

AUDIT COMMITTEE

22 November 2017

Present:-

Councillors J Mathews (Chair), I Hall (Vice-Chair), J Berry, J Brazil, E Brennan, R Peart and A Saywell

* 12

Minutes

RESOLVED that the Minutes of the meeting held on 14 September 2017 be signed as a correct record.

* 13

Items Requiring Urgent Attention

There was no item raised as a matter of urgency.

* 14

Purposeful Systems

The members received a verbal update from the Head of Organisational Change on the transformation approach the County Council has embarked on called *Doing What Matters*. During discussion reference was made to the following:

- The programme is being rolled out across the organisation over the next 3 years.
- Local communities are very much part of the redesign process.
- The transformation approach is not included as part of the budget savings for 2018/19 but will be incorporated for 2019/20.
- The need to communicate *Doing What Matters* to all members.
- Grant Thornton fully supported the purposeful systems approach the County Council had adopted.

* 15

Annual Audit Letter 2016/17

The Committee received the Annual Audit Letter from Grant Thornton (CT/17/101) issuing unqualified opinions on the Council's 2016/17 financial statements; the Pension Fund financial statements; the Annual Governance Statement and "Value for Money" conclusion 2016/17.

Grant Thornton were still unable to certify the accounts as complete pending the outcome of an investigation following objections to the 2015/16 and 2016/17 accounts, but the 2015/16 objection should be resolved by the end of the year, which will then allow the 2016/17 case to be progressed.

It was **MOVED** by Councillor Peart, **SECONDED** by Councillor Berry and

RESOLVED that the report and findings be noted.

* 16

External Audit Update

The Committee received a Report from Grant Thornton (CT/17/102) setting out the progress made in delivering their responsibilities as external auditors for the Council and giving a summary of relevant emerging national issues and developments.

It was **MOVED** by Councillor Saywell, **SECONDED** by Councillor Berry and

RESOLVED that the report and findings be noted.

* **17** **Internal Audit Half Year Report 2017/18**

The Committee considered the Report of the County Treasurer (CT/17/99) providing a six month audit opinion of the Council's Internal Audit Service and progress to date against the internal audit plans for 2017/18. The opinion was that an effective framework of control was in place providing reasonable assurance regarding the effective, efficient and economic achievements of its objectives.

The Head of the Devon Audit Partnership reported that the reduction in the percentage of Audit Plans completed was attributable to work now being ongoing for a longer period than it used to be as the emphasis on advice and guidance has grown.

Members expressed concern in relation to the arrangements for young people transitioning to Adult Social Care as well as placement stability for Children in Care.

It was **MOVED** by Councillor Saywell, **SECONDED** by Councillor Berry and

RESOLVED

(a) that the Children's Scrutiny Committee examine, at the earliest opportunity, the issue of placement stability for Children in Care;

(b) that the internal audit opinion that the Council's systems contain a satisfactory level of internal control be noted;

(c) that the satisfactory performance and achievements of Devon Audit Partnership during the first six months of 2017/18 be noted;

(d) that the Council's continuing commitment to the maintenance and enhancement of an anti-fraud culture be endorsed.

* **18** **Data Security and Residential / Nursing Commissioning - Audit Progress Report**

The Committee received a Report of the County Treasurer (CT/17/100) setting out progress with regard the "improvements required" issues identified in respect of Data Security and Residential / Nursing Commissioning. The Head of the Devon Audit Partnership highlighted the progress made by management in implementing agreed actions to address the areas of weakness identified.

It was **MOVED** by Councillor Peart, **SECONDED** by Councillor Brennan and

RESOLVED that the Committee notes the progress being made by management to address weaknesses identified through the internal audit process.

***DENOTES DELEGATED MATTER WITH POWER TO ACT**

The Meeting started at 2.15 pm and finished at 3.40 pm