

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

AUDIT COMMITTEE

8 FEBRUARY 2023 AT 6.30 PM

PRESENT: Cllr DS Cope - Chairman

Cllr MA Cook, Cllr REH Flemming, Cllr MR Lay, Cllr RB Roberts, Cllr BR Walker, Cllr HG Williams, Cllr P Williams and Cllr K Morrell

Also in attendance: Councillor E Hollick and Sarah Knowles

Officers in attendance: Madeline Shellard, Sharon Stacey, Julie Stay, Rebecca Valentine-Wilkinson, Ashley Wilson and Julie Kenny

267. **Apologies and substitutions**

Apologies for absence were submitted on behalf of Councillor Hodgkins, Councillor Pendlebury and Councillor Ladkin with the substitution of Councillor Morrell authorised in accordance with council procedure rule 10.

268. **Minutes of previous meeting**

It was moved by Councillor H Williams, seconded by Councillor P Williams and

RESOLVED – the minutes of the meeting held on 30 November 2022 be approved and signed by the Chairman.

269. **Declarations of interest**

There were no interests declared.

270. **Chairman's update**

The chairman updated members on the arrangements for appointing external auditors and issues relating to the progress of the current external auditors.

Councillor Hollick joined the meeting at 18.35.

271. **Internal Audit progress report**

Members were provided with an update on the 2021/22 internal audit plan.

The internal auditors also confirmed that planning was underway for the 22/23 audit plan.

It was moved by Councillor Flemming, seconded by Councillor H Williams and

RESOLVED – the report be noted.

272. **Internal Audit - Accounts Payable 2021/22 - final report**

Members were presented with the accounts payable final report and the internal auditors confirmed that the objectives were to evaluate the adequacy of the system of internal controls and its application in practice with the area under review.

The report summarised the results and identified a number of areas where there was scope for improvement in the control environment. Recommendations were detailed in the management action plan.

It was proposed by Councillor H Williams, seconded by Councillor Flemming and

RESOLVED – the report be noted.

273. Internal Audit - Housing Rents 2021/22 - final report

Members were presented with the Housing Rents 2021/22 internal audit final report.

In response to a question from members relating to the performance of tenant arrears and whether this finding had connection to COVID and had influenced our activity in progressing arrears throughout this traumatic period, it was confirmed that the team hadn't encountered any losses that they wouldn't have expected over that time.

In response to a concern from Members regarding a recommendation in the report regarding former tenant arrears being written off if not actioned over a significant length of time, officers confirmed from a service point of view, chasing old debts was not a service priority as there were limited rent officers within the department. It was also noted that the recommendation referred to former tenants arrears only, which is built up over many years, and is relatively a small amount compared to the annual rent debit. Therefore from a risk perspective in term of overall rent collection it was not considered a high financial risk

It was proposed by Councillor Lay, seconded by Councillor P Williams, and

RESOLVED – the report be noted.

274. Internal Audit - Payroll and Pensions 2021/22 - final report

Members were presented with the payroll and pensions 2021/22 final report.

An area identified where the internal auditors had found scope for improvement was in the control environment around segregation of duties between recruitment and payroll duties in iTrent.

In response to a question from members regarding ghost employees it was confirmed that the authority had appropriate checks and budgetary controls in place to ensure this didn't happen.

It was proposed by Councillor Lay, seconded by Councillor H Williams, and

RESOLVED – the report be noted.

275. Internal Audit - Responsive Repairs 2021/22 - final report

Members were presented with the responsive repairs 2021/22 final internal audit report.

In response to a question from members regarding using more in-house provision for repairs rather than using outside contractors, officers confirmed that ordinarily a larger

proportion of the repair work was done in-house but there had been a current back-log due to the pandemic that had meant greater use of contractors to get through the workload.

The report was noted.

(The Meeting closed at 7.29 pm)

CHAIRMAN