

BIRMINGHAM CITY COUNCIL

AUDIT COMMITTEE 30 MARCH 2021
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MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD ON TUESDAY, 30 MARCH 2021 AT 1400 HOURS - ONLINE MEETING

PRESENT:-

Councillor Grindrod in the Chair;

Councillors Akhtar, Bridle, Jenkins, Morrall and Tilsley

NOTICE OF RECORDING/WEBCAST

- 295 The Chair advised and the meeting noted that this meeting would be webcast for live or subsequent broadcast via the Council's Internet site (www.civico.net/birmingham) and members of the press/public could record and take photographs except where there were confidential or exempt items.

The business of the meeting and all discussions in relation to individual reports was available for public inspection via the web-stream.

296 **PURDAH**

The Chair shared guidance around purdah to the Committee. This advice had been provided by the Interim City Solicitor & Monitoring Officer. Following this, the Chair gave an overview to the conduct of the meeting.

DECLARATIONS OF INTEREST

- 297 Members were reminded that they must declare all relevant pecuniary and non-pecuniary interests relating to any items of business to be discussed at this meeting. If a pecuniary interest was declared a Member must not speak or take part in that agenda item. Any declarations would be recorded in the minutes of the meeting.

Councillor Tilsley declared a non-pecuniary interest relating to Birmingham Airport. Reference was made to this appointment under item 9 – Informing the Audit Risk Assessment, Group Company Governance. Councillor Tilsley was Non-Executive Director for Birmingham Airport.

Note: Later in the meeting, the Chair declared he was a Non-Executive Director for Acivico Limited which was also contained within item 9.

APOLOGIES

- 298 Apologies were submitted on behalf of Councillor Hendrina Quinnen and Jon Roberts (External Auditor) for their inability to attend the meeting.
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EXEMPT INFORMATION – POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC

The Chair notified the Committee there were no items scheduled to discuss in private. However, this item allowed the Committee to move into a private session if required.

Members agreed there were no items on the agenda that contained exempt information.

- 299 **RESOLVED:-**

That, in accordance with Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to information) (Variation order) 2006, the public be excluded from the meeting during consideration of those parts of the agenda designated as exempt on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information.

MINUTES – AUDIT COMMITTEE – 22 FEBRUARY 2021

- 300 **RESOLVED:-**

That the public minutes of the last meeting having been circulated, were agreed by the Committee.

Councillor Tilsley made an additional comment on page 10, Public Sector Internal Audit Standards. He referred to the assessment of the Core Cities and added subsequent events had vindicated the decision.

Note: Manchester City Council would undertake the Public Sector Internal Audit Standards compliance review.

ASSURANCE SESSION – CABINET MEMBER FOR TRANSPORTATION & ENVIRONMENT PORTFOLIO

The Chair welcomed the Cabinet Member for Transportation and Environment to the Assurance Session of the Committee.

The Committee was notified, Ian Macleod, the Interim Director for Inclusive Growth, Kevin Hicks and Philip Edwards, both Assistant Directors for Inclusive Growth were in attendance to support discussions around the portfolio.

The Cabinet Member for Transportation and Environment highlighted this was a large portfolio which consisted of evolving and developing areas such as; air quality; climate change which were of interest to the City Council.

He noted the Audit Committee were keen to look at effective and efficient ways of delivering the projects within the portfolio. These were related to major transformational engineering projects; operational services and innovative travel initiatives. He noted the key theme was to see how these could be delivered alongside supporting the work of partners. Most of the work within the portfolio impacted other organisations as well as regional and national projects.

The last 12 months were challenging however, it was also an opportunity to work in advance on some of the initiatives. Priorities had been reviewed in response to the pandemic and the Cabinet Member for Transportation and Environment thanked officers, staff within the portfolio who responded to some of the key areas effectively. He recognised officers and staff had gone above and beyond their duty and thanked them all.

