

WEST OXFORDSHIRE DISTRICT COUNCIL

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

Held in the Committee Room 1 at 6.00 pm on **Thursday, 23 November 2023**

PRESENT

Councillors: Carl Rylett (Chair), Ruth Smith (Vice-Chair), Joy Aitman, Andrew Beaney, Rachel Crouch, Jane Doughty, David Jackson, Dan Levy, Michele Mead, David Melvin, Elizabeth Poskitt, Geoff Saul, Sandra Simpson, Alex Wilson and Liam Walker

Officers: Lucy Cater (Assistant Director SWAP), Andrea McCaskie (Director of Governance), Madhu Richards (Director of Finance) and Georgina Dyer (Chief Accountant), Max Thompson (Senior Democratic Services Officer), and Michelle Ouzman (Democratic Services Officer).

27 Election of Chair

The Director of Governance opened the meeting, welcoming Members and Officers to the Audit and Governance Committee meeting.

The Director of Governance referred Members to the first item on the Agenda, Election of Chair, and asked the Committee for nominations to the position of Chair of the Audit and Governance Committee for the remainder of the municipal year 2023/24.

Councillor Elizabeth Poskitt proposed that Councillor Carl Rylett be appointed to the position of Chair of the Audit and Governance Committee for the remainder of the municipal year 2023/24. This was seconded by Councillor Ruth Smith, was put to a vote, and was carried.

The Committee **Resolved** to:

- I. Appoint Councillor Carl Rylett to the position of Chair of Audit and Governance Committee for the remainder of the municipal year 2023/24.

28 Apologies for Absence

Apologies for absence were received from Councillors Colin Dingwall and Ed James.

Councillor Liam Walker substituted for Councillor Colin Dingwall.

29 Minutes of Previous Meeting

The Chair asked members for a proposer and seconder to approve the minutes of the previous Audit and Governance Committees, held on 28 September 2023.

Councillor Ruth Smith proposed to approve the minutes of the Audit and Governance Committee held on 28 September 2023, this was seconded by Councillor Jane Doughty, was put to a vote and was carried.

The minutes were signed by the Chair as a correct record.

The Committee **Resolved** to:

- I. Approve the minutes of the Audit and Governance Committee held on 28 September 2023.

30 Declarations of Interest

There were no declarations of interest received.

31 Participation of the Public

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There were no participation of the public.

32 Internal Audit Progress Report

The Assistant Director of the South West Audit Partnership (SWAP) introduced the Internal Audit Progress Report. There were no final reports on the agenda but the following audits had very recently been concluded by the team:

- Bank reconciliation
- Transparency agenda
- Taxi licensing audit

Councillor Jane Doughty proposed that the Committee note the Internal Audit Progress Report, This was seconded by Councillor Ruth Smith, was put to the vote and was carried.

The Committee **Resolved** to:

- I. Note the report.

33 External Audit Progress Report and Audit Plan for year ending 31st March 2023

The Director of Finance introduced Peter Barber from Grant Thornton.

Mr Barber explained that there were two elements to the item; a progress report and the audit plan setting out the external audit approach. The external auditor's role was two-fold in providing an opinion on the Council's financial statements and a value for money conclusion. The report was for 2022/23, Grant Thornton's final year as the Council's auditors.

The Committee noted the sector wide delay in audits and asked for a brief overview of the government's proposals to address this. For 2022/23 the deadline for producing draft accounts was the end of May and the deadline for giving an audit opinion on the financial statements was the end of September. This deadline had only been met for 5 of 497 councils and other public bodies. There was still a clear view that accounts needed to be signed off in accordance with the auditing standards, which was frustrating. There were a number of new entrants into the external audit market but it was difficult because some councils had multiple years' audits outstanding. The government had been considering introducing a backstop mechanism to enable more timely reporting of accounts but a decision was needed very soon and the minister had recently changed.

Councillor Elizabeth Poskitt proposed that the Committee notes the contents of the report and appendices. This was seconded by Councillor Michele Mead, was put to the vote and carried.

The Committee **Resolved** to:

- I. Notes the contents of the report and appendices.

34 Monitoring Report on Management's responses to the External Auditors findings and implementation of External Audit recommendations

The Director of Finance introduced the Monitoring report on Management's responses to the External Auditors Findings and Implementation of External Audit Recommendations.

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The Chair, Councillor Carl Rylett proposed that the Committee note the contents of the reports. This was seconded by Councillor Joy Aitman, was put to the vote and was carried.

The Committee **Resolved** to:

- I. Note the report.

35 Treasury Management Mid-Term Report

The Chief Accountant introduced the Treasury Management Mid-Term Report, which had recently been considered by the Council's Overview and Scrutiny Committee.

The Committee requested that future treasury management report are presented to the Audit and Governance Committee and not the Overview and Scrutiny Committee.

The Chair, Councillor Carl Rylett proposed that the Committee note the contents of the report. This was seconded by Councillor Jane Doughty, was put to the vote and was carried.

The Committee questioned the Council's approach to ethical investments. The Chief Accountant explained that there was a small part of the pooled fund portfolio that would include investments in fossil fuel producers for example because the Council had multi-asset funds which reflected the market as a whole. Ethical investments tended to have lower returns than other investments. The Chief Accountant committed to seeking further information from the Council's treasury advisors and bringing that to the next Audit and Governance Committee meeting.

The Committee **Resolved** to:

- I. Note the report.

36 CIPFA's Position Statement on Audit Committees

The Assistant Director SWAP, introduced the CIPFA (Chartered Institute of Public Finance and Accountancy) position statement on the Audit and Governance Committee. Officers proposed undertaking a self-assessment exercise and considering the appointment of Independent Persons and reducing the size of the Committee. A survey would be distributed to Members in the following weeks.

Councillor Michele Mead proposed that the Committee delegates to the Director of Governance to undertake a self-assessment questionnaire and to report back to the Chair and Vice-Chair, in readiness for the next meeting of the Committee. This was seconded by Councillor Rachel Crouch, was put to the vote and was carried.

The Committee **Resolved** to:

- I. Authorise the Director of Governance in consultation with the Assistant Director for SWAP and the Chair and Vice-Chair of the Committee to undertake the self-assessment, circulate a survey to Members and report back to the next Committee meeting.

37 Audit and Governance Committee Work Programme 2023/24

The Chair asked the Committee if there were any comments on the Work Programme.

Councillor Michelle Mead proposed that the Committee notes the Work Programme. This was seconded by Councillor Elizabeth Poskitt, was put to the vote and was carried.

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The Committee **Resolved** to:

- I. Note the Committee Work Programme.

The Meeting closed at 6.54 pm

CHAIR