

## **EAST DEVON DISTRICT COUNCIL**

### **Minutes of the meeting of Audit and Governance Committee held at Online via the Zoom app. on 28 January 2021**

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

The meeting started at 2.30 pm and ended at 4.42 pm

#### **62 Public speaking**

There were no members of the public registered to speak.

#### **63 Minutes of the previous meeting**

The minutes of the Audit and Governance Committee held on 26 November 2020 were confirmed as a true record with an amendment to minute 61 Audit and Governance Forward Plan. An additional item for a SWAP review of EDDC fleet management was included.

#### **64 Apologies**

#### **65 Declarations on interest**

Min 68. S106 and CIL Internal Audit Report.

Councillor Paul Hayward, Personal, Clerk to 3 parish councils who had been recipients of CIL funding.

Min 68. S106 and CIL Internal Audit Report.

Councillor Steve Gazzard, Personal, Member of Exmouth Town Council S106 & CIL Working Party.

Min 70. Strata Annual Internal Audit report.

Councillor Fabian King, Personal, Representative of EDDC on the Strata Joint Scrutiny Committee.

Min 70. Strata Annual Internal Audit report.

Councillor Nick Hookway, Personal, Representative of EDDC on the Strata Joint Scrutiny Committee.

Min 70. Strata Annual Internal Audit report.

Councillor Phil Twiss, Personal, Representative of EDDC on the Strata Joint Scrutiny Committee.

#### **66 Matters of urgency**

None

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

None

#### **68 S106 and CIL Internal Audit Report**

Alastair Woodland, Assistant Director SWAP and the Service Lead Planning Strategy and Development Management informed the committee that South West Audit Partnership had undertaken an audit of the S106 and CIL system and gave an update to the actions taken from their recommendations. The purpose of the audit was to ensure that appropriate arrangements are in place to manage the receipt and expenditure of S106 and CIL contributions.

The report gave “limited assurance” noting that the S106 spend and collection work was not up to date due to the substantial work that had been involved in populating the Exacom system, with the redeployment of officers into the community hub to help to support the community through the Covid-19 pandemic. The report noted that no monies had been lost or returned to developers as a result of the lack of resource but there were a significant number of outstanding actions required on the system.

The report was reported to Cabinet at their meeting of the 6 January 2021 with Members noting the findings of the audit and the need to appoint additional staff resource as a priority. The Service Lead Planning Strategy and Development Management informed the committee that the position’s job description had been agreed and was about to be advertised externally for recruitment.

Discussion included the following:

- not to make town and parish councils wait before they are able to spend this money
- make the rules and conditions for S106 and CIL funding much clearer for the public and local councils. Their titles were complicated to what they stand for
- the monies collected were indexed linked
- the need to monitor the progress of the system at each Audit and Governance Committee meeting and ensure procedures were in place for the collection of these receipts.

**RESOLVED:**

1. That Members note the findings and recommendations of the internal audit report on the management of the receipt and expenditure of S106 and CIL contributions.
2. To monitor the progress of the management of receipts and expenditure of S106 and CIL contributions in future Audit and Governance Committees
3. To ensure that procedures were in place for the collection of debt.

**REASON:**

To make Members aware of the findings of the S106 and CIL Audit and the actions that were being taken to consider and respond to the findings.

**Internal Audit Activity - Quarter 3 2020/21 - SWAP**

Alastair Woodland Assistant Director SWAP provided an update on the 2020/21 Internal Audit Plan as at January 2021.

Internal Audit provided an independent and objective opinion on the Authority’s control environment by evaluating its effectiveness. Primarily the work included:

- Operational Audit Reviews
- Cross Cutting Governance Audits
- Annual Review of Key Financial System Controls
- Grants

- Other Special or Unplanned Review

Audit assignments were undertaken in accordance with the Plan to assess current levels of governance, control and risk.

**RESOLVED:**

that the progress made in delivery of the 2020/21 internal audit plan and its significant findings be noted.

70 **Strata Annual Internal Audit report**

Craig Moodie, Senior Auditor for IT representing Devon Audit Partnership (DAP) presented the report which give the statement of assurance provided by the Head of Audit Partnership, the provider of Internal Audit Services to Strata Service Solutions for audits in relation to the 2019-20 internal audit plan. The provision of ICT services was the responsibility of Strata Services Solutions under the arrangements specified within the original Partnership Agreement between Exeter City Council, East Devon District Council and Teignbridge District Council.

Strata's new Business Plan had all but formally adopted by the Partners and this provided excellent and measurable detail as to how it would continually improve the services it offered the Partners and act as an effective enabler for transformational change. DAP consider the Business Plan to be of a high standard and this, along with the high standard operational reporting and metrics, provided the measures from which continual service improvement can be delivered.

**RESOLVED:**

that the report be noted.

71 **Audit Progress report - Grant Thornton**

The report provided the Committee with a report on progress in delivering the responsibilities as external auditors. This included a summary of emerging national issues and developments that may be relevant to EDDC as a local authority.

**RESOLVED:**

that the progress report be noted.

72 **Risk Management review - half year review**

The report presented Risk information for the 2020/21 financial year to allow the Committee to monitor the risk status of Strategic and Operational Risks. This follows the full review of risks by responsible officers during November / December 2020.

**RESOLVED:**

That the current status of risks following the full risk review undertaken in November/ December 2020 be noted.

73 **RIPA update**

At the meeting of 18 January 2018, Members agreed to receive an update on RIPA activity throughout the year (Regulation of Investigatory Powers Act). The RIPA Senior Responsible Officer advised that there had been no requests for RIPA authorisation

since the last committee. The Deputy Monitoring officer informed members that an explanatory report and updated policy would be brought to the next meeting in March.

## 74 **Audit and Governance Forward Plan**

Members noted the contents of the Committee Forward Plan for 2020/21.

Items to be considered at the March committee included:

- Statement of Accounts 2019/20 including Annual Governance Statement
- Letter of representation
- Annual Audit Plan 2021/22 and Review of Internal Audit Charter
- Internal Audit Plan Progress to include EDDC's Fleet Management review
- External Audit Plan
- Audit Committee update
- Annual audit letter
- S106 and CIL update
- Accounting Policies Approval
- DBS Checks for Councillors - update from LGA
- Review of the Anti-Fraud Theft and Corruption Policy
- Review of the Anti-Bribery Policy
- Review of the Whistleblowing Policy
- Review of the Local Code of Corporate Governance
- RIPA update and policy review

### **Attendance List**

#### **Councillors present:**

S Hawkins (Chair)  
F King (Vice-Chair)  
J Bailey  
F Caygill  
S Gazzard  
P Hayward  
N Hookway  
P Twiss

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

P Arnott  
P Faithfull  
M Hartnell  
A Moulding  
M Rixson

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

Amanda Coombes, Democratic Services Officer  
Simon Davey, Strategic Lead Finance  
Ed Freeman, Service Lead Planning Strategy and Development Management  
Steve Johnson, Grant Thornton  
Debbie Meakin, Democratic Services Officer  
Jackson Murray, Grant Thornton  
Anita Williams, Principal Solicitor (and Deputy Monitoring Officer)

Mark Williams, Chief Executive  
Alastair Woodland, SWAP  
Craig Moodie, Senior IT Auditor DAP

**Councillor apologies:**

D Barrow  
G Pook

Chairman .....

Date: .....