



Minutes of a meeting of the Constitution Committee held at County Hall, Glenfield on Monday, 29 July 2019.

PRESENT

Dr. T. Eynon CC
Mr. I. D. Ould OBE CC

Mr. J. B. Rhodes CC
Mrs H. L. Richardson CC

Apologies

Mr. S. J. Galton CC

105. Election of Deputy Chairman

That Mr. J. B. Rhodes CC be elected Deputy Chairman for the period ending with the date of the Annual Meeting of the County Council in 2020.

Mr. J. B. Rhodes CC – in the Chair

106. Minutes of the previous meeting.

The minutes of the meeting held on 13 November 2018 were taken as read, confirmed and signed.

107. Question Time.

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

108. 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).

109. Urgent Items.

There were no urgent items for consideration.

110. 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.

111. Statement of Accounts and Pension Fund Accounts 2018/19.

The Committee considered a report of the Director of Corporate Resources which presented the 2018/19 Statement of Accounts and Pension Fund Accounts for approval, provided information relating to the main areas of those accounts, and reported the key findings from the external audit of the accounts. A copy of the report marked 'Agenda Item 7', is filed with these minutes.

Arising from discussion, Members noted the following:

- This had been the first audit undertaken by the Council's new external auditors, Grant Thornton UK LLP. They had conducted a thorough and detailed audit providing significant challenge to the Council's processes. No issues or significant risks had been highlighted and a positive outcome of the audit was very likely.
- The outcome of the external audit was welcome and reflected a decade of work and prudent financial planning by the County Council to ensure it remained resilient to financial pressures.
- One adjustment had been made to the Pension Fund accounts increasing the Council's liability by £13m. This had been necessary because of the outcome of a recent court case (Lord Chancellor v McCloud and others). The judgement affected pension funds nationally and all local authorities had had to make similar late adjustments to their accounts.
- The additional liability was an estimate only as the remedy for the case had not yet been determined and might not be for some time. The auditors had confirmed the estimate to be fair and reasonable. This would not affect the Council for some time as the costs would be added to and spread out over the existing pension deficit reduction period.
- The Council's overall performance position when compared to other two-tier authorities was seventh. Members agreed this was very good considering Leicestershire was the lowest funded authority in the country.

Members thanked officers for their hard work in preparing a good and accurate set of accounts and welcomed the outcome of the external audit and the expected unqualified opinion.

RESOLVED:

- (a) That the Statement of Accounts for 2018/19 be approved;
- (b) That the Director of Corporate Resources be requested to pass on the Committee's sincere thanks to those officers involved in preparing the accounts.

112. Charitable Trusts - Future Arrangements

The Committee considered a report of the Director of Law and Governance regarding proposed future arrangements for Educational Trusts of which the County Council was the sole corporate trustee. A copy of the report marked 'Agenda Item 8', is filed with minutes.

Members supported the proposed course of action for the Kibworth Beauchamp HS Foundation and other Leicestershire Funds. Members considered that the creation of a County wide fund would be most beneficial, but that some engagement with schools

would be beneficial to help identify how this might best be used to support children's needs, the focus being on issues such as deprivation and not educational achievement.

RESOLVED:

- (a) That the closure of the Trusts referred to in Appendix A and the transfer of assets into two Trusts to be administered and managed by the Leicestershire and Rutland Community Foundation as set out in paragraphs 6 - 9 of the report be approved;
- (b) That officers of the Council and the Leicestershire and Rutland Community Foundation be requested to develop qualifying criteria for the Trusts, excluding the Kibworth Beauchamp HS Trust, on the basis outlined in paragraph 6 of the report, and submit them to a future meeting of the Constitution Committee for approval;
- (c) That officers of the Council and the Leicestershire and Rutland Community Foundation be requested, together with representatives of the Kibworth Beauchamp HS Trust, to progress the proposal outlined in paragraph 9 of the report;
- (d) That the Leicestershire and Rutland Community Foundation be requested to submit an annual report to the Constitution Committee on the operation of the two Trusts.

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