

Crawley Borough Council

**Minutes of Audit Committee**

Tuesday, 19 March 2019 at 6.30 pm

**Councillors Present:**

K Sudan (Chair)

C R Eade (Vice-Chair)

R D Burrett and I T Irvine

**Officers Present:**

Chris Corker                      Operational Benefits and Corporate Fraud Manager

Karen Hayes                      Head of Corporate Finance

Mez Matthews                      Democratic Services Officer

**Apologies for Absence:**

Gillian Edwards                      Audit and Risk Manager

Absent:

Councillor L Willcock

**1. Disclosures of Interest**

The following disclosure of interest was made:

<b>Councillor</b>	<b>Item and Minute</b>	<b>Type and Nature of Disclosure</b>
Councillor Irvine	Fraud and Investigation Team Report (Minute 3)	Personal Interest – he had received a Council Tax Single Person Discount data match letter

**2. Minutes**

The minutes of the meeting of the Audit Committee held on 27 November 2018 were approved as a correct record and signed by the Chair.

### **3. Fraud and Investigation Team Report**

The Committee considered report FIN/471 of the Operational Benefits and Corporate Fraud Manager, which focused on activity for the period from 13 November 2018 to 4 March 2019.

The report indicated that the Team had continued to perform successfully. 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.

A Committee Member queried the types of cases which had been classed as "Housing Investigations (General)" and "CT Liability Investigations". As the Operational Benefits and Corporate Fraud Manager did not have information to hand regarding those specific cases, he advised the Committee that he would provide clarification on the matter via email following the meeting.

The Committee noted that an exercise regarding the Single Person Discount was currently underway, and that further information would be reported at the next Committee meeting. The Chair thanked the Operational Benefits and Corporate Fraud Manager for the work he and the Team had undertaken over the past year.

#### **RESOLVED**

That the Investigation Team Report be noted.

### **4. Progress Report and Risk Management**

The Committee considered report FIN/469 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 2018/2019 Audit Plan, 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 Audit and Risk Manager was unable to attend the meeting and therefore the Head of Corporate Finance presented the report in her absence.

The Head of Corporate Finance briefed the Committee on the progress made towards the completion of the 2018/2019 Audit Plan and, in relation to the following areas, the Committee:

#### Work Completed in the Current Period:

- Received clarification in relation to the number of findings and the audit assurance classifications.

#### Follow Up Audit: Data Centre Migration Project

- Noted that, due to the date of the next meeting, it would not be possible for the Audit Committee to review the Terms of Reference for the post implementation review. It was therefore agreed that the Terms of Reference for the review would be circulated to Committee Members via email.
- Acknowledged that the review was being procured by the Head of Digital and Transformation in consultation with the Deputy Chief Executive, both of whom were not in post at the time of the Data Centre Migration.
- Noted that the review would be procured in line with the Council's established procedures.

#### Follow Up Audit: Community Grants

- Noted that further information regarding segregation of duties would be reported at the next Committee meeting.
- Queried why work relating to ensuring the meaningfulness of the items on the checklist had not yet been achieved and was informed that the information would be brought before the Committee at its next meeting.

#### Other Work

- Noted the arrangements in place for the provision of staff supplied to Mid Sussex District Council by Crawley Borough Council's Audit Department.

The Head of Corporate Finance provided an update on Strategic Risks, The Committee sought and received clarification on several matters including the work being undertaken to prepare for both Brexit and a possible 'no deal' Brexit.

#### **RESOLVED**

That the Committee receive the report and note progress to date, as at 28 February 2019.

#### **5. Internal Audit Annual Plan 2019-2020**

The Committee considered report FIN/470 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 a number of issues including the timing of the Housing Benefit 2018/19 Audit, the work being undertaken for Mid Sussex District Council, and the current level and use of Section 106 monies.

#### **RESOLVED**

That the 2019/2020 Internal Audit Annual Plan attached as Appendix A to report FIN/470 be noted.

#### **6. Certification of Claims and Returns Annual Report 2017-2018**

The Committee considered the Certification of Claims and Returns Annual Report 2017-18 from Ernst and Young LLP.

The report summarised the results of Ernst and Young's certification work on the Council's 2017-18 housing benefit claim.

The Associate Partner for Ernst and Young LLP provided clarification on the Housing Benefit Subsidy Claim (Section 1 of the report), including the level of errors found, the process of testing identified errors and the level of adjustment which had been made to the claim. The Head of Corporate Finance then provided further information on the measures being put in place to reduce the number of errors in the future.

#### **RESOLVED**

That the Certification of Claims and Returns Annual Report 2017-18 be noted.

### **Last Committee Meeting of the Municipal Year**

With the meeting being the last Committee of the municipal year, the Chair took the opportunity to thank the Committee for its hard work and contributions, and officers for the work they had undertaken. The Committee then thanked the Chair for the way in which she had conducted the meetings.

### **Closure of Meeting**

With the business of the Audit Committee concluded, the Chair declared the meeting closed at 7.30 pm

**Chair**