

## **AUDIT AND GOVERNANCE COMMITTEE**

**Thursday, 20 July 2023**

Attendance:

Councillors  
Power (Chairperson)

Chamberlain  
Achwal V  
Godfrey

Gordon-Smith  
Miller

Other members in attendance:

Councillor Tod (Leader and Cabinet Member for Asset Management)  
Councillor Cutler (Cabinet Member for Finance and Performance)

[Video recording of this meeting](#)

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### 1. **APOLOGIES**

Apologies were received from Councillor Becker (Cabinet Member for Community and Engagement) and Councillor Cutler (Cabinet Member for Finance and Performance), the latter joined the meeting virtually to observe only.

### 2. **DISCLOSURE OF INTERESTS**

There were no disclosures of interest made.

### 3. **CHAIRPERSON'S ANNOUNCEMENTS**

Councillor Power provided an update on a future of public sector accounting webinar she had recently attended, including possible future proposals to change public sector accounts to aid their general understandability.

### 4. **AUDIT & GOVERNANCE WORK PROGRAMME 2023/24**

In response to questions, the Strategic Director and Monitoring Officer confirmed that members would continue to be fully involved in the constitution review process, including through meetings of the Constitution Working Group proposed to take place prior to consideration of the report at the next Audit & Governance Committee meeting.

RESOLVED:

That the contents of the work programme be noted.

5. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED:

That the minutes of the previous meeting held on 12 June 2023 be agreed as a correct record.

6. **PUBLIC PARTICIPATION**

There were no members of the public in attendance.

7. **TREASURY MANAGEMENT OUTTURN 22/23**  
(AG109)

Andrew Boutflower (Hampshire County Council) introduced the report and responded to Members' questions thereon. The Chief Finance Officer also responded to questions regarding the impact of reserve balances on the internal borrowing relationship between the Housing Revenue Account and General Fund.

RESOLVED:

That the Annual Treasury Outturn Report 2022/23 be noted.

8. **ANNUAL INTERNAL AUDIT REPORT & OPINION 22/23, LESS EXEMPT APPENDIX**  
(AG111)

Anthony Harvey (Southern Internal Audit Partnership) introduced the report and responded to Members' questions thereon, including confirming that their overall audit opinion for the council compared favourably with other local authorities audited by SIAP.

The Senior Policy and Programme Manager also responded to questions regarding the progress on the project management audit. The Chief Finance Officer confirmed that management actions were in hand to ensure that all staff were reminded of the requirement that all contracts over £5k were included on the Contracts Register.

The Committee members then moved to exempt session to discuss the contents of the exempt appendices before returning to open session to consider the recommendations as set out below.

RESOLVED:

That the Chief Internal Auditor's Annual Report and Opinion for 2022-23 attached as Appendix 1 to the report be noted.

9. **CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT 2022/23**  
(AG110)

The Service Lead - Revenues and Benefits introduced the report and responded to Members' questions thereon.

RESOLVED:

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

10. **WORKFORCE REPORT 22-23**  
(AG102)

The Service Lead - Human Resources introduced the report and responded to members' questions on the following:

- a) Current levels of turnover at the council and measures being taken to reduce this.
- b) Use of apprentices.
- c) The policy enabling staff to work up to 50% of their time at home if they wished to and health and safety monitoring of working conditions at home. The Service Lead advised that a review was in progress and he would report back to the next meeting of the Committee.
- d) The current age profile and ethnic mix of staff.
- e) The opportunities for professional development of staff.

RESOLVED:

That the report be noted.

11. **Q1 GOVERNANCE MONITORING 23/24 (AG107)**  
(AG107)

The Monitoring Officer introduced the report and together with the Corporate Head of Finance responded to members' questions on the following:

- a) The process for monitoring potential trends in complaints received.
- b) Accessing council flats to install fire safety improvements – it was agreed that more detailed information be obtained from Housing Property Services on measures available to the council on ensuring access.
- c) The progress with the council's Transformation Challenge 2025 programme.

RESOLVED:

That the content of the report, including the update provided in the Health & Safety Annual Report 2022/23, and the progress against the internal audit management actions be noted.

12. **DRAFT ANNUAL FINANCIAL REPORT 22/23**  
(AG113)

The Chief Finance Officer introduced the report.

RESOLVED:

That the council's Draft Statement of Accounts for 2022/23 be noted.

13. **EXEMPT BUSINESS:**

RESOLVED:

1. That in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

2. That the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

| <u>Minute Number</u> | <u>Item</u>  | <u>Description of Exempt Information</u>  |
|----------------------|--|---|
| 14                   | Annual internal audit report & opinion 22/23 (exempt appendix) | ) Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Para 3 Schedule 12A refers) |

14. **ANNUAL INTERNAL AUDIT REPORT & OPINION 22/23 EXEMPT APPENDIX**  
(AG111)

Anthony Harvey introduced the contents of the exempt appendix which gave further information regarding the audit review of a service with had concluded with a "limited assurance opinion". He provided assurances regarding the preventative action already undertaken by the council to address the concerns raised.

Mr Harvey and the Chief Finance Officer responded to members' questions regarding measures already taken and future action proposed. It was requested that that regular updates be provided to members as actions are progressed and the Chief Finance Officer agreed to undertake this.

RESOLVED:

That the contents of the exempt appendix be noted.

The meeting commenced at 6.30 pm and concluded at 8.00 pm

Chairperson