

AUDIT AND GOVERNANCE COMMITTEE

Thursday, 10 November 2022

Attendance:

Councillors
Cutler (Chairperson)

Bronk
Achwal
Bolton
Craske

Godfrey
Laming
Miller

Members in attendance who spoke at the meeting

Councillor Power (Cabinet Member for Finance and Value)

Other members in attendance:

Councillors Becker and Clear

[Audio and video recording of this meeting](#)

1. **APOLOGIES**

Apologies were received as noted above.

2. **DISCLOSURE OF INTERESTS**

Councillor Craske declared a personal (but not prejudicial) interest with regards to his employment with KPMG, who provided audit services to the Council.

3. **CHAIRPERSON'S ANNOUNCEMENTS**

Councillor Cutler announced that an additional meeting would be held on 15 December 2022 to consider both the Audit results report for 2021/22 and the Annual Financial Report 2021/22.

4. **AUDIT & GOVERNANCE WORK PROGRAMME 2022/23**

RESOLVED:

That the contents of the work programme for the remainder of 2022/23 be noted.

5. **MINUTES OF THE PREVIOUS MEETINGS HELD ON 29 JUNE AND 21 JULY 2022**

RESOLVED:

That the minutes of the previous meetings held on 29 June and 21 July 2022 be approved and adopted.

6. **PUBLIC PARTICIPATION**

There were no questions asked or statements made.

7. **TREASURY MANAGEMENT MID-YEAR MONITORING 22/23**
(AG094)

Alan Kitcher (Hampshire County Council) introduced the report and responded to Members' questions thereon.

The Strategic Director and Section 151 officer agreed to provide further information to the committee, outside of the meeting, regarding the schedule of repayments due on the PWLB borrowing for the Housing Revenue Account loans

RESOLVED:

That the Treasury Management Mid-Year Monitoring Report 2022/23 be noted.

8. **FINAL REPORT AND PAY POLICY STATEMENT 23/24**
(AG092)

Due to a potential pecuniary interest, the Corporate Head of Finance left the room during consideration of the proposed special responsibility allowance payment to a S151 officer who was not a Chief Officer.

The Service Lead – Human Resources advised that as outlined in paragraph 4.6.3, a review had been undertaken of the proposed payment to the council's statutory officers where the posts was not held by a Chief Officer. The review had involved South East Employers and comparisons with other councils. Consequently, it was suggested that the special responsibility allowance for the council's Monitoring Officer or s151 Officer (where not a Chief Officer) be set at £6,000 gross per annum. This was agreed to be recommended to council.

The Service Lead introduced the remainder of the report and responded to questions from Members' thereon.

One member highlighted a number of minor corrections in terms of typos and presentation style which required addressing prior to agreement of council. The Service Lead agreed to make these changes.

RECOMMENDED (TO COUNCIL):

That having regard to the comments of the committee (minor corrections and the amendment to note that the special responsibility allowance for the council's Monitoring Officer or s151 Officer (where not a Chief Officer) be set at £6,000 gross per annum), a revised version of the Pay Policy Statement for the financial year 2023/24 be produced and presented to full Council for adoption.

9. UPDATE ON EMPLOYEE ATTITUDE SURVEY AND RELATED MATTERS (AG085)

The Service Lead – Human Resources (HR) introduced the report and responded to Members' questions thereon. It was suggested that future reports include a comparison with the previous year's survey and that the length of tenure of staff leaving could also be monitored.

Members congratulated the council's management team on the results which were generally very positive.

RESOLVED:

1. That HR work on a revised appraisal form which more clearly links to council objectives and the council's values (for implementation in April 2023).
2. That HR support managers with training on appraisals and that the experience and effectiveness of the appraisal meetings be reviewed by seeking feedback from staff and managers.
3. That additional focus be given to the understanding of the council's Equality, Diversity and Inclusion policy.
4. That the well-established meetings between HR and the recognised trade union continue in order to support organisational development and effectively manage organisational change.
5. That a survey of staff attitudes be undertaken at least every 12 months.

10. RISK MANAGEMENT STRATEGY - REVIEW (AG087)

Councillor Power (Cabinet Member for Finance and Value) thanked those members who had attended the risk management workshop and requested any suggestions about how future workshops could be improved.

The Service Lead – Corporate Support introduced the report.

Councillor Cutler highlighted ongoing discussions with key officers and members regarding whether there was a need to review the way risks are monitored in view of the current, volatile economic climate.

RESOLVED:

That the contents of the report be noted.

11. **QUARTER 1 AND QUARTER 2 GOVERNANCE MONITORING**
(AG086)

The Corporate Head of Strategic Support introduced the report and advised of an amendment to the Corporate Risk Register contained in Appendix 4 of the report; to correct the original risk rating for risk CR007 to be identical to the residual risk rating. The Strategic Director explained that the impact rating had been increased due to the current national economic uncertainty resulting in the mitigation measures being taken by the council being insufficient at this stage to reduce the overall risk level.

Anthony Harvey (Southern Internal Audit Partnership) was present at the meeting and responded to Members' questions on Appendix 2 to the report.

The Corporate Head of Strategic Support confirmed that the Monitoring Officer had advised that dealing with the outstanding code of conduct complaints was her main focus of work for the next few months and she was making good progress.

RESOLVED:

That the content of the report and the progress against the internal audit management actions be noted.

12. **MONITORING OFFICER'S ANNUAL REPORT 2021/22**
(AG093)

It was noted that the Monitoring Officer was unable to attend the meeting but had given members the opportunity to submit written questions on the report. No such questions had been received prior to the meeting and members raised no comments or questions at the meeting itself.

Councillor Cutler provided a brief summary of the likely contents of the forthcoming review of the Council's constitution which would be considered by an informal panel, before submission to Audit and Governance Committee for final recommendation to full Council.

RESOLVED:

That the contents of the report be noted.

The meeting commenced at 6.30 pm and concluded at 7.55 pm

Chairperson