



**SCOTT-MONCRIEFF**

EDINBURGH AND GLASGOW



# **Learning and Teaching Scotland**

**Annual Report to the Board and Auditor  
General for Scotland  
Year ended 31<sup>st</sup> March 2009**

**August 2009**



SCOTT-MONCRIEFF

EDINBURGH AND GLASGOW

# Learning and Teaching Scotland

## Annual Report to the Board and Auditor General for Scotland 2008/09

<b>Summary</b> .....	<b>1</b>
<b>Introduction</b> .....	<b>3</b>
<b>Finance</b> .....	<b>4</b>
<b>Governance</b> .....	<b>9</b>
<b>Performance</b> .....	<b>13</b>
<b>Appendix 1: Action Plan</b> .....	<b>14</b>

# Summary

## Finance

We have given an unqualified opinion on the financial statements of Learning and Teaching Scotland for 2008/09. The draft financial statements were presented for audit by the agreed date. Audit adjustments to the draft financial statements related to changes in disclosure and presentation. All adjustments were agreed with the Head of Finance.

We have also concluded that in all material respects, the expenditure and receipts shown in the financial statements were incurred or applied in accordance with applicable enactments and relevant guidance issued by Scottish Ministers.

## Governance

Corporate Governance is concerned with the structures and processes for decision making, accountability, control and behaviour at the upper levels of an organisation. Overall the corporate governance arrangements at Learning and Teaching Scotland are operating well, as reflected in the Statement on the System of Internal Control.

We did not identify any major error or system weaknesses during our review. The action plan in appendix 1 to this report sets out matters noted during our audit work which require management attention.

## Performance

As highlighted in our external audit plan, we have not carried out any specific performance reviews during the year, in particular in relation to best value. This report however does note the development in auditing best value in central government. In particular, the pilot review led by Audit Scotland using an efficiency toolkit.

Learning and Teaching Scotland has developed its own programme of best value reviews. In 2008/09, Learning and Teaching Scotland reported on its best value review of travel, accommodation and events management.

## Looking Forward

The Scottish Government is currently undertaking a review of the role of Learning and Teaching Scotland. The review is considering whether the existing structure is the most suitable vehicle to support Scottish education or whether it needs to be strengthened or changed. The outcome from this review has yet to be published.

Over the coming year, there will be substantial change within the Corporate Management Team (CMT). Two of the five officers comprising the CMT will leave the organisation. Interim arrangements have been established, pending the outcome of the Scottish Government review.

## **Conclusion**

This report concludes the 2008/09 audit of Learning and Teaching Scotland. We have performed our audit in accordance with the Code of Audit Practice published by Audit Scotland, International Standards on Auditing (UK and Ireland) and Ethical Standards.

This report has been discussed and agreed with the Director of Corporate Services and Head of Finance. We would like to thank all members of Learning and Teaching Scotland's management and staff who have been involved in our work for their co-operation and assistance during our audit visits.

**Scott-Moncrieff**  
**August 2009**

# Introduction

1. The Auditor General for Scotland is the Scottish Parliament's watchdog for ensuring propriety and value for money in the spending of public monies. The Auditor General for Scotland is responsible for securing the audit of the Scottish Government and most public bodies, including central government bodies, in Scotland.
2. The Companies Act 2006 (Scottish public sector companies to be audited by the Auditor General for Scotland) Order 2008 provides that Learning and Teaching Scotland is to have its accounts audited by the Auditor General for Scotland. The Order came into force from 6 April 2008. The Auditor General for Scotland has appointed Scott-Moncrieff as external auditor of Learning Teaching Scotland for the three year period 2008/09 to 2010/11.
3. This report summarises the findings from our 2008/09 audit of Learning and Teaching Scotland. The scope of our audit was set out in our External Audit Annual Plan, which was presented to the Learning and Teaching Scotland Audit Committee on 24 March 2009.
4. The Code of Audit Practice prepared by Audit Scotland and approved by the Auditor General for Scotland, sets out the ways in which auditors should carry out their functions under the Public Finance and Accountability (Scotland) Act 2000. With reference to the Code of Audit Practice, the main elements of our audit work in 2008/09 have been:
  - Audit of the financial statements, including a review of the Statement on the System of Internal Control
  - Review of governance arrangements
  - Review of internal controls and financial systems

The key issues from these outputs are summarised in this annual report.

5. This report is addressed to the Board and the Auditor General for Scotland and will be published on Audit Scotland's website, [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)
6. We would like to thank all members of Learning and Teaching Scotland's management and staff who have been involved in our work for their co-operation and assistance during our audit visits.

# Finance

7. The financial statements are an essential means by which the organisation accounts for its stewardship of the resources available. In this section we summarise key outcomes from our audit of Learning and Teaching Scotland's financial statements for 2008/09. We also comment on Learning and Teaching Scotland's reported financial position.

## Our responsibilities

8. We audit the financial statements and give an opinion on:
- whether they give a true and fair view of the financial position of the Board and its expenditure and income for the year then ended;
  - whether they were prepared properly in accordance with relevant legislation, applicable accounting standards and other reporting requirements;
  - whether the information which comprises the Directors Report is consistent with the financial statements; and
  - the regularity of the expenditure and receipts.
9. We also review the Statement on Internal Control by considering the adequacy of the process put in place by the Chief Executive, as Accountable Officer, to obtain assurances on systems of internal control and assessing whether disclosures in the statement are consistent with our knowledge of Learning and Teaching Scotland.

## Independence

10. International Standard on Auditing 260 – Communication of Audit Matters with those Charged with Governance – requires us to communicate on a timely basis all facts and matters that may have a bearing on our independence.
11. We provided no additional services to Learning and Teaching Scotland during the year and can confirm that we have complied with the Auditing Practices Board Ethical Standard 1 – Integrity, Objectivity and Independence. In our professional judgement the audit process has been independent and our objectivity has not been compromised.

## Directors' Responsibilities

12. The directors' statutory responsibilities include:
- Maintaining proper accounting records and an effective system of internal control;
  - Safeguarding assets;
  - Preparing the financial statements in accordance with the relevant accounting standards;
  - Taking reasonable steps for the prevention and detection of fraud and other irregularities; and
  - Ensuring sound corporate governance and the proper conduct of the company's operations.

## **Overall conclusion**

13. We are pleased to report that our independent auditors' report expressed an unqualified opinion on the financial statements for the year ended 31 March 2009 and on the regularity of transactions reflected in those financial statements.
14. We received draft annual accounts and supporting papers of a high standard on 25 May 2009 in line with our agreed audit timetable. We are pleased to report that the audit process ran smoothly, and our thanks go to the finance team for their assistance with our work.

## **Accounts Direction**

15. Learning and Teaching Scotland is required, in preparing its financial statements, to comply with the directions given by the Scottish Ministers. The Direction by the Scottish Ministers requires Learning and Teaching Scotland to comply with the accounting principles and disclosure requirements of the Government Financial Reporting Manual (FReM). We are pleased to report that the 2008/09 financial statements of Learning and Teaching Scotland comply with the 2008 edition of the FReM which was in force for the year when the statement of accounts were prepared.
16. As Learning and Teaching Scotland has charitable status, it is also required to comply with the Charities Statement of Recommended Practice (Charities SORP). We are pleased to report that the 2008/09 annual accounts of Learning and Teaching Scotland comply with the revised SORP in all material respects.

## **Audit Adjustments**

17. We identified no major errors or weaknesses during our audit. Adjustments to the financial statements arising from the audit related mainly to changes in disclosure and presentation. We agreed all adjustments and potential adjustments with the Head of Finance.