Part 1: Portfolio overview

Kevin Hicks, Assistant Director (Inclusive Growth), shared a short presentation on screen and gave an overview of the key projects and initiatives within the portfolio. These were around;

- **Project Delivery** – Major transportation capital schemes; travel change initiatives; local highway schemes
- **Service Delivery** – Highways Services; Parking Services; Flood Risk Management Services
- **Strategic Delivery** – Climate Changes; Air Quality; Green City; Commonwealth Games

He highlighted it was important to ensure major transportation capital projects were supported alongside key partner organisations such as West Midlands Combined Authority and Transport for West Midlands into the delivery.

Members were reminded the External Auditors had highlighted the decision taken on the Highways PFI however, the Assistant Director (Inclusive Growth) had reservations around the basis of this qualification.

Part 2: Matters raised in the Audit Findings Report 2019/20 on Highways PFI

Domenic De Bechi, Highways PFI Contract Manager made the following points;

- The External Auditors indicated the Council were taking commercial decisions on the future of the project without understanding the position on affordability of the project.
- At the time of the Audit report, no decisions had been taken regarding the future project by the Council.

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- The only decision taken on this was by Cabinet on 16th March 2021 in which the affordability position was considered.
- Decisions should be based on appropriate information therefore; engagement was taking place with Birmingham Highways Limited (BHL) to understand the cities highway network.
- Establishing project affordability gap following 2019 Settlement agreement resulted in weakness in proper arrangements and the use of reliable information to support informed decision making at the time.
- There was a slight disagreement with audit findings report from the External Auditors, although the principle was agreed to.
- A response was sent by Birmingham City Council (BCC) to the External Auditors highlighting inconsistencies in their approach.
- This was possibly due to lack of understanding of the complex project.
- Going forward - Seek to engage with external auditor and key BCC finance staff at a greater detail on commercial project issues.

Part 3: Issues raised in the Directorate Assurance Statements

Kevin Hicks, Assistant Director (Inclusive Growth), made the following points;

Recruitment and retention of staff – This continued to be a challenge in certain professions such as engineering, planning and property. The Directorate had a Graduate and Apprentice Programme which had been successful. However, there was a requirement for a broader corporate review of pay, grading and conditions to address the issue of market forces. The pay freeze within BCC (for the past 3 years) was another factor that had impacted on recruitment.

Tame Valley Viaduct Scheme – This was a critical scheme with strategic transport significance. A £90 million-pound scheme to strengthen the A38 Aston Expressway which was largely funded by Department of Transport (DfT). The procurement and commissioning of this work was currently out to tender with a commencement date of January 2022. April 2021 was the deadline for tenders to be submitted.

Highways PFI – 16 March 2021, a report went to Cabinet and authority was given to Officers to agree the position with contract parties. Once a commercial position was identified, a further report (in May/June) would be shared with Cabinet to confirm recommended future structure of services.

Flood Risk Management Service – A Flood Risk Manager role had been embedded into the service. It was highlighted, significant progress had been made towards key projects and delivery of statutory functions as Birmingham was the Lead Local Flood Authority and had placed input into planning proposals.

An Annual Flood Report was well received by the Overview and Scrutiny Committee in March 2021 which was a positive position on the Flood Risk Management Service.

Members response

The Committee then asked questions of the Cabinet Member for Transportation

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and Environment and the following points were noted:

The Chair noted the comments made around the matters raised via the Audit Findings report 2019/20 and the issues around Highways PFI. He referred to the point around 'evidence of weaknesses in proper understanding of using appropriate and reliable financial performance information to support informed decision making and performance management.' He noted Officers had made comments as to how this would not reappear on future the Audit Findings report however, he queried what was learnt from this experience and if the learning being shared across other areas of work in order to avoid this happening again.

Councillor Tilsley referred to the Highways PFI issue and it was imperative to find a partner as soon as possible in order to avoid being on Block Grant as opposed to PFI credits. He was concerned around the time it could take go to market and to avoid the situation that had occurred with Amey.

In addition, he added the roads were in a poor state. There were potholes across the City and reference was made to a historic project 'Find and Fill'. He noted Kier received reasonable funds therefore, this work should be covered as a matter of urgency.

