

## RISK AND AUDIT SCRUTINY FORUM

Minutes of meeting held in Committee Room 1, Council Offices, Almada Street, Hamilton on 4 November 2010

**Chair:**

Councillor Graeme Horne

**Councillors Present:**

John Anderson, Maureen Devlin, Brian McKenna, Jean McKeown, Alice Marie Mitchell, George Sutherland

**Councillors' Apologies:**

Graeme Campbell, Lynn Filshie

**Attending:****Corporate Resources**

P MacRae, Administration Officer; A Norris, Administration Assistant

**Finance and Information Technology Resources**

J Allan, Risk and Audit Manager; P Manning, Head of Finance

**Also Attending:****PricewaterhouseCoopers**

C Revie, External Auditor

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**1 Declaration of Interests**

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No interests were declared.

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**2 Minutes of Previous Meeting**

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The minutes of the meeting of the Risk and Audit Scrutiny Forum held on 23 September 2010 were submitted for approval as a correct record.

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

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**3 Internal Audit Progress at Mid October 2010**

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A report dated 12 October 2010 by the Chief Executive was submitted on work undertaken by Internal Audit for the period April to mid October 2010.

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

- ◆ at October 2010, 20% of the Internal Audit Annual Plan had been completed to a draft stage
- ◆ 77% of assignments had been completed on time and 78% had been completed within budget

Details of planned assignments together with an overview of Internal Audit performance at 30 September 2010 were detailed in Appendices 1 and 2 respectively.

Work had commenced on the Internal Audit Plan for 2011/2012 and Forum members were invited to suggest areas of work for inclusion in the Plan by 29 November 2010.

In response to a suggestion that taxi contracts for the transportation of school children be included in the 2011/2012 Audit Plan, the Risk and Audit Manager advised that this area of work was already under consideration for inclusion in a future Plan.

Officers also spoke in response to questions about the underspend in the audit budget which had arisen as a result of vacancies.

**The Forum decided:**

- (1) that the progress and performance of Internal Audit be noted; and
- (2) that the opportunity for members to suggest areas of work for inclusion in the 2011/2012 Internal Audit Plan be noted.

*Councillor B McKenna entered the meeting during this item of business*

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#### **4 Progress in the Delivery of the 2010 Risk Management Workplan**

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A report dated 12 October 2010 by the Chief Executive was submitted on the 2010/2011 Risk Management Workplan.

At its meeting on 8 July 2010, the Forum had endorsed the Risk Management Strategy and noted the Risk Management Annual Workplan for 2010/2011. Details were given on progress to the end of September 2010 in implementing the Risk Management Workplan.

The most significant progress to date had been in the development of a Risk Management "Learn On-line" interactive training module designed to be accessed by all employees. Following a compliance report on Resources' progress at the end of the 2009/2010 financial year, all Resources had improved their performance in keeping their Risk Registers up to date.

Delivery of risk control actions at both Council-wide and Resource level had improved. Those risk control actions included activity designed to mitigate insurance hotspots such as house fires and vandalism. At the end of September 2010, 74% of all actions had been completed on time.

The Council's Top Risk Register was currently being updated. Forum members were invited to suggest risk areas for inclusion in the Register by 29 November 2010.

A separate report would be submitted to an early future meeting of the Forum in respect of vehicle accidents.

In response to a question regarding potential slippage in delivering the Plan, the Risk and Audit Manager advised that any significant risk of non-delivery would be reported to the Forum.

**The Forum decided:**

- (1) that progress with the Risk Management Annual Workplan 2010/2011 be noted; and
- (2) that the invitation to members to suggest risk areas for consideration in the forthcoming review of the Council's Top Risk Register be noted.

*[Reference: Minutes of 8 July 2010 (Paragraph 6)]*

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## **5 PricewaterhouseCoopers Annual Report to Members 2010 - Update**

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C Revie of PricewaterhouseCoopers, the Council's external auditor, gave a presentation on the External Auditor's forthcoming Annual Report to Members. The external auditor presented information on the:-

- ◆ audit opinion
- ◆ commentary on the financial position facing the Council
- ◆ Governance and Internal Control
- ◆ position as at September/October 2010

**The Forum decided:** that the presentation be noted.

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## **6 Forward Programme for Future Meetings**

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A report dated 15 October 2010 by the Executive Director (Corporate Resources) was submitted on the potential items for the next meeting of the Risk and Audit Scrutiny Forum to be held on 16 December 2010.

**The Forum decided:**

- (1) that the potential items for the next meeting of the Risk and Audit Scrutiny Forum to be held on 16 December 2010, attached as an appendix to the report, be noted; and
- (2) that the opportunity for members to suggest topics for inclusion in the Forum's forward programme be noted.

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## **7 Urgent Business**

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There were no items of urgent business.