

## WEST OXFORDSHIRE DISTRICT COUNCIL

Minutes of the meeting of the **Audit and General Purposes Committee** held via video conferencing at **6:00 pm** on **Thursday 23 July 2020**

### PRESENT

Councillors: Jane Doughty (Chairman), Andy Graham (Vice-Chairman), Jake Acock, Luci Ashbourne, Andrew Beaney, Harry Eaglestone, Duncan Enright, Gill Hill, Richard Langridge, Dan Levy, Ed James, Martin McBride and Harry St John.

Officers in Attendance: Elizabeth Griffiths (Chief Finance Officer); Philip Alway (Business Manager Finance); Lucy Cater (Assistant Director, South West Audit Partnership); Peter Barber (Engagement Lead, Grant Thornton); Helen Lillington (Senior Manager, Audit, Grant Thornton); Mandy Fathers (Business Manager Operational Services); Keith Butler (Head of Democratic Services and Monitoring Officer) and Amy Barnes (Senior Strategic Support Officer).

#### 1. MINUTES

**RESOLVED:** that the Minutes of the meeting of the Committee held on 6 February 2020, copies of which had been circulated, be confirmed as a correct record and signed by the Chairman.

#### 2. APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

Apologies for absence were received from Councillors Rosa Bolger and Suzi Coul, and the following resignation and temporary appointment was notified:-

Councillor Dan Levy for Councillor Elizabeth Poskitt

#### 3. DECLARATIONS OF INTEREST

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

#### 4. PARTICIPATION OF THE PUBLIC AND SECTION 106 AGREEMENTS

A submission from Ms Vicky Gwatkin arising from a freedom of information request relating to section 106 agreements in Witney and also concerning the lack of readily available information on the funds associated with such agreements was read out by the Head of Democratic Services. A copy of the submission, which comprised two emails from Ms Gwatkin to the Head of Democratic Services, is attached as an appendix to the original copy of these minutes.

The Chairman then referred the Committee to previous consideration of Section 106 agreements and funding, including the comments made at its meeting in February 2020, at which the follow-up to the previous audit scheduled for April 2020 had been mentioned, with the associated expectation of an update at this meeting. However, the report to be considered at agenda item no. 6 advised that the report into that follow up audit was in draft only at this stage. In all these circumstances, including the frequently stated view of councillors that the creation and availability of a comprehensive database of Section 106 agreements should be in place, the Chairman proposed, and it was duly seconded, that the Chief Executive be requested to ensure the necessary resources to action and implement this as a matter of urgency.

During lengthy and detailed consideration:

- More information on the content of the freedom of information request was sought, and the Head of Democratic Services summarised it as relating to a range of aspects concerning section 106 agreements in Witney, which was not time limited and where it had been concluded that to provide the information requested would exceed the chargeable limit, meaning that the information had not been disclosed. He further explained that the question of the availability of the information under Fol was a different albeit related point to whether it should be more readily accessible
- The Chief Finance Officer and Deputy Chief Executive updated the Committee on the current position and the complexity of what was required, and the fact that progress had not been as great as would have been hoped, as one of the many consequences of the Council's need to respond to the Covid-19 pandemic. Management was acutely aware of the need to make more progress, and it was hoped that work could be completed within a few months. She further advised that software had been sourced, which was robust and would also provide future proofing in terms of providing a platform for reporting on and monitoring Community Infrastructure Levy when that was in place for the district. The next steps were to access all the data and documents to populate the initial database
- A number of councillors spoke in support of the proposition and underlined the importance of the issue
- Concern was expressed as to the perceived inadequacy of the initial response to the Fol request
- Some councillors did not accept the stated position that progress had been impacted by the Covid-19 situation

Further discussion then took place relating to possible amendments to the proposal which sought a definitive timescale for implementation, and an update at the next meeting of the Committee, currently scheduled for 15 October. During this consideration, the Chief Finance Officer advised the Committee that a full implementation date of 1 October was not likely to be achievable. Councillor Acock considered the advice given to be in breach of the officer code of conduct, in response to which the Monitoring Officer confirmed that the role of officers included giving advice and that it was appropriate for her to do so and for the Committee to decide whether or how to follow such advice, and Councillors acknowledged the point and the honesty of the advice given by the Chief Finance Officer.

Following further discussion it was:

**RESOLVED:**

- (a) That the submission be noted;
- (b) That the Chief Executive be requested to ensure the necessary resources to action and implement the full database of Section 106 agreements as a matter of urgency;
- (c) That the Chief Finance Officer and Deputy Chief Executive be requested to confirm a definitive date, as close as possible to 1 October 2020, by which the matter will have been implemented; and
- (d) That the Committee be updated on this matter at its next meeting.

5. COUNCILLOR GIFTS AND HOSPITALITY

The Committee received and considered the report of the Monitoring Officer, which sought the approval of proposed arrangements for the registration by councillors of gifts and hospitality accepted by or offered to them in their capacity as a member of the District Council.

Councillor Beaney queried whether the means for Councillors to be able to register any gifts or hospitality could be via an online form, and the Monitoring Officer confirmed that to be the intention, and that it was also intended that Councillors would in future be able to register their disclosable interests and to make any travel or expenses claims electronically. He could not, however, promise that the online option would be available in time for the proposed implementation date of 1 September.

