

**MINUTES of MEETING of AUDIT AND SCRUTINY COMMITTEE held BY MICROSOFT TEAMS  
on THURSDAY, 15 SEPTEMBER 2022**

**Present:**

Martin Caldwell (Chair)

Councillor Daniel Hampsey  
Councillor Graham Hardie  
Councillor Mark Irvine

Councillor Reeni Kennedy-Boyle  
Councillor Jim Lynch  
Councillor Andrew Vennard

**Attending:**

Anne Blue, Head of Financial Services  
Jim Smith, Head of Roads and Infrastructure Services  
Paul MacAskill, Chief Internal Auditor  
Shona Barton, Committee Manager  
Iain Jackson, Governance and Risk Manager  
Mhairi Weldon, Senior Accounting Assistant  
Kyle McAulay, Audit Scotland

**1. APOLOGIES**

The Chair welcomed everyone to the meeting and took the opportunity to acknowledge the death of Her Majesty, Queen Elizabeth II on Thursday, 8 September 2022. The Committee took a short pause for a moment of remembrance.

There were no apologies for absence intimated.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest intimated.

**3. MINUTE OF PREVIOUS MEETING HELD ON 23 JUNE 2022**

The Minute of the previous meeting of the Audit and Scrutiny Committee, held on 23 June 2022 was approved as a correct 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 2 of 2022/23 against the following areas:

**Audits Completed**

- Education Maintenance Allowance (EMA)
- Workforce Planning (HSCP)

**Audits in Progress**

- Early Years
- Heritage Assets
- Performance Management (HSCP)

- Externally Funded Projects
- Management of Debt and Debt Recovery
- Private Sector Gains and Housing Adaptations
- Performance Management (HSCP)
- Directions (HSCP)

The report also included information on the work carried out by the Counter Fraud Team (CFT) and provided an update on total billing to date as a direct consequence of their work.

### **Decision**

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

(Reference: Report by Chief Internal Auditor, dated 15 September 2022, submitted)

## **5. INTERNAL AND EXTERNAL AUDIT REPORT FOLLOW UP 2022-23**

The Committee gave consideration to a report providing an update on all open actions as at 30 June 2022, 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 September 2022, submitted)

## **6. INTERNAL AUDIT REPORTS TO AUDIT AND SCRUTINY COMMITTEE 2022/23**

The Committee gave consideration to a report containing the action plans in relation to the following 2 audits:-

- Education Maintenance Allowance (EMA)
- Workforce Planning - HSCP

### **Decision**

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

(Reference: Report by Chief Internal Auditor, dated 15 September 2022, submitted)

Councillor Daniel Hampsey joined the meeting at 10:51am during consideration of Agenda item 6 (Internal Audit Reports to Audit and Scrutiny Committee 2022/2023).

Having recognised the service and commitment of David Sullivan, Internal Auditor, the Chair, on behalf of the Committee, took the opportunity to wish him a long and happy retirement. These sentiments were echoed by the Chief Internal Auditor, who wanted to record his thanks to David for his help and assistance over the last few months.

## **7. EXTERNAL AUDIT UPDATE**

Consideration was given to a verbal update from Audit Scotland which outlined the ongoing work in relation to the preparation of the Annual Accounts for both the Council and Charitable Trusts, together with the process for the finalisation of the draft Annual Audit Report. An update was also provided on the process for the handover to Mazars, who would be in place as the new Auditors from the year 2022/23, with it being noted that Audit Scotland would work closely with them to ensure a well-managed transition and smooth handover.

### **Decision**

The Audit and Scrutiny Committee agreed to note the verbal update provided.

(Reference: Verbal Update by Audit Scotland)

## **8. AUDIT AND SCRUTINY COMMITTEE ANNUAL REPORT 2021/22**

Consideration was given to a report providing the Chair of the Audit and Scrutiny Committee's annual overview of the Committee's activity during the financial year 2021/22 and a summary of key developments since the commencement of 2022/23. The report also set out how the Committee had fulfilled its remit and provided assurances to the Council.

### **Decision**

The Audit and Scrutiny Committee:-

1. Noted and endorsed the Chair's Annual Report; and
2. Agreed that the Chair present the report to the Council at its meeting on 25 November 2022.

(Reference: Report by Chair of the Audit and Scrutiny Committee, dated 15 September 2022, submitted)

## **9. COUNTER FRAUD TEAM (CFT) ANNUAL REPORT AND UPDATE 2022**

Consideration was given to a report that provided an update on the progress of the two year pilot Counter Fraud Team (CFT) established in September 2020.

### **Decision**

The Audit and Scrutiny Committee:-

1. Endorsed the contents of the Annual Report and progress of the Counter Fraud Team since its inception in September 2020;
2. Noted that the Executive Leadership Team (ELT) have agreed to make the posts permanent; and

3. Noted that the future annual reporting relating to counter fraud will be included within the Internal Audit Annual Report.

