

## **HAVANT BOROUGH COUNCIL**

At a meeting of the Governance, Audit and Finance Board held on 19 September 2018

Present

Kennett (Chairman), P Bains, Briggs, Crellin, Hart, Rees and Robinson

### **25 Apologies**

Apologies for absence were received from Councillors Smith and Wade.

### **26 Minutes**

The Minutes of the meeting of the Governance, Audit and Finance Board held on 25 July 2018 were agreed as a correct record and signed by the Chairman.

### **27 Matters Arising**

There were no matters arising.

### **28 Declarations of Interest**

There were no declarations of interests.

### **29 Chairman's Report**

The Chairman had nothing to report.

### **30 Progress Against Outstanding NFI matches**

The Board considered a report from Ian Bartlett, Capita Head of Revenues and Benefits Service, who joined the meeting for the debate on this item and answered members questions relating to the report.

The received an apology for the delay in undertaking NFI matches this year. Mr Bartlett explained that this was due to the introduction of a new computer system which would in the long run be of benefit to customers. The Board was advised that the priority NFI matched had been completed. NFI matches on the Electoral Roll would be completed by the end of November 2018 and the final matches by 31 January 2019.

In response to questions raised by members, Mr Bartlett assured the Board that steps had been taken to prevent this problem reoccurring. Mr Bartlett agreed to report back to the Board when all the outstanding NFI matches had been completed.

RESOLVED that the report be noted.

**31 Internal Audit Progress Report 2018-19 (September 2018)**

The Board considered the Internal Audit Progress Report presented by Antony Harvey and Amanda Chalmers of the Southern Internal Audit Partnership, who joined the meeting for the debate on this item and answered members' questions in connection with the report.

The Board was informed that the work of internal audit remained on track and there were no significant issues to be highlighted at this stage.

RESOLVED that the Internal Audit Progress Report be noted.

**32 Annual Audit Letter 2017/18**

The Board considered the Annual Audit Letter 2017/2018 as presented by Ernst and Young LLP.

The Annual Audit letter summarised the findings from the 2017/18 audit. The letter gave an 'Unqualified' opinion on the Council's financial statements and concluded that proper arrangements to secure value for money were in place.

The Board thanked the officers and external auditors for their work.

RESOLVED that the Annual Audit Letter 2017/2018 from Ernst and Young LLP be noted.

**33 Councillors' Allowances Review**

The Board considered the report from the Governance, Audit and Finance Scrutiny Panel setting out its findings and recommendations following a scrutiny review of the Councillor Allowances Scheme.

The Panel noted the following amendments to the report

Paragraph 11.3(b) to be amended to read:

"(b) a modernisation allowance of *£461* be created to meet a number of expenses, including council related telephone calls both land line and mobile, line rental costs, IT and internet access"

Paragraph 14.12 be amended to read:

"The Panel recommends that the Chairman of the *Joint Human Resources Committee's* SRA is 25% of the recommended SRA for the Leader, which equates to *£3643*"

(changes shown in italics)

*Governance, Audit and Finance Board (19.9.18)*

The Chairman thanked members of the Panel and the officers who supported the Panel for all of their work. He, in particular, praised the Panel for developing a scheme and processes which were based on evidence and a transparent and logical construct that was understandable and justifiable, both in the short and the long term.

RESOLVED that

(1) The Council be RECOMMENDED to:

(a) approve the following scheme from **1 October 2018**:

<b>Allowance</b>	<b>£</b>
Basic Allowance	£5430
Leader	£14,800
Deputy Leader	£10,018
Cabinet Lead	£8,425
Governance, Audit and Finance Board Chairman	£6831
Scrutiny Board Chairman	£5,692
Development Management Committee Chairman	£5,009
Licensing Committee Chairman	£1,116
Joint HR Committee Chairman	£3,643
Group Leader*	£911-£3,643

A Councillor may only receive 1 SRA at a time. No more than 50% of the number of Councillors can receive an SRA

Joint HR Committee Chairman and Vice Chairman rotates annually with EHDC.

\*Leaders of any political group, other than the ruling group, comprising two or more members to receive a Special Responsibility Allowance based upon the following formula:

Band A	2-5 Members	£911
Band B	6-10 Members	£1822
Band C	11-15 Members	£2732
Band D	16+ Members	£3643

From 2020/21 the Basic Allowance be increased in line with any NJC increase as agreed each year from 1 April 2020/21.

Future changes to the Special Responsibility Allowances (SRAs) or proposed new SRAs to be submitted to the Governance, Audit and Finance Board for evaluation before being introduced.

### **Additional allowances**

**A Modernisation Allowance** of £461 (currently included in the Basic Allowance) be created to meet a number of expenses, including council related telephone calls both land line and mobile, line rental costs, IT and internet access.

This allowance to be paid automatically from 1 October 2018 at £38 per month from 1 October 2018.

**Mileage:** To be maintained in line with the HMRC rate, currently 45p per mile. Passenger and cycle rates set at 5p per passenger and 20p per mile respectively. Claims to be made within six months of the date of travel. Claims may only be made to cover travelling costs incurred whilst carrying out approved council duties as a councillor. This does not include ward business or political activities, such as attending group meetings.

**Taxi/Rail:** There is a presumption in the scheme that, where practicable, councillors will pre-book rail journeys for council business via the council. Where this is not practicable, then a valid receipt/train ticket must be presented, along with reason for that journey.

**Child care:** up to £8.75 per hour.

Dependent relative care: up to the hourly rate for approved care providers within Hampshire County Council (currently £14.20 in 2015).

Claims for carers allowances must be accompanied with a receipt stating the date, hours worked and cost. Claims may only be made to cover the carer costs incurred whilst carrying out approved council duties as a councillor, such as attending council meetings.

**Subsistence (meal) allowances:** The council does not make subsistence allowances available for approved duties within the district. Maximum claims for meals to be maintained in line with the rates that can be claimed by officers, currently (2015):

- Breakfast = £5.73
- Lunch = £7.92
- Meal = £9.80

There is a presumption in the subsistence scheme that, where practicable, councillors will pre-book meals and accommodation through the council. Where this is not practicable, then the above subsistence rates are the maximum reimbursements, up to a maximum of £43 per day, including incidental subsistence costs.

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- (b) agree that the Panel's reports and findings be submitted as evidence to the next Independent Remuneration Panel.
- (2) The Governance, Audit and Finance Scrutiny Panel be requested to undertake a review into the Leader's Allowance, including the budgetary implications of any changes to this allowance.

**34 Monitoring Officer's Report**

The Monitoring Officer informed the Board that there had been no new Code of Conduct complaints received since the last meeting. He also gave advanced notice that the Board would be asked to consider changes to the Council's constitution at a future meeting of the Board.

**35 Board's Business Plan**

The Board received an update on its Business Plan. It was noted that the challenge sessions on the Medium Term Financial Strategy would be rescheduled.

**The meeting commenced at 5.00 pm and concluded at 5.35 pm**