

At a Meeting of the **AUDIT COMMITTEE** held in the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **28th** day of **JULY 2015** at **10.00 am**.

Present: Cllr M Davies (Chairman)

Cllr B Stephens

Cllr L Watts

Substitutes: Cllr W G Cann & J Yelland

Finance Community of Practice Lead
Representative of Devon Audit Partnership
Finance Business Partner (AW)
Monitoring Officer
Case Managers, Strategy & Commissioning

In attendance: Cllrs K Ball, M J R Benson and T G Pearce

***AC 7 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr N Jory (for whom Cllr J Yelland acted as substitute) and Cllr J B Moody (for whom Cllr Cann acted as substitute).

***AC 8 CONFIRMATION OF MINUTES**

The Minutes of the Meeting held on 7th July 2015 were confirmed and signed by the Chairman as a correct record.

***AC 9 DRAFT STATEMENT OF ACCOUNTS 2014/2015**

The s151 Officer introduced the Draft Statement of Accounts 2014/15. In so doing, the officer stated that there was a £70,000 under spend for 2014/15 which had been added to the General Fund Reserve. There was also funding from Central Government of £266,000 towards the upfront investment costs of the Transformation Programme. The pension liability had been increased by £4.5 million. Capital spending was £473,058. In her concluding comments, the officer stated that Council finances remained strong.

Arising from discussions thereon:

1. It was confirmed that business rate debt was accrued over the last 3 years; however some instalment payment plans were over more than 12 months. West Devon's total business rate collection rate was 98.3% compared to the national average of 98.1%.
2. A Member questioned whether Tavistock Business Centre's new replacement boiler should be considered revenue expenditure. In reply, officers were informed that since a near exact replacement boiler was purchased, then this had to be considered as revenue expenditure. In addition, there were very strict rules on what could be classified as capital expenditure by local authorities.

3. It was noted that 94% of invoices were paid within 30 days of receipt. In addition, a further 3% were paid within 30-39 days.
4. The Committee was informed that the Council had paid monies to South Hams District Council towards contributions for the IT contract, agency workers & iESE recruitment work as well as employment costs for shared officers. Officers confirmed that South Hams made similar contributions to the Council in regard to employment costs arising from shared officers and exit packages.

It was **RESOLVED** that the Draft Statement of Accounts, together with the technical appendix for the financial year ended 31 March 2015 be noted.

***AC 10**

DRAFT ANNUAL GOVERNANCE STATEMENT 2014/2015

The Council's s151 Officer introduced the Draft Annual Governance Statement and took Members through the Assurance Framework. In her presentation, the officer reminded Members that the Council remained in the Business Rates Pool, although South Hams had come out for 2015/16 due to risk arising from business rate appeals.

It was **RESOLVED** that:

1. The processes adopted for the production of the 2014/15 Annual Governance Statement be noted;
2. The Adequacy and effectiveness of the system of internal audit be endorsed; and
3. Members have considered the draft Annual Governance Statement (AGS) for 2014/15 and the supporting evidence provided by the presented agenda report and that the AGS be approved prior to the signature by the Leader of the Council and the Executive Director (Strategy and Commissioning).

AC 11

CONTRACT PROCEDURE RULES

The Monitoring Officer introduced the Contract Procedure Rules and explained the need for technical changes to be made to ensure transparency.

It was **RESOLVED** that the Committee has reviewed the update version of the Contract Procedure Rules and the Council be **RECOMMENDED** to approve the revised Rules for inclusion in the Council's Constitution.

***AC 12**

COMMITTEE CONCLUDING COMMENTS

Prior to closing the meeting, Members wished to put on record their gratitude to the s151 Officer and her team for all their work.

(The Meeting terminated at 10.55 am)