

**A MEETING OF THE STANDARDS AND GOVERNANCE COMMITTEE
WAS HELD ON 24 NOVEMBER 2016
SUBJECT TO APPROVAL**

Councillors; Allen, Ms Ballard (P), Beavis (P), Carter, Chegwyn (P), Mrs Cully, Mrs Forder (P), Mrs Furlong (P), Mrs Jones (P), Mrs Morgan, Mrs Prickett (P), Scard (P)

25. APOLOGIES

Apologies for inability to attend the meeting were submitted on behalf of Councillors Allen, Carter, Mrs Cully and Mrs Morgan

26. DECLARATIONS OF INTEREST

There were no declarations of interest.

27. MINUTES

RESOLVED: That the minutes of the meeting of the Standards and Governance Committee held on 8 September 2016 be approved and signed by the Chairman as a true and correct record.

28. DEPUTATIONS

There were no deputations

29. PUBLIC QUESTIONS

There were no public questions.

It was reported that in the absence of the Chairman Councillor Carter, Councillor Scard would chair the meeting.

PART II

30. ANNUAL AUDIT LETTER 2015/16 AND 2016/17 AUDIT PROGRESS REPORT

Consideration was given to the Annual Audit Letter 2015/16 and the 2016/17 Audit Progress Report of the Council's external auditors Ernst & Young, which summarised the findings from the 2015/16 audit which was now complete.

Members were advised that the Audit Letter summarised the key messages that were reported in the Audit Results Report presented to the Committee on 8th September 2016 and the Policy & Organisation Board on the 21st September.

The Audit progress report provided the Committee with an update on the progress made on the 2016/17 audit and re-confirmed key upcoming changes which the Council would need to consider.

RESOLVED: that:

- a) The Annual Audit Letter be considered and the conclusions reached by the auditor be received and;
- b) 2016/17 progress report be noted.

31. QUARTERLY INTERNAL AUDIT MONITORING STATEMENT TO 30.09.16

Consideration was given to the report of the Head of Internal Audit & Risk Assurance which advised Members of the performance of the Internal Audit Section in the second quarter of 2016/17 (1st July 2016 – 30th September 2016) against the agreed audit plan to the Members with responsibility for governance.

Members of the Committee were informed of the opportunity to extend the Test Valley Borough Council shared internal audit management arrangement from the 1st April 2017 for three years.

Members were also provided with an update on the new team and their development.

A Member asked for clarification regarding the recommendations reported in appendix 1 of the report and the definition of criteria. The Head of Internal Audit advised that there were four levels of criteria; critical, essential, important and advisory. He advised Members that he would amend the matrix to identify the levels going forward.

A Member asked if the recommendations highlighted in Appendix 1 of the report for the Gosport Leisure Centre had been considered. The Head of Internal Audit advised that he had visited the Leisure Centre and arrangements were being put in place to address issues. It was reported that Stevyn Ricketts (Head of Streetscene) was now overseeing this arrangement.

RESOLVED: That the Standards and Governance Committee:

- a) Reviewed the performance of Internal Audit from 1st July 2016 to 30th September 2016.
- b) The existing arrangement with Test Valley Borough Council be extended from 1st April 2017 for three years; and
- c) Developments in the team since the last meeting be noted.

32. INTERNAL AUDIT CHARTER & STRATEGY 2016/20

Consideration was given to the report of the Head of Internal Audit & Risk Assurance which set out the future Internal Audit Charter and Strategy as required by the Public Sector Internal Audit Standards (the Standards) which came into effect on the 1 April 2013.

RESOLVED: That the Internal Audit Charter and Strategy 2016/20 be approved.

33. ANY OTHER BUSINESS

There was no other business

The meeting concluded at 18:17.

CHAIRMAN