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North Devon Council
Brynsworthy Environment Centre
Barnstaple
North Devon EX31 3NP

K. Miles
Chief Executive.

To: All Members of the Council
and Chief Officers

NOTE: PLEASE NOTE THAT PRAYERS WILL BE SAID AT 6.25 P.M. PRIOR TO THE COUNCIL MEETING FOR ANY MEMBER WHO WISHES TO ATTEND

COUNCIL MEETING

YOU ARE HEREBY SUMMONED to attend a meeting of **NORTH DEVON COUNCIL** to be held in the Virtual - Online meeting on **WEDNESDAY, 7TH OCTOBER, 2020 at 6.30 pm.**

A handwritten signature in black ink, appearing to read 'K. Miles', is written over a light blue horizontal line.

Chief Executive

AGENDA

13. Statement of Accounts 2019/20

If you have any enquiries about this agenda, please contact Corporate and Community Services, telephone 01271 388253

29.09.20

GUIDANCE NOTES FOR RULES OF DEBATE AT MEETINGS OF COUNCIL

Part 4, Council Procedure Rules of the Constitution

The basics

At a meeting of Full Council, Members shall stand when speaking unless unable to do so and shall address the Chair.

While a Member is speaking, other Members shall remain seated unless rising for a point of order, a point of information or in personal explanation.

No speeches may be made after the mover had moved a proposal and explained the purpose of it until the motion has been seconded.

Unless notice of motion has already been given, the Chair may require it to be written down and handed to him before it is discussed.

When seconding a motion or amendment, a member may reserve their speech until later in the debate.

Speeches must be directed to the question under discussion or to be personal explanation or point of order.

A speech by the mover of a motion may not exceed 5 minutes without the consent of the Chair.

Speeches by other Members may not exceed 3 minutes without the consent of the Chair, unless when the Council's annual budget is under discussion, the leader of each political group on the Council may speak for up to 5 minutes or such longer period as the Chair shall allow.

The rules of Question Time

At a meeting of the Council, other than the Annual meeting, a Member of the Council may ask the Leader or the chair of a committee any question without notice upon an item of the report of a committee when that item is being received or under consideration by the Council.



North Devon Council protocol on recording/filming at Council meetings

The Council is committed to openness and transparency in its decision-making. Recording is permitted at Council meetings that are open to the public. The Council understands that some members of the public attending its meetings may not wish to be recorded. The Chairman of the meeting will make sure any request not to be recorded is respected.

The rules that the Council will apply are:

1. The recording must be overt (clearly visible to anyone at the meeting) and must not disrupt proceedings. The Council will put signs up at any meeting where we know recording is taking place.
2. The Chairman of the meeting has absolute discretion to stop or suspend recording if, in their opinion, continuing to do so would prejudice proceedings at the meeting or if the person recording is in breach of these rules.
3. We will ask for recording to stop if the meeting goes into 'part B' where the public is excluded for confidentiality reasons. In such a case, the person filming should leave the room ensuring all recording equipment is switched off.
4. Any member of the public has the right not to be recorded. We ensure that agendas for, and signage at, Council meetings make it clear that recording can take place – anyone not wishing to be recorded must advise the Chairman at the earliest opportunity.
5. The recording should not be edited in a way that could lead to misinterpretation or misrepresentation of the proceedings or in a way that ridicules or shows a lack of respect for those in the recording. The Council would expect any recording in breach of these rules to be removed from public view.

Notes for guidance:

Please contact either our Corporate and Community Services team or our Communications team in advance of the meeting you wish to record at so we can make all the necessary arrangements for you on the day.

For more information contact the Corporate and Community Services team on **01271 388253** or email **memberservices@northdevon.gov.uk** or the Communications Team on **01271 388278**, email **communications@northdevon.gov.uk**.

North Devon Council offices at Brynsworthy, the full address is:
Brynsworthy Environment Centre (BEC), Roundswell,
Barnstaple, Devon, EX31 3NP.

Sat Nav postcode is EX31 3NS.

At the Roundswell roundabout take the exit onto the B3232, after about ½ mile take the first right, BEC is about ½ a mile on the right.

Drive into the site, visitors parking is in front of the main building on the left hand side.

On arrival at the main entrance, please dial 8253 for Corporate and Community Services.



