

AUDIT COMMITTEE

Minute of meeting of the Audit Committee held in the Council Chambers, 2 High Street, Perth on Wednesday 22 November 2017 at 10.00am.

Present: Councillors E Drysdale, B Band, S Donaldson, D Illingworth, I James and X McDade.

In Attendance: J Clark, C Flynn, K Molley, M Morrison and D Williams (all Corporate and Democratic Services); J Cockburn (Education and Children's Services); J Dixon (Environment Service) and N Copland (Housing and Community Care).

Apology: Councillor H Coates.

Councillor Drysdale, Convener, Presiding.

658. WELCOME AND APOLOGIES/SUBSTITUTIONS

The Convener welcomed everyone to the meeting. An apology was noted as above.

659. DECLARATIONS OF INTEREST

There were no Declarations of Interest made in terms of the Councillors' Code of Conduct.

660. MINUTES

The minute of meeting of the Audit Committee of 27 September 2017 (Arts. 528-535) was submitted and approved as a correct record and authorised for signature, subject to the following amendment;

With reference to 'Internal Audit Strategy & Plan 2017/18', final sentence to read as follows;

'It was noted that whilst it was useful to have input from Councillors on suggested areas, if Councillors had a particular concern about controls in any area they should normally raise that concern with the relevant Director or Head of Service before referring the matter to Internal Audit.'

661. INTERNAL AUDIT FOLLOW UP

There was submitted a Report by the Chief Internal Auditor (17/383) presenting a current summary of Internal Audit's 'follow up' work.

Resolved:

The current position in respect of the agreed actions arising from internal and external work, be noted.

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662. INTERNAL AUDIT UPDATE

There was submitted a Report by the Chief Internal Auditor (17/384) presenting a summary of Internal Audit's work against the 2017/18 annual plan.

In response to a query from Councillor X McDade regarding Internal Audit procedures, J Clark informed members that some areas, such as Elected Members' allowances, were audited on a cyclical basis. J Clark added that some areas were looked at more frequently due to their high risk.

In response to a query from Councillor I James regarding staffing resources, J Clark informed members that when pulling together the annual plan, staffing resources are considered.

Councillor E Drysdale asked for an update regarding work with Perth & Kinross Integration Joint Board Audit & Performance Committee. J Clark informed Councillor Drysdale that it would be taken up with the Chief Auditor of NHS Tayside as to why a recent meeting of the Committee was cancelled.

Councillor E Drysdale raised concern regarding the progress on the Assessment on Charging. N Copland informed Councillor Drysdale that issues had arisen regarding staffing and workload, although added that additional staff have been taken on. N Copland informed members that the Depute Chief Executive has requested an interim report.

In response to a query from Councillor McDade regarding prioritisation of backlogged pieces of work, and the resources required to help clear such backlog, N Copland explained that some prioritisation had taken place and that there was no advantage to having more additional staff as this would involve extensive training on benefits.

Resolved:

- (i) The progress of work against the plan for 2017/18, be noted.
- (ii) The removal of assignments 17 – 16 New Process Development, and 17-31 GOFA, from Internal Audit plans for 2017/18 as detailed in section 1.5 to 1.7 of this report, be approved.
- (iii) The outcome from consultancy work, be noted.
- (iv) Internal Audit will continue to engage with Housing & Community Safety to deliver improvements in the management of the financial assessment and charging function and will provide Audit Committee with a full report on the extended follow up of 16-07 in mid-2018, be noted.

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The Committee considered the following final reports:-

(i) **Education and Children's Services**

(a) **17-24 Early Learning and Childcare**

There was submitted a report by the Chief Internal Auditor (17/385) on an audit to ensure the Council is preparing adequately for the implementation of 1140 hours of early learning and childcare.

Resolved:

Internal Audit's findings, as detailed in Report 17/385, be noted.

(ii) **The Environment Service**

(b) **LEADER**

There was submitted a report by the Chief Internal Auditor (17/386) on an audit to ensure Regulatory requirements are met by reviewing the systems in place to deliver LEADER as well as the financial processes.

Councillor Donaldson raised concerns regarding the fact LEADER was funded by the European Union, and questioned whether the next Internal Audit Assessment would look at interim arrangements post-March 2019. J Clark informed Councillor Donaldson that LEADER will appear in Internal Audit plans until it ceases.

Resolved:

Internal Audits findings, as detailed in report 17/386, be noted.

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