

MORAY COUNCIL

Minute of Meeting of the Audit and Scrutiny Committee

Wednesday, 01 September 2021

Various Locations via Video-Conference,

PRESENT

Councillor George Alexander, Councillor Frank Brown, Councillor John Cowe, Councillor John Divers, Councillor Tim Eagle, Councillor Donald Gatt, Councillor Marc Macrae, Councillor Aaron McLean, Councillor Maria McLean, Councillor Derek Ross, Councillor Sonya Warren, Councillor Walter Wilson

APOLOGIES

Councillor Graham Leadbitter, Councillor Shona Morrison

IN ATTENDANCE

Also in attendance at the above meeting were the Depute Chief Executive (Education, Communities and Organisational Development), Head of Governance, Strategy and Performance, Head of Financial Services, Senior Auditor, Maggie Bruce, Audit Scotland, and Lindsey Robinson, Committee Services Officer.

1. Chair

The meeting was chaired by Councillor Donald Gatt.

2. Declaration of Group Decisions and Members Interests *

In terms of Standing Order 20 and the Councillors' Code of Conduct, there were no declarations from Group Leaders or Spokespersons in regard to any prior decisions taken on how Members will vote on any item on the agenda or any declarations of Member's Interests in respect of any item on the agenda.

3. Minute of Meeting of 16 June 2021

The minute of the meeting of Audit and Scrutiny Committee on 16 June 2021 was submitted and approved.

4. Written Questions **

The Committee noted that no written questions had been submitted.

5. Audit Scotland Management Report 2020-21

A report by the Depute Chief Executive (Economy, Environment and Finance) provided the Committee with a copy of the External Auditor's Management Report for 2020/21

Following consideration, during which Officers answered questions from the Committee in relation to matters including the authorisation of journals and the

frequency of housing rent reconciliation, the Committee agreed to note the content of the report.

Councillor Warren joined the meeting during the discussion of this item.

6. Audit Scotland Report - Fraud and Irregularity 2020-21

A report by the Depute Chief Executive (Education, Communities and Organisational Development) informed the Committee of a recent Audit Scotland publication entitled 'Fraud and Irregularity - 2020/21'

Following consideration, during which Officers answered questions from the Committee in relation to matters including online scams and cyber security, the Committee agreed to note:

- (i) The key messages contained within the Audit Scotland report, which considers fraud risks that have emerged across the public sector since the start of the pandemic; and
- (ii) The Council's response in terms of being alert to the risks highlighted in the report, and that the Information Assurance Group is reviewing actions already taken and any further actions required to ensure systems of control are adapted in response to new ways of working and remain 'fit for purpose'.

Maggie Bruce, Audit Scotland joined the meeting during the discussion of this item.

7. Work of the Internal Audit Section - Update

A report by the Depute Chief Executive (Education, Communities and Organisational Development) provided the Committee with an update on the work of the Internal Audit Section.

Following consideration, during which Officers answered questions from the Committee in relation to matters including staffing, the Committee agreed to note the content of the report.

8. Work of the Internal Audit Section in the Period from 1 April 2021 to 30 June 2021

A report by the Depute Chief Executive (Education, Communities and Organisational Development) advised the Committee on the work of the Internal Audit Section in the period from 1 April 2021 to 30 June 2021.

Following consideration, during which Officers answered questions from the Committee in relation to matters including the use of petty cash, the Committee agreed to note the content of the report.

9. Question Time ***

Councillor Alexander expressed concern about the possible removal of petty cash from schools because not all parents would have access to top up cards online and sought clarification on how the Head of Financial Services would propose to deal with the issue in the review of the use of Petty Cash.

In response the Head of Financial Services confirmed that the first step in the process of reviewing the use of petty cash would be to find out what petty cash is being used for. She further added that there would be examples where the use of purchase cards would be more appropriate than using cash but acknowledged that the process would examine the need for petty cash and determine the ongoing requirement.