

# Audit Committee Minutes

Date: 9 January 2020

Time: 7.00 - 7.37 pm

**PRESENT:** Councillor M C Appleyard (In the Chair)

**Councillors:** R Gaffney, Ms C Oliver, R Scott, N Teesdale and R Wilson

**Also Present:** Mrs G Jones, D Carroll and Mrs S Gill (EY)

## 1 APOLOGIES FOR ABSENCE

Apologies for absence were received from G Hall and A Brittan (EY)

## 2 MINUTES

**RESOLVED:** That the minutes of the meeting of the Audit Committee held on 17 October be confirmed as a true record and signed by the Chairman.

## 3 DECLARATIONS OF INTEREST

There were no declarations of interest.

## 4 PERFORMANCE REPORT QUARTER 2

A report was submitted which requested that the 2019/20 Quarter 2 Key Performance Measures report be noted. This provided information with regards to the achievement of performance within all service areas against set targets. (Appendix) A highlighted the results of all 26 Key Performance Measures which had been produced by the relevant service.

The Presenting Officer stated that at Wycombe the indicators had historically been measured and calculated differently from neighbouring authorities but that in preparation for the Unitary Authority the indicators were being streamlined and consolidated for consistency across the councils. Members enquired about HR01 (sickness absence), the figure for which was higher than the target, due to the impact of two particularly long term absences. Attention was also drawn to performance indicator DLP10 (complaints replied to within the agreed timescales), the target for which had been missed due to the spike of complaints around waste services. It was confirmed that relevant procedures were in place to get back on track, and that comparatively Wycombe was retaining staff and performing very well.

It was also highlighted that there had been a huge improvement in terms of the speed of processing of new benefits claims and the processing of benefits changes,

which ultimately led to an improved service for some of the most vulnerable in society.

**RESOLVED:** That

- (i) the report be noted,
- (ii) the team be commended for their work and performance.

## **5 HEALTH & SAFETY UPDATE REPORT**

Members received an apology for the late withdrawal of the report which was due to the fact that the half yearly report covered mainly operational matters as opposed to strategic issues, and as such there were currently no decisions to be made by Members.

## **6 CERTIFICATION OF GRANTS AND CLAIMS**

A report was submitted which stated that the Department of Work and Pensions (DWP) who paid Local Authorities subsidy to administer Housing Benefit, required external certification of the annual subsidy claim. Each year the Councils appointed auditors were required to audit the claim which in 2018/19 had amounted to £42.4m. As part of the process if the error thresholds set by the DWP were exceeded the level of subsidy was reduced.

In the 2018/19 audit the error value was £3,718.35, which was (0.009%) of the total claim. It was expected that the nature of the reduction was likely to be in the region of £130,000 against the overall grant claim of 42.4m. Despite this high levels of performance were maintained during the year and the processing of time targets were exceeded. It was confirmed that a provision was set aside each year to offset such reductions in subsidy and that this reduction fell within the provision of the £250,000 set aside for 2018/19.

The certification of claims and returns annual report for 2018/19 was attached at (Appendix A).

Mrs Gill representing EY emphasised that with regards to the DWP Housing Benefits subsidy claim, the process was a slow and onerous one, which did not take into account the rules surrounding the concept of materiality. She took the opportunity to thank Mr Green for all the hard work both he and members of his team had undertaken during the process and for the professional approach adopted by all concerned.

**RESOLVED:** That the report be noted.

## **7 BUSINESS ASSURANCE HALF YEARLY REPORT**

A report was submitted which provided an update of the progress of the work undertaken within the division. These areas of work related to Internal Audit, Risk management and Corporate Investigations. It was requested that the Business

Assurance Managers half yearly report for the period ending 30 September 2019 be noted.

Members were informed that in terms of internal audit, it was anticipated that the 2019/20 Audit programme would be delivered by the end of February 2010 in readiness for the introduction of the new Council. The scheduling of the remaining programme of work was outlined in the table within the report. With regards to the work undertaken within risk management, it was confirmed that an overall review of its content had taken place in order to align it to the recently refreshed Corporate Plan.

A summary of the work of the Corporate Investigations Team and the referrals received together with those taken on for investigation were illustrated within the table presented within the report.

Members were informed that the Council had invested in a new piece of technology, designed to detect the use of false identity documents. The software was able to determine the validity of documents using biometric and machine readable data within a matter of minutes, the use of which had proved to be invaluable over the last 6 months.

**RESOLVED:** That the report be noted.

## **8 STRATEGIC RISK REGISTER**

A report was considered which requested that the Monitoring report for the Council's Strategic Risk Register be noted. The report explained that the Strategic Risk Register contained the most significant risks that could have an impact on the delivery of the Council's Corporate Plan and in doing so damage its financial standing and reputation.

Within Quarter 3 one new risk (SR08) had been identified during the reporting period which was in relation to Vehicle Fleet Management as part of the Joint Waste Contract. The commentary from SMB on the identified risks were included in (Appendix A) to the report.

**RESOLVED:** That the report be noted.

## **9 EXTERNAL AUDIT PLAN**

It was reported that this was currently in the planning phase and the approach taken would be similar to that adopted in previous years, which would be tailored to significant risks.

It was confirmed that a meeting with Bucks Finance Officers was imminent which would provide coordination and consistency across the board with regards to the way forward, without adding to short term pressures.

**RESOLVED:** That the report be noted.

## 10 **AUDIT COMMITTEE WORK PROGRAMME**

The work programme for future meetings was submitted for consideration.

Members appreciated that currently officers were under a great deal of time pressure and that therefore it would be in the interests of all concerned not to schedule a meeting for the next cycle.

**RESOLVED:** That;

- (i) The report be noted,
- (ii) The Chairman of the Committee be congratulated and thanked for a job well done throughout.

## 11 **ERNST YOUNG**

The Chairman announced that in relation to the delayed audit which had been previously discussed at the meeting of this committee in May 2019, EY had been brave in coming forward at an early stage.

The Chairman stated that there was much work still to be done and that there was a great deal of concern amongst the LGA with regards to the issues that arose. He hoped that some means of sanctions would be imposed so that the situation did not arise again in the future.

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Chairman

### **The following officers were in attendance at the meeting:**

|                 |   |
|-----------------|---|
| David Skinner   | - Head of Finance & Commercial                      |
| Mike Howard     | - Business Assurance Manager                        |
| Andy Green      | - Revenues and Benefits Service Manager (items 1-6) |
| Harriet Baldwin | - Performance and Improvement Officer (items 1-4)   |
| Iram Malik      | - Senior Democratic Services Officer                |