

TORRIDGE DISTRICT COUNCIL

AUDIT & GOVERNANCE MEETING

Caddsdwn Business Support Centre - Bideford

Tuesday, 19 July 2022 - 2.00 pm

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| PRESENT | Councillor P Hackett (Chair) | |
| | Councillors D Brenton (substituting for R Craigie), D Bushby,
K Hepple and C Hodson | |
| ALSO PRESENT | S Dorey | - Head of Legal & Governance (Monitoring Officer) |
| | S Kearney | - Head of Communities & Place |
| | D Heyes | - Finance Manager (Section 151 Officer) |
| | T Vanstone | - Senior Electoral & Democratic Services Officer |
| | K Hewlett | - Electoral and Democratic Services Officer |
| | A Davies | - Grant Thornton |
| | P Middlemass | - Devon Audit Partnership |

17. APOLOGIES

Apologies for the meeting were received from Councillor Lock and Councillor Craigie. Councillor Brenton was present as substitute for Councillor Craigie.

18. MINUTES

The minutes of the meeting held on Tuesday 31 May 2022 were presented.

It was proposed by Councillor Hackett, seconded by Councillor Hodson and –

Resolved:

That the minutes be confirmed as a correct record and signed by the Chair.

(Vote: For 4, Against 0, Abstentions 1)

19. ACTION LIST

Members reviewed the action list. The action to set up meetings between Grant Thornton and TDC was ongoing.

20. DECLARATION OF INTERESTS

There were no declarations of interest.

21. AGREEMENT OF AGENDA ITEMS PART I AND II

Chair confirmed that there were no Part II items.

22. URGENT MATTERS BROUGHT FORWARD WITH THE PERMISSION OF THE CHAIR

There were no urgent matters brought forward.

23. ESTATE MANAGEMENT AUDIT REPORT

The Head of Communities and Place summarised the report for members and provided a progress updated on actions.

It was confirmed that the asset management plan was still being completed, and at this time it was unclear if it would be presented to the Community & Resources Committee in September or October.

The Head of Communities & Place went on to provide an update on the ELF system and updated members on recruitment, specifically the recruitment of the new Facilities Manager, Lance Wrey. An update on the work he has taken on since his appointment was provided for members.

Members noted the report.

24. DEVON AUDIT PARTNERSHIP UPDATE REPORT

The Devon Audit Partnership (DAP) Manager provided members with a summary of the internal audits completed since the last Audit & Governance Committee.

There were 2 audit reports to note, with the following assurances made:

Substantial Assurance Treasury Management

Reasonable Assurance Climate Change

The findings of the two audits were highlighted for members along with the agreed management actions.

There was also an update regarding work with Active Torridge to complete a 2-year plan of internal audits – the planned audits for the first year were highlighted along with the timescales for a draft report.

The DAP manager highlighted checks completed on the Getting Building Fund and Contain Outbreak Management Fund and asked members for questions.

Members queried if the findings of the Active Torridge audits would dovetail with the reports / business plan due at Full Council. It was confirmed that the draft findings would be due at the end of August / September, so could dovetail well with the report on the business plan.

It was explained that the feedback process for DAP would be with the Head of Active Torridge and the Board, who would agree the recommendations, and it was planned to present the findings to this committee.

There was a discussion in relation to the planned Brunswick sea-defences and members queried if TDC staff would have sight of the designs and construction before work starts. It was confirmed that a joint spec was being agreed and an expert has been jointly appointed to sign this off. Members were reassured that TDC team will be involved in the design stages.

Members asked for an update on progress regarding electric charging points in TDC car parks. The Head of Legal and Governance (& Monitoring Officer) provided members with an updated and confirmed that work is progressing to assess the viability of sites and any findings would be shared with members.

Following a discussion regarding other types of charging points, like lampposts, it was explained that there was currently no grant funding available and the need to assess financial viability was highlighted.

Members duly noted the report.

