

At a Meeting of the **AUDIT COMMITTEE** held in the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **2nd** day of **November 2021** at **11am**

Present: Cllr M Davies (Chairman)
Cllr K Ball
Cllr A Bridgewater
Cllr M Renders
Cllr P Ridgers
Cllr J Yelland

Officers in attendance: Section 151 Officer
Deputy Section 151 Officer
Democratic Services Officer
Head of Strategy and Projects
External Auditor

Also in attendance: Cllr C Edmonds (lead Hub Committee Member)

As a mark of respect following the tragic recent deaths of Sir David Amess MP and Mr James Brokenshire MP, those Members and Officers in attendance stood and observed a minutes silence.

***AC 8 CONFIRMATION OF MINUTES**

The Minutes of the Committee Meeting held on 7 September 2021 were confirmed by the Committee as a true and correct record.

***AC 9 GRANT THORNTON REPORT: AUDIT FINDINGS REPORT 2020-21**

A report was considered that set out The Audit Findings by Grant Thornton. The External Auditor explained to the Committee that he would be issuing an unqualified opinion on the financial statements for the 2020-21 period. Grant Thornton were unable to formally conclude the audit due to work on the whole of the government account return. HM Treasury are yet to issue a data collection tool to officers to enable them to complete the work. Once completed the auditors need to review and submit assurances to the National Audit Office. This is a national issue.

Risks identified had not changed. Pension fund liability valuation and valuation of councils land and property and investment property. Covid grants with various schemes and terms meant officers had to assess each individual grant separately. The auditors did significant testing in this area and found the accounting appropriate. The running of the transactional listings from the ledger system is currently very time consuming and needs to be made efficient for both the auditors and officers too and a recommendation has been made.

In discussion, reference was made to:-

- Talks with the software provider to ensure the running of the transactional reports in the ledger is less time consuming as it currently is in regard to officer time.
- Delivery plan for a new performance management reporting system, hopefully will be delivered before the end of the calendar year.
- Debt write off report showing £60,000. The Committee thanked the debt recovery team for their work

It was then **RESOLVED** that the Grant Thornton Audit Findings Report 2020-21 be noted.

***AC10**

GRANT THORNTON REPORT: AUDITORS ANNUAL REPORT 2020-21

The report was introduced to the Committee by the External Auditor.

In discussion, reference was made to:-

- Devon District procurement – to purchase locally where possible. Work closely with District colleagues.
- Code of Conduct and Whistleblowing Policies to become an annual review for both staff and Members.
- £435,000 was paid from reserves to support the Fusion Leisure contract. Successfully lobbied to secure funds of £90,000 from the National Lottery Fund to passport to Fusion Leisure. Work was commissioned nationally through the LGA and the support the authority was providing was along similar lines to other authorities.
- Seamoor Lotto income. Communications campaign to push the lotto during the winter. Since it's launch in 2018 the Lotto has raised £75,000 for 103 good causes across both West Devon and South Hams. Being a community lottery there cannot be a profit, for every £1 ticket sold, 50p goes to a good cause, 10p goes to a central pot which goes to help other good causes through Crowdfund, 20p towards prizes and 20p to the Lottery Management company.
- Pension valuation liability has increased significantly from £21.8m to £27.1m at 31 March 2021 but it was noted that this doesn't impact on the Council's bottom line and is a notional figure. The triennial valuation sets the employer contribution. Valuation due to take place again in 2022/23 as at 31 March 2022. A representative from Devon County Pension Fund will be attending at a future Audit Committee meeting.
- The bank rate went to a historic low, with the authority obtaining £37,000 investment income in 2020/21.

The Committee thanked the finance team for their work in such a challenging time.

It was then **RESOLVED** that the Grant Thornton Auditors Annual Report 2020-21 be noted.

***AC11** **AUDITED ANNUAL STATEMENT OF ACCOUNTS REPORT 2020-21**
Cllr Edmonds, Lead Hub Committee Member introduced the report.

It was then **RESOLVED** that the Audited Annual Statement of Accounts Report 2020-21 be noted.

AC12 **ANNUAL TREASURY MANAGEMENT REPORT FOR 2020/21**
The Committee was presented with the Annual Treasury report.

In discussion, reference was made to:-

- The investment in the South West Mutual Bank. The Lead Hub Member advised he had attended the AGM of the bank and the directors were taking steps to make it a success.

It was then **RESOLVED** that the Committee:

1. **APPROVED** the actual 2020/21 prudential and treasury indicators in the report.
2. Noted the Annual Treasury Management report for 2020/21.

***AC13** **AUDIT COMMITTEE WORK PROGRAMME**
The Work Programme was presented to the Committee.

It was then **RESOLVED** that the Committee noted the Work Programme.

***AC14** **DATE FOR DECEMBER AUDIT COMMITTEE**
The Audit Committee agree the date of the next Audit Committee to be 7 December at 9.30am

(The Meeting terminated at 12.30 pm)

Dated this

Chairman