

AUDIT COMMITTEE

18 JUNE 2025

Present:

Councillors Morgan (Chair), Nuttall, Purser, Radford, Ryan, Steemson (Vice-Chair) and Thorne

Apologies:

Councillors Jackman

Officers in Attendance:

Sue Heath, Audit Manager

Gordon Bryant, Head of Financial and Audit Services

Charlie Fisher, Democratic Services Team Leader

Alex Lessware, Economy and Delivery Manager

Christopher Morgan, Trainee Democratic Services Officer

Thomas Pearce, Project Manager

23. MINUTES OF THE PREVIOUS MEETING

It was proposed by Cllr Morgan and seconded by Cllr Steemson that the minutes of the previous meeting be agreed as a correct record and signed by the Chair.

Resolved

that the minutes of the previous meeting be agreed as a correct record and signed by the Chair.

24. DECLARATIONS OF INTEREST.

None.

25. PUBLIC QUESTIONS

None.

26. MEMBERS QUESTIONS

None.

27. EXTERNAL AUDIT PLAN

The Representative from Grant Thornton introduced the item to the Committee. She informed the Committee that there were 3 significant risks highlighted in the External Plan, which were the same 3 risks as previous years. Increased work had been carried out to determine materiality. A large portion of the Audit risk report for 2024-25 had been carried out. She considered that the statutory recommendations that had been brought to Full Council earlier in the year would need additional time to be implemented. A balance sheet had been provided to consider new assets and liabilities as part of the new CIPFA code. New processes that had been brought into the finance department required new considerations and challenges.

The Committee noted the External Audit Plan

28. RISK MANAGEMENT

The Project Manager introduced the item to the Committee.

He informed the Committee that the spending and collection of CIL funds was going well and that the S106 agreements were under the supervision of the legal team. The S106s would be logged in digital forms. He explained the process of reaching S106 agreements and how the money is spent. Highweek Scout Hut would be funded by a S106 agreement. There was not yet an understanding of what would happen to CIL following Local Government Reorganisation.

The Committee also heard that there had been difficulties in ensuring some developers started work in the building of houses following the receipt of permission. The current housing target was 720. There was a need to locate small sites that could be developed by smaller developers.

It was proposed by Cllr Morgan and seconded Cllr Purser that the report be noted. All were in favour.

29. INTERNAL AUDIT ASSURANCE RATINGS

The Audit Manager introduced the item to the Committee. The item involved updating the assurance ratings given in line with CIPFA's recommendations. These ratings were substantial assurance, reasonable assurance, limited assurance, and no assurance.

The Committee noted the Internal Audit Assurance Ratings.

30. INTERNAL AUDIT PLAN

The Audit Manager introduced the Internal Audit Plan to the Committee. The new Global Internal Audit Standards had taken effect in April and would shape the Audit Planning going forward. Senior management engagement had improved in the ongoing audits. The mandate for internal audit was also included

in the report. Most of the audits would be carried out by Devon Audit Partnership, including the Strata Audit which Strata requests itself. The Audit Scrutiny Committee would be renamed Audit and Governance Committee, which would sign off Accounts and the Annual Governance Statement. The Constitution Review Group would continue its work with CFGS and the Monitoring Officer. DAP would be providing a refresher audit training session in September which was recommended for Committee Members. The Committee considered how the External Auditors would respond in the case of fraud, following input from the representative from Grant Thornton. It was noted that fraud in the public and private sectors had different causes and victims by the nature of who their customers are.

The Committee asked to see comparisons of current departmental audit results and previous audit results to ensure that they were improving.

It was proposed by Cllr Morgan and seconded by Cllr Nuttall that the Internal Audit Plan and Charter be approved.

A vote was taken and the result was unanimously in favour.

Resolved

That the Internal Audit Plan and Charter be approved.

31. INTERNAL AUDIT PROGRESS REPORT

The Audit Manager introduced the item to the Committee. It was noted that there were 4 more Audits to write reports for. The Annual Audit Opinion would be completed soon, however some services had needed extra time to respond to the audit work and findings.

The Committee noted the Internal Audit Progress Report.

32. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - EXCLUSION OF PRESS AND PUBLIC

Under Section 100A(4) of the Local Government Act 1972, the press and public were excluded from the meeting of item 12 on the grounds that it involved the disclosure of exempt information as defined in Paragraph 7 of Part 1 of Schedule 12A of the Act.

33. FINANCIAL INSTRUCTIONS WAIVER AND EXEMPTIONS

The Audit Manager introduced the item to the Committee. The Committee considered the Financial Instructions Waiver included in the part 2 report. One of these waivers related to the purchase of specialised equipment that could only be acquired through a single supplier.

The Committee noted the financial instructions waivers and exemptions.

The meeting commenced at 10.00 am and finished at 12.10 pm.

CLLR S MORGAN
Chair