resolved

(1)   That the monthly risk monitoring report for January 2023 be noted.

64   **Update on Counter Fraud Annual Plan 2022/23**

The Assistant Director of Finances submitted a report which presented a summary of activity against the Annual Plan for the Counter-Fraud service at CDC for 2022/23, which was previously presented to the Accounts, Audit & Risk July 2022 committee. The Plan supported the Council's Anti-Fraud and Corruption Strategy by ensuring that the Council had in place proportionate and effective resources and controls to prevent and detect fraud as well as investigate those matters that did arise.

In response to Members' questions regarding how the service could be more proactive, the Chief Internal Auditor explained that pro-active work undertaken to date had focussed on staff training and awareness sessions. The match data for the 2022/23 National Fraud Initiative (NFI) exercise had been received and a programme of work was now in place to review matches and undertake any necessary investigations.

In response to Members' questions regarding whistleblowing, the Assistant Director for Finance confirmed that the council did have a Whistleblowing Policy. The Monitoring Officer and/or Section 151 Officer may refer allegations relating to financial matters may be referred to the internal audit team to support the review, any such referrals would be recorded by the Monitoring Officer.

Resolved

(1)   That, having given due consideration, the summary of activity against the Counter Fraud Annual Plan 2022/23 be noted.

65   **Draft Annual Report of Accounts, Audit and Risk Committee**

The Assistant Director of Finance submitted a report which presented the draft Annual Report of the Accounts, Audit & Risk Committee.

The Chairman advised that the report would be updated prior to submission to the 17 May Annual Council meeting to reflect the appointment of two Independent Persons to the Committee.

Resolved

(1)   That, having given due consideration and subject to the report being updated to reflect that the Independent Persons had attended their first meeting, the Annual Report of the Accounts, Audit and Risk Committee be endorsed to be finalised for submission to Council.

66   External Audit Progress 2021/22

The Audit Manager (External Audit) gave a verbal update on external audit progress for 2021/2022. The majority of work was complete with no major areas outstanding.

In response to Members' questions regarding the feasibility of undertaking multiple years simultaneously, the Audit Manager (External Audit) explained that this was not possible. The Audit Manager (External Audit) confirmed that there would be no financial penalties for the late completion of the audit.

Resolved

(1)   That the external audit verbal update be noted.

67   Work Programme

The Head of Finance provided an update on the Committee work programme.

Resolved

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

The meeting ended at 7.20pm

Chairman:

Date: