

**MINUTES of MEETING of AUDIT AND SCRUTINY COMMITTEE held BY SKYPE
on TUESDAY, 15 DECEMBER 2020**

Present: Martin Caldwell (Chair)

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| Councillor Jim Findlay | Councillor Sandy Taylor |
| Councillor George Freeman | Councillor Richard Trail |
| Councillor Sir Jamie McGrigor | Councillor Andrew Vennard |
| Councillor Alan Reid | |

Attending: Jane Fowler, Head of Customer Support Services
Laurence Slavin, Chief Internal Auditor
Shona Barton, Committee Manager
Sonya Thomas, Performance and Improvement Officer
Colin Rae, Counter Fraud Team Leader
Isla Binnie, Counter Fraud Investigator
Annemarie McLean, Auditor
Moir Weatherstone, Auditor
Mhairi Weldon, Senior Audit Assistant
Leanne Rennie, Audit Assistant
David Meechan, Audit Scotland
Jim Rundell, Audit Scotland

1. APOLOGIES

The Chair welcomed everyone to the meeting.

Apologies for absence were intimated on behalf of John Cornett of Audit Scotland.

2. DECLARATIONS OF INTEREST

There were no declarations of interest intimated.

3. MINUTES

(a) Minute of Meeting held on 22 September 2020

The minute of the meeting of the Audit and Scrutiny Committee held on 22 September 2020, was approved as an accurate record.

(b) Minute of Special Meeting, held on 17 November 2020

The minute of the Special meeting of the Audit and Scrutiny Committee, held on 17 November 2020, was approved as an accurate record.

4. INTERNAL AUDIT AND COUNTER FRAUD SUMMARY OF ACTIVITIES

The Committee gave consideration to a report providing a summary of Internal Audit activity and progress during quarter three of 2020/21 against the following areas:

Audits Completed

- System Interfaces and Reconciliations
- Oban Airport
- Scottish Welfare Fund
- Welfare Rights
- LEADER
- Homelessness
- Special Investigation – Primary School Finances

Audits in Progress

- Charging for Non-residential Care services
- Capital Monitoring
- Work Experience/Placements
- Management of Term Contracts
- Disaster Recovery Planning (ICT)

Information was also provided on the progress of the Counter Fraud Team (CFT), which is now fully operational utilising desktop investigations.

Decision

The Audit and Scrutiny Committee agreed to note and endorse the Summary of Activities report.

(Reference: Report by Chief Internal Auditor, dated 15 December 2020, submitted)

5. INTERNAL AND EXTERNAL AUDIT REPORT FOLLOW UP 2020-21

Consideration was given to a report providing an update on all open actions as at 30 September 2020 including information on actions where the agreed implementation date had been rescheduled.

Decision

The Audit and Scrutiny Committee agreed to endorse the contents of the report.

(Reference: Report by Chief Internal Auditor, dated 15 December 2020, submitted)

6. INTERNAL AUDIT REPORTS TO AUDIT AND SCRUTINY COMMITTEE 2020/2021

The Audit and Scrutiny Committee gave consideration to a report containing the action plans in relation to the following six audits:-

- Interfaces/Reconciliation
- Oban Airport
- Scottish Welfare Fund
- Welfare Rights
- LEADER
- Homelessness

Decision

The Audit and Scrutiny Committee agreed to endorse the summary report and the detail within each individual report.

(Reference: Report by Chief Internal Auditor, dated 15 December 2020, submitted)

7. INTERNAL AUDIT - ANNUAL SELF-ASSESSMENT

The Committee gave consideration to a report presenting the findings of the recent internal self-assessment of the Council's Internal Audit service performed by a member of the Internal Audit team.

Decision

The Audit and Scrutiny Committee agreed to endorse the findings of the assessment including the identified areas for improvement.

