

## **AUDIT & PERFORMANCE REVIEW COMMITTEE**

At a Meeting of the Audit & Performance Review Committee held in the Council Chambers, Clydebank Town Hall, Dumbarton Road, Clydebank on Wednesday, 8 March 2006 at 10.00 a.m.

**Present:** Councillors Margaret Bootland, Gail Casey and Jackie Maceira.

**Attending:** Tim Huntingford, Chief Executive; Gerry McNerney, Director of Corporate Services; David Connell, Head of Finance; Lorraine Coyne, Manager of Audit; Colin McDougall, Section Head, Internal Audit; Louise Love, Section Head (Operations), Internal Audit; Jim Pow, Manager of Finance (Housing and Technical Services); Stephen West, Manager of Resources (Social Work Services); Liz Cochrane, Principal Policy Officer; David Webster, Section Head (Performance Management); and Craig Stewart, Administrative Assistant, Legal and Administrative Services.

**Also Attending:** Angela Cassels, Assistant Director of Audit, Audit Scotland; Elaine Barrowman, Senior Audit Manager and Angus Brown, Depute Senior Audit Manager, Audit Scotland.

**Apologies:** Apologies for absence were intimated on behalf of Councillors Geoff Calvert and James McCallum.

**Councillor Jackie Maceira in the Chair**

### **MINUTES OF PREVIOUS MEETING**

8468 The Minutes of Meeting of the Committee held on 21 December 2005 were submitted and approved as a correct record.

### **REMIT OF THE AUDIT AND PERFORMANCE REVIEW COMMITTEE**

8469 With reference to the Minutes of Meeting of the Committee of 21 December 2005 (Pages 2119/2120, paragraph 7799 refers), a report was submitted by the Director of Corporate Services providing information to allow informed discussion on the remit of the Audit & Performance Review Committee.

8470 After discussion and having heard the Manager of Audit and the Convener, Councillor Maceira, the Committee agreed:-

- (1) that appropriate Internal Audit reports would be submitted to the Committee in future, in order to better inform on the System of Internal Control;
- (2) that, as the inclusion of Internal Audit reports would invariably expand the business of the Committee, only reports which related to the System of Internal Control would be submitted at the discretion of the Chief Executive (i.e. reports on Systems/Risk/Contract/Computer/Regularity);
- (3) that the Corporate Services Committee would be the most appropriate forum to scrutinise performance of the Chief Executive's Department, given recent changes to departmental structures; and
- (4) that the development and implementation of Best Value would continue to be dealt with within the remit of Audit & Performance Review Committee.

#### **FOLLOW UP REVIEW OF HOUSING RENTS SYSTEM**

8471 With reference to the Minutes of Meeting of the Committee of 21 December 2005 (Page 2118, paragraph 7789 refers), a report was submitted by the Director of Housing and Technical Services advising of the progress being made in addressing the issues raised by Audit Scotland in their audit of the Housing Rents System.

8472 After discussion and having heard the Manager of Finance, the Committee agreed:-

- (1) to note the progress made to date; and
- (2) that this item would continue to remain on the agenda of the Audit & Performance Review Committee until such time as the one remaining outstanding issue had been resolved.

#### **AUDIT RISK ANALYSIS AND PLAN 2005/06**

8473 A report was submitted by the Director of Corporate Services presenting Audit Scotland's Audit Risk Analysis and Plan (ARAP) 2005/06.

8474 It was noted:-

- (a) that it had previously been the practice for external auditors to produce an audit planning memorandum for each client each year. In this connection, for 2005/06, as outlined in the Modernising Audit presentation given by Audit Scotland to the Committee on 21 December 2005, this approach had been revised and had been replaced by the production of an Audit Risk Analysis and Plan 2005/06; and
- (b) that the ARAP gave an overview of the audit approach and described the outputs the Council could expect to receive whilst also describing the resources that Audit Scotland would employ and their charge for the audit.

8475 After discussion and having heard the Senior Audit Manager and relevant officers in explanation and in answer to Members' questions, the Committee agreed to note the contents of the report and the appendix thereto.

### **REVIEW OF RISK MANAGEMENT STRATEGY**

8476 A report was submitted by the Director of Corporate Services seeking approval of the revised Risk Management Strategy and Risk Calculating Methodology.

8477 It was noted:-

- (a) that in June 2003, the Council approved a Risk Management Strategy and that a Risk Management Adviser had been appointed by the Council in September 2005 in order to provide specialist advice and guidance in the field of risk management; and
- (b) that part of the Risk Management Adviser's role was to review and update the existing risk management strategy, risk calculating methodology and risk register.

8478 After discussion and having heard the Director of Corporate Services in elaboration and the Risk Management Adviser in answer to Members' questions, the Committee agreed:-

- (1) to approve the revised risk strategy and calculating methodology on the basis outlined in the report; and
- (2) to note that a copy of the revised Risk Management Strategy and Risk Calculating Methodology would be circulated to all Members of the Committee, together with any relevant information concerning the electronic risk register.

