

## **AUDIT & PERFORMANCE REVIEW COMMITTEE**

At a Meeting of the Audit & Performance Review Committee held in Committee Room 3, Council Offices, Garshake Road, Dumbarton on Wednesday, 22 May at 10.00 a.m.

**Present:** Councillors George Black, Jim Brown, Jonathan McColl, Ian Murray, Gail Robertson, Martin Rooney and Michelle Stewart and Mr Stevie J. Doogan, Mr Edward Haynes and Mr Francis McNeill.

**Attending:** Angela Wilson, Executive Director of Corporate Services; Terry Lanagan, Executive Director of Educational Services; Elaine Melrose, Executive Director of Housing, Environmental & Economic Development; Stephen West, Head of Finance and Resources; Gillian McNeilly, Finance Manager; Colin McDougall, Audit and Risk Manager; Joe Gillespie, Section Head (Operations); William Pook, Performance and Information Manager, West Dunbartonshire Community Health & Care Partnership; Craig Stewart, Committee Officer, Legal, Democratic and Regulatory Services.

**Also Attending:** Ms Elaine Boyd, Senior Audit Manager, and Mr Laurence Slavin, Senior Auditor, Audit Scotland.

**Apology:** An apology for absence was intimated on behalf of Councillor Tommy Rainey.

**Councillor Jonathan McColl in the Chair**

### **DECLARATION OF INTEREST**

Edward Haynes declared an interest in respect of a job application for an audit related post. The position was noted in relation thereto.

### **MINUTES OF PREVIOUS MEETINGS**

The Minutes of Meetings of the Audit & Performance Review Committee held on 27 February 2013 were submitted and approved as a correct record.

Reference was made to the two Briefing Notes (SOLACE Performance Indicators and Audit Plan Methodology) that had been emailed to Members and which hard copies had been circulated at the meeting. Members indicated that they would like this information to be circulated earlier in future, in order that they could properly consider the content thereof.

### **REMIT FROM COUNCIL MEETING ON 27 MARCH 2013 – PRUDENTIAL INDICATORS 2012/13 TO 2015/16 AND TREASURY MANAGEMENT STRATEGY 2013/14 TO 2015/16**

A short overview on this subject was given by Gillian McNeilly, Finance Manager followed by a question and answer session.

In this respect, a report was submitted by the Executive Director of Corporate Services which had been remitted to this Committee from the March Council meeting in order to ensure further scrutiny took place. After discussion and having heard the Finance Manager in further explanation and in answer to Members' questions, the Committee agreed to note the contents of the report.

### **CODE OF GOOD GOVERNANCE**

A report was submitted by the Executive Director of Corporate Services advising of progress made in developing and maintaining a local code of governance as recommended in the CIPFA/SOLACE document '*Delivering Good Governance in Local Government*'.

The Committee agreed:-

- (1) to note the outcome of the recent self-evaluation process in considering how the Council currently meets the agreed Code of Good Governance;
- (2) to note the issues identified and improvement actions; and
- (3) to note that a revision of the Code would be undertaken and reported to a future meeting of the Audit & Performance Review Committee.

### **AUDIT SCOTLAND – REVIEW OF ADEQUACY OF INTERNAL AUDIT ARRANGEMENTS**

A report was submitted by the Executive Director of Corporate Services advising of the External Auditor's assessment of the adequacy of the Council's Internal Audit arrangements.

After discussion and having heard the Executive Director of Corporate Services in further explanation, the Committee agreed:-

- (1) to thank Audit Scotland and the officers involved for their work and effort in carrying out the review of the adequacy of the Council's Internal Audit arrangements; and
- (2) otherwise to note the contents of the report.

### **INTERNAL AUDIT CHARTER**

A report was submitted by the Executive Director of Corporate Services providing an update to the Internal Audit Charter.

After discussion and having heard the Executive Director of Corporate Services, the Audit and Risk Manager and Ms Boyd in further explanation and in answer to Members' questions, the Committee agreed:-

- (1) to approve the revised Internal Audit Charter subject to a report being submitted to the next meeting of the Committee on progress with the Charter which would allow any minor adjustments to be incorporated to the Charter, as necessary; and
- (2) that the report, referred to at (1) above, should provide more detail in respect of partnership agreements with the various bodies mentioned in paragraph 5.2 of the report.

Edward Haynes, having failed to get a seconder for a proposed amendment, requested that his dissent be recorded in the minutes.

### **INTERNAL AUDIT ANNUAL REPORT TO 31 MARCH 2013**

A report was submitted by the Executive Director of Corporate Services:-

- (a) advising of the work undertaken by Internal Audit in respect of the Annual Audit Plan 2012/13; and
- (b) advising of the contents of the Assurance Statement given to the Section 95 Officer (the Head of Finance and Resources) in support of the Statement of Internal Financial Control/Governance Statement.

After discussion and having heard the Executive Director of Corporate Services and the Audit and Risk Manager in answer to a Member's question, the Committee agreed to note the contents of the report.

## **RISK AND BUSINESS CONTINUITY UPDATE**

A report was submitted by the Executive Director of Corporate Services providing an update on work being done in relation to Risk and Business Continuity.

After discussion and having heard the Executive Director of Corporate Services and the Executive Director of Housing, Environmental and Economic Development in further explanation and in answer to Members' questions, the Committee agreed:-

- (1) to note the content of the Strategic Risk Register as detailed at Appendix 1 to the report;
- (2) to note the next steps required for department/service risks to be developed;
- (3) to note the requirement to ensure that Business Continuity Plans are brought up to date across the Council; and
- (4) that a report be prepared for consideration at the next meeting of the Committee on strategic risks deemed likely or very likely to occur along with indicative timescales in this respect.

## **THE ACCOUNTS COMMISSION'S OVERVIEW OF LOCAL GOVERNMENT IN 2013: *RESPONDING TO CHALLENGES AND CHANGE***

A report was submitted by the Executive Director of Corporate Services providing information on a report recently published by the Accounts Commission entitled '*Responding to challenges and change*'.

After discussion and having heard the Executive Director of Corporate Services and Ms Boyd in elaboration and in answer to Members' questions, the Committee agreed:-

- (1) that a fuller consideration of the issues should form part of a Members Seminar to be arranged at a future date, following which the report be submitted to a future meeting of Council for Members consideration; and
- (2) the Chief Executive presents the report to the Council's Community Planning partners for a wider consideration of the challenges, in order to seek a partnership approach.

Councillor Black, having failed to get a seconder for a proposed amendment, requested that his dissent be recorded in the minutes.

## **AUDIT SCOTLAND REPORT: *MAJOR CAPITAL INVESTMENT IN COUNCILS***

A report was submitted by the Executive Director of Corporate Services providing information on a report recently published by Audit Scotland entitled '*Major capital investment in councils*'.

Having heard Ms Boyd, the Committee agreed to note the contents of the report.

The meeting closed at 11.56 a.m.

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