

MINUTES of a meeting of the AUDIT AND GOVERNANCE COMMITTEE held in the Council Chamber, Council Offices, Coalville on WEDNESDAY, 26 OCTOBER 2022

Present: Councillor S Gillard (Chairman)

Councillors N Smith, E G C Allman, C C Benfield, J Clarke, M D Hay, S Sheahan and M B Wyatt

In Attendance: Councillors

Officers: Mrs R Wallace, Mr A Barton, Mr G Hammons, Ms K Beavis, Mrs A Crouch and Miss E Warhurst

External Audit:

**58. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors R Morris and V Richichi.

**59. DECLARATION OF INTERESTS**

There were no declarations of interest.

**60. MINUTES**

Consideration was given to the minutes of the meeting held on 27 July 2022.

It was moved by Councillor S Gillard, seconded by Councillor S Sheahan and

RESOLVED THAT:

The minutes of the meeting held on 27 July 2022 be confirmed as a correct record.

**61. 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.

**62. STATEMENT OF ACCOUNTS UPDATE REPORT**

The Finance Team Manager presented the report to Members, providing an update on the progress of the Authority's 2020/21 and 2021/22 Statement of Accounts.

It was moved by Councillor S Gillard, seconded by Councillor E Allman and

RESOLVED THAT:

The report be noted.

**63. FUTURE EXTERNAL AUDIT ARRANGEMENTS - UPDATE**

Chairman's initials

The Interim Head of Finance presented the report to Members, providing an update on the appointment of the Authority's external auditor for the five-year period commencing financial year 2023/24.

Members were concerned with the high increase in external audit fees proposed, especially considering the level of service provided from external audit in recent years. The Interim Head of Finance explained that the procurement process for the appointment was conducted by the Public Sector Audit Appointments (PSAA) and this was to ensure the authority received the best price option. During a discussion on the possibility of moving away from the national collective auditor arrangements, Members were reminded that the decision was made by Council to 'opt in' to these arrangements for five financial years starting 1 April 2024, therefore it was not possible to move away from the current arrangements.

Councillor N Smith entered the meeting during discussions at 6.40pm.

Further discussion was had on the reliability of the external audit suppliers and levels of performance, it was noted that the PSAA monitor performance with national specifications. Members were also informed that there was a challenge process in relation to the audit fee if required.

It was moved by Councillor S Gillard, seconded by Councillor N Smith and

RESOLVED THAT:

The progress update be noted.

#### **64. INTERNAL AUDIT PROGRESS REPORT**

The Audit Team Manager presented the report to Members detailing the progress made against the Internal Audit Plan for 2022/23.

It was moved by Councillor S Gillard, seconded by Councillor E Allman and

RESOLVED THAT:

The report be noted.

#### **65. CORPORATE RISK UPDATE**

The Strategic Director presented the report to Members.

In response to a question in relation to the risk associated with Leicestershire County Council's indication of possible financial pressure on budgets, the Strategic Director advised that no further information had been received following the official statement made by Leicestershire County Council. However, meetings had been scheduled for further discussions so an update would be provided at the next committee meeting where relevant.

It was moved by Councillor E Allman, seconded by Councillor J Clarke and

RESOLVED THAT:

The report be noted.

#### **66. TREASURY MANAGEMENT ACTIVITY REPORT - QUARTER 2**

The Finance Team Manager presented the report to Members.

A Member asked if the current projections for interest rates would affect the Authority's borrowing. The Finance Team Manager explained that the current borrowing was not on a fixed rate term so was not affected, however as the forthcoming budget setting was in progress, more information would be available at the next committee meeting.

It was moved by Councillor N Smith, seconded by Councillor E Allman and

RESOLVED THAT:

The report be approved.

**67. STANDARDS AND ETHICS REPORT - QUARTER 2**

The Head of Legal and Commercial Services presented the report to Members.

A Member expressed concerns on the current process for dealing with Freedom of Information requests, as they were aware of instances where replies had not been received following a request being made. The Head of Legal and Commercial Services explained that she was not aware of any issues but asked for further information from the Member so that it could be investigated.

It was moved by Councillor S Gillard, seconded by Councillor S Sheahan and

RESOLVED THAT:

The report be noted.

**Councillor N Smith entered the meeting at 6.40pm.**

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 7.06 pm