

Report

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Report to:	Risk and Audit Scrutiny Forum
Date of Meeting:	14 July 2011
Report by:	Chief Executive

Subject:	Activity Report from Risk and Audit Scrutiny Forum
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ outline the proposed content of a report to the Executive Committee reflecting the work of the Forum during 2010/11

2. Recommendation(s)

2.1. The Forum is asked to approve the following recommendation(s):-

- (1) that the activities reflected in this report are presented to the Executive Committee after the summer recess

3. Background

3.1. Best practice for the operation of audit committees requires the Risk and Audit Scrutiny Forum to report annually to the Executive Committee on its work over the last year.

4. Forum activity during 2010/11

4.1. The Risk and Audit Scrutiny Forum met six times during 2010/11. The following main subject activities were undertaken by the Forum;

- ◆ Reviews of Internal and External Audit findings and opinions
- ◆ Reviews of progress in managing strategic risks
- ◆ Examination of local and national risk related reports
- ◆ Assessment of governance arrangements
- ◆ Overview of progress and activity of other scrutiny forums

4.2. A full list of activity is attached at Appendix 1. Full reports to the Forum are accessible on the South Lanarkshire Council web site. Areas of more significant interest, during 2010/11 were the management of fraud risks, air quality risks, procurement compliance, performance in delivery of audit recommendations and roads maintenance.

5. Progress against the RASF scrutiny improvement plan

5.1. Compliance in the operation of the SLC Risk and Audit Scrutiny Forum against best practice was reviewed in 2009 and progress reported to Executive Committee in September 2010. Some actions are still open and will be addressed as part of the Council's general review of its decision making areas in advance of the new Council in 2012.

5.2. As part of the above review, a proposed list of topics for consideration by the Forum was prepared. Most of the proposed subjects have been offered for scrutiny by this or other scrutiny forums/committees.

6. Employee Implications

6.1. Service managers may be invited to the Forum to provide further information on selected topics if the Forum requires. During 2010/11, officers responded satisfactorily to member scrutiny and no follow-up officer attendances were required.

7. Financial Implications

7.1. There are no financial implications.

8. Other Implications

8.1. There is a risk that the Risk and Audit Scrutiny Forum does not comply with best practice guidance for the operation of audit committees in Local Authorities. This is mitigated by implementation of approved actions resulting from comparison of actual practice against best practice.

8.2. There was no new training delivered to Forum members during 2010/11 but some attended a risk management and insurance seminar offered to all Elected Members.

9. Equality Impact Assessment and Consultation Arrangements

9.1. There is no requirement to conduct an Equality Impact Assessment on the contents of this report. The Chair of the Risk and Audit Scrutiny Forum has been consulted on the contents of this report.

9.2. At each meeting of the Forum members are invited to propose topics for consideration at the subsequent meeting.

Archibald Strang
Chief Executive

29 June 2011

Link(s) to Council Values/Improvement Themes/Objectives

- ◆ Governance and Accountability
- ◆ Governance and Risk Management

Previous References

- ◆ Risk and Audit Scrutiny Forum Activity Report 2009/10

List of Background Papers

- ◆ 2010/11 reports to the Risk and Audit Scrutiny Forum

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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Risk and Audit Scrutiny Forum activity 2010/11

Audit related activity

Endorsement of internal and external audit plans

Review of progress in delivery of Internal Audit Plan

Review of External Audit findings from general follow-up, best value follow-up and interim controls assignments

Review of performance of Internal Audit Service and Council's approach to audit including delivery of audit actions

Scrutiny of annual assurances from internal and external audit

Review of the external audit of financial statements

Assessment of gaps in compliance against CIPFA's "Effective Audit" guide

Consideration of innovative internal audit practices (Continuous Controls Monitoring)

Reviews of strategic risk

Progress in delivery of the Council's Risk Management Workplan

Compliance with Risk Management Strategy and risk management activity

Management of top Council risks

Management of insured risks

Consideration of the following risk related reports

2009/10 National Fraud Initiative and SLC fraud statistics

Audit Scotland report on "Protecting and Improving Scotland's Environment"

Audit Scotland report on "Getting it right for children in residential care"

Best Value 2 Shared risk assessment – assurance and improvement plan

Audit Scotland – "Maintaining Scotland's Roads" – follow-up report

Examination of governance arrangements

Efficiency Statement

Governance Statement

Overviewed progress and activity of:

Performance and Review Forum