

MORAY COUNCIL

Minute of Meeting of the Audit and Scrutiny Committee

Tuesday, 04 December 2018

Council Chambers, Council Office, High Street, Elgin, IV30 1BX

PRESENT

Councillor Frank Brown, Councillor Theresa Coull, Councillor Lorna Creswell, Councillor Tim Eagle, Councillor Claire Feaver, Councillor Donald Gatt, Councillor Marc Macrae, Councillor Aaron McLean, Councillor Derek Ross

APOLOGIES

Councillor James Allan, Councillor John Cowe, Councillor Ryan Edwards, Councillor Amy Patience

IN ATTENDANCE

The Corporate Director (Corporate Services); the Audit Manager; the Environmental Protection Manager; the Planning and Economic Development Manager; Ms L Marshall, Performance Improvement Officer and Mrs Caroline Howie, Committee Services Officer as Clerk to the meeting.

ALSO PRESENT

Councillor Shona Morrison (ex-officio)

1 Chair of Meeting

The meeting was chaired by Councillor Marc Macrae.

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 dated 22 August 2018

The minute of the meeting of the Audit and Scrutiny Committee dated 22 August 2018 was submitted and approved.

4 Written Questions **

The Committee noted that no written questions had been submitted.

5 Order of Business

In terms of Standing Order 28 the meeting agreed to vary the order of business set down on the agenda and take item 8 "Local Government Benchmarking Framework 2016/17 Results" immediately following item 4 "Written Questions" in order to allow the officer presenting the report to depart the meeting at the earliest opportunity.

6 Local Government Benchmarking Framework 2016-17 Results

A report by the Chief Executive presented the Committee with benchmarking performance data for the period 2016/17 following publication on national results and the national report.

In response to a query from Councillor McLean on how the data is used within the Council the Corporate Director (Corporate Services) advised Service Managers have access to the information and take account of it when preparing Service Plans to consider future improvements.

Councillor Gatt sought clarification on the availability of more up to date data as the information was for the 2016/17 period.

In response Ms Marshall advised the Improvement Service had recently published the 2017/18 information in draft. Publication of the results will be in January; this will be refreshed in March 2019 and thereafter will be reported through the Committee process.

In response to a query from Councillor Feaver on the possibility of receiving the data due for release in January the Chair advised officers present would take cognisance of the request and issue the figures as early as possible.

The Committee joined the Chair in commending all officers for the work they do across all services in seeking improvement.

Thereafter the Committee agreed to note the Council's performance in terms of informing potential future agenda items.

7 Internal Audit Charter (Terms of Reference)

Under reference to paragraph 6 of the Minute of the meeting dated 22 March 2017 a report by the Corporate Director (Corporate Services) sought approval of an updated Internal Audit Charter (terms of reference) that defines the purpose, authority, and responsibility of the internal audit activity within the Council.

During discussion it was noted that the Charter only covers the internal audit function and that there is no reference to scrutiny. Lengthy discussion took place on what requirement there may be for a similar document covering the Committee's scrutiny role and thereafter it was agreed to seek a report to provide a draft Internal Scrutiny Charter for consideration by the Committee.

Thereafter the Committee agreed to:

- i. approve the updated Internal Audit Charter; and
- ii. seek a report providing a draft Internal Scrutiny Charter for consideration.

8 Report on the Work of the Internal Audit Section in the Period from 1 April 2018 to 30 September 2018

A report by the Corporate Director (Corporate Services) advised Committee on the work of the Internal Audit Section for the period from 1 April 2018 to 30 September 2018.

The report and the six appendices to the report were discussed in turn.

Councillor Feaver in referring to the use of a miscellaneous category to describe school fund income and expenditure sought clarification on whether this was used for a large percentage of funds and if there were any issues with this.

In response the Audit Manager advised that overuse of 'miscellaneous' limited transparency of reporting transactions on school funds, but this was not considered to be a major issue at all schools, it was possible in the books and records to identify what items the entries related to.

Following further discussion the Committee agreed to note the report.

9 The National Fraud Initiative in Scotland

Under reference to paragraph 9 of the Minute of the meeting of 22 August 2018 a report by the Corporate Director (Corporate Services) provided Committee with information on the council's approach to participation in the National Fraud Initiative.

Following consideration the Committee agreed to note:

- i. the Audit Scotland self-appraisal checklist that participating bodies are invited to complete and present to their local audit committees; and
- ii. that the policy to combat fraud and corruption will be updated and submitted for approval to the next meeting of the Policy and Resources Committee.

10 Corporate Integrity Group Update

A report by the Corporate Director (Corporate Services) updated the Committee on the work of the Corporate Integrity Group.

In response to a query from Councillor Gatt on the availability of minutes of the Group meetings the Audit Manager advised he was unsure if a minute was produced but that rather an action plan was produced that was updated to include issues identified at each meeting and actions against those items previously identified.

Councillor Feaver stated she was pleased to note a register of interests had been published for senior staff but sought clarification on whether hospitality received would also be published.

In response the Corporate Director (Corporate Services) advised the information was held for all staff but not currently published and undertook to take advice on publishing the information in light of fairness to staff and new data protection legislation.

Thereafter the Committee agreed to note the work of the Corporate Integrity Group for the period November 2017 to November 2018.

11 Statement of Outstanding Business

A report by the Chief Executive asking Committee to consider progress and times in relation to follow-up reports and actions requested by the Committee at previous meetings was noted.

12 Question Time ***

Councillor Feaver asked that a report detailing the income and expenditure of the dredger since its purchase, including capital, and an evaluation of its performance against the projected benefit and/or business case to the Council at the time of approval is prepared and brought before the Committee.

The Chair sought clarification from the Committee if they were in agreement to a report being brought on the value for money of the dredger. As no one was otherwise minded it was agreed to seek a report.

Councillor A McLean advised there had been press releases about School Meals and information had been provided stating 16% of the food used for school meals had been produced in Moray. He was of the opinion that Councillor Eagle had been going to seek a report on this and asked if this was the case.

The Chair advised that Councillor Eagle had not requested such a report.