MINUTES of a meeting of the AUDIT AND GOVERNANCE COMMITTEE held in the Abbey Room, Stenson House, London Road, Coalville, LE67 3FN on WEDNESDAY, 5 FEBRUARY 2025

Present: Councillor P Moult (Chair)

Councillors D Everitt, A Barker, D Cooper, R Johnson, G Rogers, J G Simmons and R Sutton

In Attendance: Councillors

Officers: Ms K Beavis, Mrs A Crouch, Ms K Hiller, Ms E Lant, Mr S Outama, Mr P Stone and Mrs R Wallace

External Audit:

43. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors R Boam and N Smith.

Before moving on, the Chair made some announcements. He reported that there would be two self-assessment questionnaires circulated to Members before the next meeting on good practice, as well as skills and knowledge. This would assist with the writing of the training programme going forward.

The Chair also reported that following a successful round of interviews, two appointments to the Independent Person role had been made.

44. DECLARATION OF INTERESTS

There were no declarations of interest.

45. MINUTES

Consideration was given to the minutes of the meeting held on 9 December 2024.

It was moved by Councillor R Johnson, seconded by Councillor J Simmons and

RESOLVED THAT:

The minutes of the meeting held on 9 December be confirmed as an accurate record of proceedings.

46. COMMITTEE WORK PLAN

Consideration was given to the committee work plan.

The committee work plan was noted.

47. STATEMENT OF ACCOUNTS UPDATE

The Strategic Director of Resources presented the report to Members.

In response to a query, it was confirmed that Azets were now the Council's external auditors and would attend committee meetings going forward.

Members welcomed the transparency of the report but still had some concerns about the finance system, it was felt a more detailed report may be required in the future. The

Strategic Director assured Members that he had confidence in the system and with the recent and ongoing external support, improvements would soon be seen. He added that the Corporate Leadership Team did recognise the need to sort the issues as soon as possible and are working on it as a priority.

The update was noted.

48. QUARTER 3 AUDIT PROGRESS REPORT

The Audit Manager presented the report to Members.

Several concerns were raised in relation to the asbestos management audit, particularly the risk to staff due to training issues. Advice was sought from the Audit Manager on steps the Committee could take to seek assurance. It was advised that a report be requested from the Head of Housing initially, with recommendation to invite them to attend April's Committee if the report was unsatisfactory. Members of the Committee agreed to request a written report from the Head of Housing.

In relation to the Corporate Estates Management audit, Members were disappointed with the further delay of the implementation of the digital asset management system. It was suggested that a report to provide further assurance be requested. Following further concerns being raised in relation to general staffing and recruitment issues across the Council, it was advised that a report be requested from the Chief Executive as Head of Paid Service as this was their responsibility.

Following support across the committee, it was moved by Councillor A Barker, seconded by Councillor J Simmons and

RESOLVED THAT:

1) The Head of Housing to provide a written response with assurances in relation to the progress of the asbestos management audit recommendations.

2) The Head of Property and Economic Regeneration to provide a written response with assurances in relation to the progress of the corporate estates management audit recommendations 2, 4 and 6.

3) The Chief Executive, as Head of Paid Service, to provide a written response with assurances in relation to the resourcing and recruitment issues referenced across several of the audits in progress.

During a discussion in relation to the finance system, Members were reassured that although budget monitoring was being prioritised over virements, virements were still being carried out and records kept. It was confirmed that the Procurement Strategy was currently being drafted and should meet March's deadline.

Discussion was also had regarding the staffing issues as part of the payroll audit recommendations, the Committee were assured that although the payroll service was being resourced externally to ensure resilience, that did not increase the fraud risk.

Members thanked the Audit Manager and her team for the continuing hard work carried out in conducting the audits.

The report was noted.

49. TREASURY MANAGEMENT UPDATE REPORT - QUARTER 3

The Head of Finance presented the report to Members.

The report was noted.

50. DRAFT ACCOUNTING POLICIES 2023/24

The Head of Finance presented the report to Members.

It was moved by Councillor R Sutton, seconded by Councillor J Simmons and

RESOLVED THAT:

The Draft Accounting Policies for the 2023/24 financial statements as detailed in appendix A of the report be approved.

51. ANNUAL REVIEW OF THE COUNCIL'S CONSTITUTION

The Head of Legal and Support Services introduced the report and handed over to The Legal Team Leader for Governance who presented the report to Members.

The work of the Cross Party Working Group in conducting the annual review was noted.

It was moved by Councillor R Sutton, seconded by Councillor J Simmons and

RECOMMENDED THAT:

The proposed changes to the Constitution for adoption with effect from 1 March 2025 be approved by Council at its meeting on 20 February 2025.

52. STANDARDS AND ETHICS REPORT - QUARTER 3

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

The report was noted.

53. ANNUAL IT HEALTH CHECK

The Strategic Director of Resources introduced the report and handed over to the ICT Team Manager who presented the report to Members.

The report was noted.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 7.43 pm

Chairman’s signature