MINUTES of MEETING of AUDIT AND SCRUTINY COMMITTEE held BY MICROSOFT TEAMS on TUESDAY, 16 DECEMBER 2025

Present: Janice Wason Hall (Chair)

Councillor Fiona Howard
Councillor Reeni Kennedy-Boyle
Councillor Gary Mulvaney
Councillor Andrew Vennard

Attending: Paul MacAskill, Chief Internal Auditor
Wendy Brownlie, Head of Education
Shona Barton, Governance Manager
Carolyn Cairns, HR & OD Manager
Alison Jones, Finance Manager
Mhairi Weldon, Accountant Auditor
Mark Outterside, Forvis Mazars

1. APOLOGIES

The Chair welcomed everyone to the meeting.

Apologies for absence were intimated on behalf of Councillor Graham Hardie.

2. DECLARATIONS OF INTEREST

There were no declarations of interest intimated.

3. MINUTE OF PREVIOUS MEETING OF THE AUDIT AND SCRUTINY COMMITTEE HELD ON 4 SEPTEMBER 2025

The Minute of the previous meeting of the Audit and Scrutiny Committee, held on 4 September 2025 was approved as a correct record.

Councillor Gary Mulvaney joined the meeting during discussion of Agenda item 4 (Internal Audit and Counter Fraud Summary of Activities).

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 3 of 2025/26 against the following areas:

Audits Completed

- Oban Airport
- ICT Disaster Recovery
- School Residential Trips
- Self-Directed Support
- Building Cleaning
- HSCP Governance Arrangements
- HSCP Partnership Working
- HSCP Workforce Planning

Audits in Planning/in Progress

- Capital Programme – Management and Monitoring
- Payroll – iTrent
- Performance Management Arrangements and Reporting
- Project Management
- Street Lighting

The report also provided information on the planned work for 2025/26 in relation to scrutiny; work carried out by the Counter Fraud Team; the continuous monitoring programme and the progress of work carried out as a result of information received from the National Fraud Initiative.

Decision

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

(Reference: Report by Chief Internal Auditor, dated 16 December 2025, submitted)

5. INTERNAL AND EXTERNAL AUDIT REPORT FOLLOW UP 2025-26

Consideration was given to a report which provided an update on all open actions as at 30 September 2025 including information on actions where the agreed implementation date had been rescheduled or evidence was required to confirm completion.

Decision

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

(Reference: Report by Chief Internal Auditor, dated 16 December 2025, submitted)

6. PERFORMANCE REPORTING UPDATE

Consideration was given to a report which provided an update on the progress on the review of the Council's Performance and Improvement Framework (PIF) that is being undertaken as part of the Performance Excellence Project. The report highlighted the work completed to date on activities in Phase Two of the project and plans for the outstanding work packages.

Decision

The Audit and Scrutiny Committee considered and noted the progress of the Performance Excellence Project and activities to conclude Phase Two.

(Reference: Report by Executive Director with responsibility for Customer Support Services, dated 28 October 2025, submitted)

7. 2024/25 COUNCIL ANNUAL REPORT

The Committee gave consideration to a report which presented the 2024/25 Council Annual Report (CAR). The report provided an overview of performance against corporate

outcome indicators along with insights from services on key activities, projects, achievements and challenges during the reporting period.

Decision

The Audit and Scrutiny Committee considered the content of the Council Annual Report.

(Reference: Report by the Chief Executive, dated November 2025, submitted)

* **8. TREASURY MANAGEMENT STRATEGY AND ANNUAL INVESTMENT STRATEGY MID-YEAR REVIEW 2025-26**

Having noted that the Local Government (Scotland) Act 2003, and supporting regulations, requires local authorities to have regard to the CIPFA Code of Practice on Treasury Management and that the code requires full Council to receive an annual Treasury Management Strategy Statement, including the Annual Investment Strategy for the year ahead, a Mid-year Review Report and an Annual Report following the year end, the Committee gave consideration to a report which provided the Mid-year Review for 2025/26.

Decision

The Audit and Scrutiny Committee agreed to recommend to Council:-

1. that the report and the treasury activity undertaken over the period 1 April to 30 September 2025 be noted; and

2. that the revised 2025-26 Prudential Indicators as set out in paragraph 5.2.3 of the report are approved.

(Reference: Report by Section 95 Officer, dated 21 November 2025, submitted)

9. 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: Workplan of the Audit and Scrutiny Committee, dated 16 December 2025, submitted)

10. ANNUAL COUNCIL BUSINESS PLAN 2024-25 OUTCOMES

A report which provided an update on progress for the Annual Business Plan 2024-2025 was before the Committee for noting.

Decision

The Audit and Scrutiny Committee agreed to:-

1. note the progress made against the outcomes specified in the 2024-2025 Annual Business Plan; and

2. note that an Annual Business Plan for 2025-2026 will be created in regard to the current Council priorities.

(Reference: Report by the Chief Executive, dated 28 October 2025, submitted)

11. INTERNAL AUDIT REPORTS TO AUDIT AND SCRUTINY COMMITTEE 2025/2026

(a) **Covering Report and Internal Audit Reports**

Consideration was given to a report containing the action plans in relation to the following 7 audits:-

- School Residential Trips
- Building Cleaning
- Directed Self Support (Direct Payments)
- Oban Airport
- HSCP – Governance Arrangements
- HSCP – Partnership Working
- HSCP – Workforce Planning

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 16 December 2025, 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 14 of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

(b) **Exempt Internal Audit Report**

The Committee gave consideration to an internal audit report on ICT Disaster Recovery.

Decision

The Audit and Scrutiny Committee:-

1. reviewed and endorsed the summary report and the detail contained within the internal audit report; and

2. requested that officers take forward arrangements for a Members Seminar on Disaster Recovery, Cyber Security and Cyber Incident Response.

(Reference: Report by Chief Internal Auditor, dated 16 December 2025,

submitted)