

## **AUDIT AND GOVERNANCE PANEL.**

Minutes of a remote meeting on 23 February 2022 at 10.00 a.m.

Present: Councillors Martin Dowey (Chair), Laura Brennan-Whitefield, Douglas Campbell, Alec Clark, Lee Lyons, Helen Moonie, Derek McCabe, and Arthur Spurling.

Attending: E. Howat, Chief Executive; T. Baulk, Head of Finance, and ICT; L. Reid, Assistant Director – Place; W. Carlaw, Service Lead – Democratic Governance; C. McGhee, Chief Internal Auditor; W. Wesson, Service Lead – HR, Payroll and Employee Services; J. Hodge, Housing Asset Management Co-ordinator; A. Nelson, Co-ordinator, Democratic Services; C. Buchanan, Committee Clerk, E. Moore, Clerical Assistant.

### **Opening Remarks.**

The Chair

- (1) welcomed everyone to the meeting and in particular Councillor McCabe to his first meeting of the Panel, and thanked Councillor Hunter for his contribution to the work of the Panel.
- (2) took the sederunt and intimated that no apologies had been received; and
- (3) outlined the procedures for conducting this meeting and advised that this meeting would be broadcast live.

### **1. Declarations of Interest.**

There were no declarations of interest by Members in terms of Council Standing Order No. 17 and the Councillors' Code of Conduct.

### **2. Call-ins from Leadership Panel.**

The Panel noted that there were no call-ins from the Leadership Panels of 18 January 2022 or 15 February 2022.

### **3. Minutes of Previous Meeting.**

The Minutes of the meeting of [1 December 2021](#) (issued) were submitted and approved.

#### 4. **Action Log and Work Programme.**

There was submitted an update of the [Action Log and Work Programme](#) for this Panel (issued).

The Head of Finance and ICT provided the Panel with an update on the status of the Action Log and Work Programme and advised that all actions had now been completed.

The Panel

**Decided:** to note the current status of the Action Log and Work Programme.

### **External Audit Report**

#### 5. **External Audit Reports – Progress to 31 December 2021.**

There was submitted a [report](#) (issued) of 15 February 2022 by the Head of Finance and ICT providing Members with an update on the progress that the Council was making in relation to external audit improvement actions.

The Head of Finance and ICT advised Members that there had been a supply chain delay and Covid issues relating to the delivery of the microphone system being installed in the County Buildings. The system had now been installed and training for staff and Elected Members would be forthcoming.

The Panel, having scrutinised the contents of the report,

**Decided:** to note the report.

### **Internal Audit Report**

#### 6. **Internal Audit – Progress Report – (i) Progress of Internal Audit Plan 2020/21; and (ii) Implementation of Internal Audit Action Plans.**

There was submitted a [report](#) (issued) of 15 February 2022 by the Chief Internal Auditor advising Members of Internal Audit's progress against the 2021/22 Internal Audit Plan and of directorate progress in implementation of Internal Audit action plans.

Questions were raised by Members in relation to:-

- (1) the recruitment process within the Internal Audit Team and one Member asked for an update. The Chief Internal Auditor advised that the recruitment process was unsuccessful at the beginning of the year and that she would continue to explore ways to take the recruitment forward with a view to filling the current vacancy in the near future;
- (2) whether the timescales in the Action Plans would be met. The Chief Internal Auditor intimated that, pending any large-scale investigations, she was confident that the timescales would be met in the Action Plans'

- (3) whether there were any issues in relation to Items 13 and 23 of Appendix 1 – Progress Against 2021/22 Internal Audit Plan. In terms of Item 13 – Ayrshire Growth Deal – review of internal governance arrangements, the Chief Internal Auditor advised that there were no areas of concern and in terms of Item 23 – Review of Covid-19 Business Grants, the Chief Internal Auditor advised Members that Internal Audit had provided advice and guidance to the Service throughout the pandemic and that there were no areas of concern; and
- (4) whether best value was being achieved by using external audit teams or whether it would be more efficient to increase the staff resource within South Ayrshire's Internal Audit Team. The Chief Executive advised that if Internal Audit had its full complement of staff there would be no requirement to use external audit teams and that she would work with the Chief Internal Auditor on the recruitment process and the demands of the service and report back to Members. The use of East Ayrshire Council's Internal Audit team was due to an issue relating to Ayrshire Roads Alliance.

The Panel, having scrutinised the contents of the report

**Decided:** to note the report.

#### 7. **Revised Internal Audit Plan 2021/22.**

There was submitted a [report](#) (issued) of 15 February 2022 by the Chief Internal Auditor requesting approval by Panel Members for a revision to the 2021/22 Internal audit plan.

The Panel, having scrutinised the contents of the report,

**Decided:** to approve the revised 2021/22 Internal Audit Plan.

#### **Exclusion of press and public**

The Panel resolved, in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, that the press and public be excluded during consideration of the remaining item of business on the grounds that it involved the likely disclosure of exempt information in terms of paragraph 1 of Part 1 of Schedule 7A of the Act.

#### 8. **Audit Report**

There was submitted a report (issued – members only) of 17 February 2022 by the Chief Executive advising Members of the results of a fact-finding audit undertaken by Audit Glasgow (the Internal Audit Team from Glasgow City Council) and seeking approval for proposed actions.

The Panel, having scrutinised the contents of the report at length,

**Decided:** to consider the confidential Addendum to the report and confirm agreement to the actions proposed at 4.3 of the report.

9. **Consideration of Disclosure of the above Audit Report**

The Service Lead – Democratic Governance advised that in accordance with Standing Order 32.4 and by virtue of Paragraph 1 of Part 1 of the Schedule 7A of the Local Government (Scotland) Act 1973 the report and Addendum should not be disclosed.

**Decided:** by virtue of Paragraph 1 of Part 1 of the Schedule 7A of the Local Government (Scotland) Act 1973 that the report and Addendum should not be disclosed.

The meeting ended at 11:49 a.m.