

AUDIT AND GOVERNANCE COMMITTEE

Thursday, 18 July 2024

Attendance:

Councillors
Morris (Chairperson)

Chamberlain
Cramoysan

Pinniger
Power

Apologies for Absence:

Councillors Godfrey

Deputy Members:

Councillor Miller

Members in attendance who spoke at the meeting

Councillors Becker (Cabinet Member for Community & Engagement) and Cutler (Cabinet Member for Finance & Performance)

[Video recording of this meeting](#)

1. **APOLOGIES**

Apologies were received from Councillor Godfrey as noted above, with Councillor Miller deputising.

2. **DISCLOSURE OF INTERESTS**

There were no declarations of interest made.

3. **APPOINTMENT OF VICE-CHAIRPERSON FOR 2024/25**

RESOLVED:

That Councillor Chamberlain be appointed as the Vice-Chairperson for the 2024/25 municipal year.

4. **CHAIRPERSON'S ANNOUNCEMENTS**

There were no announcements made.

5. **DATE AND TIME OF FUTURE MEETINGS OF THE COMMITTEE**

RESOLVED:

That the date and time of future meetings, as set out on the agenda, be noted.

6. **THE AUDIT & GOVERNANCE WORK PROGRAMME 2024/25**

RESOLVED:

That the Audit and Governance Committee Work Programme for 2024/25 be approved.

7. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED:

That the minutes of the previous meeting held on 29 February 2024 be approved and adopted.

8. **PUBLIC PARTICIPATION**

There were no members of the public in attendance.

9. **TREASURY MANAGEMENT OUTTURN 23/24**
(AG133)

Gemma Farley (Hampshire County Council) introduced the report and responded to members' questions thereon. The Chief Finance Officer also responded to questions including relating to forecasts of borrowing requirements to fulfil the capital programme.

Councillor Cutler reminded members of the usefulness of attending the upcoming annual Arlingclose presentation to which all members had been invited.

RESOLVED:

That the Annual Treasury Outturn Report 2023/24 be noted.

10. **EXTERNAL AUDIT PLAN 23/24**
(AG137)

Simon Mathers & Charmaine Cruz (EY) introduced the report and responded to members' questions thereon. Mr Mathers advised that the situation remained as previously reported that it was expected that they issue a disclaimer of opinion for the 2022/23 accounts with the intention of delivering the 2023/24 audit on time, in accordance with the audit plan.

The Chief Finance Officer also responded to questions regarding the council's annual revaluation of its assets and budgeting for the auditor's fees.

RESOLVED:

1. That the external auditor's Audit Strategy for 2023/24 and the impact of the disclaiming of the 2022/23 audit opinion be noted.
2. That the indicative 2023/24 annual audit fee be approved.

11. **CERTIFICATION OF CLAIMS & RETURNS ANNUAL REPORT 2022/23**
(AG130)

The Chief Finance Officer introduced the report and responded to members' questions thereon.

Members requested that the Benefits Team be congratulated on their success in achieving a positive annual report year on year.

RESOLVED:

That the Annual Report 2022/23 as set out in Appendix 1 of the report be noted.

12. **WORKFORCE REPORT 23/24**
(AG126)

The Service Lead – Human Resources introduced the report and responded to members' questions thereon.

The Service Lead stated that disclosure of ethnicity and disability status was voluntary for all staff but confirmed that a reminder would be issued to encourage staff to respond to this question should they wish to.

RESOLVED:

That the report be noted.

13. **ANNUAL INTERNAL AUDIT REPORT & OPINION 23/24**
(AG136)

Mark Norton (Southern Internal Audit Partnership) introduced the report and responded to members' questions thereon.

The Chief Finance Officer also responded to queries on a number of matters.

RESOLVED:

That the Chief Internal Auditor's Annual Report and Opinion for 2023-24 be noted as attached as Appendix 1 to the report.

14. **ANNUAL GOVERNANCE STATEMENT 23/24**
(AG131)

The Senior Policy and Programme Manager introduced the report and responded to members' questions thereon.

Members congratulated council officers on achieving a good level of general governance as outlined in the report.

RESOLVED:

1. That the annual governance statement for 2023/24 be approved for inclusion in the Annual Financial Report 2023/24, as set out in Appendix 1 of the report.

2. That the issues arising, and actions identified in Appendix 1 be noted and that progress against the actions be brought back to the Audit and Governance Committee as an appendix to the quarterly governance monitoring report.

15. **Q4 GOVERNANCE MONITORING 23/24**
(AG124)

The Senior Policy and Programme Manager introduced the report and responded to members' questions thereon.

He advised that since the report was produced the audit of Decision Making and Accountability had been finalised, with a substantial assurance opinion from SIAP. Due to the timing, further details would be included in the Q1 report, due to be at the next meeting.

A query was raised in relation to asset management and the statement in paragraph 13.2 of the report that there was a question about condition surveys on council assets. Subsequent to the meeting, further details were provided by the Corporate Head of Asset Management which confirmed details of the Planned Preventative Maintenance regime for operational properties and the full-repairing-and-insuring terms of the vast majority of investment properties. This information has been circulated to all committee members.

The Chief Finance Officer responded to questions regarding the TC25 decision-making structure outlined in Appendix 4 of the report.

RESOLVED:

1. That the content of the report be noted, including the progress against the internal audit management actions.

2. That the code of conduct complaint and resolution as set out in Appendix 2 of the report be noted.

16. **EQUALITY, DIVERSITY & INCLUSION - ANNUAL EQUALITY REPORT 2023/24**
(AG115)

The Senior Policy and Programme Manager introduced the report and responded to members' questions thereon.

Councillor Becker responded to a question regarding the anonymisation of data collected from employees on diversity matters. She thanked the Senior Policy and Programme Manager and team for their work in promoting EDI within the council.

RESOLVED:

1. That the Council's self-assessment of achieving the 'developing' level of compliance against the LGA Equality Framework for Local Government be noted.

2. That the council's equality work undertaken during 2023/24 and the intention to work towards the 'achieving' standard of the framework be noted.

17. **DRAFT ANNUAL FINANCIAL REPORT 23/24**
(AG135)

The Chief Finance Officer introduced the report, for the committee's information only at this pre-audit stage, and responded to members' questions thereon. She confirmed that further training would be arranged for committee members prior to their consideration of the auditor's final report in March 2025. Subsequent to the meeting it was confirmed that training for all Members had been arranged for 23 October 2024.

RESOLVED:

That the report in respect of the council's Draft Statement of Accounts for 2023/24 be noted.

The meeting commenced at 6.30 pm and concluded at 8.30 pm

Chairperson