

## HAVANT BOROUGH COUNCIL

At a meeting of the Audit and Finance Committee held on 28 July 2022

Present

Councillor: Inkster (Chairman)

Councillors: Linger (Vice-Chairman), Hughes and Patel

Other Councillor Denton  
Councillors

### 1 Apologies for Absence

Apologies for absence were received from Councillors Guest, Moutray, Diamond and Wade

### 2 Declarations of Interests

There were no declarations of interests relating to matters on the agenda.

### 3 Minutes

The Minutes of the meeting of the Audit and Finance Committee held on 27 April 2022 were agreed as a correct record and signed by the Chairman.

### 4 External Audit - Audit Results report for year ending 31 March 2021

The Committee received the Annual Results Report for year ending 31 March 2022 together with the Financial Report and Statement of Accounts for 2020/21.

The External Auditor reported that the outstanding matter relating to the assets register reported at the last meeting of the Committee had now been resolved and that subject to the final accounts and letter of representation being signed off by the Council, the External Auditors were prepared to sign off the accounts with an unqualified opinion.

The External Auditors and the interim Chief Finance Officer outlined the issues resolved and answered questions raised by Members of the Committee.

During the question session, the external auditors:

- (i) acknowledged that the last sentence on page 21 of the agenda should read:

“Given the current value of uncorrected errors (see Section 4, page 29), there is limited headroom compared to our materiality for further variances to arise.”; and

- (ii) Agreed to forward details of the reclassification of debtors to creditors referred to on page 31 of the results report to members of the Committees.

In response to concern raised by a member of the Committee relating to the number of issues identified in the results report, the Chief Finance Officer outlined the processes being undertaken to improve the finance structure.

Resolved that

- (a) The Statement of Accounts for 2020/21 be agreed and the Chairman and Section 151 Officer be authorised to certify the approval of the Accounts; and
- (b) The Chairman and Section 151 Officer be authorised to sign the letter of representation for 2020/21.

## **5 Annual Internal Audit Report and Opinion 2021-22**

The Committee considered the Annual Audit Report and Opinion 2021-22, as presented by Antony Harvey of the Southern Internal Audit Partnership.

The Committee's attention was drawn to the following points:

- (1) the Council's framework of governance, risk management and management control was considered to be 'Reasonable' and audit testing has demonstrated controls to be working in practice; and
- (3) although there was still room for improvement, there had been significant improvements in the issues identified in the previous audit.

In response to questions raised by members of the Committee:

- a the Internal Auditors agreed to supply more details of the procurement comments set out in the report;
- b the Interim Chief Finance Officer was aware of issues set out in the report, including debt management, and aim to redress these through the proposed restructuring of the finance team.
- c The Interim Chief Finance Officer agreed to provide details of the total debts owed to next meeting of this Committee
- d The Interim Chief Finance Officer outlined the improvements made to asset management and advised that the next stage would be to achieve best value from these assets.

In conclusion the Interim Chief Finance Officer reported that he would like to see a closer link between the external and internal auditors.

Councillor Denton advised the Committee that he was pleased to receive an unqualified report and thanked the officers and auditors for their work.

RESOLVED that the report be noted.

## **6 Corporate Governance and Risk Policy**

The Committee received a report requesting approval of the Corporate Governance & Risk Policy, incorporating the Local Code of Corporate Governance.

RESOLVED that

- a. the submitted Corporate Governance & Risk Policy be approved;
- b. the submitted Local Code of Corporate Governance be approved; and
- c. the submitted Risk Management Framework and the latest top corporate risks as per the Corporate Risk Register be noted.

## **7 Draft Annual Governance Statement**

The Committee was given an opportunity to comment on draft Annual Governance Statement prior to the final version coming for approval alongside the Statement of Accounts 2021-22.

RESOLVED that:

- 1 the submitted draft copy of the Annual Governance Statement 2021-22 be noted; and
- 2 the intention to report any comments for consideration in the final version to a future Audit & Finance Committee alongside the Statement of Accounts 2021-22 be noted

## **8 RIPA Policy**

The Committee received a report requesting approval of a submitted Regulation of Investigatory Powers Act (RIPA).

RESOLVED that the submitted Regulation of Investigatory Powers Act Policy be approved.

**The meeting commenced at 5.00 pm and concluded at 5.41 pm**

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**Chairman**