

# AUDIT AND GOVERNANCE COMMITTEE A G E N D A

**Tuesday 24<sup>th</sup> November 2009**  
**The Town Hall, St. Aldate's at 5.00 pm**

**Membership:** Councillors Hazell (Chair), Simmons (Vice-Chair), Brown, Brundin, Darke, Keen, Van Nooijen

**Please note that the Quorum of the Committee is 3 members.**

## WHO TO CONTACT AT THE COUNCIL

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## HOW TO OBTAIN AN AGENDA FOR THE AUDIT AND GOVERNANCE COMMITTEE

In order to reduce our use of resources, our carbon footprint and our costs we will no longer be producing paper copies of agenda over and above our minimum internal and Council member requirement. Paper copies may be looked at in our Town Hall and Ramsay House (St. Ebbe's Street) reception areas and at public libraries.

A copy of the agenda may be:-

- Viewed on our website – [www.oxford.gov.uk/councilmeetings](http://www.oxford.gov.uk/councilmeetings)
- Downloaded from our website
- Subscribed to electronically by registering online at [www.oxford.gov.uk/ebulletins](http://www.oxford.gov.uk/ebulletins)
- Sent to you in hard copy form upon payment of an annual subscription. The subscription to this agenda for one year is £36.00

## MATTERS EXEMPT FROM PUBLICATION

If the Committee wishes to exclude the press and public from the meeting during its consideration of the item on the exempt from publication part of the agenda, it will be necessary for the Committee to pass a resolution in accordance with the provisions of Section 100A(4) of the Local Government Act 1972 specifying the grounds on which their presence could involve the likely disclosure of exempt information defined in Part 1 of Schedule 12A of the Act if and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

(The Access to Information Procedure Rules at Section 16 of the Council's Constitution set out the conditions under which the public can be excluded from meetings).

## DATES OF FUTURE MEETINGS

Meetings of this Committee for the following few meetings, are programmed as follows and will start at 5.00 pm in the Town Hall.

- Tuesday 26<sup>th</sup> January 2010
- Tuesday 23<sup>rd</sup> March 2010
- Tuesday 27<sup>th</sup> April 2010

## **DECLARING INTERESTS**

### **What is a personal interest?**

You have a personal interest in a matter if that matter affects the well-being or financial position of you, your relatives or people with whom you have a close association more than it would affect the majority of other people in the ward(s) to which the matter relates.

A personal interest can affect you, your relatives or people with whom you have a close personal association positively or negatively. If you or they would stand to gain or lose by the decision, you should also declare it.

You also have a personal interest in a matter if it relates to any interest, which you must register.

### **What do I need to do if I have a personal interest?**

You must declare it when you get to the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you. You may still speak and vote unless it is a prejudicial interest.

If a matter affects a body to which you have been appointed by the authority, or a body exercising functions of a public nature, you only need declare the interest if you are going to speak on the matter.

### **What is a prejudicial interest?**

You have a prejudicial interest in a matter if;

- (a) a member of the public, who knows the relevant facts, would reasonably think your personal interest is so significant that it is likely to prejudice your judgment of the public interest; and
- (b) the matter affects your financial interests or relates to a licensing or regulatory matter; and
- (c) the interest does not fall within one of the exempt categories at paragraph 10(2)(c) of the Code of Conduct.

### **What do I need to do if I have a prejudicial interest?**

You must withdraw from the meeting. However, under paragraph 12(2) of the Code of Conduct, if members of the public are allowed to make representations, give evidence or answer questions about that matter, you may also make representations as if you were a member of the public. However, you must withdraw from the meeting once you have made your representations and before any debate starts.

**1. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

**2. DECLARATIONS OF INTEREST**

**3. NOTIFICATION OF URGENT BUSINESS**

Items of business notified to Mathew Metcalfe (Legal and Democratic Services) by no later than 4.30 pm on Friday 20<sup>th</sup> November 2009 and which, in the opinion of the Chair, should be considered by the Committee as a matter of urgency for reasons of special circumstances.

**4. ANNUAL AUDIT LETTER**

The District Auditor needs to agree the Annual Audit Letter with the Audit and Governance Committee by the end of December. As the next meeting of the Committee is not until January 2010, and as the Annual Audit Letter cannot be drafted in time for this meeting, the Committee needs to agree with the District Auditor how discussion of the Letter will be handled.

**5. AUDIT COMMISSION PROGRESS REPORT**

Contact Officer: Maria Gindley [mgrindley@audit-commission.gov.uk](mailto:mgrindley@audit-commission.gov.uk)

Oxford City Council Audit 2008/09 and 2009/10 (attached as item 5)

The Committee is asked to note the report

**6. AUDIT PROTOCOL**

Contact Officer: Maria Gindley [mgrindley@audit-commission.gov.uk](mailto:mgrindley@audit-commission.gov.uk)

Oxford City Council Audit 2008/09 and 2009/10 (attached as item 6)

The Committee is asked to note the report

**7. REVIEW OF 2008/09 ACCOUNTS CLOSURE AND EXTERNAL AUDIT PROCESSES**

Contact Officer: Nigel Pursey [npursey@oxford.gov.uk](mailto:npursey@oxford.gov.uk)

The report (attached as item 7) summarises the conclusions reached by the Interim Executive Finance Director on his recent review of the 2008/09 closure of accounts and external audit processes.

The Committee is asked to note the conclusions reached in this report.

**8. COUNCIL RESPONSE TO REVIEW OF 2008/09 ACCOUNTS CLOSURE AND EXTERNAL AUDIT PROCESS**

Contact Officer: Chief Executive [psloman@oxford.gov.uk](mailto:psloman@oxford.gov.uk)

This report (attached as item 8) summarises the response to the Interim Executive Director of Finance's report on the closure of 2008/09 accounts and external audit processes. It includes an action plan against which progress is also reported.