(Reference: Report by Chief Internal Auditor, dated 15 December 2020, submitted)

8. VERBAL UPDATE BY CHAIR(S) OF SCRUTINY PANEL

Councillor Taylor advised of the delay in progressing the review of the Strategic Housing Fund due to the Covid-19 pandemic. He advised that a meeting has been arranged for 17 December to agree on the best way to take this forward, and hoped to provide a fuller update at the next meeting of the Committee.

The Chair provided a short update on the progress made in relation to the review of the Council's Economic Strategy. He advised that a draft report has been prepared and it was hoped to bring it to the next meeting of the Committee for consideration.

Decision

The Audit and Scrutiny Committee agreed to note the contents of the verbal updates by the Chairs of the Scrutiny Panels.

9. COUNTER FRAUD TEAM PRESENTATION

Consideration was given to a short presentation by the Counter Fraud Team (CFT) who introduced themselves to the Committee and outlined the nature of works they will focus on during the duration of the two year pilot scheme. Mr Rae outlined the reporting mechanism of the team and the procedural legislation and legal requirements that require to be followed in executing their duties. He advised that both the internet and intranet hub web pages had been updated to promote the service.

Decision

The Audit and Scrutiny Committee agreed to note the contents of the presentation.

(Reference: Presentation by Counter Fraud Team, submitted)

10. COUNCIL 6-MONTH PERFORMANCE REPORT - APRIL TO SEPTEMBER 2020

The Committee gave consideration to a report presenting the Council's 6-month Performance Report and Scorecard for April to September 2020 as agreed by the Senior Management Team (SMT).

Decision

The Audit and Scrutiny Committee:-

1. reviewed the Council's 6-month Performance Report and Scorecard as presented for the purposes of scrutinising the Council's performance;
2. noted that due to Covid-19 demands on staff and resources, Performance Management was deprioritised; and
3. noted the planned activity for Performance Management and Reporting during 2020/21 onwards.

(Reference: Report by Chief Executive/Executive Director with responsibility for Customer Support Services, dated 15 December 2020, submitted)

11. LOCAL GOVERNMENT BENCHMARKING FRAMEWORK 2018/19 - ANALYSIS AND COMMENTARY

The Committee gave consideration to a report presenting the Local Government Benchmarking Framework 2018/19 data for Argyll and Bute. Information provided included performance data; information about trends; comparison with Scottish performance and, where appropriate, with other councils. It was noted that commentary relating to performance had been provided by Heads of Service.

Decision

The Audit and Scrutiny Committee agreed to note the contents of the report ahead of its publication as part of the statutory Public Performance Reporting duty.

(Reference: Report by Executive Director with responsibility for Customer Support Services, dated 15 December 2020, submitted)

12. NATIONAL FRAUD INITIATIVE 2018/19

Consideration was given to a report outlining the findings of Audit Scotland's National Fraud Initiative (NFI), which provided some key messages in respect of NFI activity and also recommendations for consideration.

Decision

The Audit and Scrutiny Committee reviewed and endorsed the report and the attached self-appraisal checklist.

(Reference: Report by Chief Internal Auditor, dated 15 December 2020, submitted)

13. AUDIT AND SCRUTINY WORKPLAN

In order to facilitate forward planning of reports to the Audit and Scrutiny Committee, Members considered the outline Audit and Scrutiny Committee workplan.

Decision

The Audit and Scrutiny Committee agreed to note the outline workplan.

(Reference: Audit and Scrutiny Committee workplan, dated 15 December 2020, submitted)

The Committee resolved in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the press and public for the following item of business on the grounds that it is likely to involve the disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

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14. RESTRICTED ITEM - INTERNAL AUDIT REPORT - ST JOSEPH'S PRIMARY SCHOOL FUNDS AND PTA FUNDS

The Audit and Scrutiny Committee gave consideration to a report presenting the findings of the audit performed in respect of St Joseph's Primary School Funds and PTA Funds.

Decision

The Audit and Scrutiny Committee agreed to endorse the summary report and the detail within the individual report.

(Reference: Report by Chief Internal Auditor, dated 15 December 2020, submitted)