

FAREHAM

BOROUGH COUNCIL

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

Date: Monday, 26 September 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 and D J Hamilton

**Also
Present:**



1. APOLOGIES

Apologies of absence were received from Councillors S Martin and N Gregory.

2. MINUTES

RESOLVED that the Minutes of the Audit and Governance Committee held on the 07 July 2022 be signed and agreed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement regarding the appointment of the Council's External Auditors: -

The national tender process to appoint the next external auditors has not yet reached a conclusion. Instead, the body overseeing the tender on our behalf, PSAA (Public Sector Audit Appointments Ltd), issued the following press release on 24th August:

PSAA's current procurement of local audit services is about to enter a concluding stage. The initial process has secured 96.5% of the capacity required to enable auditor appointments to all the bodies that have opted into PSAA's national scheme. A rapid supplementary procurement of four small-sized Lots will now take place to seek to secure the remaining outstanding capacity needed.

The supplementary procurement was launched on the 25th August 2022. The nine registered suppliers that completed pre-qualification earlier this year were invited to submit their responses by the 13th September.

PSAA will make a full statement about the outcomes of the overall procurement in September as soon as the process has reached its conclusion.

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 the meeting.

6. EXTERNAL AUDIT - ANNUAL PLAN AND FEE

The Committee received a report by the Deputy Chief Executive Officer on the External Auditors plan for the audit of the 2021/22 accounts and their proposed fee

Members were asked to approve the plan and the fees outlined in appendix A. The Council has challenged the variations proposed for the 2019/20 fee with

the PSAA (Public Sector Audit Appointments) who regulate the external audit fees. This challenge remains outstanding. The Chairman asked that the Committee approve the proposed fees for 2021/22 subject to them being subsequently reviewed should the PSAA not uphold the variations proposed for 2019/2020. Jason Jones from Ernst and Young LLP agreed that an appropriate commentary can be added to page 48 and would be discussed with officers outside of the meeting.

RESOLVED that the Committee: -

- a) approved the 2021/22 Audit Plan, attached at appendix A to the report; and
- b) approve the 2021/22 fees, subject to any changes agreed being reflected, should the PSAA uphold the Council's challenge of the 2019/20 fees.

7. MONITORING OFFICER REPORT

The Committee received a report from the Monitoring Officer on items which require reporting, but do not necessarily justify a full report being brought to the Committee for consideration.

RESOLVED that the Committee: -

- a) note the contents of Part One of the report, including the Local Government and Social Care Ombudsman (LGSCO) annual letter and the overview of complaints against Members of the Council; and
- b) recommend that Council endorse the updates to the Constitution set out in Part Two of this report

8. HEAD OF AUDITS ANNUAL OPINION

The Committee received a report by the Head of Finance and Audit on the internal Audit Annual Opinion.

RESOLVED that the contents of the report are noted as a source of evidence for the 2021/22 Annual Governance Statement.

9. ANNUAL GOVERNANCE REPORT

The Committee received the Annual Governance Statement Report from the Head of Finance and Audit.

Members queried page 132 of the agenda pack, as it appeared that text was missing from point 11 on this page. Officers will ensure this is rectified prior to the Annual Governance Statement being published on the website.

RESOLVED that the Committee: -

- a) approves the Annual Governance Statement for 2021/22, as attached at Appendix C of the report; and
- b) subject to the missing text on page 132, point 11 being added before publication.

10. THE HEAD OF AUDITS QUARTERLY REPORT

The Committee received a report by the Head of Finance and Audit on the Head of Audits Quarterly Report.

RESOLVED that: -

- a) the Audit and Governance Committee notes the progress and findings arising from Internal Audit work; and
- b) the Audit and Governance Committee approves the proposed full plan for the 2022/23 audit year as set out in Appendix Three

(The meeting started at 6.03 pm
and ended at 7.02 pm).