

South Somerset District Council

Draft Minutes of a meeting of the **Audit Committee** held at the **Main Committee Room, Council Offices, Brympton Way, Yeovil BA20 2HT on Thursday 30 June 2016.**

(10.00 - 11.00 am)

Present:

Members: Councillor Derek Yeomans (Chairman)

Mike Beech	Graham Middleton
Amanda Broom	David Norris
Carol Goodall	Colin Winder
Tony Lock	

Officers

Donna Parham	Assistant Director (Finance & Corporate Services)
Karen Gubbins	Principal Accountant (Exchequer)
Pam Harvey	Civil Contingencies Manager
Becky Sanders	Democratic Services Officer

Also Present:

Moya Moore Assistant Director, SWAP

1. Minutes (Agenda Item 1)

The minutes of the meeting held on 28 April 2016 were approved as a correct record and signed by the Chairman.

2. Apologies for absence (Agenda Item 2)

Apologies for absence were received from Councillors Jason Baker, Mike Best and Val Keitch.

Councillor Amanda Broom was in attendance as substitute for Councillor Val Keitch.

3. Declarations of Interest (Agenda Item 3)

There were no declarations of interest.

4. Public question time (Agenda Item 4)

There were no members of public at the meeting.

5. Date of next meeting (Agenda Item 5)

Members noted the next meeting of Audit Committee was scheduled for 10.00am on Tuesday 26 July (not Thursday 28 July as previously advertised), in the Main Committee Room, Brympton Way, Yeovil.

6. Health, Safety & Welfare - Annual Report 2015-2016 (Agenda Item 6)

The Civil Contingencies Manager introduced the report which informed members of health, safety and welfare issues relevant to South Somerset District Council activities and undertakings. A short presentation was provided which included information about:

- The reason for in-house Health & Safety
- What the Health & Safety service do
- Brief details about the number of staff trained as First Aiders and/or use of a defibrillator
- Risk assessments
- The training received by staff regarding working in water
- Working at height

During a brief discussion, the Civil Contingencies Manager responded to points of detail about the accident statistics and use of the defibrillators. She agreed that a table indicating the comparative accident statistics for 2015-2016 and the previous year would be appended to the minutes for information.

Members were content to note the report, and thanked the Civil Contingencies Manager for her presentation.

RESOLVED: That the Health, Safety and Welfare Annual Report for 2015/16 be noted.

7. Internal Audit Plan Progress Report (Agenda Item 7)

The Assistant Director (South West Audit Partnership) introduced the report which provided an update on the position of the Internal Audit Plan at the end of 2015/16 and reviewed the progress made on the 2016/17 Internal Audit Plan (Quarter 1). Key elements were highlighted, and it was noted that since the report had been compiled there had been further progress regarding the Audits as detailed under the 2015/16 Audit Plan (page 17 of the agenda). She also highlighted to members that since the agenda had been published the average figures under the heading 'SWAP Performance' on page 21 of the agenda had also changed and she provided the latest figures.

The Assistant Director (Finance and Corporate Services) noted a report had been added to the Audit Committee Forward Plan for November to provide an update regarding the partial assurance from the Property Services review.

There being no further discussion, members were content to note the progress made.

RESOLVED: That the progress made on the 2016/17 Internal Audit Plan be noted.

8. Internal Audit Annual Report and Opinion for 2015/16 (Agenda Item 8)

The Assistant Director (South West Audit Partnership) introduced the report which provided an update on the position of the Internal Audit Plan at the end of 2015/16 and Internal Audit's overall Opinion on the systems of internal control at South Somerset District Council. The SWAP Opinion was a 'reasonable assurance'. It was noted there was some duplication in this report with the previous agenda item – Internal Audit Progress Report – and updates provided for that item also applied to this report.

In response to a comment made during a very brief discussion that the definition of 'none' and 'no opinion' under the heading of Summary of Audit Opinion could be misinterpreted, she agreed to report back the comment to see if alternative wording or a description could be provided in future reports.

There being no further discussion, members were content to note the Annual Report and Opinion.

RESOLVED: That the Internal Audit Annual Report for and Opinion for 2015/16 be noted.

9. SSDC Review of Internal Audit (Agenda Item 9)

The Assistant Director (Finance and Corporate Services) introduced the report which informed the Audit Committee of the recent review of the effectiveness of the delivery of Internal Audit through SWAP (South West Audit Partnership) during 2015-16. She explained the review in a little more detail, and noted a missing figure in the Performance Measure table for 2015/16 - number of actions for improvements agreed by managers - should have read 68.

There being no further discussion, members were content to note the findings of the review.

RESOLVED: That the findings of the review of Internal Audit be noted.

10. Assessment of Going Concern Status (Agenda Item 10)

The Assistant Director (Finance and Corporate Services) presented the report which informed the Committee of the S151 officer's assessment of the Council as a 'going concern' for the purposes of producing the Statement of Accounts for 2015/16. She noted she had gone through the Statement of Accounts in order to form a view as to whether South Somerset District Council is financially viable, and in her opinion it is. She provided a brief overview of the Council's current financial position (revenue) and the projected financial position.

It was noted the budget in future years would be difficult but there was a plan in place, however there were uncertain times ahead following the Referendum.

There was no discussion and members were content to note the report for the purposes of the draft Statement of Accounts for 2015/16.

RESOLVED: That the outcome of the assessment made of the Council's status as a

'going concern' for the purposes of the draft Statement of Accounts for 2015/16 be noted.

11. 2015/16 Annual Governance Statement (Agenda Item 11)

The Assistant Director (Finance and Corporate Services) presented the report as detailed in the agenda and explained the requirement for producing the Annual Governance Statement.

There was no discussion and members were content to approve the Annual Governance Statement.

RESOLVED: That the 2015/16 Annual Governance Statement be approved.

(Voting: Unanimous)

12. 2015/16 Treasury Management Activity Report (Agenda Item 12)

The Principal Accountant presented the report as detailed in the agenda which detailed treasury management activity and the performance against the Prudential Indicators for the 2015/16 financial year. She noted the sub heading before paragraph 20 should have read 'Interest Rates 2015/16'. Attention was also drawn to paragraph 21 as interest rates were now predicted to slip further.

In response to a comment made during a brief discussion, the Assistant Director (Finance and Corporate Services) explained that since the Referendum the value of a property fund had decreased and it was likely that SSDC would refrain from investing any further in that particular fund at the current time.

Some members sought clarification about the new Boards that had been set up and the financial limits for each Board. The Assistant Director (Finance and Corporate Services) provided a detailed response and made reference to the Westlands Leisure Centre Board, Income Generation Board, Regeneration Board and Transformation Board. The Chairman requested that officers ensure that the risks attached to the various boards were entered onto the Risk Register.

At the end of discussion members were content to note the report and recommend the Treasury Management Activity report to full Council.

RESOLVED: That the Audit Committee:

- Noted the Treasury Management Activity for the 2015/16 financial year;
 - Noted the position of the individual prudential indicators for the 2015/16 financial year;
 - Noted the outlook for the investment performance in 2016/17.
 - Recommended the 2015/16 Treasury Management Activity Report to full Council
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13. Audit Committee Forward Plan (Agenda Item 13)

There were no updates to the Audit Committee Forward Plan, and members were content to note the report.

RESOLVED: That the Audit Committee Forward Plan be noted.

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Chairman