

Minute

Monitoring and Audit Committee

Thursday, 6 February 2020, 10:30.

Council Chamber, Council Offices, School Place, Kirkwall.



Present

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

Clerk

- Sandra Craigie, Committees Officer.

In Attendance

- Gareth Waterson, Head of Finance.
- Gavin Mitchell, Head of Legal Services.
- Andrew Groundwater, Head of HR and Performance.
- Andrew Paterson, Chief Internal Auditor.

Audit Scotland:

- Gillian Woolman, Audit Director.
- Neil Reid, Senior Auditor.

Observing

- Gavin Barr, Executive Director of Development and Infrastructure (for Items 1 to 4.2).
- Scott Hunter, Head of Children and Families and Criminal Justice and Chief Social Work Officer (for Items 1 to 4.2).
- Frances Troup, Head of Housing, Homelessness and Schoolcare Accommodation Services (for Items 1 to 4.2).
- David Hartley, Communications Team Leader.
- Steven Aberdein, Fuel Poverty Officer (for Items 1 to 4.2).
- Ellis Inkster, Press Officer.

Apology

- Councillor John T Richards.

Declaration of Interest

- Councillor John A R Scott – Item 4.2.

Chair

- Councillor David Dawson, Vice Chair.

1. Disclosure of Exempt Information

The Committee noted the proposal that the public be excluded from the meeting for consideration of Item 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. Audit Scotland – External Audit Plan

After consideration of a joint report by the Chief Executive and the Executive Director of Corporate Services, copies of which had been circulated, and after hearing a report from the Audit Director, Audit Scotland, the Committee:

Noted the external audit annual plan for 2019 to 2020, prepared by Audit Scotland, attached as Appendix 1 to the joint report by the Chief Executive and the Executive Director of Corporate Services.

3. Public Sector Internal Audit Standards Assessment

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

Noted:

3.1. That Internal Audit had undertaken a self-assessment of compliance with the Public Sector Internal Audit Standards.

3.2. The findings of the self-assessment of compliance with the Public Sector Internal Audit Standards, attached as Appendix 1 to the report by the Chief Internal Auditor.

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

3.3. That, having reviewed the findings of the self-assessment of compliance with the Public Sector Internal Audit Standards, referred to at paragraph 3.2 above, assurance was obtained that action had been taken or agreed where necessary.

4. Internal Audit Reports

4.1. HR Processes – Change in Establishment

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 revised Change in Establishment procedure.

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 Change in Establishment procedure.

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. Home Energy Efficiency Programme for Scotland: Area Based Schemes

Councillor John A R Scott declared a non-financial interest in this item, being a board member of THAW, and intimated that, although he would not leave the meeting, he would take no part in the discussion.

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 procedure relating to Home Energy Efficiency Programme for Scotland: Area Based Schemes (HEEPS: ABS) grant claims.

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 HEEPS:ABS grant claims.

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.

5. Investigation of Potential Fraud

On the motion of Councillor David Dawson, seconded by Councillor Andrew Drever, 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:

5.1. That Internal Audit had undertaken an investigation into a potential fraud.

5.2. The findings contained in the investigation report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to a potential fraud.

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

5.3. That, having reviewed the audit findings referred to at paragraph 5.2 above, assurance was obtained that action had been taken or agreed where necessary.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

6. Conclusion of Meeting

At 11:15 the Vice Chair declared the meeting concluded.

Signed: D Dawson.