

MINUTES of the meeting of the **AUDIT & GOVERNANCE COMMITTEE** held at 10.00 am on 2 December 2013 at G30, County Hall, Kingston upon Thames, Surrey KT1 2DN.

These minutes are subject to confirmation by the Committee at its meeting.

Elected Members:

Mr Nick Harrison (Chairman)
Mr W D Barker OBE (Vice-Chairman)
Mr Denis Fuller
Mr Tim Evans
Mr Will Forster
Mr Tim Hall

In Attendance

Cath Edwards, Risk & Governance Manager
Cheryl Hardman, Committee Manager
Sue Lewry-Jones, Chief Internal Auditor
Phil Triggs, Strategic Manager – Pension Fund and Treasury

59/13 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

There were none.

60/13 MINUTES OF THE PREVIOUS MEETING: 2 SEPTEMBER 2013 [Item 2]

The Minutes were agreed as a true and correct record, subject to a couple of minor amendments.

61/13 DECLARATIONS OF INTEREST [Item 3]

There were none.

62/13 QUESTIONS AND PETITIONS [Item 4]

There were none.

63/13 RECOMMENDATIONS TRACKER [Item 5]

Declarations of Interest:

None.

Witnesses:

Nikki O'Connor, Finance Manager (Assets, Investment & Accounting)

Phil Triggs, Strategic Manager – Pension Fund & Treasury

Key Points Raised During the Discussion

1. In relation to A55/12 (Finance Dashboard), the Chairman informed the Committee that a presentation on the Finance Dashboard would be given to Council Overview and Scrutiny Committee on 30 January 2014. Members of Audit & Governance Committee would be invited to attend.
2. In relation to A1/13 (Business Planning 2013-2018), the Strategic Manager – Pension Fund & Treasury provided an update to the Committee. The main issue at the meeting on 1 February 2013 was a recommendation for the approval of trigger points for reversing the current position on internal borrowing. Regular discussions on this had been held with the Chief Finance Officer. There was a reluctance to rely on trigger points when a wider range of factors would need to be considered. For example, market commentary and consultant's advice would also need to be considered. Trigger points could spur conversations but should not be relied on exclusively.
3. Further to A1/13 (Business Planning 2013-2018), the Chairman informed the Committee that Council Overview and Scrutiny Committee would not be repeating its scrutiny of the draft Treasury Strategy in 2014 and asked if Audit & Governance Committee would like to review the Treasury Strategy before the Council sets Council Tax for 2014/15. The Committee agreed to hold an informal meeting to consider the Strategy early in 2014 (**Recommendations tracker ref: A34/13**).
4. In relation to A3/13 (PAMS), it was noted that an update and demonstration was on the agenda for the day's meeting.

5. In relation to A26/13 (Council Tax), the Finance Manager (Assets, Investment & Accounting) informed the Committee that the Council was regularly receiving monitoring information on collection rates from five to six Borough and District Councils but not from the others. David Harmer, as Chairman of the Welfare Reform Group, was encouraging dual-hatted Members to talk to their Borough and District Council Finance Officers. Other local groups were also pursuing this as a priority. Several Borough and District Councils do not currently have the right systems to allow them to provide the information that we require on a monthly basis. A dual-hatted Member of the Committee disputed the suggestion that Councils do not have the information and pointed to his own Borough Council that had spent months setting up the systems to collate the information. It was proposed that the issue was more to do with transmission of the information to the County Council. The Finance Manager (Assets, Investment & Accounting) suggested that extrapolation of the data which had been sent through to the County Council shows that under-recovery of Business Rates and Council Tax is limited. The Chairman agreed to write to the Leader of the Council about concerns over the sharing of data on Council Tax and Business Rates collection (**Recommendations tracker ref: A35/13**).

Actions/Further Information to be Provided:

The recommendation tracker to be updated to reflect the discussion, as noted above.

