

**MINUTES of MEETING of AUDIT AND SCRUTINY COMMITTEE held BY MICROSOFT TEAMS
on TUESDAY, 19 DECEMBER 2023**

Present:

Martin Caldwell (Chair)

Councillor Daniel Hampsey	Councillor Jim Lynch
Councillor Graham Hardie	Councillor Dougie McFadzean
Councillor Reeni Kennedy-Boyle	Councillor Andrew Vennard

Attending:

Jane Fowler, Head of Customer Support Services
Jim Smith, Head of Roads and Infrastructure Services
Paul MacAskill, Chief Internal Auditor
Shona Barton, Governance Manager
Mhairi Weldon, Senior Audit Assistant
Cameron Waddell, Partner, Mazars LLP
Gregory Odour, Audit Manager, Mazars LLP

1. APOLOGIES

The Chair welcomed everyone to the meeting.

There were no apologies for absence intimated.

2. DECLARATIONS OF INTEREST

There were no declarations of interest intimated.

**3. MINUTE OF PREVIOUS MEETING OF THE AUDIT AND SCRUTINY
COMMITTEE HELD ON 14 SEPTEMBER 2023**

The Minute of the previous meeting of the Audit and Scrutiny Committee, held on 14 September 2023 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 three of 2023/24 against the following areas:

Audits Completed

- Fleet – Hire of Vehicles
- Compliance Review – Period Products
- Planning
- Pupil Registration
- Oban Airport
- Risk Management – HSCP
- Financial Management Arrangements – HSCP
- Establishment Visits x 11 – LiveArgyll

Audits in Planning/in Progress

- Piers and Harbours
- Learning and Disability Care Packages
- Scottish Social Services Council (SSSC) Registration
- Pupil and Public Transport
- Freedom of Information Requests

The report also provided information on the work carried out by the Counter Fraud Team (CFT); the continuous monitoring programme and 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 19 December 2023, submitted)

5. INTERNAL AND EXTERNAL AUDIT REPORT FOLLOW UP 2023-24

Consideration was given to a report which provided an update on all open actions as at 30 September 2023. The report included 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 19 December 2023, submitted)

6. INTERNAL AUDIT REPORTS TO AUDIT AND SCRUTINY COMMITTEE 2023/24

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

- Fleet – Hire of Vehicles
- Compliance Review – Period Products
- Planning
- Pupil Registration
- Oban Airport
- Risk Management (HSCP)
- Financial Management Arrangements (HSCP)
- Queens Hall and Library, Dunoon (LiveArgyll)
- Riverside Leisure Centre, Dunoon (LiveArgyll)
- Helensburgh Leisure Centre (LiveArgyll)
- Helensburgh Library (LiveArgyll)
- Oban Library (LiveArgyll)
- Rothesay Leisure Pool (LiveArgyll)
- Rothesay Moat Community Education Centre (LiveArgyll)
- Aqualibrium and Library, Campbeltown (LiveArgyll)

- Campbeltown Museum (LiveArgyll)
- Victoria Halls, Helensburgh (LiveArgyll)
- Corran Halls, Oban (LiveArgyll)

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 19 December 2023, submitted)

7. AUDIT PROGRESS REPORT

The Committee gave consideration to a report by Mazars which outlined the status of the 2022/23 Audit and changes to the audit approach. Mr Waddell outlined a number of issues which had resulted in a delay in the preparation of the 2022-23 Audited Annual Accounts, which included awaiting assurances on the valuation of net defined benefit liability; the treatment of assets measured under Existing Use Value, which were not revalued in 2022-23 and issues relating to third parties. The Committee expressed their disappointment at the delay in the production of the Annual Audited Accounts for 2022-23.

Decision

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

(Reference: Report by Mazars LLP, submitted)

8. SCRUTINY - COMPLETION OF THE FLY TIPPING REVIEW 2023-24 AND IDENTIFICATION OF A TOPIC FOR 2024-25

Consideration was given to a report which provided an update on the planned approach to 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.

Discussion was had around possible options for further areas of scrutiny going forward.

Decision

The Audit and Scrutiny Committee agreed:-

1. given that only one further meeting of the original Scrutiny Panel is likely to be required to complete the "Fly-Tipping" scrutiny review to appoint Martin Caldwell to that Panel to allow it to conclude its work; and
2. that the Chief Internal Auditor brings a report to the next meeting of the Committee which will outline the possible options for Scrutiny topics and approaches in 2024/2025.

(Reference: Report by Chief Internal Auditor, dated 19 December 2023, submitted)

9. PERFORMANCE REPORTING UPDATE

The Committee gave consideration to a paper which provided an update on the progress of the review of the Council's Performance Improvement Framework (PIF) that is being undertaken as part of the Performance Excellence Project. The report highlighted the works completed to date and set out the planned activities in phase two of the project.

Decision

The Audit and Scrutiny Committee noted the progress of the Performance Excellence Project to date and the activities in progress for phase two of the project.

(Reference: Report by Executive Director with responsibility for Customer Support Services, dated 28 November 2023, submitted)

10. COUNCIL ANNUAL REPORT 2022/23

Consideration was given to a report which presented the Council Annual Report (CAR) 2022/23.

Having noted the volume of work involved by a number of teams across the Council, the Chair took the opportunity to congratulate Customer Support Services in collating the information into a high quality document.

Decision

The Audit and Scrutiny Committee noted the content of the Council Annual Report (CAR) 2022/23 and the wide-ranging examples of exceptional service delivery prior to publishing on the website and presentation to the next full Council meeting on 22 February 2024.

(Reference: Report by Chief Executive, dated 1 November 2023, submitted)

11. WASTE MANAGEMENT

Having noted that, as a result of a mismatch between the level of risk identified and the assurance previously provided to Committee due to the Council being in the process of implementing a new waste strategy and the uncertainty being created by the Scottish Government's ban on landfilling Biodegradable Municipal Waste (BMW) from 2025, consideration was given to a report which provided an update on the current position in relation to the implementation of the waste strategy and advised of a detailed report which was presented to the Environment, Development and Infrastructure Committee at their meeting on 30 November 2023.

Decision

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

(Reference: Report by Executive Director with responsibility for Roads and Infrastructure Services, dated November 2023, submitted)

12. WORKPLAN

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

Decision

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

(Reference: Audit and Scrutiny Workplan, dated 19 December 2023, submitted)