(Reference: Report by Chief Internal Auditor, dated 15 September 2022, submitted)

## **10. STRATEGIC RISK ASSURANCE MAPPING**

Consideration was given to a report which set out Internal Audit's assessment of the sources of assurance for the Committee on the management of the Council's strategic risks.

### **Decision**

The Audit and Scrutiny Committee:-

1. Noted the risk assurance map at appendix 1 of the report;
2. Considered the implications for audit and scrutiny coverage in the respective audit and scrutiny annual plans, in particular the potential scrutiny review focusing on waste management in 2023/24.

(Reference: Report by Chief Internal Auditor, dated 15 September 2022, submitted)

As a result of technical difficulties, the Committee Manager advised that a short break would be taken from 11:20am. The meeting reconvened at 11:30am, with all those present as per the sederunt.

## **11. STRATEGIC RISK REGISTER**

Consideration was given to a report which provided an update on the Council's Strategic Risk Register (SRR).

### **Decision**

The Audit and Scrutiny Committee agreed to endorse the updated Strategic Risk Register (SRR), at appendix 1 to the report.

(Reference: Report by Chief Executive, dated 15 September 2022, submitted)

## **12. CORPORATE COMPLAINTS ANNUAL REPORT 2021/22**

The Committee gave consideration to a report which provided information on how the Council has dealt with complaints during the period between 1 April 2021 and 31 March 2022 and performed against the statutory indicators, which have been agreed between the Scottish Public Services Ombudsman (SPSO) and the Local Authorities Complaint Handlers Network.

### **Decision**

The Audit and Scrutiny Committee considered and noted the content of this report.

(Reference: Report by Executive Director with responsibility for Legal and Regulatory Support, dated 15 September 2022, submitted)

### **13. FREEDOM OF INFORMATION - ANNUAL REPORT 2021-22**

Consideration was given to a report which provided an update on the position regarding the recording, responding to, monitoring and reporting of requests for information under the Freedom of Information (Scotland) Act 2002 (FOISA) and the Environmental Information (Scotland) Regulations 2004 (EIR's) for the period between 1 April 2021 and 31 March 2022.

#### **Decision**

The Audit and Scrutiny Committee considered and noted the terms of the report.

(Reference: Report by Executive Director with responsibility for Legal and Regulatory Support, dated 15 September 2022, submitted)

### **14. SCRUTINY - IDENTIFICATION AND ASSESSMENT OF TOPICS 2022-23**

Consideration was given to a report which provided a summary of potential areas/topics identified by Members in context of the Scrutiny Manual and Framework in order to take forward as part of the Committee's scrutiny role for 2022-23.

#### **Decision**

The Audit and Scrutiny Committee:-

1. Considered the suggested topics identified in accordance with the agreed process of assessment which is detailed in the Scrutiny Framework and Manual;
2. Approved the commencement of a Scrutiny Review Panel in relation to Public Consultations, to be led by the Chair, Martin Caldwell and the re-commencement of a Scrutiny Review Panel to further consider Fly Tipping, to be led by Councillor Lynch;
3. Agreed that Members should confirm to the Chief Internal Auditor within two weeks, their preferences in relation to participation on the Scrutiny Review Panels identified;
4. Agreed to obtain a further update in 2023/24 in relation to Waste Management to ascertain how discussions and planned responses to risk have been taken forward by the Council as discussions progress at a national level; and
5. Noted that the Chief Internal Auditor would assist in finalising a 'scope' for the topics with the Members leading the review once further discussion with relevant Senior Managers takes place in order that resources be focused efficiently and effectively.

(Reference: Report by Chief Internal Auditor, dated 15 September 2022, submitted)

### **15. 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 September 2022, 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 was 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.

## **16. WASTE STRATEGY UPDATE**

The Committee gave consideration to a report which provided an update on the work relating to the Waste PPP contract and the progress on the options appraisal workstreams being taken forward by Caledonian Economics. The report also set out updates on Barr Environmental Limited, Renewi, the Scottish Deposit Scheme (DRS), the Scottish Government's Circular Economy Proposals and the Scottish Government's Energy from Waste Review.

### **Decision**

The Audit and Scrutiny Committee:-

1. Noted and considered the report and the approach being taken to determine the most appropriate option for the Council regarding waste disposal;
2. Noted the good progress being made in relation to the options appraisal;
3. Noted that a further report detailing the full appraisal and proposed next steps will come forward to the December EDI Committee, providing information on the preferred option and outlining any capital and revenue cost implications.

(Reference: Report by Executive Director with responsibility for Roads and Infrastructure Services, dated 15 September 2022, submitted)