

## **EAST DEVON DISTRICT COUNCIL**

### **Minutes of the meeting of Audit and Governance Committee held at Council Chamber, Blackdown House on 20 February 2025**

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

The meeting started at 2.30 pm and ended at 3.31 pm

#### **53 Declarations on interest**

There were no declarations given.

#### **54 Public speaking**

None.

#### **55 Matters of urgency**

None.

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

There were no items which officers recommended should be dealt with in this way.

#### **57 Statement of Accounts 2023/24**

The Director of Finance and Peter Barber from Grant Thornton presented the council's Statement of Accounts for 2023/24 to the Committee for approval. Members were asked to note the letters of representation to Grant Thornton in respect of the financial statements for 2023/24. Members were informed there was a national issue with over half of Local Authorities having had their accounts backstopped. For transparency for the Committee a programme of events was being completed for Members to track future progress.

Discussion included the following:

- Assurance that the council was covering the Plan and reaching deadlines set.
- The setting of the Budgets and auditing of the Accounts happened at the same time – this was a problem especially with staffing resource.
- To work with Grant Thornton to get the complicated accounts submitted earlier.
- Work would start on auditing the draft accounts by mid-September.
- Cannot always be assured of the staffing position, the key was resilience in the Finance team. Statutory Accounting was very specialised.
- The need for planning earlier with all concerned working together for the 2024/25 audit of accounts.
- Having a coordinator as one point of contact being tasked to chase up responses from managers.
- Perhaps share working practises with other authorities who had more success with accounts delivery.
- The possibility of contracting out certain elements to external companies.
- The Committee could help the process with useful further debates and discussions.

In response to whether the Plan was presently in place, the Director of Finance stated a detailed timetable had been completed for the production of the Accounts but more

emphasis on the backing papers required. The Finance team needed to be more proactive with the auditors with a managed approach and there were lessons learnt from this year's audit for both the finance team and the audit team. The recruitment of a Principal Accountant was proving difficult. The Director and Finance and Grant Thornton stated their commitment to work together to get the auditing of accounts process working and progressing going forward. External Audit Progress would be a set item on future Audit and Governance Committee agendas.

Cllr Mike Goodman had submitted the following questions which the Chair asked be recorded in the minutes along with the subsequent officer answers.

Question 1:

We all understand that the back stopped is being put in place. What was not covered in the last audit meeting was confirmation that although in each of the last three years the external audit has not been completed. Can the audit committee have confirmation that there is no element of the external audit that has been not investigated at least once during the last three years. If this assurance is not available this does leave the Council at risk and what can be done to rectify this situation?

Answer:

There are many areas that have not been covered at least once during the last 3 years. For 2021/22 and 2022/23 no substantive audit work was undertaken and in 2023/24 whilst lots of work commenced, very little was concluded. So, there is little assurance to be gained from audit coverage over the last 3 years.

Question 2 to Grant Thornton:

The red risk of the financial health of housing review board is a concern. Is Grant Thornton satisfied that everything is being done and can we have an update report at the next audit meeting?

Answer:

We will follow up the significant weakness in respect of the Housing Revenue Account as part of our 2024/25 VFM work. We cannot comment on whether adequate progress is being made in this area until this work is complete.

Question 3:

On page 12 of the Grant Thornton report recommended in 2022/23 that council should strengthen their financial planning of HRB to include updating the 30-year business plan, and that prudent levels of HRB reserves should be maintained over the medium term. This report replaces this with further recommendations. In the view of Grant Thornton was the 2022/23 recommendations delivered and are you confident the new recommendation will be delivered in 2025/26?

Answer:

No, the 2022/23 recommendation was not delivered as this is why the replacement recommendation still includes updating the 30-year business plan as well as other new areas for attention.

Question 4:

Recommendation 2

Are we confident that the adverse variance regarding leisure for 2025/26 be met?

Answer:

Current meetings and analysis indicated that LED would meet their commitment to the 2025/26 budget agreed.

Question 5:

Recommendation 3

How confident can members be that the asset strategy will not prove to be a strain on the 2025/26 outturn budget and when will the strategy be in place?

Answer:

Until the Strategy and Asset Management Plan is produced this is unknown, however this is more likely to affect budget in 2026/27 onwards as the Service with Finance have established a robust programme of works of 2025/26 that is included in the budget.

Question 6:

Recommendation 7

Although templates have been put in place officers are always completing these sections and this needs to be rectified.

Answer:

Staff training currently taking place on new templates and reports will be rejected by ELT unless completed properly. Member session on new templates details was held this week.

Question 7:

Page 40 complaints. It says complaints are regularly being taken to Scrutiny Committee. The last paper was discussed at the Scrutiny Committee in January 2024 and is not on the forward plan for March 2025, can this be corrected?

Questioned passed to Monitoring Officer and asked her to reply direct.

### **RESOLVED:**

To adopt the 2023/24 Statement of Accounts and delegated authority be given to the Chair of the Audit & Governance Committee and the Director of Finance (S151 Officer) to sign when all matters concluded. That the letters of representation be approved and signed by the Chair of the Audit & Governance Committee and the Director of Finance (S151 Officer).

### **Attendance List**

#### **Councillors present:**

I Barlow  
K Bloxham  
C Brown  
C Burhop (Chair)  
R Collins  
O Davey (Vice-Chair)

#### **Officers in attendance:**

Amanda Coombes, Democratic Services Officer  
Peter Barber, Grant Thornton  
Simon Davey, Director of Finance  
John Symes, Finance Manager  
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)

#### **Councillor apologies:**

C Fitzgerald  
M Goodman  
Y Levine

Chair .....

Date: