

AUDIT AND GOVERNANCE PANEL.

Minutes of a hybrid webcast meeting on 22 February 2023 at 10.00 a.m.

Present in
County Hall: Councillors Peter Henderson (Chair), Brian McGinley, Cameron Ramsay,
Gavin Scott and George Weir.

Present
Remotely: Councillors Kenneth Bell and Chris Cullen.

Apology: Councillor Mary Kilpatrick.

Attending in
County Hall: E. Howat, Chief Executive; T. Baulk, Head of Finance, ICT and
Procurement; K. Dalrymple, Assistant Director – Housing and Operations;
W. Carlaw, Service Lead – Democratic Governance; K. Anderson, Service
Lead – Policy, Performance and Community Planning; L. Kerr, Service Lead
– Destination South Ayrshire; C. McGhee, Chief Internal Auditor; K. Murray,
Museums and Galleries Officer; C. Buchanan, Committee Services Officer;
and C. McCallum, Committee Services Assistant.

Attending
Remotely: F. Mitchell-Knight, Audit Scotland; and A. Gibson, Committee Services
Officer.

Opening Remarks.

The Chair

- (1) welcomed everyone to the meeting; and
- (2) outlined the procedures for conducting this meeting and advised that this meeting would be broadcast live.

1. Sederunt and Declarations of Interest.

The Chair called the Sederunt for the meeting and having called the roll, confirmed that 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 Cabinet.

The Panel noted that there were no call-ins from Cabinet of 15 February 2023.

3. **Minutes of Previous Meeting.**

The Minutes of the meeting of 25 January 2023 ([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, ICT and Procurement provided the Panel with an update of the status of the Action Log and Work Programme outlining that there were no outstanding actions at present.

Having heard a Member of the Panel, it was agreed that entries in the Work Programme should indicate the month that they were next due to be considered at Panel rather than indicate how many times a year they would be presented.

The Panel

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

Internal Audit Reports.

5. **Internal Audit – Progress Report (i) Progress of Annual Internal Audit Plan 2022/23 (ii) Implementation of Internal Audit Action Plans (iii) Quality Assurance and Improvement Programme Update.**

There was submitted a report ([issued](#)) of 8 February 2023 by the Chief Internal Auditor

- (1) advising of progress of the 2022/23 internal audit plan, directorate's progress against implementation of internal audit action plans and the status of the current Quality Assurance and Improvement Programme; and
- (2) seeking approval for a revision to the 2022/23 Internal Audit Plan.

The Chief Internal Auditor drew to the attention of the Panel various typographical errors within the report.

Having heard a Member of the Panel, the Chief Executive advised that, although she sought assurance that the information provided relating to the progress of internal audit actions was the most up-to-date when presented to Panel, she would remind senior staff of the importance of this.

Following a question from a Member of the Panel, it was noted that time allocations for contingencies were received through senior officers. It was also noted that the Ayrshire Rural and Island Ambition Fund (ARIA) was a replacement for LEADER.

Following a question from a Member of the Panel in relation to the figures for direct audit time for 2022/23, the Chief Internal Auditor advised that the target time was based on the time available and the actual time was taken from timesheets completed by auditors.

With regard to the Progress Against Overdue Audit Actions and Audit Actions due within the next six months, as detailed in Appendix 2 of the report, with specific reference to “IA2022/18.02 Review of allocation of fuel keys and cards,” a Member of the Panel indicated that he was disappointed that the Service had had a poor response to date.

It was noted with concern that only 20% of the Audit Action “IA2022/18.07 Review of Procedures” under “IA2022/18 Fuel Management” was complete. The Head of Finance, ICT and Procurement advised that staff had indicated to him that this action was now almost complete. The Assistant Director – Housing and Operations also indicated that it was envisaged that this action would be completed by the end March/beginning of April 2023.

The Chief Executive gave an assurance that she would follow up on the matter of Service Leads responding on fuel keys cards and licences.

Clarification was sought and given that Quality Assurance and Improvement Programme Action Plans would be reported to this Panel once the external assessment had been completed.

Following a question from a Member and having heard the Head of Finance, ICT and Procurement, it was noted that it was expected that the Oracle Fusion project would go live on 6 April of this year.

Having considered the content of this report, the Panel

Decided: to approve the proposed revisions to the 2022/23 Internal Audit Plan, as outlined in paragraphs 4.3.2 and 4.3.3 of the report.

6. Museums Store Control Internal Audit Report.

There was submitted a report ([issued](#)) of 8 February 2023 by the Director of Strategic Change and Communities

- (1) advising of internal audit’s findings of the audit of the museums store control; and
- (2) outlining the proposed course of action.

The Panel noted that there were four high risk recommendations arising from the audit and not five, as stated in paragraph 3.6 of the report.

A Member of the Panel indicated that, in his opinion, there should be one central point for the storage of the Council assets. The Service Lead – Destination South Ayrshire advised that the Council did not have suitable premises for the storage of everything in one central area in South Ayrshire.

A Member of the Panel indicated that, in his view, there required to be work undertaken to see where museums fitted into the Council's priorities. The Service Lead – Destination South Ayrshire advised that a service review had been carried out and it had been recognised that heritage outreach was an important factor and that a new post had been created for a Heritage Outreach Officer.

After a Member of the Panel enquired if there were any plans to place the information on the collections held by this Council online, the Museums and Galleries Officer advised that this information was already available on a system called VITAL and that work was also ongoing to make the information available on the Heritage Hub.

Decided: to note the contents of the report.

Other Governance Report.

7. Scrutiny of Improvements Proposed by the Equality and Diversity Forum.

There was submitted a report ([issued](#)) of 8 February 2023 by the Director of Strategic Change and Communities advising of the proposed improvement actions identified by the Equality and Diversity Forum.

A Member of the Panel advised that the Equalities Impact Assessment should be at the front of all Council reports instead of at the end, where it was at present; and the Chief Executive advised that the Service Lead - Policy, Performance and Community Planning would take this on board, when presenting a report on this matter to a future Cabinet meeting.

A Member of the Panel advised of the importance of having equalities embedded into the heart of the organisation.

Following discussion, the Service Lead - Policy ,Performance and Community Planning agreed to speak to the Chair of the Equality and Diversity Forum to consider other responsibilities such as inviting a third sector representative onto the Forum.

A Member of the Panel advised that the Equalities Impact Assessment form should be simplified or have an executive summary page at the front of it to help Members understand it. The Service Lead – Policy, Performance and Community Planning advised that he would look into this request. It was noted, after hearing a comment regarding the need for quality assurance checks, that the equalities mailbox was always happy to act as a critical friend.

Having heard a Member of the Panel, the Service Lead – Policy, Performance and Communications advised that Equality and Diversity Training would continue to be made available to Members.

The Chief Executive advised that she would reinforce with officers that an Equalities Impact Assessment was mandatory.

Decided: to note the proposed improvement actions, as detailed in Appendix 2 of the report.

The meeting ended at 11.03 a.m.