

Minute

Monitoring and Audit Committee

Thursday, 9 June 2022, 11:00.

Council Chamber, Council Offices, School Place, Kirkwall.



Present

Councillors Alexander G Cowie, Stephen G Clackson, P Lindsay Hall, W Leslie Manson, John A R Scott, Gillian Skuse and Mellissa-Louise Thomson.

Clerk

- Sandra Craigie, Committees Officer

In Attendance

- Karen Greaves, Corporate Director for Strategy, Performance and Business Solutions.
- Hayley Green, Corporate Director for Neighbourhood Services and Infrastructure.
- Gavin Mitchell, Head of Legal and Governance.
- Andrew Groundwater, Head of Human Resources and Organisational Development.
- Colin Kemp, Interim Head of Finance.
- Kenny MacPherson, Interim Head of IT and Facilities (for Items 1 to 7.4).
- Andrew Paterson, Chief Internal Auditor.
- Anna Whelan, Service Manager (Strategy and Partnership) (for Items 1 to 4).
- Ross Groundwater, Registered Manager (Lifestyles) (for Items 7.3 to 8).
- Olwen Sinclair, Payments Manager (for Items 5 to 7.3).
- Peter Thomas, Internal Auditor.

In Attendance via Remote Link (Microsoft Teams)

- Hazel Flett, Senior Committees Officer.

Audit Scotland:

- Gillian Woolman, Audit Director.
- Claire Gardiner, Senior Audit Manager.

Observing

- Lynda Bradford, Head of Health and Community Care (for Items 7.3 to 8).
- Pat Robinson, Chief Finance Officer, Orkney Health and Social Care Partnership (for Items 7.3 to 8).
- Erik Knight, Service Manager (Strategic Finance) (for Items 1 to 7.1).
- Martha Kirby, Operational Manager (Social Care Services) (for Items 7.3 to 8).
- Kirsty Groundwater, Communications Team Leader.

- Andrew Hamilton, Performance and Best Value Officer (for Items 1 to 7.4).
- Alan Tait, Safety and Resilience Officer (for Items 6 to 7.2).

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor Alexander G Cowie.

1. Disclosure of Exempt Information

The Committee noted the proposal that the public be excluded from the meeting for consideration of Item 7.5 as the business to be discussed involved the potential disclosure of exempt information of the class described in the relevant paragraph of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

2. Appointment of Vice Chair

The Chair called for nominations for the post of Vice Chair of the Monitoring and Audit Committee, and the Committee:

Resolved, in terms of delegated powers, that Councillor P Lindsay Hall be appointed Vice Chair of the Monitoring and Audit Committee.

3. Audit Scotland – External Audit Plan

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Audit Director, Audit Scotland, the Committee:

Noted the external audit plan for 2021/22, prepared by Audit Scotland, attached as Appendix 1 to the report by the Corporate Director for Enterprise and Sustainable Regeneration.

4. Local Code of Corporate Governance

Annual Assessment and Improvement Plan

After consideration of a report by the Corporate Director for Strategy, Performance and Business Solutions, copies of which had been circulated, and after hearing a report from the Service Manager (Strategy and Partnership), the Committee:

Noted

4.1. That the Council's annual self-assessment process against the Local Code of Corporate Governance had been carried out for 2021/22 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.

4.2. That the Corporate Leadership 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.

4.3. The Improvement Action Plan, attached as Appendix 1 to the report by the Corporate Director for Strategy, Performance and Business Solutions, which addressed identified improvements with regard to the Local Code of Corporate Governance.

5. Internal Audit Charter

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

Noted:

5.1. That, in order to comply with the Public Sector Internal Audit Standards, an Internal Audit Charter, which defined the purpose, authority and responsibility of the Council's internal audit activity, required to be prepared and reviewed periodically.

5.2. That the existing Internal Audit Charter, covering the period 2020 to 2022, approved in June 2020, required updating.

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

5.3. That the Internal Audit Charter for 2022 to 2024, attached as Appendix 1 to this Minute, be approved.

6. External Quality Assessment

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

Noted:

6.1. That Glasgow City Council's Internal Audit Service had undertaken an external quality assessment of Internal Audit's compliance with the Public Sector Internal Audit Standards.

6.2. The findings of the external quality assessment undertaken by Glasgow City Council's Internal Audit Service, attached as Appendix 1 to the report by the Chief Internal Auditor.

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

6.3. That, having reviewed the audit findings referred to at paragraph 6.2 above, assurance was obtained that action had been taken or agreed where necessary.

7. Internal Audit Reports

7.1. Budget Monitoring Process

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

Noted:

7.1.1. That Internal Audit had undertaken an audit of processes and controls relating to budget monitoring.

7.1.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, in respect of processes and controls relating to budget monitoring.

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

7.1.3. That, having reviewed the audit findings referred to at paragraph 7.1.2 above, assurance was obtained that action had been taken or agreed where necessary.

7.2. Business Continuity

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

Noted:

7.2.1. That Internal Audit had undertaken an audit of processes and controls relating to business continuity.

7.2.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, in respect of processes and controls relating to business continuity.

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

7.2.3. That, having reviewed the audit findings referred to at paragraph 7.2.2 above, assurance was obtained that action had been taken or agreed where necessary.

7.3. Staff Travel and Expenses

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

Noted:

7.3.1. That Internal Audit had undertaken an audit of procedures and controls relating to staff travel and expenses.

7.3.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, in respect of the procedures and controls relating to staff travel and expenses.

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

7.3.3. That, having reviewed the audit findings referred to at paragraph 7.3.2 above, assurance was obtained that action had been taken or agreed where necessary.

7.4. Summary of Small Annual Reviews

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

Noted:

7.4.1. That Internal Audit had undertaken reviews of the procedures and controls in place within the Council relating to Statutory Performance Indicators, Financial Performance Indicators, stock checks and Orkney College Discretionary and Childcare Funds.

7.4.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, in respect of procedures and controls in place within the Council relating to Statutory Performance Indicators, Financial Performance Indicators, stock checks and Orkney College Discretionary and Childcare Funds.

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

7.4.3. That, having reviewed the audit findings referred to at paragraph 7.4.2 above, assurance was obtained that action had been taken or agreed where necessary.

7.5. Lifestyles Service

On the motion of Councillor Gillian Skuse, seconded by Councillor Stephen G Clackson, the Committee resolved that the public be excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraph 14 of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

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

Noted:

7.5.1. That Internal Audit had undertaken an audit of financial procedures and controls relating to the Lifestyles Service.

7.5.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, in respect of financial procedures and controls relating to the Lifestyles Service.

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

7.5.3. That, having reviewed the audit findings referred to at paragraph 7.5.2 above, assurance was obtained that action had been taken or agreed where necessary.

8. Conclusion of Meeting

At 12:42 the Chair declared the meeting concluded.

Signed: Alexander G Cowie.