

## **AUDIT COMMITTEE**

**Monday, 7<sup>th</sup> April, 2014 at 6.00 p.m.**

**Conference Room, Council House, Walsall**

### **Present**

Councillor Hughes (Chairman)  
Councillor Illmann-Walker (Vice-Chairman)  
Councillor Chambers  
Councillor Fitzpatrick  
Councillor Flower  
Councillor Murray  
Councillor D. Shires

### **In attendance**

Chief Finance Officer  
Head of Internal Audit  
Head of Democratic Services  
Executive Director - Neighbourhoods  
Head of Business Change  
Senior Finance Manager  
Investigations Manager  
Lead Accountant  
Interim Director of Children's Services  
Interim Assistant Director of Children's Services  
Head of Community Care  
Representatives from Grant Thornton

#### **1157/14      Apologies**

An apology for non-attendance was submitted on behalf Mr Green (Independent Member).

#### **1158/14      Minutes**

The minutes of the meeting held on 24<sup>th</sup> February, 2014, were submitted:-  
  
(see annexed)

**Resolved** that the minutes of the meeting held on 24<sup>th</sup> February, 2014, a copy having previously been circulated to each Member of the Committee, be approved and signed by the Chairman as a correct record.

1159/14      **Declarations of Interest**

There were no declarations of interest.

1160/14      **Deputations and Petitions**

There were no deputations submitted or petitions received.

1161/14      **Local Government (Access to Information) Act, 1985 (as amended)**  
**Resolved**

That the public be excluded from the meeting during consideration of the items set out in the private part of the agenda for the reasons set out therein and Section 100A of the Local Government Act, 1972.

1162/14      **Notification of any issues of importance for consideration at a future meeting**

Councillor Illmann-Walker questioned what the Council was planning to do in relation to the fact that Microsoft would no longer be supporting Windows XP. See Minute No. 1170/14 below as a response was provided.

1163/14      **Amendments to officer delegations under Part 3.5 of the Council's Constitution**

A report was submitted and a supplementary paper was tabled:-

(see annexed)

The Head of Democratic Services presented the report and highlighted the salient points contained therein. In addition, he advised that he would endeavor to answer any questions put by the Committee. However, some questions would need to be referred to the relevant Chief Officer for them to provide a response direct to the Committee.

Arising from discussions on this item, Members asked a series of questions and made a number of enquiries. It was, therefore, agreed that a briefing note would be sent out to all Members providing detailed responses on each of the issues.

**Resolved** that: -

1. the revisions to the Officer Delegations, as set out in the Appendix, be noted;
2. the report be circulated to Group Leaders and Independent Members for information;
3. a briefing note be sent out to Members detailing responses to their queries.

1164/14

**Hollybank Intermediate Care Unit - Care Quality Commission  
Warning Notice - Update**

A report was submitted and the Care Quality Commission report was tabled:-

(see annexed)

The Head of Community Care was in attendance and presented the update report and highlighted the salient points contained therein.

In particular, he advised that, since the previous meeting, the Care Quality Commission had revisited the care unit and stated that it was now compliant.

The Chair indicated that, although he had not felt assured on the information provided at the previous meeting, he now felt assured in light of this new information.

**Resolved** that the outcome of the unannounced inspection by the Care Quality Commission which took place on 13<sup>th</sup> March, 2014, be noted.

1165/14

**Regulation of Investigatory Powers Act (RIPA) 2000**

A report was submitted:-

(see annexed)

The Executive Director - Neighbourhoods presented the report and highlighted the salient points contained therein.

In response to a question in relation to recommendation No. 6 on page 21 of the report, the Executive Director - Neighbourhoods gave his assurance that this would be implemented before the end of April, 2014.

**Resolved** that: -

1. the outcome of the inspection of the Interception of Communications Commissioner's Office (IOCCO) which took place on 10<sup>th</sup> December, 2013, and the Council's response be noted;
2. the Council's use of Regulation of Investigatory Powers Act (RIPA) 2000, and that it is being used consistently with the Council's policy and procedure by the Senior Responsible Officer, be noted.

