

**AUDIT AND GOVERNANCE COMMITTEE**

**5 March 2020**

Attendance:

Councillors

Power (Chairperson)

Achwal  
Becker  
Bentote  
Bronk  
Gemmell

Gottlieb  
Laming  
Mather  
Miller

Others in attendance who addressed the meeting:

Councillor Cutler (Deputy Leader and Cabinet Member for Finance and Risk)  
Councillor Tod (Cabinet Member for Service Quality and Transformation)

Audio recording of the meeting

A full audio recording of this meeting is available via this link:

[Full Audio Recording](#)

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1. **APOLOGIES AND DEPUTY MEMBERS**

Apologies were received from Councillor Godfrey.

2. **DISCLOSURE OF INTERESTS**

No declarations of interest were made.

3. **CHAIRPERSON'S ANNOUNCEMENTS**

The Chairperson announced that training for Committee members on Risk Management would take place on Wednesday 11 March 2020 at 6:30pm in the Walton Suite, Guildhall, Winchester.

4. **TO NOTE THE AUDIT AND GOVERNANCE WORK PROGRAMME 2019 2020**

RESOLVED:

That the Audit and Governance Work Programme for 2019/20 be noted.

5. **MINUTES OF THE PREVIOUS MEETING OF THE AUDIT AND GOVERNANCE COMMITTEE HELD ON 9 JANUARY 2020**

In reply to a Member's question, the Strategic Director: Resources clarified that the item on ways to report on the post implementation review of projects would be reported to the next meeting of the Committee in June 2020.

RESOLVED:

That the minutes of the previous meeting held on 9 January 2020 be approved and adopted.

6. **PUBLIC PARTICIPATION**

Mr Ian Tait asked questions on how the Council's investment in the Heritable Bank had been resolved and also on Report AG0024 - Housing Revenue Account Risk and Viability in relation to the Section 106 financial contribution from the North Whiteley urban extension and how it could be delivered through the Housing Revenue Account for the offsite construction of 350 units of accommodation.

7. **PLANNING FOR AND THE AUDIT OF ACCOUNTS 2019/20 AG0026**

Mr Suter and Mr Sutterford from EY introduced the Report.

Members raised questions or commented regarding the content of the Report and the representatives of EY and officers responded.

RESOLVED:

1. That the report in respect of the Council's Statement of Accounts for 2019/20 be noted.

2. That the Audit Planning Report be noted.

8. **ANNUAL AUDIT LETTER 2018/19 AG014**

Mr Suter from EY introduced the Report.

Members raised questions or commented regarding the content of the Report and the representatives of EY and officers responded.

RESOLVED:

That the Annual Audit Letter 2018/19 be accepted.

9. **INTERNAL AUDIT PLAN 2020/21 AG0020**

Mr Harvey and Ms Davies from Southern Internal Audit Partnership were in attendance for this item.

Members raised questions or commented regarding the content of the Report and Mr Harvey and the officers responded.

RESOLVED:

That the Internal Audit Plan for 2020/21 as set out in Appendix 1 be approved.

10. **INTERNAL AUDIT CHARTER 2020/21 AG0021**

Mr Harvey and Ms Davies from Southern Internal Audit Partnership were in attendance for this item.

RESOLVED:

That the Internal Audit Charter as set out in Appendix 1 of the Report be approved.

11. **CERTIFICATION OF HOUSING BENEFITS CLAIM 2018-19 AG0022**

Members raised questions or commented regarding the content of the Report and the officers responded.

RESOLVED:

That the Annual Report attached as Appendix 1 to the Report be noted.

12. **GOVERNANCE QUARTERLY UPDATE - QUARTER 3 2019/20 AG0023**

Mr Harvey and Ms Davies from Southern Internal Audit Partnership were in attendance for this item.

The Strategic Director: Resources updated the meeting that the number of overdue audit actions had now been reduced to 10 from 12 at the time of publication of the Report. In addition, on Appendix 3 (page 163) on the Outstanding Code of Conduct Complaints, the complaint made on the 4 April 2019 had now been determined by the Standards (Determination) Sub Committee and a decision notice was being issued.

Members raised questions or commented regarding the content of the Report and Mr Harvey and the officers responded.

RESOLVED:

That the content of the Report and the progress against the Internal Audit management actions be noted.

13. **HOUSING REVENUE ACCOUNT RISK AND VIABILITY AG0024**

The Housing Finance and Resources Manager and the Service Lead - New Home Delivery presented the Report

Members raised questions or commented regarding the content of the Report and the officers responded accordingly.

RESOLVED:

That the Committee recommends retaining the existing New Build viability tests, including the scheme payback test of 35 years and that the comments raised about the New Build viability tests in preparation for the forthcoming New Build Development Strategy paper be noted.

14. **LOCAL CODE OF CORPORATE GOVERNANCE 2020 AG0025**

Members raised questions or commented regarding the content of the Report and the officers responded accordingly.

At the invitation of the Chairperson, Councillor Cutler commented that previously the Local Code of Corporate Governance was included with the Annual Governance Statement. The Code is now reported as a separate item which was before Committee for consideration. The Annual Governance Statement which focusses on the actions taken by the council to implement the Code will be reported to the next meeting of the Committee.

Following debate, the Committee agreed methods to improve the future presentation of the Report as set out in resolutions 2 and 3 below.

RESOLVED:

1. That the Local Code of Corporate Governance 2020 as set out in Appendix 1 be approved.
2. That future reports include a narrative within the covering report to highlight changes over the previous year's version.
3. That the Corporate Governance Framework (Appendix 2) be expanded in future reports to show how the individual documents relating to evidence of good governance respond to the principles of the Code.

15. **COMPLAINTS AND THEIR RESOLUTION AG0027**

At the invitation of the Chairperson, Councillor Tod introduced the Report.

Following debate, Members of the Committee suggested methods to improve the process and procedure of dealing with complaints as set out in resolution 2 below.

RESOLVED:

1. That the findings within the report and the steps that are being undertaken to improve the council's management and response to complaints be noted.

2. That the officers give consideration to further methods to improve the council's management and response to complaints including further considering the content of equality impact assessments; analysis of the banding of responses at Stage one and Stage two of complaints as part of the performance data, including telephone calls that are dropped; and whether constituent's complaints taken forward by Ward Councillors as case work could be captured by the Council's complaints recording system.

The meeting commenced at 6.30 pm and concluded at 8.30 pm

Chairperson