

Date: 7 January 2008

TO: All Members of the Audit and  
Governance Committee  
FOR ATTENDANCE

TO: All Other Members of the Council  
FOR INFORMATION

Dear Sir/Madam

Your attendance is requested at a meeting of the **AUDIT AND GOVERNANCE COMMITTEE** to be held in the **GUILDHALL, ABINGDON** on **TUESDAY, 15TH JANUARY, 2008** at **7.00 PM**.

Yours faithfully

Terry Stock  
Chief Executive

Members are reminded of the provisions contained in the Code of Conduct adopted on 30 September 2007 and Standing Order 34 regarding the declaration of Personal and Prejudicial Interests.

## **A G E N D A**

### **Open to the Public including the Press**

A large print version of this agenda is available. In addition any background papers referred to may be inspected by prior arrangement. Contact Steve Culliford, Democratic Services Officer, on telephone number (01235) 540307 / [steve.culliford@whitehorsedc.gov.uk](mailto:steve.culliford@whitehorsedc.gov.uk).

### **Map and Vision**

(Page 6)

A map showing the location of the venue for this meeting, together with a copy the Council Vision are attached.

**1. Appointment of Chair**

To note that Councillor Andrew Crawford has been appointed Chair of the Committee to replace Councillor Tony de Vere for the remainder of the 2007/08 Municipal Year.

**2. Notification of Substitutes and Apologies for Absence**

To record the attendance of Substitute Members, if any, who have been authorised to attend in accordance with the provisions of Standing Order 17(1), with notification having been given to the proper Officer before the start of the meeting and to receive apologies for absence.

**3. Minutes**

To adopt and sign as a correct record the minutes of the Committee meeting held on 25 September 2007 (previously circulated with the agenda for the Council meeting held on 4 December 2007).

**4. Declarations of Interest**

To receive any declarations of Personal or Personal and Prejudicial Interests in respect of items on the agenda for this meeting.

Any Member with a personal interest or a personal and prejudicial interest in accordance with the provisions of the Code of Conduct, in any matter to be considered at a meeting, must declare the existence and nature of that interest as soon as the interest becomes apparent in accordance with the provisions of the Code.

When a Member declares a personal and prejudicial interest he shall also state if he has a dispensation from the Standards Committee entitling him/her to speak, or speak and vote on the matter concerned.

Where any Member has declared a personal and prejudicial interest he shall withdraw from the room while the matter is under consideration unless

- (a) His/her disability to speak, or speak and vote on the matter has been removed by a dispensation granted by the Standards Committee, or
- (b) members of the public are allowed to make representations, give evidence or answer questions about the matter by statutory right or otherwise. If that is the case, the Member can also attend the meeting for that purpose. However, the Member must immediately leave the room once he/she has finished; or when the meeting decides he/she has finished whichever is the earlier and in any event the Member must leave the room for the duration of the debate on the item in which he/she has a personal and prejudicial interest.

**5. Urgent Business and Chair's Announcements**

To receive notification of any matters, which the Chair determines, should be considered as urgent business and the special circumstances, which have made the

matters urgent, and to receive any announcements from the Chair.

**6. Statements and Petitions from the Public Under Standing Order 32**

Any statements and/or petitions from the public under Standing Order 32 will be made or presented at the meeting.

**7. Questions from the Public Under Standing Order 32**

Any questions from members of the public under Standing Order 32 will be asked at the meeting.

**8. Internal Audit Activity Report (2007/08)**

**(Pages 7 - 48)**

To receive and consider report 133/07 of the Audit Manager.

Introduction and Report Summary

The purpose of this report is:

- to summarise the outcomes of recent internal audit activity for the Committee to consider. The Committee is asked to review the report and the main issues arising, and seek assurance that action will be/has been taken where necessary.

The Contact Officer for this report is Adrianna Penn, Audit Manager for South Oxfordshire District Council and Vale of White Horse District Council, telephone (SODC) 01491 823544 and (VWHDC) 01235 547615.

