

## **MID DEVON DISTRICT COUNCIL**

**MINUTES** of a **MEETING** of the **AUDIT COMMITTEE** held on 2 August 2022 at 5.30 pm

**Present  
Councillors**

N V Davey (Chairman)  
J Buczkowski, W Burke, Mrs C Collis,  
R Evans, R L Stanley, A White,  
Mrs N Woollatt and A Wyer

**Also Present  
Councillors**

R M Deed, R J Dolley, B A Moore and B G J Warren

**Also Present  
Officers**

Andrew Jarrett (Deputy Chief Executive (S151)), Matthew Page (Corporate Manager for People, Governance and Waste), Dean Emery (Corporate Manager for Revenues, Benefits and Recovery), Lisa Lewis (Corporate Manager for Business Transformation and Customer Engagement), Paul Middlemass (Audit Manager), Nicola Cuskeran (Interim Corporate Performance Manager & Safeguarding Officer), Kieran Knowles (Accountant), Sarah Lees (Member Services Officer) and Carole Oliphant (Member Services Officer)

**PLEASE NOTE:**

**DURING THIS MEETING TECHNICAL ISSUES WERE ENCOUNTERED RELATING TO A LOSS OF CONNECTION WITH THE INTERNET. THIS WAS A LOCAL NETWORK ISSUE AND OUTSIDE OF THE COUNCIL'S CONTROL. THIS MEANT THAT THE RECORDING WAS AFFECTED AND PEOPLE JOINING THE MEETING VIA ZOOM FROM OUTSIDE LOST CONNECTION FOR PART OF THE MEETING.**

**17. APOLOGIES**

There were no apologies for absence.

**18. PUBLIC QUESTION TIME**

The following question was received from Mr Nick Quinn, local resident:

**Concerning Agenda Item: 6 (Performance and Risk)**

In paragraph 2.13 of the Performance and Risk report, the response to FOI requests, in the first quarter (Apr – Jun 2022) is stated to be 99%.

The Quarter 1 Corporate Appendix 5, also gives figures which support this.

However, other information published on the Council Website suggests that the percentage figures given to Members is not accurate.

The FOI/EIR Disclosure Logs for Apr – Jun 2022, published on the Council Website, show the number of actual FOI requests received and responded to, during this quarter, was 144.

Of these requests, 13 were answered after the 20 day legal requirement.

So only 131 were answered within 20 working days – which means the performance rate for this quarter was really only 91%.

My question is:

Are Members concerned about the difference between the FOI Performance percentage figure reported to them in both the Performance and Risk summary report, as well as the Quarter 1 Corporate Appendix 5, and the actual performance shown in the FOI/EIR Disclosure Log for Apr – Jun 2022 which is published on the Council Website?

The Corporate Manager for People, Governance & Waste provided the following answer:

The performance figures of 99% would be accurate.

There are a few circumstances where a public body can extend its FOI response time – allowing it to pull together more information or work out if it should provide people with the information that it has been asked for.

With the 13 cases that took longer than the 20 working day legal requirement, some have been communicated with the applicant, some have been waiting for staff to return (Covid or leave) to work.

There have been no times when requests have been unanswered or ignored, for example, they have been kept informed with where their case is.

Of the 13 outstanding cases, one still remains unanswered and the applicant is aware it is still being processed.

Two cases are fully exempted and the remaining 10 have been answered fully or partially.

The Chairman stated that he understood that the Devon Audit Partnership would be undertaking an audit on this area in the near future.

It was further stated that Mr Quinn had had to search through a spreadsheet on the website for the information he had extracted and that the quarterly summary available to the public was not up to date. Had it been, his question may not have arisen.

## **19. DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT**

Cllr Stanley declared a personal interest in that he was a Director of the 3 Rivers Development Company.

## **20. MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 7 June 2022 were confirmed as a true record and signed by the Chairman.

## **21. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman had the following announcements to make:

1. He had attended the South West Audit Chairs Forum in June which had been very useful. A number of presentations had been made and it had provided an opportunity to network with other Councillors in similar roles. He would circulate his notes to Members of the Committee.
2. He had attended a meeting of the Devon Audit Partnership on 12 July via Zoom where financial information was reported across the region. He also reported that Devon and Somerset Fire and Rescue Service would be joining DAP shortly.
3. He and the Vice Chairman had recently had a meeting with the Corporate Manager for Digital Transformation and Customer Engagement and the ICT Operations Manager regarding Cyber Security. They had been reassured that previous recommendations were being progressed and that DAP would be conducting a further audit in the near future.

## **22. PERFORMANCE AND RISK (00:14:00)**

The Committee had before it, and NOTED, a report \* from the Corporate Manager for People, Governance and Waste providing Members with an update on performance against the Corporate Plan and local service targets for 2022-23 as well as providing an update on the key business risks.

Discussion took place regarding:

- Whether the reduction of two play areas from 83 to 81 meant that they were being taken over by the relevant Town and Parish Council? The officer explained that she would find out and come back to the Committee.
- Figures regarding Fixed Penalty Notices were inaccurate within the report. It was explained that an updated report showing correct figures would be brought to the Environment Policy Development Group.
- It was stated that Cllr Wilce had had to resort to using FOI as he had not been getting answers to his questions in the normal way, he had said that he had at least 3 overdue requests. He had queried whether if an FOI request is late is it included in the figures until it is answered or just in the month it was made? Cllr Woollatt had looked in the logs and identified those from Cllr Wilce and had noted that they had N/A against them and wondered if Cllr Wilce would ever get a response, and if an FOI was refused shouldn't the enquirer get a

response with the reason of whatever exemption was being applied? It was requested that the Corporate Manager for Digital Transformation and Customer Engagement report back to the Committee with an answer.

- Concerns regarding staff resourcing, what actions were in place and what reassurance could be given to the Audit Committee since there wasn't anything within the report to provide this? It was explained that more flexible working arrangements were being arranged, the staffing structure within the Council was being looked at and a full establishment report would be brought to the Cabinet in the near future covering this area in depth.
- Concerns regarding whether planning applications were being dealt with within appropriate timescales.
- Risks in relation to the planning challenges faced by 3RDL and whether these were reflected to the correct extent within the report. It was explained that more detail could be provided in future reports especially in relation to complex issues such as the HIF.
- More data needed within the report in relation to the Tiverton Masterplan and digital activity.
- Staff appraisals and whether all staff were receiving them. It was confirmed that all staff were offered an appraisal. This had now moved online and approximately 91/92% had been completed. There had been some issues around the new software.
- Targets in relation to incubator space. The Economic Development Team had been heavily involved in work relating to the pandemic and the Homes for Ukraine Scheme and had not been able to focus on this area as much as they would have liked.

Note: \* Report previously circulated, copy attached to the minutes.

### 23. DRAFT STATEMENT OF ACCOUNTS FOR 2021/2022 (00:40:00)

The Committee had before it, and **NOTED**, the Draft Statement of Accounts \* for 2021/22. This presented the draft version of the annual Statement of Accounts to Members which was published on the website and presented for external audit. The Committee were also presented with a hard copy of a previous presentation explaining the role of the Audit Committee in the approval of the Accounts. The draft Accounts had also been prefaced with statements from the Leader, Chief Executive and Deputy Chief Executive (S151) setting out the Council's financial position.

The core financial statements included the following:

- Movement in Reserves Statement
- Comprehensive Income and Expenditure Statement
- Balance sheet (which was showing a healthy position)

Also worthy of reflection were the:

- HRA position
- Pensions Liabilities
- The Group Accounts
- The Collection Fund

Consideration was given to:

- Some of the capital programme had not been delivered as close to timetable as would have been liked but overall the position was very positive. Movement regarding some of the significant projects had been outside of the Council's control due to increasing costs.
- Uncertainty around central Government funding moving forwards.
- The difficult balancing act between holding a healthy budget and expenditure on projects for the benefit for Mid Devon residents.
- The importance of medium term financial planning in the autumn ahead of budget setting the following February.
- Car parking and leisure income were still not back to pre-Covid levels.
- The effect of the cost of living crisis on local residents.
- The Accounts themselves had been publically available since May and the public given an opportunity to comment and ask questions.
- An error was identified in the Property Services area and this would need to be adjusted in the Accounts.
- The Accounts were a snapshot of the financial position as at 31<sup>st</sup> March 2022. They made reference to the sale of assets which had been completed following that date.

