

## **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, 12 December 2007 at 10.00 a.m.

**Present:** Councillors Geoff Calvert, Jim McElhill, Craig McLaughlin, John Millar and Martin Rooney.

**Attending:** David McMillan, Chief Executive; David Connell, Head of Finance; Gillian McNeilly, Manager of Accounting; Lorraine Coyne, Manager of Audit; Colin McDougall, Section Head, Internal Audit; Joe Gillespie, Section Head (Operations); Liz Cochrane, Principal Policy Officer; David Webster, Section Head (Performance Management); Sandra Brysland, Section Head (Policy and Research), Educational Services; and Craig Stewart, Committee Officer, Legal, Administrative and Regulatory Services.

**Also Attending:** Grant Macrae, Director, KPMG LLP and Keith Macpherson, Manager, KPMG LLP.

**Apologies:** Apologies for absence were submitted on behalf of Councillors George Black, Margaret Bootland and Jim Brown.

**Councillor Geoff Calvert in the Chair**

### **MINUTES OF PREVIOUS MEETING**

The Minutes of Meeting of the Audit & Performance Review Committee held on 8 September 2007 were submitted and approved as a correct record.

In relation to a point raised by Councillor McLaughlin under the heading "Review of Audit & Performance Review Committee", it was noted that in the event that any additional costs were required arising from calling on external experts to participate in specific reviews, then a report would be submitted to Council for consideration.

### **CONTINUOUS IMPROVEMENT - PRESENTATION**

A short presentation was given by Sandra Brysland, Section Head Policy & Research, Educational Services, on the issue of Continuous Improvement and the measures that the Council had taken to ensure that the necessary quality and improvement framework was developed and in place in the relevant service areas.

Following the presentation and a short question and answer session, Members thanked Ms. Brysland for her interesting and informative presentation. Thereafter, Ms. Brysland left the meeting.

### **ELECTED MEMBERS – TRAINING REQUIREMENTS FOR AUDIT AND SCRUTINY**

A report was submitted by the Chief Executive outlining current arrangements and future proposals for training for Elected Members to support effective audit and scrutiny.

After discussion and having heard the Chief Executive 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; and
- (2) that a draft timetable of training be produced by officers that would include, as part of the follow up to the initial Elected Members' Induction, training on policy, performance and scrutiny issues. This would be of a general nature and was scheduled to take place early to mid-January 2008.

### **LAY MEMBERSHIP OF THE AUDIT & PERFORMANCE REVIEW COMMITTEE**

A report was submitted by the Chief Executive outlining proposals for the involvement of lay members in the Audit & Performance Review Committee.

After discussion and having heard the Principal Policy Officer in further explanation and in answer to Members' questions, Councillor McLaughlin, seconded by Councillor Millar, moved:-

- (1) that four lay members be appointed to the Audit & Performance Review Committee representing the business community, voluntary sector, community councils and tenants & residents groups in West Dunbartonshire, with the appointment of one member from each being made by their respective parent bodies; and
- (2) that lay members should not be members of any political party.

At this point, Councillor Miller withdrew as seconder to the motion and the motion was then seconded by Councillor McElhill.

As an amendment, Councillor Calvert, seconded by Councillor Rooney, moved:-

That no decision be taken meantime on the appointment of lay members to the Audit & Performance Review Committee.

On a vote being taken, 3 Members voted for the amendment and 2 for the motion. The amendment was accordingly declared carried.

### **MONITORING PUBLIC COMPLAINTS**

A report was submitted by the Chief Executive:-

- (a) providing a review of the monitoring and reporting mechanisms for corporate complaints; and
- (b) providing a corporate overview of complaints and complaints processing for the period 1 April 2007 to 30 September 2007 with comparative data relating to the previous six month reporting periods.

The Committee agreed:-

- (1) that a further report be produced for the Committee on the options for improving the capture of all complaints and, in particular, involving the contact centre;
- (2) that quarterly reporting of complaints and their outcomes to respective service committees should commence with immediate effect and include complaints received from 1 October 2007; and
- (3) that a summary report be produced annually for this Committee showing overall statistics and a summary of the impact on service delivery.

### **STATUTORY PERFORMANCE INDICATORS – QUARTER 2**

A report was submitted by the Chief Executive reviewing performance of the Statutory Performance Indicators (SPIs) for Q2 (July – September 2007).