1166/14      **Accounting Policies 2013/14**

A report and a supplementary report and paper were tabled:-

(see annexed)

The Chief Finance Officer presented the report and the Lead Accountant highlighted the salient points contained therein.

Following a discussion on the matter, and having received assurances from Officers, it was: -

**Resolved** that the accounting policies for financial year 2013/14 be approved.

1167/14      **Grant Thornton: Grant Certification Report 2012/13**

A report was submitted:-

(see annexed)

A representative from Grant Thornton presented the report and highlighted the salient points contained therein.

Following a discussion on the matter it was: -

**Resolved** that the report be noted.

1168/14      **Protecting the Public Purse & Anti Fraud & Corruption Arrangements**

A report was submitted:-

(see annexed)

The Head of Internal Audit, assisted by the Investigations Manager, presented the report and highlighted the salient points contained therein.

In particular, it was reported that there was a proposal to transfer some of the functions around housing benefit fraud across to the Department for Work and Pensions (DWP). In view of this, it would likely result in some Council staff also being transferred across to the DWP. However, it was too early to ascertain the number of staff who would be affected and what the potential impact could be, although it would be minimal.

Members sought assurance around the risk involved with TUPE arrangements and the impact on Council Services such as My Money, My Home, My Job. The Committee was assured that the risk was in hand (corporate risk register item no. 13) and also that the risk was minimal.

**Resolved** that the report be noted.

1169/14      **Informing the Risk Assessment - External Audit Report**

A report was submitted:-

(see annexed)

The Chief Finance Officer presented the report and a representative from Grant Thornton highlighted the salient points contained therein.

**Resolved** that the Committee considers that the management response to the series of questions, as set out in the report, are consistent with the Committee's understanding.

1170/14      **Submission of Corporate Risk for Scrutiny**

A report was submitted:-

(see annexed)

The Head of Business Change presented the report and highlighted the salient points contained therein.

Arising from discussions during Minute No. 1162/14, the Head of Business Change informed the Committee that there were currently 130 computers within the Council which were still operating with Windows XP and work was currently underway towards a complete switch over.

In relation to the risk report, it was reported that the proposed universal credit system, which was still an unknown at present, would impact upon this item which was why it had been scored higher than it would have been.

Members were provided with assurance that this risk was being managed effectively.

**Resolved** that the report be noted.

1171/14      **Private Session**

**Exclusion of Public**

**Resolved**

That, during consideration of the remaining items on the agenda, the Committee considers that the items for consideration are exempt information for the reasons set out therein and Section 100A of the Local Government Act, 1972 and accordingly resolves to consider those items in private.

1172/14      **Risk Management Update**

A report was submitted:-

(see annexed)

The Senior Finance Manager presented the report and highlighted the salient points contained therein.

Arising from discussions on this item, officers responded to a number of queries raised by Members.

**Resolved** that: -

1. the corporate risk register be noted;
2. the horizon scanning items, and how they will appear on future registers if appropriate, be noted;
3. the queries raised by Members be addressed and responded to as appropriate.

(Exempt information under Paragraphs 1 and 4 of Part I of Schedule 12A of the Local Government Act, 1972) (as amended)

1173/14      **No or Limited Assurance Internal Audit Reports**

A report was submitted:-

(see annexed)

The Head of Internal Audit presented the report and highlighted the salient points contained therein.

Members considered two no or limited assurance reports and sought assurances from the Interim Executive Director - Children's Services and the Interim Assistant Director - Children's Services that the items were being managed effectively and that the outstanding actions were being resolved satisfactorily.

**Resolved** that: -

1. the content of the report be noted;
2. Councillor Illmann-Walker be nominated to take part in the Housing and Council Tax Benefits Audit.

(Exempt information under Paragraph 3 of Part I of Schedule 12A of the Local Government Act, 1972) (as amended)

1174/14

**Vote of thanks**

Members of the Committee extended their thanks to the Chair / Vice-Chair and Officers for their hard work throughout the year.

**Termination of meeting**

The meeting terminated at 7.45 p.m.

Chair: .....

Date: .....