

At a Meeting of the **AUDIT COMMITTEE** held in the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the 27th day of **September 2016** at **2.00 pm**

Present: Cllr M Davies (Chairman)

Cllr B Stephens
Cllr J Yelland

Cllr N Jory

Officers in attendance: Finance Community of Practice Lead (S151 Officer
Accountant Business Partner
Case Manager, Strategy & Commissioning
Brenda Davies, Devon Internal Audit Partnership
Darren Gilbert and Adam Bunting, KPMG

Also in attendance: Cllrs C Edmonds and Executive Director
(Service Delivery and Commercial Development)

***AC 13 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllrs L Watts & J B Moody. The meeting proceeded to note that Cllr Yelland (for Cllr Watts).

***AC 14 CONFIRMATION OF MINUTES**

The Minutes of the Meeting held on 19 July 2016 were confirmed and signed by the Chairman as a correct record.

***AC 15 EXTERNAL AUDIT REPORT**

A report was presented that summarised the key findings arising from KPMG's audit work. In his introduction Mr Bunting outlined the key points stating the unqualified opinion was a positive review. Shared costs were highlighted, KPMG was supportive in the methodology used for apportionment between West Devon and South Hams. Good reporting arrangements were in place.

In response to a Member question Mr Bunting said the agile working arrangements were not causing any issues as forward planning was implemented in regard to accessing staff.

The Chairman thanked the auditors and the finance team for their hard work.

It was then:

RESOLVED

That the External Audit Report be noted.

***AC16 ANNUAL STATEMENT OF ACCOUNTS 2015/16**

Cllr Edmonds introduced the Annual Statement of Accounts to the Committee. Without further questions it was then:

RESOLVED

That Members **APPROVED** the following:

1. The wording of the Letter of Representation (Appendix A);
2. The audited Statement of Accounts and Technical Appendix for the financial year ended 31 March 2016 (Appendix B);
3. The revised Annual Governance Statement

***AC17 ANNUAL TREASURY MANAGEMENT REPORT 2015/16**

The Committee were presented a report by the S151 Officer. Members were advised that a future report would be presented to Members to consider opportunities to invest for 5 years to obtain a better interest rate. After a short discussion it was then:

RESOLVED

That Members **APPROVED**

The actual 2015/16 prudential and treasury indicators in this report; and

That Members **NOTED**

The Annual Treasury Management Report 2015/16

***AC18 STRATEGIC RISK ASSESSMENT – REGULAR UPDATE**

The Business Development Group Manager took Members through the Strategic Risk Assessment Report. In discussions it was recommended that the risk scoring for Land Charges and Local Plan delivery be moved down from a 5 to a 4.

It was then **RESOLVED**

That the Committee review the strategic risks and make recommendations to Council on any further action the Committee concludes should be considered.

***AC19 INTERNAL AUDIT CHARTER & STRATEGY 2016/17**

Members considered a report on the Internal Audit Charter & Strategy 2016/17. Discussions took place including the arrangements of audit services and the possible transfer of elements of the audit function with the setup of a local authority controlled company. KPMG responded that in their view the internal auditing was strong and robust on being questioned on their views by a Member.

It was then **RESOLVED**

That the Audit Committee **APPROVED** the Internal Audit Charter & Strategy 2016/17

***AC20 UPDATE ON PROGRESS ON THE 2016/17 INTERNAL AUDIT PLAN**

A report was presented on the progress on the 2016/17 Internal Audit Plan. Members were advised that due to long term sick leave within the team and with the approval of the S151 Officer and the Senior Leadership Team the plan was reduced down by doing less work on VAT. HMRC had given the Council a clean bill of health in a recent VAT inspection, therefore it was low risk. A VAT specialist would be engaged to cover various aspects. Members allowances and how they are administered was deferred to 2017/18. Members acknowledged the high quality of work produced by Officers.

It was then **RESOLVED**

That the progress made against the 2016/17 internal audit plan was noted.

(The Meeting terminated at 2.47 pm)

Dated this

Chairman