

MORAY COUNCIL

Minute of Meeting of the Audit and Scrutiny Committee

Wednesday, 16 June 2021

remote locations via video conference,

PRESENT

Councillor George Alexander, Councillor Frank Brown, Councillor John Cowe, Councillor John Divers, Councillor Tim Eagle, Councillor Donald Gatt, Councillor Graham Leadbitter, Councillor Marc Macrae, Councillor Aaron McLean, Councillor Maria McLean, Councillor Shona Morrison, Councillor Sonya Warren

ATTENDED

Councillor Louise Nicol

APOLOGIES

Councillor Derek Ross, Councillor Walter Wilson

IN ATTENDANCE

Also in attendance at the above meeting were the Chief Executive, Depute Chief Executive (Economy, Environment and Finance), Depute Chief Executive (Education, Communities and Organisational Development), Chief Officer, Health and Social Care, Head of Governance, Strategy and Performance, Internal Audit Manager, Strategy and Performance Manager and Tracey Sutherland, 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 24 February 2021

The minute of the meeting of Audit and Scrutiny Committee on 24 February 2021 was submitted and approved.

4. Written Questions **

The Committee noted that no written questions had been submitted.

5. Order of Business

Under reference to Standing Order 28, due to connectivity issues experienced by the Internal Audit Manager, the Committee agreed to take Item 8a, Local Government Benchmarking Framework 2019-20 Results as the first item of business to allow the issues to be resolved.

6. Local Government Benchmarking Framework 2019-20 Results

A report by the Depute Chief Executive (Education, Communities and Organisational Development) presented the benchmarking performance data for the period 2019-20.

The Head of Governance, Strategy and Performance explained that a whole cycle of performance reporting has taken place and the Service has tried to weave the Local Government Benchmarking Framework (LGBF) into the reports.

Following discussion during which Officers answered questions from the Committee in relation to rate of re-admission to hospital, school attendance and performance, the Committee agreed to note the Council's performance in terms of informing potential future agenda items.

7. Internal Audit - Annual Report 2020-21

A report by the Depute Chief Executive (Education, Communities and Organisational Development) provided the Committee with a copy of the Internal Audit Annual Report for the year ended 31 March 2021, together with the Internal Audit Manager's opinion of the adequacy and effectiveness of the Council's system of internal control.

The Internal Audit Manager noted that as a consequence of the pandemic and remote working, it had been necessary to adapt how audit work had been conducted. This had created certain limitations, but these had been addressed by altering the work programme to ensure, so far as was practicable, that the required audit assurances could be given. On this basis, the Internal Audit Manager had concluded that the standard 'reasonable assurance' opinion could be given.

Councillor Brown sought clarification on whether there was any qualification on the assurances and was the Internal Audit Manager satisfied that his opinion would stand up to scrutiny.

In response the Internal Audit Manager advised that he had reached his opinion having regard to professional guidance provided by CIPFA and from the work he had completed and considered his opinion to be appropriate given all the circumstances presenting.

Following consideration, the Committee agreed to note the contents of the annual report (Appendix 1).

8. 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 cyber security, poverty and attainment and potential misuse of blue badges, the Committee agreed to note the content of the report.

9. Internal Audit Plan - Year Ending 31 March 2022

A report by the Depute Chief Executive (Education, Communities and Organisational Development) provided the Committee with details of the planned internal audit coverage for the year ending 31 March 2022.

The Chair advised the Committee, that one of the vacancies referred to in the report, which would impact on the Internal Audit section was the planned retirement of the Internal Audit Manager who is leaving after 39 years working in Local Government. The Committee joined the Chair in wishing Mr Scott all the best in his retirement and thanked him for all his advice, guidance and assistance in matters relating to the Council, Integration Joint Board and Grampian Valuation Joint Board.

Following consideration the Committee:

- i) agreed to note the proposed internal audit coverage for the 2021/22 financial year;
- ii) agreed to note the Internal Audit's ability to provide necessary audit assurances is likely to continue to be impacted by changed working practices as a consequence of the pandemic, and by forthcoming vacancies in Internal Audit's staffing establishment; and
- iii) was satisfied with the clarification provided on matters arising from the report and attached appendices.

10. Accounts Commission Report - Local Government in Scotland - Overview 2021

A report by the Chief Executive, drew the Committees attention to the recent Accounts Commission publication providing an overview of Local Government in Scotland over the past financial year.

Following consideration, the Committee agreed to note:

- i) the key messages contained within the Accounts Commission report, which consider the issues arising from the pandemic thus far and how Council's have responded; and
- ii) the Commission's view aligns with that of the Council that it will take time to recover fully from the pandemic and that, while challenging, opportunities are there to review and assess how services are delivered in a manner that optimises outcomes for the citizens and communities of Moray.

11. Question Time ***

Councillor Brown sought clarification on the role of the Audit and Scrutiny Committee as he felt that over the last few years the role of the Committee has been mainly to audit and questioned whether the Committee will take on more of a scrutiny role.

In response the Chief Executive confirmed that a report to Moray Council on 30 June will, amongst other things, ask the Council to consider the future role of the Audit and Scrutiny Committee.