

AUDIT COMMITTEE - 10 February 2020

MINUTES

Present: Councillors: Mr T Beirne (Chairman), Ms G Chauhan, A Adeyemo, M Gough and M McLoughlin.

Officers: David Acton, Julie Cooper, Olly Dodds, Paul Johnson, Alison McGrory, Mary Morrissey, Neil Preece (External Auditor), Joanne Robinson, John Robinson, Steve Sparkes, Jane Tattam, and Sean Turley.

1 APOLOGIES

Apologies were tendered by Mr Evans Mbajah.

2 DECLARATIONS OF INTEREST

There were no declarations of interest from Members.

3 QUESTIONS AND DEPUTATIONS

There were no declarations of interest from Members.

4 MINUTES

The Committee received the minutes of the meeting held on 7th January 2020.

RESOLVED

The minutes of 7th January 2020 were accepted as a true record subject to the inclusion of the attendees who were: Mr T Beirne (Chairman), Ms G Chauhan, Mr E Mbajah, and Councillors A Adeyemo, M Gough, and M McLoughlin..

5 VERBAL UPDATE FROM THE EXTERNAL AUDITOR

The External Auditor advised on progress of the pooling of Housing Capital Receipts, that initial planning for 2019/20 had begun, and that Interim Audits commenced on 8 January and were going well.

6 HOUSING BENEFIT CERTIFICATION WORK FOR SOLIHULL METROPOLITAN BOROUGH COUNCIL FOR YEAR ENDED 31 MARCH 2019

The External Auditor explained the certification work undertaken to certify the Housing Benefit subsidy claim submitted by the Council for year ended 31 March 2019.

A number of errors had been identified whilst assessing claims which resulted in five lots of additional testing as a result of errors identified in the previous year and four lots of additional testing as a result of new errors identified this year.

Members were advised that the quality of completion of the workbooks had been of a good standard, however, due to the significant amount of work involved in the process, in having just two experienced officers completing the workbooks the Council was placing itself at risk should either officer be unable to complete. It was strongly recommended that the Council identifies and trains more officers.

RESOLVED

The Committee noted the Certification work undertaken for Solihull MBC for the year ended 31 March 2019.

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7 HOUSING BENEFIT SUBSIDY CLAIM 2018/19

The Head of Income and Awards advised Members that the errors found in the 2018/19 housing benefit subsidy claims checks by Grant Thornton fell into the following three categories:-

- (i) miscalculating claimants weekly income leading to incorrect benefit being paid;
- (ii) misclassification of overpayments when claimants have had a change in their circumstances; and
- (iii) in-correct entries of eligible benefits thereby awarding claimants a premium not entitled to.

The Head of Income and Awards advised that the Benefits Team had been restructured in August 2019 and a recruitment campaign in December meant all posts were filled. The team would now be in a position to ensure all new claims could be checked.

RESOLVED

The Committee noted the issues highlighted and subsequent actions taken.

8 ANNUAL GOVERNANCE STATEMENT PREPARATION FOR 2019/20

The Committee were advised of the preparations for the production of the Council's Annual Governance Statement (AGS) for 2019/20. The Governance and Risk Management Advisor took Members through the proposed timetable, highlighting key dates, and the proposed assurance gathering process.

RESOLVED

The Committee:-

- (i) noted the proposed timetable for production of this year's Annual Governance Statement;
- (ii) endorsed the proposed assurance gathering process; and
- (iii) confirmed that the process would provide the assurance needed to effectively review and challenge the Annual Governance Statement when it is presented in June 2020.

9 2019/20 QUARTER 3 TREASURY MANAGEMENT MONITORING REPORT

The Treasury and Corporate Accountant updated Members on the Quarter 3 Treasury Management activities. He explained how the Council was maintaining an under borrowing position in order to minimise investment risk, and how internal borrowing had proved an effective strategy in delivering a number of savings to the Council over a number of years. The Officer also expounded on the current prudential and treasury indicators and confirmed that no amendments were proposed to the Treasury Management Strategy.

RESOLVED

The Committee noted the Treasury Management activities for quarter 3 of 2019/20.

10 MONITORING REPORT – INTERNAL AUDIT

To inform the Committee of work undertaken by Internal Audit as at 10 February 2020.

RESOLVED

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The Committee noted the work undertaken by Internal Audit as at 10 February 2020.

11 EXCLUSION OF THE PRESS AND PUBLIC

The Chairman did move that the press and public be now excluded from the remainder of the business to be transacted on the grounds that there would be disclosure to them of exempt information as defined in schedule 12A to the Local Government Act 1972.