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20 February 2023

AUDIT & GOVERNANCE COMMITTEE

A meeting of the Audit & Governance Committee will be held in **Council Chamber, Arun Civic Centre, Maltravers Road, Littlehampton, BN17 5LF** on **Tuesday 28 February 2023 at 10.00 am** and you are requested to attend.

Members: Councillors Clayden (Chair), Chapman (Vice-Chair), Bennett, Brooks, Chace, Goodheart, Oliver-Redgate, Oppler, Stanley, Tilbrook and Wallsgrove

PLEASE NOTE: Where public meetings are being held at the Arun Civic Centre, to best manage safe space available, members of the public are encouraged to watch the meeting online via the Council's [Committee webpages](#).

1. Where a member of the public wishes to attend the meeting or has registered a request to take part in Public Question Time, they will be invited to submit the question in advance of the meeting to be read out by an Officer, but of course can attend the meeting in person.
2. We request members of the public do not attend any face to face meeting if they have Covid-19 symptoms.

Any members of the public wishing to address the Committee meeting during Public Question Time, will need to email Committees@arun.gov.uk by 5.15 pm on **Monday, 20 February 2023** in line with current Committee Meeting Procedure Rules.

It will be at the Chief Executive's/Chair's discretion if any questions received after this deadline are considered.

For further information on the items to be discussed, please contact Committees@arun.gov.uk.

AGENDA

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

Members and Officers are invited to make any declaration of pecuniary, personal and/or prejudicial interests that they may have in relation to items on this agenda, and are reminded that they should re-declare their interest before consideration of the items or as soon as the interest becomes apparent.

Members and Officers should make their declaration by stating:

- a) the item that they the interest in
- b) whether it is a pecuniary, personal and/or prejudicial interest
- c) the nature of the interest

3. MINUTES

(Pages 1 - 4)

The Committee will be asked to approve as a correct record the Minutes of the Audit & Governance Committee held on 29 November 2022.

4. ITEMS ON THE AGENDA THAT THE CHAIRMAN OF THE MEETING IS OF THE OPINION SHOULD BE CONSIDERED AS A MATTER OF URGENCY BY REASON OF SPECIAL CIRCUMSTANCE

5. PUBLIC QUESTION TIME

To receive questions from the public (for a period of up to 15 minutes).

6. MEMBERS' ALLOWANCES - EXTENSION OF APPOINTMENTS FOR THE INDEPENDENT REMUNERATION PANEL

(Pages 5 - 8)

This report seeks the Committee's approval to extend the terms of office for all five members of the Independent Remuneration Panel until 31 March 2024.

[10 Minutes]

7. AUDIT RESULTS REPORT (Pages 9 - 52)
- The Audit Results Report will be presented to Members of the Audit & Governance Committee by representatives from Ernst & Young LLP.
[15 Minutes]
8. ANNUAL STATEMENT OF ACCOUNTS 2021/22 AND LETTER OF REPRESENTATION (Pages 53 - 186)
- The purpose of this report is for this Committee to consider and approve the Financial Statement of Accounts for 2021/22.
[20 Minutes]
9. FINAL ANNUAL GOVERNANCE STATEMENT 2021/22 (Pages 187 - 218)
- This report presents the final Annual Governance Statement for 2021/22 which is required to accompany the audited Annual Accounts. The draft Annual Governance Statement was noted by the Committee at its July 2022 meeting
[10 Minutes]
10. UPDATE ON APPOINTMENT OF EXTERNAL AUDITOR (Pages 219 - 222)
- This report sets out the current position regarding the appointment of an external auditor to the Council for the 5-year period from 2023/24 to 2027/28
[5 Minutes]
11. INTERNAL AUDIT CHARTER 2023/24 (Pages 223 - 236)
- The Internal Audit Charter is a formal document that defines the internal audit activity's purpose, authority and responsibility consistent with the Definition of Internal Auditing, the Code of Ethics and the Standards. The Public Sector Internal Audit Standards require the charter to be reviewed and approved annually.
[15 Minutes]

12. INTERNAL AUDIT ANNUAL PLAN 2023-24 (Pages 237 - 250)

The Internal Audit Plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements. This report presents the plan for 2023/24 for approval by the Committee.
[15 Minutes]

13. INTERNAL AUDIT PROGRESS JANUARY 2023 (Pages 251 - 262)

The report outlines the progress of the Council's Internal Audit service against the approved Internal Audit Plan for 2022/23 from 1 April 2022.
[10 Minutes]

14. TREASURY MANAGEMENT - STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2023/24 (Pages 263 - 312)

This TMSS/AIS report has been prepared in compliance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2021. CIPFA published the updated Treasury Management and Prudential Codes on 20th December 2021 and has stated that after a soft introduction of the Codes, Local Authorities are expected to fully implement the required reporting changes from 2023/ 24.
[20 Minutes]

15. APPROVAL OF ACCOUNTING POLICIES 2022/23 (Pages 313 - 334)

The report allows the Audit and Governance Committee to consider and approve the accounting policies that will be applied to the Statement of Accounts 2022/23 for approval by the Committee. At the time of writing this report the deadline for completion of the draft accounts is 31 July 2023 and approval of the final audited accounts 30 September 2023. Members will be updated if there are any changes to these dates.
[5 Minutes]

16. PROGRESS UPDATE ON HOUSING TENANCY FRAUD (Pages 335 - 338)

At the Audit and Governance Committee meeting the Committee requested that an update report be provided to the Committee on Housing Fraud.
[20 Minutes]

17. WORK PROGRAMME (Pages 339 - 342)

The Committee is required to note the Work Programme for 2022/23.
[5 Minutes]

Note : If Members have any detailed questions, they are reminded that they need to inform the Chair and relevant Director in advance of the meeting.

Note : Filming, Photography and Recording at Council Meetings – The District Council supports the principles of openness and transparency in its decision making and permits filming, recording and the taking of photographs at its meetings that are open to the public. This meeting may therefore be recorded, filmed or broadcast by video or audio, by third parties. Arrangements for these activities should operate in accordance with guidelines agreed by the Council and as available via the following link [Filming Policy](#)