## **Financial Position**

18. In 2008/09, Learning and Teaching Scotland reported an income and expenditure deficit of £17.8 million (2007/08: £19.6 million). To fund this, Learning and Teaching Scotland received grant-in-aid of £19.563 million (2007/08: £21.283 million). Of this £19.353 million was used to fund revenue expenditure and £0.210 million was used to fund capital expenditure. In accordance with the FReM, Learning and Teaching Scotland treats grant-in-aid as funding rather than income. As a result, grant-in-aid is credited directly to the General Fund.
19. Learning and Teaching Scotland reported a favourable variance of £0.297m compared with its updated annual budget.

### **FRS 17 Deficit**

20. All members of staff of Learning and Teaching Scotland have the option of joining the Strathclyde Pension Fund (SPF) with existing employees who are members of the Scottish

Teachers Superannuation scheme entitled to maintain their membership of that scheme. The SPF is a defined benefit scheme where the assets and liabilities can be separately identified each year by an actuary. Under Financial Reporting Standard 17 this scheme is therefore reflected within the financial statements.

21. At 31 March 2008, Learning and Teaching Scotland showed a net liability of £12,000. By 31 March 2009 this had increased to a net pension liability of £2.757 million. The main reason for this change is the reduction in the fair value of employer assets (£5.5 million reduction).

## **Summary of issues in the financial statements**

22. In order to assist the directors' understanding of the financial statements, we have summarised below some of the issues that we believe are of particular significance to the 2008/09 financial statements. We consider Learning and Teaching Scotland's treatment of these issues in the financial statements to be reasonable.

### **Voluntary Severance Scheme**

23. Learning and Teaching Scotland launched its third voluntary severance scheme during the year. The initial proposals for a much larger severance scheme were rejected by the Scottish Government. Instead the Scottish Government approved a voluntary severance scheme of up to £250,000. Learning and Teaching Scotland's financial statements show a charge in the year of £205,586 with regard to this voluntary severance scheme of which £190,607 was paid out shortly after the year end.
24. In our 2008 Management Report we commented on 'strain on the fund' pension issues amounting to £350,000 that were still outstanding and provided for in the 2007/08 financial statements. At the time, Learning and Teaching Scotland was in discussion with Strathclyde Pension Fund regarding the Fund's view that 'Strain on the Fund' payments were due in respect of those staff aged over 50 who took voluntary severance on or before 2007. It was Strathclyde Pension Fund's view that the voluntary severance scheme arrangements are in fact voluntary redundancy arrangements. Strathclyde Pension Fund has taken no further action on this and as a result, Learning and Teaching Scotland has released this provision in the 2008/09 financial statements.

### **Office Relocation**

25. Learning and Teaching Scotland was due to relocate its Dundee Office to Caledonian House in Dundee. Temporary accommodation (at City House) however had to be sought as the existing occupier, HMRC, was still vacating the premises. HMRC has now vacated the premises at Caledonian House. Learning and Teaching Scotland however has extended its lease at City House until October 2009. Learning and Teaching Scotland intend to delay the relocation pending the outcome from the review by the Scottish Government (see paragraph 49). Funding has been provided by the Scottish Government for this relocation. Learning and Teaching Scotland has obtained confirmation from the Scottish Government that this funding can be retained for 2009/10.



### **Staff Pay Negotiations**

26. On 6 October 2008, a pay offer was made to all staff which gives approximately 75% of staff an average 5% increase over each of the three years 2008/09 to 2010/11. The remaining 25% are to be ring fenced and would receive no increase for the next three years. The unions within Learning and Teaching Scotland have voted down this offer and have counter proposed a 4% increase across the board. The Board, however, has endorsed the recommendation to proceed with the pay proposal which was duly implemented in December 2008. During our audit we confirmed that backdated payments have been accounted for correctly in the financial statements.

