

MINUTES of a meeting of the AUDIT AND GOVERNANCE COMMITTEE held in the Abbey Room, Stenson House, London Road, Coalville, LE67 3FN on WEDNESDAY, 26 JULY 2023

Present: Councillor D Everitt (Chair)

Councillors P Moulton, D Cooper, G Rogers, J G Simmons, N Smith and A Barker

In Attendance: Councillors S Lambeth

Officers: Mr G Hammons, Ms K Beavis, Miss E Warhurst, Mrs R Wallace and Mr T Devonshire

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor R Sutton.

2. DECLARATION OF INTERESTS

There were no interests declared.

3. MINUTES

The minutes of the meeting held on 26 April 2023 were considered.

It was moved by Councillor D Everitt, seconded by Councillor A Barker, and

RESOLVED THAT:

The minutes of the meeting held on 26 April 2023 be confirmed as an accurate record of proceedings.

4. COMMITTEE WORK PLAN

Consideration was given to the inclusion of any items on the work programme. The plan of forthcoming Cabinet decisions and the current work programme were set out in the agenda for information.

The Strategic Director of Resources advised members on the creation of the Office for Local Government, and how this would affect Committee business going forwards. It was anticipated that items would be placed on the Work Plan from the Autumn 2023.

5. CORPORATE RISK UPDATE

The Strategic Director of Resources presented the report.

In response to a question about the risks presented by there being no overall control of the Council, the Strategic Director advised that no overall control had the potential to delay decision making and thus could impact service delivery.

It was moved by Councillor J G Simmons, seconded by Councillor P Moulton, and

RESOLVED THAT:

The latest Corporate Risk Register be noted.

6. TREASURY MANAGEMENT ACTIVITY REPORT 2023/24 - QUARTER 1

The Strategic Director of Resources presented the report.

Chairman's initials

In response to a question about the minor breach of the Treasury Management Strategy discussed in the report, the Strategic Director advised that having too much investment with one counterparty was a case of not adequately spreading risk. In this case, spreading money over a range of counterparties was a recognised strategy, so having too much money with the Council's banker was still, in a sense, a risk, albeit a minor one.

In response to a question about reserves, the Strategic Director advised that the organisation had a risk assessed minimum amount of reserves set at £1.5 million. The Council, he added, have a considerably larger amount of reserves once earmarked reserves are considered.

In response to a member query about the maturity profile of the Council's debt, the Strategic Director advised that the maturity profile of the debt was spread across the long term. He added that the Council's planned approach moving forwards, as set out in February, meant that future capital investments should come from the Business Rates Growth reserves rather than additional borrowing.

It was moved by Councillor N Smith, seconded by Councillor A Barker, and

RESOLVED THAT:

The report be approved.

7. REVIEW OF CORPORATE GOVERNANCE POLICIES

The Head of Legal and Support Services presented the report.

No comments were received from the Committee ahead of the report going to Cabinet on 19 September 2023.

8. UPDATE ON THE CIPFA POSITION STATEMENT AND WORKING GROUP

The Audit Manager presented the report.

In response to a question from a Member about how the role of the independent person would be advertised, the Audit Manager advised that it would follow the standard job vacancy procedure of the organisation.

In response to a question about the envisaged timeline, the Audit Manager advised that they were hoping to interview in September, so to confirm the applicant into the role in October.

It was moved by Councillor P Moul, seconded by Councillor J G Simmons, and

RESOLVED THAT:

1. The report be noted.
2. The process for the recruitment of independent members to the Committee be agreed.
3. The proposed action plan detailed in Appendix D be agreed.

9. INTERNAL AUDIT PROGRESS REPORT

The Audit Manager presented the report.

Chairman's initials

In response to a procedural question, the Audit Manager explained the role of control objectives in the audit process and how concerns were ranked and categorised.

It was moved by Councillor P Moulton, seconded by Councillor A Barker, and

RESOLVED THAT:

The report be noted.

10. INTERNAL AUDIT ANNUAL REPORT

The Audit Manager presented the report.

In response to a question about the timeline for the rescheduled housing audit, the Audit Manager advised that it would take place this year.

It was moved by Councillor A Barker, seconded by Councillor N Smith, and

RESOLVED THAT:

The report be noted.

11. MANAGEMENT RESPONSE AND ACTION PLAN TO ANNUAL INTERNAL AUDIT OPINION

The Strategic Director of Resources presented the report.

It was moved by Councillor P Moulton, seconded by Councillor N Smith, and

RESOLVED THAT:

1. The Action Plan set out in Appendix 1, which addresses the finding of the Internal Audit Opinion 2022/23, be approved.
2. Progress updates to be reported at future meetings of the Audit and Governance Committee.

12. STANDARDS AND ETHICS REPORT - QUARTER 1

The Head of Legal and Support Services presented the report.

It was moved by Councillor J G Simmons, seconded by Councillor G Rogers, and

RESOLVED THAT:

The report be noted.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 7.09 pm