

**MINUTES of MEETING of AUDIT AND SCRUTINY COMMITTEE held BY MICROSOFT TEAMS  
on TUESDAY, 20 JUNE 2023**

**Present:** Martin Caldwell (Chair)

Councillor Graham Hardie                      Councillor Jim Lynch  
Councillor Reeni Kennedy-Boyle              Councillor Andrew Vennard

**Attending:** Jane Fowler, Head of Customer Support Services  
Anne Blue, Head of Financial Services  
Paul MacAskill, Chief Internal Auditor  
Shona Barton, Governance Manager  
Iain Jackson, Governance, Risk and Safety Manager  
Jane Jarvie, Communications Manager  
Sonya Thomas, OD Project Officer  
Mhairi Weldon, Senior Audit Assistant  
Cameron Waddell, Mazars

**1. APOLOGIES**

The Chair welcomed everyone to the meeting.

Apologies for absence were intimated on behalf of Councillors Daniel Hampsey and Mark Irvine.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest intimated.

**3. MINUTE OF PREVIOUS MEETING OF THE AUDIT AND SCRUTINY COMMITTEE HELD ON 16 MARCH 2023**

The Minute of the previous meeting of the Audit and Scrutiny Committee, held on 16 March 2023 was approved as a correct record.

Having noted the commitments of officers in attendance, the Chair advised that it was his intention to vary the order of business to take the following agenda items out of sequence. The order in which they are minuted, is the order in which discussion took place.

**4. AUDIT STRATEGY MEMORANDUM**

Consideration was given to the Audit Strategy Memorandum for Argyll and Bute Council for the year ending 31 March 2023. The report summarised the audit scope, approach and timeline, highlighted significant audit risks and areas of key judgements and provided details of the audit team at Mazars LLP.

**Decision**

The Audit and Scrutiny Committee noted the contents of the Audit Strategy Memorandum.

(Reference: Report by Mazars LLP, submitted)

## **5. 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 one of 2023/24 against the following areas:

### **Audits Completed**

- Purchasing Cards
- Building Standards
- Cyber Security
- Management of Debt and Debt Recovery
- Burial Records
- Counselling in Schools
- Equality and Socio-Economic Impact Assessment
- Payroll
- LiveArgyll – Lochgilphead Community Centre
- LiveArgyll – Mid Argyll Sports Centre

### **Audits in Planning/Progress**

- Risk Management
- Learning Disability Care Packages

The report also included information on the work carried out by the Counter Fraud Team (CFT) and provided an update on the progress of work carried out as a result of information received from the National Fraud Initiative (NFI).

### **Decision**

The Audit and Scrutiny Committee reviewed and endorsed the Summary of Activities report.

(Reference: Report by Chief Internal Auditor, dated 20 June 2023, submitted)

## **6. INTERNAL AUDIT REPORTS TO AUDIT AND SCRUTINY COMMITTEE 2023/2024**

The Committee gave consideration to a report containing the action plans in relation to the following 10 audits:-

- Purchasing Cards
- Building Standards
- Cyber Security
- Management of Debt and Debt Recovery
- Burial Records
- Counselling in Schools
- Equality and Socio-Economic Impact Assessment
- Payroll

- LiveArgyll – Lochgilphead Community Centre
- LiveArgyll – Mid Argyll Sports Centre

### **Decision**

The Audit and Scrutiny Committee reviewed and endorsed the summary report and detail within each individual report.

(Reference: Report by Chief Internal Auditor, dated 20 June 2023, submitted)

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

Consideration was given to a report which provided an update on all open actions as at 31 March 2023, including information on actions where the agreed implementation date had been rescheduled.

### **Decision**

The Audit and Scrutiny Committee endorsed the contents of the report.

(Reference: Report by Chief Internal Auditor, dated 20 June 2023, submitted)

## **8. CONSULTATIONS SCRUTINY REVIEW**

Consideration was given to a report which presented the Consultation Scrutiny Review, which was carried out as per the 2022/23 Scrutiny Plan, agreed by the Committee at their meeting on 15 September 2022.

### **Decision**

The Audit and Scrutiny Committee:-

1. agreed the draft Consultations Scrutiny Report;
2. noted that the recommendations from the report are already being taken forward by relevant officers; and
3. agreed that the report is submitted to the September meeting of the Council as a report for consideration and noting to ensure that the Council is updated on the outcome of the review.

(Reference: Report by Chair of Consultations Scrutiny Panel, dated 20 June 2023, submitted)

## **9. VERBAL UPDATE BY CHAIR OF THE FLY TIPPING SCRUTINY PANEL**

Councillor Jim Lynch, Chair of the Fly Tipping Review Panel advised that due to data sets being unavailable at the time the review had been undertaken, it was not possible to conclude and as such outlined the planned approach to seeking completion during 2023/24.

