

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

AUDIT COMMITTEE

13 OCTOBER 2016 AT 6.30 PM

PRESENT: Mrs R Camamile - Chairman
Mr P Wallace – Vice-Chairman
Mrs MA Cook, Mr DS Cope, Mrs L Hodgkins, Mr MR Lay, Mr KWP Lynch,
Mrs J Richards, Miss DM Taylor and Mr HG Williams

Officers in attendance: Rebecca Owen, Jodie Stead (PWC) and Ashley Wilson

Avtar Sohal, Ernst & Young, was also in attendance.

209 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor O'Shea.

210 MINUTES OF PREVIOUS MEETING

In considering the minutes of the previous meeting, Councillor Wallace noted that he had not been included in the list of attendees, yet had been present at the meeting. It was moved by Councillor Wallace, seconded by Councillor Lay and

RESOLVED – the minutes of the meeting held on 25 August be confirmed subject to the abovementioned amendment, and signed by the Chairman.

211 DECLARATIONS OF INTEREST

No interests were declared at this stage.

212 INTERNAL AUDIT PROGRESS REPORT

Members received a report of the Internal Auditor which updated on progress and activity to date. It was noted that, whilst the system which reported on overdue recommendations was currently not operating, few had been updated as officers were not using the system adequately. It was noted that an update would be provided when available.

A member referred to the key risks in relation to Revenues & Benefits, and in response it was noted that this related to refunds and returns of overpayments, and that controls were now in place.

In relation to the dates for future reviews marked as 'TBC', it was explained that these were in quarter 4 so not yet scheduled, but it was intended that they would be scoped and programmed within the next month.

The need for the Audit Committee to recommend areas for reviews for remaining capacity during this year and for next year was discussed and it was agreed that this would be considered at a future meeting.

RESOLVED – the report be noted.

213 CORPORATE GOVERNANCE INTERNAL AUDIT REPORT

The Committee received the Internal Audit report into Corporate Governance, which focussed on risk management, the Annual Governance Statement, and the revised committee structure. Members discussed the revised committee structure and the recommendation that the effectiveness of the Audit Committee be reviewed with a view to delegating some council decisions prior to the planned annual review. In response to members' questions, it was explained that decisions delegated would include the financial statement, and it was clarified that the Audit Committee reported to Council. It was agreed that the future direction of the committee be discussed at the next meeting.

RESOLVED – the audit report be noted and a report on the effectiveness and direction of the Audit Committee be brought to a future meeting.

214 APPOINTMENT OF EXTERNAL AUDITOR

Members were informed of the changes to the arrangements for appointing external auditors following the closure of the Audit Commission and the forthcoming end of the transitional arrangements at the conclusion of the 2017/18 audits. The committee was informed that an External Auditor would need to be appointed by 31 December 2017 and the options available were highlighted. Following discussion, members agreed that they would prefer the third option listed whereby the authority would be able to opt in to a sector led body appointed by the Secretary of State.

RECOMMENDED – option 3 be RECOMMENDED.

(The Meeting closed at 7.00 pm)

CHAIRMAN