

## AUDIT COMMITTEE

27 July 2018

Present:-

Councillors J Mathews (Chair), I Hall (Vice-Chair), J Brazil, R Peart, A Saywell and Y Atkinson

Apologies: -

Councillors J Berry

\* 32

**Minutes**

**RESOLVED** that the Minutes of the meeting held on 16 May 2018 be signed as a correct record.

\* 33

**Items Requiring Urgent Attention**

The Members of the Committee considered the issue of a Disclosure and Barring Service (DBS) check for all Members.

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

**RESOLVED** that the issue of a DBS check for all Members be considered by the Procedures Committee.

\* 34

**Audit Findings Reports 2017/18**

(Councillor Mathews declared a personal interest in this item by virtue of being in receipt of a widowers pension from the Devon Pension Fund).

i) The Committee considered the Report of Grant Thornton (CT/18/59) for Devon County Council for 2017/18 setting out the findings arising from the audit of the County Council's financial statements and the work undertaken in relation to the value for money conclusion.

Grant Thornton delivered a presentation to Members that included an outline of materiality, audit risks, accounting policies, and strategic financial planning.

The External Auditor was satisfied with the financial arrangements that the Council had in place and anticipated issuing an unqualified audit opinion.

The Committee raised concerns as to whether Members had been kept up to date on the Council's Transformational Change Programme.

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

**RESOLVED**

(a) that the Report and findings be noted;

(b) that an update on the Transformational Change Programme be provided at the next meeting of the Audit Committee.

ii) The Committee noted the Report of Grant Thornton (CT/18/60) outlining the findings arising from the audit of the Pension Fund for 2017/18.

It was **MOVED** by Councillor Hall, **SECONDED** by Councillor Brazil and

**RESOLVED** that the Report and findings be noted.

\* **35**      **Statement of Accounts & Annual Governance Statement 2017/18**

The Committee considered the Report of the County Treasurer (CT/18/58) together with the Statement of Accounts.

The Report underlined key messages from the Statements of Accounts 2017/18 and highlighted;

- that the Council's liabilities are £226 million greater than its assets;
- that no new borrowing has taken place this year with capital expenditure due to be met from borrowing being financed from internal resources;
- that earmarked reserves (excluding carry forwards and schools) have increased by £14.6 million.

The Committee noted that the audit is still not complete and that the auditors may request further small changes to the Statement of Accounts.

Members recognised the hard work that was required to produce the Statement of Accounts and thanked officers for their efforts.

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

**RESOLVED** that the Statement of Accounts for 2017/18 be approved.

\* **36**      **Top 10 Risk - Scrutiny Chairs Spotlight Review**

The Committee considered the Report of the Scrutiny Chairs (CSO/18/26) on the Top 10 Risk.

The Members of the Committee noted that a masterclass for all Members on the Top 10 Risk had been recommended to take place before the next Audit Committee. An electronic learning pack could be made available to the Members before the masterclass.

During discussion, it was highlighted that although the Business Rates Retention Scheme will not automatically renew in 2019/20, the Council can bid for new pilots.

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

**RESOLVED** that the Report and findings be noted.

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

The Meeting started at 2.15 pm and finished at 3.10 pm