

## **Minutes of the Audit Committee**

**20 January 2021**

**-: Present :-**

Councillor Loxton (Chairman)

Councillors Dart, Hill, Kennedy and O'Dwyer

---

### **223. Apologies**

An apology for absence was received from Councillor Howgate.

### **224. Follow Up Report on Areas Requiring Improvement - Internal Audit Report**

Members considered a report that provided updated assurance to members on areas that Internal Audit had previously identified as 'improvements required'. The Head of the Devon Audit Partnership informed Members that the Annual Internal Audit Report was presented to the Audit Committee in May 2020, the report provided a summary of the audits undertaken and an assurance opinion. Members were advised that areas which were identified as 'improvements required' had action plans in place and the progress against these action plans had been reviewed; the majority of the assurance opinions remain as reported in the Annual Audit Report 2019/20.

The Head of the Devon Audit Partnership advised Members that progress had been limited in most areas, primarily due to either capacity, ongoing implementation or the process changes to address the actions, or the impact of higher priority activities such as strategic projects and response to the Covid-19 pandemic.

Members referred to the need for ongoing monitoring of those areas that remained 'improvements required' following the Internal Audit Follow Up Report and were advised that monitoring of internal audit recommendations was being developed in order to complete the overall picture in respect of the Council's Corporate Performance.

Resolved:

That the Audit Committee receive monitoring reports on the implementation of Internal Audit recommendations, beyond the monitoring undertaken and reported by Internal Audit.

**225. Internal Audit - Half Year Audit Report 2020-21**

Members considered the Internal Audit – Half Year Audit Report 2020-21. The Head of the Devon Audit Partnership informed Members that the Internal Audit plan for 2020/21 was presented and approved in March 2020. The Half year Audit Report provides an update to the agreed plan due to Covid-19, a review of work undertaken to date in 2020/21 and provides Internal Audits current opinion on the overall adequacy and effectiveness of the Authority's internal control environment.

Overall, and based on work performed to date during 2020/21, and Internal Audits experience from previous years, and the outcome of the Annual Follow Up exercise, the Head of Internal Audit's Opinion was one of "Reasonable Assurance" on the adequacy and effectiveness of much of the Authority's internal control framework. The exception to this was Children's Services Directorate, although Internal Audit acknowledge a positive direction of travel. In the case of both the Public Health, and Adults Directorates the assurance opinion was based on work undertaken in 2019/20 and prior years.

Members referred to the audits undertaken in the Place Directorate and questioned whether the services audited were reflective of the significant risks to the authority. Members were advised that the Audit Plan tries and focus on areas where the authority recognises there are key risks, the plan will not cover everything and is reactive in line with the changing challenges faced by the Council.

Members noted that a draft report on 'Commissioning and Performance Monitoring by the Council of the TDA' issued on 5 May 2020 was awaiting client response and that the results of the Information Commissioner Office audit was due imminently. Members requested that once these reports were available that they be circulated to Members of the Audit Committee.

**226. The Annual Audit Letter for Torbay Council**

Members noted the Annual Audit Letter for Torbay Council which summarised the key findings arising from the work the Council's External Auditors (Grant Thornton) had carried out at Torbay Council and its subsidiaries, joint ventures and associates for the year ended 31 March 2020.

Members referred to 'Significant Audit Risk – Valuation of Land and Buildings' and the impact Covid-19 would have on such valuations. Ms Chen (Grant Thornton) advised Members that the assessment of land and buildings in early 2020 was difficult due to the uncertainty of the impact of Covid-19, Ms Chen expected to see more of an impact on the value of land and buildings in March 2021.

**227. Oversight of Investigations**

Members noted the report and exempt appendix and requested the Head of HR provide yearly comparison figures in future reports.

(Note: prior to consideration of the item in Minute 227, the press and public were formally excluded from the meeting on the grounds that exempt information (as

defined in paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended) was likely to be disclosed.)

Chairman/woman

---