
Related Parties Enquiry – Audit Findings

Governance & Audit Committee

Date of meeting: 18 April 2024

Lead director/officer: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Kirsty Cowell, Head of Finance
- Author contact details: kirsty.cowell@leicester.gov.uk
- Report version number: 1

1. Summary

- 1.1 To present the report by Grant Thornton on the Council's transaction to Haymarket Consortium Limited, if this was a related party and if it should have been disclosed under the Council's constitution.

2. Recommended actions/decision

- 2.1 The Governance & Audit Committee is recommended to consider the report and pass any comments to the External Auditors or Monitoring Officer.

3. Background and options with supporting evidence

- 3.1 In the Statement of Accounts we are required to comply with the Code of Practice on local authority accounting this includes reporting in relation to related parties.
- 3.2 The code incorporates International Accounting Standards (IAS) 24 Related Party Disclosures except where adaptations to fit the public sector as detailed in the code.
- 3.3 As part of the Council's constitution and the Member's Code of Conduct, councillors are also required to declare their interests and ensure the register of interests is kept up to date.

4. Detailed report

- 4.1 Grant Thornton, the external auditors, received notification setting out concerns relating to a transaction to Haymarket Consortium Limited. The particular concern was that the transaction should have been disclosed as a related party transaction. Details are outlined in Grant Thorntons report at Appendix 1.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

There are no financial implications arising from this report.

5.2 Legal implications

There are no direct legal implications arising from this report.

Kevin Carter, Head of Law, Ext 37 4197

5.3 Equalities implications

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows: A public authority must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act. To advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; To foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.

The Code specifies the principles and practices of accounting required to prepare financial statements which give a true and fair view of the financial position and transactions of a local authority. There are no direct equality implications arising from the report.

Equalities Officer, Surinder Singh, Ext 37 4148

5.4 Climate Emergency implications

There are no significant climate emergency implications directly associated with this report.

Aidan Davis, Sustainability Officer, Ext 37 2284

5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

N/A

6. Background information and other papers:

N/A

7. Summary of appendices:

Appendix 1 – Related Parties – Consideration of Enquiry – Audit Findings, Report from Grant Thornton

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”? If so, why?

No