Resolved:

That the recommendations tracker was noted and the committee agreed to remove pages 23-27 of the tracker as the actions were completed.

Next Steps:

None.

64/13 GRANT THORNTON 2012-13 ANNUAL AUDIT LETTER AND 2013-14 ANNUAL FEE LETTER [Item 6]

Declarations of Interest:

None.

Witnesses:

Kathryn Sharp, Audit Manager (Grant Thornton)

Daniel Woodcock, Assistant Audit Manager (Grant Thornton)

Nikki O'Connor, Finance Manager (Assets, Investment and Accounting)

Key Points Raised During the Discussion

1. The Audit Manager introduced the report.
2. The Chairman queried whether the planned fee for the Pension Fund audit in 2014 had increased from the fee for the 2013 audit. The Audit Manager confirmed that the fee was £600 higher. This was as a result of how the fee is calculated, with a fixed element of £20,000 and an additional uplift based on a percentage of net assets for the Fund.

3. In response to a query about what kind of information within the financial statements is immaterial or superfluous, the Chairman responded that he had seen a list which proposed information which may be immaterial or superfluous. He offered to share this list with the Member (**Recommendations tracker ref: A36/13**). The Finance Manager (Assets, Investment and Accounting) informed the Committee that officers were now reviewing all notes within the financial statements, with the aim of simplifying the statements and making them more user-friendly. A report could be brought to Committee in March 2014 on what it is proposed for removal (**Recommendations tracker ref: A37/13**). The Committee felt that any decluttering of the Accounts would need to be significant before more people would decide to read them.
4. In response to a question about the inclusion of the Eco Park as a key issue facing the Council, the Audit Manager responded that at the time of writing the letter there was considerable uncertainty over the future of the Eco Park. The progress on the Eco Park will be examined over the next year and the findings will be included within the value for money report.

Actions/Further Information to be Provided:

- i. The Chairman agreed to share a list of proposed immaterial or superfluous information within the financial statements with a Member.
- ii. A report to be brought to Committee on how the financial statements could be simplified.

Resolved:

- a. To NOTE the contents of the 2012/13 Annual Audit Letter;
- b. To NOTE the proposed 2013/14 audit fee.

Next Steps:

None.

65/13 TREASURY MANAGEMENT HALF YEAR REPORT 2013/14 [Item 7]

Declarations of Interest:

During the discussion, it was noted that advice from Deutsche Bank had been provided and Nicholas Harrison declared that he was a Director of the Deutsche Bank UK Pension Scheme.

Witnesses:

Phil Triggs, Strategic Manager – Pension Fund and Treasury

Key Points Raised During the Discussion

1. The Strategic Manager – Pension Fund and Treasury introduced the report.
2. In response to a query about the purpose of the Minimum Revenue Provision, the Strategic Manager – Pension Fund and Treasury explained that it was the amount required to be set aside for the capital repayment of debt.
3. The Strategic Manager – Pension Fund and Treasury informed the Committee that the policy to borrow internally saves significant money on a yearly basis.

4. An enlarged chart under paragraph 18 was tabled. A Member questioned the debt maturity profile, suggesting that the load should be spread more evenly. The Strategic Manager – Pension Fund and Treasury clarified that when the maturity structure was set, debt was cheaper over the long-term. There is the opportunity to reprofile if expedient to do so.
5. The Strategic Manager – Pension Fund and Treasury provided an update on the Icelandic deposits. Advice is being taken from Deutsche Bank on the possible sale of the debt as part of an LGA consortium, which has been considered by the Cabinet. During December 2013 there would be an artificial push down on the price as it was the year-end, and the matter would be picked up in early 2014.
6. Members queried the significant difference in the original estimate of the net interest on short-term cash flow and the year-end projection of net interest on short-term cash flow. Officers informed the Committee that interest receivable was higher than budget due to many Government grants being received earlier in the year than originally envisaged, leading to higher cash balances on deposit.
7. The Strategic Manager informed the Committee that he defined short-term as three to six months and long-term as over a year.
8. Members asked how the Bank of England's announcement that its Funding for Lending scheme would no longer be available for household lending affected the statement in paragraph 20 of the report. The Chairman confirmed that the scheme would continue for business lending.
9. Members asked whether the need for borrowing to fund capital expenditure for school expansions had been included in calculations. Officers responded that if capital plans are approved, it is then the role of the Treasury Manager to ensure that funding is in place.
10. The Strategic Manager – Pension Fund and Treasury confirmed that there had been no external borrowing since 2009/10. At some point over the next three years, it was likely that the policy would be reversed but the timing could not be forecast. It would be dependent on a range of factors.
11. The Chairman highlighted that the Council was now in surplus but that this was likely to be run down over the next few months.

