

# **EAST DEVON DISTRICT COUNCIL**

## **Minutes of the meeting of Audit and Governance Committee held at Council Chamber, Blackdown House on 25 July 2019**

### **Attendance list at end of document**

The meeting started at 2.30 pm and ended at 3.27 pm

#### **1 Public speaking**

There were no members of the public wishing to speak.

#### **2 Minutes of the previous meeting**

The minutes of the Audit and Governance Committee meeting held on 21 March 2019 were confirmed as a true record.

#### **3 Declarations on interest**

Full Risk Review May/June 2019.

Councillor Paul Hayward, Personal, Clerk to Chardstock, All Saints and Newton Poppleford & Harpford parish councils and has communicated with the council's S106 officer.

#### **4 Statement of Accounts 2018/19**

The Strategic Lead Finance presented the Council's Statement of Accounts for 2018/19.

Geri Daly, Engagement Lead for Grant Thornton UK LLP the Council's appointed external auditors, explained they had not completed their audit to meet the 31 July deadline due to a lack of staff resources and had as yet not issued an audit opinion on the Accounts. She apologised for the lack of audits and went on to say that the council did not need an audit opinion to publish its statements of accounts. In answer to a question re penalties being levied for the lack of audits she said there were none for this particular area of audit. The Strategic Lead Finance said there were now issues for council resourcing as staff would normally go on leave in August once the accounts had been signed off and then on return focus on budget preparation for the following year. He stated that the Government and Public Sector Audit Appointments (PSAA) were fully aware of the position and a late audit opinion was out of the council's control.

The Accounts would be presented back to Committee for approval once this work was completed, it was envisaged approval would be sought at the September meeting.

#### **RESOLVED:**

that the position on publishing the 2018/19 Statement of Accounts and audit opinion be noted.

#### **5 2018/19 Statement of Accounts - Assessment of Going Concern status**

*The report set out the Strategic Lead Finance's assessment as the council's Section 151 officer of the council's 'Going Concern' status; a key underlying*

***assumption in preparing the financial statements. An authority's financial statements should be prepared on a going concern basis i.e. the accounts should be prepared on the assumption the functions of the authority would continue in operational existence for the foreseeable future. The Section 151 officer confirmed this status.***

**RESOLVED:**

***that the assessment of the council's 'Going Concern' status be noted.***

## **6 Internal Audit Plan 2018-19 Outturn Report**

The Audit and Governance Committee agreed the 2018-19 Internal Audit Plan at its March 2018 meeting. Alastair Woodland, Assistant Director for SWAP provided an update on the outturn position of the 2018/19 Internal Audit Plan.

**RESOLVED:**

that the Internal Audit Plan Outturn report be noted.

## **7 Internal Audit Annual Opinion Report 2018-19**

The report provided the internal auditor's overall opinion on the systems of internal control at the council. The Audit and Governance Committee agreed the 2018/19 Internal Audit Plan at its March 2018 meeting. Alastair Woodland explained to members that SWAP was independently assessed and as a result a Quality plan was produced. This was a live document and reviewed regularly.

**RESOLVED:**

that the content of the Internal Audit Annual Opinion report be noted.

## **8 Internal Audit Plan Progress July 2019 (2019/20)**

The committee agreed the 2019/20 Internal Audit Plan at its March 2019 meeting. The report provided an update on the 2019/20 Internal Audit Plan as at end of June 2019.

**RESOLVED:**

that the content of the Internal Annual Audit Progress report be noted.

## **9 Full Risk Review May/June 2019**

Risk information for the 2019/20 financial year was supplied to allow the Committee to monitor the risk status of Strategic and Operational Risks. This followed the full review of risks by responsible officers during May/June 2019. There was discussion around Community Infrastructure Levy receipts and it was agreed that this be put on the Forward Plan for an update to the Committee in November this year.

A discussion followed to which committee Section 106 and Community Infrastructure Levy should sit under as it covered many aspects. The Strategic Lead Finance explained that the areas being raised in relation to procedure and governance fitted well within the Audit and Governance Committee remit.

Councillor Dean Barrow questioned the operational risk register concerning the following;

1. That the facilitating new business space control status as 'Working and Effective' was not correct. He stated that a number of projects had been put forward over the last few years that had not come to fruition.
2. He did not believe the receipts of Section 106 funds contact status as 'Working and Effective' was accurate, as getting this information out to the communities concerned was not effective.
3. Other typo errors were raised which were noted for correction.

The Strategic Lead Finance said he would pass this information to key officers and ask for an update to be given.

**RESOLVED:**

that the current status of risks following the full risk review undertaken in May/June 2019 be noted.

10 **RIPA update**

At the meeting of 18 January 2018, Members agreed to receive an update on RIPA activity throughout the year. The RIPA Senior Responsible Officer advised that there had been no requests for RIPA authorisation since the last committee.

11 **Audit and Governance Forward Plan**

Members noted the contents of the Committee Forward Plan for 2019/20.

Items to be considered at the September 2019 committee included:

- External Audit Report 2018/19
- Statement of Accounts 2018/19 including Governance Statement
- Letter of Representation
- Audit Committee update
- Annual audit letter
- Certification Report
- RIPA update
- Expenditure on consultants and agency staff 2018/19
- Internal Audit Activity – Quarter 2 2019/20

**Attendance List**

**Councillors present:**

S Hawkins (Chairman)  
D Barrow  
P Hayward  
M Rixson

**Councillors also present (for some or all the meeting)**

S Bond  
P Faithfull  
G Jung

A Moulding

**Officers in attendance:**

Amanda Coombes, Democratic Services Officer

Geri Daly

Simon Davey, Strategic Lead Finance

Georgina Teale

Alastair Woodland

**Councillor apologies:**

G Pratt

F Caygill

S Chamberlain

S Gazzard

P Twiss

C Wright

Chairman .....

Date: .....