



Leicester
City Council

MINUTES EXTRACT

Minutes of the Meeting of the FINANCE, RESOURCES AND EQUAL OPPORTUNITIES SCRUTINY COMMITTEE

Held: THURSDAY, 20 MARCH 2003 at 5.30pm

P R E S E N T :

Councillor Blackmore - Chair
Councillor Mrs. Middleton - Conservative Spokesperson
Councillor Connelly - Labour Spokesperson

Councillor Coley

Councillor Soulsby

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99. DECLARATIONS OF INTEREST

Members were requested to declare any interests that they may have in the business to be discussed and/or indicate that Section 106 of the Local Government Act 1992 applied to them.

No declarations were made.

104. ANNUAL AUDIT LETTER 2001/02

The Chief Finance Officer submitted a report introducing the District Auditor's annual audit letter for 2001/02, which had been sent to all members of the Council. The letter confirmed that the Council performed well in a number of areas against very challenging circumstances, as well as setting out a number of areas for improvement. John Gregory and Chris Leeland, from the District Audit service were also in attendance for this item.

The Committee noted with some concern that the number of grant claims submitted on time had actually decreased in the last year, and that this could result in financial losses to the Authority due to additional audit fees and the risk of grants being disallowed. Although it was pointed out by District Audit that no direct financial losses had occurred as a result of late claims, it was still felt that this was an area of concern as even a small reduction in the amount received could have a big impact.

Questions were asked about the work that would be done surrounding democratic renewal, and the Committee were advised that the area of Scrutiny was not seen as a major problem in Leicester compared with other Authorities. However, work would be done on this area, and on improvements to the forward plan, in the coming year.

Concern was also expressed about the high level of old debt, particularly that over 4 years old, and asked what the expected level of this would be, and how Leicester compared with other similar Authorities. The District Auditor agreed to circulate this information to Committee.

RESOLVED:

That the Committee advises Cabinet of its concern over the management of grant claims within the Council which could lead to financial losses, and recommend that steps are taken to ensure both improved accuracy and that grant claims are submitted on time.