After discussion and having heard the Section Head (Performance Management) in elaboration and in answer to Members' questions, the Committee agreed:-

- (1) to note that poor or underperforming SPIs, as discussed at the meeting and identified in the Appendix to the report, would be referred to and monitored by the appropriate Service Committee, in order to ensure that an appropriate Action Plan was in place to tackle any underperformance;
- (2) that a column, indicating whether a departmental Action Plan was in place, would be added to the Appendix to this report in future; and
- (3) to note that the format of future reports on this issue would change to show the Action Plans that had been developed for poorly performing indicators.

## **DEPRECIATION OF ASSETS**

A report was submitted by the Chief Executive providing background information relating to the depreciation of assets.

After discussion and having heard the Manager of Accounting in answer to Members' questions, the Committee agreed to note the terms of the report.

## **ACTIVITY ON WHISTLEBLOWING HOTLINE**

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

After discussion and having heard the Section Head (Internal Audit) in further explanation and the Manager of Audit in answer to Members' questions, the Committee agreed to note the developments in relation to the Council's Whistleblowing Hotline.

## **INTERNAL AUDIT ACTION PLANS TO 30 SEPTEMBER 2007**

A report was submitted by the Chief Executive advising of the results of work undertaken by Internal Audit and issued to directorates from 1 April 2007 to 30 September 2007 which impacts upon the system of internal control.

After discussion and having heard the Manager of Audit in further explanation and in answer to Members' questions, Councillor Calvert, seconded by Councillor Rooney, moved:-

That with regard to Action Plan 16 relative to the Housing Benefits Review, paragraph 3.01 'Benefits System – Password Changes', a report be prepared for consideration at the next meeting of the Corporate and Efficient Governance Committee on the outstanding problems with regard to the software supplier.

As an amendment, Councillor McLaughlin, seconded by Councillor McElhill, moved:-

That, given the concerns expressed by Members, the software supplier concerned be removed from the list of Contractors invited to tender for software to the Council.

On a vote being taken, 2 Members voted for the amendment and 3 for the motion, which was accordingly declared carried.

It was also agreed:-

- (1) that with regard to Action Plan 11 concerning 'Creditors System – Education', (paragraphs 2.1 & 2.2 refer) officers be instructed to check that all establishments have a suitable procedure in place to ensure compliance with the recommendations;
- (2) that officers would take on board comments made concerning the nature of the wording in the "Priority" column contained in the Appendix to the report; and
- (3) to note the terms of the discussion that had taken place in respect of this issue.

### **REVIEW OF PROGRESS IN ACTIONING RECOMMENDATIONS CONTAINED WITHIN INTERNAL AUDIT AND EXTERNAL AUDIT REPORTS**

A report was submitted by the Chief Executive advising of the progress being made in actioning recommendations contained within key Internal Audit and External Audit reports which departmental management have committed to implementing.

After discussion and having heard the Head of Finance and the Section Head (Internal Audit) in further explanation and in answer to Members' questions, the Committee agreed to note the contents of the report.

### **INTERNAL AUDIT PROGRESS REPORT TO 30 SEPTEMBER 2007**

A report was submitted by the Chief Executive advising of the work undertaken by the Internal Audit Section against the Audit Plan 2007/08.

The Committee agreed to note the report.

### **EVALUATION OF PRIVATE PARTNERSHIP ARRANGEMENT WITH PRICEWATERHOUSECOOPERS FOR THE PROVISION OF INTERNAL AUDIT SERVICES**

A report was submitted by the Chief Executive providing an evaluation of the recent use of PricewaterhouseCoopers for the provision of internal audit services.

After discussion and having heard the Manager of Audit in answer to Members' questions, the Committee agreed to note the contents of the report.

## **URGENT ITEM OF BUSINESS**

The Chair, in terms of Section 50B (4) (b) of the Local Government (Scotland) Act 1973 as inserted by the Local Government (Access to Information) Act 1985, decided that the following item be considered as a matter of urgency on the grounds that the action to be taken required early consideration.

## **KPMG ANNUAL REPORT TO MEMBERS**

In terms of remit from the meeting of the West Dunbartonshire Council held on 28 November 2007, there was submitted the relevant excerpt minute and action plan contained in KPMG LLP's report to Members.

After discussion and having heard Mr. Macrae, Director, KPMG LLP and the Head of Finance in further explanation and in answer to Members' questions, the Committee agreed to note the management actions and due dates as outlined in the Action Plan contained in KPMG LLP's report to Members.

## **COMPLIMENTS OF THE SEASON**

The Chair, Councillor Calvert, wished everyone a Merry Christmas and a Happy New Year.

The meeting closed at 11.50 a.m.