

AUDIT SCRUTINY COMMITTEE

19 DECEMBER 2019

Present:

Councillors Morgan (Chairman), Rollason (Deputy Chairman), H Cox, Colclough, Purser and Thorne

Members in Attendance:

Councillors

Apologies:

Councillors Mullone and J Petherick

Officers in Attendance:

Martin Flitcroft, The Chief Finance Officer & Head of Corporate Services

Sue Heath, Audit Manager

Christopher Morgan, Trainee Democratic Services Officer

Sarah Selway, Democratic Services Team Leader & Deputy Monitoring Officer

31. MINUTES OF THE PREVIOUS MEETING

The minutes of the Audit Scrutiny Committee meeting held on 12 September 2019 were confirmed as a correct record and signed by the Chairman.

32. DECLARATIONS OF INTEREST.

None.

33. INTERNAL AUDIT PROGRESS REPORT

The Audit Manager presented the report which advised Members of the recent progress against the Audit Plan, the outcomes of the completed audits and the additional duties undertaken by the audit team. The Audit Plan was approved annually by the Audit Scrutiny Committee and progress was reported back at each meeting. The audit schedule was where it should be, with 14 of the 19 audits for the year already completed.

In response to a question from a member about Council Tax Fraud, the Audit Manager explained that the use of third party data collection agencies for data matching presented risks as the quality of data could not be guaranteed, and that it is preferred for Teignbridge to participate in the National Fraud Initiative (NFI) which uses HMRC and electoral role data instead.

It was proposed by Councillor Purser, seconded by Councillor Thorne and

Resolved

That the report be noted and approve.

34. TREASURY MANAGEMENT LENDING LIST UPDATE

The Chief Finance Officer presented the report which provided Members with details of the authorised lending list, which had been presented to the Executive Committee on 28 November.

In response to questions from Members, the Chief Finance Officer explained that Charities, Churches, and Local Authorities (CCLA) had multiple funds, and that Teignbridge was interested in property funds due to the good returns.

It was proposed by Councillor Morgan, seconded by Councillor Rollason and

Resolved

That the report be noted.

35. EXTERNAL AUDIT PROGRESS REPORT AND ANNUAL AUDIT LETTER

Julie Masci, Engagement Lead from Grant Thornton, presented the Audit Progress Update report and the Annual Audit Letter for the year ending 31 March 2019.

Members were referred to the 2018/19 Annual Audit Letter, which summarised the key findings arising from work carried out for the Council year ending 31 March 2019.

The External Auditor stated that the work for 2019/20 would soon be underway and would be presented along with the Certification Report, to Members at the next meeting on 25 March 2020. Details of the audit deliverables, sector update work, the Chartered Institute of Public Finance and Accountancy (CIPFA) consultation, MCHLG probe, and Brexit Preparations were discussed.

Members were informed that Grant Thornton had begun to plan workshops in order to explain the changes in this year's Local Authority code, and also who the Brexit lead was.

It was proposed by Councillor Purser, seconded by Councillor Rollason and

Resolved

That the report be noted.

36. FINANCIAL INSTRUCTIONS AND CONTRACT RULES WAIVER

The Audit Manager presented the report which provided Members with details of Financial Instructions and Contract Procedure Rules that had been waived since September 2019.

There had been seven waivers reported – The Football ground at Coach Road, the Simplification Project, Sorting and Baling Equipment, Sustainable transport improvements in Newton Abbot, Pumping Station at Horse Lane, Brunswick Street in Newton Abbot, and Estates Management Services.

It was proposed by Councillor Colclough, seconded by Councillor Rollason and

Resolved

That the report be noted.

37. CORPORATE AND STRATEGIC RISK REPORT

The Corporate Performance Officer presented the report. Most risks were medium to low, with some changes made to existing risks. It was noted that cybersecurity training for both Officers and Members was being prepared by Strata and would be held separately in 2020.

She explained to Members that there were 25 Strategic Risks and 12 corporate risks. Of the 37 risks, six had an unmitigated risk score of 9, which was very high, but risk officers had actions in place to reduce these. She commented that there were no risks with a high impact and high likelihood or medium impact and high likelihood score.

In response to comments from Members regarding security, it was decided that the Strata Compliance & Security Manager will be invited to the next meeting.

It was noted that the Strata Business Plan was being prepared and that the Climate Emergency Plan had been erroneously omitted but had been agreed at Full Council in September.

It was proposed by Councillor Colclough, seconded by Councillor Rollason and

Resolved

That the report be noted.

The meeting commenced at 10.00 am and finished at 11.00 am.

Chairman

