

Hinckley and Bosworth Borough Council Internal Audit Progress Report

Year ending 31 March 2021

November 2021



Contents

Section	Page
Introduction	3
Headlines	4
Progress against 2020/21 internal audit plan	5
Recommendation tracking	6

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Council or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No.OC307742. Registered office: 30 Finsbury Square, London, EC2A 1AG. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

Introduction

Your key Grant Thornton team members are:

Emily J Mayne

Head of Internal Audit

T 0121 232 5309

E emily.j.mayne@uk.gt.com

Zoe Thomas

Internal Audit Manager

T 0121 232 5277

E zoe.thomas@uk.gt.com

This paper provides the Audit Committee with a report on progress in delivering our responsibilities as your internal auditors.

Members of the Audit Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications www.grantthornton.co.uk ..

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Headlines

Final reports issued

We have not issued any further reports since the last audit committee. As set out on the next page and below, we expect to complete all our agreed work and issue the Head of Internal Audit Opinion early in the new calendar year.

Work in progress

We have completed 133.5 days of the 150 days in the audit plan. We had planned to complete 10 reviews in 2020/21, of which 5 are complete, 1 has been withdrawn from the plan and 4 are close to being finalised. Further detail is included below and on the next page.

Housing voids (brought forward from 2019/20)

Management has confirmed that we are able to finalise our work in this area. The report will be presented to the next audit committee.

Revenues and Benefits

This work is currently being finalised with management and will be taken to the November Partnership Board before being presented to this committee.

Town centre recovery

Management has requested that we will undertake no further work in this area. We will agree with management the impact on the agreed audit fee and will update the committee accordingly. We do not consider that this will prevent us from obtaining appropriate assurance to issue our Head of Internal Audit Opinion.

Leisure contract management

Work is in progress and we expect to issue a report to the next committee.

Cashless parking (brought forward from 2019/20)

The finance team has provided the outstanding information to enable us to complete this work. The final report will be presented to the next audit committee.

Other work outside the internal audit fee

COVID grants assurance work

Grant Thornton has undertaken a detailed review of all grant applications made to Hinckley & Bosworth Borough Council, North West Leicestershire District Council and Harborough District Council in relation to the Covid-19 outbreak. These grants were intended for business owners suffering the consequences of the national pandemic.

A meeting was recently held with the three local authorities where a briefing was provided on the ongoing assurance work and any concerns and questions were dealt with detailed responses and the timetable for certain actions agreed.

The assurance work on the BEIS scheme grants is continuing for the Partnership and a detailed assessment of the Local Restrictions Support Grants is currently being finalised prior to query datasets being reported back to the Partnership.

Housing subsidy audit

We are currently working with officers to undertake the audit of the housing subsidy claim for 2020/21 to meet the January 2022 deadline.

Homes England compliance

Management has also requested that we undertake a Homes England Compliance audit, where we report directly to the Homes England, to assess whether there have been any breaches. This work is now complete and submission made to Homes England by the deadline.

Resourcing the internal audit plan

We confirm that we have sufficient internal audit team members available to deliver the remainder of the audit plan. We anticipate bringing the Head of Internal Audit opinion to the next committee.

