

SPECIAL AUDIT COMMITTEE

Thursday, 20th September, 2007 at 6.00 p.m.

Conference Room at the Council House, Walsall

Present

Councillor David Turner (Chairman)

Councillor Chris Bott

Councillor Gary Clarke

Councillor John Cook

Councillor Haqnawaz Khan

Councillor Ian Robertson

424/07 Apology

An apology for non-attendance was submitted on behalf of Councillor Martin.

425/07 Welcome to New Member

Councillor Turner welcomed Councillor Clarke as a new Member of the Audit Committee.

426/07 Declarations of Interest

There were no declarations of interest.

427/07 Deputations and Petitions

No deputations were received or petitions submitted.

428/07 Late items to be introduced by the Chairman

There were no late items to be introduced by the Chairman.

429/07 **Local Government (Access to Information) Act, 1985 (as amended)**

There were no items to be considered in the private part of the agenda.

Non-Executive Functions

430/07 **Statement of Accounts 2006/07: Post Audit**

The report of the Executive Director was submitted:-

(see annexed)

Vicky Buckley enlarged upon the report and drew attention to the Appendices. Appendix 1 was the Annual Governance Report prepared by the Audit Commission which John Gregory would report upon. Appendix 2 contained the Statement of Accounts with all agreed amendments highlighted in yellow. She drew particular attention to the two non-trivial audit adjustments.

John Gregory enlarged upon the Annual Governance Report and indicated that he would be unable to sign off the documentation this evening because of staff illnesses and the fact that he had been heavily involved in other matters. He indicated that the work would be signed off on Monday, 24th September at the latest and added that the responsibility for the delay rested solely with District Audit. Otherwise, the audit process had gone very well this year.

Councillor Clarke expressed concern that the accounts would not be signed off in the Committee's presence. John Gregory replied that it was only in Walsall that the accounts were signed off in the presence of the Audit Committee and that there was no requirement for this to happen in law.

Carole Evans indicated that it had become a tradition in Walsall that the accounts were signed off in the presence of the Committee. She added that she was disappointed that it would not happen tonight but was confident that the accounts would be signed off on Monday, 24th September at the latest.

John Gregory referred to the key messages contained on page 5 of the report and indicated that he proposed to issue an unqualified audit opinion. The letter of representation (Paragraphs 12 to 15 and Appendix 5 of the report relates) was fine and there were no unadjusted mis-statements to be reported. He drew attention to the problem which had arisen over the Magistrates Court and to the recommendation which would ensure it did not happen again (Paragraph 19 refers).

Councillor Robertson referred to the Peter Francis report. John Gregory replied that it was referred to in the fourth paragraph on page 18 of his report.

Vicky Buckley drew attention to the Oak Park Leisure Centre matter and confirmed that there were no other irregularities. She requested the Committee to authorise Councillor Turner to sign the amended management's representation letter tabled at the meeting.

Councillor Turner asked if there were any comments on the statement of accounts.

Councillor Robertson referred to page 60 and the collection of Council Tax. Vicky replied that the way in which the Council Tax bad debt collection figure was collected had been changed following the introduction of a new computer system in Revenues. This allowed bad debts to be calculated in a clearer way. She drew attention to Appendix 6 of the Annual Governance Report and explained all three of the adjusted mis-statements for the benefit of the Committee.

Councillor Clarke drew attention to the Value for Money conclusions. John Gregory replied that adequate was the highest recommendation he could award.

After further discussion it was,

Resolved

That the Committee:-

- (1) Receives the Annual Governance Report from the Audit Commission on their audit of the 2006/07 statement of accounts and notes the key messages (Appendix 1);
- (2) Notes that there have been agreed amendments (highlighted in yellow) made to the accounts during the audit;
- (3) Approves the letter of representation as amended and tabled at the meeting;
- (4) Approves the Action Plan set out in Appendix 1 addressing the recommendations set out in the Annual Governance Report;
- (5) Receives, notes and endorses the final statement of accounts for 2006/07 and notes that this is still subject to a formal Audit opinion (Appendix 2);
- (6) Authorises the Executive Director (CFO) to distribute copies of the audited statement of accounts to all partners and stakeholders.

431/07 **Carole Evans' last meeting**

Councillor Clarke referred to the fact that this was Carole's last meeting before moving to Nottingham to become Director of Finance there and thanked her for her services to Walsall and wished her well for the future.

Councillors Cook and Robertson re-iterated Councillor Clarke's remarks on behalf of the Liberal Democrat and Labour Groups and thanked Carole for all her work in turning Walsall from a failing Authority into one that was well on the way to excellence (a score of 3 out of 4 in the comprehensive performance assessment).

Councillor Turner thanked Carole for her work with the Audit Committee and confirmed that she had done an excellent job. He also referred to the enormous effort she and her team had made to turn Walsall around.

432/07 **Brian Warwick - District Auditor**

Members referred to the fact that Brian Warwick (District Audit) was ill and wished him a speedy recovery. They hoped that he would be able to attend the next meeting of the Committee so that they could wish him well in the future as the Council's District Auditor was about to change.

Termination of meeting

There being no further business, the meeting terminated at 6.27 p.m.

Chairman:

Date: