



Minutes of the Audit Committee

18 March 2015

-: Present :-

Councillor Tyerman (Chairman)

Councillors Addis, Bent and Parrott

31. Apologies

Apologies for absence were received from Councillors Brooksbank and Pountney.

32. Minutes

The Minutes of the meeting of the Audit Committee held on 21 January 2015 were confirmed as a correct record and signed by the Chairman.

33. Performance and Risk Framework

Members of the Committee noted a report that outlined the Council's draft Performance and Risk Framework. The Policy, Performance and Review Manager informed Members that the framework sets out how performance measures and risks will be identified, how data will be collected and reported and roles and responsibilities across the organisation. At a strategic level performance measures and risks will be identified that align to the priorities of the Corporate Plan. At an operational level, business units will continue to monitor operational performance measures and risks.

Members noted that monthly monitoring reports would be considered by the Senior Leadership Team (SLT) who will review and challenge the Council's performance and risks. The Committee requested that once a quarter a composite report including performance and risk be presented to the Audit Committee, Members advised that they may request Officers and responsible Executive Lead Members to attend meetings of the Audit Committee in order for the Committee to seek the assurance they require that performance and risk issues are being addressed.

34. Internal Audit Plan 2015-16

Members were informed that the Head of Internal Audit must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals. In formulating the Internal Audit Plan officers take account of the organisations risk management framework, with the plan being reviewed and

revised in response to changes in the organisation's business, risk, operations, programs, systems and controls.

Members sought information regarding governance arrangements when partnering or collaborating with other organisations. The Head of Devon Audit Partnership advised that when contracting with other organisations it was important to understand the level of assurance the Council requires, and that this will then influence how this assurance is gained. Arrangements could include setting out that the Council would require independent assurance from the contractor, or retain the right for the Council's internal audit team, to undertake an examination and evaluation of the governance arrangements.

Members challenged some of the proposed audit reviews especially those that were not Council services. The Head of Devon Audit Partnership explained that audit work does not undertake contract management, but evaluate the robustness, efficiency and effectiveness of the contract management arrangements.

Resolved:

That the Internal Audit Plan 2015-16 be approved.

35. Internal Audit Strategy

The Committee noted the Internal Audit Strategy that sets out the role of Internal Audit.

36. Internal Audit Charter

Members noted the Internal Audit Charter that had been updated to reflect changes in the Public Sector Internal Audit Standards.

37. The Audit Plan for Torbay Council

The Committee noted the Audit Plan for Torbay Council which set out the work that Grant Thornton, the Council's external auditors, would be undertaking in order to provide assurance that the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Members further noted that the financial resilience of the Council will form the focus of their work, in doing so they will look at the key indicators of the Council's financial performance and update their reviews of strategic financial planning, financial governance and financial control.

Members welcomed Grant Thornton's review of the Council's Medium Term Financial Plan which would require evaluation of the robustness of the savings identified in the 2015/2016 budget, and the robustness of the assumptions and plans that underpins the savings. Should, in the view of External Auditors, the savings not be considered deliverable, then there is a risk that Grant Thornton would issue a qualified assurance in the Value for Money conclusion.

38. Audit Committee Update for Torbay Council

Members noted the update on Grant Thornton's progress in delivering their responsibilities as the Council's external auditors. The update also set out work that Grant Thornton was undertaking on the accounts audit in order to meet the timetable agreed with the Council.

Chairman/woman