

## **AUDIT & PERFORMANCE REVIEW COMMITTEE**

At a Meeting of the Audit & Performance Review Committee held in Meeting Room 3, Council Offices, Garshake Road, Dumbarton, on Wednesday, 10 November 2010 at 10.10 a.m.

**Present:** Councillors George Black, Margaret Bootland\*, Jim Brown\*, Geoff Calvert, Jonathan McColl\*, Craig McLaughlin and Martin Rooney and Mr Frances McNeil, Representative, Community Councils.

\* Attended later in the meeting.

**Attending:** David McMillan, Chief Executive; David Connell, Head of Finance and ICT; Lorraine Coyne, Head of Audit, Performance and Strategic Planning; Colin McDougall, Manager of Risk & Performance; Joe Gillespie, Section Head (Operations); Gillian McNeilly, Manager of Accounting; Patricia Marshall, Manager of ICT and Craig Stewart, Committee Officer, Legal, Administrative and Regulatory Services.

**Also**

**Attending:** Grant Macrae (Director) and Dr Keith Macpherson (Manager), KPMG LLP.

**Apologies:** Apologies for absence were submitted on behalf of Councillor John Millar and Mr John Corcoran, Representative, Business Community.

**Councillor Martin Rooney 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.

### **MINUTES OF PREVIOUS MEETINGS**

The Minutes of Meetings of the Audit & Performance Review Committee held on 8 September 2010 (Ordinary) and 29 September 2010 (Special) were submitted and approved as a correct record.

After discussion, the Committee agreed:-

- (1) to note that with regard to the Minutes of Meeting of 8 September 2010 concerning the item under the heading 'Interim Management Report: Organisation Wide Controls Audit: Year Ended 31 March 2010' (Page xx refers), a report reviewing the role of Lay Members would be prepared for consideration at the next meeting of the Committee; and
- (2) to note that with regard to the Minutes of Meeting of 8 September 2010 concerning the item under the heading 'Sickness Absence Reporting – Quarter 1 (2010/2011)' (Page xx refers), the Chief Executive would arrange to circulate a Briefing Note to Members on the new targets for sickness absence.

### **INTERIM MANAGEMENT REPORT: INFORMATION TECHNOLOGY CONTROLS AUDIT: YEAR ENDED 31 MARCH 2010**

A report was submitted by the Executive Director of Corporate Services presenting KPMG LLP's Information Technology Controls Report for information.

After discussion and having heard Dr. Macpherson, Manager, KPMG LLP and the Manager of ICT in further explanation and in answer to Members' questions, the Committee agreed:-

- (1) to note that KPMG had identified a number of recommendations following their evaluation of the three areas outlined in paragraph 3.2 of the report and that detailed action plans with appropriate timescales to address these findings had been agreed; and
- (2) otherwise to note the contents of the report and the appendix.

Note: Councillors Bootland, Brown and McColl entered the meeting at this point in the proceedings.

### **PROGRESS OF ACTION PLANS FOR THE REVENUE BUDGET PROPOSALS**

A report was submitted by the Chief Executive presenting an update in relation to the action plans drawn up from the Revenue Budget proposals agreed by Council in February 2008, February 2009 and January 2010.

After discussion and having heard the Chief Executive in further explanation and in answer to Members' questions, the Committee agreed:-

- (1) to assist in the process of rationalisation of action plans by engaging in the planned Corporate and Departmental consultation for 2011/12;

- (2) to note that the Chief Executive would provide an update note to Councillor Calvert concerning Code BB/067 Milton Regeneration (contained in Appendix 1: Consolidated Revenue Budget Proposals Report) with particular reference to the further meeting of the Milton Community Hall Association which was scheduled for 28 October 2010;
- (3) that an update report of indicators, that had missed their due date, would be submitted to the next meeting of the Committee and that officers should ensure that the information contained in Covalent was as up-to-date as possible; and
- (4) otherwise to note the contents of the report.

### **KEY CORPORATE PERFORMANCE INDICATORS FOR QUARTER 2: 2010/11**

A report was submitted by the Chief Executive reviewing the performance of the Key Corporate Performance Indicators for 2010/11, Quarter 2.

