



Minutes of the Audit Committee

25 September 2018

-: Present :-

Councillor Tyerman (Chairman)

Councillors Barnby, Bent and O'Dwyer

153. Apologies

Apologies for absence were received from Councillors Long and Morey

It was reported that, following Councillor King's resignation from the Liberal Democrat Group, there was a Liberal Democrat Group vacancy on the Audit Committee.

154. Minutes

The Minutes of the meeting of the Audit Committee held on 25 July 2018 were confirmed as a correct record and signed by the Chairman.

155. Treasury Management Mid-Year Review 2018/19

Members considered a report that provided a review of Treasury Management activities during the first part of 2018/19. The Principal Accountant informed Members that the Treasury function aims to support the provision of all Council services through management of the Council's cash flow, debt and investment operations.

The Principal Accountant referred to the following key points of the review:

- New borrowing of £10million taken in year to date (as at end August 2018);
- Re-profiling of capital expenditure to future years reducing the overall borrowing need in 2018/19;
- Total borrowing currently in line with the Capital Financing Requirement – under borrowing position anticipated by year end;
- Increase in Bank Rate by 0.25% to 0.75% in August 2018; and
- Forward renewal of core cash investments in one year duration deposits.

Members requested that the Investment Fund decisions be separated in the Treasury Management Prudential Indicators table in order to give a clearer picture of fluctuations in the 'percentage of financing costs to the net revenue stream'.

Members referred to exempt appendix 2 and requested the appendix contain an explanatory note regarding the criteria for classification as a non-treasury management investment and explanation as to what the table is telling us.

156. Annual Audit Letter

The Committee noted the Annual Audit Letter for Torbay Council which summarised the key findings arising from the work Grant Thornton had undertaken as the Council's external auditors for the year ended 31 March 2018.

Members questioned whether the findings of the Annual Audit Letter would be the same if it was written today in light of the Council's recent budget announcement. Alex Walling, Associate Director of Grant Thornton, informed Members that upon the budget announcement a discussion was held with the Section 151 Officer. The Annual Audit Letter is a reflection on the 2017/2018 financial year and as auditors, if there were severe concerns about the immediate financial viability of the Council Grant Thornton would not authorise the certificate of closure of the audit.

157. Audit Progress Report and Sector Update

The Committee noted a report that provided an overview of the planned scope and timing of the statutory audit of the Council and details of sector publications that may be of interest to Audit Committee Members.

158. Corporate Performance Report Q1 2018/19

Members noted the Corporate Performance Report for quarter 1. Member's attention was drawn to:

- Numbers in temporary accommodation;
- Admission episodes for alcohol-related conditions;
- Numbers of Children Looked After;
- Carers receiving needs assessment or review and a specific carer's service or advice and information; and
- Proportion of adults with a learning disability in paid employment.

Members of the Children's Monitoring Group and Adult Services and Public Health Monitoring Working Party advised the Committee that they would raise the performance data at their next meeting.