

TORRIDGE DISTRICT COUNCILAUDIT & GOVERNANCE MEETINGCaddsdow Business Support Centre - Caddsdow Bideford EX39 3BETuesday, 14 November 2023 - 2.00 pm

- PRESENT                      Councillor P Hackett (Chair)
- Councillor J Gubb (Vice-Chair)
- Councillors D Brenton, L Bright and S Gibson
- ALSO PRESENT              G Bryant                      - Finance Manager (S151 Officer)
- A Fay                            - Service Improvement Officer
- A Davies                       - Grant Thornton
- T Vanstone                   - Senior Electoral & Democratic Services Officer
- K Hewlett                    - Electoral and Democratic Services Officer

105. DECLARATION OF INTERESTS

There were no declarations of interest.

106. AGREEMENT OF AGENDA ITEMS PART I AND II

The agenda as circulated was agreed.

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

There were no urgent matters brought forward.

108. AUDIT OF THE 2022/23 STATEMENT OF ACCOUNTS

The Section 151 Officer reminded members of the progress with the 2021-22 accounts. It was explained that that the bulk of the work for the 2022-23 audit were now complete and these have been presented to the Extraordinary Committee meeting as an additional item.

Chair introduced Andrew Davies, Engagement Manager for Grant Thornton, who provided members with a detailed summary regarding the Audit Findings Report, which members had received as part of the agenda pack.

Members were directed to Page 5 of the report and it was stated that, subject to the completion of the bullet points listed, the audit work was now substantially complete – an update was provided on progress since the publishing of the report.

Members were advised of progress on the Value for Money aspect of the audit and that Grant Thornton aim to have this work ready to come to the January meeting, meaning the audit could be closed off in time for the handover to new auditors.

The Engagement Manager reflected on the recent changes to the Torridge District Council (TDC) Finance Team and recognised how the team had been responsive to and supportive of the audit process.

The Engagement Manager then went on to provide some more detail from the report and ran through the figures from the financial statements on page 9.

Members were provided with a detailed summary of the Significant Risks listed from page 10 of the report, and some detail was provided on how the work was completed. Whilst explaining the revenue recognition risk for members Active Torridge was noted and the auditing process was explained. Members were advised of the position change and the reasons behind this.

Members were advised by the Engagement Manager that there were no issues to raise regarding the valuation of the pension fund, but Grant Thornton were still awaiting the Pension Fund Auditors letter of assurance.

Members were directed to page 14 of the report, and the 'significant risk' relating to group financial statements were explained. It was noted that this was only listed as a risk because it was the first time TDC had prepared group accounts.

The Engagement Manager went on to summarise the key judgements and estimates and members were directed to page 17 of the report.

Finally, it was confirmed that there were no independence issues to raise from Grant Thornton and the fees were as stated and remained unchanged.

Chair thanked the Engagement Manager for a comprehensive review and highlighted the role of the Finance Team in this work, it was requested that the Section 151 Officer pass on the thanks of the Committee.

Members were asked if they had any questions, and the following was raised:

Following a query regarding a complete list of land valuations it was confirmed that this information would be detailed in the council's Asset Register. The auditing process was then summarised for members.

Members raised asset revaluation work and the Engagement Manager explained the code that governs this. Members were advised that most councils will complete a revaluation on 20% of these assets each year over 5 years. It was explained that TDC also complete a desktop revaluation on the remaining 80% annually as well, and the benefits of this were highlighted.

Members asked if this work was completed by external valuers, and it was confirmed that the District Valuer completes and signs of this work, and they are an

external body separate from the Council. The Section 151 Officer went on to explain the tendering process used and the qualifications required.

There was a further query regarding the tendering process and whether details of the fees / charges for this valuation work would be available to members. The Section 151 Officer advised that this wasn't to hand and could be shared with members following the meeting.

Following a query in relation to the statement risk identified quoted from page 12 of the report, the Engagement Manager provided members with an explanation of the terminology used in the audit report and provided further context in terms of the auditing process.

Following a query regarding Property Plant and Equipment valuations there was a further explanation of what this work covers in terms of the Council and the auditing process involved.

Chair thanked the Engagement Manager for his report.

It was proposed by Councillor Hackett, seconded by Councillor Bright and

Resolved:

That the statement of accounts be approved, with a small amendment to the table on page 8, as advised by Councillor Bright.

(Vote: For, unanimous)

109. LETTER OF REPRESENTATION

The letter of representation was explained for members.

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

Resolved:

That the Letter of Representation be signed by the Chair and Section 151 Officer.

(Vote: For, unanimous)

The meeting commenced at 2.00 pm and closed at 2.33 pm

Chair:

Date: