

## South Somerset District Council

**Minutes** of a meeting of the **Audit Committee** held at the **Main Committee Room, Council Offices, Brympton Way, Yeovil BA20 2HT on Thursday 26 November 2015.**  
(10.00 am - 10.55 am)

### **Present:**

**Members:** Councillor Derek Yeomans (Chairman)

Mike Best	Graham Middleton
Carol Goodall	David Norris
Val Keitch	Colin Winder
Tony Lock (from 10.30am)	

### **Officers**

Donna Parham	Assistant Director (Finance & Corporate Services)
Jo Boucher	Democratic Services Officer
Amanda Card	Finance Manager

### **Also Present:**

Liz Cave	Director, Grant Thornton
Jo George	Assistant Director, South West Audit Partnership (SWAP)

---

### **39. Minutes (Agenda Item 1)**

The minutes of the meeting held on 30<sup>th</sup> September 2015, copies of which had been circulated, were taken as read and, having been approved as a correct record were signed by the Chairman.

---

### **40. Apologies for absence (Agenda Item 2)**

Apologies for absence were received from Councillors Jason Baker and Mike Beech.

---

### **41. Declarations of Interest (Agenda Item 3)**

There were no Declarations of interest made.

---

### **42. Public question time (Agenda Item 4)**

There were no members of the public present.

---

#### **43. Date of next meeting (Agenda Item 5)**

The Audit Committee scheduled for 17<sup>th</sup> December 2015 has been cancelled. The next scheduled meeting will take place on Thursday 28<sup>th</sup> January 2016.

---

#### **44. 2015/16 SWAP Internal Audit Quarter 2 Update Report (Agenda Item 6)**

Jo George of SWAP presented the report as detailed in full in the agenda and asked members to note the Internal Audit Work Plan 2015/16 including the three Operational Audits in progress – Yeovil Innovation Centre, Council Tax Collection and Housing & Council Tax Benefit.

She also reported that the Choice Based Lettings Audit had now been finalised and the work undertaken regarding the members Expenses Audit which included looking at the top twenty members' claims and comparing these with the AA route finder results. She also referred to the key action regarding Mobile and Remote Working as detailed from the IT Audit.

During discussion it was noted that Internal Audit would continue as usual until such time a decision on the future of Joint working was known. Members were content to note the progress made.

**RESOLVED:** that members of Audit Committee note the progress made.

---

#### **45. Annual Audit Letter (Agenda Item 7)**

The Director, Grant Thornton, presented the report explaining that the Annual Audit letter summarised the key findings arising from the work carried out for year 2014/15. She explained this was an unqualified opinion on the Councils Statement of Accounts and overall recognised the good working practices within SSDC, however identified two key actions and recommendations:

- The process of the revaluations of the Council's Assets and the existing five year rolling programme.
- To increase the Council's target council tax collection rate for improved collection in the next few years which is a reduction from previous years and still below other districts both regionally and nationally.

The Assistant Director (Finance and Corporate Services) informed members that following these recommendations four additional staff have now been appointed to assist in recovery work to improve the Council Tax collection rate. She explained that a higher collection rate target would therefore be fixed for the 2016/17 financial year.

During a short discussion, members, led by the Assistant Director (Finance and Corporate Services) and Director, Grant Thornton discussed and agreed to increase the Council Tax collection rate target for the 3<sup>rd</sup> quarter of the 15/16 financial year.

The Assistant Director (Finance and Corporate Services) gave further clarification to members on the process of looking at a four year budget rather than each year individually due to impending funding cuts and the possible future joint working

arrangements. The Director, Grant Thornton expressed her support of this practice and offered further support and advice.

- The Director, Grant Thornton wished to inform members that David Johnson had recently replaced Ashley Allen as Audit Manager and noted the proposal for an earlier closure date by the end of July to prepare for the changes to accounting regulations.

Members were content to note the contents of the Annual Audit Letter.

**RESOLVED:** that the contents of the Annual Audit Letter be noted.

---

#### 46. Treasury Management Performance to September 2015 (Agenda Item 8)

The Principal Accountant presented the report which provided an update on treasury management activity and the performance against the Prudential Indicators for the six months ended 30<sup>th</sup> September 2015.

She informed members that recommendation 3 should be amended to read 'that we are increasing our investment with the CCLA Property fund to a maximum of £4 million' and not by £1million as detailed in the agenda report.

With regard to the Returns for 2015/16, she highlighted that the current estimate at the end of the financial year would be an overall surplus of £88,000.

During discussion the Principal Accountant gave clarification to members regarding the overall investments as at 30<sup>th</sup> September 2015 including the position of investments advised by Arlingclose. She agreed to add an additional explanatory note to this in future.

Members were content to agree the recommendations outlined in the report subject to recommendation 3 being amended to read 'that we are increasing our investment with the CCLA Property fund by a maximum of £4 million'. On being put to the vote this was carried unanimously.

- RESOLVED:**
- (1) That the Treasury Management Activity for the six month period ended 30<sup>th</sup> September 2015 be noted;
  - (2) That the position of the individual prudential indicators for the six-month period ended 30<sup>th</sup> September 2015 be noted
  - (3) That we are Increasing our investment with the CCLA Property fund to a maximum of £4million be noted.
  - (4) Reviewed the Treasury Management Policy (Appendix B) and recommend to Council.
  - (5) Carried out the mid-year review of the Treasury Management Strategy and recommend to Council (Appendix C – Strategy with the amendments highlighted)

*(voting: unanimous)*

---

**47. Treasury Management Practices (Agenda Item 9)**

The Principal Accountant summarised the agenda report and asked the Committee to approve the Treasury Management Practices, copies of which were attached to the agenda.

Having considered the documents, the Committee indicated that Page 96 – Anti money laundering policy, first bullet point, should take out the words ‘wherever possible’. Members were content to approve the Treasury Management Policy and Practices.

**RESOLVED:** that the Treasury Management Practices (Appendix 1) be agreed.

---

**48. Update on the Fraud and Data Service (Agenda Item 10)**

The Fraud and Data Manager presented the report as detailed in the agenda. She introduced the new Intern and informed members that it had been agreed to recruit an additional member of staff to assist in fraud matters and data protection and acknowledged the work undertaken by the SWAP team

Members welcomed the additional staff post to the team and thanked the Fraud and Data Manager for her report.

**RESOLVED:** That the report be noted.

---

**49. Audit Committee Forward Plan (Agenda Item 11)**

The Assistant Director (Finance and Corporate Services) informed members that:

- Reports scheduled for the December Audit Committee will be rescheduled for the January 2016 meeting.
- Treasury Management Strategy Report scheduled for February 2016 will be brought forward to the January 2016 meeting.

Members were content to note the forward plan.

**RESOLVED:** That the Audit Committee Forward Plan be noted.

---

.....  
Chairman