



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

*Minutes of a meeting held on 24 September 2012  
at the Civic Offices, Fareham*

**PRESENT:**

Councillor T G Knight  
(Chairman)

Councillor L Keeble  
(Vice Chairman)

**Councillors:** P J Davies, J M Englefield, Miss T G Harper, Mrs K Mandry and D J Norris.

**1. APOLOGIES FOR ABSENCE**

There were no apologies received for this meeting.

**2. MINUTES**

RESOLVED that the minutes of the meeting of the Audit Committee held on 28 June 2012 be confirmed and signed as a correct record ([au-120628-m](#)).

**3. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman welcomed Mark Catlow to the meeting and announced that it may be Mark's last appearance at this Committee.

**4. DECLARATIONS OF INTEREST**

There were no declarations of interest made at this meeting.

**5. DEPUTATIONS**

There were no deputations made at this meeting.

## MATTERS SUBMITTED FOR CONFIRMATION

### 6. REVIEW OF FINANCIAL REGULATIONS 4 (AUTHORISATION LIMITS), 8 (REVENUE BUDGETS), 9 (CAPITAL PROGRAMME)

The Committee considered a report by the Director of Finance and Resources on the proposed changes to Financial Regulations 4, 8 and 9 (copy of report - [au-120924-r07-eha](#) refers)

The Committee debated the recommendations on this item at length and expressed concern over the recommendation for the delegated power to be given to the Chief Finance Officer to be able to amend authorisation limits as set out in Regulation 4. It was agreed that this recommendation be removed from the report.

RECOMMENDED to Council that the changes proposed to revise these regulations, as set out in Appendix E and F be approved.

## DECISIONS UNDER DELEGATED POWERS

### 7. EXTERNAL AUDIT ANNUAL GOVERNANCE REPORT

The Committee considered a report by the Director of Finance and Resources on the External Auditor's Annual Governance Report (Appendix A) which summarised the findings from the 2011/12 audit (copy of report [au-120924-r01-awa](#) refers).

At the invitation of the Chairman, Mark Catlow, Senior Manager at the Audit Commission addressed the Committee to present the Audit Annual Governance Report. He also announced that due to the imminent demise of the Audit Practice on the 1<sup>st</sup> November 2012 he will no longer attend the Committee in his current capacity.

RESOLVED that:-

- (a) the Committee note the content of the Annual Governance Report (as at Appendix A of the report) and;
- (b) the Committee agree that the Director of Finance and Resources signs the letter of Representation on behalf of the Council (as at Appendix B of the report)

### 8. STATEMENT OF ACCOUNTS 2011/12

The Committee considered a report by the Director of Finance and Resources on the annual statement of accounts in accordance with regulations issued by the Secretary of State. (copy of report [au-120924-r04-cha](#) refers).

At the invitation of the Chairman, the Finance Strategy and Development Manager addressed the Committee to provide a presentation on the statement

of accounts. At the end of this presentation the Director of Finance and Resources addressed the Committee to explain that since the Statement of Accounts had been completed there had been a change to the political groups within the Council, and that the Statement of Accounts had been updated to reflect this information.

RESOLVED that the Committee approve the Statement of Accounts for 2011/12 as set out in Appendix A of the report and that they be signed by the Chairman and Director of Finance and Resources and published by 30 September 2012.

## **9. ANNUAL GOVERNANCE STATEMENT 2011/12**

The Committee considered a report by the Director of Finance and Resources on the 2011/12 Annual Governance Statement. (copy of report - [au-120924-r05-eha](#) refers).

The Committee debated the report and suggested that the paragraph concerning local service agreements be re-phrased in order to make it clearer that the local service refers just to Fareham Borough Council.

RESOLVED that the Committee approve the Annual Governance Statement for 2011/12, subject to the inclusion of the phrase "that sets out the services the Council provides across the Borough" to clarify the purpose of Local Service Agreements, as set out on page 3 of Appendix B of the report.

## **10. RISK MANAGEMENT POLICY**

The Committee considered a report by the Director of Regulatory and Democratic Services on a new Risk Management Policy (copy of report - [au-120924-r06-eha](#) refers).

RESOLVED that the Committee approve and adopt the new Risk Management Policy, subject to the inclusion, under the section on Training and Embedding, of periodic training for all elected members.

## **11. QUARTERLY INTERNAL AUDIT REPORT – QUARTER 2 – 2012/13**

The Committee considered a report by the Director of Finance and Resources on the latest internal audit work to be finalised and was given an update on the completion of the remaining audits from previous plans and the new audits planned for 2012/13. (copy of report [au-120924-r08-age](#) refers).

RESOLVED that the Committee received and noted the content of the report.

## **12. LEGAL UPDATE – PROTECTION OF FREEDOM ACT 2012**

The Committee considered a report by the Director of Regulatory and Democratic Services on the changes in law relating to the Council's use of

covert investigation methods that will arise from the enactment of the Protection of Freedoms Act 2012 (copy of report [au-120924-r09-eha](#) refers)

RECOMMENDED that the content of the report be noted and that an update to the Corporate RIPA Policy and Procedures, in response to the Protection of Freedoms Act 2012 be reported to the Executive for approval.

(The meeting started at 6:00pm  
and ended at 8.24pm).