

**A MEETING OF THE STANDARDS AND GOVERNANCE COMMITTEE
WAS HELD ON 11 APRIL 2013**

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

The Committee welcomed Ms Helen Thompson from Ernst & Young LLP.

1. APOLOGIES FOR NON ATTENDANCE

An apology for inability to attend the meeting was received from Rose Coates of Ernst & Young LLP.

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 16 January 2013 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. ANNUAL AUDIT FEE 2013/14

Consideration was given to an Annual Audit Fee letter from Ernst and Young, the Council's external auditors which confirmed the audit work proposed to be undertaken for the 2013/14 financial year at Gosport Borough Council. The fee reflected the risk-based approach to audit planning set out in the Code of Audit Practice and the work mandated by the Audit Commission for 2013/14. The audit fee covered the:

- Audit of the financial statements;
- Value for money conclusion; and
- Whole of Government accounts

Further to a question by a Member, Ms Thompson advised that the 40% reduction of fees reflected within the report was due to the procurement exercise completed by the Audit Commission to outsource the work of the Commission's in house audit team to private firms.

It was further advised that the audit fee would be set at a fixed rate for a 5 year period with the same amount of work being carried out.

RESOLVED: That the report be noted.

7. EXTERNAL AUDIT PROGRESS REPORT 2012/13

Consideration was given to a report from Ernst and Young, the Council's external auditors which set out the work undertaken to date since their appointment as the Council's auditor on 1 September 2012. The purpose of the report was to provide the Committee with an overview of the stage reached in delivering the 2012/13 audit. The Progress Report was the first step in ensuring that the audit be aligned with the Committee's service expectations.

Members were advised that on page 7/4 of the report under the work completed programme, 2012 should read 2013.

The Committee were advised that a number of meetings had taken place with key finance officers and stakeholders as part of an audit planning process to identify any significant risks that may occur.

Members were advised that an Audit Plan setting out identified risks will be presented at the June 2013 Standards and Governance Committee.

RESOLVED: That the report be noted.

8. INTERNAL AUDIT PLAN 2013/14

Members were advised that there were no further updates to the report.

RESOLVED: That the 2013/14 Internal Audit Plan, as attached in Appendix One of the report of the Head of Internal Audit & Risk Assurance, be approved.

9. INTERNAL AUDIT MONITORING STATEMENT FROM 01.12.12 TO 28.02.13

Consideration was given to a report of the Head of Internal Audit & Risk Assurance which provided information on the performance of the Internal Audit Section in the three months of 2012/13 (1st December 2012 – 28th February 2013) actual coverage against the agreed audit plan to the Members with responsibility for governance.

The report also provided Members with an update on other key internal audit business as well as the current status of the of the internal audit partnership with Eastleigh Borough Council within the three month period.

Members were advised that there were no further updates to the report.

RESOLVED: That the report be noted.

10. ANY OTHER ITEMS

There were no other items.

The meeting commenced at 6.00pm and concluded at 6:12 pm

CHAIRMAN