

Audit Committee

The Audit Committee met on 27th November 2014 and considered the following reports:-

Treasury Management Performance to September 2014

The Principal Accountant – Exchequer provided an update on treasury management activity and the performance against the Prudential Indicators for the six months ended 30th September 2014. With regard to the Returns for 2014/15, she highlighted that the current estimate at the end of the financial year would be an overall variance of £153,300 which was due to extending the average length of investments to achieve higher returns and the good performance of the property fund.

With regard to Prudential Indicator 3 – Capital Financing Requirement (CFR), the Principal Accountant – Exchequer gave further clarification on the Minimum Revenue Position (MRP) and the opening and closing CFR.

During discussion on Recommendation 3, members were advised that if a temporary breach of the non-specified investment limit was required, members would be advised by email as and when it happened. If necessary an urgent meeting could be called.

Members were content to agree the recommendations outlined in the report subject to recommendation 3 being amended to include the decision being taken by the Assistant Director (Finance & Corporate Services) in consultation with the Audit Committee Chairman and Vice Chairman.

- RESOLVED:**
- (1) That the Treasury Management Activity for the six month period ended 30th September 2014 be noted;
 - (2) That the position of the individual prudential indicators for the six-month period ended 30th September 2014 be noted; and
 - (3) That a temporary breach of the non-specified investment limit be approved by the Assistant Director (Finance & Corporate Services) in consultation with the Audit Committee Chairman and Vice Chairman if required when government support is removed from the banking industry due in January 2015.
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Treasury Management Practices

The Principal Accountant - Exchequer asked the Committee to approve the Treasury Management Practices and Treasury Management Policy, copies of which were attached to the agenda. The only change from the previous year was that the Council had been out to tender with the bank.

Having considered the documents, the Committee indicated that it was content to approve the Treasury Management Policy and Practices.

- RESOLVED:** (1) that the Treasury Management Policy (Appendix 1) be agreed; and
(2) that the Treasury Management Practices (Appendix 2) be agreed.
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2013 – 14 Annual Governance Statement Action Plan

The Assistant Director (Finance and Corporate Services) provided details of progress made on the 2013-14 Annual Governance Statement Action Plan.

Members were advised that the Audit Committee would receive an update on Risk Management at the December meeting and that the rolling programme of Data Protection training was progressing satisfactorily.

During discussion, members highlighted the importance of providing training on issues that may affect the new members in May 2015 which would include data protection. As much as possible, training would be delivered in house.

- RESOLVED:** That the progress made on the 2013-14 Annual Governance Statement Action Plan be noted.
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Audit Committee Forward Plan

Members reviewed the Audit Committee Forward Plan and were content to note the contents.

The Assistant Director (Finance and Corporate Services) advised that a bid for a joint fraud service had been successful and that the South West Audit Partnership would be providing the service.

- RESOLVED:** That the Audit Committee Forward Plan be noted as attached at Appendix A.
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Councillor Derek Yeomans
Chairman of Audit Committee