Actions/Further Information to be Provided:

None.

Resolved:

To NOTE the content of the Treasury Management Half Year Report for 2013/14.

Next Steps:

- i. The Pension Fund & Treasury Team will monitor the UK and overseas banking sector and will continue to update this Committee as appropriate.
- ii. In line with the requirements of CIPFAs Code of Practice for Treasury Management, this Committee will receive a full-year report on the council's treasury management position for 2013/14 at the meeting in July 2014.

- iii. The Pension Fund & Treasury Team will prepare the annual Treasury Management Strategy, for consultation with the Audit & Governance Committee, and to be presented as part of the MTFP presented to Council in February 2014.

66/13 INTERNAL AUDIT HALF YEARLY REPORT 2013/14 [Item 8]

Declarations of Interest:

None.

Witnesses:

Sue Lewry-Jones, Chief Internal Auditor
Diane Mackay, Audit Performance Manager
David John, Audit Performance Manager

Key Points Raised During the Discussion

1. Chief Internal Auditor introduced the report, explaining that it was a summary of activity within the Internal Audit function, rather than a summary of Audit findings. She confirmed that Internal Audit was on track to meet the Annual Audit Plan. The Chief Internal Auditor suggested that the increased proportion of 'effective' audit opinions and 'green' assessments of Management Actions showed real improvement as a result of audit focus.
2. Members questioned whether the increase in 'effective' audit opinions was because the Council was improving or because the auditors were getting softer. The Chief Internal Auditor stated that she cautiously felt that the Council was improving. The Audit Plan was based on identifying areas of risk. She pointed out that two reports since the end of September 2013 had been found to need major improvements and the full-year results could not yet be forecast. However, if the full-year results still showed an increased proportion of 'effective' audit opinions, Members may wish to challenge whether the Audit Plan was focussed on the right areas. Officers also pointed out that an audit is only a snapshot in time and can only provide a certain amount of reassurance.
3. Members suggested that the percentage of audit days spent on key financial statements had been low during the first half of 2013/14. The Chief Internal Auditor confirmed that most financial systems were tested during the second final quarter of the year so she was not uncomfortable with the current statistics.
4. In response to a query about the marking up of pot holes and the lack of follow-up, the Audit Performance Manager informed the Committee that a report was going to Environment & Transport Select Committee on changes to timescales for dealing with pot holes.
5. Members asked whether there was any difference in the management style since Kier took over the Highways contract. The Audit Performance Manager suggested that the handling of the contract was largely the same although there is a different name. The IT system was improving but it was a slow process.
6. There was a question regarding the possibility of a follow-up audit of gully cleaning. The Audit Performance Manager confirmed that a report was going to Environment & Transport Select Committee shortly which picked up on this issue and that Internal Audit would address it when it next looks at the contract. However, she had heard that there had been improvements.

