

AUDIT COMMITTEE

Thursday, 14th February, 2008 at 6pm
in Committee Room 3 at the Council House, Dudley

PRESENT:-

Councillor Taylor (Chairman)
Councillor Kettle (Vice Chairman)
Councillors Ali, Burston, J R Davies, Mrs Jordan, Ms Nicholls and Tyler

Officers:-

Director of Finance, Director of Adult, Community and Housing Services, Director of the Urban Environment, Assistant Director Culture and Community, Assistant Director for Partnership and Children's Trust, Head of Audit Services, Principal Solicitor, Policy Manager and Principal Project Officer (Directorate of Adult, Community and Housing Services), Executive Support Manager (Directorate of the Urban Environment), Mr G Harrison (Audit Manager), Ms S Downen and Ms A Evan (Principal Auditors) and Mr M Jablonski (Directorate of Law and Property)

Also in attendance:-

The Cabinet Members for Housing and Adult and Community Services

22 **DECLARATIONS OF INTEREST**

The following members declared a personal interest in agenda item 7 (Terms of Reference) for the reason indicated:-

Councillor Burston – as he is a member of the West Midlands Local Government Pension Scheme.

Councillor Kettle – as he is a member of the West Midlands Local Government Pension Scheme.

Councillor Ms Nicholls – as she is a member of the West Midlands Local Government Pension Scheme.

Councillor Tyler – as he is a recipient of a West Midlands Pension from a previous employment.

23 **MINUTES**

RESOLVED

That the minutes of the meeting of the Committee held on 20th September, 2007, be approved as a correct record and signed.

TREASURY MANAGEMENT

A report of the Director of Finance was submitted outlining treasury activity in the year 2007/8 up to the end of December and on the Treasury Strategy Statement 2008/9 a copy of which was attached as Appendix 1 to the report submitted.

RESOLVED

That, subject to the approval of Council,

1. treasury activities in 2007/8 as outlined in the report submitted be noted.
2. approval be given to the Treasury Strategy 2008/9 attached as Appendix 1 to the report submitted; and
3. the Director of Finance be authorised to effect such borrowings, repayments and investments as were appropriate and consistent with the approved Treasury Strategy and relevant guidance.

RISK MANAGEMENT STRATEGY FOR 2008/2009

A report of the Director of Finance was submitted on key developments in the Council's risk management programme in the last twelve months and on the Council's Risk Management Strategy for the period April 2008 to March 2009, a copy of which was attached as Appendix 1 to the report submitted.

RESOLVED

That the information contained in the report submitted, on key developments in the Council's risk management programme in the last twelve months, be noted and that the Council's Risk Management Strategy for the period April 2008 to March 2009, attached as Appendix 1 to the report submitted, be approved.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

A report of the Director of Finance was submitted on matters raised at the last meeting of this Committee concerning the reference to pensions in the terms of reference of the Committee.

RESOLVED

That the information contained in the report submitted, to the effect that there were no specific functions relating to the Local Government Pension Scheme requiring consideration and approval by this Committee, be noted and therefore the Director of Law and Property be requested to arrange for the amendment of this Committee's terms of reference by the deletion of function 8 referred to in the Council's Constitution when the Constitution was next reviewed.

27 NATIONAL FRAUD INITIATIVE

A report of the Director of Finance was submitted on the results to date of the National Fraud Initiative 2007.

RESOLVED

That the information contained in the report submitted, on the initial results of the National Fraud Initiative 2007, be noted.

28 EXCLUSION OF THE PUBLIC

RESOLVED

That the public be excluded from the meeting for the following items of business on the grounds that 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 that 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 Numbers</u>
Report required under standing orders.	2 and 7
Update report in relation to the Directorate of Children's Services.	2 and 7
Annual audit report in relation to the Directorate of the Urban Environment	2 and 7
Annual audit report in relation to the Directorate of Adult, Community and Housing Services	2 and 7

29 REPORT REQUIRED UNDER STANDING ORDERS

A report of the Director of Finance was submitted on cases arising under Standing Orders 3.2 and 9.8 requiring a report to this Committee. The period covered by this report was April to October, 2007 inclusive.

Arising from consideration of the Appendices to the report submitted the Assistant Director Culture and Community was requested to inform Councillor Ali of the cost of the contract relating to the appointment referred to in section 2 of Appendix 2 to the report submitted.

RESOLVED

That the information contained in the report, and Appendices to the report, submitted be accepted.

30 UPDATE REPORT IN RELATION TO THE CHILDREN'S SERVICES DIRECTORATE

A report of the Director of Children's Services was submitted on progress made in addressing issues raised in the Annual Audit Report for 2006/7 submitted to the meeting of this Committee held on 20th September, 2007.

Arising for consideration of the information contained in the report submitted the Chairman requested that comments made commending the directorate for their actions in addressing the issues raised be conveyed to the relevant officers.

RESOLVED

That the information contained in the report submitted, on the progress made in addressing the issues raised in the Annual Audit Report for 2006/7 considered at the meeting of this Committee held on 20th September, 2007 in respect of the Children's Services Directorate, be noted.

31 ANNUAL AUDIT REPORT IN RELATION TO THE DIRECTORATE OF THE URBAN ENVIRONMENT

A report of the Director of Finance was submitted on audit work undertaken in the Directorate of the Urban Environment for the 2006/2007 financial year and incorporating details of the more important findings.

Arising from consideration of the content of the report, and Appendices to the report, submitted a number of comments and questions were raised and in respect of these the Head of Audit Services was requested to arrange for a response to be given to Councillor Kettle on his query regarding properties managed through the Directorate of Law and Property and those managed by Directorates and the Director of the Urban Environment was asked to arrange for a response to be given to Councillor Tyler regarding a suggestion made regarding possible inter authority collaboration on the disposal of timber referred to in Appendix 4 of the report submitted under the heading 'Waste Disposal'.

RESOLVED

That the findings of the 2006/07 audit work be accepted.

32 ANNUAL AUDIT REPORT IN RELATION TO THE DIRECTORATE OF ADULT, COMMUNITY AND HOUSING SERVICES

A report of the Director of Finance was submitted on audit work undertaken in the Directorate of Adult, Community and Housing Services for the 2006/07 financial year and incorporating details of the more important findings.

Arising from consideration of the content of the report, and Appendices to the report, submitted members made a number of comments and queries and arising from these it was noted that issues raised in relation to Adult Transport with particular reference to Criminal Records Bureau checks would be the subject of further consideration in an audit to be carried out during 2008/09 and that the results of that audit would be reported back to this Committee in due course.

The Director of Adult, Community and Housing Services was also requested to arrange for a response to be given to Councillor Mrs Jordan relating to a breakdown in respect of monies for rechargeable works indicating in particular amounts written off and paid.

RESOLVED

That the findings of the 2006/2007 audit work be accepted.

The meeting ended at 7.30pm

CHAIRMAN