

FAREHAM

BOROUGH COUNCIL

Minutes of the Audit and Governance Committee (to be confirmed at the next meeting)

Date: Monday, 25 September 2017

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillors: J E Butts (Chairman)

P J Davies (Vice-Chairman)

Councillors: Mrs M Brady, Mrs T L Ellis, Miss T G Harper, Mrs K Mandry and Mrs S M Bayford (deputising for S D Martin)

**Also
Present:**



1. APOLOGIES

An apology of absence was received from Councillor S D Martin.

2. MINUTES

RESOLVED that the minutes of the Audit and Governance Committee held on the 17 July 2017 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's Announcements made at this meeting.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. OVERVIEW OF COMPLAINTS AGAINST THE COUNCIL

(Councillor Mrs T L Ellis joined the meeting at the start of this item)

The Committee considered a report by the Director of Finance and Resources on an annual overview of the complaints made to the Local Government Ombudsman against the Council and breaches of the Members Code of Conduct.

RESOLVED that the Committee notes the contents of the report.

7. EXTERNAL AUDIT - AUDIT RESULTS REPORT

The Committee considered a report by the Director of Finance and Resources on the External Auditors' (Ernst & Young LLP) annual results.

Ernst & Young highlighted to Members the additional fee summarised on page 25 of the report. The £1,500 increase to fees is for work their property experts carried out on the valuation of Daedalus. The Director of Finance and Resources expressed some discomfort at the additional fee but updated Members that the External Auditors had agreed to supply additional supporting information and evidence.

RESOLVED that the Committee: -

- (a) subject to Ernst & Young providing appropriate additional supporting information and evidence to the Director of Finance and Resources, the increase in the planned fee by £1,500 for the work their property experts carried out on the valuation of Daedalus be approved;

(b) note the content of the annual results report; and

(c) note that the Director of Finance and Resources and the Chairman of the Audit and Governance Committee will sign the letter of representation after the next item presenting the Statement of Accounts.

8. STATEMENT OF ACCOUNTS

The Committee considered a report by the Director of Finance and Resources on the audited Statement of Accounts 2016/17.

After the last meeting of the Audit and Governance Committee in July, changes were required to the Statement of Accounts as the result of the external audit of the accounts undertaken by Ernst & Young LLP. The changes were highlighted to Members.

RESOLVED that the Committee approved the audited Statement of Accounts 2016/17, attached as Appendix A, for publication by 30 September 2017.

9. UPDATES ON ARRANGEMENTS FOR APPOINTMENT OF EXTERNAL AUDITORS

The Committee received a verbal update from the Head of Finance and Audit updating members on the next phase of the arrangements of the appointment of the Council's external auditors from April 2018.

PSAA (Public Sector Audit Appointments) have consulted with all Councils on their proposed appointment to each Council for the core audit work. Fareham Borough Council have confirmed they are happy with the initial proposal. We will receive final confirmation of who has been appointed as the Council's External Auditors by 31 December 2017. The Council has also started to consider how it will appoint the External Auditors for its certification work. This appointment needs to be concluded by 28 February 2018.

RESOLVED that the Committee note the content of the verbal update.

10. RISK MANAGEMENT MONITORING REPORT

The Committee received a report from the Head of Finance and Audit providing a six-monthly overview of the new Risk Management Policy.

RESOLVED that the Committee review the report as a source of evidence that the current Risk Management Policy is operating in practice.

11. COUNTER FRAUD PROGRESS REPORT

The Committee considered an annual report by the Head of Finance and Audit on the fraud work carried out in 2016/17.

RESOLVED that the Committee notes the contents of the report.

12. QUARTERLY AUDIT REPORT

The Committee received a report from the Head of Finance and Audit on the progress and findings arising from the internal audit work.

Members asked about the planned audit opinion number 15 – Chipside. The Head of Finance and Audit confirmed that this is the software used by the Parking Services Department for the issuing and management of penalty charge notices and residents' permits.

RESOLVED that the Committee note the contents of the report.

13. REVIEW OF THE WORK PROGRAMME

The Committee received a report from the Head of Finance and Audit reviewing the Work Programme for the current municipal year.

RESOLVED that the Committee approve the Work Programme.

(The meeting started at 6.00 pm
and ended at 7.10 pm).