

TORRIDGE DISTRICT COUNCIL

AUDIT & GOVERNANCE MEETING

Town Hall - Bridge Street, Bideford, EX39 2HS

Tuesday, 2 April 2024 - 2.00 pm

PRESENT Councillor P Hackett (Chair)  
Councillor J Gubb (Vice-Chair)  
Councillors D Brenton and S Gibson

ALSO PRESENT G Bryant - Finance Manager (S151 Officer)  
A Fay - Service Improvement Officer  
C Sullivan - Partner, Bishop Fleming  
P Middlemass - Devon Audit Partnership Manager  
J McCormick - Deputy Head for Devon Audit Partnership  
T Vanstone - Senior Electoral & Democratic Services Officer  
K Hewlett - Electoral and Democratic Services Officer

127. APOLOGIES

Apologies for the meeting were received from Councillor Lauren Bright and Councillor Ford.

128. MINUTES

The minutes of the meeting held on the 20 February 2024 were presented.

It was proposed by Councillor Hackett, seconded by Councillor Brenton and – Resolved:

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

(Vote: For 3, Abstentions 1)

129. ACTION LIST

Chair reviewed the action list with members.

It was confirmed that the only outstanding action was action126 – regarding a reporting mechanism for Active Torridge to TDC, it was confirmed this action was currently with the Leader.

130. DECLARATION OF INTERESTS

There were no declarations of interest.

131. AGREEMENT OF AGENDA ITEMS PART I AND II

It was proposed by Councillor Hackett, seconded by Councillor Gubb and Resolved:

That the agenda as circulated be agreed.

(Vote : For Unanimous)

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

There were no urgent matters brought forward.

133. EXTERNAL AUDIT PLAN

Chair welcomed Craig Sullivan (Partner at Bishop Fleming) to their first meeting as the new external auditors. Bishop Fleming introduced the audit plan to members and explained the purpose of the report, noting the timetable.

Members were directed to the summary of consultations and the current national trend regarding the signing off audits was also noted. The DLUHC role in remediating this was highlighted, along with some national consultations taking place – these were all explained in detail for members. Bishop Fleming noted the impact of these consultations on the significant risks within the report and advised how this would be managed.

In regard to the proposed timetable, it was explained the Value For Money work would start earlier and members were provided with an update of the work to date. Bishop Fleming explained the Interim Audit work, what this meant in terms of timescales and work and the potential benefits of its introduction.

Members duly noted the report.

134. INTERNAL AUDIT PLAN

Chair welcomed Paul Middlemass (Devon Audit Partnership Manager) and Jo McCormick (Deputy Head of Devon Audit Partnership).

The Deputy Head of Devon Audit Partnership (DAP) introduced the plan and advised of the work that had taken place, in consultation with managers at TDC, to develop the draft members had before them. Members were directed to page 31 of the agenda pack and the Annual Governance Framework Assurance was highlighted.

Paul Middlemass explained the detail of the plan for members, along with the reasoning behind the suggested work plan. Members were advised this was a live plan and adaptations would be made throughout the year. Some of the specific areas of planned work were noted, along with timescales.

Members were directed to page 25 of the agenda pack and the work plan was explained to members, along with the proposed timescales.

Members were then asked for their feedback and asked if there were any proposed changes or additions to the plan.

Chair confirmed that the Burton was outside the scope of audit and asked members for their questions.

Following a query regarding the focus on cyber security there was discussion on the importance of this work given the significant risks and threats experienced by other Local Authority areas. The potential cyber security risks linked to the Parliamentary General Election were also noted and the DAP manager advised of what the audit would focus on.

Members duly noted the report.

### 135. INTERNAL AUDIT UPDATE

The DAP Manager explained the purposed of the report was to summarise the internal audit reports issued since the last Audit and Governance Committee for member discussion.

Members were provided with a summary of the overall work on the 2023-24 audit plan, along with the assurance opinion for the year, which was a reasonable assurance.

It was confirmed that there remained 7 audits to note for 2023-24, with the following assurances:

Procurement	Reasonable
Community Safety Partnership	Substantial
Council Tax	Reasonable
NNDR	Reasonable
Section 106	Substantial
Risk Management	Substantial
Freedom of Information	Reasonable

The DAP Manager confirmed that full reports for all the audits had been sent to members in advance of the meeting and summarised some of the key findings.

#### Procurement

Auditors were impressed by the framework in place and noted the experience of the procurement officer. It was felt that TDC was well prepared for the introduction of the new Procurement Act, due to come into force in September.

#### Community Safety Partnerships

Auditors felt that TDC was an active member of the partnership and working well with North Devon and the Police to implementing measures to improve community safety.

#### Council Tax and NNDR

Auditors opinion was reasonable and the teams recruitment issues were noted, along with the pressure on staff as a result.

