

WEST OXFORDSHIRE DISTRICT COUNCIL

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

Held in the Committee Room I, Council Offices, Woodgreen, Witney, Oxfordshire OX28
INB at 6.00 pm on **Thursday, 26 June 2025**

PRESENT

Councillors: Carl Rylett (Chair), Ruth Smith (Vice-Chair), Andrew Beaney, David Melvin, Elizabeth Poskitt, Sandra Simpson and Alex Wilson

Officers: Andrea McCaskie (Director of Governance), Madhu Richards (Director of Finance), Georgina Dyer (Head of Finance), Ana Prelici (Senior Democratic Services Officer), Mathew Taylor (Democratic Services Officer) and Kate Seeley (Investigation and Enforcement Manager)

Officers in attendance virtually: Lucy Cater (Assistant Director SWAP), Cheryl Sloan (Business Manager for Governance, Risk and Business Continuity).

Independent Member: Richard Deuttenburg.

66 Minutes of Previous Meeting

The Committee considered the minutes of the meeting held on 21 May 2025. Councillor Carl Rylett, Chair of the Audit and Governance Committee, proposed that the minutes be agreed. This was seconded by Councillor Andrew Beaney, was put to the vote and agreed by the Committee.

Resolved:

The Committee agreed the minutes of the meeting held on 21 May 2025.

67 Apologies for Absence

Apologies for absence were received from: Councillors Nigel Ridpath, David Jackson, Joy Aitman and Edward James.

68 Declarations of Interest

There were no declarations of interest received.

69 Participation of the Public

There was no participation of the public.

Internal Audit Annual Opinion 2024/25

The purpose of the report was to present a summary of the work undertaken by Internal Audit during 2024/25, and to give an overall opinion on levels of assurance that resulted from this work.

Lucy Cater, Head of Internal Audit Assistant Director SWAP Internal Audit Services, introduced the report and highlighted the following points:

- Annex A contained the Internal Audit Annual Opinion on the adequacy and effectiveness of internal control within the Council, a summary of the work completed in the year, and a summary of all the quarterly reports previously presented to the Committee.
- The annual opinion was that a “reasonable” assurance level had been given for the controls in place in the areas where audit activity had taken place.
- The Annual Opinion supported the Annual Governance Statement and subsequently the Annual Statement of Accounts.
- Page 22 highlighted the significant corporate risks; all of these had been presented to the Committee at previous meetings.
- Page 34 presented the reports completed since the last meeting of the Committee.
- A summary of all open and agreed actions was also in the report.

Questions were invited from the Committee and the following points were raised in discussion:

- Internal audit was not monitoring staff levels, with reference to the potential for sudden changes due to Local Government Reorganisation (LGR), as this was not part of the initial audit. However, LGR was included in the Risk Register and was therefore being monitored as part of that process.
- The open agreed actions which were shown as priority 1 and in red in Annexe C related to Human Resource audits.
- With regard the Climate Change action for 22/23 shown in the open agreed actions, it was confirmed that the Climate Change Strategy was due to be adopted by the Executive. However, there was a Climate Change Operational Audit in progress, and this would form part of the 2025/26 Opinion.
- Members were advised that data protection training was being tested and then would be rolled out to Members and Officers.
- Officers were asked to quantify S.106 monies received but not spent. It was agreed that the Officer would return a response on this to the Committee Member. Members then expressed a wish to be certain that the newly established Enhancement Project to monitor S.106 spending was in place.

Councillor Carl Rylett proposed noting the report. This proposal was seconded by Councillor Ruth Smith, was put to the vote and agreed by the Committee.

Resolved:

That the Audit and Governance Committee:

- I. Noted the report.

71 Statement of Accounts - 2024/25 - Update and Accounting Policies

The purpose of the report was to present the accounting policies to be included in the 2024/25 Statement of Accounts. This provided Members with the opportunity to review and approve the policies in advance of the preparation of the Statement of Accounts 2024/25. Approving the accounting policies in advance of the preparation of the accounts represented best practice.

Georgina Dyer, Chief Accountant, introduced the report and highlighted the following key points:

- The Accounting Policies were presented to the Committee annually in advance of the policies being used in production of the Statements of Accounts.
- The Statements of Accounts were due for publication on 30 June 2025.
- There were no big changes to the policies, however the Officer drew the Committee's focus to the following three changes:
 - The TUPE staff accumulated absence reserve, which was an accrual for the cost of annual leave earned by TUPE employees but not taken prior to year-end. This would be reviewed each year.
 - The UBS Pool Fund capital loss that was realised due to the fund being closed. This now needed to be recognised in the accounts and was funded through an earmarked reserve leading to no net impact on revenue budget or 24/25 outturn position.
 - IFRS16 required leases to be treated in a new way, this was explained fully in the report.

In the discussion the Committee noted:

- The TUPE staff accumulated absence reserve was a notional amount based on the monetary value of the accumulated staff holiday of those returning to the Council.
- The position with the regard to the UBS pooled fund closure and subsequent capital loss and its accounting treatment was clarified for the Committee. UBS had given

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notice of the closure of the fund in September, a capital loss was realised as a result and had to be recognised in the accounts, this was outside of the Council's control.

- Heritage Assets were public artworks.

Councillor Carl Rylett proposed approving the recommendations as set out in the report. This proposal was seconded by Councillor Alex Wilson, was put to the vote and agreed by the Committee.

Resolved:

That the Audit and Governance Committee:

1. Approved the draft accounting policies for 2024/25 included at Annex A;
2. Noted the necessary amendments to the policies set out at Annex A (occurring subsequent to this meeting) are included within the draft (unaudited) and/or final (audited) Statement of Accounts when presented to this Committee.

72 Strategic Risk Register, Risk Policy and Draft Risk and Opportunity Management Strategy and Guide

The purpose of the item was to present the latest version of the Council's Risk and Opportunity Management Strategy and the Council's Risk Register.

Cheryl Sloan, Business Manager for Governance, Risk and Business Continuity, introduced the report and highlighted the following points:

- The Risk Policy advised how risk was managed and the responsibilities within the organisation.
- The Council's current risk appetite was "Creative and Aware".
- Changes that had been made to the document were listed in the appendix and reflected changes to how the organisation was structured post transfer of services in phase one and two from Publica.
- The Strategic Risk Register had seen no significant changes since the last presentation to the Committee.
- Three risks were noted as remaining red, those were: Financial stability of WODC; English Devolution White Paper/LGR; NPPF and 5-year land supply.
- Changes to the Strategic Risk Register were shown in red in the body of the text.

In the discussion the Committee noted:

- It would be useful to map out the risk items identified in the Strategic Risk Register in terms of the current risk appetite of the Council. It was noted that Officers were

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always trying to lower risk but that this could be difficult. There was often a difference in grading of the risk dependent on the certainty around it. Items moved to green when the risk was seen as having become more certain. The example of LGR was given. This was currently labelled as red, due to uncertainty and timescales, however as more certainty arose and decisions became clearer, then the risk would be lowered. It was also noted that some risks were outside of the control of the Council.

- A query was raised about whether the risk level for GDPR and Cyber-attacks was appropriate. It was explained that the IT team had assessed controls around this area and were satisfied. However, it was noted that during the recent cyber-attacks on other organisations this level had been temporarily raised. This reflected the continuous review of the risk levels.
- The APSE Litigation Claim had been included on the register as a potential risk as WODC was a member of APSE. This litigation claim was now closing, and the risk would be removed by the next Committee meeting.
- It was clarified that the risk appetite level was decided by the Council's Senior Leadership Team.
- It was welcome that additional resources were now being found for housing refugees and asylum seekers, however it was discussed if consideration should be given to the risk around providing housing for students who were required to move and could face educational disruption.
- A query was raised around Members who used their own electronic devices and the subsequent susceptibility to cyber-attack. It was suggested that this query could be taken to the relevant team.

Councillor Carl Rylett proposed approving the recommendations as set out in the report. This proposal was seconded by Councillor Elizabeth Poskitt, was put to the vote and agreed by the Committee.

Resolved:

That the Audit and Governance Committee:

1. Approved the Risk and Opportunity Management Strategy attached at Annex A.
2. Noted the updated Strategic Risk Register attached at Annex B.

73

Treasury Management Outrun Quarter 4

The purpose of the report was to advise members of treasury management activity and the performance of internal and external fund managers for 2024/25.

Georgina Dyer, Chief Accountant, introduced the report and highlighted the following points:

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- The report included summaries of investment income achieved from long-term, pooled and short-term investment funds. Also included were cash balances and the capital value of funds.
- The Council had complied with the majority of the Prudential Indicators that were required for 2024/25. The one Prudential Indicator not complied with was interest rate exposure. Non-compliance with this indicator was not considered a concern.

