

AUDIT AND GOVERNANCE PANEL.

Minutes of a hybrid webcast meeting on 31 May 2023 at 10.00 a.m.

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

Present
Remotely: Councillor Chris Cullen.

Apology: Councillor Mary Kilpatrick.

Also
Present
in County Hall: Councillors Ian Cavana, Alec Clark, Ian Davis and Martin Dowey.

Attending in
County Hall: E. Howat, Chief Executive; J. Bradley, Director of Strategic Change and Communities; T. Baulk, Head of Finance, ICT and Procurement; G. Hunter, Assistant Director – Communities; W. Carlaw, Service Lead – Democratic Governance; J. Tait, Service Lead – Thriving Communities; N. Gemmell, Service Lead – Revenues and Benefits; C. McGhee, Chief Internal Auditor; D. Urquhart, Senior Investigations Officer; A Gibson, Committee Services Officer; and E. Moore, Clerical Assistant.

Attending
Remotely: L. Duncan, Chief Finance Officer, Health and Social Care; and A. Kerr, Audit Scotland.

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. It was noted that Councillor Weir, who was a Member of this Panel and who was one of the Members responsible for the call-in (item 2 below) would not be able to vote on the item with the other Panel Members and would require to leave the meeting prior to the Panel's deliberations on this matter.

2. **Call in from Cabinet of 23 May 2023 – “Temporary Senior Communities Officer - Glendoune”.**

Reference was made to the Minutes of the Cabinet of 23 May 2023 (Page 5, paragraph 9) when the Cabinet had decided to approve funding of £50,000, to be used to extend the temporary Senior Communities Officer post for a further twelve months to build on the positive work that had been established in the area.

A response by officers to the matters raised in the call-in had been issued prior to the meeting.

The Panel was advised that the report had been the subject of a call-in ([copy herewith](#)), details of which were outlined by Councillor George Weir when he introduced and spoke to the call-in. He advised that, in his opinion, premises not already having been secured for a community space in Glendoune for Glendoune Community Association, was a backwards step and asked if there was a legal requirement for the Council to provide the current adjacent tenant, Girvan Attractions with accommodation. He also acknowledged the excellent work that had been undertaken by the Temporary Senior Communities Officer. The Service Lead – Thriving Communities advised that the Council was committed to developing the space at Glendoune and that, to date, no suitable alternative accommodation for the adjacent tenants had been secured; and that alternative options to provide funding in the future, such as the UK Prosperity Fund, could potentially be used for this purpose. The Head of Finance, ICT and Procurement confirmed that, as this was Covid Recovery funding and was allocated from central government, the funding allocated for capital purposes could be used for revenue purposes. He also confirmed that Covid Recovery Funding was allocated for a two year period which was due to end in June 2023.

The Chair advised that it was important that training for officers and Members in relation to the requirement for Equality Impact Assessments in Panel reports was rolled out as soon as possible.

Following questions from Members of the Panel, it was noted that the current adjacent tenants, were a key organisation in Girvan and that the sites which had been looked at so far for their relocation had been unsuitable, but it was hoped to identify new premises for them in the next six to twelve months.

A Member of the Panel advised of his concern that Girvan Attractions were still in this site, when it had originally been a temporary arrangement.

The Portfolio Holders for Tourism, Culture and Rural Affairs and Corporate and Strategic spoke on behalf of the decision taken at the Cabinet meeting on 23 May 2023 and reiterated the good work that Girvan Attractions did and the importance of finding them suitable accommodation to continue their good work.

Following a question from a Member of the Panel, it was noted that officers would actively look to extend the post of the Temporary Senior Communities Officer after the funding had expired in twelve months time with external funding.

The Director of Strategic Change and Communities advised of the ongoing work with colleagues in the Estates Section of the Council to establish suitable alternative accommodation for Girvan Attractions. She also advised of the importance of not alienating the Group and to let them to continue the good work they did in Girvan.

A Member of the Panel advised that workforce planning should consider the challenges of many posts on the front-line in the Council being temporary and the difficulties this brings. Another Member of the Panel advised that, as this post was temporary, it was not a great motivator to the individual in post.

The Chief Executive reminded members of the options open to this Panel in determining this call-in.

As previously indicated, Councillor Weir left the meeting at this point.

A Member of the Panel moved a Motion that the decision of the Cabinet of 23 May 2023 be upheld and requested a roll-call vote. Another Panel Member seconded this.

The Panel agreed to adjourn for five minutes.

