

MINUTES of a meeting of the AUDIT AND GOVERNANCE COMMITTEE held in the Council Chamber, Council Offices, Coalville on WEDNESDAY, 25TH SEPTEMBER, 2013

Present: Councillor T Neilson (Chairman)

Councillors A Bridges, J Cotterill, D De Lacy, D Everitt, G Jones, C Large, T Neilson, A C Saffell and N Smith.

Officers: Mr R Bowmer, Mrs R Wallace, Miss E Warhurst and Miss A Wright.

External Auditors: Mr J Cornett and Mr R Walton.

In attendance: Councillor J Bridges

**11. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor R Woodward.

**12. DECLARATION OF INTERESTS**

There were no declarations of interest.

**13. MINUTES**

Consideration was given to the minutes of the meeting held on 26 June 2013.

It was moved by Councillor T Neilson, seconded by Councillor N Smith and

RESOLVED THAT:

The minutes of the Audit and Governance Committee held on 26 June 2013 be approved as a correct record and signed by the Chairman.

As it was necessary to consider item 5 – Annual Governance Report 2012/13 before item 4 – Annual Statement of Accounts 2012/13, the Chairman changed the order of business accordingly.

**14. ANNUAL GOVERNANCE REPORT 2012/13**

The Head of Finance presented the report to Members and referred to the recommendations of the External Auditors within appendix 1. Regarding those recommendations Councillor D De Lacy asked how much of a problem it was that not all Members had returned their related party transaction information as requested. Mr R Walton, External Auditor, stated that there were three Members that had not returned the required information and he was satisfied that all of the necessary follow ups were undertaken by the Officers. Mr J Cornett, External Auditor, explained that it was important for Members to see the significance of the issue, especially as it was a reoccurrence from the previous year.

It was moved by Councillor T Neilson, seconded by Councillor N Smith and

Chairman's initials

RESOLVED THAT:

- a) The External Auditor's Report be noted.
- b) The Letter of Representation be approved.
- c) The External Auditor's recommendations and management comments set out in appendix 1 to the report be noted.

**15. ANNUAL STATEMENT OF ACCOUNTS 2012/13**

The Head of Finance presented the report to Members.

Councillor N Smith asked whether any employment termination costs needed to be shown because of possible redundancies in the future. The Head of Finance explained that there were no plans to make redundancies at the moment but due to the current financial position it may be a possibility for the future, if it was required he assured Members that adequate funds would be earmarked. He added that the Authority was not at that stage yet, therefore there was no requirement to make provisions within the 2012/13 accounts.

It was moved by Councillor T Neilson, seconded by Councillor N Smith and

RESOLVED THAT:

- a) The Annual Statement of Accounts be approved.
- b) The Annual Statement of Accounts be signed by the Chairman of the Committee.
- c) The authority to approve any minor non material amendments, as agreed with the Auditor, be delegated to the Chairman of the Committee and the Section 151 Officer on behalf of the Committee.

**16. STANDARDS AND ETHICS – QUARTER 1 REPORT**

The Monitoring Officer presented the report to Members.

Councillor N Smith thanked the Monitoring Officer for including more detail within the report as requested at the previous meeting.

It was moved by Councillor T Neilson , seconded by Councillor C Large and

RESOLVED THAT:

The report be noted.

Chairman's initials

**17. INTERNAL AUDIT PROGRESS REPORT APRIL 2013 – AUGUST 2013**

The Senior Auditor presented the report to Members.

It was moved by Councillor T Neilson, seconded by Councillor A Bridges and

RESOLVED THAT:

The report be noted.

**18. INTERNAL AUDIT CHARTER**

The Head of Finance presented the report to Members.

It was moved by Councillor T Neilson, seconded by Councillor A Bridges and

RESOLVED THAT:

The Internal Audit Charter be approved.

**19. ANNUAL GOVERNANCE STATEMENT 2012-13**

The Head of Finance presented the report to Members.

It was moved by Councillor T Neilson, seconded by Councillor G Jones and

RESOLVED THAT:

The Annual Governance Statement be approved.

**20. TREASURY MANAGEMENT ACTIVITY REPORT – APRIL TO AUGUST 2013**

The Head of Finance presented the report to Members.

In response to a question from Councillor G Jones the Head of Finance explained that although the Council banked with the Co-operative Bank it withdrew all funds every day and did not place investments with it.

Councillor D De Lacy asked if the Net debt would be vulnerable to the rise of interest rates in the future. The Head of Finance explained that the interest rates for debt were fixed for the duration of the loan period and there was only a risk if the debt needed to be replaced as future interest rates were not known. The Council was putting aside sufficient funds to repay the HRA debt in line with the Business Plan to mitigate the risk, so any rise in interest rates would not be a concern.

It was moved by Councillor T Neilson, seconded by Councillor G Jones and

Chairman's initials

RESOLVED THAT:

The report be approved.

**21. CHANGES TO THE COUNCIL'S REGULATION OF INVESTIGATORY POWERS ACT  
POLICY IN LIGHT OF LEGISLATIVE CHANGES**

The Monitoring Officer presented the report to Members.

It was moved by Councillor T Neilson, seconded by Councillor D Everitt and

RESOLVED:

The report and the changes to the RIPA process be noted.

Councillor G Jones arrived at 6.35pm.

Councillor A C Saffell arrived at 6.47pm.

The meeting opened at 6.30pm and closed at 7.00pm.

Chairman's signature