Councillor Jenkins raised questions around the following; comments raised by Officers around the disagreement with the External Auditors (on the Value for Money Qualification); recruitment and retention of staff – difference in pay between public and private sector (e.g. graduate engineer) and the danger of trained graduates, apprentices moving to new jobs; clarification on - BCC or Kier do the repairs Lichfield Road and to ensure they clean up after the works.

Councillor Morrall raised several questions and comments on; Highways PFI - the contracts should be offered to more than one company; Funds spent during Covid-19 - funds were given to improve transport infrastructure and referred to the Bristol Road bus lane; concerns around the bureaucracy involved around Highways Infrastructure and how the Audit Committee could assist relieving this; previously pooling of resources was allowed however, this year they were unable to do this; Clean Air Zone (CAZ) – Economic Impact Assessment was required as this would affect the car industry too.

Councillor Bridle highlighted there was a lack of parking space around the City which was a major issue. She noted people were being encouraged to use alternative forms of transport than cars however, she questioned what was being done to mitigate the risk when the City becomes more congested. In addition, she queried if City Centre car parks were being used less there was the risk of them becoming disused.

In response to Members questions, the Cabinet Member for Transport and Environment, the Director of Inclusive Growth and the Assistant Directors of Inclusive Growth made the following points;

Lessons learnt from issues raised on Highways PFI - Audit Findings report 2019/20 – A key finding noted by the Cabinet Member was around BCC engagement with Members across the Council. This was not highlighted in any of the decision-making processes. He notified the Committee; Cabinet Members were routinely briefed on developments in this area. In addition, there was a Back Bench - A group of Cross Political Group Councillors. The

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Back Bench advised the Cabinet Member with the project and he found this very supportive. In addition, the Opposition Leaders, Scrutiny Chairs were briefed.

Prior to the recent report going to Cabinet (16 March 2021), all Members across the Council were offered a briefing in private. The briefing was held in private for an open conversation to take place. The uptake and level of interest for these briefings was high across the Council. This level of engagement had not been reflected in historical reports however, going forward this would be incorporated.

Kevin Hicks, Assistant Director (Inclusive Growth), noted the Highways PFI was a complex set of arrangements. He added as the External Auditors were involved during a short timescale i.e. towards the end of the year. It was key to ensure in future audits; the External Auditors were involved earlier in order for them to understand the level of detail in this area. Members were notified there was a difference in opinion to this work to the Audit Findings Report as no decision had been made in the June 2019 report that was affected by the affordability work. In future, it was important to ensure issues were addressed once identified as the issue raised in the 19/20 Audit Findings report had no bearing on the affordability.

Other key learnings were around; to avoid having a conflict between the Special Purpose Vehicle (SPV) Board and subcontractor; behaviours to be reflected in contract obligations for the future contract and early engagement with the market to avoid poor behaviours reflected.

The Cabinet Member for Transport and Environment assured Members his priority was to ensure the PFI grant from the Government was protected. He agreed with Councillor Tilsley that a long-term provider had to be in place and to ensure the roads within the City were fit for purpose. The previous provider did not place the right level of investment into the roads therefore this was essential to put into place.

Philip Edwards, Assistant Director for Inclusive Growth referred to Councillor Morrall's comment around the funding and bureaucracy. The Council and the West Midlands Combined Authority was in their last year of a 3-year settlement (as part of the devolution deal created as part of setting up the Combined Authority). Regional discussions on Intracity Settlements were taking place with DfT and how this funding would work going forward. At present, it was not clear what would be included in the settlements.

Recruitment and retention - Ian Macleod, Interim Director for Inclusive Growth notified Members the Directorate had struggled across several professional services to get posts filled. The Council continued to lose staff to the private sector as well as other public organisations who offered better salaries than BCC. The Graduate and Apprentice Programme had been successful and several graduates, apprentices had occupied grade 4/ 5 jobs. Kevin Hicks, the Assistant Director added it was crucial to ensure jobs were available at the end of the Graduate and Apprentice Programme. Over 300 graduates applied for 15 posts which were created for the last intake. Professional and technical areas were impacted the most.

