

MINUTES of a meeting of the AUDIT AND GOVERNANCE COMMITTEE held in the Council Chamber, Council Offices, Coalville on WEDNESDAY, 20 OCTOBER 2021

Present: Councillor N Smith (Deputy Chairman) (In the Chair)

Councillors E G C Allman, J Clarke, M D Hay, R L Morris, V Richichi and S Sheahan

Officers: Mr A Barton, Mr D Bates, Beavis, Mr C Colvin, K Hiller, Mrs R Wallace and Miss A Wright

External Audit: Mr M Surridge and Mrs L

13. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors C Benfield, S Gillard and M B Wyatt.

14. DECLARATION OF INTERESTS

There were no declarations of interest.

15. MINUTES

Consideration was given to the minutes of the meeting held on 21 July 2021.

It was moved by Councillor V Richichi, seconded by Councillor J Clarke and

RESOLVED THAT:

The minutes of the meeting held on 21 July be confirmed as a correct record.

16. COMMITTEE WORK PLAN

Consideration was given to the Committee work plan.

By affirmation of the meeting it was

RESOLVED THAT:

The Committee Work Plan be noted.

17. EXTERNAL AUDIT PROGRESS REPORT

The External Auditor presented the report to Members, highlighting the audit letter at appendix A which detailed the reasons for the delay in issuing the auditor's annual report. It was reported that progress on the annual report was good and thanked the Finance Team for the support received to date.

In response to a question from a Member, the External Auditor explained that as a result of the ongoing pandemic, it was estimated that the disruption to financial reporting would continue into the 2022/23 financial year.

It was moved by Councillor E Allman, seconded by Councillor V Richichi and

RESOLVED THAT:

Chairman's initials

The report be noted.

18. INTERNAL AUDIT PROGRESS UPDATE

The Audit Manager presented the report to Members which set out the Internal Audit progress for the period 1 July 2021 to 30 September 2021.

In response to a query on the high value grant claim arrangements audit, the Audit Manager confirmed that following the publication of the report, all the recommendations were now complete. It was explained that the audit process involved the selection of several high value grants which were tested to ensure that the conditions were being followed and the authority was not losing out financially.

In response to a comment in relation to a previous error with the renewable heating incentive grants, the Strategic Director assured Members that lessons had been learnt and audit processes had been improved to reflect that.

A question was asked in relation to the amount owed for sundry debtors since the service area had been put on hold. The Finance Team Manager reported that an officer was now in post and the work to recover the sundry debts would be restarting imminently. As it was not readily available, it was agreed for the total figure for sundry debtors to be provided to Members outside of the meeting.

It was moved by Councillor R Morris, seconded by Councillor E Allman and

RESOLVED THAT:

The report be noted.

19. TREASURY MANAGEMENT ACTIVITY REPORT APRIL 2021 - SEPTEMBER 2021

The Finance Team Manager presented the report which informed Members of the Council's treasury management activity undertaken during the period April 2021 to September 2021.

A question was raised in relation to the investments which provided no interest, it was confirmed that no charges were incurred for those investments. The Finance Team Manager explained that the current investments were the safest options, but officers were constantly reviewing this and looking at alternative options with the best possible return.

A discussion was held on the credibility of investments made in other Local Authorities. The Finance Team Manager assured Members that thorough diligence tests were undertaken and therefore investing in Local Authorities was a safe option.

A suggestion was made to consider an investment in the National Health Service. The Finance Team Manager agreed to discuss the matter further with the Treasury Advisors.

In response to a question in relation to the possibility that inflation could lead to an increase in interest rates, Members were informed that the Treasury Advisors had predicted that interest rates would increase in January/February 2022.

It was moved by Councillor R Morris, seconded by Councillor J Clarke and

Chairman's initials

RESOLVED THAT:

The report be approved.

20. STANDARDS AND ETHICS - QUARTER 2 REPORT

The Legal Services Team Manager presented the report to Members which detailed the figures for local determination of complaints and the ethical indicators for quarter 2 of 2021/2022.

It was moved by Councillor V Richichi, seconded by Councillor R Morris and

RESOLVED THAT:

The report be noted.

21. CORPORATE RISK UPDATE

The Strategic Director presented the report to Members listing the most current risks identified for the authority.

A Member felt that there was further discussion to be had on local government reorganisation and the risk of 'levelling up'. A discussion followed, the outcome of which was the agreement of the committee that consideration be given to including these areas on the risk register. The Strategic Director would take the suggestions back to the risk group to consider.

It was moved by Councillor J Clarke, seconded by Councillor S Sheahan and

RESOLVED THAT:

The report be noted.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 6.58 pm

Chairman's initials