

Chairman's Annual Report – 2019/20 Audit Committee

Like the seasons and birthdays we seem to have all too quickly returned to the time of the chairs annual report, the highlight of the committee year.

The Audit Committee like many others saw a shift in the individual members who attend and work on your and the authorities behalf at the 2019 June meeting, the start of our committee year.

25th June 2019

Our first meeting saw more new faces than several of the previous year's put together with the election of chair and vice chair being the initial priority.

I cannot stress enough the honour it is to have been re-elected as Chair of your Audit Committee and I thank members of the Committee for allowing me the privilege.

We saw Cllr A Wyer elected as a very capable Vice Chair, Andy, as with other new members, arrived with a new set of questions and challenges, an invaluable boost for the Committee.

Business started with opportunities for essential training days being announced along with an explanation of Mid Devon working with the Devon Audit Partnership (DAP) for our internal audit work and Grant Thornton (GT) as our external auditors.

DAP meets at Devon County Council and is chaired on a rotating basis, this year 2019 / 20 it is Mid Devon's turn and I as the MDDC Audit Chair was elected to chair the committee for the coming year.

MDDC have two seats/ votes as do the other partners, Devon County Council, Torbay Council, Plymouth City Council, and Torridge the partnership continues to expand with South Hams considering membership.

All minutes and agendas can be found on the DCC web site.

The work of your committee seeks to look at "RISK" in all its forms and isn't simply looking at financial out-turns. We receive all PDG committee reports and have the ability to ask other committees to look at specific areas or indeed if we feel strong enough ask senior officers to attend to give some clarity on specific areas.

Many subjects do seem to come round or have a regular slot given members interest or curiosity. June saw discussions on, Gigaclear, trim trails, missing revenue notes and Climate Change challenges.

The internal annual report was received with a detailed and substantive assurance report on 3 Rivers Development, Section 106 management, IT issues and details of outstanding internal audit recommendations.

July 2019 Special meeting

This is the largest of the Audit committee meetings. Your committee need to examine and seek to agree the:

Annual Governance statement (AGS)
Accounts
Grant Thornton (GT) External Auditors report

All the above had open discussion with the AGS being approved, the accounts being approved after detailed discussion on reserves and CARBON neutrality amongst the topics.

Once again MDDC received an unqualified opinion from GT and a satisfactory Value for Money opinion.

August 27th

Some topics do appear throughout the year and Climate Change is a topic that has now joined the ranks of 3RDL, town centre shop vacancies, absenteeism and past Audit action updates.

Committee agreed that Climate change and associated risk would be a lead topic for the committee going forward and I have asked that Cllr Elizabeth Wainwright be invited to attend Audit in March 2020 to give committee her views as the relevant portfolio holder.

Committee took an interest in the authority's leisure facilities and discussion took place in part two given the nature of the financial detail discussed.

Our internal Audit Manager, Mr David Curnow, suggested that each service area should have a champion to aid customer engagement, progress report awaited.

8th October

A brief report from myself as to the value of a training day attended by Cllr Wyer and myself at Buckfast Abbey ran by (GT). This is an annual event and very worthwhile attending as it gives an overview from GT as to what other authorities are doing and the general issues effecting local Authorities UK wide.

Further discussion took place on 3RDL in relation to risk to the authority and its governance arrangements.

All internal audit reports were discussed as well as all PDG committee reports.

It was agreed that a presentation should be looked at on fraud prevention for the committee, given by a member of the DAP fraud team (this took place in January 2020).

10th December

Unusual for Audit we had a member of the public attend to ask questions on 3RDL, these to be answered in a written response.

Further discussion on 3RDL as to the concerns around impairment and the fact the Cabinet did not seem to have a full understanding of 3RDL and needed a mechanism to receive more information.

Reports on Performance and Risk, AGS and External Audit all noted.

28th January 2020

Sad start to the New year.

As Chair I gave a few words on the sad passing of Cllr John Daw, although not an Audit Committee member, a sad loss to our authority. I was also required to confirm the loss of Jo Nacey who is to leave the authority in March.

Performance and risk....

Discussion took place around sickness stats, climate change and how we monitor progress against reduction of carbon.

Discussion on 3RDL as members still concerned about impairment and risk to the authority against loans and profitability. Also 3RDL required audit arrangements.

That concludes the committee year, some familiar topics and others such as climate change becoming ever increasingly discussed.

We enter 2020 with enormous challenges ahead and a need for clear and focused minds, all committees will play a vital part in assisting officers by giving clear focus and steer on not just the what but the how and why, more than ever I believe a focus by the Audit Committee on risk needs to be sustained.

Cllr Bob Evans
Chairman of the Audit Committee