### **REVIEW OF ARRANGEMENTS FOR COMPLYING WITH THE PUBLIC INTEREST DISCLOSURE ACT 1999**

- 8479 A report was submitted by the Director of Corporate Services providing an update on the changes that have been made to the Council's arrangements for Confidential Reporting.
- 8480 A copy of the revised Confidential Reporting policy, which came into effect on 6 March 2006, was circulated to Members' for information.
- 8481 After discussion and having heard the Chief Executive and the Section Head (Performance Management) in elaboration and in answer to Members' questions, the Committee agreed to note the developments relating to Confidential Reporting in the Council as outlined in the report.

### **PROGRESS REPORT FOR THE DEVELOPMENT OF THE TEAMMATE ELECTRONIC WORKING PAPERS PACKAGE**

- 8482 A report was submitted by the Director of Corporate Services advising of the progress being made in the development of the TeamMate Electronic Working Papers Package by Internal Audit.
- 8483 After discussion and having heard the Section Head (Internal Audit), the Committee agreed:-
- (1) to note the progress being made in the development of the TeamMate Electronic Working Papers Package; and
  - (2) that a demonstration of the TeamMate package and other finance systems would be arranged for Members at an appropriate time.

### **INTERNAL AUDIT PROGRESS REPORT TO 31 DECEMBER 2005**

- 8484 A report was submitted by the Director of Corporate Services advising of the work undertaken by the Internal Audit Section against the Audit Plan 2005/06.
- 8485 Having heard the Manager of Audit, the Committee agreed to note the report.

### **AUDIT SCOTLAND'S FINAL AUDIT REPORT TO MEMBERS 2004/05**

- 8486 A report was submitted by the Director of Corporate Services advising of progress in relation to the action plan prepared in response to Audit Scotland's report on the audit of West Dunbartonshire Council's accounts 2004/05.

- 8487 Having heard the Head of Finance, the Committee agreed to note the current position of the action plan.

### **AUDIT SCOTLAND'S REVIEW OF FOLLOWING THE PUBLIC POUND ARRANGEMENTS**

- 8488 A report was submitted by the Director of Corporate Services advising of Audit Scotland's follow up review of the Council's Following the Public Pound arrangements.
- 8489 Having heard the Head of Finance, the Committee agreed to note the findings of the review and the areas for improvement as highlighted within the action plan in Appendix A to the report.

### **SICKNESS ABSENCE STATISTICS – QUARTER 3 (OCTOBER TO DECEMBER) 2005/2006**

- 8490 A report was submitted by the Director of Corporate Services informing on the levels of employee absence during the 3 month period 1 October to 31 December 2005.
- 8491 After discussion and having heard the Director of Corporate Services and the Chief Executive in elaboration and in answer to Members' questions, the Committee agreed to note the contents of the report.

### **THE ACCOUNTS COMMISSION PERFORMANCE INDICATORS**

- 8492 A report was submitted by the Chief Executive providing monitoring information on statutory performance indicators (SPIs).
- 8493 After discussion and having heard the Section Head (Performance Management) and the Chief Executive in elaboration and in answer to Members' questions, the Committee agreed to note the contents of the report.

### **AUDIT OF BEST VALUE**

- 8494 A report was submitted by the Chief Executive providing a further update on the position with the Best Value Audit.
- 8495 Having heard the Section Head (Performance Management), the Committee agreed:-

- (1) that the contents of the report be noted;

- (2) to note that Members were in the process of completing their Questionnaires for return to Audit Scotland; and
- (3) to note that Members were encouraged to read the Audit Reports on Glasgow, Moray and Inverclyde Councils which were available on the Audit Scotland website and/or from the Policy Unit on request.

### **BEST VALUE SERVICE REVIEWS**

- 8496 A report was submitted by the Chief Executive reviewing progress on the current Best Value Service review programme.
- 8497 Having heard the Section Head (Performance Management), the Committee agreed to note the contents of the report.

### **CHIEF EXECUTIVE'S SERVICES – QUARTERLY PERFORMANCE REVIEW**

- 8498 A report was submitted by the Chief Executive informing on the performance of the Chief Executive's Services for the period to 31 December 2005.
- 8499 After discussion and having heard the Principal Policy Officer in further explanation and in answer to Members' questions, the Committee agreed to note the contents of the report.

### **QUALITY & SERVICE AWARDS**

- 8500 A report was submitted by the Chief Executive providing an update on the progress of various quality and service awards.
- 8501 After discussion and having heard the Section Head (Performance Management), the Committee agreed:-
  - (1) to note the contents of the report; and
  - (2) to congratulate officers for the range and diversity of the departmental award submissions.

The meeting closed at 11.22 a.m.