### **Equal Pay**

27. The Equal Pay Act 1970 makes it unlawful for employers to discriminate between men and women in terms of their pay and conditions where they are doing the same or similar work; work rated as equivalent; or work of equal value.
28. The Gender Equality Duty requires public bodies to publish an equal pay statement which outlines the organisation's policy on equal pay between men and women. Learning and Teaching Scotland has published an equal pay statement and also conducted an equal pay audit.
29. To date, Learning and Teaching Scotland has not received any equal pay claims. No provision has therefore been made in the financial statements.

### **Regularity**

30. The Public Finance and Accountability (Scotland) Act 2000 imposes a responsibility on auditors that requires us to certify that, in all material respects, the expenditure and receipts shown in the accounts were incurred or applied in accordance with applicable enactments and guidance issued by the Scottish Ministers. We have been able to address the requirements of the regularity assertion through a range of procedures. No significant issues were identified for disclosure.

### **Future Outlook**

#### **International Financial Reporting Standards**

31. It was announced in the 2007 budget speech that central government and health bodies would be required to report their accounts on an International Financial Reporting Standards (IFRS) basis from 2008/09. During the 2008 Budget speech the Chancellor postponed the implementation until 2009/10. The implementation of IFRS is the most significant change in public sector financial reporting in recent times.
32. Because Learning and Teaching Scotland is a charitable NDPB it will not have to adopt IFRS. Each public body in Scotland is issued with an Accounts Direction from Scottish Ministers which establishes the financial reporting framework which they must comply with. Public bodies will be issued with new Accounts Directions which will require that financial statements are prepared in

accordance with the IFRS based Government Financial Reporting Manual (iFReM) from 2009/10. The iFReM states that where a NDPB is incorporated as a charity it should comply with the requirements of the Charities SORP 2005 which is on a UK GAAP basis, and therefore Learning and Teaching Scotland will not be adopting IFRS in the short-term.

# Governance

33. Corporate Governance is concerned with the structures and processes for decision-making, accountability, control and behaviour at the higher levels of organisations. Through its Accountable Officer, Learning and Teaching Scotland is responsible for ensuring the proper conduct of its affairs including compliance with relevant guidance, the legality of activities and transactions and for monitoring the adequacy and effectiveness of these arrangements.
34. This section sets out the main findings from our review of Learning and Teaching Scotland's corporate governance arrangements.

## Systems of internal control

35. The framework of internal controls operating within Learning and Teaching Scotland is reported within its Statement on the System of Internal Control (SIC). As part of our audit work we review the information disclosed in the SIC and assess whether the Accountable Officer's opinion on the effectiveness of its internal controls is consistent with our understanding of Learning and Teaching Scotland's internal control framework. To inform our understanding of the system of internal control we assessed Learning and Teaching Scotland's corporate governance arrangements including consideration of the risk management arrangements and its mechanism for the prevention and detection of fraud. Overall we did not identify any weaknesses from our audit work which we consider a significant internal control issue and therefore requires to be raised within the SIC.
36. The Accountable Officer's review of the effectiveness of the corporate governance and internal control procedures is informed by the views of internal audit. The results of this work allowed the Accountable Officer to conclude that the system of internal financial control was largely effective.
37. Overall we are satisfied that:
  - the contents of the SIC are not inconsistent with information gathered during the course of our normal audit work, and
  - the statement is in line with Scottish Ministers' guidance

## Internal Audit

38. Internal Audit is a key component of Learning and Teaching Scotland's internal control framework. We have sought to establish effective co-ordination arrangements with PricewaterhouseCoopers (PwC), Learning and Teaching Scotland's internal auditors.
39. As part of our corporate governance responsibilities, we reviewed Learning and Teaching Scotland's arrangements to ensure that the work of internal audit is of sufficient quality and volume and complies with best practice. Our review was performed in accordance with the

Code of Audit Practice and International Standard on Auditing 610 – *Considering the work of internal audit*. Overall we concluded that reliance could be placed on the work of internal audit.

