

WEST OXFORDSHIRE DISTRICT COUNCIL

Minutes of the meeting of the **Audit and Governance Committee**

Held in the Committee Room 1, Council Offices, Woodgreen, Witney, Oxfordshire OX28
1NB at 6.00 pm on **Thursday, 28 November 2024**

PRESENT

Councillors: Carl Rylett (Chair), Ruth Smith (Vice-Chair), Andrew Coles, David Jackson, David Melvin, Elizabeth Poskitt, Nigel Ridpath and Sarah Veasey

Officers: Andrea McCaskie (Director of Governance) Madhu Richards (Director of Finance), Georgina Dyer (Chief Accountant), Jaina Mistry (SWAP), Andrew Brown (Head of Democratic and Electoral Services), Ana Prelici (Senior Democratic Services) and Christine Elsasser (Interim Democratic Services Officer) .

28 Apologies for Absence

Apologies for absence were received from Councillors Joy Aitman, Edward James and Jane Doughty.

Councillor Andrew Coles substituted for Councillor Joy Aitman and Councillor Sarah Veasey substituted for Councillor Jane Doughty.

Councillor Nigel Ridpath (arrived at 18:24) sent apologies for lateness.

29 Declarations of Interest

There were no declarations of interest received.

30 Minutes of Previous Meeting

The minutes of the meeting held on 26 September 2024 were approved and signed by the Chair as a correct record. Councillor Ruth Smith proposed the minutes be approved and Councillor Elizabeth Poskitt seconded. This proposal was agreed by the Committee.

31 Participation of the Public

There was no participation of the public.

32 Customer Complaints Policy & Procedure

Andrea McCaskie, Director of Governance, presented a new customer complaints policy and process which complied with the new Ombudsman Complaint Handling Code for Member authorisation, and a revised Staff Personal Safety Policy.

In February 2024, following a consultation process, the Local Government and Social Care Ombudsman ('the Ombudsman') had launched a new Complaint Handling Code ('the Code'). The purpose of the Code was to enable organisations to resolve complaints raised by individuals promptly, and to use the data and learning from complaints to drive service improvements. It would also help to create a positive complaint handling culture amongst staff and individuals.

Local councils were encouraged to adopt the Code as soon as they were able to do so. The Ombudsman intended to start considering the Code as part of their processes from April 2026 to give local councils the opportunity to adopt the Code successfully into working practices. In addition, during the first two years the Ombudsman would be working with a number of pilot councils to understand the impact of the Code and provide further guidance to the sector.

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The new West Oxfordshire District Council Complaints Policy and Procedure ('the Policy') had been written in conjunction with the new Code and would ensure that the Council is compliant with the Code ahead of April 2026. Also included was a revised Staff Personal Safety Policy which feeds into this Policy and was recommended by the Ombudsman. The recommendation was to implement the new Policy from 1 April 2025.

Based on various questions and queries from Members the following points were explained:

- A generic email address for complaints would be created to ensure all complaints could be directed there.
- The volumes and categories of complaints would be measured to see if there were any trends and patterns to determine where/if any changes were required to prevent further complaints where possible.
- A Complaints Report would be provided to the Committee every 6 months.
- An explanation would be provided on why missed bin collections were not recorded as complaints to the Committee.
- Further information would be provided on the personal register including the history of when it was created, the protection of the register, its efficiency, whether there would be an external and an internal one, how Members would be notified who was on the list and if GDPR would be applied, how data protection would be undertaken and articulated, and whether the register itself would be renamed.
- Members welcomed an All Member Briefing/ Training session on Councillor safety.
- Information around consent to being filmed was included on the front sheet of meeting agenda packs; going forward, signs would also be added to entrance doors where meetings were being held.

Councillor Carl Rylett proposed that the recommendations be approved and Councillor Andrew Beaney seconded. This proposal was agreed by the Committee.

RESOLVED that the Audit and Governance Committee AGREED to:

1. Approve the implementation of the new Customer Complaints Policy and Procedure.
2. Note the revised Staff Personal Safety Policy.

33 Treasury Management Mid-Term Report

Georgina Dyer, Chief Accountant, presented the report that provided Members with an update on Treasury Management activity, the performance of internal and external funds and prudential indicators for the period 1 April 2024 – 30 Sept 2024.

The overall performance of investments in the 6 months to 30 September 2024 was positive, returning interest of £786,307 or 4.81% against a budget of £578,115, and generating an unrealised capital gain of 1.60% or £223,624 in the year to date.

The capital value of pooled funds continued to be affected by prevailing economic conditions in the world markets. Pooled funds were intended to be long term investments where short term fluctuations in the capital value was expected. These funds were being closely monitored by the Council's Treasury Management adviser (Arlingclose) and they continued to forecast that the capital values would recover over the next 2-3 years as gilts and bond revenue rates start to decline again. The Council had benefitted from higher revenue returns due to the sustained higher Bank of England Base Rate in the first six months of 2024/25.

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The report included the new requirement in the 2021 Prudential Code (published by CIPFA), mandatory from 1 April 2023, of quarterly reporting on the treasury management prudential indicators.

The Council complied with the majority of the Prudential Indicators for 2024/25 as set out in the budget approved by full Council in February 2024. Further details could be found in section 7 of the report.

