

Audit Committee

21 February 2013

Sale of Windlestone Hall



Joint Report of the External Auditor and the Manager of Internal Audit and Risk

Purpose of the Report

1. The purpose of this report is to inform the Audit Committee of a letter of complaint, sent to the Audit Commission, relating to the alleged selling of the Windlestone Hall at a price considerably lower than its value. The complaint was referred to the Council's external auditors, Mazars, to investigate.
2. Similar concerns were also raised by Councillor Ord at the last meeting of the Audit Committee in November 2012.
3. In response to the concerns raised, it was agreed with the Corporate Director Resources that a joint review of the sale would be carried out by External and Internal Audit, to help minimise the cost of additional external audit fees. The investigation is now complete.
4. The findings and conclusions from the review are set out in the attached response from the External Auditor to the complainant (Appendix 2) and the attached Internal Audit Report (Appendix 3).

Recommendations and reasons

5. Members are asked to consider the outcomes from the investigation to gain assurance that:
 - a. The allegation has been appropriately investigated
 - b. Officers are taking appropriate action, to improve the management of risks associated with land and building disposals, in response to the control weaknesses identified through this review.

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Appendix 1: Implications

Finance – No direct financial implications as a result of this report.

Staffing -. None directly I

Risk – None directly

Equality and Diversity/ Public Sector Equality Duty – None

Accommodation – None directly

Crime and Disorder – None.

Human Rights - None.

Consultation – None

Procurement – None.

Disability issues – None.

Legal Implications – Ensuring compliance with S123 , Local Government Act 1972