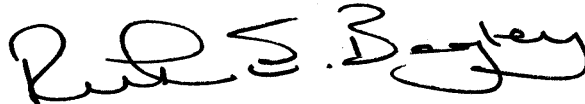


Date of issue: 22nd February, 2013

MEETING:	AUDIT AND RISK COMMITTEE (Councillors Nazir (Chair), Abe, Brooker, Chohan, A S Dhaliwal, Dhillon and Kwatra)
DATE AND TIME:	MONDAY, 4TH MARCH, 2013 AT 6.30 PM
VENUE:	MEETING ROOM 2, CHALVEY COMMUNITY CENTRE, THE GREEN, CHALVEY, SLOUGH, SL1 2SP
DEMOCRATIC SERVICES OFFICER: (for all enquiries)	NICHOLAS PONTONE 01753 875120

NOTICE OF MEETING

You are requested to attend the above Meeting at the time and date indicated to deal with the business set out in the following agenda.



RUTH BAGLEY
Chief Executive

AGENDA

PART I

<u>AGENDA ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
	Apologies for absence.		
1.	Declarations of Interest		

AGENDA
ITEM

REPORT TITLE

PAGE

WARD

All Members who believe they have a Disclosable Pecuniary or other Pecuniary or non pecuniary Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Section 3 paragraphs 3.25 – 3.27 of the Councillors' Code of Conduct, leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with Paragraph 3.28 of the Code.

The Chair will ask Members to confirm that they do not have a declarable interest.

All Members making a declaration will be required to complete a Declaration of Interests at Meetings form detailing the nature of their interest.

2.	Minutes of the last meeting held on 8th November 2012	1 - 2	
3.	Internal Audit Progress Report	To Follow	All
4.	Annual Internal Audit Plan	To Follow	All
5.	Risk Management	3 - 4	All
6.	Members Attendance Record	5 - 6	
7.	Date of Next Meeting - 25th June 2013		

Press and Public

You are welcome to attend this meeting which is open to the press and public, as an observer. You will however be asked to leave before the Committee considers any items in the Part II agenda. Special facilities may be made available for disabled or non-English speaking persons. Please contact the Democratic Services Officer shown above for further details.

Minicom Number for the hard of hearing – (01753) 875030



Audit and Risk Committee – Meeting held on Thursday, 8th November, 2012

Present:- Councillors Nazir (Chair), Brooker, A S Dhaliwal and Dhillon (arrived 6.47pm)

Apologies for Absence:- Mr Kwatra

PART 1

21. Declarations of interest

There were no declarations of interest.

22. Minutes of the last meeting held on 24th September, 2012

The minutes of the meeting held on 24th September 2012 were approved as a correct record, subject to an amendment to minute number 19, Internal Audit Progress Report, to amend the title of Mr Daniel Harris to 'Head of Internal Audit'.

23. Internal Audit Progress Report

The Head of Internal Audit, Mr Daniel Harris, presented the Internal Audit Progress Report to the Committee. Members were informed that a number of audit reports remained in draft and that 8 of the 32 reports for the current year had a red opinion. It was noted that some of these opinions related to schools, although four related to the Councils control framework. A structure programme of meetings between Internal Audit and management was in place to address the weaknesses identified, including engagement between Internal Audit and the Risk Management Group.

Members asked a number of questions regarding the status of draft reports and the red opinions for Declarations of Interest, Business Rates and Contract Management. Mr Harris highlighted that the audit report on business rates had been finalised and the recommendations had clearly defined management responses and timescales.

Resolved –

- (a) That the Internal Audit Progress Report be noted.
- (b) That the Chair would meet the Head of Internal Audit prior to the next meeting to discuss progress.

24. Audit Commission Grant Claims Report 2011/12

The Interim Financial Controller, Mr John Burke, presented the Audit Commission Grant Claims Report 2011/12. Mr Burke reported that the vast majority of claims had been certified without qualification by the Audit Commission, however, a qualification letter had been issued regarding the National Non-Domestic Rates Return.

Members noted the summary of recommendations from the Audit Commission and expressed concern that the recommendation from last year regarding the provision of working papers at the compilation stage had not been implemented due to staff turnover and an absence of central co-ordination. Mr Burke reported that the recruitment process for key staff was well advanced and this should ensure that future deadlines would be met.

Resolved - That the report be noted.

25. Fraud and Risk Update Report

Mr Burke introduced the Fraud and Risk Update Report in the absence of the Risk Officer. The Committee discussed a number of issues relating to the Corporate Risk Register and the Risk Management Strategy including:

- The way in which the Risk Register was embedded and managed across the organisation.
- The need to complete some sections of the Risk Register, particularly the definition and understanding of some of the risks and agreeing the target dates.
- The need to properly integrate risk management with performance and financial management.

The Committee welcomed the report however they expected that significant progress be made on these issues before the next meeting and Mr Burke stated that he would report this to the Risk Management Group. It was agreed that a presentation be made on risk management at the next meeting.

The Committee also considered the Corporate Investigations Team Report and requested more detailed information for future meetings, particularly in relation to the housing investigations.

Resolved - That the Update Risk Management Strategy be endorsed by the Committee and that a presentation on risk management be made at the next meeting.

26. Members Attendance Record

Resolved - That the report be noted.

27. Date of Next Meeting - 4 March 2013

Resolved - That the date of the next meeting be Monday, 4th March 2013.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 7.32 pm)

SLOUGH BOROUGH COUNCIL

REPORT TO: Audit & Risk Committee **DATE:** 4th March 2013

CONTACT OFFICER: Phil Brown, Senior Risk & Insurance Officer
(For all enquiries) (01753) 875673

WARD(S): All

**PART I
FOR COMMENT AND CONSIDERATION**

RISK MANAGEMENT STRATEGY 2013/14

Introduction

At the Audit and Risk Committee of the 8th November 2013 the amended Risk Management Strategy was adopted by the committee.

Within the strategy four main actions were identified, these were:

- Move from the current 3x3 scoring matrix to a more sophisticated 5x5 matrix
- The JCAD risk management system is upgraded to a web based system hosted by JC Applications.
- Once the system has been upgraded guidance notes will be issued on how to use the upgraded system
- Each departmental risk register will be quality assured by the Risk Management Group on a rolling basis.

The adopted strategy stated that these actions were planned over the next 24 months. However it transpires that the vast majority of these actions have now been completed.

As the majority the actions have now been completed it is necessary to draw up a more challenging strategy.

2013/14 Strategy

It has been agreed that as part of the annual audit of risk management RSM Tenon the Council's appointed Internal Auditors will assist in developing a strategy for 2013/14 that meets the needs identified within their annual review. The RSM Tenon review will be completed by 31st April 2013.

One key issue that has already been identified is the quality and relevance of the current risks registers. The risk registers have been found to remain static i.e. there are few if any changes and in some cases lack detail. In order to remedy this the Corporate Risk Management Group have agreed an action plan for the coming year .

The actions that have been identified are detailed below.

Action	Outcome	By whom	By when
Ensure that the Corporate Risk Register is systematically updated at least every quarter by CMT.	The Corporate Risk Register will be more dynamic, reflecting the key risks to the authority. The risk register will incorporate action plans on how the each individual corporate risk is to be managed	Assistant Director Finance & Audit	Sept 2013
At each Corporate Risk Management Group a selection of Risk Registers will be subject review by the Corporate Risk Management Group.	Risk Registers will be more individualistic with fewer generic risks.	Corporate Risk Management Group	On-going
Assist in the creation of risk registers for key partnerships	There will be a risk register that reflects the risks posed to the authority by each key partnership	Risk & insurance Officer/Corporate Policy	Sept 2013
Continue to monitor and assist in the updating of risk registers. Reporting non-compliance to the Relevant Corporate risk Management Group	More Risk registers will be up to date and to a higher quality and relevance	Risk & insurance Officer	On-going

MEMBERS' ATTENDANCE RECORD 2012/2013

AUDIT AND RISK COMMITTEE

COUNCILLOR	13/06	24/09	08/11	04/03
Abe	P	Ab	Ab	
Brooker	P	P	P	
Chohan	Ap	Ap	Ab	
A S Dhaliwal	P	Ap	P	
Dhillon	P	P	P*	
Nazir	P	P	P	

P = Present for whole meeting
 Ap = Apologies given

P* = Present for part of meeting
 Ab = Absent, no apologies given

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