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Philip Edwards, Assistant Director confirmed via the MS Teams chat facility, the market rate for graduate engineers was around £30k and the BCC equivalent was £21k. Councillor Jenkins was in support of creating new jobs for graduates however, noted the difference in salaries is why it was hard recruit and retain staff.

Potholes/ Streetlights – The contract with Kier was met on a cost reimbursable basis therefore, they were paid for the work delivered. Permanent PFI Contract had a different risk transfer however, the expectation was for Kier to fulfil the standards and obligations set. The procured contract would be until 2023 which would consist of a refreshed model and a contracting model of obligations.

Officers noted the comment from Councillor Jenkins around Lichfield Road.

Bristol Road Bus & Cycle Lane – The Cabinet Member for Transport and Environment informed the Members, Government allocated funds to deliver projects within 8 weeks. Due to the time constraints, there was limited engagement with communities. However, consultation had taken place with key stakeholders across the City in development of the Emergency Birmingham Transport Plan. Extensive work and consultation took place around cycle routes through the Birmingham Cycle Revolution Project and Birmingham Walking and Cycling Strategy. Therefore, there was a lot of support on projects that had been implemented. It was noted there were concerns around two particular projects; the lower Traffic Neighbourhood in Kings Heath and A38 Bus and Cycle lane. Information would be published from the 3-month extensive review which would assist with the decision going forward. A site visit had taken place and several representations had been made by Councillors.

Philip Edwards, Assistant Director for Inclusive Growth would provide Councillor Morrall the cost around the Bristol Road Bus and Cycle Lane.

Pooling of Local Funds – This was not able to take place anymore however, The Cabinet Member for Transport and Environment suggested for Councillor Morrall to write to him in relation to the project and he would investigate this. He recognised the allocations within the Wards did not always meet the needs for the work to be carried out therefore, contact should be made directly with the Cabinet Member.

Clean Air Zone (Economic Impact Assessment) – Important strategic project which had to be legally compliant. Government Ministers were keen for Birmingham to launch the CAZ this year (June 2021).

Philip Edwards, Assistant Director for Inclusive Growth added the business case and relevant assessments were approved by both the Government and BCC. He reminded Members, extensive engagement with communities had taken place. The Business Improvement District and Chamber of Commerce were in support of this.

Alternative forms of transport – Aiming for more electric cars to have a prominent role in the City however, the Cabinet Member for Transport and Environment felt it was crucial to reset the overall relationship with the citizens and reliance private cars. Walking and cycling for shorter journeys will be encouraged and buses/ transits for longer journeys. The Executive Management Team were having discussions to see how to rebuild the confidence of the citizens to use public transport. The Cabinet Member was

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having conversations with a number of national figures on zero emission buses for the City.

Car parking – The draft Birmingham Transport Plan would be adopted soon which reviewed the parking in line with demand. It was noted there were several spaces that were unused and the review would explore how to make better use of these.

Ian Macleod, the Interim Director for Inclusive Growth notified Members the Future City Plan had been launched which set out a number of ambitious plans to reuse car parks within the City Centre.

At this juncture, the Chair thanked the Cabinet Member for Transport and Environment and the Interim Director and Assistant Directors for Inclusive Growth for their attendance.

Upon consideration, it was:

301

RESOLVED:-

That the Committee noted the updates received on the Cabinet Member for Transport and Environment Portfolio.

BIRMINGHAM AUDIT – INTERNAL AUDIT PLAN 2021/22

The following report of the Assistant Director Audit and Risk Management was submitted: -

(See document No.1)

The Assistant Director Audit and Risk Management informed Members to take note of the methodology of the Internal Audit Plan and requested for feedback as to what Members would want Internal Audit to look at.

The Principal Group Auditor gave a comprehensive overview to the methodology and assumptions applied in developing the 2021/22 internal audit plan.

Members commented upon the report.

