

REPORT FOR RESOLUTION

SUBJECT: AUDIT COMMISSION SMALL BODIES ANNUAL RETURN FOR
YEAR ENDED 31ST MARCH 2010

REPORT OF: The Lead Officer

PURPOSE OF THE REPORT

To report the findings of the audit.

RECOMMENDATIONS

It is recommended that the Joint Committee:

1. Notes the findings of the audit in the enclosed Annual Return and Issues Arising Report and the management responses.
2. Approves the Risk Register
3. Approves the Annual Return for 2010/11 at its June 2011 meeting.

CONTACT OFFICER

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1. Background

- 1.1 At its meeting on 29th June 2010, the Joint Committee accepted the Audit Commission's recommendation to appoint BDO LLP for a period of three years i.e. 2009/10 to 2011/12 inclusive to conduct a Limited Assurance Audit with effect from 2009/10
- 1.2 Enclosed is the complete Annual Return and Issues Arising Report. Members are asked to note the following in respect of the Issues Arising Report:
 - a) The Joint Committee approved the Annual Return at its meeting in September 2010. This approval would normally be sought at the June meeting however the auditors were not appointed until after the June 2010 meeting.
 - b) Arrangements are in place for internal audit in 2010/11.
 - c) A risk register has been prepared for approval.

2. Recommendations

It is recommended that the Joint Committee:

1. Notes the findings of the audit in the enclosed annual return and issues report and the management responses above.
2. Approves the Risk Register
3. Approves the annual return for 2010/11 at its June 2011 meeting.

BUS LANE ADJUDICATION SERVICE JOINT COMMITTEE Risk Register JANUARY 2011

Rank	Risk Description	Consequence Description	C	L	Score	Key Controls In Place	Assurances	Accept/Reject Risk	Last Reported Status	Current Status	Further Actions to be taken to Manage Risk Better	Lead
1.	Unforeseen significant fluctuations in income and assurance on service charge income	Inability to meet financial obligations	3	2	6	Audit figures on which to base forecasts. Historical data on which to base forecasts. Reserve policy in place Benchmarking with external data.	Internal & External Audit Reports Committee Reports	R			Increased monitoring of income Report on benchmarking exercise to Joint Committee.	HOS
2	Effective Financial and Resource Management including spending within agreed budgets	Financial instability	3	2	6	Historical data on which to base forecasts. Specified role for budget holders in budget monitoring. Recommendations from Internal Audit	Internal & External Audit Reports Committee Reports	R			Internal Audit Annual Plan 2010/11 will focus on budget management.	HOS
3.	Change in government policy	Change in direction for traffic regulations/adjudication	3	1	3	Establishing and maintaining dialogue with relevant government departments, responding to consultation, participation in working groups	Committee Reports	A			None at this time	HOS/C A
4.	Inability of IT to support needs of organisation and technology users	Reduced effectiveness and efficiency for tribunal, councils and appellants.	3	2	6	IT Improvement Programme. Performance Monitoring	Business Process and IT Review	R			Review of the findings of the Business Process and IT Review. Domain Migration	HOS
5.	Loss of key members of management and staff	Disruption to operations Management of vacancies Project and operational targets affected	2	2	4	Clearly defined roles with flexibility to provide cover. Documented procedures Arrangements for temporary cover	Committee Reports	A			None at this time	HOS

6.	Insufficient adjudicator/staff resources to meet demand	Inability to meet targets Pressure to reach decisions may result in increased number of judicial reviews	3	2	6	Monitoring of demand and performance Adjudicator recruitment in 2010/11 Staff recruitment, induction, training and appraisal. Contingency Planning	Committee Reports	R			Adjudicator Recruitment 2011	CA
7.	Health and Safety Breach	Risk to welfare of adjudicators, appellant, staff Disruption to tribunal operation	2	2	4	Health and Safety policy in place. Procedures in place for monitoring risk/handling incidents which may be a threat to health and security. Business Continuity Plan in place.	Reporting requirements for Health and Safety Matters	A			None at this time	HOS
8	Achievement of Key Objectives	Failure to achieve key objectives	2	2	4	Performance Management Strategy Strengthening project management to handle multiple projects	Internal & External Audit Reports Committee Reports	A			Continued engagement with stakeholders.	HOS

C = Consequence
3 = severe disruption
2= moderate disruption
1 = minimal impact

L = Likelihood
3 = Highly likely to occur
2 = Moderately likely to occur
1 = Unlikely to occur

Risk Rating = consequence multiplied by likelihood
A = Accept Risk with controls in place
R = Reject on the basis that further work is required to strengthen controls

CA = Chief Adjudicator
HOS = Head of Service

Note 1 The Risk Register is underpinned by Business Continuity Arrangements