

A MEETING of the AUDIT AND RISK COMMITTEE will be held in the COUNCIL

HEADQUARTERS, COUNCIL HEADQUARTERS, NEWTOWN ST BOSWELLS on TUESDAY, 29

MARCH 2016 at 2.00 pm

J. J. WILKINSON,
Clerk to the Council,
22 March 2016

BUSINESS		
1.	Apologies for Absence.	
2.	Order of Business.	
3.	Declaration of Interest.	
4.	<p>Minute (Pages 1 - 6)</p> <p>Minute of Meeting of the Audit and Risk Committee held on 18 January 2016 to be approved and signed by the Chairman. (Copy attached.)</p>	4 mins
5.	<p>Risk Management in Services</p> <p>Presentation by Service Director Regulatory Services on the strategic risks facing the services and the internal controls and governance in place to manage/mitigate those risks to demonstrate how risk management is embedded within services. (Verbal presentation)</p>	15 mins
6.	<p>Internal Audit Work 2015/16 to February 2016 (Pages 7 - 20)</p> <p>Consider a report by Chief Officer Audit & Risk on recent work carried out by Internal Audit, including the recommended audit actions agreed by Management to improve internal controls and governance arrangements, and internal audit work currently in progress. (Copy attached)</p>	15 mins
7.	<p>Major Capital Investment in Councils - Follow Up (Pages 21 - 60)</p> <p>Consider the key messages from the Accounts Commission report 'Major Capital Investment in Councils – Follow-Up' which was published in January 2016. This targeted follow-up audit assesses to what extent councils have improved performance in managing their capital investment programmes and projects since the 2013 Accounts Commission report 'Major capital investment in councils' which was published together with the 'Good practice guide' as part of the Commission's How Councils Work series of improvement reports for councillors and officers and the 'Good practice checklist for project managers'. (Copy attached)</p>	15 mins

8.	<p>Internal Audit Charter (Pages 61 - 70)</p> <p>Consider a report by Chief Officer Audit & Risk on the updated Internal Audit Charter for approval that defines the terms of reference for the Internal Audit function to carry out its role and to enable the Chief Officer Audit & Risk to prepare an annual internal audit opinion on the adequacy of the Council's overall control environment. (Copy attached)</p>	10 mins
9.	<p>Internal Audit Strategy and Internal Audit Annual Plan 2016/17 (Pages 71 - 86)</p> <p>Consider a report by Chief Officer Audit & Risk on proposed strategic direction to deliver Internal Audit assurance and support services and on proposed Internal Audit programme of work 2016/17 to enable preparation of an annual internal audit opinion on the adequacy of the Council's overall control environment. (Copy attached)</p>	20 mins
10.	<p>External Audit Scottish Borders Pension Fund Audit Strategy 2015/16 (Pages 87 - 106)</p> <p>Consider report by KPMG on how they will deliver their audit for Scottish Borders Pension Fund for the year ended 31 March 2016 including the opinions on the financial statements. (Copy attached)</p>	10 mins
11.	<p>External Audit Interim Management Report 2015/16 (Pages 107 - 122)</p> <p>Consider report by KPMG on interim findings from their review of Key Systems of Internal Control in connection with their audit for the year ended 31 March 2016 and associated Management Action Plan. (Copy attached)</p>	15 mins
12.	<p>Procurement in Councils - Impact Report (Pages 123 - 144)</p> <p>Consider the key messages from the Accounts Commission report 'Procurement in Councils Impact Report' which was published in February 2016. The Impact Report explains how its audit report 'Procurement in Councils' published in April 2014 has been used by stakeholders including the Scottish Parliament, Scotland Excel and Councils. Both full reports are available on the Accounts Commission website. (Copy attached)</p>	15 mins
13.	<p>Overview of Local Government in Scotland 2016 (Pages 145 - 186)</p> <p>Consider the overview report by the Accounts Commission published in March 2016 which draws on the findings from local government audit work in 2015, including audits of 2014/15 financial statements, Best Value, Community Planning and performance.</p>	10 mins
	<p>(a) Part 1</p> <p>The report (Part 1) reviews the financial context in which councils are operating and gives a national overview of councils' financial performance.</p>	
	<p>(b) Part 2</p> <p>Part 2 considers how councils are performing in delivering services and how they are changing the way they operate in the context of increasing pressures.</p>	
14.	<p>Health & Social Care Integration</p>	

	<p>(a) Key Messages from Accounts Commission Reports</p> <p>Consider the key messages from the Accounts Commission reports 'Health and Social Care Integration' and 'Changing Models of Health and Social Care' which were published in December 2015 and March 2016 respectively.</p> <p>(Copies attached.)</p>	(Pages 187 - 274)	
	<p>(b) Report by Chief Financial Officer of Scottish Borders Integration Joint Board</p> <p>Consider report by Chief Financial Officer of Scottish Borders Integration Joint Board on an assessment of the progress made within the Scottish Borders Health and Social Care Integration programme in establishing the finance-related arrangements recommended by the Integrated Resources Advisory Group.</p> <p>(Copies attached.)</p>	(Pages 275 - 302)	
15.	Any Other Items Previously Circulated.		
16.	Any Other Items which the Chairman Decides are Urgent.		

NOTES

1. **Timings given above are only indicative and not intended to inhibit Members' discussions.**
2. **Members are reminded that, if they have a pecuniary or non-pecuniary interest in any item of business coming before the meeting, that interest should be declared prior to commencement of discussion on that item. Such declaration will be recorded in the Minute of the meeting.**

Membership of Committee:- Councillors M. Ballantyne (Chair), J. Campbell, I. Gillespie, A. J. Nicol, S. Scott and B White (Vice-Chairman).
Mr P McGinley, Mr M Middlemiss and Mr H Walpole

Please direct any enquiries to Pauline Bolson. Tel: 01835 826503
Email: PBolson@scotborders.gov.uk