Based on various questions and queries from Members the following points were explained:

- Notice was served by UBS that one of the pool funds was closing and there would be a crystallised loss which would impact the capital outturn return. However, there would be no penalties incurred.
- In terms of any benefit from inflation, it was explained that work was being done by a Treasury Management accountant to examine where there would be an extraordinary level and combined effect as there were a mixture of balanced funds. There would be a framework put in place to ensure as interest rates come down the risk would be mitigated; global funds were more difficult to predict and pooled funds were long term investments that needed to be balanced with borrowing.
- There was net income showed on page 54 which was regarding interest rates which was required to be produced according to CIPFA regulations; there were service investments and commercial investment property. There was a revenue stream from service investments. Queries around the table and what was included in the various categories would be taken offline and an explanation would be sent to Members.
- The forecast in section 9.7 of the report referred to the capital programme. A significant capital expenditure e.g. waste vehicles would require a Minimum Revenue Provision (MRP).

Councillor Carl Rylett proposed that the recommendations be approved and Councillor Andrew Cole seconded. This proposal was agreed by the Committee.

RESOLVED that the Audit and Governance Committee AGREED to:

- I. Note the contents of the report.

34 Internal Audit

Jaina Mistry, the Swap Internal Auditor, presented a summary of the audit work concluded since the last meeting of the Committee.

The Internal Audit Service was provided to the Council by SWAP Internal Audit Services. SWAP was a local authority-controlled company. The report attached at Annex A set out the work undertaken by SWAP for the Council. It followed the risk-based auditing principles and, therefore, this was an opportunity for the Audit and Governance Committee to be aware of emerging issues which had resulted from SWAP involvement.

The progress report (Annex A) enabled the Committee to monitor the work of the Internal Audit Service and ensure that it remained effective. It also provided the Committee with assurance opinions over areas reviewed within the reporting period, details of audit recommendations and the outcome of follow-up reviews conducted on previous audit recommendations. The plan remained flexible to respond to requests for audits or ad hoc reviews. There was a continued follow up of all agreed actions and a report (Annex B) showing all open agreed actions and those that had been actioned during 2024/25 had been included for Members information.

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Based on various questions and queries from Members the following points were explained:

- In terms of the Member allowances report, the Member allowance scheme was facilitated by payroll and the payment of political group tithes varied with no governance around it. Consideration needed to be given to whether this changed personal income and tax liability.
- Emergency planning was still retained by Publica and there needed to be assurances that a rota was populated by the team to ensure a staff member was available for the short and medium term to cover West Oxfordshire District Council (WODC). There were Officers who had provided duty cover specifically for WODC; however some of them had left or were employed by a different authority. There was a plan to build up each council to make sure the rotas were populated by 31 March. The priority currently was to have staff for the rota.

Councillor Carl Rylett proposed that the recommendations be approved and Councillor Andrew Cole seconded. This proposal was approved by the Committee.

RESOLVED that the Audit and Governance Committee AGREED to:

- I. Note the report.

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Strategic Risk Register

Andrea McCaskie, Director of Governance, presented a report that brought Members the current version of the Strategic Risk Register for information and assurance that risks to the Council were being managed and appropriate actions were being taken to mitigate risk.

All updates to the commentary since the 25 July 2024 Audit and Governance Committee meeting were shown in red, along with a direction of travel column, which showed if the risk had either increased / red (got worse), decreased / green (reduced in risk) or stayed the same since the last time it was reported to the Committee.

There was a summary of some of the key changes / updates:

- ER1 Cyber Attack. The risk was increased to reflect the recent Cyber incident at Tewkesbury Council and a heightened risk awareness for potential cyber-attacks on the Council's network. This risk had subsequently been reduced to previous levels following the closure of this incident.
- ER4 Refugees / Asylum Seekers. The risk was increased following the recent unrest seen across the UK. During the time additional measures were put in place and Tactical Coordinating Groups stood up. This risk had subsequently been reduced.
- SR1 Major Civil Emergency. The risk was increased in response to the impact on 365 cover due to the transition of services. A short and long-term solution had now been agreed, including a SI 13 agreement between the three partner councils, including West Oxfordshire District Council for the short-term, to provide time for each council to develop a locality based cover from 1 April 2025.
- SR2 Climate Emergency and Climate Adaptation. The risk had been renamed following a request from the Executive to include 'Climate Adaptation'.
- SR4 5 Year Land Supply. This was a new risk as requested by the Audit and Governance Committee in July.

Based on various questions and queries from Members the following points were explained:

- A RAG rating of yellow could potentially be mitigated down to green and would not necessarily be removed from the register.

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- This was considered a live document and any situations that changed would be highlighted and constantly kept under review. There were monthly internal meetings that would be looking into all the service areas and then presented in a useful way.
- In terms of the five-year land supply, the Council was awaiting the new national guidance and would be waiting on the MPPF and what impact that would have.

The recommendations were as follows and a third recommendation was added by the Director of Governance; however, the report would be brought back to the next meeting and recommendations agreed at that meeting as there was an urgent situation and the meeting was ended.

1. Approve the implementation of the new Customer Complaints Policy and Procedure.
2. Note the revised Staff Personal Safety Policy.
3. Delegate authority to the Business Manager for Governance, Risk & Business Continuity in consultation with the Chair of Audit and Governance Committee and the Director of Governance, to make any minor amendments required to finalise the document to reflect the discussion, correct typographical errors or otherwise strengthen and improve the policies in advance of publication.

36 Audit and Governance Committee Work Programme 2024/25

This item was not discussed.

The Meeting closed at 7.50 pm

CHAIRMAN