25. DRAFT STATEMENT OF ACCOUNTS 2021/22

The Section 151 Officer provided a detailed presentation which summarised the information within the draft statement of accounts 2021/22. At the end of the presentation the key highlights from the statement of accounts were explained and members were asked for any questions.

There was a query regarding the collection rate for Council Tax. The Section 151 Officer confirmed that this was ahead of target and that a formal response will be provided within the QBR.

Members noted the report.

26. GRANT THORNTON UPDATE REPORT

Andrew Davies (Programme Manager Grant Thornton) presented the report to members and directed them to the progress update on page 149 of the agenda.

An update was provided regarding the delayed signing off the 2020/21 audit. Members were advised that work is complete and due to be signed when the Key

Audit Partner (Julie Masci) returns from leave. It was stated that the Audit Certificate could not be issued at this time and the reasons were explained.

An update was provided on the Value for Money work and it was stated that the aim would be to have this work back on track for September - additional resource had been brought in to help with this.

The audit opinion for 2021/22 audit has now started and an update on the progress was provided for members. It was stated that there was nothing to flag to members at this stage.

The Programme Manager for Grant Thornton advised members that, at time of presenting the audit plan, the audit fees had not been agreed nationally by Grant Thornton. Members were directed to pages 157-8 of the update report where the fees for the 2021-22 audit have been set out. These were explained for members and context was provided.

Specific mention was made of the remote working fee. It was explained that Torridge would not incur this charge because there would be a hybrid work style and some work would be completed on site.

Members asked for assurance that there were no hidden extras and the Programme Manager for Grant Thornton confirmed this, but explained that if there were significant issues found during the audit and additional work was required, there may be an additional fee for this.

Following a member query regarding the increase in charges for 2020-21 from 2019-20 it was confirmed that this was related to the additional work on Value for Money. It was explained that this was related to the 2021 National Audit Office issuing a new Code of Audit Practice, which expanded the work that was required of auditors, which required more detailed drilling down. It was confirmed that this was mandatory.

Members noted the report

27. FINAL ACCOUNTS FINDINGS REPORT - GRANT THORNTON

The Programme Manager for Grant Thornton advised members that this had already presented as part of the previous agenda item – Grant Thornton Update Report. He stated that the Audit Findings Report had been updated to show Grant Thornton's position as of the 8th July.

Members noted the report.

28. CONTRACT WAIVERS - ANNUAL REPORT

The Section 151 Officer explained the purpose of a contract waiver and highlighted a chart on the second page of the report, which provided detail on the number of contract waivers that had been issued each year.

It was explained that the appendix provided the detail on contract waivers signed over the year and the reasons for signing the waivers.

Members noted the report.

29. FORWARD PLAN

Chair introduced the Forward Plan and members discussed the committee agendas and the reports that were included. It was raised that the size of agendas could be seen to impact members ability to fully examine documents and understand issues, and then agree or challenge the actions.

Members queried if the Audit & Governance Committees could be reviewed to produce shorter, more focused agendas, possibly increasing the number of meetings within a cycle. The logistics of this were highlighted and the role of the Auditors and their reports was highlighted.

During discussion it was recognised that, if there was a specific area of concern noted, the relevant council officers should be made available at the Committee meeting to answer questions.

It was confirmed that members were able to stay behind after the Committee to ask questions of the Auditors

The work of the auditors was recognised, but members restated the need to be fully conversant with the reports in order to robustly challenge.

The DAP Manager highlighted that any reports were sent to members in advance of the meeting, which was recognised as good practice. He advised they were happy to meet with members to discuss their reports and any recommendations. A recent committee was also highlighted where officers were called in to provide an update to members and the DAP manager explained this was also recognised good practice.

The Programme Manager from Grant Thornton provided some context on audit work across the sector and the challenges of sitting as member of the committee.

The meeting commenced at 2.00 pm and closed at 3.10 pm