

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **AUDIT COMMITTEE** held on 25 June 2019 at 5.30 pm

Present

Councillors

Mrs C Collis, R Evans, B A Moore, A Wilce,
J Wright and A Wyer

Also Present

Officers

Andrew Jarrett (Deputy Chief Executive (S151)), Catherine Yandle (Group Manager for Performance, Governance and Data Security), David Curnow (Deputy Head of Devon Audit Partnership) and Sarah Lees (Member Services Officer)

1. ELECTION OF CHAIRMAN (CHAIRMAN OF THE COUNCIL IN THE CHAIR)

RESOLVED that Cllr R Evans be elected Chairman of the Committee for 2019/20.

2. ELECTION OF VICE CHAIRMAN

RESOLVED that Cllr A Wyer be elected Vice Chairman of the Committee for 2019/20.

3. APOLOGIES

There were no apologies for absence.

4. DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT

There were no interests declared under this item.

5. PUBLIC QUESTION TIME

There were no members of the public present.

6. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 19 March 2019 were confirmed as a true and accurate record and **SIGNED** by the Chairman.

7. CHAIRMAN'S ANNOUNCEMENTS

The Chairman had three announcements to make:

- a) Since the publication of the agenda for this meeting there had been a change to the membership of the Committee. Councillor D F Pugsley had replaced Cllr

W Burke as a member from the Independent Group. Cllr W Burke would now become a substitute member of the Audit Committee.

- b) The South West Audit Partnership (SWAP) would be holding two training days in the local region at the beginning of October. One would be held at Buckfast Abbey on 1 October 2019 and the other one would be held at Sparkford Museum, Somerset on 2nd October. This was a free event had the Chairman stated he had attended several times and had found the sessions very worthwhile and informative. Further information was requested to be circulated to Committee members.
- c) There would be a short training session after the formal meeting had finished and Committee members were encouraged to stay.

8. **DEVON AUDIT PARTNERSHIP (DAP) REPRESENTATION FOR 2019/2020**

It was **RESOLVED** that the Chairman of the Audit Committee, Cllr R Evans, and Committee member, Cllr A Moore, be the Mid Devon District Council elected representatives on the Devon Audit Committee (DAP). It was noted that it was Mid Devon District Council's turn to chair DAP meetings during 2019/20.

9. **PERFORMANCE AND RISK FOR 2018-19**

The Group had before it, and **NOTED**, a report from the Director of Corporate Affairs & Business Transformation providing Members with an update on performance against the Corporate Plan and local service targets for 2018-19 as well as providing an update on the key business risks.

The Group Manager for Performance, Governance and Data Security outlined the contents of the report and discussion took place regarding the following areas:

- The Scrutiny Committee were monitoring the situation with regard to Gigaclear and the significant delay they were experiencing with delivering superfast broadband across Devon and Somerset. The Scrutiny Committee had requested that a Devon County Council officer report to them in the autumn with an update.
- Metric in relation to Trim Trails and whether or not any more Trim Trails were planned.
- Good results in relation to food premises complying with food safety law and a recent press release on the matter.
- The average number of days lost due to sickness was raised and the Committee queried how the action plan to address this was progressing. The Committee requested that they have sight of the action plan if at all possible. It was also suggested that the Chair and Vice Chair of the Committee have a meeting with the Group Managers for Human Resources to discuss the matter in more detail.
- There were still some missing review notes in the Risk Register although it was explained that mitigating actions in relation to all risks were now being included. It was **AGREED** that there was room for improvement in terms of the explanations provided from Group Manager in the Risk Register.
- Climate Change and the need for this to be included in the Risk Register although the language used to describe it needed to be thoroughly considered recognising the difference between risks, opportunities and investment in the

future. It was **AGREED** that this issue be brought back to the next ordinary meeting on 27th August 2019 for further consideration.

- Average number of days to re-let council owned properties having a very challenging target of 14 days. Consideration was given as to the current amount of resource that was being utilised in trying to achieve this target and whether this target could be reviewed in light of the need to prioritise resources in what were very challenging financial times.

It was **RECOMMENDED** that the Homes Policy Development Group be requested to look at this target and review the best use of available resource in this area.

(Proposed by the Chairman)

The Group **AGREED** that the performance information falling under the Environment portfolio represented an excellent set of results and it requested that this be fed back to the officers working in this area.

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

10. **PROGRESS UPDATE ON THE ANNUAL GOVERNANCE STATEMENT ACTION PLAN**

The Group had before it, and **NOTED**, a report from the Group Manager for Performance, Governance and Data Security providing the Committee with an update on progress made against the Annual Governance Statement 2017/18 Action Plan.

The officer outlined the contents of the report highlighting the key areas which included the following:

- In the previous year ten action points had been identified and progress with each one had been monitored at each Audit Committee throughout 2018/19.
- Where an item had not been completed it would be carried forward into the action plan for the following year so that there was no chance it being 'lost'.
- A new project had been launched which includes the 'ethics' issue called 'Evolve'.
- It was suggested that the issue in relation to GDPR be removed from the AGS action plan as this was ongoing, could never have an end date and was already monitored through the Risk Register.

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

11. **INTERNAL AUDIT ANNUAL REPORT 2018/19**

The Committee had before it, and **NOTED**, a report from the Audit Manager updating the Committee on the work performed by Internal Audit during the 2018/19 financial year as required by the Public Sector Internal Audit Standards.

The following was highlighted within the report and discussion took place with regard to:

- Overall, based on work performed during 2018/19, the Head of Internal Audit's opinion was of 'Substantial Assurance' on the adequacy and effectiveness of the Authority's internal control framework.
- The exception to this was in relation to the Council's governance arrangements over its investment exposure associated to its property development operation where the Internal Audit opinion was one of 'improvements required'. However, 'risks' were closely monitored through the Risk Register and AGS. Mitigations had been put in place from an agreed action plan. Some follow up work was listed in the Audit plan of work for the near future.
- Improvements required in relation to ICT service transition and better cross service communication. Lessons had been learnt from previous service transitions such as the cash payment system. It was stated that where significant changes were planned for a particular service a working group was established beforehand with officers from other service areas to assess the impact on the users of the revised service.
- A working group were progressing options for an alternate system in relation to the recording of developers' S106 agreements.
- There were still some outstanding audit recommendations from 2017. The Chairman asked again whether some or all of these were still relevant and for the Leadership Team to have a look at this again and speak to the relevant Group Managers. If recommendations were no longer relevant then they needed to be removed from the list.
- It was requested that in future the list of outstanding audit recommendations be sorted into date order with the oldest ones being at the top. In addition to this it was requested that of those that were overdue, they be sorted into red, amber and green in terms of their risk level.

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

12. **START TIME OF MEETINGS**

It was **AGREED** to continue to hold meetings of the Committee at 5.30pm on Tuesday evenings.

13. **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING**

In addition to the items listed in the work programme it was requested that the following be on the agenda for the next ordinary meeting:

- The inclusion of 'Climate Change' as an issue within the Risk Register and the language used in relation to this.

(The meeting ended at 6.55 pm)

CHAIRMAN