7. In relation to the Transport for Education Management Action Plan (MAP), a Member asked why the production of clear written procedures for SEN staff had been delayed until after data cleansing had been completed. Officers explained that the data cleansing was already underway and, since the same staff would be involved in producing the written procedures, they had prioritised the data cleansing. There was concern at the explanation of resource constraints preventing SEN officers from being present at SEN transport reviews. It was agreed that the Audit & Governance Committee should receive a further report on the Transport for Education MAP in March 2014, inviting officers from the service to attend (**Recommendation Tracker ref: A38/13**). The Chairman also agreed to write about his concerns to the Chairman and Vice-Chairman of the Children and Education Select Committee, asking them to monitor the situation (**Recommendation Tracker ref: A39/13**).
8. A Member queried why tree stumps were left behind when a tree was removed. The Audit Performance Manager informed the Committee that Council policy is to leave the stumps as they stop people from parking on the verges. The Chairman agreed to ask the relevant Cabinet Member about the policy (**Recommendation Tracker re: A40/13**).

Actions/Further Information to be Provided:

- iii. Audit & Governance Committee to receive a further report on the Transport for Education MAP in March 2014, inviting officers from the service to attend the meeting.
- iv. The Chairman agreed to write about his concerns with regard to the Transport for Education MAP to the Chairman and Vice-Chairman of the Children and Education Select Committee, asking them to monitor the situation.
- v. The Chairman agreed to write to the Cabinet Member for Transport, Highways and the Environment to query the Council's policy on tree stumps.

Resolved:

To NOTE the report and raise matters with Cabinet Member and Select Committee Chairmen as discussed above.

Next Steps:

The Chief Internal Auditor's Annual Report for 2013/14 would be presented to the Committee in May 2014.

67/13 HALF YEAR SUMMARY OF INTERNAL AUDIT IRREGULARITY INVESTIGATIONS AND ANTI FRAUD MEASURES APRIL - SEPTEMBER 2013 [Item 9]

Declarations of Interest:

None.

Witnesses:

Reem Burton, Lead Auditor
David John, Audit Performance Manager
Sue Lewry-Jones, Chief Internal Auditor

Key Points Raised During the Discussion

1. The Lead Auditor introduced the report, highlighting the slight increase in the number of irregularity investigations undertaken on the same period last year.
2. The Chairman reminded the Committee that the Anti-Fraud policy of the County Council had strengthened its wording with regard to the police. He asked whether officers were satisfied that guidance from Babcock 4S to schools was sufficiently robust in references to the police. The Lead Officer responded that Babcock 4S was itself making more regular calls to Internal Audit about potential fraudulent activities. The Chairman asked that officers review Babcock 4S' policy and ensure that it is robust enough (**Recommendations tracker ref: A41/13**).
3. The Chief Internal Auditor informed the Committee that 55,000 letters had been sent to claimants where there is a risk that there has been a fraudulent Single Person Discount claim for council tax. There had been initial own-ups by 839 individuals for the first five District and Borough Councils which have released data. The Discount has been immediately cancelled which releases additional money for the Council.
4. A Member highlighted the work that the Surrey Procurement Group is doing in the area of fraudulent claims for Single Person Discount. Officers confirmed that there is liaison between the two projects.
5. Members asked how much money the Council is defrauded of in total. The Lead Auditor informed the Committee that money which can be demonstrated to be stolen is not material. Examples such as the payments for cleaning services cannot be classed as fraud although they are a breach of agreed process. The Chairman pointed out that publicity about fraudulent activity was important as a deterrent.

Actions/Further Information to be Provided:

Officers to review Babcock 4S' guidance to schools, particularly with regard to fraud, to ensure references to the police are sufficiently robust.

Resolved:

To NOTE the contents of the report.

Next Steps:

None.

68/13 COMPLETED INTERNAL AUDIT REPORTS [Item 10]

Declarations of Interest:

None.

Witnesses:

Sue Lewry-Jones, Chief Internal Auditor

Key Points Raised During the Discussion

1. The Chief Internal Auditor introduced the report, highlighting that the follow-up audit of Purchasing Cards had found that the new processes were effective. She also cited the audit of Blue Badges which was also rated as effective and encouraged Members to read the report as it dispels misconceptions about Blue Badges. The Chief Internal Auditor went on to say that the Social Care Debt audit had found that

major improvement was still needed and that the audit of Children in Care – Health and Dental Checks had found that the situation had actually deteriorated since the previous audit.

2. The Chairman informed the Committee that he had spoken at the Select Committee Chairmen's meeting about the process for Select Committee review of audit reports. The Chief Internal Auditor tabled a revised process to ensure that Select Committees do consider relevant audit reports (attached as **Annex 1**). The process was due to be discussed again with Select Committee Chairmen that afternoon.
3. A Member queried whether the process would ensure that Chairmen do take action when required. It was suggested that all Internal Audit Reports also be copied to the Select Committee Vice-Chairman. The Chief Internal Auditor reminded the committee that following each meeting she emails all councillors, listing the audit reports considered by the Audit & Governance Committee. She suggested that she include details of the audit opinion and the number of high priority recommendations for each of those audits (**Recommendations Tracker ref: A42/13**). That would alert all Members to areas of possible concern.
4. Members expressed concern that the follow-up audit of Children in Care – Health and Dental Checks had found a deterioration in practice. They pointed out that there had been problems with health and dental checks for several years. The Chief Internal Auditor brought Members attention to the Management Action Plan progress update which rated actions as green based on information given by the service. It wasn't until a full audit test was conducted for the follow-up audit that evidence was found that the situation had deteriorated. However, she also stated that the issue was concerned with having evidence that checks were taking place rather than that checks are not taking place. The Chairman agreed to write to the Cabinet Member for Children and Families about the Committee's concerns, copying in all Councillors and the Chief Executive (**Recommendations Tracker ref: A43/13**).
5. Members discussed where responsibility lies for social care debt and asked the Chief Internal Auditor to confirm. The Chairman would also write to the Cabinet Members for Adult Social Care about the Social Care Debt audit (**Recommendations Tracker ref: A44/13**).

Actions/Further Information to be Provided:

- i. The Chief Internal Auditor to include details of the audit opinion and the number of high priority recommendations for each audit considered by the Audit & Governance Committee in her regular email to all councillors.
- ii. The Chairman agreed to write to the Cabinet Member for Children and Families about the Committee's concerns over the audit of Children in Care – Health and Dental Checks, copying in all Councillors and the Chief Executive.
- iii. The Chairman agreed to write to the Cabinet Members for Adult Social Care about the Social Care Debt audit.

Resolved:

To NOTE the report and take action as set out above.

Next Steps:

None.

69/13 RISK MANAGEMENT HALF YEAR REPORT [Item 11]

Declarations of Interest:

None.

Witnesses:

Cath Edwards, Risk & Governance Manager

Andrew Prior, Insurance Services Group Manager

Key Points Raised During the Discussion

1. The Risk & Governance Manager introduced the report. She informed the Committee that the Continual Improvement Board had recommended changes to the Leadership Risk Register. Once the Register was updated it would be uploaded to S-Net and the link would be sent to the Committee.
2. There was some concern expressed about the Safeguarding residual risk level being set at Medium (Ref: L5). Officers pointed out that Safeguarding is split into various risks at a Directorate level, each with its own risk level attached. The Chief Internal Auditor also highlighted that the recent audit of the Adult Social Care Safeguarding Assurance Process gave some assurance on the adequacy of controls. She informed the Committee that the Strategic Director for Adult Social Care would give an update to Adults Social Care Select Committee on progress against the recommendations from the Serious Case Review of the death of Gloria Foster in March 2014.
3. Members queried the attendance figures for the Council Risk and Resilience Forum. The Risk and Governance Manager offered to circulate the attendance figures to the Committee (**Recommendations Tracker ref: A45/13**).
4. Members queried who had conducted the actuarial audit of the insurance fund. The Insurance Services Group Manager informed the Committee that the actuary had been appointed by the brokers Jardine Lloyd Thompson. Members went on to ask whether the annual audit of the claims handling service had been found to be 'Excellent' because it quickly passes on all claims or because it filters out claims. The Insurance Services Group Manager responded by saying that unlike other authorities, the Council's Insurer permits the claims handling service to manage claims up to the value of its excess, being £100,000 per claim. This is the most cost effective method of claims handling, and provides greater and closer control of claims handling. As there is potential risk to the insurer in permitting this, an annual audit is conducted to monitor the standard of claims handling.
5. A Member asked about the quality of the Institute for Risk Management. The Risk and Governance Manager confirmed that it was a good institute, which was leading the way on risk culture work. She had also undertaken exams with the Institute.