**RESOLVED:**

- (a) That the Council be recommended to approve the proposed arrangements relating to the registration of gifts and hospitality by members set out in the Annex to the report, to be effective from 1 September 2020; and
- (b) That in the event of the Council adopting the proposals, the Monitoring Officer be requested to notify the arrangements to all councillors and to devise an appropriate means for the reporting and recording of gifts and hospitality by members.

6. INTERNAL AUDIT ANNUAL PLAN 2019/20 AND SUMMARY OF WORK COMPLETED

The Committee received and considered the report of the Chief Finance Officer, which presented a summary of the work undertaken by Internal Audit during 2019/20 and gave an overall opinion on levels of assurance resulting from this work. The report advised that, because of the information contained in the Internal Audit Annual Opinion, it had been deemed unnecessary to submit a separate quarterly monitoring report, and a condensed version of the usual report had been produced as an alternative.

The Chief Finance Officer briefly introduced the report, which related to previous and ongoing work and stated that questions and comments were welcomed; and the Committee was advised of an error on page 5 of Annex A to the report, which should have referred to West Oxfordshire and not to Cotswold District Council.

A number of questions were asked and responses given by the Assistant Director, South West Audit Partnership. In particular she responded in relation to those matters where responses were awaited, and those with revised implementation dates; on the relative levels of assurance and the prioritisation of recommendations arising from audits; and on the process of defining the scope for each audit.

A comment was made about the apparent need for training to be provided and maintained, as well as a request being made for more information in the future about changes to the audit plan; and the Chairman undertook to seek a reply to Councillor Ashbourne arising from a query concerning revenues and benefits.

The Committee thanked the South West Audit Partnership team for its work, and -

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

7. EXTERNAL AUDIT UPDATE REPORT

The Committee received and considered the report of the Chief Finance Officer, to which was attached an Annex containing the External Audit Plan for 2019/20, which included the key matters, risks and scope of the audit.

Peter Barber (Engagement Lead, Grant Thornton) introduced himself and Helen Lillington (Senior Manager, Audit) who was also in attendance. Mr Barber summarised his background in public sector audit and explained the reasons that there was a new audit team in place for the Council, before going on to introduce the External Audit Plan and highlight some key points. In particular, he mentioned the statutory date changes and delays relating to the approval of the accounts; issues and risks around various financial matters as a consequence of Covid-19, including in relation to land and property and the Council's investment property portfolio; the valuation of pension fund liability; the materiality level of £920,000; value for money; future financial sustainability including the setting and delivery of the Council budget; and the Medium Term Financial Strategy.

He went on to (i) refer to the audit fees, including an extra £4000 which would fund the costs of appointing an auditor expert to provide additional assurance over the carrying value of the Council's Investment Property portfolio; and (ii) explain a number of specific points in the Plan on which questions were asked or clarification sought.

The Chairman thanked the External Auditors for their work, input and explanations, and the Committee -

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

8. UPDATE ON THE DRAFT STATEMENT OF ACCOUNTS 2019/2020

The Committee received and considered the report of the Chief Finance Officer, which provided an update on the preparation of the Statement of Accounts, advising that the statutory date for the completion of the 'draft' accounts had been moved back by Government from 31 May to 31 August, and that the deadline for the audit and sign-off of the final Statement of Accounts had been moved from 30 September to 30 November.

There was no statutory requirement for the Committee to approve the draft accounts, although that would be considered to be "best practice", and a copy of the draft statement of accounts would be forwarded to members of the Committee on completion.

A comment was made that there might be a need for additional meetings of the Committee in light of the anticipated business and the ongoing impact of Covid-19, and it was suggested and agreed that the Chairman should keep this under review and call an additional meeting(s) if deemed necessary.

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

9. MISCELLANEOUS LICENSING SUB-COMMITTEE REPORT

The report of the meeting of the Miscellaneous Licensing Sub-Committee held on 23 January 2020, copies of which had been circulated, was received and noted.

10. KPMG LLP REPORT: HOUSING BENEFIT SUBSIDY CERTIFICATION

The Committee received and considered the report of the Group Manager, Resident Services, which reported on the receipt of the Housing Benefit Subsidy Grant Certification

Letter for 2018/19 and to which was attached an exempt appendix, the detailed consideration of which would require the exclusion of the public.

There were adjustments to the claim due to errors found within the administration of housing benefit and the calculations of such claims which had resulted in an overstated subsidy claim of £20,998 which was recoverable and was deducted from the interim subsidy payment due to the Council in February 2020. The audit had not given any recommendations on what the Council should do to improve processes for future claims; however, internal controls including the quality and assurance checking on claims would continue with additional attention being made to the non HRA claims (bed and breakfast claims) and those claims with earnings.

Councillors wished to ask questions in relation to the exempt annex to the report and accordingly the Committee then considered the exclusion of the public.

11. EXCLUSION OF THE PUBLIC

**RESOLVED:** That, in view of the likely disclosure of exempt information, as defined in paragraph 3 of Part I 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 remainder of the consideration of this item of business.

12. KPMG LLP REPORT: HOUSING BENEFIT SUBSIDY CERTIFICATION

The Committee resumed consideration of this matter, specifically in view of the questions relating to the exempt annex, which were answered by the Business Manager Operational Services, following which it was -

**RESOLVED:** That the outcome of the housing benefit subsidy certification work be noted.

The meeting closed at 7:50 pm

CHAIRMAN