

At a Meeting of the **AUDIT COMMITTEE** held in the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the 19th day of **JANUARY 2016** at **2.00pm**

Present: Cllr M Davies (Chairman)

Cllr B Stephens Cllr J B Moody
Cllr Watts

Substitutes: Cllr Ball for Cllr Jory

Officers in attendance: Finance Community of Practice Lead
Finance Business Partner (AW)
Case Manager, Strategy & Commissioning
Barrie Morris (Grant Thornton)
Executive Director (Service
Delivery and Commercial Development)

***AC 20 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr N Jory for whom Cllr K Ball acted as substitute.

***AC 21 CONFIRMATION OF MINUTES**

The Minutes of the Meeting held on 29 September 2015 were confirmed and signed by the Chairman as a correct record.

***AC 22 THE ANNUAL AUDIT LETTER FOR WEST DEVON BOROUGH COUNCIL**

Mr Barrie Morris presented a report that summarised the key findings arising from the work carried out at West Devon Borough Council for the year ended 31 March 2015.

Following the presentation, Members had no issues to raise and without further discussion, it was **RESOLVED** that the report be noted.

***AC 23 CERTIFICATION WORK FOR WEST DEVON BOROUGH FOR YEAR ENDED 31 MARCH 2015**

Mr Morris talked Members through the certification work for West Devon Borough Council and reported that the authority were in a unique position.

Members thanked the officers for their hard work in gaining this status for the authority.

It was **RESOLVED** that the certification work be noted.

***AC 24**

REPORT ON VALUE FOR MONEY FOR THE COUNCIL

Mr Morris presented a report on value for money for the Council. Members raised why under the judgment of understanding the 'Understanding of the Financial Environment' RAG (Red, Amber, Green) rating for 2014/15 had been changed to Amber from Green. At this point, the S151 officer and the Finance Business Partner left the room. Mr Morris explained that, due to the change in the management structure at the authority, the S151 Officer was no longer a member of the Senior Leadership Team (SLT) and under CIPFA guidelines it was a requirement for Grant Thornton to flag it as a potential issue.

The Executive Director explained that SLT did not see it as the best use of the S151 Officer's time to attend weekly SLT meetings. However to mitigate any adverse impact various measures have been put in place. Line management of the Officer had also moved so the post reports directly to the Executive Director (Strategy and Commissioning). The Officer has full access to all SLT reports/agendas/minutes and has an open invite to attend any SLT meeting she so wished. It was also felt the Officer was better able to advise and challenge SLT when not a decision making member of the team.

Mr Morris explained that this rating had been flagged as amber to make Members aware, but this did not mean that it was inappropriate for the authority to take this course of action.

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

The S151 Officer and Finance Business Partner returned to the meeting at this point.

***AC 25**

EXTERNAL AUDIT PROGRESS REPORT AND TECHNICAL UPDATE

The S151 Officer talked Members through the report. Members were notified that footpaths/footways were now required to be surveyed as an asset. The S151 Officer confirmed that the authority only had a couple of footpaths.

Members were also informed that arrangements had to be put in place whereby external auditors had to be chosen for 2017/18 and an all Devon procurement or joint exercise with South Hams District Council were discussed as potential options. The requirement of an audit panel with independent members was also discussed with an action plan to be in place by the summer.

It was then **RESOLVED** that the update be noted.

***AC26**

APPOINTING YOUR EXTERNAL AUDITOR

The S151 Officer introduced the report to the Committee. During this presentation The Executive Director added that there would be an impact on appointing external auditors in the event of a new Local Authority Controlled Company being set up.

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

AC 27

TREASURY MANAGEMENT MID-YEAR REVIEW

The s151 Officer introduced the mid-year review.

Without any discussion it was then **RESOLVED** that the report be noted and the Council be **RECOMMENDED** that:

1. The counterparty limit for counterparties set out in Appendix A of the presented agenda report (with the exception of Lloyds Bank PLC) be increased from £2 million to £3 million
2. The counterparty limit for Lloyds Bank plc (the Council's Bank) be increased from £3 million to £4 million. This allows flexibility to maintain a working balance of up to £1 million in the account, with the option to invest up to £3 million additional funds at any one time.

(The Meeting terminated at 3.00pm)

Dated this

Chairman