

MINUTES of a meeting of the AUDIT AND GOVERNANCE COMMITTEE held in the Council Chamber, Council Offices, Coalville on TUESDAY, 17 MARCH 2020

Present:

Councillors D Bigby, S Gillard, M D Hay and S Sheahan

In Attendance: Councillors T Gillard and R Johnson

Officers: Mrs T Bingham, Miss E Warhurst, Mr T Delaney and Mrs R Wallace

External Audit: Mr M Surridge

31. ELECTION OF CHAIRMAN

It was proposed by Councillor D Bigby, seconded by Councillor S Gillard and

RESOLVED THAT:

Councillor S Sheahan take the chair for the remainder of the meeting.

32. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors V Richichi, D Harrison, C Benfield, J Clarke, L Gillard and M Wyatt.

33. DECLARATION OF INTERESTS

There were none.

34. MINUTES

Consideration was given to the minutes of the meeting held on 4 December 2019.

It was moved by Councillor D Bigby, seconded by Councillor S Sheahan and

RESOLVED THAT:

The minutes of the meeting held on 4 December 2019 be approved as a correct record and signed by the Chairman.

35. INTERNAL AUDIT PROGRESS REPORT

The Head of Legal and Commercial Services presented the report.

In response to questions from Councillor D Bigby, the Head of Finance confirmed the position on small capital items, wider asset disposal policy as outlined in Appendix C of the report. She also confirmed a report addressing the issue would be going to Corporate Scrutiny Committee at a later date.

It was also confirmed that a response to a question on Health and Safety arrangements as set out in Appendix D would be communicated to all Members by the Head of Human Resources and Organisational Development after the meeting.

It was proposed by Councillor S Gillard, seconded by Councillor D Bigby and

RESOLVED THAT:

Chairman's initials

The report be noted.

36. INTERNAL AUDIT ANNUAL PLAN

The Head of Legal and Commercial Services presented the report. She also stated that a Draft Internal Audit Annual Plan had been presented to a meeting of the Committee on 2 March to which attendance had been high and no objections to the plan has been raised.

Councillors D Bigby and S Sheahan expressed several concerns on whether the recent meeting to review the Draft Annual Plan had been a valuable exercise and questioned whether the objective of reviewing the plan could have been achieved without a meeting of the Committee.

In response to these queries, the Head of Legal and Commercial Services stated that the involvement of Members in reviewing the Annual Plan was important and observed that Members had requested greater involvement in previous years. There was also a commitment to review the methods of communication and involvement for future meetings.

It was proposed by Councillor D Bigby, seconded by Councillor S Gillard and

RESOLVED THAT:

A) The committee notes the report and comments as appropriate
The Committee approves the 2020/21 Internal Audit Annual Plan

37. ANNUAL REPORT ON GRANTS AND CLAIMS

The Head of Finance presented the report.

It was proposed by Councillor D Bigby, seconded by Councillor M Hay

RESOLVED THAT:

The Committee notes the Section 151 Officer's update on Grants and Claims for the 2018/2019 year

38. EXTERNAL AUDIT PLAN

The Head of Finance presented the report with the aid of the External Auditor from Mazaars who attended the meeting virtually.

In response to a question from Councillor S Sheahan, the External Auditor provided further information around the plans to address the risks with regard to property, plant and equipment valuation as set out on page 11 of the report.

It was moved by Councillor D Bigby, seconded by Councillor M Hay and

RESOLVED THAT:

The Committee note the External Audit Plan for 2019/20

39. ACCOUNTING POLICIES AND MATERIALITY 2019/20

The Head of Finance presented the report.

Chairman's initials

It was observed that since this report had been first suggested two years ago it had become an important item on the Committee's agenda and very helpful in forming annual accounts.

It was proposed by Councillor S Gillard, seconded by Councillor D Bigby and

RESOLVED THAT:

- A) The Draft Accounting policies for the 2019/20 Financial statements as detailed in Appendix A be approved
- B) The Materiality Limits as set out in Appendix B be approved

40. CORPORATE RISK UPDATE

The Head of Finance presented the report. She highlighted that the risk was local government reorganisation was a growing risk with the upcoming Devolution White Paper from government and the potential for an East Midlands Combined Authority.

The Head of Finance added that since the report had been written the risk of unplanned vacancies had risen due to the national outbreak of Covid-19. The Committee was also informed that all Members would be receiving communication from the Chief Executive in the coming days setting out the Council's responses and actions going forward with regard to Covid-19.

In response to a question from Councillor D Bigby, the Head of Finance clarified the criteria used to determine the Movement of Risk as set out in the report and the reasoning behind several of the assessments. She acknowledged that there was room for improvement to make the determination clearer.

In response to a question from Councillor Sheahan, the Head of Finance confirmed that the risks associated with a 'no deal' Brexit had remained static whilst government negotiations on a future relationship were ongoing.

Councillors Sheahan and Bigby raised several concerns on the potential impacts of the Covid-19 outbreak and what measures the Council was undertaking to address the issue.

In response, the Head of Finance and the Head of Legal and Commercial Services confirmed that the Council was implementing existing emergency plans. It was also reiterated that all members would be receiving further communication from the Chief Executive in the coming days.

Councillor Sheahan acknowledged this response. On behalf of the Committee, he also stated that he was highly appreciative of the efforts being taken by Officers behind the scenes to ensure Council services remained operational.

It was proposed by Councillor D Bigby, seconded by Councillor S Gillard and

RESOLVED THAT:

The Quarter 3 Corporate Risk Update be noted

41. COMMITTEE WORK PLAN

A discussion was held at the beginning of the meeting with regard to the current outbreak of Covid-19 nationally and the need to restrict the business of the Committee

RESOLVED THAT:

Chairman's initials

The item be deferred until the next meeting of the Committee

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 7.06 pm