

28 OCTOBER 2022

NEW FOREST DISTRICT COUNCIL

AUDIT COMMITTEE

Minutes of a meeting of the Audit Committee held on Friday, 28 October 2022

* Cllr Alan Alvey (Chairman)
Cllr Emma Lane (Vice-Chairman)

Councillors:

* Hilary Brand
Jack Davies
Martyn Levitt

Councillors:

* Alan O'Sullivan
Ann Sevier
* John Ward

*Present

Also In Attendance:

Alan Kitcher (HCC) and Liz Foster (Internal Audit)

Officers Attending:

Alan Bethune and Matt Wisdom

Apologies

Apologies for absence were received from Cllrs Lane, J Davies, Levitt and Sevier.

27 MINUTES

That the minutes of the meeting held on 29 July 2022 be confirmed and signed.

28 DECLARATIONS OF INTEREST

No declarations of interest were made in connection with any agenda item.

29 PUBLIC PARTICIPATION

There was no public participation at the meeting.

30 INTERNAL AUDIT PROGRESS REPORT 2022-23

The Committee received an overview of internal audit activity completed in accordance with the approved audit plan together with an overview of the status of 'live' reports.

At this stage of the plan, 30% of activity had been completed with a further 30% in progress. No adjustments to the plan had been made since the last committee meeting.

The Committee noted the outstanding actions and welcomed further progress to be reported at the January 2023 meeting.

RESOLVED:

That the report be noted.

31 TREASURY MANAGEMENT MID-YEAR MONITORING REPORT FOR 2022/23

The Committee received an update on the performance of the treasury management function at the mid-year point.

The report set out the performance of the treasury management function for the period April – September 2022 and included the effects of the decisions taken and the transactions executed within this period.

The report covered:

- External and Local Context
- Borrowing Update/ Activity
- Treasury Management Activity
- Non-Treasury Investments
- Compliance Report
- Treasury Management Indicators

Members noted the new obligations of the CIPFA codes and that more regular reporting to Audit Committee would be taken forward from 2023/24.

In response to questions on the impact of the global and national financial changes throughout October, it was confirmed that treasury management continued to be kept under close review and further updates would be made once confirmed. Members also noted the credit review in the report and the improved measures in this area.

The Committee reviewed in detail the non-treasury investments, noting that with the completion of Platinum Jubilee Business Park and a further developing investment, this would take the Council to the total of the £30m investment fund set aside by the Council. A phase two programme would need to be considered in due course.

Members noted that a comprehensive training programme would be undertaken for the new Audit Committee following the May 2023 elections, including specific treasury management sessions.

RESOLVED:

That the report be noted.

32 UPDATE ON EXTERNAL AUDITOR APPOINTMENT - 2023/24 (VERBAL UPDATE)

The Committee received a verbal update on the appointment of the Council's External Auditor from 2023/24. As agreed by the Council, NFDC had opted into the public sector audit appointments process for the forthcoming period.

Contracts were currently being awarded to successful bidders and it was noted that Ernst and Young would be re-appointed as External Auditors for a 5-year period from 1 April 2023 for NFDC.

Members noted the increasing budgets required which were hoped would assist the auditor with recruitment and retention. An on-site presence would be included during the year end audit engagement, which was welcomed, to build a positive working relationship.

33 AUDIT COMMITTEE WORK PLAN

The Committee noted its future work plan, specifically the addition of more regular Treasury Management reporting from July 2023 onwards.

CHAIRMAN