

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

AUDIT COMMITTEE

26 JULY 2018 AT 6.30 PM

PRESENT: Mr RB Roberts - Chairman

Mr DS Cope, Mrs L Hodgkins, Mr MR Lay, Mr KWP Lynch, Mr BE Sutton,
Miss DM Taylor and Mr HG Williams

Officers in attendance: Ilyas Bham, Rebecca Owen and Ashley Wilson

Representatives of Grant Thornton (Internal Audit) and Ernst & Young (External Audit) were in attendance.

118 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor MacDonald.

119 MINUTES OF PREVIOUS MEETING

It was moved by Councillor Lay, seconded by Councillor Hodgkins and

RESOLVED – the minutes of the meeting held on 7 June 2018 be confirmed and signed by the Chairman.

120 DECLARATIONS OF INTEREST

No interests were declared at this stage.

121 INTERNAL AUDIT PLAN

The committee received the annual internal audit plan and three year strategy. A member requested a review of deliverability of affordable homes and of whether the authority was sufficiently robust in relation to viability. In response, the auditor suggested that he discuss the matter for inclusion in year two.

RESOLVED – the audit plan be approved.

122 AUDIT RESULTS REPORT

The external auditor presented the audit results report and indicated that he expected to issue an unqualified audit opinion on the financial statements.

RESOLVED – the report be approved.

123 FINANCIAL STATEMENTS AND ANNUAL GOVERNANCE STATEMENT 2017/18

Members received the audited financial statements and annual governance statement for 2017/18. In response to a question from a member, assurance was given that provision had been made in the MTFs for financial pressures resulting from leaving the European Union, reduction in government funding and potential changes to new homes bonus and business rates retention.

RESOLVED – the financial statements and annual governance statement be approved.

124 MANAGEMENT'S LETTER OF REPRESENTATION

The committee received management's letter of representation which confirmed the information provided, including financial statements, as a true record.

RESOLVED – management's letter of representation be endorsed and the financial statements be adopted for 2017/18 and published as the final audited version.

125 UPDATE ON OUTSTANDING RECOMMENDATIONS- VERBAL REPORT

Members received a verbal update on outstanding audit recommendations. It was noted that, of the 44 outstanding recommendations currently in place, 18 recommendations had been closed, 25 were open, of which ten indicated some work had been undertaken, and 15 were still showing that no action had been taken. All were being distributed to managers for follow up. It was reported that the majority of those outstanding were low risk and some may no longer be relevant. The new internal auditors, Grant Thornton, would continue to follow up outstanding recommendations as needed. It was noted that managers would be given some training in dealing with audit recommendations from agreement to response, which would hopefully prevent unnecessary delay when being followed up in future.

Members asked for a report on all recommendations and progress made to be brought to the next meeting. It moved by Councillor Lynch and seconded by Councillor Roberts that those managers with outstanding recommendations be asked to attend the next meeting.

RESOLVED – a full report be brought to the next meeting and managers with outstanding recommendations be asked to attend.

126 AUDIT REPORT: FOOD HYGIENE

The internal audit report on food hygiene was presented to the committee.

RESOLVED – the report be noted.

(The Meeting closed at 7.10 pm)

CHAIRMAN