

A MEETING OF THE STANDARDS AND GOVERNANCE COMMITTEE

WAS HELD ON 16 JANUARY 2014

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

26. APOLOGIES

There were no apologies received.

27. DECLARATIONS OF INTEREST

There were no declarations of interest received.

28. MINUTES

RESOLVED: That the minutes of the meeting of the Standards and Governance Committee held on 12 September 2013 be approved and signed by the Chairman as a true and correct record.

29. DEPUTATIONS

There were no deputations received.

30. PUBLIC QUESTIONS

There were no public questions received.

31. ANNUAL AUDIT LETTER 2012/13 AND PROGRESS REPORT FROM THE COUNCIL'S EXTERNAL AUDITORS (ERNST & YOUNG)

Consideration was given to a Report of the Council's external auditors Ernst & Young (EY) that summarised the annual audit letter and the completed 2012/13 audit and the expected outputs for the 2013/14 audit which were included in the Progress Report.

Helen Thompson (HT) introduced Ernst Young Manager, Mike Bowers (MB), to the committee. MB advised that he had been pleased to pick the role up from his predecessor. HT said that the Report would be delivered as two separate items; first the Annual Audit Letter (AAL) and secondly the Progress Report that MB would present.

HT presented the Report for the AAL highlighting to Members that EY are required by the Audit Commission to present their statement in line with the Audit Commission's code of practice; she continued to say the unqualified audit opinion was issued at the end of September, with no areas of concern.

HT summarised the AAL Report by sharing that the 'Key Findings' are listed at item 2 in the covering report. She continued to say that there had been improvement in statements and few recommendations with regard to risk and therefore they had no matters to report. With respect to Value for Money EY had identified that the Council had good arrangements in place. HT also recognised that the Council's review plans to respond to forthcoming challenges were good.

A member expressed their gratitude for the level of work Council Officers had put in which had resulted in such a positive report, other Members echoed this.

MB referred to page 4 of the Progress Report to update Members on the stage of audit EY were at. He advised that EY had certified the pooling of housing capital return and national non-domestic return by the deadline. MB also indicated that the housing and council tax benefits claim had been certified and submitted on time but was subject to a qualification letter, relating to more minor issues that are required to be reported to the Department of Works & Pensions.

He continued to say that the small amendment to the audit fee had been brought about by the additional work incurred in the audit of the pooling housing capital return, national non-domestic return and housing and council tax benefits claim. EY are in negotiations with Audit Commission Office concerning this.

HT advised that there were two stages to the process in the event of more work being needed, firstly EY were required to bring to the attention of officers the additional works, which they had done, and next for the Audit Commission to look at it across other councils before approving the fee; it was said that the Audit Commission process will take a little more time, but EY hoped to settle it as soon as they could.

MB referred to page 6 of the Progress Report and summarised that EY had met with the Borough Treasurer and other key officers to ensure the 2013/14 audit runs smoothly. He advised that EY were delivering accounting and audit issue workshops for officers to attend.

Further to a question the Borough Treasurer said he was satisfied that the amended fees being charged were reasonable.

RESOLVED: That

- a) **The Committee review and note the conclusions set out in the Annual Audit Letter before final approval by the Policy and Organisation Board; and**
- b) **Note the Progress Report.**

32. ANY OTHER ITEMS

There were no other items discussed.

The meeting concluded at 18:14

CHAIRMAN