

South Somerset District Council

Minutes of a meeting of the **Audit Committee** held in the **Main Committee Room** on **Thursday 27th November 2014**.

(10.00 a.m. - 10.25 a.m.)

Present:

Members: Councillor Derek Yeomans (Chairman)

John Calvert	Roy Mills
John Dyke	David Norris
Tony Lock	Colin Winder
Ian Martin	

Officers

Donna Parham	Assistant Director (Finance & Corporate Services)
Karen Gubbins	Principal Accountant (Exchequer)

Also Present:

Andrew Ellins	South West Audit Partnership
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42. Minutes (Agenda Item 1)

The minutes of the meeting held on 23rd October 2014, copies of which had been circulated, were taken as read and, having been approved as a correct record were signed by the Chairman.

43. Apologies for absence (Agenda Item 2)

An apology for absence was received from Councillor Terry Mounter.

44. Declarations of Interest (Agenda Item 3)

Councillor John Calvert declared a personal interest in Agenda Item 6 – Treasury Management Performance to September 2014, as he had a personal but non-prejudicial vested interest in one of the banks named in the report.

45. Public question time (Agenda Item 4)

There were no members of the public present.

46. Date of the Next Audit Committee Meeting (Agenda Item 5)

Members noted that the next scheduled meeting of the Audit Committee would be held on Thursday 18th December 2014 at 10.00am in the Main Committee Room.

47. Treasury Management Performance to September 2014 (Agenda Item 6)

The Principal Accountant (Exchequer) presented the report which 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.

48. Treasury Management Practices (Agenda Item 7)

The Principal Accountant (Exchequer) summarised the agenda report and 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 banking services used by the Council had been subject to tender.

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.

49. 2013-14 Annual Governance Statement Action Plan (Agenda Item 8)

The Assistant Director (Finance & Corporate Services) summarised the agenda report, which 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.

50. Audit Committee Forward Plan (Agenda Item 9)

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

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

RESOLVED: That the Audit Committee Forward Plan be noted as attached at Appendix A.

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Chairman