Tim Hall left the meeting.

6. The Chairman suggested that the risk descriptions and controls for Risk L1 (Medium Term Financial Plan), Risk L4 (IT Systems) and Risk L7 (Waste) needed developing (**Recommendations Tracker ref: A46/13**).

Recommendations/Further Information to be Provided:

- i. The Risk and Governance Manager agreed to circulate the attendance figures for the Council Risk and Resilience Forum to the Committee.
- ii. The risk descriptions and controls for Risk L1 (Medium Term Financial Plan), Risk L4 (IT Systems) and Risk L7 (Waste) to be developed.

Resolved:

- a) That the Committee is satisfied with the risk management arrangements;
- b) That the Leadership Risk Register be updated as set out above.

Next Steps:

None.

70/13 REVIEW OF THE INVESTMENT PANEL [Item 12]**Declarations of Interest:**

None.

Witnesses:

Nick Carroll, Finance Manager – Funding & Planning

Key Points Raised During the Discussion

Tim Hall rejoined the meeting.

1. The Finance Manager – Funding & Planning introduced the report.
2. In response to a question about Cabinet membership of the Panel, the Finance Manager – Funding & Planning explained that, due to the changing scope of the Investment Panel, it was no longer particularly relevant to the Cabinet Member for Assets and Regeneration. There was also a clearer distinction between the decision-making role of Cabinet Members and the scrutiny role of the Investment Panel. The process is that the Cabinet approves the main capital programme, officers then produce business plans which the investment Panel reviews to ensure that the business case is sound, providing assurance to Cabinet.
3. A Member queried the overlapping membership of the Investment Panel and the Investment Advisory Board. The Chairman agreed the use of 'Investment' in both the groups' names was confusing but while the Investment Panel is internally focussed, the Investment Advisory Board is externally focussed, and concerned with revenue raising.
4. The Chairman suggested that it would be helpful for the report to include a flow chart showing how the process works when it goes to Council Overview and Scrutiny Committee. He also asked that the remits of all groups mentioned be set out eg the Productivity & Efficiency Panel and the Models of Delivery Board
(Recommendations Tracker ref: A47/13).
5. The Chairman was satisfied that the Terms of Reference for the Investment Panel does address issues such as low attendance at meetings and the use of email chains for decision making by introducing a quorum for meetings. The Chief Internal Auditor also confirmed that she was encouraged by developments, citing the importance of a quorum and substitute members being limited to the Council Performance Team.

Actions/Further Information to be Provided:

The officer report to Council Overview and Scrutiny Committee to include a process flow chart and the remits of all groups mentioned eg the Productivity & Efficiency Panel and the Models of Delivery Board.

Resolved:

- a) To NOTE the recent changes to arrangements for the Panel; and
- b) To REPORT its findings to Council Overview and Scrutiny Committee
(**Recommendations Tracker ref: A48/13**).

Next Steps:

None.

71/13 GOVERNANCE UPDATE REPORT [Item 13]**Declarations of Interest:**

None.

