



**MINUTES OF THE AUDIT COMMITTEE MEETING
HELD AT 5:00PM, ON
WEDNESDAY, 24 FEBRUARY 2021
VIA ZOOM CONFERENCE**

Present: Councillors Over (Chairman), Coles, Jones, Joseph, Shaheed and Warren.

Officers in

Attendance: Peter Carpenter, Corporate Director of Resources
Dan Kalley, Senior Democratic Services Officer
Fiona Leverton, Senior Accountant Resources

Also in

Attendance: Cllr Seaton, Cabinet Member for Finance

47. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Fower.

48. DECLARATIONS OF INTEREST

There were no declarations of interest received.

49. 2021/22 DRAFT TREASURY MANAGEMENT STRATEGY

The Audit Committee received a report in relation to the 2021/22 Draft Treasury Management Report.

The purpose of the report was for the Committee to approve the policies and Prudential Indicators in line with the consultation timelines for the Medium Term Financial Strategy (MTFS).

The Corporate Director Resources introduced the report and commented that the Treasury Management Strategy outlined the prudential indicators for capital investment. Prudential indicators were produced as part of the MTFS to ensure that investment plans were affordable and any external borrowing was prudent and affordable. The Council continued to operate a restricted lending list due to the continued economic uncertainty. Surplus cash was only invested with Barclays, Bank of Scotland, churches, charities and other local authorities. The Council continued to borrow to fund the capital programme and loans had been arranged to achieve the best possible outcomes for the Council. The main changes from the previous prudential indicators related to a new accounting standard in relation to leases. Members were informed that the government had taken 1% off the interest for borrowing on public loans. It was put up to penalise local authorities who had invested

significant funds for yield. The Corporate Director was responsible for signing off every year that there had been investment for yield.

The Audit Committee debated the report and in summary, key points raised and responses to questions included:

- Members expressed their thanks to officers for the clarity of the report and the information contained within the report. The area that local authorities would be watching with most interest was around interest rates both in terms of borrowing and lending.
- There was no real impact on the Council in terms of the new accounting standard, it was a technical adjustment.

The Audit Committee considered and **RESOLVED** (unanimously) to review and comment on the draft 2021/22 Treasury Management Strategy (TMS) before it is approved as part of the Medium Term Financial Strategy (MTFS) at Full Council in March 2021

Chairman
Virtual Meeting
5:00 – 5.12pm