

CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

17 NOVEMBER 2022

SUPPLEMENTARY INFORMATION

AGENDA ITEM 5: DECISION AND ACTION TRACKER

Updates:

On page 24 of the agenda, in relation to the actions raised as part of the consideration of the Annual Governance Statement on 28 July, the Committee is asked to note the following update:

Decision/Action requested	Update on implementation
To provide an update on progress with the 13 follow-up reviews of audits which received partial assurance in 2020-21, which had not yet been fully implemented.	<p>In relation to the three follow-up reviews in relation to bank reconciliation and treasury management practices:</p> <ol style="list-style-type: none">1) Timely completion of bank reconciliations (Medium priority)– Lead Specialist (Finance) confirms that these are now up to date and are being reconciled monthly in a timely manner2) Addressing single point of failure risk (Medium priority) training of an additional staff member in the case team with sufficient seniority to perform the bank reconciliations – Executive Head of Communications and Customer Service confirms that we continue to work on fully training another member of the team to undertake the bank reconciliation process for resilience but we do have a member of the team who could administer a basic bank reconciliation at this stage if this was necessary.3) Update of the Treasury Management Practices (Medium priority) – Lead Specialist (Finance) confirms that now the new senior structure is in place we will update and get this signed off by the end of January 2023.

On pages 25 and 26 of the agenda in relation to the actions raised as part of the Capital and Investment outturn report 2021-22 considered on 29 September, the Committee is asked to note the following update:

Decision/Action requested	Update on implementation
(a) To ensure that up-to-date information on the schedule of investments and the need to review the overall situation in respect of the prudence of investments in other local authorities.	<p>Updated investment schedule (see page 3 below)</p> <p>Local Authority to Local Authority Investments – of the c£60bn of local Government investments, around 22% are lent to each other across the sector. The Government has introduced controls where, for example, Thurrock, have exceptional access to PWLB to cover its refinancing requirements which will take</p>

(b) To clarify the position in respect of reviewing existing investments.	<p>their element out of the Local Authority to Local Authority market.</p> <p>This is an ongoing process, and now the new s151 Officer is in place, we have set up monthly Treasury Management review meetings which will incorporate this review on a more regular basis.</p>
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On page 26 of the agenda, in relation to the actions raised as part of the Internal Audit Progress Report to the Committee at its last meeting on 6 October, the Committee is asked to note the following update:

Decision/Action requested	Update on implementation
<p>To circulate to the Committee:</p> <ul style="list-style-type: none"> (a) details of the 25 sampled complaints referred to in the internal audit review (b) a more detailed breakdown of the action to be taken within the management action plan to improve complaint handling. 	<p>This information was emailed to the Committee on Friday 11 November 2022.</p>

On page 27 and 28 of the agenda, in relation to the actions raised as part of the Financial Monitoring Report considered at the last meeting on 6 October, the Committee is asked to note the following update:

Decision/Action requested	Update on implementation
<p>To circulate to the Committee:</p> <ul style="list-style-type: none"> • Details of sensitivity analysis in respect of the Council's energy costs once the detailed information on any cap on unit prices was received • any future update from Arlingclose on the economic impact of the current financial situation as it affects the Council, particularly in terms of interest rates and impacts on vulnerable residents 	<p>Sensitivity analysis – we have not yet concluded our work with Stark on the full impact on the energy costs, so this work is ongoing.</p> <p>We get regular correspondence from Arlingclose outside of our quarterly strategy meetings. We are also meeting with them regularly to review interest rates and forecasts in relation, specifically, to our major capital projects.</p>

AGENDA ITEM 8: WORK PROGRAMME

Update on Unscheduled Items (Page 72 of the agenda):

- 1. Approval of the 2020-21 and 2021-22 Statement of Accounts:**
It is anticipated that the 2020-21 audit will not be completed until the early New Year. We are currently looking to secure additional resources to help achieve this.
- 2. Annual report on the exercise of powers under the Regulation of Investigatory Powers Act 2000**
It is suggested that this report be scheduled for the 16 November 2023 meeting

