

FAREHAM

BOROUGH COUNCIL

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

Date: Monday, 13 March 2023

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Ms F Burgess (Chairman)

Councillor R Bird (Vice-Chairman)

Councillors: Mrs T L Ellis, H P Davis, N R Gregory, D J Hamilton and
S D Martin

**Also
Present:**



1. APOLOGIES

No apologies of absence were received at the meeting.

2. MINUTES

RESOLVED that the Minutes of the Audit and Governance Committee meeting held on the 21 November 2022 be agreed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement –

I would like to take this opportunity to welcome Councillor H Davis to his first Audit and Governance Committee meeting, following his recent appointment.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

No deputations were received at the meeting.

6. EXTERNAL AUDIT - AUDIT RESULTS REPORT

The Committee received a report by the Deputy Chief Executive Officer and presented by the External Auditors (Ernst and Young), on the results of the Annual External Audit of the accounts.

The Chairman addressed the Committee to advise that although the agenda states that the Statement of Accounts is included at this item, the document itself is not included. Commentary within the report explained the arrangements for the agreement and publication of the 2021/22 accounts outside of the meeting.

RESOLVED that: -

- a) the Audit and Governance Committee notes the contents of the Audit Results Report (Appendix A); and
- b) the Deputy Chief Executive Officer and the Chairman of the Audit and Governance Committee will sign the Letter of Representation, subject to the external auditors completing their outstanding procedures and any further amendments to the accounts, or a revised Letter of Representation, being agreed by the Deputy Chief Executive Officer in consultation with the Chairman of the Audit and Governance Committee.

7. TREASURY MANAGEMENT STRATEGY

The Committee received a report by the Deputy Chief Executive Officer on the Treasury Management Strategy for 2023/24.

RESOLVED that the Committee note the Treasury Management Strategy and Prudential Indicators for 2023/24, attached as Appendix A to the report.

8. RISK MANAGEMENT MONITORING REPORT

The Committee received a report from the Head of Finance and Audit on the latest Risk Management Monitoring which provided evidence that the risk management policy is effective.

The Chairman expressed concern over the risks relating to staffing, which appears to be a common theme across several of the service areas. This needs to be looked at as an overarching, corporate risk rather than departmentally. Officers clarified that this is a focus for senior management and the HR department, to ensure a holistic approach to manage all staff associated risks across the Council. This approach includes, succession planning, exploring a better work life balance and improved recruitment packages.

Comments were received from members pertaining to the social media risk included in the report and subsequently agreed that the appropriate risk management activity had been implemented.

Members asked for assurance that the resources available to the Legal Partnership would be a continued area of focus as the Executive recently agreed to continue the contract with the Southampton Legal Team for a further 10 Years.

RESOLVED that the Audit and Governance Committee reviewed the report as a source of evidence that the current Risk Management Policy is operating in practice.

9. HEAD OF AUDITS QUARTERLY REPORT

The Committee received a report from the Head of Finance on Audit on the work of the internal audit team since the last meeting.

Members enquired about the five high risk audits in the 2023/24 Internal Audit Plan and asked if these would be prioritised for delivery due to their risk level. The Head of Finance and Audit addressed the Committee to confirm that these audits are categorised as high risk for various reasons and do get prioritised for completion but may need to be carried out later in the year due to auditee and other considerations. The expectation is that these audits, along with all those in the plan, including the fundamental system audits, will be completed sufficiently within 2023/24 to provide an audit opinion, but this cannot be guaranteed due to the impact on services and resources

RESOLVED that the Audit and Governance Committee: -

- a) notes the progress and findings arising from Internal Audit work; and
- b) approved the proposed full plan for the 2023/24 audit year as set out in Appendix Three.

10. MONITORING OFFICER REPORT

The Committee received a report by the Monitoring Officer on items which require reporting but do not justify a full report to be brought to the Committee for consideration.

Members enquired about the training provided to officers with regards to the changes to the authorisation limits and asked that this be robust, to not only protect the Council's finances but also protect the officers from accidental errors.

RESOLVED that the Audit and Governance Committee: -

- a) note the contents of Part One of the report; and
- b) asks Members to pass comment on the matters for Council endorsement in Part Two of the report.

(The meeting started at 6.00 pm
and ended at 6.58 pm).