

## WEST OXFORDSHIRE DISTRICT COUNCIL

Record of Decisions of the meeting of the  
**Audit and General Purposes Committee**  
Held Virtual Meeting at 6.00 pm on **Thursday, 18 March 2021**

### PRESENT

Councillors: Councillor Jane Doughty (Chairman), Councillor Andy Graham (Vice-Chair), Councillor Jake Acock, Councillor Joy Aitman, Councillor Andrew Beaney, Councillor Owen Collins, Councillor Harry Eaglestone, Councillor Duncan Enright, Councillor Gill Hill, Councillor Ed James, Councillor Richard Langridge, Councillor Martin McBride, Councillor Elizabeth Poskitt, Councillor Alex Postan and Councillor Harry St John

Officers: Elizabeth Griffiths (Chief Finance Officer, Deputy Chief Executive and Section 151 Officer)

### **33 Minutes of Previous Meeting**

**RESOLVED:** that the Minutes of the meeting of the Committee held on 28 January 2021, copies of which had been circulated, be confirmed as a correct record and signed by the Chairman.

### **34 Apologies for Absence**

Apologies for absence were received from Councillor Kieran Mullins and the following temporary appointments were received and noted:-

Councillor Owen Collins for Councillor Luci Ashbourne

Councillor Joy Aitman for Councillor Mike Cahill

### **35 Declarations of Interest**

There were no declarations of interest from members relating to items to be considered at the meeting.

### **36 Participation of the Public**

There were no submissions from members of the public.

### **37 Audit Progress Report and Sector Update**

The Committee received and considered the update from the Council's external auditor.

The external auditor presented the report and brought to the attention of the Committee the following:

It was likely that the audit for 2020/2021 would be conducted remotely for the majority of the audit period. The external auditors would be on site remotely at the end of March and into April. The workshops for Chief Accountants had gone ahead successfully virtually in the last few weeks.

The external auditors were behind in their work programme than in a normal year because of the impact of Covid-19. They had not been able to produce the audit plan for 2020/21 yet but the key areas of focus would be:

The materiality figure for 2021 was proposed as £1M – 1.9% of the Council's estimated gross spend for the year.

Substantial Risks to the Council were: revenue recognition; fees and charges – impact of Covid-19; valuation of land and buildings; pension fund liability.

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The new value for money processes: financial sustainability – robustness of budget setting and delivery; governance arrangements; economy, efficiency and effectiveness.

The deliverables plan would be presented to Committee on 24 June 2021.

Audits for 2021/22 look deliverable but the audits for 2022/23 and ahead look increasingly challenging and contains less certainty due to the one year settlement.

MHCLG deadline for audit completion for 2021 was the end of September which the auditor would be able to meet. The audit findings report would be brought to Committee on 23 September 2021.

Sector Update had been expanded this year to include the basis of Manager's estimations.

Members questioned and received answers relating to: auditor fees had currently not been set, but the external auditor would make the Committee aware of the fee as soon as they know; there were no elements of the audit which could not be undertaken remotely, although the process was lengthier to authenticate evidence provided, with remote working.

**RESOLVED:** That the report be noted.

### **38 Internal Audit Plan 2021/22 and Proposed Internal Audit Charter**

The Committee received and considered the report and charter of the Chief Finance Officer.

The benefit of Agile Auditing was explained, this was already being used, to make the audit process swifter and provide quicker results. As the audit was in progress, an agile audit report finding highlighted issues as audits were carried out, which ensured that no surprises were discovered at the end of the audit. The cost of audits were not impacted as the audit fee had been set for each year.

Audit of strategic partnerships was requested by one of the other Councils in the partnership and had been extended to cover all four Councils in the partnership. This was specifically with respect to the partnership with Publica.

Due diligence was being carried out on the new shareholder in Ubico to assess the risk to existing shareholders including the Council. The work would inform the shareholder Councils about whether they might want to agree to the proposal by Ubico. The Chief Finance Officer clarified that the Council's shareholding in Ubico was £1.00. This was not where the risk was. The issue was more about impacts on the different Councils; the share of costs and the efficiency and value for money impacts that the new shareholder might have on each Council; the advantages to Ubico were that they would be in a position to increase specialist skill sets.

**RESOLVED:** That the Proposed 2021/22 Internal Audit Annual Plan and the Internal Audit Charter be approved unanimously.

### **39 Informing the Audit Risk Assessment 2020/21**

The Committee considered the report of the Chief Finance Officer, which presented a summary of the work undertaken by Internal Audit during 2020/21.

The external auditor highlighted that this was a document that the Officers were asked to complete which asked questions relating to fraud, legality, relating parties and accounting estimates. It would then be the responsibility of the Committee to indicate that it concurred with the narrative and descriptions provided by Officers and whether there was anything, as a Committee, individually or corporately that the auditors needed to know about in any of the areas mentioned.

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The external auditor in answer to a question, explained that arrangements for fraud would need to be proportionate and appropriate processes and arrangements to monitor and prevent fraud in a shareholder organisation, where the Council had a degree of influence.

**RESOLVED:** That the Committee confirm that the management response to the auditor risk assessment is a true reflection of the council's management processes.

### 40 Exclusion of the Public

**RESOLVED:** That, in view of the likely disclosure of exempt information, as defined in paragraphs 3 and 7 of Part 1 of Schedule 12A to the Local Government Act 1972 , (information relating to the financial or business affairs of any particular person), the public be excluded from the meeting for the following item of business.

### 41 Cyber Security Update

The Committee received and considered the report of the ICT Audit and Compliance Manager - Data Protection Officer which provided an update on the agreed action plans during 2020 and what activities are planned for 2021.

**RESOLVED:** That the report and the mitigations put in place to provide assurances around cyber security be noted.

The Meeting closed at 7.01 pm

CHAIRMAN