

**A MEETING OF THE STANDARDS AND GOVERNANCE COMMITTEE
WAS HELD ON 16 JANUARY 2013**

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

1. APOLOGIES FOR NON ATTENDANCE

There were no apologies for non attendance

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES

RESOLVED: That the Minutes of the meeting of the Standards and Governance Committee held on 13 September 2012 be approved and signed by the Chairman as a true and correct record.

4. DEPUTATIONS

There were no deputations.

5. PUBLIC QUESTIONS

There were no public questions.

PART II

6. GOSPORT BOROUGH COUNCIL – ANNUAL CERTIFICATION REPORT

The Committee welcomed Ms Coates from Ernst & Young LLP who advised the Committee that from 1 September 2012 Ernst & Young had been appointed as auditors. Ms Coates further advised that all grant certification work for 2011/12 was carried out and submitted by the previous auditor, the Audit Commission.

Consideration was given to a report drafted by Ernst & Young on the Annual Certification Report 2011/12 summarising the results of certification work that had been undertaken at Gosport Borough Council on the 2011/12 claims and returns. Members were referred to the summary of certification work on page 6.5 of the report.

RESOLVED: Members noted the report

7. ANNUAL AUDIT FEE 2012/13

Consideration was given to the Ernst and Young report on the Annual Audit Fee 2012/13 confirming the proposed audit work to be undertaken by Ernst and Young for the financial year 2012/13.

Further to a question by a Member, Mrs Coates advised that the fees had been reduced by 40% due to the outsourcing of the work of the Audit Commission which has involved the transfer of the Commission's in house audit team to private firms of accountants such as Ernst and Young. This large procurement exercise resulted in larger than expected fee reductions. In addition the size of the Audit Commission has reduced as some of its previous functions have been transfer to other regulators, the National Audit Office (NAO) and Central Government. Members were further advised that Inspection work was no longer carried out. All these changes had helped reduce fees.

It was noted that Helen Thompson had joined the Audit Team at Ernst & Young where she would be taking up the position as Director.

RESOLVED: Members noted the report

8. DISPENSATIONS

Consideration was given to the Borough Solicitor's report of changes introduced by the Localism Act 2011 which required Members to apply for certain dispensations and to grant those dispensations. Members were advised that The Localism Act 2011 ('the Act') introduced new arrangements for the granting of dispensations to allow members to speak and take part in matters in which they have a disclosable pecuniary interest.

Members were further advised that the dispensation would allow the full Council, Boards and Committees to discuss these matters without Members being at risk of inadvertently committing a criminal offence.

A Member raised concern that Housing Benefit was to be replaced shortly and become part of Universal Credit. The Monitoring Officer advised that Recommendation 2 could be amended to include reference to 'any benefit replacing in whole or in part' which would mean that further dispensations would not be needed for this when Universal Credit was brought in.

Members agreed to amend Recommendation 2.

RESOLVED: That a dispensation be granted to each Member of the Council until 5 May 2016 or until a member ceases to be an elected member of Gosport Borough Council, whichever occurs first, so that they may speak; participate; and vote in the following matters that may arise at any meeting of the Council, a Board or Committee of the Council:-

1. Housing- for members or their spouses/partners who hold a tenancy or lease with the Council provided the matter does not relate to their particular tenancy or lease
2. Housing Benefit including any welfare benefit which replaces it in whole or part- where the member or their spouse/partner receive housing benefit or any replacement welfare benefit
3. Statutory Sick pay- where a member or their spouse/partner receives this or is entitled to receive this
4. Any allowance, payment or indemnity for members
5. Any ceremonial honour given to members
6. Setting the Council Tax

9. HALF YEAR INTERNAL AUDIT MONITORING STATEMENT TO 30 SEPTEMBER 2012

Consideration was given to a report by the Head of Internal Audit & Risk Assurance on the Internal Audit Monitoring Statement to 30.11.12.

Members were advised that there were no further updates to the report however, further information was requested regarding the two 'essential' recommendations arising from the audit of car parking and it was stated that they related to the following areas:

- Officer health and safety concerns
- Improving cash reconciliation procedure and process

RESOLVED: Members noted the report.

10. ANY OTHER ITEMS

There were no other items.

The meeting commenced at 6.00pm and concluded at 6.20pm

CHAIRMAN