

## AUDIT COMMITTEE

25 February 2021

Present:-

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

\* 108

**Minutes**

**RESOLVED** that the Minutes of the meeting held on 26<sup>th</sup> November 2020 be signed as a correct record.

\* 109

**Items Requiring Urgent Attention**

There was no item raised as a matter of urgency.

\* 110

**Devon Pension Fund Audit Findings Report 2019/20**

The Committee considered the Report of the County Treasurer (CT/21/27) on the findings from the audit of the Pension Fund's financial statements for 2019/20.

The Report also outlined the work undertaken by the external auditor to address the risks identified in the Audit Plan (presented to the Audit Committee in February 2020) and the April 2020 addendum relating to the additional risks associated with COVID-19.

It was **MOVED** by Councillor Peart, **SECONDED** by Councillor Hall, and;

**RESOLVED** that the Devon Pension Fund Audit Findings Report 2019/20 be noted.

\* 111

**Devon County Council Audit Findings Report 2019/20**

The Committee considered the Report of the County Treasurer (CT/20/95) enclosing a Report by Grant Thornton of the 2019/20 Audit Findings Report for Devon County Council. It set out the findings of Grant Thornton's audit of the County Council's financial statements and work undertaken relating to the value for money conclusion 2019/20.

The Report also highlighted the work undertaken to address the risks identified in the Audit Plan (presented to the Audit Committee in February 2020) and the April 2020 addendum relating to the additional risks associated with COVID-19.

Discussion with Members focused on the lessons that had been learnt from the audit of Devon County Council for the financial year 2019/20 and how

more robust project management principles could be implemented for future years to ensure the audit is delivered in a more efficient and timely manner.

It was **MOVED** by Saywell, **SECONDED** by Peart, and;

**RESOLVED** that the Devon County Council Audit Findings Report 2019/20 be noted.

\* **112**     **Statement of Accounts & Annual Governance Statement 2019/20**

The Committee considered the Report of the County Treasurer (CT/21/29) on the Statement of Accounts and Annual Governance Statement.

The Statement of Accounts had been received and approved by the Audit Committee at its meeting on 26<sup>th</sup> November 2020, but the external auditors had not completed their audit of the Authority's Statement of Accounts by 30<sup>th</sup> November 2020, which had continued into February 2021.

The Report explained two amendments that had been identified by the external auditors since November 2020. These amendments had no impact on the Authority's revenue account, usable reserves, or future financing of capital expenditure.

The Annual Governance Statement had been approved by the Audit Committee at its previous meeting on 26<sup>th</sup> November 2020, with no changes having been made.

It was **MOVED** by Councillor Berry, **SECONDED** by Councillor Ackland, and;

**RESOLVED;**

- (a) that the Letters of Management Representation for the Devon Pension Fund and the County Council be approved;
- (b) that the Authority's Statement of Accounts for 2019/20 be approved;
- (c) that the Pension Fund Statement of Accounts for 2019/20 be approved; and
- (d) that the preparation of the Statement of Accounts for both the Pension Fund and County Council on a going concern basis be approved.

\* **113**     **Internal Audit Plan, Charter and Strategy 2021/22**

The Committee considered the Report of the County Treasurer (CT/21/13) on the Internal Audit Plan, Charter and Strategy for the coming year 2021/22.

There had been no material changes in content in the Charter and Strategy from previous years.

The Committee was presented with the Internal Audit Plan for 2021/22. The Devon Audit Partnership had adopted a flexible Audit Plan, owing to a realisation across the sector that audit needed to be more fluid to avoid the disruptive mid-year changes that had been seen in the 2020/21 financial year. The discussion centred around this, with the possibility of adaptive resource allocation in the case of changing priorities being welcomed by Members.

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

**RESOLVED;**

- (a) that the Internal Audit Charter and Strategy for the coming year 2021/22 be approved; and
- (b) that the Internal Audit Plan for the coming year 2021/22 be approved.

\* **114**     **Risk Management Update 2020/21**

The Committee received the Report of the County Treasurer (CT/21/20) which set out the current risk position of the Council, updated on changes to risk management arrangements during 2020/21 and confirmed the role of the Audit Committee as per the Council's Risk Management Policy.

The interactive Risk Register had been made available to Members via Power BI. In their discussion, Members focused on the value of this information which could inform future work programmes. It was also suggested that this would be a useful topic for a future Scrutiny masterclass.

It was **MOVED** by Councillor Hall, **SECONDED** by Councillor Saywell, and;

**RESOLVED;**

- (a) that Members reviewed the movement of risks during 2020/21;
- (b) that the changes and updates to the risk management process as supported by Devon Audit Partnership be noted;
- (c) that the plans for further enhancements to Risk Management arrangements for 2020/21 be noted along with;
- (d) the summary risk position for current risks; and
- (e) that the Committee's gratitude be extended to all the Officers who had been involved in Audit Committee for their work.

**NOTES:**

1. *Minutes should always be read in association with any Reports for a complete record.*
2. *If the meeting has been webcast, it will be available to view on the [webcasting site](#) for up to 12 months from the date of the meeting*

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

The Meeting started at 2.15 pm and finished at 3.31 pm