

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

FINANCE, AUDIT & PERFORMANCE COMMITTEE

23 FEBRUARY 2015 AT 6.30 PM

PRESENT: Miss DM Taylor - Chairman  
Mr JS Moore – Vice-Chairman

Mrs R Camamile, Mr PAS Hall, Mrs L Hodgkins and Mr K Morrell

Officers in attendance: Ilyas Bham, Rebecca Owen and Katherine Plummer

394 APOLOGIES AND SUBSTITUTIONS

Apologies were submitted on behalf of Councillor Batty.

395 MINUTES OF PREVIOUS MEETING

It was moved by Councillor Camamile, seconded by Councillor Hall and

RESOLVED – the minutes of the meeting held on 12 January 2015 be confirmed and signed by the Chairman.

396 DECLARATIONS OF INTEREST

No interests were declared at this stage.

397 EXTERNAL AUDIT PLAN 2014/15

Alison Breadon of PricewaterhouseCoopers LLP presented the External Audit Plan 2014/15.

Councillor Moore arrived at 6.37pm.

Discussion took place on the de minimis threshold for reporting unadjusted misstatements which was recommended at £43,850 for the 2014/15 audit as the industry standard of 5% of overall materiality. Members were reminded that they had set the threshold at a lower figure of £25,000 for the current year. It was noted that, where fraud or other illegality was identified, this would be reported regardless of the figure. Whilst officers explained that there were not usually any unadjusted misstatements anyway, members requested that the threshold be retained as £25,000.

During presentation of and discussion on the remainder of the report, the following points were raised:

- The robust arrangements in place to identify and deal with fraud
- Non-audit work set out in the report
- A forthcoming report on assessment and risks associated with PWC having tendered to take on the internal audit service despite being outside of the year being audited.

RESOLVED –

- (i) the report be noted;
- (ii) the threshold for reporting unadjusted misstatements be set at £25,000.

398 GRANT CERTIFICATION REPORT

The Committee was presented with a report of the external auditor which provided an overview of the results of the certification work undertaken to 31 March 2014. It was reported that benefits was a complex area and as such some errors had been found in the sample that had been taken. It was explained that most were simple errors that had been corrected immediately with no impact on the customer. It was requested that the Revenues & Benefits Partnership Manager provides a monitoring report to show the errors.

RESOLVED – a report on benefit claim processing be provided to the next meeting.

399 INTERNAL AUDIT PROGRESS REPORT

Tim Ridout of CW Audit presented the audit progress report. The audits around empty council-owned residential and commercial properties, business rates fraud, financial systems, the Leisure Centre construction contract, electoral registration and building security were summarised. Members asked whether the safety of members and officers in the Council Chamber during public meetings had been reviewed, and in response it was suggested that the Estates and Asset Manager be requested to respond to the matter.

RESOLVED – the report be noted.

400 SERVICE PERFORMANCE REVIEW - RESOURCES

Members were provided with an update on the financial, performance and risk position of Finance, Estates and Asset Management, ICT and Revenues & Benefits. It was noted that some targets in Finance, Estates and Revenues & Benefits were not currently being met but that those in Finance would hopefully do so by the year end. A member highlighted the inclusion in the report of provision for customers to pay council tax over 12 months instead of ten and asked how residents were informed of this. It was agreed that a response on this point would be provided to members.

RESOLVED – the report be noted.

401 REVENUE AND CAPITAL OUTTURN - 3RD QUARTER 2014/15

The Committee was informed of the revenue and capital outturn at the end of the third quarter of 2014/15. It was reported that savings were still being forecast on the general fund and a small overspend on the Housing Revenue Account.

RESOLVED – the report be noted.

402 TREASURY MANAGEMENT - 3RD QUARTER

The Committee was informed of the Council's treasury management activity to 31 December 2014 and the above average overall return. Members were reminded that officers were constantly looking at the best ways of investing.

RESOLVED – the report be noted.

403 BUSINESS RATES & POOLING UPDATE

The Committee was informed of business rates performance for 2014/15 and was provided with an update on pooling arrangements for 2015/16. It was noted that at the end of November it was forecast that £145,000 in NNDR would be retained. With regard to the pool, members were informed that it would be reinstated which meant that the money would remain in Leicestershire and that we had a representative on the Resource Board so there was district representation to ensure use of some of the money in the districts.

RESOLVED – the report be noted.

404 AGED DEBT UPDATED - 3RD QUARTER

Members were informed of the position on sundry debts, particularly that the debt continued to decrease. Concern was expressed regarding the outstanding debt in relation to bonds given to those who would otherwise become homeless, and in response officers explained that due to the nature of the debt there was a risk of non-payment, and that it would not be in the spirit of the Anti-poverty Strategy to chase the debtors. A member asked if landlords could be informed at the time of letting their property if the tenant has a bond provided by the local authority with the agreement that they return it to HBBC at the end of the tenancy. It was agreed that this be investigated.

RESOLVED – the report be noted.

405 WORK PROGRAMME

Following consideration of the work programme for the remainder of the municipal year, members requested that robust finance training be provided for members following the election in May 2015, and also asked whether members currently paid tax on their mileage allowances. It was agreed that a response would be provided on this outside of the meeting.

(The Meeting closed at 7.30 pm)

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CHAIRMAN