## **Codes of Conduct**

40. Propriety requires that public business is conducted with fairness and integrity. This includes avoiding personal gain from public business, being even-handed in the appointment of staff, letting contracts based on open competition and avoiding waste and extravagance.
41. During our audit we considered the arrangements Learning and Teaching Scotland has in place for adopting and reviewing its financial procedures, financial authority levels and codes of conduct. Overall we concluded that the arrangements at Learning and Teaching Scotland are generally adequate in relation to standards of conduct, integrity and openness in its dealing with its employees and the public. We did however note the following:
- The 'financial authority levels' enable the Head of Finance to order, receipt and, with a co-signatory, pay for goods below £10,000. The Head of Finance is also actively involved in the preparation of budget monitoring reports and the financial statements. As a result, segregation of duties is not as robust as it could be.

***Action Plan Point 1***

- Learning and Teaching Scotland has in place a mechanism to review key policy documents on an annual basis. During our audit however we noted that some of the procedures, including the payroll procedures and whistle blowing policy, are out of date and include reference to personnel who no longer exist within the organisation. It is essential that the procedures reflect the current staffing structure and reference to key officers.

***Action Plan Point 2***

- Learning and Teaching Scotland has not established a register of officer's interests. As a minimum this should include all senior management.

***Action Plan Point 3***

## **Fraud and Irregularity**

42. The integrity of public funds is at all times a matter of concern. As external auditors we are required to consider the arrangements made by management for the prevention and detection of fraud and irregularities. Our responsibilities in this area are addressed in a number of ways:
- Our systems based audit approach to the major accounting systems is planned so as to provide a reasonable expectation of detecting material misstatements resulting from fraud or error
  - We focus on specific areas of high risk for potential fraud and irregularity and review the control arrangements in place in these areas

- We review the Audit Scotland Technical Bulletins with regard to fraud reports and ensure that the authority has adequate arrangements in place to stop similar frauds occurring
- We examine the key governance documents issued by the organisation to ensure that they deal adequately with fraud and corruption and provide a framework for exercising strong internal control

43. We have performed a review of the arrangements for the prevention and detection of fraud, irregularity and corruption in place at Learning and Teaching Scotland. Our review concluded that the arrangements are satisfactory to prevent and detect fraud and other irregularities.

## **Legality**

44. We have planned and performed our audit recognising that non-compliance with statute or regulations may materially effect the financial statements. Our audit procedures included the following:

- Reviewing minutes of relevant meetings;
- Enquiring of senior management and the company's solicitors concerning litigation, claims and assessments;
- Performing a company search; and
- Performing detailed testing of transactions and balances.

45. We are pleased to report that we did not identify any instances of concern with regard to the legality of transactions or events.

## **Risk Management**

46. An important feature of a robust system of internal control is a developed and integrated approach to risk management. Effective risk management will deliver an appropriate balance between risk and control, more effective decision making, better use of limited resources and greater innovation.

47. As part of our audit we considered Learning and Teaching Scotland's risk management arrangements. Overall we concluded that Learning and Teaching Scotland has established and embedded risk management arrangements across the organisation. In particular we noted the following:

- Learning and Teaching Scotland has developed a 'risk management policy and processes' document which outlines the organisation's approach to managing risk;
- Key risk indicators are linked to Learning and Teaching Scotland's corporate objectives;
- Arrangements are in place to manage risk at both a strategic and operational level. For example, quarterly reports are presented to the Board; and
- A Risk Register Programme Board has been established which comprise of all programme directors and members of the Corporate Management Team. This Board is responsible for ensuring key risks from each service area are incorporated into a risk register.

48. Our review also highlighted a couple of areas, where arrangements could be enhanced:

- There are no formal risk assessment arrangements in place when entering into a new initiative.
- For the appropriate level of staff, Learning and Teaching Scotland should consider the inclusion of risk management competencies in staff annual performance reviews. In addition, risk management training arrangements should be reviewed on a regular basis. This could be linked to training requirements arising from staff annual performance reviews.
- The regular briefings currently circulated to employees should include risk management to emphasise the importance of this area.

