

# **SOUTHEND-ON-SEA BOROUGH COUNCIL**

## **Meeting of Audit Committee**

**Date: Wednesday, 30th March, 2016**

**Place: Committee Room 1 - Civic Suite**

**Present:** Councillors McMahon (Vice-Chair), Buckley, Courtenay, M Davidson, C Nevin, I Robertson, Betson and Mr Everitt (co-opted member).

**In Attendance:** Ms S Holland, Mr R Harris, Ms L Everard, Mr D Kleinburg, Ms E Allen, Ms J Denman and Ms L Clampin (External BDO Auditor).

**Start/End Time:** 6.30 - 8.15 pm

### **743 Apologies for Absence**

Apologies for absence were received from Councillor Ayling (no substitute).

### **744 Declarations of Interest**

The following declarations of interest were made:

(a) Councillor McMahon – Minute 747 (BDO: Progress Report to those charge with Governance) – Non-Pecuniary Interest – member of Troubled Families Administrative Board and a close colleague works alongside the CQC and on Serious Case Reviews;

### **745 Minutes of the Meeting held on 20th January 2016**

Resolved:-

That the Minutes of the Meeting held on 20<sup>th</sup> January 2016 be confirmed as a correct record and signed.

### **746 BDO: Grant Claims and Returns Certification Report for the Year ended 31 March 2015**

The Committee considered a report of the BDO External Auditor presented the External Auditor's Grant Claim and Return Certification report for 2014/15.

The Committee asked a number of questions related to the Housing Subsidy Grant Claim which were responded to by officers and the BDO External Auditor.

The Committee expressed concerns regarding the potential £480,000 housing benefit subsidy loss in 2014/15 which occurred as a result of miss-classification errors in the Council's benefit administration and subsidy entitlement calculations. In response the Corporate Director for Corporate Services would ensure that there would be appropriate officer representation at the next meeting to provide a progress report on the actions being taken to address this matter and also provide a detailed explanation / overview of the complexities of the benefits administration process in respect to subsidy claims.

Resolved:

1. That the Grant Claim and Return Certification Report for 2014/15 be accepted.
2. That Cabinet be requested to note the concerns of the Audit Committee regarding the high level of loss in housing benefit subsidies in 2014/15 due to misclassification errors in the Council's benefit administration and subsidy entitlement calculations.

**747 BDO: Progress Report to Those Charged with Governance**

The Committee considered a report of the BDO External Auditor which provided an update on progress in delivering the 2014/15 and 2015/16 Annual Audit Plans.

Resolved:

That the progress made in delivering the Annual Audit Plans for 2014/15 and 2015/16 be accepted.

**748 Internal Audit Service Quarterly Performance Report**

The Committee considered a report of the Corporate Director for Corporate Services which provided an update on the progress made in delivering the Internal Audit Strategy for 2015/16.

The Committee asked a number of questions which were responded to by officers.

Resolved:

That the progress made in delivering the 2015/16 Internal Audit Strategy, be noted.

**749 Counter Fraud & Investigation Directorate: Annual Report 2015/16 and Corporate Counter Fraud & Investigation Strategy for 2016/17.**

The Committee considered a report of the Corporate Director for Corporate Services which provided an update on the progress made in delivering the Council's Corporate Counter Fraud & Investigation Plan for 2015/16, and the Corporate Counter Fraud & Investigation (CF&I) Strategy for 2016/17.

The Committee asked a number of questions which were responded to by officers.

Resolved:

1. That the Directorate's performance to date be noted.
2. That the 2016/17 Corporate Counter Fraud and Investigation Strategy be endorsed.

**750 BDO: Audit Plan 2015/16**

The Committee considered a report of the BDO External Auditor which presented the External Auditor's Audit Plan for 2015/16.

The Committee asked a number of questions which were responded to by the BDO External Auditor.

Resolved:

That the BDO Audit Plan for 2015/16, be accepted.

**751 Internal Audit Charter, Strategy and Audit Plan for 2016/17**

The Committee considered a report of the Corporate Director for Corporate Services which presented the Internal Audit Charter with the supporting Strategy, Audit Risk Assessment and proposed Audit Plan for 2016/17 for consideration.

Resolved:

That the Charter, Strategy and proposed Audit Plan for 2016/17, be approved.

**752 Vote of Thanks**

The Vice-Chair reported that this would be the last meeting which Mr Everitt would be attending as he was retiring from the Committee as the co-opted member. The Vice-Chair, on behalf of the Committee, extended her thanks and appreciation to Mr Everitt for his work and significant contributions and wished him every success for the future.

Members also noted that this was Councillor Robertson's last Audit Committee meeting before retiring as a Councillor. The Vice-Chair, on behalf of the Committee, extended her thanks and appreciation for his work and contributions and wished him every success for the future.

**Chairman:** \_\_\_\_\_