Recommendation

*that Members note the content of the report.*

**9. Internal Audit Charter**

**(Pages 49 - 53)**

To receive and consider report 131/07 of the Audit Manager.

Introduction and Report Summary

The purpose of this report is to:

present the Internal Audit Charter which sets out the definition and purpose of the internal audit function, where the internal audit function derives its authority from, its rights of access and the responsibilities of the function.

The Contact Officer for this report is Adrianna Penn, Audit Manager for South Oxfordshire District Council and Vale of White Horse District Council, telephone (SODC) 01491 823544 and (VWHDC) 01235 547615.

Recommendations

*that Members approve the Internal Audit Charter.*

**10. Internal Audit Management Report Quarter 3**

**(Pages 54 - 58)**

To receive and consider report 132/07 of the Audit Manager.

Introduction and Report Summary

The purpose of this report is:

- to report on management issues;
- to summarise the progress of internal audit against the 2007/2008 audit plan;
- to summarise the priorities and planned audit work for 2007/2008 Quarter 4.

The Contact Officer for this report is Adrianna Penn, Audit Manager for South Oxfordshire District Council and Vale of White Horse District Council, telephone (SODC) 01491 823544 and (VWHDC) 01235 547615.

Recommendation

*that Members note the content of the report.*

**11. Securing Improvements - Audit Commission**

**(Pages 59 - 88)**

To receive and consider report 134/07 of the Deputy Director (Organisational Development).

Introduction and Report Summary

The Council has been pursuing a programme of substantial change since its last Comprehensive Performance Assessment in 2004. Since the Audit Commission's last Securing Improvement Report of April 2006, the Council has continued to invest in a programme of Organisational Development. In the Annual Audit and Inspection Letter of March 2007, the Audit Commission reported that the Council had been working to improve its managerial capacity.

The attached report at Appendix A provides more depth to that audit letter and assesses progress and impact up to May 2007, making recommendations for continued improvement.

The completed action plan contained within the Audit Commission's report at Appendix A, was agreed with the Audit Commission in December 2007 and is shown separately at Appendix B.

It should be noted that the evidence gathering for this report in terms of document reviews and interviews with managers, staff and councillors took place between January and May 2007. Therefore, many of the issues raised in this report have moved on considerably.

The contact officer for this report is Helen Bishop, Deputy Director (Organisational Development and Support), telephone 01235 540372. Email address [helen.bishop@whitehorsedc.gov.uk](mailto:helen.bishop@whitehorsedc.gov.uk).

*Recommendation*

*That the Committee is asked to consider the Audit Commission's "Next Steps in Securing Improvement" report and agree the associated action plan for implementation.*

**12. Completion of the 2006/07 Audit**

The Committee approved the audited Statement of Accounts at its meeting on the 25 September 2007 following a satisfactory audit by the Audit Commission. In accordance with Regulation 18(4) of the Accounts and Audit Regulations 2003 the Responsible Financial Officer hereby notifies the Audit and Governance Committee that the Statement of Accounts was certified by the external Auditor with an unqualified opinion. This formally completes the audit process.

*Recommendation*

*that Members are asked to note the formal closure of the 2006/07 audit process.*

**13. Actions Arising from the 2006/07 Statement of Accounts - Progress Report**

**(Pages 89 - 90)**

During the preparation and audit of the 2006/07 Statement of Accounts several weaknesses were found in the Council's financial controls. The Chief Finance Officer explained these in the Statement on Internal Control (pages 4 – 11) in the published Statement of Accounts. The External Auditor qualified her Use of Resources Opinion (page 42) of the Statement of Accounts due to the cumulative effect of these weaknesses.

At its meeting on 25 September 2007 (Minute AG.22(b)) the Committee recognised the importance of completing the remedial actions identified by the Chief Finance Officer in the Statement of Accounts. The Committee requested that the Chief Finance Officer should give an update report to the next meeting.

Progress against each of the actions is provided in the attached table.

*Recommendation*

*Members are asked to consider the progress made against the actions.*

**Exempt Information Under Section 100A(4) of the Local Government Act 1972**

None