

## **EAST DEVON DISTRICT COUNCIL**

### **Minutes of the meeting of Audit and Governance Committee held at Council Chamber, Blackdown House on 25 July 2024**

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

The meeting started at 2.30 pm and ended at 4.11 pm

#### **1 Minutes of the previous meeting**

The minutes of the Audit and Governance Committee held on 21 March 2024 were confirmed as a true record.

#### **2 Declarations on interest**

There were none given.

#### **3 Public speaking**

There were no members of the public wishing to speak.

#### **4 Matters of urgency**

There were none.

#### **5 Confidential/exempt item(s)**

There were none.

The Chair wished to thank the outgoing Chair of the Audit & Governance Committee Cllr Sam Hawkins for his dedication to this role and wished him luck in his new role as the Portfolio Holder for Finance. He welcomed new Members to the Committee.

#### **6 Audit Plan 2023/24 - Grant Thornton**

Peter Barber from Grant Thornton presented the Audit Plan 2023/24. He clarified the independent role of Grant Thornton stating once a year their intention was to sign off the council's accounts, with a secondary role of looking at value for money and that effective arrangements were in place in use of resources.

The Director of Finance in response to a question to why there had been a delay in submitting the accounts explained that staffing resources has been an issue due to the technical skill set required to oversee this work. Members were pleased to see the concerns over the HRA were being looked into by Grant Thornton.

#### **RESOLVED:**

That the Audit Plan 2023/24 be noted.

#### **7 Internal Audit Activity Progress report - Quarter 4 2023/24**

Lisa Fryer from SWAP presented the 2023-24 Quarter 4 Internal Audit Activity Progress report. The report allowed for monitoring against the planned audits agreed for 2023/24. There was discussion around how items were added to the audit plan and whether budgets were looked at by SWAP. In response Lisa stated items were considered on a risk-base scenario and that anything could be added to the plan, however their role concentrated on processes to assist with good forecasting.

**RESOLVED:**

That the Internal Audit Activity Progress report - Quarter 4 2023/24 be noted.

8 **Internal Audit Annual Opinion 2023/24 - SWAP**

Lisa Fryer from SWAP presented the Internal Audit Annual Opinion 2023/24.

**RESOLVED:**

That the Internal Audit Annual Opinion 2023/24 be noted.

9 **Revenue and Capital Outturn Report 2023/24**

The Director of Finance informed Members that the report had been presented to Cabinet on 10 July 2024 and then agreed by Council on 17 July 2024. The report was presented to Audit & Governance Committee to provide information of the financial outturn position for 2023/24 and to note the recommendations to Council.

Discussions included the budget position presented to members re the Housing Revenue Account. The Director of Finance reconfirmed the situation that led to this present position. The wait for key information from the housing stock condition survey to formulate a budget that would then allow priority to the areas necessary in terms of expenditure had been an issue. Without knowing what the expenditure would be it was difficult to know what levels the budget should be set for 2024/25.

Discussion also included:

- The Audit and Governance Committee were there to govern and make sure the budget was adhered to. Unexpected borrowing of £2.5m to cover unplanned overspend was a concern. Was the Committee happy there was enough governance on this matter?
- It was not acceptable the housing stock condition survey was not yet completed. Once completed would this put even more pressure on the council's budget.
- The Housing Review Board needed to investigate this and raise questions where necessary.

**RESOLVED:**

That the Revenue and Capital Outturn position for 2023/24 and the recommendations to Cabinet on 10 July 2024 be noted.

10 **Strata Services Solutions - Internal Audit Report Annual Opinion**

This item was deferred to the next meeting due to the auditor not being available to present the report. The committee wished their frustration and disappointment noted for this last-minute change to the agenda.

11 **Audit and Governance training programme**

The Director Finance presented the report which followed on from an Audit and Governance members skills assessment carried out by SWAP earlier in the year. This was with the previous Committee membership but is considered still relevant and will be followed up with a further survey once training has been provided to ensure continuous improvements, to ensure members of the Committee were provided with the right resources to undertake their role.

The work of the Committee was technical, and it was positive to note from the survey that there was a good coverage of abilities overall. Some gaps were identified, most significantly in respect of:

- Governance
- Counter-Fraud
- Treasury Management.

The Chair stated any training would also be open to non-committee members who wished to access this.

**RESOLVED:**

To consider the training timetable and to adopt a final version.

12 **Audit and Governance Forward Plan**

Audit and Governance Committee Forward Plan items to be considered at the 19 September 2024 committee included:

- Internal Audit Plan 2023-24
- Internal Audit Activity Progress report
- Audit Progress report and Sector update
- Financial Monitoring report 2023/24 - Month 4 July 2023
- Project review of Housing procurement (Part B)
- Risk Management Review
- Strata Services Solutions - Internal Audit Report Annual Opinion

**Attendance List**

**Councillors present:**

I Barlow  
C Brown  
C Burhop (Chair)  
R Collins  
O Davey (Vice-Chair)  
C Fitzgerald  
M Goodman

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

J Brown  
J Loudoun  
T Olive

**Officers in attendance:**

Amanda Coombes, Democratic Services Officer

Peter Barber, Grant Thornton  
Simon Davey, Director of Finance  
Lisa Fryer, SWAP  
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)

**Councillor apologies:**

S Gazzard  
J Whibley  
K Bloxham

Chair .....

Date: .....