

Crawley Borough Council

Minutes of Audit and Governance Committee

11 December 2012 at 6.30pm

Present:

Councillor	A J E Quirk (Chair)
Councillor	I T Irvine (Vice Chair)
Councillors	C A Cheshire, C R Eade and L A Walker

Also in Attendance:

Alan Witty, Audit Manager, of Ernst and Young.
Paul King, Engagement Lead, of Ernst and Young.

Officers Present:

Kevin Carr	Principal Lawyer
Chris Corker	Fraud and Inspections Manager
Gillian Edwards	Audit and Risk Manager
Chris Harris	Head of Amenity Services
Dave Rawlings	Head of Finance, Revenues and Benefits
Roger Brownings	Democratic Services Officer

15. Members' Disclosure of Interests

No disclosures of interests were made.

16. Minutes

The minutes of the meeting of the Committee held on 26 September 2012 were approved as a correct record and signed by the Chair.

17. Variation to the Order of Business

In view of the need for Gillian Edwards (the Audit and Risk Manager) to leave the meeting early, the Chair announced a change in the order of business, so that the next item to be considered by the Committee would be her report on Internal Audit Progress as at 20 November 2012 (Item 7 of the Agenda).

18. Internal Audit Progress Report as at 20 November 2012

The Committee considered report FIN/290 of the Audit and Risk Manager. The purpose of the report was to update the Committee on the progress made towards the completion of the 2011 / 2012 and 2012 / 2013 Internal Audit Plans, and to report on the progress made in implementing the previous recommendations of the Committee.

The Audit and Risk Manager informed the Committee that since the last update a number of reviews had been completed, and these were identified in Section 3 of the report. Where an audit opinion was applicable these had ranged from substantial assurance to limited assurance, with high priority findings to report in relation to IT FMS, the Tilgate Park Management Project 2012/13 – Tender and Transitional Arrangements, and the Worth Park Restoration Project. Further details of the high priority findings and the changes implemented, or being implemented, were set out in paragraph 3.3 of the report. With regard to the Tilgate Park Transitional Arrangements, it was agreed that further checks would be undertaken in the new year in relation to security of cash, whilst a number of issues were raised by Members with regard to the Worth Park Restoration Project. As part of a detailed discussion on that project, and with regard to the role of Project Boards for major capital projects generally, it was explained that such Boards were not established to make formal decisions, but principally to review both progress and the risk register and to report back on issues arising, whilst undertaking management of the budget. In response to further comments made by Councillor Irvine regarding the process for deciding the composition of Project Boards (including that in terms of councillors and the transparency of the process), and what Councillor Irvine considered to be governance issues, Councillor Walker strongly suggested that the issues raised be referred to the Council's Monitoring Officer.

The Committee noted all the Audit Plan reviews in progress, along with other work.

RESOLVED

That the Internal Audit Progress report, and the progress made for the period up to 20 November 2012, be noted.

19. Introduction of Representatives from Ernst and Young

Alan Witty the new Manager for the Council's audit, attended the meeting along with Paul King, the Engagement Lead, to introduce themselves to the Committee. As part of that introduction, the Committee received an update on the intended arrangements for the auditing of the Council under the new five year contract, which had commenced with effect from September 2012.

The Chair, on behalf of the Committee, thanked Alan and Paul for attending the meeting and looked forward to a successful partnership.

20. Fraud and Inspections Team Report

The Committee considered report FIN/288 of the Fraud and Inspections Manager, which focused on activity for the period from 8 September to 23 November 2012.

The Committee acknowledged that service performance continued to improve, most notably in the areas of prosecutions, sanctions and work carried out on housing fraud. Joint working arrangements with Crawley Homes to tackle housing fraud were

continuing, and with the development of investigation techniques, those arrangements continued to be extremely successful in recovering Council house properties. The Committee acknowledged that the Prevention of Social Housing Fraud Bill had recently been passed through the Commons and was ready for its second reading in the Lords, whilst the Council's proactive good work in dealing with Housing Fraud had been highlighted by the Audit Commission in its 2012 publication of 'Protecting the Public Purse 2012'.

The Committee conveyed its thanks and appreciation to the Team for the excellent progress it was achieving.

RESOLVED

That the report be noted.

21. Regulation of Investigatory Powers Act 2000 (RIPA)

The Committee considered report LDS/055 of the Head of Legal and Democratic Services, which advised the Committee of a change in Legislation regarding RIPA Authorisations, provided information on usage of RIPA in 2012 and sought approval to update the Council's Corporate Policy and Procedural Guidance document on RIPA.

The Committee acknowledged that The Protection of Freedoms Act 2012 was passed on 1 May 2012, and that with effect from 1 November 2012, all Local Authorities surveillance as authorised under the Regulation of Investigatory Powers Act 2000 (RIPA), would have to be approved by a Magistrate. Full details in respect of this matter, including the Magistrate's role, the serious crime test - in terms of the use of RIPA to authorise Directed Surveillance, the provisions of RIPA - as they related to communications data, and the processes for authorisation applications, were set out in Section 3 of the report. It was confirmed that in accordance with the regulations, the Council only used RIPA as a last resort, with statistics showing that only one RIPA authorisation had been issued in 2012.

It was good practice for the Committee to review the effectiveness of the Council's framework for its compliance with the RIPA Regulations. This ensured that the RIPA powers as amended, were being used consistently with the Council's Policy and that the Policy as updated, remained fit for purpose.

RESOLVED

- (1) That the legislative changes to RIPA as introduced by The Protection of Freedoms Act 2012, be noted.
- (2) That the usage of RIPA in 2012 be noted
- (3) That the update to the Council's Corporate Policy and Procedural Guidance document on RIPA as set out in Appendix A to report LDS/055, be approved.
- (4) That the Head of Legal and Democratic Services be delegated the authority to make minor administrative and/or technical changes to the Council's Corporate Policy and Procedural Guidance on RIPA.

22. Closure of Meeting

The meeting ended at 7.52 pm.

A J E QUIRK
Chair