Upon reconvening, the Service Lead – Democratic Governance called the roll as follows:-

Councillor Henderson – Motion
 Councillor Bell – Motion
 Councillor Cullen – Motion
 Councillor McGinley – Motion
 Councillor Ramsay – Motion
 Councillor Scott - Motion

The Panel therefore, following review

Decided: to uphold the decision of the Cabinet.

Councillor Weir re-joined the meeting at this point.

3. **Minutes of Previous Meeting.**

The Minutes of the meeting of 22 May 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.

The Panel

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

External Audit Reports.

5. Audit Scotland – Integration Joint Boards – Financial Analysis 2021/22.

There was submitted a report ([issued](#)) of 17 May 2023 by the Head of Finance, ICT and Procurement advising of the Audit Scotland report 'Integration Joint Boards – Financial Analysis 2021/22'.

Members of the Panel advised that although the issues had been identified, there required to also be solutions identified. It was further noted that there were difficulties in attracting people to work in this sector and concerns expressed that the aging workforce put further pressure on this Service. The Chief Finance Officer, Health and Social Care advised that there was a Workforce Plan in place to mitigate issues and that attempts were being made to recruit staff into the Sector, such as working with colleges.

A Member of the Panel advised that the aging demographic in South Ayrshire was a concern.

Following an issue raised by a Member of the Panel in relation to Members requiring information to be issued to them earlier, it was agreed that the Chief Executive would look at providing Audit Scotland Reports to Members prior to the issue of Panel papers the week before the meeting.

Having considered the findings outlined in the Audit Scotland report 'Integration Joint Boards – Financial Analysis 2021/22' as detailed in Appendix 1 of the report, the Panel

Decided: to note the position in relation to South Ayrshire Council, as outlined in paragraph 4.2 of the report.

6. Audit Scotland – Resourcing the Benefit Service - A Thematic Study.

There was submitted a report ([issued](#)) of 17 May 2023 by the Head of Finance, ICT and Procurement advising of the Audit Scotland report 'Resourcing the Benefit Service - A Thematic Study'.

The Head of Finance and ICT gave an introduction to the report.

Having heard a Member of the Panel enquire about the increasing levels of demand in relation to the Scottish Welfare Fund, the Service Lead – Revenues and Benefits advised of the difficulties the Service faced in supporting the Scottish Welfare Fund. It was further noted that the Service was currently stretched and that resources were finite.

Having considered the findings outlined in the Audit Scotland report 'Resourcing the Benefit Service - A Thematic Study' as detailed in Appendix 1 of the report, the Panel

Decided: to note the local arrangements in place, as detailed in paragraph 4.3 of the report.

Internal Audit Report.

7. Corporate Fraud Team – Activity Report and Update on 2022/23 National Fraud Initiative.

There was submitted a report ([issued](#)) of 17 May 2023 by the Internal Audit Corporate Fraud Team

- (1) advising of the Corporate Fraud Team's (CFT) activity from 1 October 2022 to 31 March 2023; and
- (2) providing an update on the progress of the 2022/23 National Fraud Initiative exercise.

The Senior Investigations Officer gave an introduction to the report.

A Member of the Panel advised of the excellent work undertaken the Corporate Fraud Team and that their work should be better publicised

Clarification was sought and provided to a Member relating to Appendix 1 of the report, which showed the activity of the Corporate Fraud Team and that the figures identified were the amount of money that would be lost if the cases had not been investigated.

Having heard a Member of the Panel enquire how the numbers of total target investigations were arrived at, as detailed in Appendix 2 of the report and having heard the Chief Internal Auditor, it was noted that the approach of the Team in respect of the National Fraud Initiative had been agreed at a meeting of the Cabinet in January 2023.

Following a question from a Member of the Panel as to why there were no financial savings listed relating to Covid-19 Business Grants, as detailed in Appendix 1 of the report, the Senior Investigations Officer advised that this information had been reported in previous reports to the Council.

Having heard a Member of the Panel, it was noted that the target National Fraud Initiative investigations being carried out were seen to be of high risk and would be the minimum number of investigations completed.

It was agreed that it would be helpful if a Members' Briefing was provided regarding the work of the Corporate Fraud Team. The Chief Internal Auditor agreed to take this matter forward.

Having considered the CFT activity for the six month period to 31 March 2023, the Panel

Decided: to note the update on Corporate Fraud Team activity and the 2022/23 National Fraud Initiative (NFI).

The meeting ended at 11.20 a.m.