

FAREHAM

BOROUGH COUNCIL

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

Date: Thursday, 7 July 2022

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Ms F Burgess (Chairman)

Councillor R Bird (Vice-Chairman)

Councillors: Mrs T L Ellis, J M Englefield, D J Hamilton and S D Martin

**Also
Present:**



1. APOLOGIES

An apology of absence was received from Councillor N Gregory.

2. MINUTES

RESOLVED that the Minutes of the Audit and Governance Committee held on the 14 March 2022 be signed and agreed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement –

I would like to pass on my thanks to the previous Chairman of this Committee Tom Davies and Vice-Chairman Councillor S Martin. I am delighted to have been appointed Chairman for this municipal year and am grateful for the experience of Councillors, Mrs T Ellis, S Martin and N Gregory who have been on this Committee for a number of years. I would also like to welcome Councillors D Hamilton, J Englefield and Vice-Chairman Councillor R Bird as new Members of the Committee. I look forward to working with you all this year.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at the meeting.

5. DEPUTATIONS

No deputations were received at this meeting.

6. MONITORING OFFICER REPORT

The Committee received the Monitoring Officer report from the Council's Monitoring Officer. The reports outlined the purpose of the Audit and Governance Committee in line with the Committee's functions. It also confirmed the Committee's work programme and asked Members to approve updates to the Council's Constitution. The report is set out in two parts. Part One provided details of items for noting and Part Two set out those items for approval or endorsement.

The Monitoring Officer explained that this is the first report of this type to be delivered to the Audit and Governance Committee and will be a standard report on every meeting agenda. She also highlighted to Members that the incorrect document had been appended at appendix D. The correct version was tabled at the meeting. The Monitoring Officer explained that as the Committee were being asked to approve the addition of the document to the Constitution and not approve the document itself, this error doesn't affect the Committees ability to recommend the updates for approval.

RESOLVED that the Audit and Governance Committee: -

- a) note the contents of Part One of the report; and
- b) recommend that Council approve the updates to the constitution set out in Part Two.

7. EXTERNAL AUDIT - ANNUAL REPORT & VALUE FOR MONEY COMMENTARY

The Committee received a report from the Deputy Chief Executive Officer which presents the External Auditor's Annual Audit Report for 2020/21.

The Committee raised concerns over the increased fees outlined on page 72 of the agenda pack, as these are significantly higher than the PSAA scale fee and a £20,000 increase on the previous year. The Deputy Chief Executive Officer addressed the Committee to reassure Members that although Officers do accept some of the reasons for the increase in Ernst & Youngs fees, the Council have formally challenged the fees with the PSAA. The outcome of the challenge should be provided to the Council later this year. The Chairman asked that the Committees support to the Council's challenge be noted.

RESOLVED that the Audit and Governance Committee notes the contents of the Annual Audit Report 2020/21 submitted by the Council's external auditors, attached as Appendix A.

8. COUNTER FRAUD ANNUAL REPORT

The Committee received a report from the Head of Finance and Audit providing an update on the counter fraud work carried out in the last 12 months including the numbers and outcomes of fraud cases.

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

9. HEAD OF AUDITS REPORT

The Committee received the Head of Audits report from the Head of Finance and Audit providing Members with the assurances arising from the latest internal audit work. It also gave an update on the progress being made with setting and delivering the audit plans.

RESOLVED that the Audit and Governance Committee: -

- a) note the progress of the internal audit work; and
- b) approve the interim annual audit plan for 2022/23.

(The meeting started at 6.00 pm
and ended at 6.56 pm).