In the discussion the Committee noted:

- Following Council submissions on LGR in November further guidance on the balance of portfolios would be expected from Central Government. It was noted that it was likely that funds would be kept running for several years before these could be aligned with other authorities following LGR and the establishment of a successor Unitary Authority.
- The Council had multiple managed funds in major financial institutions. These funds were considered long-term safe investments. These funds were near cash liquid investments that were held as an alternative to seeking external borrowing. At present the Council was happy with its managed funds and advisors, however these were regularly reviewed. Circumstances in which alternatives to such funds would be considered were explored in the discussion.

Councillor Carl Rylett proposed noting the report. This proposal was seconded by Councillor Ruth Smith, was put to the vote and agreed by the Committee.

Resolved:

That the Audit and Governance Committee:

- I. Noted the Treasury Management and performance of internal and external funds for 2024/25.

74 Annual Governance Statement for 2024/25 and Action Plan for 2025/26

The purpose of the report was to provide the Audit and Governance Committee with an updated Annual Governance Statement for 2024/25 and an Annual Governance Action Plan for 2025/26.

Cheryl Sloan, Business Manager for Governance, Risk and Business Continuity, introduced the report and highlighted the following points:

- The Annual Governance Statement for 2024/25 was a backward-looking document, that set out the controls that were in place to ensure good governance at the Council.

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- The Annual Governance Action Plan for 2025/26 was a forward-looking document, that looked at the areas in which improvement could be made in the financial year. The document included the previous year's Action Plan and the progress made on the plan.
- There were eight key actions in the plan, including three carried over from the previous year. It was noted that progress had been made on the carried over actions.
- Progress on the Annual Governance Action Plan for 2025/26 would be brought to future Committee meetings.

Councillor Carl Rylett proposed approving the recommendations as set out in the report. This proposal was seconded by Councillor Sandra Simpson, was put to the vote and agreed by the Committee.

Resolved:

That the Audit and Governance Committee:

1. Approved the 2024/25 Annual Governance Statement and Action Plan 2025/26 for sign off by the Chief Executive and the Leader of the Council.
2. Agreed to receive updates on progress against the key actions at future meetings.

75

Annual Summary of Member Conduct Complaints

The purpose of the item was to advise the Committee of the number and status of Code of Conduct complaints received and considered by the Council's Monitoring Officer in the period from 1 September 2024 to 31 March 2025.

Andrea McCaskie, Director of Governance and Regulatory Services, introduced the report and highlighted the following points:

- The previous year's report had been for the year to 31 August 2024. The current report was for a shorter period of the seven months to 31 March 2025 in order to align the reporting with the financial year.
- There had been five complaints in the period, and one held-over from the previous period. Of these, five were not taken forward and one was dealt with by way of a local informal resolution.
- This number was a relatively low number. However, it was noted that this was not considered to be a downward trend.
- Table 3.1 on page 131 of the report pack showed the detail of the complaints.
- Amendments to the complaints procedure had been adopted at the Council meeting in November.
- Members had been advised of the requirement to update their Register of Interests (ROI).

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- Licensing training had taken place, with Chair training and two Overview and Scrutiny training sessions to follow.

It was clarified that when a Member was the subject of a complaint they would be advised and had an opportunity to comment. The Committee queried if any training was available for Parish and Town Members and Officers. The Director of Governance explained the process for receiving complaints was Oxfordshire wide, and that this meant Parish and Town Clerks would be aware of procedures to follow. However, the Committee was advised that the Council did offer assistance to Parish and Town Councils and would be open to exploring the opportunity to offer training. It was stated that Members had felt it helpful when training on procedures had been given in the past.

Regarding the Register of Interest, the Committee commented that it was useful to have received the reminder to update this but suggested that more guidance would be informative. The Director of Governance and Regulatory Services advised that Democratic Services would review whether the guidance given to Members should be strengthened.

Councillor Carl Rylett proposed noting the report. This proposal was seconded by Councillor David Melvin, was put to the vote and agreed by the Committee.

Resolved:

That the Audit and Governance Committee:

- I. Noted the report.