In response, to Members questions, The Principal Group Auditor made the following points;

- PFI Contract – As part of the risk process, Internal Audit had liaised with the Interim Director for Inclusive Growth and the Management Team to discuss significant areas within the Service. They had sight of the risk assessment and Internal Audit would look at any additional areas that had not been included.
- Fraud during Covid-19 – Grants for businesses created extra work. In this year's plan, Internal Audit were actively engaged in supporting the work around Covid-19 and for the Council's Recovery. This was included in the systems and processes in making the grant payments. In addition, Internal Audit were assisting 'pre and post' grant payments as there had

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been a number of potential attempted fraud cases. These were being referred through Central Government process.

- Support for vulnerable children and children with SEND (Education & Skills) - A significant amount of work taking place in this area through the Commissioning Framework, Home to School, SEND, post and pre careers and NEETS. Internal Audit had liaised with the management team who were supportive of the work.

Upon consideration, it was:

302

RESOLVED:-

- i) That Members of the Audit Committee noted the methodology and assumptions applied in developing the 2021/22 internal audit plan;
- ii) That Members considered the proposed audit coverage and identified additional areas for inclusion in the risking process; and
- iii) Subject to any agreed adjustments, the Members approved the proposed plan.

AUDIT FINDINGS REPORT – UPDATE

The following report of the Interim Chief Finance Officer was submitted: -

(See document No.2)

The Interim Chief Finance Officer provided the Committee with a brief introduction to the report. She reminded Members at the 26 January Audit Committee, the updated Audit Findings Recommendations was shared. This report was highlighting the progress to date. Members were notified some of the recommendations were from last year's audit and a few dated from previous years. Members were assured these were compliant with the code.

The Interim Head of Financial Strategy (Capital & Treasury) notified Members there were 13 recommendations from this year's Audit report and 5 (follow up) from previous years. He highlighted the Audit Committee had acknowledged and noted the management responses to the recommendations. He provided the Committee a summary on the recommendations.

Members commented upon the report.

In response, to Members questions, the Interim Head of Financial Strategy (Capital & Treasury) made the following points;

- Commonwealth Games – Noted the comment from Councillor Tilsley around the need to find new partners as there was deficit. This was recognised in the medium-term financial risk.
- Scale of ratings (High/ Medium/ Low) – This could be reviewed in line with comments raised by the Chair (i.e. to capture when ratings are between scales e.g. between Medium – High).

Upon consideration, it was:

303

RESOLVED:-

That the Audit Committee noted the updates on progress in implementing action to meet the recommendations of the External Auditor's Audit Findings Report.

304

At this juncture, the Chair apologised to the Committee as he should have declared a non-pecuniary interest for the next item (item 9 – Informing the Audit Risk Assessment – Group Company Governance). He informed the Committee, he was a Non-Executive Director for Acivico Limited. Councillor Tilsley (Vice Chair) of the Audit Committee had also declared a non-pecuniary interest on this item.

In order, to conduct the meeting, he notified the Committee he would Chair the meeting but would not ask any questions on this item.
Members agreed with Councillor Grindrod to continue as Chair.

INFORMING THE AUDIT RISK ASSESSMENT - GROUP COMPANY GOVERNANCE

The following report of the Interim Chief Finance Officer was submitted: -

(See document No.3)

The Interim Chief Finance Officer notified Members the Council had several companies in which they had interest in. These were consolidated the into group company accounts therefore, it was important to have full sight of the accounting policies and governance and management arrangements and to ensure these were being applied correctly. This also gave assurances of any audit risk associated with them to ensure these were adequately mitigated.

The Interim Head of Financial Strategy (Capital & Treasury) informed Members in next few months, the Audit Committee would be asked to approve the Council's Financial Statements in which the numbers from the subsidiaries, joint ventures would be included. The returns from the related companies was reviewed by the Cabinet Committee Group Company Governance on 18th March 2021. The assurance statements were broken down into three main areas:

- Company Environment – looking at the governance arrangements of the company
- The Identification, Mitigation and Reporting of Risk – looking at how the company manages risk
- Financial Statements – looking at factors that may impact on the company's financial health and financial statements.

