

FAREHAM

BOROUGH COUNCIL

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

Date: Monday, 19 October 2020

Venue: Microsoft Teams Virtual Meeting

PRESENT:

Councillor J E Butts (Chairman)

Councillor S D Martin (Vice-Chairman)

Councillors: S Cunningham, P J Davies, T Davies, Mrs T L Ellis and J G Kelly

**Also
Present:**



1. APOLOGIES

There were no apologies of absence received at the meeting.

2. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement: -

I would like to welcome back the Committee as we have been on hold for a number of months to allow the Council and its officers to respond to the initial phase of the pandemic. We have had to cancel 2 of our meetings: one in March, which had been scheduled during the first week of lock down and another one in July.

We will be talking about the work programme for the Committee in item 6 of the agenda but I want to assure members that the majority of the items we have missed are being picked up in future meetings of the Committee. We are also not in danger of missing any statutory deadlines, as many of these have been adjusted by the government in specific Covid 19 legislation.

However, it does mean that the agenda for the next 2 meetings are longer than usual and I welcome your forbearance in making sure that we continue to carry out the full functions of the Committee.

I would also like to highlight that one of the roles of the Committee is to review the Council's risk management arrangements and the pandemic is an extreme example of risk management in practice. As you know, management have been keeping us up to date with how they have been responding to the pandemic and I encourage you to keep abreast of all the Council's individual recovery plans as they get discussed at the Executive Committee. You will also see when the Statement of Accounts are presented at the next Committee meeting, that there is a detailed section contained in the Narrative Report explaining how the Council has been managing the impacts of the pandemic on the Council's financial position.

If there are no immediate comments on this, we will continue with today's agenda items.

3. MINUTES

RESOLVED that the Minutes of the Audit and Governance Committee meeting held on the 25 November 2019 be confirmed and signed as correct record.

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. ANNUAL REPORT OF THE AUDIT AND GOVERNANCE 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 Audit and Governance Committee: -

- (a) note the contents of the report; and
- (b) submit the revised work programme for 2020/21, as set out in Appendix C, to Council for endorsement.

7. EXTERNAL AUDITS ANNUAL CERTIFICATION REPORT

The Committee considered a report from the Head of Housing and Benefits on the findings from the 2018/19 certification work carried out by the External Auditors, KPMG.

RESOLVED that the Audit and Governance Committee: -

- (a) considered the findings of the Annual Certification Report 2018/19 submitted to the Department for Work and Pensions by the Council's external auditors; and
- (b) commented on the findings as appropriate.

8. COUNTER FRAUD ANNUAL REPORT

The Committee considered the Annual Counter Fraud Report by the Head of Finance and Audit.

Members complimented the officers involved in the administration of the Government's various Business Grants Schemes. They also noted that officers were building on the experience gained and the lessons learnt from past Schemes, as new Covid-19 Support Schemes are launched by the Government. The Head of Finance and Audit confirmed that further data in relation to the fraud investigations carried out as a result of the Schemes would be provided in next year's Counter Fraud Report and statistics.

RESOLVED that the Audit and Governance Committee note the contents of the report.

9. EXTERNAL AUDITS ANNUAL PLAN AND FEE

The Committee considered a report by the Deputy Chief Executive Officer on the External Auditor's Annual Plan and Fee for the 2019/20 audit (carried out in 2020/21).

RESOLVED that the Audit and Governance Committee: -

- (a) approved the 2019/20 Audit Plan at appendix A to the report; and
- (b) approved the update attached at appendix B to the report.

10. FIRST YEAR REVIEW OF THE NEW PROCUREMENT AND CONTRACT PROCEDURE RULES

The Committee considered a report from the Head of Finance and Audit and Head of Democratic Services on the first annual review of the new Procurement and Contract Procedure Rules.

RESOLVED that the Audit and Governance Committee note the findings from the first-year review of the new Procurement and Contract Procedure Rules, as a source of assurance on the effectiveness of the procurement internal controls that have been adopted.

11. HEAD OF AUDITS ANNUAL OPINION 2019/20

The Committee considered a report by the Head of Finance and Audit on her Annual Opinion 2019/20.

RESOLVED that the Audit and Governance Committee note the report as a source of evidence for 2019/20 Annual Governance Statement.

12. ANNUAL GOVERNANCE STATEMENT

The Committee considered a report by the Deputy Chief Executive Officer on the 2019/20 Annual Governance Statement.

Members of the Committee requested that an additional paragraph be added to the Annual Governance Statement, within the Community Communication section to highlight the Council's proactive role in seeking ways to consult with harder to reach residents who are not online or who may find it difficult to get to the Community Action Team meetings.

RESOLVED that the Audit and Governance Committee: -

- (a) approve the Annual Governance Statement for 2019/20 as set out at appendix C to the report; and
- (a) identified that the addition of a paragraph be added to the Annual Governance Statement, within the Community Communication section to highlight the Council's proactive role in seeking ways to consult with the harder to reach residents.

13. INTERNAL AUDIT ANNUAL PLAN 2020/21

The Committee considered a report by the Head of Finance and Audit on the Internal Audit Annual Plan for 2020/21.

RESOLVED that the Audit and Governance Committee approved the draft Internal Annual Audit Plan for 2020/21 as attached at Appendix A to the report.

14. INTERNAL AUDIT PROGRESS REPORT

The Committee considered the latest Internal Audit Progress Report by the Head of Finance and Audit.

RESOLVED that the Audit and Governance Committee: -

- (a) noted the progress and findings arising from the Internal Audit work;
and
- (b) approved the close down of the oldest audits of Contract Completion and Leasehold Charges with the issues to be picked up in other areas of work.

(The meeting started at 6.00 pm
and ended at 7.35 pm).