76

Whistleblowing Policy

The purpose of the report was to present the Audit and Governance Committee with an updated Whistle-Blowing Policy for approval. This would update and replace the existing Whistle-Blowing Policy and highlight key legislation and the roles and responsibilities of Members, Officers and other parties.

Kate Seeley, Investigation and Enforcement Manager Counter Fraud and Enforcement Unit, introduced the item. The Officer explained that there had only been minor amendments made to the wording of the Whistle-Blowing Policy to enhance clarity and understanding. Annex A provided the revised version with changes highlighted for the Committee.

The Officer confirmed that the policy was used across several Councils. It was suggested that due to such policies being heavy in terms of legislation there was little room for councils to adopt an individual policy.

A concern was raised as to the number of channels for reports to be made. The Committee sought assurance that managers, who would receive such reports, received training. The

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attached flowchart at Annex B was intended to assist the process of handling reports. In addition, following the adoption of the Policy, the Committee was advised that training and guidance would be rolled out to staff. Senior Management had also received training from the Head of Service, Counter Fraud and Enforcement Unit. Finally, it was emphasised that the Council's Statutory Officers would expect to be made aware of any reports to ensure policies were followed.

Clarity was sought on the use of non-disclosure agreements with cases of Whistleblowing. Officers were not aware of the use of such agreements in the Council.

The Committee asked for an update on the recognition of Trade Unions in the Council. At present the Council had an agreement with Unison who had visited employees. An agreement with GMB had not yet been signed but an update on this would be given.

The wording in Annex B, in which it was stated that an issue should be raised "internally if possible", was questioned by the Committee. The Officer explained that should a report be made externally then an employee's identity may not be disclosed to the Council, and this would then be difficult for the organisation to offer support and protection to the employee making the report.

The position and duty of Councillors who were approached by employees with information was explored. The Committee was advised that Councillors would not be protected legally as employees were. Councillors should report to the Monitoring Officer in such cases.

Councillor Carl Rylett proposed approving the recommendations as set out in the report. This proposal was seconded by Councillor Ruth Smith, was put to the vote and agreed by the Committee.

Resolved:

That the Audit and Governance Committee:

1. Approved and adopted the Whistleblowing Policy.
2. Authorised the Director of Governance and Regulatory Services to approve future minor amendments to the Policy, in consultation with the Head of the Counter Fraud and Enforcement Unit, the Head of Legal Services and the Leader of the Council.

Annual Local Government Ombudsman Letter

The purpose of the report was to present the annual complaints statistics as provided by the Local Government and Social Care Ombudsman for the year 1 April 2024 – 31 March 2025.

Cheryl Sloan, Business Manager for Governance, Risk and Business Continuity, introduced the report and highlighted the following key points:

- The report showed the complaints received by the Ombudsman in the period. Eleven complaints had been received, of which six were immediately dismissed, four had preliminary enquiries with one investigated and upheld.
- Regarding the upheld complaint, it was found that the Council's process was considered acceptable but that the communication to the complainant was at fault. As one element of the complaint was upheld the entire complaint was considered upheld. Mitigation was now in place to improve communication, and the complaint was now closed.
- The total number of complaints received during 2024-25 was 34.
- The new complaints policy, reducing the complaints process from a three to two stage internal process, brought to the Committee in November 2024, was now in place and aligned with the Ombudsman Code for Complaints.

The Committee acknowledged that the small number of complaints was reassuring. A Member briefing on complaints policy was planned for September.

Councillor Carl Rylett proposed noting the report. This proposal was seconded by Councillor Elizabeth Poskitt, was put to the vote and agreed by the Committee.

Resolved:

That the Audit and Governance Committee:

- I. Noted the content of the report and the Local Government and Social Care Ombudsman's Annual Review Letter 2024 – 2025.

78

Audit and Governance Committee Work Programme

The purpose of the item was to provide the Committee with a schedule of the Committee's work programme for the year.

Andrea McCaskie, Director of Governance and Regulatory Services, invited the Committee to make any relevant comments on the programme.

It was confirmed that the Committee would be updated by the Assistant Director of SWAP Internal Audit Services on open actions including S.I06 at later Committee meetings.

In the discussion the Committee queried if the Council had a policy on the use of Artificial Intelligence (AI). The Director of Governance responded that a draft policy had been created by the Chief Technical Officer, and it was the intention to provide guidance on this to staff and Members. Officers would advise the Committee on the approval route for this.

The Meeting closed at 7.10 pm

CHAIR