The Group Company Governance Cabinet Committee highlighted no issues of concern to the Audit Committee.

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Members commented upon the report. Key points were around the scaling for the subsidiary companies i.e. what was turnover, profit/loss and number of employees in order to understand the significance of the company. Reference was made to if the companies had a holding company guarantee from BCC or defector guarantees. Members queried if the Finance Directors a part of BCC reporting structure.

In response, to Members questions, the Interim Head of Financial Strategy (Capital & Treasury) made the following points;

- The current questionnaires did not contain the scaling as suggested by Councillor Jenkins. This could be incorporated for future documents. Following this Committee this information could be provided to Members.
- Information on guarantees with the subsidiaries would be provided to Members.
- The Finance Directors report to their relevant Companies Board. The S151 Officer (or their delegate – Alison Jarrett) were Board Members and attended their Audit Committees.

The Chair noted comments made by Members and Officers and suggested an information briefing to be shared on Group Company Governance to understand the scale of the companies. He recognised some Members of this Committee were Non-Executive Directors for the Companies. In response, the Interim Chief Finance Officer notified the Chair she would come back to this suggestion following discussions with the Deputy Leader.

Upon consideration, it was:

305

RESOLVED:-

- i) That the Audit Committee considered the responses from the Council's group companies through the Cabinet Committee Group Company Governance and noted there were no issues highlighted to this Committee.
- ii) Noted for an information briefing to be arranged on the Group Company Governance. Information on the scale of the BCC subsidiaries and any guarantees given to be provided to Members.

ADOPTION OF ACCOUNTING POLICIES FOR 2020/21

The following report of the Interim Chief Finance Officer was submitted: -

(See document No.4)

The Interim Head of Financial Strategy (Capital & Treasury) informed Members the report sought approval to the adoption of accounting policies for the completion of the Council's accounts for 2020/21. Members were notified of the changes in accounting standards that would impact on the Council's Accounts in future years.

In developing the accounting policies for the Council, the template provided in the CIPFA Code guidance 20020/21 had been used as a base position except

where amendments to reflect local circumstances or to enhance the policies was more appropriate. He outlined the policies where some changes to the Guidance Model that had occurred.

Upon consideration, it was:

306

RESOLVED:-

- i) That Audit Committee considered and adopted the accounting policies for the determination of the Council's accounts for 2020/21
- ii) Noted the implications for future years' accounts arising from the changes in Accounting Standards.

EXTERNAL AUDITORS - AUDIT PLAN 2020-21

The following report of the External Auditors was submitted: -

(See document No.5)

The Senior Manager, Grant Thornton notified Members the content of this report was similar to previous years. She gave an overview of the report and provided a summary on the high-level key points.

Pages 178 onwards of the document pack set out the risks of value for money weaknesses the External Auditors had identified to date. Three of which were continuation of work from previous years (work on 19/20 year on Commonwealth Games; Highways PFI Scheme and Waste Service continuity). This year, the External Auditors identified another risk around the change in senior staff over the last few years and the potential lack of stability this would have caused.

Members were notified due to the change in requirements for this year audit, the External Auditors were planning to bring in subject matter experts (Crowe UK LLP). Crowe UK LLP were the auditors of Birmingham Children's Trust and the External Auditors could ask them to perform specific work around the opinion from Grant Thornton on the Council's group accounts. Highways PFI scheme was highlighted as one of those key areas of work. Discussions and early engagement with the Council were taking place. She added the Audit fees for this year had not been confirmed therefore discussions were taking place within the company and Public Sector Audit Appointments Limited (PSAA) with regards to potential variation to the scale fee to this year. Members would be updated accordingly.

Members commented upon the report.

In response, to Members questions, The Senior Manager, Grant Thornton made the following points;

- Key changes around the audit was around the baseline work.
- In previous years, the risk assessment was performed and detailed work was undertaken in areas where there was potential risk and weaknesses

in arrangements. This resulted in binary 'qualified or unqualified' conclusion.

