

At a Meeting of the **AUDIT COMMITTEE** held at Meeting Room 3, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **28th** day of **APRIL 2015** at **11.00 am**.

Present: Cllr D K A Sellis – Chairman
Cllr T J Hill Cllr M Morse
Cllr J Sheldon

Monitoring Officer
Finance Community of Practice Lead
Specialist (Accountant Business Partner)
Head of Devon Audit Partnership
Audit Manager – Devon Audit Partnership
Committee & Ombudsman Link Officer

In attendance: Mr S Johnson – Grant Thornton – Audit Manager
Mr B Morris – Grant Thornton – Director

AC 41 APOLOGY FOR ABSENCE

An apology for absence was received from the Vice-Chairman, Cllr J B Moody.

***AC 42 ITEM REQUIRING URGENT ATTENTION**

The Chairman reported that Agendum 5 – Devon Pension Fund, had been withdrawn from the Agenda because it had been included in error.

***AC 43 CONFIRMATION OF MINUTES**

The Minutes of the Meeting held on 24th February 2015 (page 6 to the Agenda) were confirmed and signed by the Chairman as a correct record.

AC 44 ANNUAL REVIEW OF THE COUNCIL'S CONSTITUTION

The Monitoring Officer presented a report (page 25 to the Agenda) seeking the Committee's approval to request Council to adopt the updated Constitution. The Constitution had been amended during the year to reflect that changes that had occurred which had affected the Council and to incorporate any changes necessary to ensure that the Constitution was up-to-date, lawful and reflected the Council's current practices.

The proposed main amendments, as detailed in paragraph 2 of the Officers' report and shown highlighted on the Council's web site, were:

Hub Committee: Council had approved the establishment of the Hub Committee to replace both the Community Services and Resources Committees with effect from Council's Annual Meeting on 19th May 2015. The terms of reference for the Hub Committee were set out in Part 3 of the Constitution and which, in essence, merged the responsibilities of the two former committees.

Clarification was still ongoing about the new ways in which the Council would deliver its services and delegated authority was sought for the Monitoring Officer to further amend the details of the responsibilities

(specific service area etc) for the Hub Committee to ensure a fit for purpose remit was available for the new Council.

Overview & Scrutiny Panels: changes had been made to Part 3 of the Constitution (terms of reference for Committees) and Part 4 (Overview & Scrutiny Rules) in order to reflect the Council's agreement to replace the single Committee with two Overview & Scrutiny Committees. Further consequential amendments had been made throughout the Constitution to reflect the change to two Committees and the detailed terms of reference would be finalised at the first meetings of the two Committees.

Sealing: it was proposed that, in view of the agile working arrangements under T18, sealing of the Council's documents be undertaken by the Monitoring Officer (or a duly authorised member of the Monitoring Officer's team) without requiring the Mayor or another Member of the Council to also authorise in order that urgent matters can be attended to from remote locations.

Part 7: Management Structure: to be revised and attached to the Constitution following the finalisation of the T18 Structure.

Additionally, authority was also being sought to delegate the new powers under the Anti-Social Behaviour, Crime and Policing Act 2014 to the Community of Practice Environmental Health Lead/Divisional Environmental Health Officers/Customer First Group Manager (depending on appointments) to:

- (i) be the proper Officer for this Act;
- (ii) make Public Space Protection Orders;
- (iii) issuing fixed penalty notices with a penalty of £100;
- (iv) serving community protection notices
- (v) making closure orders; and,
- (vi) to decide the local threshold for the Community Trigger.

It was **RESOLVED** to **RECOMMEND** that:

- (i) the amendments to the West Devon Borough Council Constitutions 2015 (as summarised above and fully outlined on the Council's web site) be approved and adopted;
- (ii) the Monitoring Officer be authorised to make further amendments to the Hub Committee and Overview & Scrutiny Committee functions and areas of responsibility in order to reflect the emerging T18 structure; and,
- (iii) the Environmental Health Community of Practice Lead/Divisional Environmental Health Officers/Customer First Group Managers be authorised to undertake matters under the Anti-Social, Crime and Policing Act 2014 as set out above.