Witnesses:

Cath Edwards, Risk & Governance Manager
Susan Smyth, Strategic Finance Manager

Key Points Raised During the Discussion

1. The Risk & Governance Manager introduced the report.
2. A Member challenged the membership of the Investment Advisory Board as it includes a number of Cabinet Members. This impacts on the stated purpose of the Board which is to advise the Cabinet. The Strategic Finance Manager explained that advice is forthcoming from senior officers who support the Board and that the Board is non-decision-making.
3. Members asked who manages the established Local Authority Trading Companies. The Strategic Finance Manager informed the Committee that the Shareholder Board represents Surrey County Council as the shareholder in trading companies. Day-to-day running of the company is undertaken by the Directors. There is currently one Local Authority Trading Company.
4. In response to detailed questioning, the officers reiterated that the report was a shortened summary giving progress on areas identified within the Annual Governance Statement.

Actions/Further Information to be Provided:

None.

Resolved:

That the Committee confirmed that it was satisfied with the ongoing governance work.

Next Steps:

None.

72/13 AUDIT & GOVERNANCE COMMITTEE: ANNUAL REPORT 2012/13 [Item 14]

Declarations of Interest:

None.

Key Points Raised During the Discussion

1. The Chairman introduced the report and Members expressed their satisfaction with the Annual Report.

Actions/Further Information to be Provided:

None.

Resolved:

To ENDORSE the 2012/13 annual report of the Committee and to COMMEND it to Council on 11 February 2014 (**Recommendations Tracker ref: R4/13**).

Next Steps:

None.

73/13 PROGRESS REPORT - PROPERTY ASSET MANAGEMENT SYSTEM (PAMS) [Item 15]

Declarations of Interest:

None.

Witnesses:

Nigel Jones, Performance Manager, Property Services

Claire Barrett, Transformation and Delivery Manager, Property Services

Key Points Raised During the Discussion

1. The Transformation and Delivery Manager explained that she was the project sponsor for PAMS, both in Surrey and in Hampshire. The Performance Manager went on to introduce the report. He informed the Committee that the system had gone live in Surrey on 2 April 2013. Hampshire County Council was delayed but would hopefully go live in February/March 2014. He stated that the project team was small and had a small budget to implement the system but it was expecting to come in within budget.
2. Members highlighted property issues such as rent not being paid and asbestos in school and asked if PAMS would prevent these issues from recurring. The Performance Manager confirmed that the system would mean that all information about property would be kept in one place. For example, it will hold all rent payable and received, as well as show where rent is due. As the system is implemented, processes are being reviewed to ensure that safeguards are built in. Information on asbestos is being inputted at the moment and the system will continue to be updated. When a property is acquired, there is a process in place to ensure that data is inputted.
3. In response to a query, the officers confirmed that PAMS would be compatible with SAP.

Actions/Further Information to be Provided:

None

Resolved:

- a) To NOTE the progress made against the implementation plan and recognise the achievements; and
- b) To NOTE the revised project timescale for completion by 31 March 2014.

Next Steps:

To receive a final update on PAMS once fully implemented in May 2014
(**Recommendations Tracker ref: A49/13**).

74/13 DATE OF NEXT MEETING [Item 16]

