

Minutes of the Audit Committee

**Monday 15 October, 2012 at 1.30pm
at Fire Service Headquarters, Birmingham**

Present: Councillor Singh (Chair);
Councillor O'Reilly (Vice-Chair);
Councillors Quinnen, Sealey and Ward.

Apologies: Councillor Aston and Mr Ager.

38/12 **Minutes**

The Committee received the minutes of the meeting held on 10 September, 2012. In reference to Minute No. 35/12(2) it was reported that budget monitoring reports were currently submitted to the full Authority and therefore would not be submitted to this Committee to avoid duplication.

Resolved that the minutes of the meeting held on 10 September, 2012, be approved as a correct record.

39/12 **Independent Members of the Audit Committee**

The Committee noted an update on the position with regards to independent members on the Committee.

Mr Ager had been appointed to the Committee in June, 2008 in response to good practice guidance from the Chartered Institute for Public Finance and Accountancy (CIPFA).

A government consultation exercise on the future of local public audit had suggested that the number of independent members on audit committees be increased to establish a majority over elected members. Responses to the consultation had however indicated that recruitment of independent members was somewhat difficult and the government had subsequently acknowledged this in its response to the consultation. Further guidance was awaited and the Authority would keep the matter under review.

Audit Committee – 15 October, 2012

40/12 Annual Audit Letter 2011/2012

The Committee noted the Annual Audit Letter, which set out the findings of the external audit work undertaken in 2011/2012.

The audit had looked at the financial statements and arrangements to enable value for money to be achieved in the use of resources. The annual audit letter indicated that the accounts gave a true and fair view of the Authority's financial affairs and the Auditor had issued an unqualified opinion on the Authority's 2011/12 accounts. The Auditor had also concluded that the Authority had made proper arrangements to secure economy, efficiency and effectiveness in the use of its resources.

41/12 Corporate Risk Register

The Committee received the Corporate Risk Register.

Corporate Risks were those risks which if they occurred would seriously affect the Authority's ability to carry out its core functions or deliver its strategic objectives as set out in The Plan. Currently the Service maintained 11 Corporate Risks. The Committee noted the position with regards to each risk.

42/12 Internal Audit Progress Report

The Committee noted a report which detailed the progress made against the delivery of the 2012/2013 Internal Audit Plan. The information contained within the report would inform the overall opinion in the Internal Audit Annual Report at the end of the year.

43/12 Treasury Management – Mid Year Review 2012/2013

The Committee received the Treasury Management Strategy Statement and Annual Investment Strategy mid-year report, which outlined the performance of the Treasury Management function in the current financial year.

Resolved that the update be noted and that the prudential and treasury indicators be approved.

Audit Committee – 15 October, 2012

44/12 Work Programme

The Committee noted its work programme for 2012/2013.

45/12 Update on Topical, Legal and Regulatory Issues

The Director Resources reported that the Government had announced its intention to implement a further council tax freeze for the next two years. More information would be provided to members as the budget planning process progressed.

(The meeting ended at 1.50 pm)

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