

## HAVANT BOROUGH COUNCIL

At a meeting of the Governance & Audit Committee held on 5 March 2014

Present

Councillor Smith K (Chairman)

Councillors Kennedy, Tarrant and Shimbart

### **9 Apologies**

Apologies for absence were received from Councillors Buckley, Hart, Mrs Smallcorn and Wilson.

### **10 Minutes**

RESOLVED that the minutes of the meeting of the Governance and Audit Committee held on 20 November 2013 be approved as a correct record.

### **11 Matters Arising**

There were no matters arising from the minutes of the last meeting.

### **12 Declarations of Interest**

There were no declarations of interests from any of the members present.

### **13 Chairman's Report**

The Chairman thanked Antony Harvey of the Southern Audit Partnership for providing an interesting and informative presentation on internal audit prior to the meeting.

### **14 External Audit Papers**

The Board considered two papers presented by Ernst and Young LLP. Helen Thompson and Ian Young of Ernst and Young LLP were invited to join the meeting for the debate on this item and answered members' questions in connection with the report.

The Audit Progress Report provided the committee with an overview of the stage reached in the 2012/13 audit and an outline of their plans for the 2013/14 audit. It was confirmed that all work for the financial year 2012/13 had been completed and initial planning work had been undertaken for 2013/14, further details of which would be provided at the next meeting.

The Certification of Claims and Returns Annual Report 2012/13 related to the audit of the Council's 2012/13 grant claims. It was confirmed that two grant claims had been certified and that the 2012/13 certification fees had reduced based on previous years.

RESOLVED that the report be noted.

#### **15 Internal Audit Progress Report 2013/14**

Antony Harvey of the Southern Internal Audit Partnership presented the committee with the Internal Audit Progress Report which provided an overview of internal audit activity against assurance work completed in accordance with the approved audit plan.

A summary of the status of previous issues identified and the number of agreed issues cleared was provided. The committee was pleased to note that in excess of 80% of performance targets had been completed against the agreed plan and no significant issues had been identified to date.

RESOLVED that the Internal Audit Progress Report be noted.

#### **16 Internal Audit Charter 2014/15**

Antony Harvey of the Southern Internal Audit Partnership presented the committee with the Internal Audit Charter for 2014/15. The committee noted that the Internal Audit Charter formally defined the internal audit activity's purpose, authority and responsibility in line with the Standards and that it had not been altered since it was previously reviewed by the Joint Governance and Audit Committee held on 16 September 2013.

RESOLVED the Internal Audit Charter for 2014/15 be approved.

#### **17 Internal Audit Plan**

Antony Harvey of the Southern Internal Audit Partnership presented the committee with Havant Borough Council's Internal Audit Plan 2014/15. The Plan ensured the most appropriate use of internal audit resources in order to provide a clear statement of assurance on risk management, internal control and governance arrangements. Historically the Plan had projected audit activity over a three period, however due to the rapidly changing local government environment the Plan focused on 2014/15.

In response to a question it was suggested that the Service Manager (Legal and Democratic) would be the Audit Sponsor for Code of Conduct.

RESOLVED that the Internal Audit Plan 2014/14 be approved.

#### **18 Effectiveness of Internal Audit**

Antony Harvey of the Southern Internal Audit Partnership presented the committee with a report on the Effectiveness of the System of Internal Audit which provided an overview of the measures currently in place to monitor and maintain internal audit effectiveness. Using self-assessment the Council was compliant with 321 of the 341 Standards. The majority of the remaining areas were classified as not applicable to the Council while any areas of partial or no

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compliance had resulted in an action plan being implemented to stimulate improvement.

RESOLVED that

- 1) The review conducted in assessing the 'Effectiveness of the System of Internal Audit' be approved; and
- 2) The action plan generated from the assessment against the Public Sector Internal Audit Standards be endorsed.

**19 Code of Conduct Complaints**

There was no business to discuss under this item.

**The meeting commenced at 5.00 pm and concluded at 5.34 pm**

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