

M M I N U T E S

meeting: **AUDIT COMMITTEE**

date: **28 FEBRUARY 2011**

PRESENT:-

Councillor Inston (Chair)

Councillors Mrs Keirle, P Singh, Mrs Thompson, Turner and Wilson

APOLOGIES FOR ABSENCE:-

Apologies for absence were submitted on behalf of Councillor Mrs Samuels and R Bacon/J Howse (External Auditors).

OFFICERS IN ATTENDANCE:-

T Rennie	-	Interim Strategic Director for Delivery
P Main	-	Chief Financial Officer
S Kembrey	-	Chief Legal Officer
B Burgess	-	Customer and Shared Services
P Darlington	-	Adults and Community
F Gough	-	Adults and Community
A Ivko	-	Adults and Community
D Johnston	-	Customer and Shared Services
S Owen	-	Adults and Community
T Woods	-	Customer and Shared Services
M Fox	-	Democratic Support, OCE

PRESENT BY INVITATION:-

R Vialard	-	PricewaterhouseCoopers (External Auditors)
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Wolverhampton
City Council



PART 1 – OPEN ITEMS
(Open to Press and Public)

Declarations of Interest

81 No interests were raised.

Minutes

82 Resolved:-

That the minutes of the meeting of the Audit Committee held on 24 January 2011 be approved as a correct record.

Dates of Meetings 2010/11

83 Resolved:-

That it be noted that the meeting scheduled to take place on Monday 14 March 2011 has been cancelled and replaced with a Treasury Management Training session.

Feedback from Sub-Committees

84 No issues were raised by the Chairs of the Sub-Committees.

Schedule of Outstanding Minutes (Appendix 1/40)

A report was submitted which gave an indication of dates on which reports on individual items would be submitted for consideration. In connection with COT3 Payments, the Chief Legal Officer indicated that she had circulated the recommendations from the report and offered to arrange a Member briefing if requested to do so. Councillor Keirle felt that a briefing was still necessary and that Members needed to have access to all background information on the issue, together with those recommendations contained within the report which were aimed specifically at Members.

The Chief Legal Officer also reported that Cabinet was shortly to consider the second stage of the Axon review. Councillor Keirle commented that the Committee had asked for progress concerning the review on several occasions and that the Council's External Auditors were also monitoring the situation.

The Chair reported that he had written to the Chief Executive to clarify reporting arrangements for Internal Audit under the new structure of the Council. A response had not been received but he would continue to pursue the matter and to keep Councillor Keirle advised of progress.

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Resolved:-

(a) That the schedule be received.

(b) That the following items be deleted from the Schedule:-

- Delaying of Management and Administration Workstream
- Bilston Urban Village

(c) That a report on the work of the Local Strategic Partnership be built into the Work Programme for 2011/12.

(d) That it be noted that a report on contingency plans associated with the continuity of service in the event of a major service disruption/disaster would be submitted in April 2011.

(e) That it be noted that the Chief Legal Officer has undertaken to extract the recommendations from the COT3 Payments report which relate specifically to Members and to arrange a Members' Seminar on the issue.

(f) That the update on the review following the proposed partnership with Axon Solutions Ltd be noted and that the Committee place on record the fact that the results of the review had been requested by them on several occasions.

(g) That concern be expressed about the proposed reporting arrangements for Internal Audit under the new structure of the Council and that it be recommended that Internal Audit should continue to report to the Section 151 Officer, a matter which the Chair undertook to pursue personally.

Audit Committee Work Programme 2010/11 (Appendix 1/41)

The updated work programme had been circulated for information.

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Resolved:-

That the updated work programme be approved.

ASSURANCE ON SERVICE RISKS

Customer and Shared Services Directorate – Risk Management and Governance (Appendix 1/42)

The Interim Strategic Director for Delivery presented a report detailing the key high level risks for the service group. He also gave a verbal update on the shared services transition programme, adding that options would shortly be presented to Members for consideration. It was reported that the details will also be reported to the Performance Governance and Support Services Scrutiny Panel.

The Interim Director also undertook to pursue the attendance management issue detailed within the report with Human Resources.

87 Resolved:-

(a) That the report be noted, together with the fact that the report on the shared services transition programme would also be referred to the Performance Governance and Support Services Scrutiny Panel.

(b) That it be noted that the Interim Strategic Director for Delivery would pursue the attendance management issue detailed within the report with Human Resources.

Exclusion of Press and Public

88 Resolved:-

That in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from consideration of the items of business in Part II of the agenda on the grounds that, in view of the nature of the business to be transacted or the nature of the proceedings, exempt information falling within paragraphs 1, 2 and 3 of Schedule 12A of the Act is likely to be disclosed.

PART II - EXEMPT ITEMS
(Press and Public Excluded)

ASSURANCE ON CORPORATE RISKS

Corporate Risks Update (Appendix 1/43)

A report was submitted which detailed the outcome of the review of corporate risks.

89 Resolved:-

That the report be noted.

INTERNAL AUDIT REPORTS

Audit Work Update (Appendix 1/44)

The report provided an update on current audit work and also brought to the attention of Members any matters where further action may be required. A discussion took place about an investigation into the pooled budget arrangements between the Council and the PCT in respect of mobile phones. There was a suggestion that management should carry out random checks of mobile phone usage and that a progress report should be submitted to the Committee in due course.

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Resolved:-

That the report be noted and that it be recommended to the Chief Executive that random checks should be carried out by management in connection with the issue of PCT mobile phone charges.