

## **A MEETING OF THE STANDARDS AND GOVERNANCE COMMITTEE**

**WAS HELD ON 03 APRIL 2014**

### ***Subject to approval***

Councillors; Burgess (P), Chegwyn (P), Dickson (P), Jacobs, Forder (P), Henshaw, Scard (P) and Wright (P).

#### **33. APOLOGIES**

An apology for inability to attend the meeting was received from Councillor Jacobs.

#### **34. DECLARATIONS OF INTEREST**

There were no declarations of interest received.

#### **35. MINUTES**

**RESOLVED:** That the minutes of the meeting of the Standards and Governance Committee held on 16 January 2014 be approved and signed by the Chairman as a true and correct record.

#### **36. DEPUTATIONS**

There were no deputations received.

#### **37. PUBLIC QUESTIONS**

There were no public questions received.

#### **38. RISK MANAGEMENT UPDATE**

Consideration was given to the report of the Head of Internal Audit and Risk Assurance, and the Borough Treasurer, bringing forward for consideration and approval the updated Risk Management Policy and Risk Management Strategy.

In answer to a Member's question, the Committee were advised that no significant risks had been identified.

**RESOLVED:** That the Risk Management Policy and Risk Management Strategy as attached in Appendix One and Two of the report of the Head of Internal Audit and Risk Assurance and Borough Treasurer, be noted and approved.

#### **39. INTERNAL AUDIT CHARTER AND STRATEGY 2013/16**

Consideration was given to the report of the Head of Internal Audit and Risk Assurance which details the proposed Audit Charter and Strategy as required by the Public Sector Internal Audit Standards (the Standards) which came into effect on the 1<sup>st</sup> April 2013.

It was confirmed to the Committee that Test Valley District Council had already agreed the approval of the Charter.

In answer to a Member's question, the Board were advised that it would be possible for the three Committee Chairman from the shared partnership to meet, if it was felt necessary.

Members thanked the staff involved for their efforts and acknowledged that this was reflected in the Audit letters received.

**RESOLVED:** That Internal Audit Charter and Strategy 2013/16 attached in Appendix One and Two of the report of the Head of Internal Audit and Risk Assurance, be approved.

#### **40. INTERNAL AUDIT PLAN 2014/15**

Consideration was given to the report of the Head of Internal Audit and Risk Assurance which details the planned annual coverage of Internal Audit Resources for 2014/2015.

**Resolved:** That 2014/15 Internal Audit Plan as attached in Appendix One of the report of the Head of Internal Audit and Risk Assurance be approved.

#### **41. ERNST AND YOUNG – CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT 2012/13 AND PROGRESS REPORT**

Consideration was given to the to the report of Ernst and Young, the Council's external auditor, which details the certification of claims and returns annual report and summarises the findings from the work completed to enable the certification of the Council's 2012/13 claims and returns.

The report was prepared in line with the requirements of the Audit Commission's Code of Audit Practice and confirms the completion of the certification of claims and returns annual report for 2012/2013 and the progress made on the 2013/14 audit.

Members were advised that the 2013/2014 report was in the initial planning stage, that no risks had been identified to date and that the audit plan would be presented to the next meeting of the Committee.

A Member sought clarification as to why there had been an increase in the final fee for 2012/2013, from the indicative figure originally presented.

The Committee was advised that the additional fee was in relation to the audit of a number of statutory returns to Central Government including the Housing and Council Tax Subsidy claim.

Members were advised that additional audit work in relation to the National Non-domestic Rates claim and Pooling of Housing Receipts return had been required by the Audit Commission's certification regime. The request for the increase to the fee by Ernst and Young had been subject to tight Scrutiny by the Audit Commission and would not have been accepted by them unless fully justified. The Audit Commission and the Borough Treasurer had confirmed that the increase in the fee, from the indicative figure, was reasonable and justified.

The external audit manager advised that the increase to the final fee for the Housing and Council Tax subsidy claim was not exclusive to Gosport Borough Council and that a number of other Councils had received a similar amended, increased fee as a result of additional work.

Members recognised that, including the revised final fee, the fees for 2012/2013 were 40% less than those of 2011/2012.

**RESOLVED:** That:

- a) the progress report be noted; and
- b) the conclusions set out in the certification of claims and returns annual report 2012/13 as attached in Appendix One of the report of Ernst and Young be reviewed and approved.

#### **42. ANY OTHER ITEMS**

There were no other items.

The meeting concluded at 6.17pm.

CHAIRMAN