

AUDIT AND RISK

COMMITTEE BUSINESS

2nd March 2010

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
1.	Continuous Improvement 02.06.09 Article 13	<p><u>Risk Management Progress Update</u></p> <p>The Committee resolved to request that each Service Risk Register be reported to the appropriate Committee once every six months.</p>	<p>At its meeting on 8th September 2009 the Committee requested that the Corporate Governance Risk Register be reported to the Committee before the end of the year</p> <p>At its meeting on 3rd December 2009, the Committee agreed that a report would be submitted to this Committee twice a year to provide an update on the Service Risk Registers and to review the Corporate Risk Register.</p>	Director of Corporate Governance	08.06.10	
2.	Scrutiny Panel 01.09.08 Article 12	<p><u>Audit RM-CS/SA/0601 (Legal Accounting and Costing) items 4.1.3, 4.2.1, 4.3.2 (i), 4.3.2 (ii), 4.3.3 and 4.3.4</u></p> <p>The Panel agreed to request the City Solicitor in consultation with the Internal Audit Manager to investigate the resource requirements for the implementation of Eureka and report back on the findings at the next meeting of the Panel.</p>	At its meeting on 3 October, 2008, the Panel instructed the City Solicitor in consultation with the Convener to liaise with the software consultant to identify any possible low cost interim arrangement that could be implemented until a new Council structure had been approved and to report back at the next meeting of the Panel. It was noted at its meeting on 1 December, 2008, that following discussions with the software company it had not proved possible for them to provide	City Solicitor Internal Auditor	08.09.09	Spring 2010

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			<p>a low cost interim solution, and that therefore implementation of changes to Eureka should be postponed until it was known if there would be any amendment to the current Council Service structure.</p> <p>This item refers to the need to re-align the Eureka database to reflect current structure and hence group bills for legal services provided correctly and timeously. This item will be progressed after the realignment of the Services.</p>			
3.	Scrutiny Panel 01.12.08 Article 10	<p><u>RM-CC/SA/0708 – Allocation of Central Charges</u></p> <p>The Panel agreed to request officers to provide benchmark information on the Council's performance in the allocation of central charges in comparison with other local authorities to all members of the Panel.</p>	<p>We have some benchmarking information provided by other authorities. The City Chamberlain is currently checking information for accuracy.</p> <p>At its meeting on 19 January, 2009, the Panel agreed to approve that this work be postponed until a service review had been undertaken and reconsidered once a new overall Council structure was in place.</p> <p>A separate piece of work is currently being undertaken on</p>	City Chamberlain	08.09.09	Spring 2010

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			reviewing internal recharges, which includes the allocation of central charges and identifying areas for efficiencies. This work is expected to be concluded by 31 March 2010.			
4.	Scrutiny Panel 19.01.09 Article 9	<p><u>Bank Reconciliations Progress Report</u></p> <p>The Panel agreed:-</p> <p>(i) that a further report be presented prior to its meeting in March which would include the Auditor's final report and the management action plan;</p> <p>(ii) to note that the value of the transactions to be processed and a review of the necessary resource requirements would be detailed in the report to be submitted to the next meeting of the Panel on 2 March, 2009.</p>	<p>At its meeting on 8 September, 2009, the Committee agreed to request the City Chamberlain to report back on progress with the recommendations on a regular basis.</p> <p>This will be a standing item on the agenda for the near future.</p>	City Chamberlain	02.03.10	02.03.10
5.	Audit and Risk 08.09.09 Article 5	<p><u>Tied Houses</u></p> <p>Upon considering the Property Sales Investigation follow-up report by Henderson Loggie the Committee resolved to instruct each Director to report to their Service Committee in the next cycle on how many tied houses were still in existence, where they were located and with a statement explaining the justification for being tied houses, and requested</p>	<p>Proposed corporate register to be submitted to the Finance and Resources Committee on 28th January 2010 following each Director's report to their Service Committee.</p> <p>It is not possible to report as instructed as three services (Enterprise, Planning & Infrastructure, Housing & Environment and Social work &</p>	Head of Resources Development and Delivery	19.01.10	

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		the Finance and Resources Committee to take a corporate overview by producing a corporate register for reporting back to the Audit and Risk Committee thereafter.	Wellbeing) have, despite being reminded, yet to report to their service committees. It is anticipated that they will all be able to report to their respective committees either during this or the next committee cycle. This will allow the report on the Corporate Register of Tied Houses to be reported to the Finance & Resources Committee and then to this committee.			
6.	Audit and Risk 08.09.09 Article 7	<p><u>Internal Audit Staffing</u></p> <p>The Committee agreed (1) that officers progress an options appraisal with the involvement of staff and trade unions on the best value means of delivering the Internal Audit function; and (2) that a further report recommending the preferred option be submitted to the next meeting of the Committee.</p>	<p>The Committee at its meeting on 3 November 2009 instructed officers to report back at the next stage of progressing arrangements to outsource the functions of Internal Audit, with full detail on the financial, legal, human resource and procurement implications as well as a SWOT analysis.</p> <p>The Committee at its meeting on 19th January 2010, instructed officers to continue to progress arrangements to outsource the functions of Internal Audit.</p>	Head of Performance Management and Quality Assurance		
7.	Audit and Risk 08.09.09 Article 10	<p><u>N-SE/SA/0803 - Building Cleaning</u></p> <p>The Committee agreed that item 4.4.3 be transferred to the Committee Business Statement, the wording of which is as follows:-</p> <p>“The Facilities Officer (Operations)</p>	<p>This outstanding Internal Audit recommendation was transferred from Enterprise, Planning and Infrastructure to the City Chamberlain on 3rd November 2009.</p> <p>The implications of the IA</p>	City Chamberlain	19.01.10	02.03.10

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		<p>should ensure that all overtime claimed by staff during a month is recorded on a single overtime claim form.”</p>	<p>recommendation and the cost effectiveness of changes to the current processes will be undertaken and reported in a future Business statement. An initial discussion has taken place with the Internal Audit Manager</p> <p>Discussion has taken place with Internal Audit and with Payroll in regard to accommodating the audit recommendation.</p> <p>The outcome of this is that it cannot be achieved and therefore the recommendation is withdrawn with the agreement of the Internal Audit Manager. Internal Audit have as part of the discussion acknowledged that there is increased vigilance now applied within Payroll in regard to the detection of such cases and that they are satisfied with this.</p> <p>The Committee is requested to agree to this item of business now being deleted.</p>			