

# MINUTES

meeting: **AUDIT COMMITTEE**

date: **6 JUNE 2011**

## **PRESENT:-**

Councillor Inston (Chair)  
Councillors Claymore, Mrs Keirle, Leach, Mrs Mills, Simkins and  
Mrs Thompson

## **APOLOGIES FOR ABSENCE:-**

An apology for absence was submitted on behalf of Councillor Hardacre

## **OFFICERS IN ATTENDANCE:-**

J Lancaster - Assistant Chief Executive (part)

### Delivery

P Main - Assistant Director – Corporate Services  
S Kembrey - Assistant Director - Governance  
D Johnston - Head of Risk Management and Insurance  
M Taylor - Head of Corporate Finance  
D Kane - Accountant  
M Fox - Democratic Support

### Community

S Norman - Strategic Director

### Education and Enterprise

C Green - Interim Strategic Director

### Internal Audit

R Morgan - Audit Services

## **PRESENT BY INVITATION:-**

J Howse - PricewaterhouseCoopers  
(External Auditors)

**Wolverhampton**  
City Council



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

**New Members**

- 1           The Chair welcomed the newly appointed Members to their first meeting.

**Declarations of Interest**

- 2           No declarations were raised.

**Minutes**

- 3           Resolved:-  
            That the minutes of the meeting of the Audit Committee held on 11 April 2011 be approved as a correct record.

**Dates of Meetings 2011/12**

- 4           Resolved:-  
            That it be noted that meetings of the Committee will be held on the following dates commencing at 1400 hours:-

18 July 2011  
26 September 2011  
7 November 2011  
19 December 2011  
30 January 2012  
12 March 2012  
16 April 2012

**Schedule of Outstanding Minutes (Appendix 1/1)**

A report was submitted which gave an indication of dates on which reports on individual items would be submitted for consideration. The Democratic Support Officer drew attention to resolution 103 on the schedule, indicating that a briefing note had been circulated in response to an issue about a recent Planning Site Visit. Councillor Mrs Thompson expressed dissatisfaction with the content of the note and undertook to pursue the matter personally. The Democratic Support Officer added that the Assistant Chief Executive was in attendance in response to resolution 104 on the schedule (risk management arrangements – senior management re-structure).

- 5           Resolved:-  
            That the schedule be received.

**ASSURANCE ON SERVICE RISKS**

**Adults and Community (Appendix 1/2)**

The Strategic Director – Community submitted a report which set out the key high level risks for the service cluster. Members discussed the current budgetary situation and the need for appropriate monitoring. Councillor Mrs Keirle asked about the monitoring of new social care legislation and suggested that Members should be kept informed of new legislation via briefings. The Assistant Director – Governance undertook to add Members to a circulation list which detailed new legislation.

- 6 Resolved:-  
That the report be noted.

**Children and Young People (Appendix 1/3)**

The Interim Strategic Director – Education and Enterprise attended the meeting to report on the key high risks for the Children and Young People service cluster. Councillor Simkins asked how Academies are monitored, particularly in terms of value for money, not being within Council control. The Director responded that influence, challenge and support were the best methods in ensuring value however Academies are no longer under the Council's direct control. Councillor Mrs Keirle asked whether there was any possibility of a legal challenge to the current Council structure in terms of having the same officer leading on children's and adult services. The Assistant Director - Governance undertook to clarify the legal position.

- 7 Resolved:-  
That the report be noted.

**Future of Local Public Audit (Appendix 1/4)**

The Assistant Director – Corporate Services submitted a report advising and inviting views on Government proposals for the reform of the external audit of local public sector bodies. In discussion, Councillor Mrs Thompson stressed the need for ensuring suitable qualifications and membership of relevant professional bodies if independent members are to serve on audit committees. Councillor Simkins requested a briefing for Members on the implications of the proposals when the outcome of the consultation is confirmed. Councillor Keirle felt that the final proposals would have to be considered by full Council. She also commented on the need for the Chair and Vice-Chair to be independent.

The Assistant Director offered to brief Members on the final proposals when they are announced and to circulate the draft response to the consultation paper which would be finalised in consultation with the Chair and Vice-Chair, although added that there was a deadline of 30 June for the final response to be submitted.

8

Resolved:-

(a) That the proposals for the reform of the external audit of local public sector bodies and the implications for the Council be noted.

(b) That Members initial views on aspects of the Government's proposals in the consultation be noted, such as:-

- the proposal that Audit Committees comprise mostly independent members, with the Chair and Vice-Chair being independent
- Committee Membership to include members of professional bodies

(c) That the need to consult all Council Members and hold a Member briefing on the proposed changes when they are confirmed by the Government be noted, with the issue also to be programmed for consideration by full Council.

(d) That it be agreed that, in view of the consultation deadline of 30 June, the response be prepared by the Assistant Director – Corporate Services in consultation with the Chair and Vice-Chair and the contents shared with all Audit Committee Members.