AC 45

INTERNAL AUDIT – PROGRESS AGAINST THE 2014/15 PLAN

The Head of Devon Audit Practice presented a report (page 30 to the Agenda) on the principle activities and findings of the Council's Internal Audit Team. Two appendices were presented with the report with Appendix A (page 36 to the Agenda) showing the progress being made in carrying out the planned audits and, Appendix B (page 39 to the

Agenda) which gave a summary of the main issues raised for audits where a final report had been issued and action agreed. Additionally, Appendix A had been extended to show the final position for each audit and it also replicated a part of the monthly monitoring report presented to the S.151 Officer.

Arising from a discussion on Housing Benefits Debtors (Appendix B page 43 to the Agenda) the Committee was advised that the Council had a hardship fund to assist those who had unwittingly received overpayments and that to reclaim those overpayments would cause in extreme hardship. To help in mitigating overpayment a business case was being considered for the provision of additional staff.

It was **RESOLVED** to **RECOMMEND** that:

- (i) both the report and the progress against the 2014/2015 Internal Audit Plan be noted; and,
- (ii) a report on the payment and recovery of over payments of housing benefits be presented to the Committee's next meeting.

***AC 46 UPDATE ON INDICATORS FROM THE AUDIT COMMISSION'S VALUE FOR MONEY PROFILE TOOL**

Arising from Minute No AC 32 – 2014/2015, the Finance Community of Practice Lead presented a report (page 47 to the Agenda) on the latest indicators available from the Audit Commission's Value for Money Profile Tool. The recourse to the Audit Commission's VfM Tool arose from two questions raised by the Committee at its Meeting on 24th February 2015 in relation to Grant Thornton's Value for Money report. The questions raised were in relation to the costs associated in providing the Council Tax Benefit and Housing Benefit systems.

The Committee had been concerned that the cost of providing the benefits service appeared high both in terms of administration costs and costs per head. The most recent available data from 2013/2014 for Housing and Council Tax Benefit administration and the Net Spend Indicators clearly showed that the Council's spend per head of population had reduced and was favourably placed lower than the average District Council cost per head of population. The Net Spend per Head Indicators suggested that the Council was on a par with other District Councils.

It was **RESOLVED** that the report be noted and that its content be welcomed and this be conveyed to the Council via an article in the Bulletin.

***AC 47 THE AUDIT PLAN FOR WEST DEVON BOROUGH COUNCIL**

The Council's External Auditors, Grant Thornton LLP, presented a report (page 51 to the Agenda) updating the Committee on the External Audit Plan 2014/2015. The report identified three significant risks and risks of a lesser nature and the work undertaken to mitigate those risks. Further, Grant Thornton had undertaken a risk assessment to identify any areas of risk to their Value for Money Conclusion. The results of the Value for Money audit work and key messages arising would be reported in the Audit Findings report and the Annual Audit Letter.

An Action Plan was presented with the report (page 68 to the Agenda) and this showed that the one item identified for action had been dealt with immediately.

Arising from the discussion thereon, Grant Thornton said that the Internal Audit regime was robust and provided excellent financial information and the Finance Community of Practice Lead reported that the call on the T18 redundancy budget was within available funds.

It was **RESOLVED** that the report be noted.

***AC 48**

WEST DEVON BOROUGH COUNCIL AUDIT COMMITTEE UPDATE

The Council's External Auditors, Grant Thornton LLP, presented a report (page 71 to the Agenda) on the progress being made on delivering their responsibilities as the Council's external auditors. The 2014/15 Accounts Audit Plan and the Interim Accounts Audit had both been completed and the reports of those items had been included in the report mentioned above (Minute No. AC 46). The final accounts audit would be undertaken between July and September and reported to the Committee's meeting on 30th September 2015. The Value for Money Conclusion work was on-going and, again, would be reported to the Committee's next meeting in September. Work on the Certification of the Council's Whole Government Accounts would begin in June, for completion by November 2015.

Arising from the discussion thereon and in relation to Minute No AC 44 above, Grant Thornton reported that they could provide appropriate Overview & Scrutiny training for Members of the Council should it be required. The workshops/training could be provided when Grant Thornton were no longer the Council's appointed external auditors.

It was **RESOLVED** that the report be noted.

***AC 49**

CHAIRMAN'S REMARKS

This being the last meeting of the Committee in this Council, the Chairman took the opportunity of thanking both the Members and officers and the external auditors, Grant Thornton, for their commitment to the Committee during the life of the Council.

(The Meeting terminated at 12.45 pm)