

Minute

Monitoring and Audit Committee

Thursday, 6 June 2019, 10:30.

Council Chamber, Council Offices, School Place, Kirkwall.



Present

Councillors John T Richards, Stephen G Clackson, David Dawson, Andrew Drever, Steven B Heddle, John A R Scott and Kevin F Woodbridge.

Clerk

- Sandra Craigie, Committees Officer.

In Attendance

- Gillian Morrison, Executive Director of Corporate Services.
- Gareth Waterson, Head of Finance.
- Andrew Groundwater, Head of HR and Performance.
- Gavin Mitchell, Head of Legal Services.
- Andrew Paterson, Chief Internal Auditor.
- Kenny MacPherson, IT Service Manager.
- Hazel Flett, Senior Committees Officer.

Audit Scotland:

- Patricia Fraser, Audit Manager.

Observing

- Gavin Barr, Executive Director of Development and Infrastructure (for Items 1 to 4.1).
- Peter Diamond, Head of Education (Leisure, Culture and Inclusion).
- Anna Whelan, Strategy Manager (for Items 1 and 2).

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor John T Richards.

1. Appointment of Vice Chair

The Chair called for nominations for Vice Chair, and the Committee:

Resolved, in terms of delegated powers, that Councillor David Dawson be appointed Vice Chair of the Monitoring and Audit Committee.

2. Local Code of Corporate Governance

Annual Assessment and Improvement Plan

After consideration of a report by the Executive Director of Corporate Services, copies of which had been circulated, the Committee:

Noted:

2.1. That the Council's annual self-assessment process against the Local Code of Corporate Governance had been carried out for financial year 2018 to 2019 as part of the Council's annual review of the effectiveness of its governance framework, including the system of internal control, based on the Chartered Institute of Public Finance and Accountancy Framework.

2.2. That the Senior Management Team had undertaken an evaluation of the Council's compliance with the Local Code of Corporate Governance as part of the preparation of the Annual Governance Statement, which formed part of the Statement of Accounts.

2.3. The Improvement Action Plan, attached as Appendix 1 to the report by the Executive Director of Corporate Services, which addressed identified improvements with regard to the Local Code of Corporate Governance.

3. Audit Scotland Management Report

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Audit Manager, Audit Scotland, the Committee:

Noted the Audit Scotland Management Report 2018 to 2019, attached as Appendix 1 to the report by the Head of Finance, which summarised the key issues identified from interim work on testing key controls within the Council's financial systems, the risks identified and management responses to those risks.

4. Internal Audit Reports

4.1. Creditors

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

4.1.1. That Internal Audit had undertaken an audit of the processes and procedures relating to the payment of creditors.

4.1.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to the payment of creditors.

The Committee resolved to **recommend to the Council:**

4.1.3. That, having reviewed the audit findings referred to at paragraph 4.1.2 above, assurance was obtained that action had been taken or agreed where necessary.

4.2. Sundry Debtors

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

4.2.1. That Internal Audit had undertaken an audit of the processes and procedures relating to the collection of money due to the Council.

4.2.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to the collection of money due to the Council.

The Committee resolved to **recommend to the Council:**

4.2.3. That, having reviewed the audit findings referred to at paragraph 4.2.2 above, assurance was obtained that action had been taken or agreed where necessary.

4.3. Employee Review and Development Scheme and Mandatory Training

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

4.3.1. That Internal Audit had undertaken an audit of the processes and procedures relating to the Employee Review and Development scheme and mandatory training.

4.3.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to the Employee Review and Development scheme and mandatory training.

The Committee resolved to **recommend to the Council:**

4.3.3. That, having reviewed the audit findings referred to at paragraph 4.3.2 above, assurance was obtained that action had been taken or agreed where necessary.

4.4. Purchase to Pay IT Systems Controls

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

4.4.1. That Internal Audit had undertaken an audit of the control framework relating to Purchase to Pay IT Systems.

4.4.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to the Purchase to Pay IT systems' controls.

The Committee resolved to **recommend to the Council**:

4.4.3. That, having reviewed the audit findings referred to at paragraph 4.4.2 above, assurance was obtained that action had been taken or agreed where necessary.

4.5. PARIS System Support

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

4.5.1. That Internal Audit had undertaken an audit of the system support processes and procedures relating to PARIS, the health and social care case system used within Orkney health and Care.

4.5.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to PARIS system support.

The Committee resolved to **recommend to the Council**:

4.5.3. That, having reviewed the audit findings referred to at paragraph 4.5.2 above, assurance was obtained that action had been taken or agreed where necessary.

5. Conclusion of Meeting

At 11:35 the Chair declared the meeting concluded.

Signed: J T Richards.