

**A MEETING OF THE STANDARDS AND GOVERNANCE COMMITTEE
WAS HELD ON 13 SEPTEMBER 2012**

Councillors Allen (P), Beavis, Chegwyn (P), Forder (P), Hazel (P), Philpott, Scard (P) and Wright (P).

It was noted that, in accordance with Standing Orders, Councillors Kimber and Langdon had been nominated to replace Councillors Beavis and Philpott for this meeting.

1. ELECTION OF CHAIRMAN FOR THE MUNICIPAL YEAR 2012/13

RESOLVED: That Councillor Allen be appointed Chairman of the Committee for the municipal year 2012/13.

2. ELECTION OF VICE – CHAIRMAN FOR THE MUNICIPAL YEAR 2012/13

RESOLVED: That Councillor Scard be appointed Vice - Chairman of the Committee for the municipal year 2012/13.

3. APOLOGIES FOR NON ATTENDANCE

Apologies for inability to attend the meeting were received on behalf of Councillors Beavis and Philpott.

4. DECLARATIONS OF INTEREST

There were no declarations of interest.

5. MINUTES

RESOLVED: That the Minutes of the meeting of the Standards and Governance Committee held on 21 June 2012 be approved and signed by the Chairman as a true and correct record.

6. DEPUTATIONS

There were no deputations.

7. PUBLIC QUESTIONS

There were no public questions.

PART II

8. ANNUAL GOVERNANCE REPORT

The Committee welcomed Ms Rose Coates and Mr Kevin Suter, from the Audit Commission, to the meeting.

Consideration was given to a covering report of the Audit Commission on the Annual Governance Report 2011/12. The Committee had before it the Annual Governance Report and the Draft Statement of Accounts for 2011/12, which was the subject of the Annual Governance Report.

The report summarised the findings from the 2011/12 audit which was substantially complete and the Auditor was expected to issue an unqualified audit opinion. The report included matters of governance interest that had come to the Auditor's attention in performing the audit. It also included messages arising from the council's financial statements and the results of the work undertaken to assess the council's arrangements to secure value for money in the Council's use of resources.

Mr Suter noted that a higher than expected level of errors had been received in the 2011/12 financial statements presented for audit, due to staffing resource issues. The Auditor had worked with Officers to correct the errors. As a result, Mr Suter explained that the audit work had taken longer than anticipated and an additional fee of £5,000 had been agreed for the general audit work.

Mr Suter noted that the annual report for 2010/11 stated that the management for the arrangement of leases needed to be improved. Progress improving the leases had been slow, but he recognised that management changes had occurred and further progress had been achieved.

The Auditor advised the Committee that the Council had made proper arrangements to secure economy, efficiency and effectiveness in the use of its resources.

As with Councils throughout the Country, the Auditor advised the Committee that the Council faced financial risks, especially regarding the uncertainty of the local government settlement. However the Auditor was happy with the steps taken by the Council to counter that.

A Councillor noted that the Committee had frequently questioned the level of audit cost and observed that for 2011/12 the Council had been charged an extra £5,000 in the general audit fees due to misstatements in the financial statements and associated notes presented for audit.. The Auditor responded that the fee at the beginning of the audit were an estimated fee and the Auditor hoped to work to that estimate. He noted that a 10% rebate was due to be deducted. The Borough Treasurer advised the Committee that the finance department had suffered from two vacant positions, but those had been filled, so consequently the problem was unlikely to be repeated. The Borough Treasurer explained that although the general audit fees had increased by £5,000 this was more than offset by a reduction of

£10,000 in the fees relating to work on claims and returns leading to an overall decrease of £5,000 in the fees charged.

A Councillor noted their disappointment in the little improvement made with Council leases. The Chief Executive acknowledged that further work was needed on leases. The Chief Executive thanked the Community and Customer Services Manager for ensuring that lease records were brought up to date and for redirecting additional resources to deal with it.

A Councillor asked the Borough Treasurer whether he thought the audit fees were fair. The Borough Treasurer confirmed that he felt the fees were justifiable.

RESOLVED: That the Committee in approving the Annual Governance Report:

- i. Notes the adjustments to the financial statements included in the report (appendix 2);
- ii. Approves the letter of representation (appendix 3); and
- ii. Agrees a response to the proposed action plan.

9. LOCAL GOVERNMENT OMBUDSMAN: ANNUAL REVIEW 2011/12

Consideration was given to the Borough Solicitor's report on the Local Government Ombudsman's annual review for 2011/12.

The Ombudsman's Advice Team received eleven complaints and enquiries during 2011/12. Of these, five were concerned with Benefits and Tax; one with Highways; four with Housing Services; and one with Planning Services. During this period the Ombudsman received 6 premature complaints. Decisions were made on 3 cases: one complaint was dismissed due to not enough evidence of fault and two were dismissed due to no or minor injustice.

RESOLVED: That the report be noted.

10. STANDARDS AND GOVERNANCE COMMITTEE WORKPLAN

Consideration was given to the Workplan of the Standards and Governance Committee.

RESOLVED: That the Workplan be noted.

11. ANY OTHER ITEMS

There were no other items.

The meeting commenced at 6.00pm and concluded at 6.23pm.

CHAIRMAN