

Birmingham City Council

Audit Committee

Date 29 November 2023



Subject: Audit Committee Agenda (29 November, 2023)

Commissioner Review

Commissioners are pleased to see that the Committee are being recommended to adopt the CIPFA guidance and model terms of reference for the Audit Committee. This is an important step in the process of recovery. The Council's Constitution should make it explicit that no Councillor should be able to serve on the Audit Committee until they have attended the necessary training course on how to be an effective member of the Committee. As part of the annual review of the effectiveness of the Committee the training and development needs of councillors in general and members of this committee should be considered.

Audit Committees are required to produce an Annual report. In addition to this the Chair of the Committee should have the ability to place an item on the Cabinet agenda and attend and speak to it if there are significant issues arising that needs Cabinet to give specific attention to the issue. The Committee should also consider whether major issues require them to report directly to full Council as every councillor is responsible for financial stewardship.

Members should satisfy themselves that the level of activity in Counter Fraud is appropriate for a Council of Birmingham's size. The council will inevitably undergo some disruption through the intervention period and this always provides an opportunity for challenge to the Council's processes.

When staff members are involved in fraudulent activities it is not acceptable for the report to say that the matter has been passed to management to deal with. Public service demands the highest standards of probity and the public's trust and confidence in the stewardship of the authority is put at risk in such circumstances. The Committee should require follow up reports to understand what action management take and in what timescale.