

AUDIT AND GOVERNANCE COMMITTEE

Thursday, 28 November 2024

Attendance:

Councillors
Morris (Chairperson)

Chamberlain
Cramoysan

Godfrey
Power

Apologies for Absence:

Councillors Pinniger

Deputy Members:

Councillor Brophy

Other members in attendance:

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 Pinniger for whom Councillor Brophy deputised.

2. **DISCLOSURE OF INTERESTS**

There were no declarations of interest made.

3. **CHAIRPERSON'S ANNOUNCEMENTS**

There were no announcements made.

4. **AUDIT & GOVERNANCE WORK PROGRAMME 2024/25**

The number of agenda items scheduled for the next meeting was noted and it was suggested that an additional meeting might be required before the end of the 2024/25 municipal year. The Director (Legal) agreed to consider this further and liaise with the Chair to make any necessary arrangements.

RESOLVED:

That the work programme for the remainder of the 2024/25 municipal year be noted.

5. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED:

That the minutes of the previous meeting held 26 September 2024 be agreed as a correct record.

6. **PUBLIC PARTICIPATION**

There were no members of the public present.

7. **TREASURY MANAGEMENT Q2 REPORT 24/25**
(AG145)

Gemma Farley (Hampshire County Council) introduced the report and advised on an updated Arlingclose forecast on the Bank provided since the report was produced.

Gemma Farley and the Service Lead: Finance responded to questions on the report including providing further detail on paragraph 12.18 of the report and explaining the reason for the difference in the forecast liability since the previous year. It was also confirmed that it was a requirement of the Institute of Public Finance and Accountancy that the report was submitted quarterly to this committee.

RESOLVED:

1. That the Q2 Treasury Management Report for 2024/25 be noted.

2. That it be noted that all treasury management activity in the period was compliant with the council's Treasury Management Strategy.

8. **FINAL REPORT AND PAY POLICY STATEMENT 2025/26**
(AG142)

The Director (Legal) introduced the report which set out the council's pay policy statement 25/26 for consideration and recommendation to Council. He confirmed that there were no material changes to the previous year, with the main differences relating to salaries following the nationally agreed 2024 local government and chief executive pay awards. He and the council's Employee Engagement Partner responded to members' questions.

A correction required to paragraph 5.2 of Appendix 1 of the report was noted to amend the ratio Highest: Lowest to 6:1.5 (rather than “Highest: lowest = 1.5:6” as stated).

RECOMMENDED (TO COUNCIL)

That the Pay Policy Statement for the financial year 2025/26 be adopted.

9. **AUDIT COMPLETION REPORT 2022/23**
(AG143)

Kevin Suter (EY) introduced the report and advised that the key headline was the intention to issue a disclaimer for the 2022/23 audit for reasons that were set out in their report and had been discussed at previous meetings. He emphasised that the disclaimer was not an indication of anything of concern and that the council had a good record of producing yearly accounts and supporting external audit in their work. He stated that the fees to be charged had not yet been agreed by the Public Sector Audit Appointments (PSAA).

Kevin Suter responded to members’ questions including confirming that EY were currently working on the 2023/24 audit with a report scheduled to the next meeting of the committee. However, it was anticipated further backstop dates would be required to deal with the backlog.

RESOLVED:

1. That the matters presented in the auditor’s report (Appendix 1) be noted.
2. That the *Letter of Representation* (Appendix 2) be approved.

10. **ANNUAL FINANCIAL REPORT 22/23**
(AG144)

The Director (Finance) introduced the report and responded to members’ questions.

RESOLVED:

1. That the audited Statement of Accounts 2022/23 be approved as set out in Appendix 1.
2. That the Chair of the Audit & Governance Committee signs the Statement of Responsibilities on page 24 of Appendix 1 to certify the accounts and authorise their issue.

11. **Q2 GOVERNANCE MONITORING**
(AG139)

The Senior Policy and Programme Manager introduced the report, highlighting that in addition to the usual quarterly governance monitoring it also included the annual Corporate Health and Safety report at Appendix 5. Antony Harvey (SIAP) was also present to answer any questions on the Internal Audit progress report (Appendix 2).

The Senior Policy and Programme Manager and Director (Finance) responded to members' question including on the recent IT server issues. It was agreed that an update be brought to a future committee outlining the lessons learned from the incident.

The Senior Policy and Programme Manager also responded to members' questions on Appendix 5 and agreed to provide further detail on the accidents reported and whether any modifications were required to safety arrangements. He also noted a number of recommendations to how the information in this appendix could be amplified together with suggested improvements to its presentation.

RESOLVED:

That the content of the report be noted, including the update provided in the Annual Corporate Health and Safety Report 2023/24 and the progress against the internal audit management actions.

12. **COMPLAINTS GUIDANCE AND PROCESS**
(AG146)

The Director (Legal) introduced the report which outlined the revised complaints guidance and process following on from consideration of the Code of Conduct for Councillors at the previous committee and subsequent recommendation for agreement at full Council.

The Director (Legal) responded to members' questions including advising that as a first step, the recording of the on-line training carried out for all city councillors would be circulated to parish councils. If there was a demand, on-line training for parish councils would be offered in addition to in person training if required.

It was noted that page 37 of Part 3 of the Guidance (contained as Appendix 1 of the report) contained a duplicate example which could be removed.

RECOMMENDED (TO COUNCIL):

That the arrangements for dealing with code of conduct complaints (Appendix 2 of report AG146) be adopted as a document that is incorporated into the Councils Constitution.

RESOLVED:

1. That the guidance and arrangement for dealing with complaints be endorsed, as attached as Appendix 1 and 2 to the report.
2. That it be noted that the Monitoring Officer will advise all Town and Parish Councils within the district of the Guidance and arrangements for dealing with complaints including the offer of an online training session.

13. **MONITORING OFFICER'S ANNUAL REPORT 23/24**
(AG147)

The former Monitoring Officer introduced the report and responded to members' questions thereon. She confirmed that paragraph 11.14 referred to Denmead Parish Council and she had requested asked the Director (Legal) as the new Monitoring Officer to review the work undertaken following the March 2023 meeting (report AG98 refers), liaise with the parish council and report back to a future meeting of this committee.

On behalf of the committee, the chair thanked the former Monitoring Officer for all her work.

RESOLVED:

That the Monitoring Officer's Annual Report 2023/24 be noted.

The meeting commenced at 6.30 pm and concluded at 8.25 pm

Chairperson