After discussion and having heard the Manager of Risk & Performance and the Chief Executive in further explanation and in answer to Members' questions, the Committee agreed:-

- (1) to note that with regard to Appendix 1, Performance Indicator SCM1civ CM1aiii: Average number of working days lost per employee through sickness absence for teachers, the updated value for Q2 2010/11 was 0.96 and Performance Indicator SCM1aiv CM1biii: Average number of working days lost per employee through sickness absence for all other local government employees, the updated value for Q2 2010/11 was 2.47;
- (2) to note that the Executive Director of Educational Services would provide a report to the next meeting of the Committee on teachers' absence; and
- (3) otherwise to note the contents of the report.

### **CORPORATE PLAN 2010/14 – MID YEAR REVIEW**

A report was submitted by the Chief Executive setting out progress against the Corporate Plan 2010/14 objectives in the first six months of 2010/11, that is, from 1 April to 30 September 2010.

After discussion and having heard the Manager of Risk & Performance in answer to Members' questions, the Committee agreed:-

- (1) to note that with regard to Appendix 1 (Theme: 2 Health & Well Being), Performance Indicator – Value of benefits maximised through representation from Welfare Rights Money Advice Service, the updated value for Q1 (which measure was supplied one quarter in arrears) was £2,161,024.64; and

- (2) otherwise to note the contents of this report

### **LOCAL CODE OF GOOD GOVERNANCE**

A report was submitted by the Chief Executive advising of the progress made in developing a local code of governance as recommended in the CIPFA/SOLACE document 'Delivering Good Governance in Local Government: Framework'.

After discussion and having heard the Head of Audit, Performance & Strategic Planning and the Chief Executive in elaboration and in answer to Members' questions, the Committee agreed to approve the contents of this report.

### **INTERNAL AUDIT ACTION PLANS ISSUED DURING THE PERIOD FROM 15 JULY TO 14 SEPTEMBER 2010**

A report was submitted by the Chief Executive presenting the Internal Audit Section action plans issued to directorates during the period from 15 July to 14 September 2010.

After discussion and having heard the Head of Audit, Performance & Strategic Planning in further explanation and in answer to Members' questions, the Committee agreed to note the contents of this report.

### **ACTIVITY ON WHISTLEBLOWING HOTLINE TO 30 SEPTEMBER 2010**

A report was submitted by the Chief Executive advising of the level of activity on the whistleblowing hotline.

After discussion and having heard the Head of Audit, Performance & Strategic Planning and the Chief Executive in elaboration and in answer to Members' questions, the Committee agreed:-

- (1) that, in view of the concerns expressed by Members on a case involving a tenant who was reported to be continuing to deal drugs from a council property, as outlined in Appendix A to the report, a briefing note would be prepared by the Executive Director of Housing, Environmental and Economic Development for issue to Members giving further information on this matter; and
- (2) otherwise to note the contents of the report.

### **INTERNAL AUDIT PROGRESS REPORT TO 30 SEPTEMBER 2010**

A report was submitted by the Chief Executive advising of the work undertaken by the Internal Audit Section against the Audit Plan 2010/11.

After discussion and having heard the Head of Audit, Performance & Strategic Planning and the Chief Executive in further explanation and in answer to Members' questions, the Committee agreed to note the contents of this report.

### **KPMG LLP – 2009/10 AUDIT – FINAL REPORT TO MEMBERS**

A report was submitted by the Executive Director of Corporate Services advising the Committee of the findings in relation to KPMG LLP's Final Report to Members on the completion of their 2009/10 Audit.

After discussion and having heard Mr. Macrae, Director, KPMG LLP and the Chief Executive in further explanation and in answer to Members' questions, the Committee agreed:-

- (1) to note the findings of the 2009/10 audit as detailed in Audit Scotland's report to Members, attached as an appendix to the report;
- (2) to note that complete report would be presented to the Council meeting on 24 November 2010 for Members' consideration; and
- (3) to note that the Council had received an unqualified audit opinion on the accounts for 2009/10.

The meeting closed at 11.22 a.m.