*Action Plan Points 4-5*

## **Future Outlook**

### **Scottish Government Review of Learning and Teaching Scotland**

49. The Scottish Government is currently undertaking reviews on a number of public bodies with the aim of improving service delivery, sharing services and increasing collaboration between organisations. Learning and Teaching Scotland is one of the public bodies currently under review.

50. The review will focus on the role of Learning and Teaching Scotland going forward. In particular it will consider:

- Whether the existing structure of Learning and Teaching Scotland is suitable to deliver the functions and tasks that need to be carried out to support Scottish education
- Whether Learning and Teaching Scotland needs to be strengthened or changed or another body is better suited to carry out some or all of the desired functions

51. The review is being undertaken by a team within the Schools Directorate and has been split into three phases. A wide range of Learning and Teaching Scotland's stakeholders will be consulted during the first phase of the review. The outcome from this review has yet to be published.

### **Management Arrangements**

52. In 2009/10, the Director of Corporate Services and Director of Learning and Technology are due to leave the organisation (two of the five officers comprising the Corporate Management Team). Interim arrangements have been established, pending the outcome of the Scottish Government review. These arrangements include the appointment of the Head of Finance as Acting Director of Corporate Services. We noted in paragraph 41, that segregation of duties could be improved. Our recommendation will be even more important following this appointment.

# Performance

53. This section sets out the direction of best value audits in central government. In addition it summarises the best value reviews undertaken locally by Learning Teaching Scotland. As highlighted in our annual audit plan however we have not performed any detailed work on best value this year.

## Best Value

54. Best Value is defined as the continuous improvement in the performance of functions. The positive impact of the Best Value concept in local government led Scottish Ministers to introduce a non-statutory Best Value duty on all public sector accountable officers (i.e. across central government) in 2002. This was reinforced by refreshed Ministerial guidance in 2006, highlighting the importance that the Scottish Government places on Best Value as a means of supporting public service reform. The *Scottish Public Finance Manual* now places a duty on the Chief Executive, as Accountable Officer, to make arrangements to secure Best Value. Additionally, the Scottish Government's response to the Crerar scrutiny review credited the Best Value regime as a key driver of modernisation and improvement in public services.
55. Audit Scotland is piloting an approach to auditing Best Value based on a review of the 'Use of Resources' which has been categorised across Financial Management, Efficiency, Information Management, Procurement, Asset Management, Performance Management and People Management.
56. For 2008/09, Audit Scotland intends to apply an 'efficiency' toolkit to a sample of central government bodies. Learning and Teaching Scotland is not one of the bodies selected for this review. The output from this work will form the basis of evidence for a national report on delivering efficiencies. This report is due for release in August 2009.

## Best Value Reviews

57. In light of guidance issued by the Scottish Government and Audit Scotland in relation to best value, Learning and Teaching Scotland has developed and approved a Best Value Strategy. In addition to this a programme of best value reviews has been established.
58. During 2008/09, Learning and Teaching Scotland reported on its best value review on travel, accommodation and events. The report considered the extent to which best value is being achieved and the capacity and prospects to deliver continuous improvement in service delivery. It presented four options for service design and delivery including a 'do nothing' option, shared services, devolving services to individual departments and improving current arrangements within the central team. The report concluded that the final option is the preferred option. An action plan has been agreed to take forward the preferred option.

# Appendix 1: Action Plan

Our action plan details the key weaknesses and opportunities for improvement that we have identified during this review. To assist Learning and Teaching Scotland in assessing the significance of the issues raised and prioritising the action required to address them, the recommendations have been rated.

## Grading of recommendations

Our grading structure helps management assess the significance of the issues raised and prioritise the action required to address them. The grading structure is as follows:

Grade	Definition
5	Very high risk exposure - Major concerns requiring immediate Board attention.
4	High risk exposure - Absence / failure of significant key controls.
3	Moderate risk exposure - Not all key control procedures are working effectively.
2	Limited risk exposure - Minor control procedures are not in place / not working effectively.
1	Efficiency / housekeeping point.



