

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

AUDIT COMMITTEE

25 AUGUST 2021 AT 6.30 PM

PRESENT: Cllr DS Cope - Chairman
Cllr A Pendlebury – Vice-Chairman
Cllr MA Cook, Cllr REH Flemming, Cllr C Ladkin, Cllr RB Roberts, Cllr HG Williams,
Cllr P Williams and Cllr R Webber-Jones

Members in attendance: Councillors Cllr KWP Lynch

Officers in attendance: Rebecca Owen, Rebecca Valentine-Wilkinson and Ashley Wilson, Zoe Thomas from internal audit was also in attendance

118 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillors L Hodgkins, M Lay & B Walker with the following substitutions authorised in accordance with council procedure rule 10:

Councillor Webber-Jones for Councillor Walker

119 MINUTES OF PREVIOUS MEETING

To confirm the minutes of the meeting held on 9 June 2021.

It was moved by Councillor Pendlebury, seconded by Councillor Fleming and
RESOLVED – the minutes of the meeting held on 9 June be approved as
a correct record

Councillor Webber-Jones entered the meeting at 6.32 p.m.

120 DECLARATIONS OF INTEREST

No interests were declared.

121 ARRANGEMENTS FOR APPOINTING THE EXTERNAL AUDITORS

The content of the report was considered and it was agreed that the preferred option was to go with the contract managed by Public Sector Audit Appoints Ltd (PSAA) which was set up by the Local Government Association (LGA) with delegated authority from the Secretary of State for Communities and Local Government to appoint the external auditors when our current contract runs out from 2023/24.

RESOLVED – Council be RECOMMENDED to remain in the PSAA framework

122 UNAUDITED STATEMENT OF ACCOUNTS 2020/21

The draft financial statement for 2020/21 that were subject to external audit were presented.

The Head of Finance highlighted that additional Government grants and coronavirus had had a significant influence on the accounts over the last year, with significant growth required on expenditure in certain departments.

123 COMMERCIAL RENTS INTERNAL AUDIT REPORT

The internal auditors presented the commercial rents report which provided an independent assessment of the effectiveness of the council's financial management of its industrial units.

The audit gave overall insurance with improvement required but did identify some areas of good practice. There were also some areas of concern, with regard to separation of duties and lack of documentation and evidence of rent reviews and backlog on updating lease agreements.

The auditors confirmed that in the intervening periods they had caught up on some of the backlogs.

The Internal Auditors would look at the follow up arrangements within the next six months.

A member expressed concern that the report didn't cover Block C of the Crescent. In response, the auditor reported that it wasn't within the scope of the audit.

Members noted the report.

124 COMMUNICATIONS STRATEGY INTERNAL AUDIT REPORT - AUGUST 2021

The internal auditors presented the communications strategy internal audit report

The internal auditors confirmed significant assurance in this area with two relatively low risks and confirmed that good processes were in place and it was a very positive report.

Members noted the report.

125 RISK MANAGEMENT INTERNAL AUDIT REPORT

The internal auditors presented the risk management internal audit report.

This year an audit of the risk management processes had been undertaken as part of the approved internal audit plan for 2020/21.

They concluded that the processes provided a partial level of assurance with improvement required as there were some weaknesses in the controls designed to mitigate the risk management process examined during this audit.

Members noted the report.

126 INTERNAL AUDIT PROGRESS REPORTS & SECTOR UPDATE

The internal auditors presented the internal audit progress and sector update reports.

Members noted the report.

(The Meeting closed at 7.29 pm)

CHAIRMAN