



Minutes of a meeting of the Constitution Committee held at County Hall, Glenfield on Friday, 27 July 2018.

PRESENT

Mr. Max Hunt CC
Mr. J. Kaufman CC

Mr. I. D. Ould CC
Mr. J. B. Rhodes CC
Mr. R. J. Shepherd CC

Apologies

Mr N. J. Rushton CC, Dr. T. Eynon CC and Mr. S. J. Galton CC

91. Election of Deputy Chairman.

That Mr. J. B. Rhodes CC be elected Chairman for the period ending with the date of the Annual Meeting of the County Council in 2019.

Mr. J. B. Rhodes CC – in the Chair

92. Minutes of the previous meeting.

The minutes of the meeting held on 12 June 2018 were taken as read, confirmed and signed.

93. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

94. Questions asked under Standing Order 7(3) and 7(5).

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

95. Urgent Items.

There were no urgent items for consideration.

96. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

97. Statement of Accounts and Pension Fund Accounts 2017/18.

The Committee considered a report of the Director of Corporate Resources which presented the 2017/18 Statement of Accounts for approval, provided information relating to the main areas of the accounts, and reported the key findings from the external audit of the accounts. The Committee also considered a Letter of Representation to KPMG. Copies of the report, marked 'Agenda Item 7', and the Letter of Representation are filed with these minutes.

Arising from discussion, Members noted the following:

- Those matters identified by the external audit were being addressed and actions taken would be reported to the Corporate Governance Committee as appropriate. It had specifically sought reassurance that the Payroll BACS authorisation process had been improved.
- The new accounting standards had been published but not yet adopted by the Code of Practice of Local Authority Accounting in the UK. These would not come into effect until 2019. The Authority could not choose to adopt these new standards early and in any event, they would not have affected the issues highlighted in the external audit.
- The Pension Fund accounts for the Local Government Pension Scheme administered by the County Council would be presented to the Local Pension Committee as part of its Annual Report in November and thereafter would be presented at the Annual meeting of the Pension Fund in January 2019. Unfortunately, few members attended these meetings. Consideration was being given to how to improve engagement with members.
- Presentation of the Statement of Accounts was generally clear, but some areas would benefit from being simplified to ensure the detail could be better understood and therefore properly challenged. Technical areas meant this was difficult which made the process less transparent. Members noted that this was a matter being looked at by the new president of CIPFA.
- The Government's proposed increase in public sector pay would affect national living wage rates and therefore mainly those employees on the lower pay scales which might need to be adjusted. This was a complex issue and the extent of the impact on the County Council was being assessed. This would be addressed as part of the MTFs refresh and the Employment Committee would oversee any changes.
- The risk of Northamptonshire County Council defaulting on a loan of £5m was considered to be very low. Repayment of the loan was due in January 2019.
- It was important to continue to emphasise the purpose of the Council making such temporary investments and that this did not take money out of the system, but instead generated an income (from access to higher interest rates) to better support Council services.

Members thanked officers for their hard work and welcomed the outcome of the external audit and the expected unqualified opinion.

RESOLVED:

That the Statement of Accounts for 2017/18 be approved.