**RESOLVED** to approve the Draft Statement of Accounts for 2021/2022 subject to an adjustment in the Property Services area as identified by the Committee.

(Proposed by the Chairman)

Note: \* Draft Statement of Accounts circulated previously, copy attached to the minutes.

#### 24. DAP INTERNAL AUDIT PROGRESS UPDATE (01:20:00)

The Committee had before it, and **NOTED**, a report \* from the Devon Audit Partnership presenting their internal audit progress report for the year to date.

The following was highlighted within the report:

- Summaries of recent audits were presented within the report.
- As part of the prevention of fraud work, it was stated that Devon County Council might be prepared to pay for an exercise to review single person discounts across the local region, it would then be up to district council's to decide if they wanted to take part. Currently the Council's preference was to use an external source. The Committee requested an update on this issue at their next meeting.
- As mentioned earlier in the meeting a Cyber Security audit would commence in the near future, as would audits on Data Protection, Climate Change, Grounds Maintenance, Car Parks and FOI requests.
- A lot of work had been undertaken to try to reduce the number of outstanding audit recommendations.
- Housing Benefits had been identified as a good service although it was noted there had been an increase in rent arrears. However, 3% in rent arrears needed to be seen within the wider context of £12.7m in rental income. The

national position regarding arrears was 7/8% therefore 3% reflected the hard work of the Housing rents team in trying to support tenants and speak to them on an individual basis.

- There had previously been some concern about resilience in the Payroll area but this had been resolved by recent recruitment.
- The audit of the Waste and Recycling area had been satisfactory although it was noted there was still a driver shortage issue.

Consideration was given to:

- Safeguarding training had needed to be 'face to face' hence a slight delay in meeting the timescale target.
- Whether staff 'working from home' was having any impact or delay on Council processes being progressed. It was confirmed that there was no correlation in staff working from home and the level of rent arrears.
- The financial challenges faced by Tenants.

Note: \* Report previously circulated, copy attached to the minutes.

## 25. EXTERNAL AUDIT PROGRESS REPORT AND SECTOR UPDATE (01:51:00)

The Committee had before it, and **NOTED**, a report \* from the external auditors providing an update on their work to date. The following items within the report were referred to and discussion took place regarding:

- There were no significant issues to bring to the Committee's attention.
- The external audit would start on site in September.
- In previous years the audit opinion had been brought to Committee in July but due to the complexity of how services were now delivered and change to regulations the Government deadline had been pushed back to November.
- An indicative fee had been provided (and broken down) for their audit which included a possible additional element of £5k in relation to remote working. It was hoped this could be avoided by increased onsite working.
- The benefits of having an Independent member on the Audit Committee. This was recognised as good practice nationally but recruitment was difficult. There might be an opportunity to share Independent Members across local authorities going forwards. This was being considered by S151 officers across the region.
- Progress with the collection of evidence regarding the 3RDL accounts was going well.

Note: \* Report previously circulated, copy attached to the minutes.

## 26. IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (02:10:00)

No additional items were requested to be on the agenda for the next meeting other than those which were already listed in the work programme. However, the following issues were identified:

- The final set of Accounts and Grant Thornton's findings would be brought to the November meeting. Since the Annual Governance Statement needed to

be approved at the same time as the Accounts this would need to be moved too.

- It was agreed that a review of the 3RDL Business Plan should be brought to Audit for comment before being presented to the Cabinet. Depending on whether this would be ready in time, it was agreed that this should be brought to the next meeting of the Audit Committee.

(The meeting ended at 7.45 pm)

**CHAIRMAN**