#### Section 106

Auditors noted the Council had a good grasp of what Section 106 orders had been identified. The capacity of officers to manage a potential increase in demand was noted.

#### Risk Management

Auditors recognised the work the Section 151 Officer to further develop the risk management process.

#### Freedom of Information (FOI)

Auditors noted good arrangements to manage FOI requests coming in. There was an agreement to include detail on the TDC website in order to increase transparency in reporting.

Members were then asked for their questions.

Members discussed Section 106 monies and whether members were sufficiently informed about the process by which funds are allocated in their area. It was confirmed that the Planning Manager had agreed to report to Community & Resources in future regarding the Section 106 money available.

The Section 151 Officer advised on the process by which s.106 funds are formally allocated to capital schemes at committee.

Members requested more clarity on this process and the consultation with Ward Members.

There was discussion regarding the opportunity for members to further explore the overall opinion / assurances that DAP report to committee. The process for assessing risk and sharing opinion was noted, along with the sharing of the full reports outside of the committee. It was noted that members also had the opportunity to request officers attend committee to explore any issues detailed in a report and could be involved in scoping out the proposed audits.

There was a brief discussion regarding the procedures rules in place for the Council in terms of procurement specifically and the waivers process (also on the agenda) was highlighted.

Members duly noted the report.

#### 136. ANNUAL FRAUD RESILIENCE REPORT

The Deputy Head for DAP introduced the report and explained that regularly reporting on counter fraud work was part of the governance process and Local

Authorities were therefore responsible for protecting public money from fraud. This report was an annual update counter fraud activity and the Council's perceived current resilience in terms of this. The role of DAP in supporting this work was then explained for members.

The Counter Fraud Resilience Checklist was highlighted for members and pages 50-54 of the report were noted. It was confirmed that TDC meet almost all the requirements set out, but there were areas identified to work on to further build resilience.

Members were advised that TDC were actively engaged in the National Fraud Initiative Exercise. The next data collection exercise was planned to start in September 2024.

Following an update in terms of the national picture members were asked for their questions.

Members asked for an update in terms of possible fraud investigations following Covid and grant opportunities. The Section 151 Officer advised of some certification work that was still taking place in 2023-24, in terms of governance and accountability.

Members duly noted the report.

#### 137. THE ANNUAL GOVERNANCE STATEMENT

The Section 151 Officer presented the Annual Governance Statement, which is added to the statement of accounts each year. The purpose of the report was to summarise the decision-making process for Torridge District Council, and introduced any changes within the last 12 months for members attention.

The Section 151 Officer went on to draw attention to the updates listed below:

1. The Budget Members Working Group had continued into its second year and continued to report to Community & Resources Committee and support officers in their decision making.
2. Extraordinary committees of the Audit and Governance Committees had been required as part of the work to sign off the account.
3. Details regarding the work of External and Internal Scrutiny Committees for 2023-24 had been updated.
4. Continued work to meeting the challenges presented by inflation and provision of the household support grants and other available grants.
5. A new Strategic Plan for TDC had been consulted on and agreed.

A brief discussion regarding the role of the budget working group took place where the working group role was clarified for members and the benefits reflected upon.

Referring to page 16 of the report, Bishop Fleming requested an addition to the text to include the change in External Auditors for 2024-25.

Members duly noted the report.

138. NON COMPLIANCE WITH PROCEDURE RULES AND WAIVERS

The Section 151 Officer presented the report, the purpose of which was to provide an update on any matters of non-compliance with the Contract and Financial Procedure Rules and Waivers approved by the Chief Executive and Section 151 Officer.

Members were provided with some context and the Section 151 Officer explained the circumstances where the Council were able to waive the Financial Procedure rules. It was noted that overall, waivers had decreased significantly in recent years. Members were advised that for the financial year 2023-24 6 waivers had been raised and the reasons were noted in the report.

Members duly noted the report.

139. FORWARD PLAN

Chair advised members that the forward plan would be reviewed following the AGM in May.

Members thanked the DAP Manager for all his work and advised this was his last meeting.

140. EXCLUSION OF THE PUBLIC

It was proposed by Councillor Hackett, seconded by Councillor Gubb and – Resolved:

That the public be excluded from the remainder of the meeting because of the likely disclosure of exempt information by virtue of paragraph 3 of Part I and paragraph 10 of Part 2 of Schedule 12A of the Local Government Act 1972.

(Vote: For Unanimous)

141. PART II (CLOSED SESSION)

142. RISK REGISTER UPDATE

The Section 151 Officer advised members of some changes to the reporting process following a recent audit. He then went on to update members on the Corporate Risk Register.

It was proposed by Councillor Hackett, seconded by Councillor Gubb and Resolved

That the meeting come out of Part II and close.

(Vote: For Unanimous)

The meeting commenced at 2.00 pm and closed at 2.49 pm

Chair:

Date: