

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE  
HELD AT FOLLATON HOUSE, TOTNES ON THURSDAY 18 JULY 2013**

<b>Members in attendance</b>			
<b>* Denotes attendance</b>			
*	Cllr I Bramble	*	Cllr L P Jones
*	Cllr C G Bruce-Spencer (Vice Chairman)	*	Cllr J T Pennington (Chairman)
*	Cllr A S Gorman		

<b>Other Members in attendance and participating</b>	
Cllrs S A E Wright	

Item No	Minute Ref No below refers	Officers and Visitors in attendance
All Items		Acting Head of Finance, Acting Chief Accountant, Chief Internal Auditor and Member Services Officer.  Audit Manager - Grant Thornton

**A.06/13 MINUTES**

The minutes of the meeting held on 13 June 2013 were confirmed as a correct record and signed by the Chairman.

**A.07/13 DECLARATIONS OF INTEREST**

Members and officers were invited to declare any interests in the items of business to be considered during the course of the meeting but none were made.

**A.08/13 SYSTEM OF INTERNAL CONTROL AND ANNUAL GOVERNANCE STATEMENT 2012/13**

The Chief Internal Auditor presented the report which provided Members with information to enable them to independently examine the draft annual governance statement and the supporting process and assurance streams.

During the discussion, the following points were raised:

- Members were informed that discussions about improving the processes supporting Contract Management had already begun with colleagues in the legal service and with the Monitoring Officer. The work would be completed shortly and an update would be presented to the Audit Committee at its meeting in September 2013;
- Members were also informed that the HMRC inspection was still progressing and HMRC had been provided with all the information that had been requested. The Authority had conceded on two matters which were the use of a car for commuting journeys, and payment of landline and broadband costs prior to September 2012 for a small number of officers. £7.5K had been paid on account to HMRC;
- With regard to the issue of the Dartmouth Embankment, the Committee requested that the Head of Assets be asked to attend its meeting in September 2013 to provide an update on the latest position;
- It was requested that the value for money aspect of the recruitment of temporary agency staff across all departments be considered at the next meeting of the Committee in September 2013;
- With regard to the Connect Strategy Action Plans, Members commented that precise details of the financial costs and resources incurred to implement the action plans were severely lacking and that the value for money aspects did not seem to feature in them. The Chairman vigorously stated that Members needed a proper understanding of the resource costs and should therefore be getting appropriately detailed information in order to fully investigate the value for money aspects. A Member went on to say that he was sceptical about these plans, as the outcomes were often not quantified or quantifiable and that he instinctively felt that the outcomes might not justify the input of resources. It was requested that the Connect plans be further considered at the meeting in September 2013.
- With regard to the Guidance to Officers on Report Writing, the Chief Internal Auditor informed that a review of the guidance was being undertaken and Members had been invited to input to the process. Their feedback had been received, and the updated guidance would therefore be published and promoted throughout the Council.
- The Chief Internal Auditor informed that he would provide the Committee with an update at its meeting in September on the complex issue of the subject of a claim by a group of companies whose business was making personal searches of the Authority's land charges records.

It was then:

**RECOMMENDED**

That the Audit Committee has considered the draft Annual Governance Statement 2012/13 and supporting evidence provided by the report and **RECOMMENDS** the **COUNCIL** approves it.

It was then:

**RESOLVED**

That the Head of Assets be asked to attend the meeting of the Committee in September 2013 to update it on the latest position on the Dartmouth Embankment.

A.09/13 **DRAFT STATEMENT OF ACCOUNTS 2012/13**

The Acting Head of Finance presented the draft statement of accounts for consideration by the Committee.

During the discussion, the following points were raised:

- The issue of income generation was referred to and the possibilities e.g. for advertising in car parks, on car park tickets, in public conveniences and so on were highlighted. The Chairman added that an example of a candidate for income generation was the Dartmouth Lower Ferry.
- Members expressed their concern about the amount of debt that was written off. The Acting Head of Finance stated that the Council continued to enjoy very high collection rates. For example, the Authority still had one of the highest collection rates in the South West as a result of investment in systems and processes to support this. The Authority took debt recovery very seriously and pursued it vigorously when appropriate.
- Members extended their gratitude to officers in the Finance and Internal Audit Section, stating that they very much appreciated all the work they undertook and that their services were vital to the efficient and effective running of the Council and to the provision of services to residents, and this was acknowledged by both the Audit Committee and the Executive Members. The Executive Member for Finance added that the Council, whilst facing its own challenges, was still financially in an enviable position compared to many other authorities up and down the Country.

It was then

**RESOLVED**

That the Draft Statement of Accounts for the financial year ended 31 March 2013 is noted and has been commented upon.

(Meeting commenced at 2.00 p.m. and finished at 4.15 p.m.)

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Chairman