

# FAREHAM

BOROUGH COUNCIL

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

**Date:** Monday, 11 March 2019

**Venue:** Collingwood Room - Civic Offices

**PRESENT:**

**Councillor** J E Butts (Chairman)

**Councillor** S D Martin (Vice-Chairman)

**Councillors:** T Davies, Mrs T L Ellis, Mrs C Heneghan, J G Kelly and I Bastable (deputising for P J Davies)

**Also  
Present:**



**1. APOLOGIES**

An apology of absence was received from Councillor P J Davies.

**2. MINUTES**

RESOLVED that the Minutes of the Audit and Governance Committee meeting held on the 26 November 2018 be confirmed and signed as a correct record.

**3. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman made the following announcement –

**Update on framework agreements (housing contracts)**

Members may recall that the following the Head of Audit's Annual report in July 2017, the Committee asked to receive an update on the actions being taken to put together the framework agreements for spend with contractors and suppliers used by Housing, Property and Building Services, which were breaching the Fareham Borough Council's Contract Procedure Rules.

The Manager Director of Fareham Housing provided the Committee with an update to the approach being taken in July 2018.

I can now inform you that following an OJEU complaint tender, a report went to the Executive in February to award a contract for Void Property Maintenance and Component Improvements (such as kitchens) to Mountjoy Ltd, and that contract is due to start in April 2019 for a period of 3 years.

Work has also progressed on developing a series of framework agreements for a variety of responsive repairs work over the next few months. A contractors' event has recently been held to engage with local businesses which was attended by almost 100 people representing 45 local businesses.

**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. EXTERNAL AUDIT ANNUAL CERTIFICATION REPORT**

The Committee considered a report from the Head of Housing and Benefits on the findings from the 2017-18 certification work carried out by the External Auditors (Ernst and Young).

RESOLVED that the Committee: -

(a) considered the findings of the Annual Certification Report 2017-18 submitted by the Council's external auditors; and

(b) commented on the findings as appropriate.

## **7. EXTERNAL AUDIT ANNUAL PLAN AND FEE**

The Committee considered a report from the Director of Finance and Resources on the External Auditor's Annual Plan and Fee.

At the invitation of the Chairman, Jason Jones addressed the Committee to advise of an amendment required to page 5 of Appendix A to the report. Under the Pension and Liability Valuation section, the wording should say – '*The Council's pension fund liability is a material estimated balance and the Code requires that this liability be disclosed on the Council's balance sheet*'. The word liability has replaced the word asset.

RESOLVED that the Committee approved the 2018/19 Audit Plan, attached as Appendix A to this report.

## **8. RISK MANAGEMENT MONITORING REPORT**

The Committee considered the latest Risk Management Monitoring Report from the Director of Finance and Resources as evidence that the Council's Risk Management Policy is effective.

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

## **9. TREASURY MANAGEMENT POLICY AND STRATEGY**

The Committee received a report by the Director of Finance and Resources on the Treasury Management Policy and Strategy.

RESOLVED that the Committee noted the Treasury Management Strategy and Prudential Indicators for 2019/20, attached as Appendix A to this report.

## **10. INTERNAL AUDIT CHARTER AND STRATEGY**

The Committee considered a report by the Head of Finance and Audit on the Internal Audit Charter and Strategy.

RESOLVED that the Committee: -

(a) approved the Internal Audit Charter attached as Appendix A to the report; and

(b) approved the Internal Audit Strategy attached as Appendix B to the report.

## **11. INTERNAL AUDIT ANNUAL PLAN**

The Committee considered a report by the Director of Finance and Resources on the delivery of proposed Internal Audit work in 2019/20.

RESOLVED that the Committee approved the draft Internal Audit Plan for 2019/20, attached as Appendix A to the report.

## **12. INTERNAL AUDIT PROGRESS REPORT**

The Committee received a report by the Head of Finance and Audit on the latest internal audit work.

RESOLVED that the Committee noted the progress and findings arising from the Internal Audit work.

## **13. CONSTITUTION UPDATE**

The Committee considered a report by the Monitoring Officer on updates made to the Council's Constitution.

RESOLVED that the Committee: -

- (a) agreed the updates to the Constitution as set out in Appendix A and B to the report; and
- (b) recommend the updates to Council for approval.

## **14. ANNUAL REPORT OF THE COMMITTEE**

The Committee considered a report by the Head of Finance and Audit on the Annual Report of the Audit and Governance Committee.

RESOLVED that the Committee: -

- (a) noted the contents of the report; and
- (b) submits the Committee's Work Programme for 2019/20, as shown in Appendix A, to Council for endorsement.

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