

RISK AND AUDIT SCRUTINY FORUM

Minutes of meeting held in Committee Room 3, Council Offices, Almada Street, Hamilton on 23 February 2012

Chair:

Councillor George Sutherland

Councillors Present:

John Anderson, Graeme Home, John Menzies, Alice Marie Mitchell

Councillors' Apologies:

Graeme Campbell, Maureen Devlin, Brian McKenna, Jean McKeown

Attending:

Community and Enterprise Resources

D Gibson, Fleet Manager; M McGlynn, Head of Planning and Building Standards Services; I Murray, Policy Manager

Finance and Corporate Resources

P Manning, Executive Director; Y Douglas, Audit Manager; P MacRae, Administration Officer; H McNeil, Head of Audit and Improvement

Also Attending:

PricewaterhouseCoopers

M Kerr, External Auditor

Order of Business

Item 7 was dealt with prior to item 3 on the agenda.

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Risk and Audit Scrutiny Forum held on 26 January 2012 were submitted for approval as a correct record.

The Forum decided: that the minutes be approved as a correct record.

Item 7 was dealt with at this point in the meeting

3 Internal Audit Activity – December 2011 to January 2012

A report dated 1 February 2012 by the Executive Director (Finance and Corporate Resources) was submitted on:-

- ◆ work completed by Internal Audit during the period December 2011 to January 2012
- ◆ amendments to the 2011/2012 Audit Plan

Details were given on progress with audit assignments and the performance of Internal Audit which highlighted that:-

- ◆ 80% of assignments had been delivered within budget and in line with the target
- ◆ 77% of draft reports had been delivered within 21 days of field work completion against a target of 80%
- ◆ 49% of the Internal Audit Plan had been completed to a draft stage
- ◆ 79% of audit recommendations had been delivered on time against a target of 80%
- ◆ 74% of audit assignments had been concluded to a signed action plan within the target of 7 weeks against a target of 80%

The findings from assignments completed in the period from 16 December 2011 to 31 January 2012 were detailed in Appendix 2 to the report.

Officers advised that, at this point in February, a further 21% of the Audit Plan had been delivered to a draft stage.

It was proposed that 4 assignments from the 2011/2012 Audit Plan be deferred for inclusion in the 2012/2013 Plan. Those assignments related to:-

- ◆ strategic financial management
- ◆ payroll reconciliation
- ◆ procurement improvement and compliance
- ◆ "reablement" assurance

This would ensure that the remaining audit assignments in the 2011/2012 Plan were delivered by 31 March 2012 to inform a balanced and evidenced Statement of Assurance on the Council's control environment for 2011/2012.

The Forum decided:

- (1) that the work completed by Internal Audit during the period December 2011 to January 2012 be noted; and
- (2) that the amendments to the 2011/2012 Audit Plan be endorsed.

[Reference: Minutes of 26 January 2012 (Paragraph 3)]

4 Internal Audit Plan 2012/2013

A report dated 1 February 2012 by the Executive Director (Finance and Corporate Resources) was submitted on the Internal Audit Plan 2012/2013.

A total of 1,930 audit days had been provided for in the Plan. The objectives and scope of assignments contained in the Plan were detailed in Appendix 1 to the report.

All proposed assignments had been risk assessed prior to inclusion in the Plan. Adjustments had been made to an initial draft to ensure adequate coverage by Resource and work type and to ensure compliance with the planning strategy. A contingency list of audit assignments had been prepared to allow risk related work to be carried out during the year if time permitted. The contingency list had been attached as Appendix 2 to the report.

Officers spoke in answer to members' questions on specific assignments which had been included in the Plan.

The Forum decided:

- (1) that the Internal Audit Plan 2012/2013 be endorsed and submitted to a future meeting of the Executive Committee for formal approval; and
- (2) that the contingency list of audit assignments be noted.

5 Audit Scotland Report - Modernising the Planning System

A report dated 3 February 2012 by the Executive Director (Community and Enterprise Resources) was submitted on the Audit Scotland report entitled "Modernising the Planning System." The report by Audit Scotland evaluated the overall progress made by all bodies, including local authorities, in modernising the planning system. The audit report covered the following 4 areas:-

- ◆ setting the scene
- ◆ progress in modernising the planning system
- ◆ assessing performance
- ◆ financing the planning system

Audit Scotland's conclusions on each of those aspects were detailed in the report. The Audit Scotland report made a number of recommendations covering actions for both the Scottish Government and for local authorities. Those recommendations, together with action taken by the Council, were detailed in the Executive Director's report. The key conclusions drawn by Planning and Building Standards Services in respect of Audit Scotland's recommendations were that:-

- ◆ the Service had implemented the new planning system successfully through the commitment of employees without any additional funding
- ◆ the Service would continue to explore ways in which to improve service delivery in an efficient and effective manner
- ◆ budget considerations were likely to further reduce the number of professional employees which would have an impact on fulfilling the Council's statutory duties

The Forum decided: that the report be noted.

6 Audit Scotland Report -Transport for Health and Social Care

A joint report dated 16 January 2012 by the Executive Directors (Community and Enterprise Resources) and (Social Work Resources) was submitted on Audit Scotland's report entitled "Transport for Health and Social Care". The Audit Scotland report assessed the overall efficiency and effectiveness of transport taking people to and from health appointments and social care services, including day care centres. It also considered transport provided to take children with special transport needs to and from educational establishments.

Details were given on the key findings and recommendations contained in the Audit Scotland report which indicated that:-

- ◆ transport services for health and social care in Scotland were fragmented and there was a lack of leadership, ownership and monitoring of the service involved
- ◆ data on the cost of providing health and social care transport services was poor
- ◆ greater joint working was required between public agencies and with the voluntary sector to promote greater efficiency

- ♦ the public sector required better information on the changing needs of individual patients and social care service users so that transport services remained appropriate

The Council was responsible for providing transport to:-

- ♦ enable Social Work Resources' service users to attend social care settings
- ♦ take children with additional support needs to school

However, the Council was not responsible for patient transport which, currently, was the responsibility of the NHS and the Scottish Ambulance Service.

The Audit Scotland report contained a self assessment best practice checklist which the Council had completed. Assessment of the Council's performance against the checklist was detailed in Appendix 1 to the report. It was considered that the Council demonstrated best practice in most of the areas included in the checklist.

The Forum decided: that the report be noted.

7 External Audit Plan 2011/2012

A document by PricewaterhouseCoopers, the Council's external auditor, was submitted on the external audit plan for 2011/2012.

Details were given on the following key areas:-

- ♦ overview of the PricewaterhouseCoopers' audit approach
- ♦ governance and financial statements
- ♦ risk of fraud
- ♦ reporting and timetable
- ♦ significant audit risks
- ♦ audit fees

The Forum decided: that the report be noted.

8 Urgent Business

There were no items of urgent business.

Closing Remarks

The Chair thanked the members and officers involved in the work of the Forum for their assistance to him during his time as Forum Chair.