

AUDIT COMMITTEE

Thursday, 21st September, 2006, at 6pm
in Committee Room 3 at the Council House, Dudley

PRESENT:-

Councillor Burston (Chairman)
Councillor Ms Nicholls (Vice Chairman)
Councillors Ali, Attwood, Mrs Jordan, Kettle and Taylor

Officers:-

Chief Executive, Director of Finance, Assistant Director for Resources,
Mr L Bradshaw (Acting Head of Audit Services,) Ms S Downen (Principal
Auditor), Mr G Harrison and Mr S Potter (Audit Managers), Mr M Farooq
(Principal Solicitor) and Mrs M Johal (Directorate of Law and Property)

Also in Attendance:-

Mr S Turner (External Auditor) and Mr J Gregory (District Auditor)

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APOLOGIES FOR ABSENCE

Apologies for absence from the meeting were submitted on behalf of
Councillors J R Davies and Tyler.

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DECLARATIONS OF INTEREST

Councillor Taylor declared a personal interest in respect of Agenda Item
No 11 (Annual Audit Report in relation to the Children's Services
Directorate) in view of him being a Governor of Olive Hill Primary School.

Councillor Burston declared a personal interest in respect of Agenda Item
No 11 (Annual Audit Report in relation to the Children's Services
Directorate) in view of him being a Governor of Earls High School.

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MINUTES

A Member commented that the information as requested in Minute No 9
had not been received and, in response the Director of Finance
undertook to pursue the matter.

RESOLVED

That the minutes of the meeting of the Committee held on 29th
June, 2006, be approved as a correct record and signed.

17 CHANGE IN ORDER OF BUSINESS

RESOLVED

That agenda item number 6 be considered before agenda item number 5.

18 AUDITOR'S ANNUAL GOVERNANCE REPORT 2005/06

A report of the Director of Finance was submitted on the auditor's first Annual Governance Report together with the formal Letter of Representation to the Auditor.

RESOLVED

- (1) That the information contained in the report, and Appendices to the report, submitted on the Auditor's Annual Government Report 2005/06, be accepted.
 - (2) That approval be given to the Letter of Representation as attached to the report submitted and that the Chairman sign and date the letter.
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19 AMENDMENTS TO STATEMENT OF ACCOUNTS 2005/06

A report of the Director of Finance was submitted on amendments made to the Statement of Accounts for 2005/06 since the initial presentation to the June meeting.

RESOLVED

That the information contained in the report submitted, on amendments to the Statement of Accounts be noted.

20 TREASURY MANAGEMENT

A report of the Director of Finance was submitted outlining treasury activity between April 2005 and August 2006.

RESOLVED

That the treasury management activity set out in the report be noted and referred to Council for approval in accordance with the Treasury Policy Statement and Treasury Management Practices.

EXCLUSION OF THE PUBLIC

RESOLVED

That the public be excluded from the meeting for the following items of business on the grounds that:-

- (a) they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Local Government Act 1972 as indicated below; and
- (b) in all the circumstances, the public interest in disclosing the information is outweighed by the public interest in maintaining the exemption from disclosure.

| <u>Item</u> | <u>Paragraph No</u> |
|--|---------------------|
| Annual Audit Report in Relation to the Chief Executive's Directorate | 2 and 7 |
| Annual Audit Report in Relation to the Directorate of Children's Services | 2 and 7 |
| Annual Audit Report in Relation to the Directorate of Finance, ICT and Procurement | 2 and 7 |

ANNUAL AUDIT REPORT IN RELATION TO THE CHIEF EXECUTIVE'S DIRECTORATE

A report of the Director of Finance was submitted on audit work undertaken in the Chief Executive's Directorate for the financial year 2005/2006 and incorporating details of the more important findings.

RESOLVED

That the findings of the 2005/2006 audit work be accepted.

ANNUAL AUDIT REPORT IN RELATION TO THE DIRECTORATE OF CHILDREN'S SERVICES

A report of the Director of Finance was submitted on audit work undertaken in the Directorate of Children's Services for the financial year 2005/2006 and incorporating details of the more important findings.

Arising from the presentation of the report Members expressed concern that not all Governors for schools were receiving the report. During the ensuing discussion on the matter it was suggested that a process should be put into place and the Head Teacher and the Chair of Governors should be sent the audit report, together with a covering letter stating that the information should be shared with the Governing Body.

RESOLVED

That the findings of the 2005/2006 audit work be accepted.

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ANNUAL AUDIT REPORT IN RELATION TO THE FINANCE, ICT AND
PROCUREMENT DIRECTORATE

A report of the Director of Finance was submitted on audit work undertaken in the Directorate of Finance, ICT and Procurement for the financial year 2005/2006 and incorporating details of the more important findings.

Arising from the presentation of the report and a query from a Member, the Director of Finance and the Acting Audit Manager undertook to pursue the issue raised regarding auditing of the delegated capital budget for Area Committees.

RESOLVED

That the findings of the 2005/2006 audit work be accepted.

The meeting ended at 7.20 pm

CHAIRMAN