
AUDIT COMMITTEE SUMMARY OF DECISIONS

18 June 2020
(Published on)

Item No.	Title
	Apologies for Absence
	DECISION No apologies were received.
2	Declarations of Interest
	DECISION The Chair of the Committee noted the details of all Councillors interests already declared in District, Town and Parish Councils. Councillors Caswell, Leyshon and Lewis declared personal interest as recipients of the Local Government Pension Scheme.
3	Minutes from the previous meeting
	DECISION The Audit Committee agreed that the minutes of the meeting held on 30 th January 2020 were accurate, and the Chair signed them.
4	Public Question Time
	DECISION No questions or statements were received by the PQT deadline of 5pm on Friday 12 June. A response would be provided in writing to the late submission provided by Mr Pope.
5	External Audit Update
	DECISION Barrie Morris and David Johnson presented the report and summary and findings

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	<p>detailed below:-</p> <p>The External Audit Update was provided and included the LGPS Audit Plan, Audit Scope Letter, for the Somerset Pension Fund and the Audit Risk Assessment appended to the Grant Thornton Report.</p> <p>The Committee noted the report.</p>
6	Internal Audit Update
	<p>DECISION The Audit Plan and Charter was presented to the Committee which set out the summary of the internal Audit Plan, the approach to audit planning 2020/21, Coverage and Risk Assessment.</p> <p>The purpose of the Audit Charter was to set out the nature, role, responsibility, status and authority of internal auditing within Somerset County Council, and to outline the scope of internal audit work.</p> <p>Approval: This Charter was last approved by the Audit Committee on 28th March 2019 and is reviewed each year to confirm it remains accurate and up to date.</p> <p>The report covered provision of Internal Audit services, the budget for the provision of the internal audit service, and the role of the Internal Audit, the responsibilities of Management, the Audit Committee and Internal Audit Management.</p> <p>Independence, objectivity, performance, professionalism and effectiveness of the Internal Audit function was noted, and reassurance obtained from the SWAP Assistant Director as to whether there are any limitations on scope or resources.</p> <p>The Committee noted the report.</p>
7	Internal Audit Opinion
	<p>DECISION The Audit Committee noted the Internal Audit Opinion for 2019/20, the partial assurance audits, and the management actions undertaken.</p>
8	Value For Money Tracker

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	<p>DECISION The Finance Director presented the report.</p> <p>At the September 2019 Audit Committee meeting, the external auditor, Grant Thornton, presented several recommendations for improvement in value for money (VFM) as part of their 2018/19 overall annual Audit Findings Report. Despite an improved position from an adverse opinion in 2017/18 to a 'qualified, except for' opinion for 2018/19 the auditor was clear that there remained more improvement to make.</p> <p>To recognise the importance of these actions, the recommendations for improvement were turned into a VFM tracker, and actions are recorded and tracked through JCAD (the Councils risk management tool). This tracker outlined improvements mainly to budget monitoring and the MTFP, which have continually improved. This report now takes the next step in assessing the Council's preparedness for an unqualified VFM Audit in the summer of 2020 for the financial year 2019/20.</p> <p>The Committee noted the report.</p>
9	Annual Governance Statement
	<p>DECISION The Monitoring Officer presented the report.</p> <p>This report invited members of the Audit Committee to consider the attached draft Annual Governance Statement (AGS) 2019/20 for the County Council. Subject to members' comments, this will then be signed by the Leader of the Council and the Chief Executive, and the Statement will form part of the final 2019/20 Statement of Accounts. (Note that due to the timing of the Audit Committee meeting, as has been the case in some years in the past, the draft unsigned version of the AGS has been attached to the Statement of Accounts submitted to the external auditor.</p> <p>The auditors will be updated on any amendments made between then and the final signing of the AGS by 30 August 2020). Good governance, as evidenced in the Annual Governance Statement, was an essential pre-requisite to any organisation pursuing its vision effectively and underpins that vision with effective control mechanisms and risk management.</p> <p>Appended to the covering report was content of the draft Annual Governance Statement for 2019/20 (set out in Appendix A) and the supporting evidence set</p>

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	<p>out in the new Corporate Governance Code (Appendix 1).</p> <p>The Committee welcomed the new format of the AGS and the supporting evidence set out in the new Corporate Governance Code and noted the report.</p>
10	Debtor Management Update
	<p>DECISION The report reviewed the recovery of outstanding debts (monies owed to the council) and the current performance. The analysis below is based on the total of annual debt raised, which is between £120 - £135m. The monthly outstanding debt can range between £7-20m.</p> <p>The achievement of good performance in this area is linked to the county plan in relation to "bring in more funding and resources".</p> <p>Services' total outstanding debt reported on the Accounts Receivable system stood at £10.087m as at 30 April 2020. This compares with a figure of £16.296m as at 30 April 2019, and £9.730m, which was the 31st December 2019 figure in the last report to Audit Committee in January 2020. The percentage of debts over 90 days as at 30 April 2020 was 31.2%, which represents an increase compared to the end of March which stood at 18.4%. The value of the increase in outstanding 90-day debt was £0.55m.</p> <p>The Committee noted the report.</p>
11	Committee Future Workplan
	<p>DECISION Members of the Committee were reminded that on Thursday 30 July a briefing session would be scheduled for elected members on this year's Statement of Accounts.</p> <p>The Committee noted the workplan that listed future agenda items and reports for the next meeting on 24 August 2020, and the workplan was accepted.</p>

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12	Any other urgent items of business
	DECISION There were no other items of business.