- This year onwards, the requirement was for more work to understand the arrangements across the Council as a whole and undertake further work to identify risks and weakness in arrangements. The output would no longer have a binary conclusion but a detailed narrative report setting out the information that had been gathered.
- Members felt the Value for Money assessments were useful for the public.
- Costs for additional subject matter experts – This was set out under the Auditing Standards therefore the External Auditors were required to do this. The alternative would be to audit Crowe UK LLP to obtain the assurances that they need which would be less efficient. The audit fees for this financial year had not been agreed however, the External Auditors were working on the assumption a fee variation would be required across all the clients. The use of subject specialists would form part of the fee variation. It was confirmed the fee set by the External Auditors included the work of Crowe UK LLP.

Upon consideration, it was:

307

RESOLVED:-

- i) That Audit Committee noted the content of the External Auditors Audit Plan 2020-21.
- ii) The External Auditors to provide the Audit Committee details of the fees charged to BCC for 2020-21.

EXTERNAL AUDITORS - INFORMING THE AUDIT RISK ASSESSMENT

The following report of the External Auditors was submitted: -

(See document No.6)

The Senior Manager, Grant Thornton notified Members under the Auditing Standards, there were a series of questions that Management had to respond to. The document outlined the Management responses received and to ensure these were in line with the arrangements of the Council.

The Chair referred to earlier discussions around the disagreement to Audit Findings on the Highways PFI. He queried if there were any thoughts around the discussion and whether this issue could be worked though, be avoided in the future.

In response, the Senior Manager, Grant Thornton noted the information leading to this qualification was received late. In future, it was key to ensure early engagement took place. She added this was a disagreement as to what the qualification meant rather than disagreement on the findings and this would be worked upon going forward.

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Upon consideration, it was:

308

RESOLVED:-

That Audit Committee noted the content External Auditors, Informing the Audit Risk Assessment Report.

SCHEDULE OF OUTSTANDING MINUTES

309

Members were provided with updates to the outstanding actions.

Minute 260 25/11/2020 – Independent Advisor to Audit Committee Additional Recommendation

- iii) Agreed to receive further updates on the progress of the work on the Independent Advisor role. This would be provided at a future Committee.

To be shared at a future committee.

Minute 274 26/01/2021 - Birmingham Audit – Half Year Update Report 2020/21 Additional Recommendation: Public Sector Internal Audit Standard Compliance review

- iv) Members agreed the overall approach to a Public Sector Internal Audit Standard Compliance review. However, Members agreed to seek further assurances to the Council undertaking the Peer Review. A further update to be provided to the Committee to reconsider options.

This was presented at the 26/01/2021 meeting. Action completed & discharged.

Minute 279 26/01/2021 - Assurance Session – Cabinet Member for Children's Wellbeing Portfolio Additional Recommendations:

- ii) To provide the Committee with any outstanding reports, supporting tools related to Travel Assist at a future Committee.
- iii) To provide Members with the cost for Consultancy support, assistance to stabilise the service and the cost to build the framework for ongoing improvement within the Travel Assist Service since September.

Documents were circulated to Members by Nichola Jones on 17 March 2021. Therefore, action ii) and iii) of minute 279 26/01/2021 was completed and discharged.

- iv) The Council's Transformation Programme to be shared at a future Committee.

To be shared at a future committee.

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Minute 284 22/02/2021 – Apologies

The Chair to write to Members of the Audit Committee regarding attendance at meetings.

**Letter sent to Members of the Committee on 01 March 2021 by the Chair.
Action completed & discharged.**

DATE AND TIME OF NEXT MEETING

The next meeting is scheduled to take place Tuesday, 27 April 2021 at 1400 hours via MS Teams (on-line).

OTHER URGENT BUSINESS

310 **RESOLVED: -**

No other urgent business was raised.

AUTHORITY TO CHAIRMAN AND OFFICERS

311 **RESOLVED:-**

That in an urgent situation between meetings the Chair, jointly with the relevant Chief Officer, has authority to act on behalf of the Committee

The meeting ended at 1554 hours.

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CHAIR