

EAST DEVON DISTRICT COUNCIL

Minutes of a Meeting of the Audit & Governance Committee held in the Council Chamber at Knowle, Sidmouth on 3 March 2016

Attendance list at end of document

The meeting started at 2.29pm and ended at 3.12pm

***40 Chairman's welcome**

The Chairman welcomed everyone to the meeting.

***41 Public Speaking**

There was no public speaking.

***42 Minutes**

The minutes of the Audit and Governance Committee meeting held on 7 January 2016 were confirmed and signed as a true record.

***43 Declarations**

None

***44 External Audit Plan – KPMG**

Tara Westcott, Senior Manager from KPMG was pleased to present the first audit plan and said KPMG were looking forward to working with Committee Members in 2015/16 and beyond. The report supplemented the Audit Fee Letter 2015/16 presented in June 2015, which set out details of this appointment by Public Sector Audit Appointments Ltd (PSAA). The audit had two key objectives:

1. Financial statements (including the Annual Governance Statement): Providing an opinion on accounts; and
2. Use of resources: Concluding on the arrangements in place for securing economy, efficiency and effectiveness in the use of resources (the value for money conclusion).

The audit planning process and risk assessment was an on-going process and the assessment and fees in the plan would be kept under review and updated if necessary.

KPMG thanked officers and Members for their continuing help and co-operation throughout the audit work.

Discussions included five years was a long time for revaluation, Tara reminded the Committee that during the intervening periods yearly desktop reviews could be undertaken.

The Chairman on behalf of the committee thanked KPMG for their report.

RESOLVED:

that the External Audit Plan be noted

***45 Audit Committee update – KPMG**

Members considered the report, which provided the audit committee with an overview on progress in delivering the responsibilities by the external auditors.

Since the meeting of the Audit Committee in November 2015 KPMG had:

- held a planning and risk assessment meeting with the Strategic Finance Lead and the finance team;
- liaised with SWAP and had started to review their work for the interim audit.
- completed a detailed risk assessment which included reviewing the risk register, minutes of key meetings, discussion with key officers in order to finalised the Audit Plan for 2015/16;
- completed the interim audit which included understanding the Authority's control environment and performing testing on key controls; and
- issued our Prepared by Client (PBC) list to confirm the required documentation for the financial statements audit.

Over the next quarter KPMG planned to:

- finalise the interim report; and
- agree the timing of the certification work on the housing subsidy grant.

The Chief Executive asked if there had been any Government feedback to the report KPMG and Shelter had produced setting out essential reforms to increase the supply of affordable housing. Tara said she would look into this and forward this on to the Chief Executive.

RESOLVED:

that the progress be noted

***46 Accounting Policy update**

The Strategic Lead, Finance presented the report. As it was considered best practice for the Audit and Governance Committee to approve the Accounting Policies to be adopted for the preparation of the accounts, the current policies were presented for Members consideration. The report also informed members of the accelerated timetable for completion of the annual statement of accounts.

RESOLVED:

1. that the Accounting policies be approved
2. the accelerated timetable for the 2015/16 Statement of Accounts be noted

***47 Annual Audit Plan 2016/17 – SWAP**

Moya Moore, Assistant Director, SWAP explained to members that a key element of its Governance arrangements the Council had a partnership arrangement with South West Audit Partnership to deliver an annual internal audit plan. The Plan provided assurance to both Officers and Members of the current and imminent risks faced by the Authority in an ever-changing risk environment. If an emerging risk or a fraud investigation was deemed higher risk than the audits in the Audit Plan then changes may be required during the year. The Committee were approving the initial plan of 376 days. Any changes would be reported to the Committee quarterly for approval.

The Chairman thanked Committee Members for their feedback into possible future audit areas.

RESOLVED:

that the Internal Audit Plan of 376 days for April 2016 to March 2017 be approved

***48 Whistleblowing Policy Review**

The Strategic Lead - Legal, Licensing, Democratic Services & Monitoring Officer presented to Members the review to the Council's Whistleblowing Policy, which required updating to reflect a change in the law and also it had been given an overall review. The revised policy was presented to Standards Committee at the January 2016 meeting where it was recommended that Audit and Governance adopt the revised policy.

RESOLVED:

that the revised Whistleblowing Policy be approved

***49 Audit and Governance Forward Plan**

Members noted the contents of the Committee Forward Plan for 2015/16.

Items to be considered at the June Committee included:

- Review of Internal Audit Charter
- Annual Report inc. Quarter 4
- Internal Audit Activity – Quarter 1 2015/16
- Revenue and Capital Outturn Report 2014/15
- Annual Audit Report and Opinion
- Consultancy Audit Update
- Draft annual governance statement
- Audit Committee update
- Risk Management Review
- Statement of Accounts
- Member training – Audit Definitions and Processes

RESOLVED:

that the Forward Plan be noted.

Attendance list

Present:

Councillors
Mark Williamson (Chairman)
Dean Barrow (Vice Chairman)
Steve Gazzard
Steve Hall
John Humphreys
Ben Ingham
Bill Nash

Apologies:

Cllr Ian Thomas, Portfolio Holder Finance
Cllr John Dyson
Laurelie Gifford, Financial Services Manager

Officers:

Mark Williams, Chief Executive
Simon Davey, Strategic Lead – Finance
Henry Gordon Lennox, Strategic Lead - Legal, Licensing, Democratic Services & Monitoring Officer

Tara Westcott, Senior Manager, KPMG
Moya Moore, Assistant Director, SWAP
Amanda Coombes, Democratic Services Officer

Chairman Date.....