Para Ref	Action Plan Point	Weakness	Recommendation and Rating	Management Comments	Responsible Officer	Agreed Completion Date
<b>Standards of Conduct</b>						
41	1	<p>During our review we noted that the 'financial authority levels' enable the Head of Finance to order, receipt and, with a co-signatory, pay for goods below £10,000. The Head of Finance is also actively involved in the preparation of budget monitoring reports and annual accounts. As a result, segregation of duties within LTS are not considered to be robust as it could be.</p> <p>The Head of Finance has also been appointed Acting Director of Corporate Services. There is a risk that the segregation of duties are further exposed during this period.</p>	<p>We recommend that LTS review its financial authority levels alongside the role and responsibility of those individuals with delegated responsibility to ensure appropriate segregation of duties are in place.</p> <p>This review should consider whether delegated responsibility is removed or refined for certain individuals or whether additional authorisation levels are imposed.</p> <p><b>Priority 4</b></p>	<p>We will ensure that there is a counter signatory on all orders between £1,000 and £10,000 raised by Interim Director of Corporate Services.</p>	<p>Interim Director of Corporate Services.</p>	<p>July 2009</p> <p>Expected end of financial year for the review of authority levels</p>
41	2	<p>Learning and Teaching Scotland has in place a mechanism to review key policy documents on an annual basis. During our audit however we noted that some of the procedures are out of date and include reference to</p>	<p>We recommend that LTS review its procedures on a regular basis to ensure they reflect the current staffing structure and reference to key officers.</p>	<p>Agreed</p>	<p>HR Manager</p>	<p>December 2009</p>

Para Ref	Action Plan Point	Weakness	Recommendation and Rating	Management Comments	Responsible Officer	Agreed Completion Date
		personnel who no longer exist in the organisation.	<b>Priority 1</b>			
41	3	We noted during our review that Learning and Teaching Scotland has not established a register of officer's interests.	We recommend that Learning and Teaching Scotland consider creating a register of officer's interests. This should cover all senior management within the organisation.  <b>Priority 3</b>	Agreed	Company Secretary	December 2009
<b>Risk Management</b>						
48	4	There are no formal risk assessment arrangements in place when the organisation enters into a new initiative.	LTS should develop procedures which require a formal risk analysis to be conducted prior to the start of any major initiative. This should ensure that the Board have adequate arrangements in place to mitigate risks associated with the initiative.  <b>Priority 3</b>	Agreed	Performance Manager	August 2009
48	5	Overall we noted that LTS has established and embedded risk	We would encourage LTS to consider the following:			

Para Ref	Action Plan Point	Weakness	Recommendation and Rating	Management Comments	Responsible Officer	Agreed Completion Date
		<p>management arrangements across the organisation. To enhance the profile of risk management across the organisation, LTS, however, may wish to consider the following:</p> <ul style="list-style-type: none"> <li>The inclusion of risk management competencies in senior staff annual performance reviews</li> <li>Review of risk management training arrangements on a regular basis. This could be linked to training requirements arising from senior staff annual performance reviews</li> <li>Newsletters – regular briefings should be incorporated into existing employee newsletters to emphasise the importance of risk management.</li> </ul>	<ul style="list-style-type: none"> <li>The inclusion of risk management competencies in senior staff annual performance reviews</li> <li>Review of risk management training arrangements on a regular basis. This could be linked to training requirements arising from senior staff annual performance reviews</li> <li>Newsletters – regular briefings should be incorporated into existing employee newsletters to emphasise the importance of risk management.</li> </ul> <p><b>Priority 1</b></p>	<p>Agreed</p> <p>Agreed</p> <p>Agreed</p>	<p>Performance Manager</p> <p>Performance Manager</p> <p>Performance Manager</p>	<p>March 2010</p> <p>On-going</p> <p>On-going</p>



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