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11 July 2024

AUDIT AND GOVERNANCE COMMITTEE

A meeting of the Audit and Governance Committee will be held in **Council Chamber, Arun Civic Centre, Maltravers Road, Littlehampton, BN17 5LF** on **Tuesday 23 July 2024 at 6.00 pm** and you are requested to attend.

Members: Councillors Stanley (Chair), O'Neill (Vice-Chair), Mrs Bower, Goodheart, Haywood, Jones, May, Oppler, Purser, Turner and Wallsgrove

PLEASE NOTE:

A live webcast of the meeting will be available via the Council's [Committee webpages](#).

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 **Tuesday 16 July 2024** in line with current Committee Meeting Procedure Rules.

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

3. MINUTES

(Pages 1 - 12)

The Committee will be asked to approve as a correct record the Minutes of the Audit & Governance Committee held on 19 February 2024.

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. START TIMES

The Committee is required to agree its start times for meetings for the year 2024/25.

7. VALUE FOR MONEY INTERIM REPORT - 2022/23

(Pages 13 - 40)

The Value for Money Interim Report will be presented to Members of the Audit & Governance Committee by representatives from Ernst & Young LLP.

[10 Minutes]

8. AUDIT PLANNING REPORT - 2023/24

(Pages 41 - 94)

The Audit Planning Report will be presented to Members of the Audit & Governance Committee by representatives from Ernst & Young LLP.

[10 Minutes]

9. AUDIT RESULTS REPORT - 2021/22 (Pages 95 - 138)
- The Audit Results Report will be presented to Members of the Audit & Governance Committee by representatives from Ernst & Young LLP.
[5 Minutes]
10. AUDITOR'S ANNUAL REPORT - 2021/22 (Pages 139 - 168)
- The Auditor's Annual Report will be presented to Members of the Audit & Governance Committee by representatives from Ernst & Young LLP.
[5 Minutes]
11. RESPONSE TO ERNST & YOUNG ON THE ANNUAL ASSURANCE LETTER REGARDING GOVERNANCE ARRANGEMENTS (Pages 169 - 180)
- Each year the Chair of the Audit & Governance Committee is requested to provide a response to Ernst & Young (the Council's external auditors) in respect of the oversight of management's processes for identifying and reporting the risk of fraud and possible breaches of internal control in the Council.
[5 Minutes]
12. ANNUAL INTERNAL AUDIT REPORT & OPINION 2023/24 (Pages 181 - 198)
- The Annual Internal Audit Report & Opinion provides a summary of audit work that has been undertaken during the year (2023-24) to obtain all information and explanations considered necessary to provide sufficient assurance that the control environment is both reasonable and effective. Whilst no assurance can ever be absolute, on the basis of audit work completed, it is the Chief Internal Auditor's opinion that the Council's framework of governance, risk management and control is 'reasonable'.
[10 Minutes]
13. DRAFT ANNUAL GOVERNANCE STATEMENT 2023/24 (Pages 199 - 228)
- This report presents the draft Annual Governance Statement for 2023/24 which is required to accompany the unaudited Annual Accounts.
[5 Minutes]

14. HOUSING TENANCY FRAUD UPDATE REPORT (Pages 229 - 232)
- An annual housing tenancy fraud progress update report to the Audit and Governance Committee.
[10 Minutes]
15. TREASURY MANAGEMENT - ANNUAL REPORT 2023/24 (Pages 233 - 256)
- The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that Members be updated on treasury management activities at least quarterly. The 2023/24 Treasury Management Strategy states this report will go to the Audit and Governance committee in September. This report, therefore, ensures this Council is implementing best practice in accordance with the Code.
- During 2023/24, the Council complied with its legislative and regulatory requirements. Including confirmation that the authorised limit was not breached.
- The actual prudential and treasury indicators are to be found in the body of this report and in appendix 2.
[15 Minutes]
16. CORPORATE RISK REGISTER UPDATE (Pages 257 - 308)
- The Corporate Risk Register is reviewed and updated in line with the requirements of the Council's Risk Management Framework.
- Quarterly updates reflecting revisions are reported to the Audit and Governance Committee, this report highlights the changes since the last update.
- It is proposed that the Committee considers and notes the revised Corporate Risk Register.
[25 Minutes]
17. COUNTER-FRAUD REPORT 2023/24 (Pages 309 - 320)
- The Audit & Governance Committee is the designated body for oversight of the Council's anti-fraud culture. As part of its agreed workplan, an annual report on counter-fraud activity is presented to update the Committee.
[10 Minutes]

18. RECRUITMENT OF INDEPENDENT REMUNERATION PANEL (Pages 321 - 332)

The Audit & Governance Committee has responsibility for considering the membership of the Independent Remuneration Panel created under the Local Authorities (Members' Allowances) (England) Regulations 2003 to review the Council's Members' Allowances Scheme.

This report sets out plans to recruit a new IRP which the Committee is asked to approve.
[10 Minutes]

19. WORK PROGRAMME (Pages 333 - 336)

The Committee is required to note the Work Programme for 2024/25.
[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](#)