

FAREHAM

BOROUGH COUNCIL

Minutes of the Audit and Governance Committee (to be confirmed at the next meeting)

Date: Monday, 11 March 2013

Venue: Collingwood Room - Civic Offices

PRESENT:

T G Knight (Chairman)

L Keeble (Vice-Chairman)

Councillors: P J Davies, N R Gregory, Miss T G Harper, Mrs K Mandry and
D J Norris



1. CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed a number of guests who were in attendance at the meeting. Peter Harper, Head of ICT, Richard Ivory, Solicitor to the Council, Kate Handy and Catherine Morganti from Ernst & Young, and Andy Jefford and Ben Deeley from Deloitte.

2. APOLOGIES

There were no apologies received for this meeting.

3. MINUTES

RESOLVED that the minutes of the meeting of the Audit and Governance Committee held on 26 November 2012, subject to the correction of the spelling error at item 14 which should read as "against", be confirmed and signed as a correct record.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

MATTERS SUBMITTED FOR CONFIRMATION

6. LATEST FINANCIAL REGULATIONS UPDATES

The Committee considered a report by the Director of Finance and Resources on the latest Financial Regulations, Regulations 13 - Physical Assets, Regulation 17 – Petty Cash and Regulation 20 – Taxation.

RESOLVED that the Committee recommends to Council that the proposed changes set out in the report be approved.

DECISIONS UNDER DELEGATED POWERS

7. EXTERNAL AUDIT ANNUAL FEE LETTERS 2012/13 AND 2013/14

The Committee considered a report by the Director of Finance and Resources on the External Audit Annual Fee letters 2012/13 and 2013/14.

At the invitation of the Chairman Kate Handy from Ernst & Young, addressed the Committee for this item and took questions from members on the report.

RESOLVED that the Committee approves the proposed fees for the External Audit coverage in 2012/13 and 2013/14.

8. EXTERNAL AUDIT REPORT OF THOSE CHARGED WITH GOVERNANCE - ANNUAL CERTIFICATION REPORT 2011/12

The Committee considered a report by the Director of Finance and Resources on the External Audit report of those charged with governance – Annual Certification Report 2011/12.

At the invitation of the Chairman Catherine Morganti from Ernst & Young, addressed the Committee on this item and took questions from members on the report which were in regards to the errors made to housing benefit claims that were identified within the report. The Head of Revenue and Benefits also addressed the Committee on this item to reassure members that processes have been put in place to ensure that these errors are reduced in the future.

RESOLVED that the content of the report be noted.

9. QUARTERLY INTERNAL AUDIT REPORT

The Committee considered a report by the Director of Finance and Resources on the Quarterly Internal Audit report.

At the invitation of the Chairman, Ben Deeley from Deloitte addressed the Committee on this item and took questions from members.

The Head of ICT took questions and explained the technical items on the ICT audit section of the report.

RESOLVED that the Committee notes the progress of the Contractor Internal Audit Plan, attached as Appendix A to the report.

10. CONTRACTOR INTERNAL AUDIT PLAN 2013/14

The Committee considered a report by the Director of Finance and Resources on the Contractor Internal Audit Plan 2013/14 which summarises the approach taken and the coverage proposed by the Internal Audit Contractor for 2013/14 with a provisional plan for 2014/15.

At the invitation of the Chairman Ben Deeley from Deloitte addressed the Committee on this item and took questions from members on the report.

RESOLVED that the Committee approves the Contractor Audit Needs Assessment and Plan for 2013/14, attached as Appendix 1 to the report.

11. MOTION REFERRED BY COUNCIL

At the agreement of the Committee the Chairman took this item early.

At the invitation of the Chairman, Councillor Gregory presents his motion.

The Committee gave consideration to the following motion which was submitted to Council on 22 February 2013 by Councillor N R Gregory. The

Council agreed to refer the motion to the Audit and Governance Committee, inviting its comments on the proposed review of elected members Code of Conduct:-

“I would like to request that this Council sends a letter to Eric Pickles, Secretary of State for Communities and Local Government.

The letter should request a review of the regulations on the elected members' Code of Conduct to allow sanctions to be implemented by Employed Officers of the Authority and or independent member/s of the public of this Authority without Political intervention.

This move would promote openness, accountability and integrity to the people who elected us to our public office, and ensuring that all elected members Code of Conduct's are fit for purpose.

Whilst the current Code of Conduct and the implementations of sanctions do meet current Government regulations; however the changes adopted last April bring to question the accountability of these due to the sanctioning of breaches. This also brings into question the accountability of members to their residents.”

The Solicitor to the Council addressed the Committee on this item to explain how the Localism Act has reformed the methods for authorities to discipline members who breach the code of conduct.

Following a debate and having being put to the vote, with 1 supporting, 5 against, and 1 abstention the motion was declared not supported.

A proposal however was made and seconded that the Monitoring Officer bring a report back to the Committee in one years time to give an update on how the current arrangements are working with possible recommendations for improvement. Onbeing put to the vote with 6 supporting, 0 against and 1 abstention, the proposal was approved.

RESOLVED: that the motion referred from Council to the Audit and Governance Committee is not supported but the Monitoring Officer bring a report back to the Committee in one year's time to give an update on how the current arrangements are working with possible recommendations for improvement.

12. CORPORATE RISK REGISTER 2013

The Committee considered a report by the Director of Regulatory and Democratic Services on the Corporate Risk Register 2013.

RESOLVED that the content of the report be noted.

13. MEMBER TRAINING AND DEVELOPMENT PROGRAMME 2013/14

The Committee considered a report by the Director of Regulatory and Democratic Services on Member Training and Development programme for 2013/14.

RESOLVED that the Committee:

- (a) approves the framework for the 2013/14 programme as set out in Appendix B of the report, subject to the addition of sessions on the scrutinising role of members and corporate risk management; and
- (b) approves the new member induction programme as set out in Appendix C of the report, subject to the addition of member involvement in policy-making.

14. REVIEW OF COMMITTEE WORK PROGRAMME AND ANNUAL REPORT

The Committee considered a report by the Director of Finance and Resources on a review of the Committee Work programme and Annual Report.

RESOLVED that:

- (a) the Committee recommends that the content of the report be noted by the Council; and
- (b) the Committee approves the work programme for 2013/14, as set out in Appendix C of the report with the addition of an item giving an update in one year's time on how the current standards arrangements are working with possible recommendations for improvement.

(The meeting started at 6.00 pm
and ended at 8.25 pm).