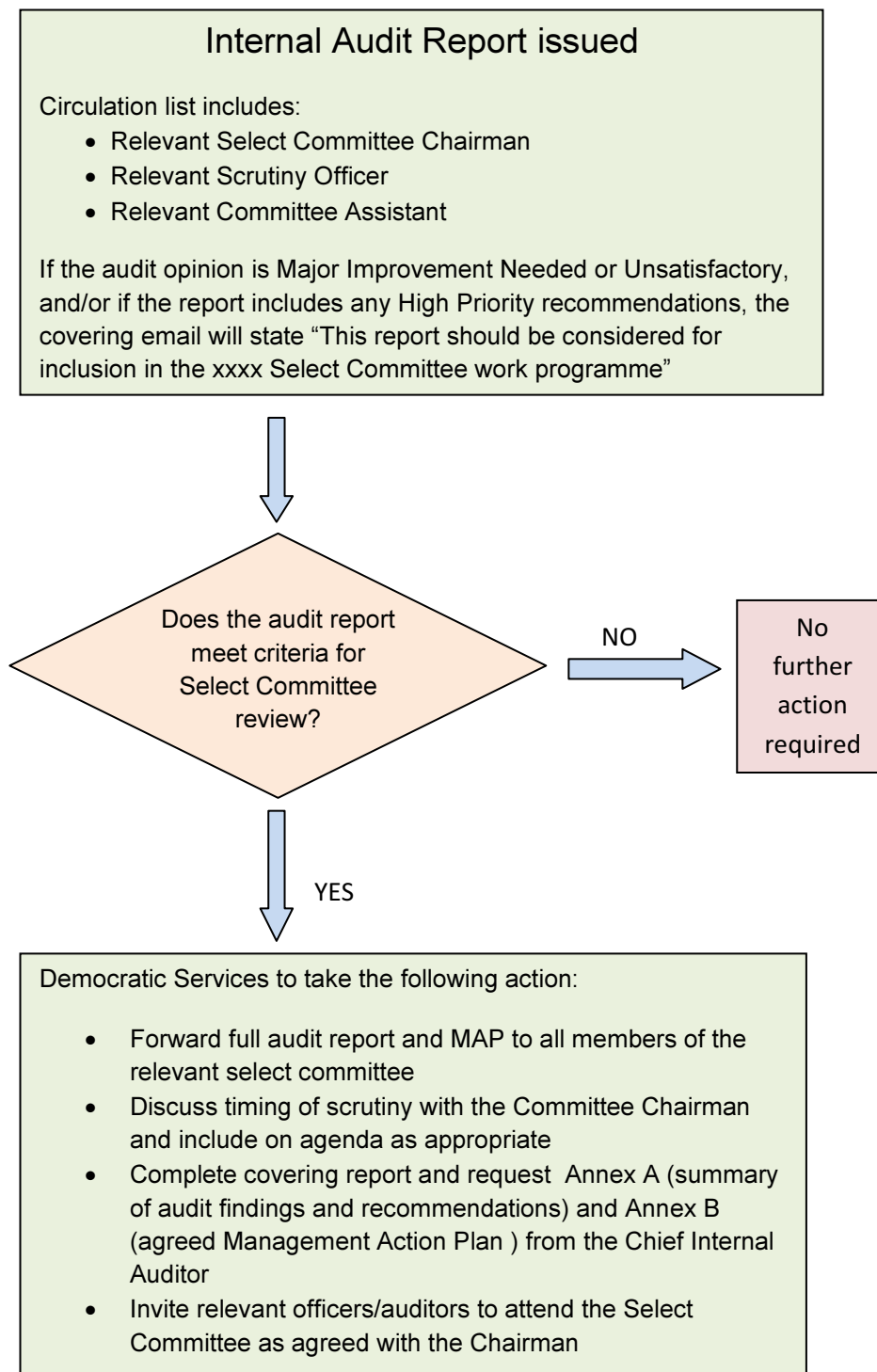
The Committee noted that the next normal meeting is on 24 March 2014.

The Committee agreed to schedule a workshop to develop understanding of complaints handling in Children's Service (**Recommendations Tracker ref: A50/13**).

Meeting ended at: 1.05 pm

Chairman

SELECT COMMITTEE REVIEW OF INTERNAL AUDIT REPORTS – SUGGESTED PROCESS



Note: The Select Committee is encouraged seek assurance from officers that appropriate and timely action is being taken to address the audit recommendations made. The agreed Management Action Plan will be available as part of the Committee papers, but the supporting audit report will not be included with the public committee papers . This will have been previously circulated to committee members.

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