

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, 11 March 2015 at 2.05 p.m.

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

* Arrived later in the meeting.

Attending: Joyce White, Chief Executive; Angela Wilson, Executive Director of Corporate Services; Richard Cairns, Executive Director of Infrastructure and Regeneration; Terry Lanagan, Executive Director of Educational Services; Stephen West, Head of Finance and Resources; Colin McDougall, Audit and Risk Manager; Soumen Sengupta, Head of Strategy, Planning & Health Improvement, West Dunbartonshire Community Health & Care Partnership; Peter Barry, Head of Customer & Community Services; Amanda Coulthard, Corporate and Community Planning Manager; and Craig Stewart, Committee Officer, Legal, Democratic and Regulatory Services.

Also Attending: Mr David McConnell, Assistant Director; Ms Elaine Boyd, Senior Audit Manager, and Mr Laurence Slavin, Senior Auditor, Audit Scotland.

Councillor Jonathan McColl in the Chair

DECLARATIONS OF INTEREST

It was noted that there were no declarations of interest in any of the items of business on the agenda at this point in the meeting.

MINUTES OF PREVIOUS MEETING

The Minutes of Meeting of the Audit & Performance Review Committee held on 10 December 2014 were submitted and approved as a correct record.

INTERNAL AUDIT PLAN 2014/15 PROGRESS REPORT TO 31 JANUARY 2015

A report was submitted by the Executive Director of Corporate Services advising on the work undertaken by the Internal Audit Section against the Audit Plan 2014/15.

After discussion and having heard the Audit and Risk Manager, the Chief Executive and relevant officers in further explanation and in answer to Members' questions, the Committee agreed to note the contents of the report.

Note: Councillors Jim Brown and Michelle McGinty entered the meeting during consideration of this item.

AUDIT ACTION PLANS

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

- (a) recently issued Internal Audit action plans; and
- (b) progress made against plans previously issued contained within Internal Audit and External Audit reports.

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

- (1) to note the terms of the discussion that had taken place in respect of this matter, particularly in relation to the up to date position on certain of the projects (*i.e. whether one milestone was used*) which may not give an accurate and true picture of the completeness of the specific action;
- (2) that in view of (1) above, that officers investigate whether the covalent report can be reformatted for future actions by indicating the number of milestones for a particular project; and
- (3) otherwise to note the contents of the report.

INTERNAL AUDIT CHARTER – UPDATE

A report was submitted by the Executive Director of Corporate Services providing an updated version of the Audit Charter previously submitted to the Committee on 25 September 2013.

After discussion and having heard the Executive Director of Corporate Services, the Audit and Risk Manager and relevant officers in elaboration and in answer to Members' questions, the Committee agreed:-

- (1) to approve the revised Internal Audit Charter; and
- (2) to note the terms of the discussion that had taken place in relation to this matter.

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 Mr Slavin, Senior Auditor, in elaboration and in answer to Members' questions, the Committee agreed to note the contents of the report.

AUDIT SCOTLAND ANNUAL AUDIT PLAN 2014/15

A report was submitted by the Executive Director of Corporate Services presenting for information Audit Scotland's Annual Audit Plan for the audit of financial year 2014/15.

After discussion and having heard Mr McConnell, Assistant Director, in further explanation and in answer to Members' questions, the Committee agreed to note Audit Scotland's audit plan for the audit of financial year 2014/15.

INTERNAL AUDIT PLAN 2015/16

A report was submitted by the Executive Director of Corporate Services advising on the planned programme of work for the Internal Audit Section for the year 2015/16.

After discussion and having heard the Executive Director of Corporate Services, the Audit and Risk Manager and relevant officers in elaboration and in answer to Members' questions, the Committee agreed to approve the Audit Plan for 2015/16.

PUBLIC INTEREST DISCLOSURES FOR THE PERIOD 1 JULY 2014 TO 31 DECEMBER 2014

A report was submitted by the Executive Director of Corporate Services advising on public interest disclosures received during the period 1 July 2014 to 31 December 2014.

After discussion and having heard the Executive Director of Corporate Services and the Audit and Risk Manager in further explanation and in answer to Members' questions, the Committee agreed to note the contents of the report.

PRUDENTIAL INDICATORS 2014/15 TO 2017/18 AND TREASURY MANAGEMENT STRATEGY 2015/16 TO 2017/18

A report was submitted by the Executive Director of Corporate Services providing an update on:-

- (a) Prudential Indicators for 2014/15 to 2017/18; and
- (b) Treasury Management Strategy (including the Investment Strategy) for 2015/16 to 2017/18.

After discussion and having heard the Head of Finance and Resources and the Chief Executive in further explanation and in answer to Members' questions, the Committee agreed to note that Council approved the following at its meeting on 4 February 2015:-

- (1) The Prudential Indicators and Limits set out within Appendix 1 of the report:
 - Capital Expenditure and Capital Financing Requirements (Tables A and B);
 - Actual and estimates of the ratio of financing costs to Net Revenue Stream (Table C);
 - Incremental impact of capital investment decisions on the Band D Council Tax (Table D); and
 - Incremental impact of capital investment decisions Housing Rent levels (Table E);
- (2) The Treasury Management Strategy for 2015/16 to 2017/18 (including the Investment Strategy) contained within Appendix 2 of the report;
- (3) The Treasury Prudential Indicators and Limits set out in Appendix 2 of the report:
 - Operational Boundaries (Table G);
 - Authorised Limits (Table H);
 - Counterparty Limits (Table K); and
 - Treasury Management Limits on Activity (Table M); and
- (4) The statement by the Section 95 Officer regarding the gross debt level in comparison to the Capital Financing Requirement (Appendix 2 - Point 2.2).

LOCAL GOVERNMENT BENCHMARKING FRAMEWORK 2013/14

A report was submitted by the Executive Director of Corporate Services providing the Committee with the West Dunbartonshire position in the recently published Local Government Benchmarking Overview report for 2013/14.

After discussion and having heard the Corporate and Community Planning Manager and relevant officers in further explanation and in answer to Members' questions, it was agreed:-

- (1) to note the publication of the national overview report;
- (2) that further information would be brought back to the June meeting of the Committee which would include the service detail for each area showing the wider context and what work was underway to improve performance;
- (3) to note the relative position of West Dunbartonshire across the suite of indicators used in the benchmarking report; and
- (4) otherwise to note the actions already underway within each department following publication of this information.

Note: Councillor Tommy Rainey left the meeting during consideration of this item.

The meeting closed at 4.50 p.m.