

AUDIT COMMITTEE

Monday 15th January, 2018, at 6.00 p.m.

Conference Room, Council House, Walsall

Present

Councillor Robertson (Vice-Chairman in the Chair)
Councillor Barker
Councillor Chambers
Councillor Craddock

Mr A Green

In attendance

Chief Finance Officer
Head of Finance
Internal Audit Manager
Senior Audit Officer
Senior Finance Manager
Investigations Manager

Representative of Ernst & Young

1/18 Welcome / Apologies

The Vice-Chair welcomed all in attendance.

Apologies were received on behalf Councillors Kudhail and Young.

2/18 A copy of the minutes of the meeting held on 20th November, 2017, was submitted:-

(see annexed)

Resolved

That the minutes of the meeting held on 20th November, 2017, a copy having previously been circulated to each Member of the Committee, be approved and signed by the Chairman as a correct record, subject to the word Manger being changed to Manager on page 2 under Minute No. 185/17.

3/18 Declarations of Interest

None submitted.

4/18 **Deputations and Petitions**

There were no deputations submitted or petitions received.

5/18 **Local Government (Access to Information) Act, 1985 (as amended)**

That, where applicable, 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.

6/18 **Notification of any issues of importance for consideration at a future meeting**

There were no issues raised under this item.

7/18 **Change in the order of Business**

Pursuant to Standing Order No. 14 (c), the Chair indicated that he would change the order of business to enable Agenda Item No 11 (Verbal Update on Support Housing Audit) to be considered as the first main item of business.

8/18 **Verbal Update on Supported Housing Audit**

The Investigations Manager was in attendance to deliver a verbal update on the Supported Housing Audit.

The Investigations Manager provided the Committee with the current position regarding the Supported Housing Audit and responded to a number of questions from Members who sought assurance that it was being managed efficiently and effectively.

Resolved that the verbal update be noted and that an update on this Audit be brought back to a future Committee in due course.

(Exempt information by virtue of Paragraphs 1 & 2 of Part I of Schedule 12A of the Local Government Act, 1972) (as amended)

9/18 **Treasury Management and Investment Strategy 2018/19 Onwards**

A report was submitted:-

(see annexed)

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

The report provided the Committee with details of the Council's proposed Treasury Management and Investment Strategy for 2018/19 onwards which was also included within the Council's Corporate Budget Plan 2018/19.

A Member had asked a number of questions prior to the meeting which had been responded to via email. Members requested that that email be circulated to all Members.

Officers responded to a small number of questions from Members seeking assurance on this item.

Resolved that: -

1. the Treasury Management and Investment Strategy 2018/19 Onwards be noted and endorsed.
2. it be noted that any changes required, for instance as a result of budget consultation, capital programme changes, interest rate outlook, the Autumn Budget, the Local Government Finance Settlement etc, will be made prior to the final submission to Council for approval of the Strategy.

10/18

Risk Management Strategy

A report was submitted:-

(see annexed)

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

The report presented a proposal for further embedding risk management within the Council and sought to explain how and why the proposal had been formulated thus far. Also included was a draft refreshed Policy and Strategy document.

The Independent Members advised that, in his experience, the likelihood descriptor for 'very likely' appeared to be too 'wide' and that he would be more content with no more than 18 months at most. The majority he had come across were set at 12 months. In addition, he added that he wasn't sure whether a four by four matrix would be 'sensitive enough' and recommended that a five by five matrix would be better, in his experience.

A discussion then ensued as to whether the three bullet point under the 'Aims and Objectives' heading on page 7 should remain as set out or whether it should just be bullet point 2 on its own as bullet points 1 and 3 should / could be embedded principles for all staff to adhere to.

A Member reported that he had been advised that the Council had no contracts with Carillion.

Resolved that: -

1. the Committee's comments be noted so that Officers can refine the Strategy accordingly.
2. the draft strategy be approved, noting that the Chief Finance Officer will amend it to take account of the Committee's comments.

11/18 **Ernst and Young Certification of Claims and Returns Annual Report 2016/17**

A report was submitted and responses to questions were tabled:-

(see annexed)

The representative of Ernst and Young presented the report and highlighted the salient points contained therein.

The report set out Ernst Young's certification work for the financial year 2016/17 covering the Housing Benefits Subsidy claim.

The Independent Members requested if comparisons between other Local Authorities on this matter could be provided in the future. The Representative of Ernst and Young advised that he was unsure what he could provide taking into account data protection, but would advise the Committee in due course on what, if anything, could be provided.

Members commended the Officers involved for their hard work.

Resolved that the report be noted.

12/18 **Internal Audit Progress Report**

A report was submitted and responses to questions were tabled:-

(see annexed)

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

The report provided the Committee with an update on Internal Audit's progress for 2017/18.

Resolved that the report be noted.

Termination of Meeting

The meeting terminated at 7.08 p.m.

Chair:

Date: