



NOTICE OF MEETING

Meeting:	Audit Committee
Date and Time:	Tuesday 28 March 2023 7.00 pm
Place:	Council Chamber
Enquiries to:	Committee Services committeeservices@hart.gov.uk
Members:	Axam (Chairman), Southern (Vice-Chairman), Blewett, Davies, Engström, Hale and Smith

Chief Executive

CIVIC OFFICES, HARLINGTON WAY
FLEET, HAMPSHIRE GU51 4AE

AGENDA

This Agenda and associated appendices are provided in electronic form only and are published on the Hart District Council Website.

Please download all papers through the Modern.Gov app before the meeting.

- At the start of the meeting, the Lead Officer will confirm the Fire Evacuation Procedure.**
- The Chairman will announce that this meeting may be recorded and that anyone remaining at the meeting has provided their consent to any such recording.**

1 MINUTES OF THE PREVIOUS MEETING (Pages 6 - 10)

The Minutes of the meeting held on 25 October 2022 are attached to be confirmed and signed as a correct record.

2 APOLOGIES FOR ABSENCE

To receive any apologies for absence from Members*.

***Note:** Members are asked to email Committee Services in advance of the meeting as soon as they become aware they will be absent.

3 DECLARATIONS OF INTEREST

To declare disclosable pecuniary, and any other, interests*.

***Note:** Members are asked to email Committee Services in advance of the meeting as soon as they become aware they may have an interest to declare.

4 CHAIRMAN'S ANNOUNCEMENTS

5 AUDIT COMMITTEE TERMS OF REFERENCE (Pages 11 – 17)

The Audit Committee's terms of reference should reflect best practice. Current best practice is contained in guidance issued by the Chartered Institute of Public Finance & Accountancy (CIPFA) in support of their 2022 Position Statement on Audit Committees.

New terms of reference are proposed that reflect best practice. They are attached at Appendix A. They are significantly different to the current terms of reference, providing more detail on the Committee's role in overseeing corporate governance matters, risk management, financial management and reporting, external and internal audit and countering fraud.

The terms of reference also formally recognise the requirement that the Committee has to report annually to full Council on how it has complied with the 2022 Position Statement, discharged its responsibilities and assessed its performance.

RECOMMENDATION

The Committee is asked to:

- ii) consider the revised terms of reference at Appendix A
- ii) recommend these to full Council at its meeting on 27 April 2023

6 AUDIT RESULTS REPORT 2021/22 (Pages 18 – 64)

The purpose of this report is to provide the Council's External Auditors with the opportunity to report the key findings of their audit to those charged with governance prior to issuing their opinion on the 2021/22 Statement Accounts.

RECOMMENDATION

That the Committee notes the Ernst Young LLP report.

7 STATEMENT OF ACCOUNTS 2021/22 (Pages 65 - 213)

The purpose of this report is to seek the Committee's approval of the Statement of Accounts 2021/22, amended following the external audit, the Letter of Representation and the Annual Governance Statement.

RECOMMENDATION

1.1 That Audit Committee approve the:

- Statement of Accounts 2021/2022
- Annual Governance Statement 2021/22

1.2 That delegated authority be given to the Executive Director - Corporate in consultation with the Chairman of Audit Committee, to approve any non-material changes to the 2021/22 Statement of Accounts that arise from the final external audit review work, and to approve the letter of representation

8 INTERNAL AUDIT PLAN 2023-24 (Pages 214 - 224)

The purpose of this paper is to present the Internal Audit Plan for 2023-24 in accordance with the requirements of the Public Sector Internal Audit Standards (Appendix A).

RECOMMENDATION

To approve the Internal Audit Plan 2023-24

9 INTERNAL AUDIT CHARTER 2023/24 (Pages 225 - 237)

The purpose of this paper is to present the Internal Audit Charter for 2023-24 in accordance with the requirements of the Public Sector Internal Audit Standards (Appendix A).

RECOMMENDATION

To approve the Internal Audit Charter 2023-24

10 RISK MANAGEMENT POLICY (Pages 238 - 249)

1. This report details the outcome of the February 2023 review of the risk management policy.
2. Whilst the Cabinet are responsible for approving the policy, the Audit Committee have risk management governance responsibilities. Reviewing the risk management policy helps to fulfil those responsibilities.

RECOMMENDATION

It is recommended that the Committee review the report and consider what issues they wish the Cabinet to consider, if any, prior to their approval of the policy.

11 RISK MANAGEMENT UPDATE (Pages 250 - 252)

This report updates the Committee on the effectiveness of the Council's risk management framework.

RECOMMENDATION

That the Committee note the effectiveness of the risk management framework.

12 INTERNAL AUDIT ANNUAL REPORT AND OPINION (Pages 253 - 262)

This report provides the Committee with a draft internal audit annual report and opinion for 2022/23.

RECOMMENDATION

That the Committee review and note the report.

13 SHAPLEY HEATH GARDEN COMMUNITY PROJECT: CABINET AND STAFFING COMMITTEE FEEDBACK (Pages 263 - 272)

The purpose of this report is not to rehearse the findings of the ttaa Shapley Heath Audit Review but to receive the following feedback reports:

- a) The Officer response to the management recommendations contained within the ttaa report (attached as Appendix 1 to this report).
- b) The response from Cabinet on lessons learnt; and
- c) The Staffing Committee staffing review of the exercise of officer management oversight over the Shapley Heath Garden Community project for the period from March 2021 to the closure of the Shapley Heath Garden Community project (November 2021).

RECOMMENDATION

That Audit Committee recommends to Cabinet that it ensures the full implementation of all recommendations set out in this report and that Overview and Scrutiny Committee should in September 2023 review progress.

- A. The Officer response to the management recommendations contained within the July 2022 tiao Shapley Heath Audit Review report (attached as Appendix 1)
- B. The response from Cabinet on lessons learnt; and
- C. The Staffing Committee review of the exercise of officer management oversight over the Shapley Heath Garden Community project for the period from March 2021 to the closure of the Shapley Heath Garden Community project (November 2021).

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