Counterparty	Principal £	Rate	Start	End
Fixed investments				
LA - LB Croydon	10,000,000	0.4500%	04-May-21	03-May-22
LA - Slough BC	5,000,000	0.1200%	28-May-21	27-May-22
LA - Birmingham CC	5,000,000	0.1500%	30-Sep-21	29-Sep-22
LA - Aberdeen City	5,000,000	0.1500%	18-Jan-22	01-Jun-22
Southern Housing Group Ltd	6,000,000	1.2931%	04-Feb-22	04-Aug-22
LA - Thurrock	10,000,000	1.3500%	31-Mar-22	30-Mar-23
	41,000,000			
Short-term Bonds				
CIBC	2,000,000	0.1751%	12-Nov-21	30-Jun-22
	2,000,000			
Gilts				
UK Government	2,003,223	0.1720%	19-Oct-21	22-Jul-22
UK Government	2,006,790	0.3000%	07-Jan-22	22-Jul-22
UK Government	2,028,939	0.1297%	12-Oct-21	07-Sep-22
UK Government	2,030,955	0.2408%	11-Nov-21	07-Sep-22
UK Government	2,029,020	0.4400%	07-Jan-22	07-Sep-22
UK Government	1,995,737	0.3292%	11-Nov-21	31-Jan-23
UK Government	1,991,446	0.5800%	07-Jan-22	31-Jan-23
UK Government	994,642	0.7040%	19-Jan-22	31-Jan-23
	15,080,752			
Long-term Covered bonds				
CIBC	2,000,000	1.1250%	17-Jul-17	30-Jun-22
Santander UK plc	1,000,000	0.7186%	16-Nov-17	16-Nov-22
Barclays Bank UK PLC	1,000,000	0.4771%	23-Oct-18	09-Jan-23
Lloyds	1,500,000	0.5658%	03-Feb-20	03-Feb-23
Nationwide	850,000	0.4729%	12-Apr-18	12-Apr-23
Santander UK plc	1,000,000	1.1757%	12-Feb-19	12-Feb-24
Nationwide	1,500,000	0.6070%	10-Jan-20	10-Jan-25
Leeds BS	750,000	0.5967%	15-Jan-20	15-Jan-25
Coventry BS	500,000	0.5767%	15-Jan-20	15-Jan-25
National Australia Bank	1,000,000	0.6961%	04-Feb-20	04-Feb-25
Transport for London	1,500,000	0.3940%	04-Jun-21	09-Aug-22
Royal Bank of Canada	1,500,000	0.2900%	13-Jul-21	13-Jul-26
Royal Bank of Canada	500,000	0.2801%	13-Jul-21	13-Jul-26
The Bank of Nova Scotia	300,000		26-Jan-22	26-Jan-26
	14,900,000			
Counterparty	Principal £	Rate	Start	End
Long-term investments				
LA - Staffordshire Moorlands	1,500,000	1.3000%	20-May-20	20-May-22
LA - Uttlesford DC - Saffron V	3,000,000	0.4500%	24-Nov-20	24-May-22
LA - Mid Suffolk DC	5,000,000	0.3800%	05-Jul-21	05-Jul-23
Yorkshire Housing	5,000,000	1.0000%	09-Jun-21	09-Jun-23
People for Places	5,000,000	1.0000%	17-Jun-21	19-Jun-23
LA - Cherwell DC	5,000,000	0.4000%	13-Jan-22	13-Jul-23
	24,500,000			
Notice Accounts				
Barclays	3,000,000			
	3,000,000			
Call Account				
HSBC	2,250,000			
	2,250,000			
Money market funds				
Federated	11,080,000			
Aviva	14,190,000			
CCLA public sector deposit fu	6,630,000			
	31,900,000			
Total internally managed	134,630,752			
Externally managed				
CCLA	7,665,284			
Federated Cash Plus	4,998,498			
Royal London	2,247,293			
M&G	0			
Schroders	773,399			
Fundamentum (REIT)	2,067,200		3	