## **10. SCRUTINY - IDENTIFICATION OF A TOPIC 2023-24**

Consideration was given to a report which provided the Committee with an option for a planned approach for the progress and completion of a scrutiny review in the context of the Scrutiny Manual and Framework as part of the Committee's scrutiny role for 2023-24.

### **Decision**

The Audit and Scrutiny Committee:-

1. considered and approved the planned proposal for work in 2023/24 in relation to the outstanding scrutiny topic, specifically 'fly-tipping' which has been identified in accordance with the agreed process of assessment which is detailed in the Scrutiny Framework and Manual; and
2. approved the one topic, specifically 'Fly-Tipping' having been previously identified and partly completed due to data sets being unavailable and to progress this scrutiny review until it is completed allowing maximum benefit across the authority by adding value and supporting continuous improvement.

(Reference: Report by Chief Internal Auditor, dated 20 June 2023, submitted)

## **11. PERFORMANCE REPORTING UPDATE**

Having noted that the Performance and Improvement Framework (PIF) which sets out the process for presenting the Council's performance reports was under review, the Committee gave consideration to a report which identified the performance reporting activities that have occurred during the reporting period and outlined the planned activity for Performance Management and Reporting commencing 2023/24.

### **Decision**

The Audit and Scrutiny Committee:-

1. noted that the report presented Council performance reporting arrangements across all services;
2. noted that the Strategic and Area Committees have responsibility to scrutinise operational performance; and
3. noted and agreed the planned activity for Performance Management and Reporting during 2023/24 onwards.

(Reference: Report by Chief Executive, dated 20 June 2023, submitted)

## **12. AUDIT SCOTLAND REPORT - FINANCIAL BULLETIN 2021/22**

The Committee gave consideration to a report which presented the main issues raised in the recent Local Government Financial Bulletin 2021-22 report by the Accounts Commission and highlighted matters of relevance to the Committee.

### **Decision**

The Audit and Scrutiny Committee noted the contents of the Accounts Commission report.

(Reference: Report by Head of Financial Services, dated 20 June 2023, submitted)

### **13. INTERNAL AUDIT - ANNUAL REPORT 2022/23**

Consideration was given to a report which outlined the work undertaken by Internal Audit in respect of the Annual Audit Plan 2022/23 and advised of the contents of the Chief Internal Auditor's independent annual opinion on the effectiveness of the Council's risk management, internal control and governance processes.

#### **Decision**

The Audit and Scrutiny Committee endorsed the content of the report and the associated annual opinion of the Chief Internal Auditor.

(Reference: Report by Chief Internal Auditor, dated 20 June 2023, submitted)

### **14. STATEMENT OF GOVERNANCE AND INTERNAL CONTROL**

The Committee gave consideration to a report which advised that the code of corporate governance action plan for 2022/23 had been reviewed and updated along with the content of the revised code to reflect the governance position within the Council for 2022/23. The report also provided information on the action plan for 2023/24 which detailed areas for further development and included the statement of governance and internal control in the Annual Accounts for 2022/23.

#### **Decision**

The Audit and Scrutiny Committee:-

1. considered and noted the updates in the Action Plan for 2022/23;
2. considered and approved the content of the Action Plan for 2023/24; and
3. considered and approved the draft statement of governance and internal control for 2022/23.

(Reference: Report by Executive Director with responsibility for Legal and Regulatory Support, dated 20 June 2023, submitted)

### **15. LOCAL GOVERNMENT IN SCOTLAND - OVERVIEW 2023**

Consideration was given to the recently published Local Government in Scotland – Overview 2023 report by the Accounts Commission.

#### **Decision**

The Audit and Scrutiny Committee noted the contents of the Local Government in Scotland – Overview 2023 report.

(Reference: Report by Accounts Commission, submitted)

## **16. UNAUDITED FINANCIAL ACCOUNTS**

The Committee gave consideration to a report which provided an overview of the unaudited annual accounts for 2022-23. The report also provided a summary of the significant movements from 2021-22 and the revenue outturn for 2022-23. It was noted that the Council would be asked to approve the Unaudited Annual Accounts for 2022-23 for issue.

### **Decision**

The Audit and Scrutiny Committee considered the Unaudited Annual Accounts for the year ended 31 March 2023.

(Reference: Report by Section 95 Officer, dated 16 June 2023, submitted)

## **17. WORKPLAN**

In order to facilitate forward planning or 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 20 June 2023, 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.

## **18. INTERNAL AUDIT REVIEW OF CLIENT FUNDS, ACTION PLAN UPDATE**

Consideration was given to a report which provided an update on the progress made in addressing all actions agreed as a result of the review of Client Funds as at 31 March 2023.

### **Decision**

The Audit and Scrutiny Committee agreed the recommendations in the report.

(Reference: Report by Chief Internal Auditor, dated 20 June 2023, submitted)