

NOTICE OF MEETING

GOVERNANCE & AUDIT & STANDARDS COMMITTEE

WEDNESDAY, 10 JULY 2024 AT 5.00 PM

COUNCIL CHAMBER - THE GUILDHALL, PORTSMOUTH

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If any member of the public wishing to attend the meeting has access requirements, please notify the contact named above.

Membership

Councillor Ian Holder (Chair)
Councillor Stuart Brown (Vice-Chair)
Councillor Richard Adair
Councillor Spencer Gardner
Councillor Russell Simpson
Councillor Judith Smyth

Standing Deputies

Councillor Simon Boshier
Councillor Hannah Brent
Councillor Mark Jeffery
Councillor Abdul Kadir
Councillor George Madgwick
Councillor Benedict Swann
Councillor Gerald Vernon-Jackson CBE

(NB This Agenda should be retained for future reference with the minutes of this meeting.)

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Deputations by members of the public may be made on any item where a decision is going to be taken. The request should be made in writing to the contact officer (above) by 12 noon of the working day before the meeting, and must include the purpose of the deputation (for example, for or against the recommendation/s). Email requests are accepted.

AGENDA

1 Apologies for Absence

2 Declarations of Members' Interests

3 Minutes of the meeting held on 28 February 2024 (Pages 5 - 10)

RECOMMENDED that the minutes of the meeting held on 28 February 2024 be approved and signed by the Chair as a correct record.

4 2021/22 External Auditor's Annual Report (Pages 11 - 42)

The purpose of the auditor's annual report is to bring together all of the auditor's work over the year. A core element of the report is the commentary on value for money arrangements, which aims to draw to the attention of the Council, or the wider public, relevant issues, recommendations arising from the audit and follow-up of recommendations issued previously, along with the auditor's view as to whether they have been implemented satisfactorily.

RECOMMENDED that the Governance & Audit & Standards Committee NOTES the report.

5 2022/23 External Audit Interim Value for Money Report (Pages 43 - 68)

The purpose of this interim commentary is to explain the work that the external auditor has undertaken for the period 1 April 2022 to 31 March 2023 and highlight any significant weaknesses identified, along with recommendations for improvement.

The commentary covers the interim findings for the audit year 2022/23. The National Audit Office has confirmed that where value for money reporting is outstanding for more than one year, the auditor can issue one report covering all years.

RECOMMENDED that the Governance & Audit & Standards Committee NOTES the report.

6 2023/24 External Audit Plan

Report to follow under separate cover.

7 Internal Audit Performance Status Report to 1 July 2024 & Annual Audit Opinion 2023/24 (Pages 69 - 116)

The purpose of this report is to update the Governance & Audit & Standards Committee on the Internal Audit Performance for 2023/24 to 1 July 2024 against the Annual Audit Plan, highlight areas of concern and areas where assurance can be given on the internal control framework.

In addition to this, the Annual Opinion on the effectiveness of the Internal Control Environment is provided in the attached Appendix B. This opinion feeds into the Annual Governance Statement and is a requirement of the Local Government Act 1999 and the Public Sector Internal Audit Standards.

RECOMMENDED that the Governance & Audit & Standards Committee NOTES:

- (i) **the Audit Performance and results for 2023-2024 to 1 July 2024;**
- (ii) **any highlighted areas of concern in relation to audits completed from the 2023-24 Audit Plan, including follow up work performed; and**
- (iii) **the Annual Audit Report and Opinion for 2023-24.**

8 Treasury Management Outturn Report 2023/24 (Pages 117 - 130)

The purpose of the report is to inform members and the wider community of the Council's treasury management activities in 2023/24 and of the Council's treasury management position as of 31 March 2024.

RECOMMENDED that the actual prudential and treasury management indicators based on the unaudited accounts, as shown in Appendix B, be noted (an explanation of the prudential and treasury management indicators is contained in Appendix C).

9 Corporate Performance Report - Q4 2023/24 (Pages 131 - 174)

The purpose of this item is to report to the committee any significant performance issues arising from the Q4 2023-24 performance monitoring and highlight areas for further action or analysis.

It is RECOMMENDED that the Governance & Audit & Standards Committee:

- (i) **notes the report in the revised format; and**
- (ii) **agrees if any further action is required in response to performance issues highlighted.**

10 Draft Annual Governance Statement (Pages 175 - 220)

The purpose of the report is to seek approval from the Governance & Audit & Standards Committee for the council's draft Annual Governance Statement (AGS) for 2023/24.

RECOMMENDED that the Governance & Audit & Standards Committee AGREES the Annual Governance Statement 2023/24 (Appendix 1).

11 Re-appointment of Independent Persons (Pages 221 - 224)

The purpose of this report is to outline the requirements for, and consider the appointment of, three Independent Persons, pursuant to the provisions of Section 28 of the Localism Act 2011.

RECOMMENDED that Governance & Audit & Standards Committee recommends that Council appoint Chris Rider; Diana Turner and Carole Damper as Independent Persons for three years from 17 July 2024 through to 31 July 2027.

12 Consideration of the political balance rules in relation to the constitution of Sub-Committees considering complaints against Members (Pages 225 - 226)

The purpose of this report is to ask the Governance & Audit & Standards Committee to consider whether it wishes to disapply the political balance rules in respect of its Sub-Committees which consider complaints against Members and to agree that the same rule shall apply to the Initial Filtering Panel.

RECOMMENDED that the Governance & Audit & Standards Committee disapplies the political balance rules in respect of Governance and Audit and Standards Sub-Committees which are considering complaints against Members and also the same arrangement should apply in respect of Initial Filtering Panel membership.

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