NORTH DEVON COUNCIL

COUNCIL: 7 OCTOBER 2020

STATEMENT OF ACCOUNTS 2019/20 – ITEM 13

MINUTE EXTRACT OF THE SPECIAL GOVERNANCE COMMITTEE HELD ON 5 OCTOBER 2020

103. LETTER OF REPRESENTATION

The Committee considered the Letter of Representation presented by the Head of Resources (circulated previously).

The Head of Resources explained that the Letter of Representation outlined formally, to the External Auditors, the governance arrangements in place and the Authority's responsibilities on the financial statements presented. The Letter was presented to the Committee today, in advance of the Full Council meeting on 7th October 2020. The Letter was required as part of the final process for the approval of the Statement of Accounts for 2019/20.

RECOMMENDED that the Letter of Representation be approved by Full Council.

104. EXTERNAL AUDIT - FINDINGS REPORT

The Committee considered Grant Thornton's External Audit Findings Report (circulated previously).

The External Auditor (PB) explained:

- The Audit Findings Report set out the key findings for 2019-2020.
- The deadline for the sign-off of the accounts had been extended due to the challenges presented by the Covid-19 pandemic. The revised date for the sign-off of the accounts had been moved to the end of November.
- The external auditor was pleased that the audit was substantially completed and wished to thank those concerned at the Authority for their works in enabling this to happen.
- The report provided the Auditor's opinion and the Value for Money conclusion.

The External Auditor (PB) wished to draw the attention of the Committee to the following details:

- The materiality level for the financial statements had reduced to £1m and the accounts would be signed off to that level of accuracy.
- There were no material errors or uncertainty in the draft accounts for 2019/20.
- The opinion on the accounts would be that of 'Unqualified'.

- The Auditors were satisfied that Authority had the appropriate governance in place.
- Property, Plant and Equipment represented the largest figure at the top of the balance sheet. Therefore even a small movement could have material effect. This work remained in progress.
- Covid 19 had an impact on the 'emphasis of matter' on the value of land and buildings in the accounts. Notes had been added to the accounts, since the pandemic started, to reflect this in the revised statements. This was consistent in the accounts of all Local Authorities.
- The Pension Fund net liability was considered a significant estimate due to its value (£55.6m) in proportion to the overall balance sheet.
- The Devon Pension Fund had been contacted by the External Auditor in relation to the accuracy of the Pension Fund liability. It was anticipated that there may be a change to the value of investments. A response was expected by the end of the month.
- The Value for Money Conclusion was that the Council had adequate arrangements in place to deliver financial sustainability during 2019-20. The Council delivered against budget with a surplus of £0.241m. Covid had brought challenges and would add additional financial burden. The Medium Term Financial Strategy (MTFS) had already indicated a shortfall of £2.7m by the year 2023/24 which would now be exasperated by Covid 19. It was expected that the additional Central Government funding would offset some of the shortfall in the year 2020/21.
- The Value for Money Conclusion was that adequate arrangements were in place with appropriate responses to Covid 19.
- There would be a need for difficult decisions moving forwards as Government reduced central funding, whilst expectations from the general public increased.

In response to questions from the Committee, the Head of Resources confirmed that:

- Debtors outstanding on the Car Parking system could still be recovered as the historic data was retained on a back-office system. The figure in the accounts was an extract of the outstanding balance recorded at the year end.
- A workshop had been arranged with the Senior Management Team (SMT) to look at the current MTFS in light of the effects of Covid 19 on the finances of the Authority, and any changes to Government funding. The MTFS would then be re-presented to the Members, at Full Council, via the Strategy and Resources Committee.
- The Council would need to plan ahead to try to limit the impacts of significant reductions in income. The MTFS showed that the original budget gap was a shortfall of £2.7m in three years' time.
- Options regarding commercial ventures would be considered, although he noted that some Authorities had suffered from the loss of commercial rental income which would not be recompensed by Central Government.

In response to a question from the Committee, the External Auditor confirmed that many Authorities were looking at different strategies to reduce costs. Some difficult decisions lay ahead. Authorities faced financial challenges pre-Covid, which now

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have been increased. Many were waiting for further clarity from Central Government before further action. The ramifications for the medium term would need to be assessed.

RESOLVED that the External Audit Findings Report be noted.

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