

EAST DEVON DISTRICT COUNCIL

Minutes of a Meeting of the Audit & Governance Committee held in the Council Chamber at Knowle, Sidmouth on 22 September 2016

Attendance list at end of document

The meeting started at 2.30pm and ended at 3.29pm

***15 Chairman's welcome**

The Chairman welcomed everyone to the meeting.

***16 Public Speaking**

There was no public speaking.

***17 Minutes**

The minutes of the Audit and Governance Committee meeting held on 30 June 2016 were confirmed and signed as a true record; with corrections to Minute 11 being noted.

***18 Declarations**

None

***19 Internal Audit Activity – Quarter 1 & 2 2016/17**

Moya Moore Assistant Director, SWAP updated Members. The Committee agreed the 2016-17 Internal Audit plan at its March 2016 meeting. This report provided an update on the 2016/17 Internal Audit Plan Quarter 1.

The Chairman thanked Moya for her report.

RESOLVED:

that the content of the Internal Audit Progress Report be noted.

***20 Statement of Accounts 2015/16 and Governance Statement**

a) Report to those charged with Governance

Darren Gilbert from KPMG, presented the Council's external audit report, which highlighted key issues arising from the Council's financial statements for the year ending 31 March 2016.

The Chairman thanked KPMG for their report.

b) Statement of Accounts 2015/16

The Strategic Lead Finance presented the Council's Statement of Accounts for 2015/16.

The Auditors were anticipating issuing an unqualified audit opinion once the Accounts have been approved by the Audit & Governance Committee.

This report compared the final position on the council's accounts compared with the position presented to members at Outturn stage. No amendments had been made to affect the council's reported financial position given in the Outturn Report in June 2016.

c) Governance Statement

The Governance Statement had been updated from feedback from the Committee when presented as a draft statement at the June 2016 meeting. The Council was required to approve an Annual Governance Statement to accompany the Statement of Accounts. The report detailed the processes in place within the Council's governance framework and in compliance with its adopted Code of Corporate Governance. The Statement highlighted improvements made in Governance arrangements during 2015/16 to note include;

- 2015/16 was the first full year of the Council having Corporate Counter Fraud & Compliance Officer. In addition to the Council continuing to utilise the National Fraud Initiative (NFI) cross data matching service work was undertaken on Council Tax Single Person Discounts and Council Tax Support Cases.
- The Audit and Governance Committee continued to keep an eye on the process to be put in place in order to regularly monitor a 5-year land supply for strategic planning purposes. A recommendation had been made to form a strategic planning function in 2016/17 to help strengthen governance in this area.
- Following Government policy changes the Housing Revenue Account Business Plan needed to be updated. The importance of this work had been strengthened with members' involvement by the establishment of Task and Finish Forum on the topic.
- Audit review on committee decisions focusing on quality of information presented to members was given an audit opinion of substantial.

d) Letter of Representation

Members were asked to note the letter to KPMG in respect of the audit of the Financial Statements for the year ended 31 March 2016 confirming the council's position, documents produced and the sound processes in place.

RESOLVED:

that Members approve the 2015/16 Statement of Accounts.

***21 Technical update - KPMG**

The report provided an overview on progress in delivering responsibilities as the council's external auditors. The Chancellor of the Exchequer had proposed some radical reforms of local government finance. The proposals were that by the end of the decade, councils would retain all locally raised business rates but would cease to receive core grant from Whitehall. During discussions it was suggested that the retention of business rates be put on the council's risk register until it was clear what this would entail.

RESOLVED:

that the update from KPMG be noted.

***22 Review of the Anti bribery policy and the Anti fraud theft and corruption policy**

The Strategic Lead (Legal, Licensing and Democratic Services) and Monitoring Officer presented the council's Anti-Fraud Theft and Corruption and Anti-Bribery Policies which required reviewing. Revisions had been made to the policies although there had not been any substantive changes.

RESOLVED:

that the revised Anti-Fraud Theft and Corruption policies be agreed

***23 Audit and Governance Forward Plan**

Members noted the contents of the Committee Forward Plan for 2016/17.

Items to be considered at the November Committee included:

- Annual audit letter
- Risk management review – half year review
- Internal Audit update – Quarter 2 2016/17
- Future of External Audit
- Partnership Register
- Analysis of consultants fees 2015/16
- Findings from objection raised to Statement of Accounts

RESOLVED:

that the Forward Plan be noted.

Attendance list

Present:

Councillors

Mark Williamson (Chairman)

Dean Barrow (Vice Chairman)

Steve Gazzard

Steve Hall

John Dyson

Ben Ingham

Bill Nash

John Humphreys

Ian Thomas Portfolio Holder Finance

Officers:

Mark Williams, Chief Executive

Simon Davey, Strategic Lead – Finance

Laurelie Gifford, Financial Services Manager

Darren Gilbert, Director, KPMG

Tara Westcott, Senior Manager, KPMG

Moya Moore, Assistant Director, SWAP

Amanda Coombes, Democratic Services Officer

Chairman Date.....