

BIRMINGHAM CITY COUNCIL

**AUDIT COMMITTEE
31 JANUARY 2017**

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD ON
TUESDAY, 31 JANUARY 2017 AT 1400 HOURS IN COMMITTEE ROOM 6,
COUNCIL HOUSE, BIRMINGHAM**

PRESENT:-

Councillor Chatfield in the Chair;

Councillors Bore, M Jenkins, Shah, Spencer and Tilsley.

NOTICE OF RECORDING/WEBCAST

935 The Chairman advised and the meeting noted that this meeting would be webcast for live or subsequent broadcast via the Council's Internet site (www.birminghamnewsroom.com) and members of the press/public could record and take photographs. The whole of the meeting would be filmed except where there were confidential or exempt items.

APOLOGIES

936 Apologies were submitted on behalf of Councillors Burden and Robinson.

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

MINUTES

RESOLVED:-

That the public part of the Minutes of the last meeting be noted.

THE LOCAL GOVERNMENT OMBUDSMAN'S ANNUAL REVIEW 2015/16

The following report of the Chief Executive was submitted:-

(See document No 1)

Miranda Freeman, Senior Liaison Management Officer, introduced the report and responded to Members' comments including details of training for officers in how to use the Ombudsman determinations to try to avoid future complaints.

Members suggested that future reports should include information regarding 'lessons learned' and whether issues raised were systemic or 'one-offs'.

938

RESOLVED:-

That the report be noted.

EDUCATION AND THE ROLE OF THE LOCAL AUTHORITY

The following report of the Executive Director for Education was submitted:-

(See document No 2)

Colin Diamond, Executive Director for Education, introduced the report. He responded to Members' comments including: details of the role of the Birmingham Education Partnership; examples of the different methods of management, governance and accountability of maintained schools, academies and free schools; an update on the electronic data dashboard; the possible implications and risk rating of the national funding formula for schools.

939

RESOLVED:-

That the report be noted.

GRANT THORNTON – PROGRESS REPORT

The following report of the External Auditor was submitted:-

(See document No 3)

Phil Jones and Richard Percival, Grant Thornton, introduced the report and responded to Members' comments including the expected impact of Brexit on existing EU legislation and funding flows.

940

RESOLVED:-

That the report be noted.

THE VALUE FOR MONEY PLAN FOR BIRMINGHAM CITY COUNCIL

The following report of the External Auditor was submitted:-

(See document No 4)

In response to Members' comments Phil Jones and Richard Percival, Grant Thornton, highlighted the significant risks identified, including budget delivery and reserves management, and how it was proposed to address those risks as detailed in the report now submitted.

941 **RESOLVED**:-

That the report be noted.

GRANT THORNTON – CERTIFICATION OF CLAIMS AND RETURNS

The following letter from Grant Thornton was submitted:-

(See document No 5)

Richard Percival, Grant Thornton, introduced the letter.

942 **RESOLVED**:-

That the letter be noted.

GROUP COMPANY GOVERNANCE – INFORMING THE AUDIT RISK ASSESSMENT

The following report of the Strategic Director – Finance and Legal was submitted:-

(See document No 6)

Councillor Tilsley declared a non-pecuniary interest as he served on the Birmingham Airport Audit Committee.

Martin Stevens, Head of City Finance Accounts, introduced the report and responded to Members' comments.

943 **RESOLVED**:-

(i) That the processes in place to improve governance of Group entities be noted;

(ii) that the responses received to inform the audit risk assessment be noted.

ANNUAL AUDIT LETTER YEAR ENDED 31/3/2016 – STATUTORY RECOMMENDATION

The following report of the Deputy Leader considered by City Council at its meeting on 10 January 2017 was submitted:-

(See document No 7)

The Chairman introduced the report and advised that he had written to the Chief Executive and was awaiting a response regarding the current budget position and savings plan.

Phil Jones and Richard Percival, Grant Thornton, in response to a question by a Member, expanded on paragraph 3.i – bullet point 3 of the report concerning the removal of 2016/17 savings which were no longer considered deliverable.

944

RESOLVED:-

That this Committee notes that the City Council on 10 January 2017 accepted the statutory recommendation of Grant Thornton made under Section 24 of the Audit and Accountability Act 2014 and the responses and actions set out in Section 3 of the report.

DATES OF FUTURE MEETINGS 2017/18

The Chairman proposed and it was:-

945

RESOLVED:-

That approval be given to a provisional schedule of dates for 2017/18 for meetings of the Audit Committee on the following Tuesdays at 1400 hours in the Council House:-

2017 **2018**

20 June	30 January
25 July	27 March
5 September	
21 November	

OTHER URGENT BUSINESS

946

No other urgent business was raised.

AUTHORITY TO CHAIRMAN AND OFFICERS

947

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.

EXCLUSION OF THE PUBLIC

948

RESOLVED:-

That, in view of the nature of the business to be transacted, which includes the following exempt information, the public be now excluded from the meeting:-

Agenda Item etc

Minutes

**Paragraph of Exempt Information
Under Revised Schedule 12A of the
Local Government Act 1972**

3 and 4