

Crawley Borough Council

Minutes of Audit Committee 7 March 2017 at 6.30pm

Present:

Councillor K Sudan (Chair)
Councillor C R Eade (Vice Chair)
Councillors R D Burrett

Also in Attendance:

Paul King, Director of Ernst and Young LLP
Sejal Patel, Audit Senior of Ernst and Young LLP
Councillor A C Skudder

Officers Present:

Chris Corker	Corporate Fraud and Inspections Manager
Gillian Edwards	Audit and Risk Manager
Karen Hayes	Head of Finance, Revenues and Benefits
Mez Matthews	Democratic Services Officer

Apologies for Absence:

Absent:

Councillors I T Irvine and C Portal Castro

27. Members' Disclosure of Interests

No disclosures of interests were made.

28. Minutes

The minutes of the meeting of the Committee held on [29 November 2017](#) were approved as a correct record and signed by the Chair.

A Member of the Committee drew attention to the last sentence of minute 23 which stated that a report relating to grants would be considered at the next meeting of the Committee, but that such a report was not included on the agenda. The Director of Ernst and Young LLP advised that he would look into the matter and provide information later in the meeting (minute 32 refers).

29. Fraud Team Report

The Committee considered report [FIN/409](#) of the Corporate Fraud and Inspections Manager, which focussed on activity for the period from 14 November 2016 to 15 February 2017.

The report indicated that the Team had continued to perform successfully. The Corporate Fraud and Investigations Manager took the opportunity to brief the Committee on specific areas of the Team's work including, for example, that in respect of housing fraud and single person discount.

The Committee was provided with details of cases investigated and the Team's investigations, whilst a discussion took place on the team's work generally. The Committee sought and received clarification on a number of points raised, including issues around enforcement, fly tipping, recovery of single person discount and the calculation of savings in relation to housing fraud.

The Chair thanked the Corporate Fraud and Inspections Manager for the continued good work undertaken by his team. As well as the tangible savings achieved through the work of the team, the Committee noted that the team's work also prevented a degree of fraud being attempted in the first place, which is therefore unquantifiable.

RESOLVED

That the report be noted.

30. Internal Audit Progress Report as at 10 February 2017 Incorporating Risk Management Update as at 10 February 2017

The Committee considered report [FIN/407](#) of the Audit and Risk Manager. The purpose of the report was primarily to update the Committee on the progress made towards the completion of the 2016/2017 Internal Audit Plans, and to report on the progress made in implementing the previous recommendations. The report also included an update on the Council's Strategic Risks.

The Committee discussed and noted the Audit Plan reviews in progress, along with other work as detailed in the report. The Audit and Risk Manager took the opportunity to brief the Committee on high priority findings and follow up audits. The Committee was advised that a further update on progress towards the provision of a suitable interface in relation to community centre bookings would be provided at the next Committee meeting.

At the request of the Committee, clarification was provided regarding NNDR published reports. It was also noted that the Queens Square programme of works was due to be completed in summer 2017 (not 2018 as stated in the report). Following a Member query regarding the Children's Family Centre identified in paragraph 4.3 of the report, the Audit and Risk Manager agreed to obtain clarification as to its location and report back to the next meeting of the Committee.

The Committee discussed the update provided on Risk Management. The Committee sought and received clarification on several points, including funding for the Three Bridges Railway Station improvements. The Chair thanked the Audit and Risk Manager and her team for their continued good work.

RESOLVED

That the Internal Audit Progress Report as at 10 February 2017, incorporating the Risk Management Update as at 10 February 2017, be noted.

31. Internal Audit Annual Plan 2017-2018

The Committee considered report [FIN/408](#) of the Audit and Risk Manager. The Plan, which was attached as Appendix A to the report, included for each proposed audit area, an outline scope of work planned. The Committee sought and received clarification on the DWP Customer Information System (CIS) Security Compliance audit.

RESOLVED

That the 2017-2018 Internal Audit Plan be noted.

32. Audit Plan Year Ending 31 March 2017

The Committee considered the Audit Plan for the year ending 31 March 2017 from Ernst and Young LLP. The report was attached as [Enclosure E](#) to the agenda. The Committee was introduced to Sejal Patel, Audit Senior at Ernst and Young LLP.

The Audit Plan detailed how Ernst and Young intended to carry out its responsibilities as auditor and provided the Committee with a basis to review Ernst and Young's approach and scope for the 2016-2017 audit in accordance with the requirements of the relevant auditing standards and professional requirements. The Plan also intended to ensure that the audit aligned with the Committee's service expectations.

The Committee received clarification on issues arising, including matters on materiality and the communication of misstatements, contingent fee arrangements and self-reviewing.

With regards to the question raised earlier in the meeting (minute 28 refers) in relation to grants, the Director of Ernst and Young LLP advised that information would be circulated directly to Committee members and that any issues arising could be raised at the next meeting of the Committee.

RESOLVED

That the Audit Plan for the year ending 31 March 2017 be noted.

33. Closure of Meeting

With the business of the Committee concluded, the Chair declared the meeting closed at 7.20pm.