

Minutes of a Meeting of the Audit and Standards Committee held at Council Chamber, Surrey Heath House, Knoll Road, Camberley, GU15 3HD on 22 November 2021

+ Cllr Cliff Betton (Chairman)
+ Cllr Darryl Ratiram (Vice Chairman)

+ Cllr Rodney Bates	+ Cllr Sashi Mylvaganam
+ Cllr Edward Hawkins	+ Cllr Valerie White
- Cllr Charlotte Morley	

+ Present
- Apologies for absence presented

Members in Attendance: Cllr David Mansfield

Officers Present: Steve Bladon, BDO
Amanda Fahey, Interim Strategic Director of Finance & Customer Services
Alex Middleton, Senior Auditor
Gavin Ramtohal, Head of Legal & Democratic Services & Monitoring Officer

7/AS Minutes of the Previous Meeting

RESOLVED that the minutes of the meeting of the Audit and Standards Committee held on 4th August 2021 be approved as a correct record and signed by the Chairman.

Matters Arising

The Committee was informed that work to complete the audit of the 2019/20 accounts was still ongoing. The Council had employed an additional member of staff to focus solely on working with BDO to finalise the audit and weekly focus meetings would take place going forward.

The Committee expressed concern about the length of time that it had taken the Council to put additional resources into place to respond to the BDO's queries and clarification was sought on the reasons for this delay.

It was clarified that any variations to the fee scales had to be submitted with supporting evidence to the PSAA for approval and the Council had no influence or input into this process.

8/AS Procurement of External Audit Function

The Committee considered a report setting out proposals for appointing an external audit function to the Council for the five year period from 2023/24.

Under the Local Government Audit and Accountability Act 2014, the Council was required to appoint an independent auditor to audit its accounts for each financial year, within this requirement there were three options available to the Council:

- To appoint its own auditor
- To act jointly with other authorities to procure an auditor

- To opt into the national auditor appointment scheme administered by a body designated by the Secretary of State as the 'appointing person' (currently PSAA)

The Committee was informed that the Council had previously opted into the Public Sector Audit Appointments (PSAA) national auditor appointing process for the period covering the accounts for 2018/19 through to 2022/23. The PSAA was in the process of undertaking a procurement exercise for the periods covering the financial years between 2023/24 and 2027/28 and all relevant bodies were being invited to opt into the scheme. If the Council was to opt into the national procurement scheme then the Council had to return completed opt-in documents to the PSAA by 11th March 2022.

It was reported that there had been a number of significant changes in the audit market since audit contracts were last awarded in 2017 including an expectation of imminent significant changes to the audit regime and the complexity of local government financial statements meant that there would be increasing pressure on the limited pool of audit firms able to undertake the audit work required.

It was confirmed that the PSAA were aware of resourcing issues within audit firms and the impacts that this was having on the timely completion of audit work. It was expected that amendments to the National Fee scales would be brought in at the same time as new codes were introduced.

RESOLVED that the Audit and Standards Committee recommends to Council that it accepts the invitation from Public Sector Audit Appointments to opt in to the sector led process for the appointment of external auditors to principal local government and police bodies for the five financial years from 1st April 2023.

9/AS Monitoring Officer's Annual Report

The Committee received a report summarising the work of the Council's Monitoring Officer over the past twelve months.

It was reported that the Monitoring Officer was in the process of conducting a holistic review of the Council's Constitution to ensure that it reflected best practice and to correct and clarify inconsistencies due to incremental changes made over the years. The review was being supported by the Governance Working Group and it was expected to be completed in its entirety before April 2022.

Over the past twelve months, the Monitoring Officer and Deputy Monitoring Officer had dealt with 25 complaints about the conduct of members. Of these, 7 complaints were made about Councillors for Surrey Heath Borough Council and 18 complaints were made about members of Parish Councils. The majority of these complaints had been brought following misunderstandings or personality differences between councillors and it had been possible to resolve many of these informally.

It was suggested that councillors at both Borough and Parish level would benefit from training on the Code of Conduct which focused on practical scenarios and it was agreed that this would be followed up.

The Committee noted the report.

10/AS Date of Next Meeting

It was noted that the next scheduled meeting of the Audit and Standards Committee would take place on Monday 25th April 2022 at 7pm.

Chairman