Progress against 2020/21 internal audit plan

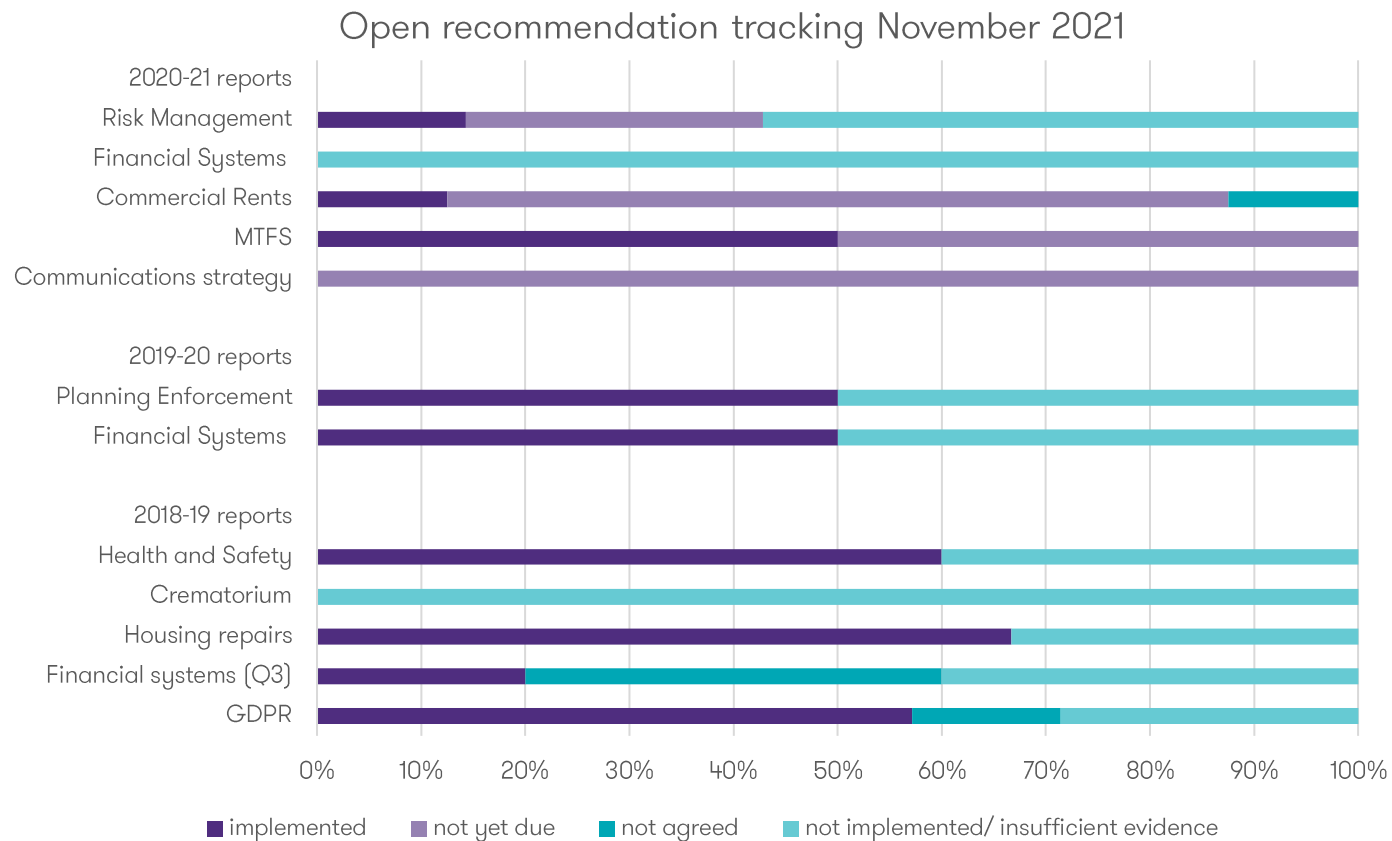
Internal Audit area	Planned days	Indicative timing	Scope meeting held	APB agreed	Fieldwork started	Fieldwork completed	Debrief held	Draft report	Management response received	Final report	Days used
Risk management	18	Q3/4									18
Key Financial systems	25	Q3/4									25
Cashless parking (b/fwd)	1	Q4									0.5
Revenues and benefits partnership	15	Q2 (21/22)									14.5
Commercial property management (b/fwd)	3	Q3									3
Communications strategy	14	Q1 (21/22)									14
Review of Medium term financial plan	25	Q4									25
Housing voids (b/fwd)	3	Q3									1
Town Centre recovery	12	Q2 (21/22)				No further work to be undertaken as requested by management					3
Leisure contract management	16	Q2 (21/22)									14
Sub-total	132										118
Recommendation follow up	8	Ongoing									6.5
Contract management/ committee meetings/planning	10	Ongoing									9
Total	150										133.5

Recommendation tracking

When recommendations are agreed with management we agree a timeline for implementation which is reflected in the final report. We then follow up whether recommendations have been implemented as agreed. For lower rated recommendations we seek confirmation from management of implementation and for medium and high rated recommendations we request that management provides evidence of implementation.

We use 'Inflo' as the tool for follow up of recommendations and here management can update and upload appropriate evidence. This process is yet to bed in and we have found that a number of the recommendations have not been updated by management. This is reflected in the summary below on the status of recommendations.

In total, there are 12 reports which remain open within our recommendation tracker, for which 41 out of 62 recommendations are not yet deemed to have been implemented. This includes 5 reports issued during 2020/21, covering 27 of the 62 open recommendations. Of those 27 recommendations, 16 are not yet due, 8 have been implemented, 1 was not agreed by management and 9 remain not implemented or with insufficient evidence to confirm implementation. We will include a more detailed summary of outstanding areas as part of our Head of Internal Audit opinion.





© 2021 Grant Thornton UK LLP.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.