

AUDIT COMMITTEE

Monday, 4 December, 2006 at 6.00 p.m.

Conference Room at the Council House, Walsall

Present

Councillor David Turner (Chairman)
Councillor Albert Griffiths
Councillor Anthony Harris
Councillor Haqnawaz Khan
Councillor Ian Robertson
Councillor Mrs. Doreen shires

336/06 **Changes in Membership**

The following change in Membership was agreed for the duration of the meeting:-

Delete: Councillor Desmond Pitt
Substitute: Councillor Anthony Harris

337/06 **Apologies**

Apologies for non-attendance at the meeting were submitted on behalf of Councillors Rose Martin and Desmond Pitt.

338/06 **Minutes**

Resolved

That the minutes of the meetings held on 29th September (Special) and 16 October 2006, copies having previously been circulated to each Member of the Committee, be approved and signed by the Chairman as correct records.

339/06 **Declarations of Interest**

There were no declarations of interest.

340/06 **Deputations and Petitions**

No deputations were received or petitions submitted.

341/06 **Late Items to be introduced by the Chairman**

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

342/06 **Local Government (Access to Information) Act, 1985 (as amended)**

Resolved

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

Non-Executive Functions

343/06 **Annual Audit Letter – Progress Report**

The report of the Executive Director was submitted:

(see annexed)

James Walsh enlarged upon the report and reminded the Committee that the report updated the progress report to the 4 September meeting. He indicated that the patches placed in the Oracle system to improve performance had been successful. He reminded the meeting that SureStart was still under investigation and further reports would be submitted to future meetings of the Committee when Counsel's opinion had been received.

Councillor Robertson referred to benefits and asked if the improvement had been completed. James Walsh replied that the backlog of new claims had been cleared first and the time for dealing with applications was coming down.

After further discussion it was:-

Resolved

That the Committee:-

- (1) notes the progress to date against the actions identified in the Annual Audit letter 2004-05;
- (2) agrees that, in view of the progress made against items 1-3, no further reports will be presented to Committee;
- (3) accepts that item 4 SureStart grant progress be monitored as part of the on-going work of the Audit Committee.

344/06 **Submission of Internal Audit Reports for Scrutiny**

The report of the Executive Director was submitted:-

(see annexed)

David Blacker reported that the 25 recommendations agreed in respect of Accounts Payable – Neighbourhood Services would be completed by the end of December. With respect to the 4 recommendations agreed for the inventories and stores – occupational therapy, David reported that two recommendations had been implemented and the remaining 2 would be completed by the end of December.

Councillor Robertson expressed concern that this showed the Partnership with the Primary Care Trust in a poor light. He was particularly concerned that equipment had been stolen.

In reply to a question about the ownership of the stores, David Blacker reported that they were owned by the Primary Care Trust. He added that staffing problems at the stores were being resolved.

Councillor Robertson suggested that this matter should be referred to the Health Scrutiny Panel for consideration. David Blacker replied that comments were received from very Senior PCT officials before the final audit report was issued.

Resolved

That the report be noted.

345/06 **Anti Fraud/Anti Corruption Policy, Strategy and Response Plan**

The report of the Executive Director was submitted:-

(see annexed)

David Blacker reported that clear processes needed to be in place to deal with fraud and corruption. The original policy had been approved by Policy and Resources Committee in July 1998 and had been reviewed and revised on a number of occasions since, the most recent update taking place in October 2006. He requested the Committee to endorse the contents of the policy, strategy and response plan.

Councillor Robertson referred to the whistle blowing policy and asked when it had last been reviewed. David Blacker replied that it had last been refreshed in 2003, but it was under review again at present.

Councillor Turner suggested that this Committee should consider the whistle blowing policy in detail at a future meeting.

Resolved

- (1) That the report be noted;
- (2) That the contents of the anti fraud and anti corruption policy, strategy and response plan documents be endorsed.

346/06 **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, by virtue of the appropriate paragraphs of Part 1 of Schedule 12A of the Local Government Act, 1972, and accordingly resolves to consider those items in private session.

347/06 Internal Audit Benchmarking

The report of the Executive Director was submitted:-

(see annexed)

David Blacker reported that the Council benchmarked with all unitaries 18 specific Local Authorities which were categorised as 3 or 4 star authorities and whose CPA direction of travel statements were “improving strongly” or “improving well”. He also explained the appendices to the report for the benefit of the Committee. He added that Audit Committee would be required to give an opinion on the internal audit service next year and this report would assist in informing that decision.

Resolved

That the report be noted.

(Exempt information under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act, 1972) (as amended)

Councillor Turner thanked the Audit Team for their hard work as demonstrated within the report.

348/06 Welcome to New Member

At this point in the meeting, Councillor Turner welcomed Councillor Khan, who had recently arrived, as a new Member of the Committee. He also thanked Councillor Chambers for his work on behalf of the Committee over a number of years.

349/06 Risk Management Update – 2006/07

The report of the Executive Director was submitted:-

(see annexed)

A copy of the Corporate Risk Matrix dated October 2006 was handed to Members present at the meeting:-

(see annexed)

Ann Johnson requested the Committee to select two risks for review at a future meeting. She referred to the Partnership Audit which had been undertaken recently, the results of which were contained in Appendix 4 to the report. She added that the Executive Management Team had discussed them and put in place an action plan for their implementation.

Members requested that risk 37 – no political approval for modernisation – and risk 42 – support from corporately provided ICT systems does not meet departmental requirements in respect of the performance agenda – should be selected for review.

Resolved

- (1) That the current strategic risk register (appendix 1) and the action taken in progressing the corporate risk management action plan (appendix 2) be noted;
- (2) That the following risks be selected for review at the next meeting of the Committee:-

Risk 37: No political approval for modernisation

Risk 42: Support from corporately provided ICT systems does not meet departmental requirements in respect of the performance agenda

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

Termination of Meeting

There being no further business, the meeting terminated at 6.50 p.m.

Chairman:

Date: