

FALKIRK COUNCIL

MINUTE of RECONVENED MEETING of the AUDIT COMMITTEE held in the MUNICIPAL BUILDINGS, FALKIRK on THURSDAY 10 JUNE 2010 at 9.00a.m.

PRESENT:- Councillors Blackwood, Lemetti, C Martin and Patrick.

CONVENER: Councillor Martin.

ATTENDING:- Chief Executive; Directors of Education, and of Finance; Acting Director of Social Work, Acting Head of Environmental and Regulatory Services; Internal Audit Manager and Senior Committee Services Officer.

ALSO

ATTENDING:- B Crosbie, Audit Scotland.

DECLARATIONS

OF INTEREST:- None.

AC2. MINUTE

There was submitted (circulated) and **APPROVED** Minute of Meeting of the Audit Committee held on 22 March 2010.

AC3. THE IMPORTANCE OF RISK MANAGEMENT

Russell Cartwright, Acting Head of Environment and Regulatory Services, gave a presentation on The Importance of Risk Management.

The presentation covered the following:-

- Defining risk
- Why risk should be managed
- The benefits in managing risk
- Risk evaluation
- Reporting procedures
- Legislation

Discussion took place on the following:-

- Role of voluntary sector
- Increasing awareness of employee responsibility
- Risks facing Social Workers
- Strategy for identification and management of council wide risks
- Lone working policy – Members' surgeries

The Convener thanked Russell Cartwright for his presentation.

AC4. ANNUAL GOVERNANCE STATEMENT

There was submitted Report (circulated) dated 21 May 2010 by the Chief Executive (a) advising Members of the processes for reporting on governance arrangements for the year ended 31 March 2010; and (b) seeking comments on, and approval of, a draft Annual Governance Statement for inclusion in the Council's 2009/10 Annual Accounts.

Discussion took place on the following:-

- Benefits of an Annual Governance Statement
- Impact of restructuring of Council Services
- Role of the Council in addressing and monitoring identified areas of improvement

NOTED the content of the Report.

AGREED that the Annual Governance Statement be published with, and form part of, the Council's Annual Accounts.

AC5. INTERNAL AUDIT: ANNUAL ASSURANCE REPORT 2009/10

There was submitted Report (circulated) dated 21 May 2010 by the Internal Audit Manager (a) detailing the internal Audit work undertaken during 2009/10, and (b) providing an overall assurance on arrangements for risk management, governance and control in those areas.

Discussion took place on the following:-

- Key performance indicators
- Impact of the CIPFA Code on Internal Audits
- Role of Internal Audit within Council department
- Adoption of a balanced approach to ensure audits are undertaken correctly

NOTED that:

- (1) sufficient Internal Audit activity was undertaken to allow a balanced assurance to be provided;
- (2) Internal Audit is able to provide SUBSTANTIAL assurance in respect of Falkirk Council's arrangements for risk management, governance and control for the year to 31 March 2010;
- (3) Audit Scotland will place formal reliance on, and obtain assurances from, the work of Internal Audit;
- (4) performance against Internal Audit Key Performance Indicators for the year to 31 March 2010 was as set out at paragraph 3.12 of the Report; and
- (5) Internal Audit operates in compliance with the CIPFA Code.