

FAREHAM

BOROUGH COUNCIL

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

Date: Thursday, 20 July 2023

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Ms F Burgess (Chairman)

Councillor R Bird (Vice-Chairman)

Councillors: Mrs T L Ellis, H P Davis, D J Hamilton and M R Daniells
(deputising for S D Martin)

**Also
Present:**

1. APOLOGIES

An apology of absence was received from Councillor S D Martin.

2. MINUTES

RESOLVED that the Minutes of the Audit and Governance Committee meeting held on the 13 March 2023 be agreed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement: -

Members of the Committee will recall that the Council challenged the External Audit fees for 2020/21. I am happy to report that following a review by the PSAA, the audit fee variation has been approved. The fee variation originally proposed by EY was £49,827, and following the review was reduced by £16,278 to £33,549. With the scale fee being £37,137, the total audit fee for 2020/21 was reduced to £70,686.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

No deputations were received at the meeting.

6. COUNTER FRAUD ANNUAL REPORT

The Committee received a report from the Neighbourhood Manager on the Counter Fraud Annual Report which provided an update to the Committee on the counter fraud work carried out in the last 12 months including the numbers and outcomes of fraud cases.

Members asked questions for clarification on various sections of the report to gain a greater understanding of the policies and measures in place to protect the Council against fraud. Members of the Committee asked about the empty properties within the Borough and how these are checked to avoid owners fraudulently claiming for grants and benefits on properties they don't occupy. Officers explained that this is a challenge and although duplicate claims are identified via mandatory data matching exercises, the fraud team are heavily reliant on people reporting empty properties to them.

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

7. HEAD OF INTERNAL AUDITS QUARTERLY REPORT

The Committee received the Head of Internal Audits Quarterly Report from Mark Somerset, Audit Manager from the Council's audit partners at Portsmouth City Council. The report provided an update on the progress being made with setting and delivering the audit plans.

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

8. ANNUAL GOVERNANCE STATEMENT

The Committee received a report by the Head of Finance and Audit on the Annual Governance Statement, which brings the 2022/23 Annual Governance Statement for member approval before publishing with the Statement of Accounts.

RESOLVED that the Committee: -

- a) approved the Annual Governance Statement for 2022/23, as attached at Appendix C of the report; and
- b) considered any changes required.

9. HEAD OF INTERNAL AUDITS ANNUAL OPINION

The Committee received a report on the Head of Internal Audits Annual Opinion which sets out the Internal Audit coverage, findings and performance for 2022/23. Elizabeth Goodwin from the Internal Audit Partners at Portsmouth City Council delivered the report to the Committee.

Members queried the contents of Table 2 at paragraph 13 of the report. Although the information is to provide a comparison on the implemented recommendations from previous year, Members asked that more detail be provided in future reports to allow Members a greater understanding as to what type of recommendations were implemented, closed or in progress each year as a comparison.

The report contained details on the Council's annual review of the partnership governance arrangements. Members of the Committee asked for assurances as to the Council's commitment to the various partnerships. Officers explained that all the partnerships have robust constitutional or contract agreements in place that protect the Council should it wish to cease arrangements.

RESOLVED that the contents of the report are noted as a source of evidence for the 2022/23 Annual Governance Statement.

10. MONITORING OFFICER REPORT

The Committee received the Monitoring Officer Report which seeks to update Members on a variety of assurances which are within the functions of the Audit and Governance Committee that do not require a full report in their own right.

RESOLVED that the Audit and Governance Committee: -

- a) notes the contents of Part One of the report;
- b) considers the matters for endorsement in Part Two of the report; and
- c) recommends that Council endorses the: -
 - i. changes to the Petition Scheme as set out in Appendix B;
 - ii. changes to Part 3, Chapter 5 - Decision Making by Individual Members of the Executive and Key Decisions by Officers set out in Appendix C; and
 - iii. revisions to Part 6 – Scheme of Delegation to Individual Members of the Executive.

(The meeting started at 6.00 pm
and ended at 6.51 pm).