

AUDIT COMMITTEE - 14 June 2021

MINUTES

Present: Councillors: Mr T Beirne (Chairman), Mr D Page, K Allsopp, M McLoughlin and A Sandison

Officers: David Acton – Democratic Services
Julie Cooper – Head of Financial Operations
Olly Dodds – Audit Manager
Paul Johnson – Director of Resources and Deputy Chief Executive
Adam Paterson – Finance Manager
Neil Preece – External Auditor
Joanne Robinson – Head of Income and Awards
John Robinson – Treasury and Corporate Accountant
Steve Sparkes – Head of Audit Services

1. **APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN**

Mr Tony Beirne and Councillor Ken Allsopp, respectively, were appointed as Chairman and Vice-Chairman for the Municipal Year 2021/22.

2. **APOLOGIES**

Mr Evans Mbajah tended his apologies.

3. **DECLARATIONS OF INTEREST**

There were no declarations of interest from Members.

4. **QUESTIONS AND DEPUTATIONS**

No questions or deputations received.

5. **MINUTES**

The minutes of the meeting held on 15 March 2021 were approved as a true record. Members were also advised that an email received from Kingshurst Parish Council, regarding the carrying out of an internal audit, had been responded to by the Head of Audit Services.

6. **VERBAL UPDATE FROM THE EXTERNAL AUDITOR**

The External Auditor advised that the final accounting audit would commence once accounts had been received from the Head of Financial Operations.

7. **HOUSING BENEFIT SUBSIDY CLAIM 2019/20**

The Committee received an update on the 2019/20 housing benefit subsidy claim of £38.9million. Grant Thornton tested 433 cases and identified 25 errors which fell into the following categories:-

- Miscalculating claimants weekly income from earnings leading to incorrect benefit being paid;
- Miscalculating claimants weekly income from a pension leading to incorrect benefit being paid; and

AUDIT COMMITTEE - 14 June 2021

- Incorrect entry of a rent figure.

The result of all errors identified meant that the subsidy claim was amended by £68 of the total claimed.

The Committee were informed of the actions taken, the impact of Covid, and training being undertaken to complete subsidy workbooks.

RESOLVED

The Committee noted the issues highlighted and the subsequent actions taken.

8. AUDIT PLAN

The External Auditor provided an overview of the planned scope and timing of the statutory audit of Solihull MBC, as reported in the Audit Plan dated 31 March 2021, for those charged with Governance.

RESOLVED

The Committee noted the External Audit Plan update.

9. INFORMING THE AUDIT RISK ASSESSMENT FOR SOLIHULL METROPOLITAN BOROUGH COUNCIL 2020/21

The External Auditor advised that the report contributed towards the effective two-way communication between Solihull MBC external auditors and Solihull MBC Audit Committee and covered some important areas of the auditor risk assessment where required to make inquiries of the Audit Committee under auditing standards. Those areas required an understanding of management processes and the Council's oversight of the following areas:-

- General Enquiries of Management;
- Fraud;
- Laws and Regulations;
- Related Parties; and
- Accounting Estimates.

RESOLVED

The Committee noted the report.

10. TREASURY MANAGEMENT OUTTURN REPORT 2020/21

The Treasury and Corporate Accountant reminded Members of their responsibility under the regulatory environment for the review and scrutiny of treasury management policy and activities.

The report detailed the outturn position for treasury activities and highlighted compliance with the Council's policies as previously approved by Members.

RESOLVED

The Committee recommends that Council approves the Treasury Management Outturn report 2020/21 attached at Appendix A.

11. REVIEW OF ACCOUNTING POLICIES

The Committee were asked to review and consider the Council's Accounting Policies and Standards that had been applied during 2020/21.

In previous years the committee received the information as part of the overall Statement of Accounts but, in line with best practice, the information was now reported separately.

AUDIT COMMITTEE - 14 June 2021

The report outlined the key policies, highlighting any enhancements to those policies, any accounting standards issued but not yet adopted, and key accounting estimates followed for 2020/21.

RESOLVED

The Committee approved the Accounting Policies and Standards applied during 2020/21.

12. RISK MANAGEMENT INFORMATION REPORT

The Audit Manager detailed information of identified corporate risks, how they were being managed and that all had been reviewed by the Corporate Leadership team on 4 May 2021.

RESOLVED

The Committee noted the report in respect of the identified corporate risks.

13. 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.