

Minutes 11 March 2014

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **AUDIT COMMITTEE** held on Tuesday 11 March 2014 at 6.00pm

Present Councillors

M D Binks, F J Rosamond (Vice Chairman in the Chair), R Radford (substituting for Cllr R Evans), C Slade, R Wright

Apology Councillor:

R Evans

Also Present Officers:

A Tregellas (Head of Communities and Governance and Monitoring Officer), A Jarrett (Head of Finance), C Yandle (Internal Audit Team Leader) and J Stuckey (Member Services Officer)

Also in attendance:

S Johnson (Grant Thornton)

77 PUBLIC QUESTION TIME

There were no members of the public present at the meeting.

78 MINUTES OF THE PREVIOUS MEETING (00hrs.01mins.35secs)

The Minutes of the meeting held on 14 January 2014 were approved as a correct record and **SIGNED** by the Vice Chairman.

79 CHAIRMAN'S ANNOUNCEMENTS (00hrs.02mins.25secs)

The Vice Chairman welcomed Councillor Binks back to the Committee.


The Vice Chairman informed the Committee that he intended to take agenda item 7 with agenda item 13 at the end of the meeting.

80 RISK MANAGEMENT STRATEGY (00hrs.02mins.50secs)

The Committee received a verbal report from the Head of Communities and Governance regarding the Risk Management Strategy for the 2014/15 financial year.

The Officer explained that a Scrutiny Working Group had been set up to look at the Performance and Risk reports and Framework and that the revised Risk Management Strategy, reflecting the work of the Group, would be brought to the Audit Committee in May.

81 CODE OF CORPORATE GOVERNANCE REPORT (00hrs.04mins.40secs)

The Committee had before it a report *  [Minute 81 \[166kb\]](#) from the Head of Communities and Governance presenting it with the updated Code of Corporate Governance.

Discussion took place regarding some minor changes that had been made to the Code of Governance. The Committee asked that the Social Media Policy and Member Development be added. The Officer explained that the Corporate Plan would be reviewed after the elections in 2015.

RESOLVED that the updated Code of Corporate Governance be approved for a further year.


(Proposed by the Vice Chairman)

Note: * Report previously circulated; copy attached to the signed Minutes.

82 MEETING MANAGEMENT


The Vice Chairman indicated that he intended to move agenda item 7 to join agenda item 13.

83 PROGRESS UPDATE ON THE ANNUAL GOVERNANCE STATEMENT ACTION PLAN (00hrs.21mins.56secs)

The Committee had before it, and **NOTED**, a report *  [Minute 83 \[164kb\]](#) from the Head of Communities and Governance providing it with an update on progress made against the 2012/13 Annual Governance Statement Action Plan.

Note: * Report previously circulated; copy attached to the signed Minutes.

84 INTERNAL AUDIT CHARTER AND INTERNAL AUDIT STRATEGY 2014/15 (00hrs.25mins.31secs)


The Committee had before it a report *  [Minute 84 \[135kb\]](#) from the Internal Audit Team Leader presenting it with the Internal Audit Strategy for the 2014/15 financial year.

RESOLVED that the Internal Audit Strategy for 2014/15 be approved.

(Proposed by the Vice Chairman)

Note: * Report previously circulated; copy attached to the signed Minutes.

85 FOUR YEAR STRATEGIC AUDIT PLAN AND AUDIT PROGRAMME FOR 2014/15 (00hrs.29mins.45secs)

The Committee had before it a report *  [Minute 85 \[23kb\]](#) from the Internal Audit Team Leader presenting it with the four year strategic audit plan for 2014/15 to 2017/18 and the Audit Work programme for the 2014/15 financial year.


The comment was made by Grant Thornton that the plan did not show suggested risk ratings and that this information could be added as an appendix.

RESOLVED that the four year strategic audit plan and the audit work programme for the 2014/15 financial year be approved.

(Proposed by the Vice Chairman)

Note: * Report previously circulated; copy attached to the signed Minutes.

86 **EXTERNAL AUDIT UPDATE (00hrs.33mins.38secs)**

The Committee had before it, and **NOTED**, a report *  [Minute 86 \[211kb\]](#) from the Council's external auditors Grant Thornton.

It was confirmed that their Audit Plan would be brought to the May meeting. Interim audit work was ongoing and due for completion this week. Final accounts for 2013/14 would be presented to the September meeting.

The report highlighted some research material that provided useful information and raised some challenging questions for the Council to answer.

The Head of Finance was happy to answer any of the questions that the Committee were interested in.

- Have Members considered the implications of the Local Audit and Accountability Act for the Council's future external audit arrangements?

The Head of Finance will keep Members briefed and provide an update on the tendering process required in either 2016/17 or 2019/20

- Helping the High Street

The Head of Finance replied that measuring would start in April 2014. He stated that this shouldn't affect the Council's finances as there was a compensation system in place.

The Head of Communities and Governance informed the Committee that work had been done recently with relevant parties to set up a Town Team in Crediton, which was already progressing well. There were already Town Teams in Tiverton and Cullompton. The Officer **AGREED** to update Crediton Members on the work of the Team.

- New Homes Bonus

The Head of Finance explained to the Committee that there was a complex bidding regime in place in order to obtain funding. The Council was already committed to building units in St Andrew Street, Tiverton and at Fir Close in Willand, but may look to draw down some finances later in the year.

- Alternative Delivery Models

The Head of Finance explained to the Committee that these issues had been around for a long time and options were constantly being explored. The Council was actively looking for partnership working and looking into the advantages and disadvantages of this. Any progress would be reported to the Committee.

- Changes to the Welfare Reform System

A Member Briefing had been held in January to update Members on the impact of the system.

An impact assessment had been done before going live with the Council Tax Reduction Scheme in 2013/14. There had been no changes for 2014/15 so no new detailed impact assessment had been carried out.

There was still no specific date set for the introduction of Universal Credit.


Fraud work would transfer to the Single Fraud Investigation Service in October 2014. Heads of Service would be meeting to discuss the impact of this.

- Accounting for Pensions

The Payroll system was adequate to cope with the administrative changes.

Note: * Report previously circulated; copy attached to the signed Minutes.

87 CHAIRMAN'S ANNUAL REPORT (01hrs.10mins.05secs)

The Committee had before it a draft report*  [Minute 87 \[17kb\]](#) by the Chairman on the work of the Committee since May 2013. There being no comments a final copy of this report would be submitted to Council on 30 April 2014.

88 INTERNAL AUDIT PROGRESS REPORT AND INTERNAL AUDIT REPORTS (01hrs.11mins.03secs)

RESOLVED that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the next item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act, namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

(Proposed by the Vice Chairman)

The Committee had before it, and **NOTED**, a report *  [Minute 88 \[19kb\]](#) from the Internal Audit Team Leader updating the Committee on the work performed by Internal Audit in the 2013/14 financial year to date.

Following discussion the meeting was reopened to the press and public.

Note: * Report previously circulated; copy attached to the signed Minutes.

89 IDENTIFICATION OF ITEMS FOR THE NEXT MEETING: 27 May 2014 (01hrs.12mins.05secs)

Election of Chairman for 2014/15

Election of Vice-Chairman 2014/15

Internal Audit Outturn Report for 2013/14

Internal Audit reports

Interim external audit report for 2014/15

External Audit Plan

External Audit progress report

Risk Management Strategy

Planned Audit Fee for 2014/15

(The meeting ended at 7.25pm) **CHAIRMAN**