



18 June 2010

## **NOTICE OF MEETING**

A meeting of the **AUDIT COMMITTEE** will be held in the **COUNCIL CHAMBER, KILMORY, LOCHGILPHEAD** on **FRIDAY, 25 JUNE 2010** at **11:00 AM**, which you are requested to attend.

Douglas Hendry  
Executive Director - Customer Services

### **BUSINESS**

1. **APOLOGIES FOR ABSENCE**
2. **DECLARATIONS OF INTEREST (IF ANY)**
3. **MINUTES**  
Audit Committee 5 March 2010 (Pages 1 - 6)
4. **MANAGING ATTENDANCE 2009/10**  
Report by Head of Improvement and Strategic HR (Pages 7 - 22)
5. **PERFORMANCE MANAGEMENT**  
Report by Head of Improvement and Strategic HR (Pages 23 - 26)
6. **PERFORMANCE MANAGEMENT INTERNAL AUDIT REPORT - UPDATE**  
Report by Internal Audit Manager (Pages 27 - 28)
7. **BEST VALUE REVIEW OF PROTECTIVE SERVICES AND LICENSING**  
Report by Operations Manager – Trading Standards (Pages 29 - 32)
8. **INTERNAL AUDIT ANNUAL REPORT 2009 - 2010**  
Report by Internal Audit Manager (Pages 33 - 46)
9. **ANNUAL REPORT BY AUDIT COMMITTEE 2009 - 2010**  
Report by Internal Audit Committee (Pages 47 - 54)

- 10. DRAFT STATEMENT OF GOVERNANCE AND INTERNAL CONTROL 2009 - 2010**  
Report by Internal Audit Manager (Pages 55 - 76)
- 11. UNAUDITED ANNUAL ACCOUNTS 2009 - 2010**  
Report by Head of Strategic Finance (Pages 77 - 152)
- 12. AUDIT SCOTLAND NATIONAL REPORTS TO AUDIT COMMITTEE 2009 - 2010**  
Report by Internal Audit Manager (Pages 153 - 162)
- 13. NATIONAL FRAUD INITIATIVE 2008 - 2009 EXERCISE**  
Report by Internal Audit Manager (Pages 163 - 170)
- 14. ANTI FRAUD STRATEGY**  
Report by Head of Governance and Law (Pages 171 - 172)
- 15. PROGRESS REPORT ON INTERNAL AUDIT PLAN 2010 - 2011**  
Report by Internal Audit Manager (Pages 173 - 176)
- 16. EXTERNAL AND INTERNAL AUDIT REPORT FOLLOW UP 2010 - 2011 FROM MARCH 2010 MEETING**  
Report by Internal Audit Manager (Pages 177 - 178)
- 17. EXTERNAL AND INTERNAL AUDIT REPORT FOLLOW 2010 - 2011**  
Report by Internal Audit Manager (Pages 179 - 204)
- 18. SERVICE REVIEW OF INTERNAL AUDIT**  
Report by Internal Audit Manager (Pages 205 - 212)
- 19. RISK MANAGEMENT**  
Report by Head of Strategic Finance (to follow)
- 20. EXTERNAL AUDIT ISSUED REPORTS 2010**  
Reports by Internal Audit Manager and Grant Thornton UK LLP (Pages 213 - 234)
- 21. INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) - PROGRESS REPORT**  
Report by Head of Strategic Finance (Pages 235 - 238)
- 22. INTERNAL AUDIT REPORTS TO AUDIT COMMITTEE**
  - (a) Report by Internal Audit Manager (Pages 239 - 242)
  - (b) Review of Contract Management (Pages 243 - 250)
  - (c) Review of Cleaners, Caterers & Janitorial Wages (Pages 251 - 256)
  - (d) Review of Capital Accounting (Pages 257 - 264)
  - (e) Review of Asset Management (Pages 265 - 272)
  - (f) Review of Contract Hire and Operating Leases (Pages 273 - 276)

- (g) Review of Single Outcome Agreement 2009 (Pages 277 - 284)
- (h) Review of Audit Services (Pages 285 - 290)
- (i) Departmental Business Continuity Planning (Pages 291 - 296)
- (j) Budgetary Control (Pages 297 - 300)
- (k) Review of HR Activities - Health and Safety (Pages 301 - 304)
- (l) New Legislation (Pages 305 - 314)
- (m) Review of Data Protection (Pages 315 - 320)
- (n) Review of Capital Contracts Management (Pages 321 - 326)

**E1** (o) Cash Income and Banking 2009 - 2010 (Pages 327 - 336)

**E1** (p) Payroll - Overtime Claims (Pages 337 - 346)

**E2 23. APPOINTMENT OF INDEPENDENT PERSON TO AUDIT COMMITTEE**

To short list applications received and agree date for interviews (Pages 347 - 362)

The Committee will be asked to pass a resolution in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the public for items of business with an "E" on the grounds that it is likely to involve the disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 7a to the Local Government (Scotland) Act 1973.

The appropriate paragraphs are:-

**E1 Paragraph 14** Any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

**E2 Paragraph 1** Information relating to a particular employee, former employee or applicant to become an employee of, or a particular office-holder, former office-holder or applicant to become an office-holder under the authority.

**AUDIT COMMITTEE**

Councillor Gordon Chalmers  
 Councillor David Kinniburgh  
 Councillor James Robb

Councillor Mary-Jean Devon  
 Councillor Andrew Nisbet  
 Ian M M Ross

Contact: Fiona McCallum

Tel. No. 01546 604401