The Committee is asked to consider the response and action plan outlined in this report and to consider how its role might be developed.

**9. PROGRESS REPORT ON PREPARATIONS FOR CLOSURE OF ACCOUNTS 2009/10**

Contact Officers: Penny Gardner, Tel: 01865 252708, E-mail: [pgardner@oxford.gov.uk](mailto:pgardner@oxford.gov.uk) and Sarah Fogden, Tel: 01865 252708, E-mail: [sfogden@oxford.gov.uk](mailto:sfogden@oxford.gov.uk)

The report was not available by agenda deadline, it will be circulated prior to the meeting

The Committee is asked to note the report.

**10. INTERNAL AUDIT REPORT ON GENERAL LEDGER**

Contact Officers: Penny Gardner, Tel: 01865 252708, E-mail: [pgardner@oxford.gov.uk](mailto:pgardner@oxford.gov.uk) and Sarah Fogden, Tel: 01865 252708, E-mail: [sfogden@oxford.gov.uk](mailto:sfogden@oxford.gov.uk)

The report was not available by agenda deadline, it will be circulated prior to the meeting.

The Committee is asked to note the report

**11. CAPITALISATION PROCEDURES**

Contact Officers: Penny Gardner, Tel: 01865 252708, E-mail: [pgardner@oxford.gov.uk](mailto:pgardner@oxford.gov.uk) and Sarah Fogden, Tel: 01865 252708, E-mail: [sfogden@oxford.gov.uk](mailto:sfogden@oxford.gov.uk)

To present to members a new capitalisation procedure. Report attached as item 11.

The Committee is asked to note the report.

**12. INTERNAL AUDIT PROGRESS REPORT**

A report will be presented by Chris Dickens

The report was not available by agenda deadline, it will be circulated prior to the meeting

The Committee is asked to note the report.

### **13. INTERNAL AUDIT REPORT ON TREASURY MANAGEMENT**

Contact Officers: Penny Gardner, Tel: 01865 252708, E-mail: [pgardner@oxford.gov.uk](mailto:pgardner@oxford.gov.uk) and Sarah Fogden, Tel: 01865 252708, E-mail: [sfogden@oxford.gov.uk](mailto:sfogden@oxford.gov.uk)

The report (attached as item 13) is intended to inform management of the results of our review of Treasury Management. This report reflects our findings over the controls and processes in place as at the time of our internal audit fieldwork which took place during October 2009.

The Committee is asked to note the report.

### **14. INTERNAL AUDIT REPORT ON ANTI FRAUD AND CORRUPTION**

Contact Officers: Penny Gardner, Tel: 01865 252708, E-mail: [pgardner@oxford.gov.uk](mailto:pgardner@oxford.gov.uk) and Sarah Fogden, Tel: 01865 252708, E-mail: [sfogden@oxford.gov.uk](mailto:sfogden@oxford.gov.uk)

The report (attached as item 14) reviews Oxford City Council's anti fraud and corruption policies for approval by management.

The Committee is asked to note the report

### **15. AVOIDING FRAUD AND CORRUPTION POLICY**

Contact Officer: Carol Quainton [cquainton@oxford.gov.uk](mailto:cquainton@oxford.gov.uk)

To report to Members the revised Avoiding Fraud and Corruption Policy

The Committee is asked to note the report and endorse the Avoiding Fraud and Corruption Policy

### **16. Q2 CORPORATE RISK REGISTER**

Contact Officer: Jo Hargreaves

The report (attached as item 16) provides a summary of the changes to the Corporate Risk Register (CRR) submitted as part of the Quarter 2 2009-10 update.

The Committee is asked to approve the inclusion of the two new risks 'Failure to manage the negative impacts of Swine Flu on council services and objectives' and 'Internal control and standards of financial administration'.

A 'blank sheet' exercise to be carried out at the beginning of 2010 with the Executive Directors and the Chief Executive Officer. Taking this approach will ensure that time is spent identifying new risks rather than reviewing and validating risks which have already been captured. The outcome of this will then be reviewed against the current risk register.

### **17. BENEFIT INVESTIGATION – 2008/09 OUTCOMES**

Contact Officer: Carol Quainton [cquainton@oxford.gov.uk](mailto:cquainton@oxford.gov.uk)

To report to Members the Benefit Investigations and Outcomes for the period 01/04/09 to 01/10/09, the report is attached as item 17.

The Committee is asked to note the report.

**18. MINUTES**

Minutes of the meeting held on 24<sup>th</sup> September 2009 (attached as item 18)

**19. MATTERS ARISING FROM THE MINUTES**

This item is for information only.

**20. MATTERS EXEMPT FROM PUBLICATION**

*(item C1 is exempt from publication by virtue of paragraphs 2, 3 and 7, Schedule 12A, Local Government Act 1972)*

*(2) Information which is likely to reveal the identity of an individual;*

*(3) Information about someone's finances or business;*

*(7) Information about action to deal with a crime*

**C1. ALLEGATIONS OF INTERNAL FRAUD, INVESTIGATIONS AND OUTCOMES**

Report authors: Penny Gardner, Tel: 01865 252708, E-mail: [pgardner@oxford.gov.uk](mailto:pgardner@oxford.gov.uk) and Sarah Fogden, Tel: 01865 252708, E-mail: [sfogden@oxford.gov.uk](mailto:sfogden@oxford.gov.uk)

The Head of Finance has submitted a report (attached as item C1).

The Committee is asked to note the report.