

FAREHAM

BOROUGH COUNCIL

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

Date: Monday, 12 July 2021

Venue: Council Chamber - Civic Offices

PRESENT:

Councillor T Davies (Chairman)

Councillor S D Martin (Vice-Chairman)

Councillors: Mrs T L Ellis, N R Gregory, J G Kelly and S Dugan (deputising for P J Davies)

**Also
Present:**



1. APOLOGIES

Apologies of absence were received from Councillors P Davies and G Fazackarley.

2. MINUTES

RESOLVED that the Minutes from the Audit and Governance Committee held on the 15 March 2021 be agreed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement –

As this is the first meeting of the new municipal year and we have a few new Members to the Committee, I thought it would be appropriate to use my announcement this evening to introduce the Committee and explain a little about its purpose.

The Audit and Governance Committee is a key component to the Council's corporate governance, providing an independent, high-level focus on the arrangements that underpin good governance and financial standards.

We as a Committee are not here to probe into operational matters or question service delivery, our role is to seek assurance and provide a strategic overview in order to ensure efficient and effective reporting, control and assurance arrangements are in place.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. EXTERNAL AUDIT ANNUAL PLAN AND FEE

The Committee received a report by the Deputy Chief Executive Officer on the Annual Plan and Fee from the External Auditors Ernst and Young. Kevin Suter, Associate Partner from Ernst and Young, addressed the Committee to deliver his Audit Planning report as set out in Appendix A to the report.

Members expressed concern over the delay in meeting the 30 September 2021 statutory deadline for the audited accounts. The Associate Partner explained how the pandemic had impacted on their clients and them, which had ultimately led to them making this difficult decision. The Head of Finance and Audit advised the Committee that, although the revised timing of the audit would cause a problem for officers, they would strive to support the audit as best they could. She also noted that Ernst and Young have done well in the past to meet the revised deadlines set by the government, so anticipated that they would be working together to make the revised timeline achievable.

RESOLVED that the Committee approve the proposed Plan of work for the external audit of the 2020/21 year, attached as Appendix A to the report.

7. COUNTER FRAUD ANNUAL REPORT

The Committee received the Annual Counter Fraud report from the Head of Finance and Audit, which updated Members on the counter fraud work carried out in the last twelve months including the numbers and outcomes of fraud cases.

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

8. ANNUAL GOVERNANCE STATEMENT

The Committee received a report from the Head of Finance and Audit on the 2020/21 Annual Governance Statement for member approval before publishing with the Statement of Accounts.

RESOLVED that the Committee: -

- a) approve the Annual Governance Statement for 2020/21, as attached as Appendix C to the report; and
- b) considered any changes.

9. INTERNAL AUDIT ANNUAL PLAN

The Committee received a report from the Head of Finance and Audit presenting a draft plan of Internal Audit work proposed for delivery in 2021/22.

RESOLVED that the Committee approve the draft Annual Audit Plan for 2021/22 as attached as Appendix A to the report.

10. INTERNAL AUDIT PROGRESS REPORT

The Committee received the Internal Audit report from the Head of Finance and Audit, providing the assurances arising from the latest internal audit work and giving an update on the progress being made with delivering the audit plans.

Members of the committee praised the Internal Audit Team for their hard work during the Covid-19 pandemic in keeping the progress of the Audit Plan on track.

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

11. HEAD OF AUDITS ANNUAL OPINION

The Committee received a report from the Head of Finance and Audit setting out the overall assurance opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control in 2020/21.

RESOLVED that the contents of the report are noted by the Committee as a source of evidence for the 2020/21 Annual Governance Statement.

12. REVIEW OF WORK PROGRAMME

The Committee received a report from the Head of Finance and Audit which reviewed the current work programme for the Committee.

RESOLVED that the Audit and Governance Committee approve the work programme for the rest of the municipal year, as shown in Appendix A to the report.

(The meeting started at 6.00 pm
and ended at 7.02 pm).