

**BRAUNSTONE TOWN COUNCIL**

**MINUTES OF CORPORATE GOVERNANCE SUB-COMMITTEE**

**HELD AT BRAUNSTONE CIVIC CENTRE**

**THURSDAY 10th JUNE 2021 AT 6.30PM**

**PRESENT:** Councillor Nick Brown (Chair), Councillor Amanda Hack (Vice-Chair) and Councillors Anthea Ambrose and Phil Moitt.

**Officers in Attendance:** Darren Tilley, Executive Officer & Town Clerk.

There were no members of the public present at the meeting.

**1. Apologies**

No apologies for absence were received.

**2. Disclosures of Interest**

There were no disclosures of any Disclosable Pecuniary or Non-Pecuniary Interests by Members.

**3. Public Participation**

In accordance with Standing Order 3.6, members of the public may attend the meeting for the purpose of making representations, giving evidence or answering questions in respect of any item of business included on the agenda.

There were no members of the public at the meeting.

**4. Minutes of the Meeting held 13th June 2019**

The Minutes of the Meeting held on 13th June 2019 were circulated (item 4 on the agenda).

**RESOLVED** that the Minutes of the meeting held on 13th June 2019 be approved and signed by the Chairperson as a correct record.

**5. External Audit 2019/2020**

The Sub-Committee noted that the External Audit was completed on 14th October 2020 and no matters were raised concerning the Town Council's accounts and governance arrangements for the year ended 31st March 2020 (item 5 on the agenda).

**RESOLVED** that the report be noted.

*Reason for Decision*

*Based on the Council's accounts and governance arrangements for the year ending 31st March 2020, the External Auditor's opinion was that the Council had complied with proper practices and relevant legislation and regulatory requirements had been met.*

**6. Internal Audit Report 2020/2021 and Internal Audit arrangements 2021/2022**

The Sub-Committee received the Internal Auditor's Report in respect of compliance with relevant procedures and controls in operation during the financial year ended 31st March 2021 and to appoint an Internal Auditor for 2021/2022 (item 6 on the agenda).

**RESOLVED** THAT IT BE RECOMMENDED TO POLICY & RESOURCES COMMITTEE THAT IT BE RECOMMENDED TO COUNCIL

1. that the observations of the Internal Audit (attached at Appendix 1 of the report) and confirmation of compliance with the internal control objectives (attached at Appendix 2 of the report) be received and noted;
2. that the recommendations for improvement, along with the proposed response, as set out in the Internal Audit Improvement Action Plan (attached at Appendix 3 of the report), be adopted; and
3. that the Leicestershire and Rutland Association of Local Councils Internal Audit Service be appointed to undertake the Town Council's Internal Audit for the Year Ending 31st March 2022.

*Reasons for Decision*

1. *The Internal Auditor, having tested all the aspects of the Council's internal controls, was satisfied that in all significant respects the internal control objectives were achieved throughout the financial year to a standard adequate to meet the Council's needs.*
2. *To ensure that the observations of the Internal Audit would be addressed with appropriate and balanced measures.*
3. *To ensure arrangements were in place for compliance with Accounts and Audit Regulations.*

**7. Annual Governance Statement 2020/2021**

The Sub-Committee received a report to enable it to review and ensure sound systems of internal control, including the management of risk and the preparation of accounting statements during the financial year ended 31st March 2021 and to recommend to Council adoption of the Annual Governance Statement 2020/2021 (item 7 on the agenda).

The Sub-Committee noted the proposed additions to the Council's Corporate Risks Assessment (Appendix 1) in respect of loss of reputation, as identified by the Internal Auditor in his report.

In respect of the Internal Auditor's recommendations concerning the sums in some of the Council's bank accounts exceeding the limit of protection afforded by the Financial Services Compensation Scheme; the Sub-Committee determined that the risk of financial loss was low given the Council only invested in UK Bank Accounts and during the financial crises of 2008, the UK Government had taken steps to prevent banks at risk from collapsing.

## **RESOLVED**

1. that the Council's Medium Term Priorities and Financial Strategy set out the approach to investing sums in the bank;
2. THAT IT BE RECOMMENDED TO POLICY & RESOURCES COMMITTEE THAT IT BE RECOMMENDED TO COUNCIL that the systems of internal control and management of risk, as set out in the report and at Appendix 1, be approved and confirmed as sound; and that Section 1, Annual Governance Statement 2020/21, of the Annual Governance and Accountability Return 2020/2021, attached at Appendix 2 of the report, be completed, signed and submitted accordingly.

### *Reasons for Decision*

1. *Having assessed the risk identified by the Internal Auditor in respect of sums in excess of £85,000 held in bank accounts; the risk of losing large sums was considered low given the Town Council only invested in UK Bank Accounts.*
2. *Having reviewed the control measures for each of the areas listed on the Annual Governance Statement and the assessment of risks facing the Council and associated mitigating measures, the Corporate Governance Sub-Committee were confident that to the best of their knowledge and belief, with respect to the Accounting Statements for the year ended 31st March 2021, there were sound systems of internal control and management of risk.*

## **8. Accounting Statements 2020/2021**

The Sub-Committee received the End of Year Accounts for the financial year ended 31st March 2021 in order to recommend to Council adoption of the Accounting Statements 2020/2021 (item 8 on the agenda).

## **RESOLVED THAT IT BE RECOMMENDED TO POLICY & RESOURCES COMMITTEE THAT IT BE RECOMMENDED TO COUNCIL**

1. that Section 2, Accounting Statements 2020/21, of the Annual Governance and Accountability Return for the year ended 31st March 2021, attached at Appendix 9 of the report, be completed, signed and submitted accordingly; and

2. that an explanatory statement be published with the Accounts setting out the background to the increase in borrowing in respect of the value of the asset and the payments made towards the construction of the new Shakespeare Park Pavilion.

*Reasons for Decision*

1. *The Corporate Governance Sub-Committee, having carried out an assessment of the effectiveness of the Council's financial arrangements, concluded that there were sound systems of internal control. The Internal Auditor, having reviewed the annual accounts, found the Accounting Statements to have been prepared on the correct basis and were supported by adequate audit trails to underlying records.*
2. *The Council had drawn down funds to pay for the cost of the new Shakespeare Park Pavilion; once the builder had completed the works and handed over the facility to the Council, the asset would appear on the fixed assets list.*

The meeting closed at 6.55pm.

**NOTE:**

CRIME & DISORDER ACT 1998 (SECTION 17) – The Council has an obligation to consider Crime & Disorder implications of all its activities and to do all that it can to prevent Crime and Disorder in its area.

**EQUALITIES ACT 2010**

Braunstone Town Council has a duty in carrying out its functions to have due regard to:-

- eliminate unlawful discrimination, harassment and victimisation;
- advance equality of opportunity between different groups; and;
- foster good relations between different groups

To ensure that no person receives less favourable treatment on the basis of race, disability, sex, gender re-assignment, sexual orientation, age, religion or belief, marriage or civil partnership, pregnancy or maternity.

These issues were considered in connection with each of the above decisions. Unless otherwise stated under each item of this report, there were no implications.

Signed: .....

Dated: .....