

## **Minute**

### **Monitoring and Audit Committee**

Thursday, 14 November 2019, 10:30.

Council Chamber, Council Offices, School Place, Kirkwall.



### **Present**

Councillors John T Richards, David Dawson, Andrew Drever, Steven B Heddle, John A R Scott and Kevin F Woodbridge.

### **Clerk**

- Sandra Craigie, Committees Officer.

### **In Attendance**

- Gillian Morrison, Executive Director of Corporate Services.
- Gareth Waterson, Head of Finance.
- Gavin Mitchell, Head of Legal Services.
- Darren Richardson, Head of Infrastructure and Strategic Projects (for Items 1 to 4.1).
- Andrew Paterson, Chief Internal Auditor.
- Peter Thomas, Internal Auditor.

### **Observing**

- Edward Abbott-Halpin, Principal, Orkney College.
- Pat Robinson, Chief Finance Officer, Orkney Health and Care (for Items 1 and 2).
- Ian Rushbrook, Capital Programme Manager (for Items 1 to 4.1).

### **Apology**

- Councillor Stephen G Clackson.

### **Declaration of Interest**

- Councillor John T Richards – Item 2.

### **Chair**

- Councillor John T Richards.

## **1. Internal Audit Plan 2019 to 2020 – Progress Update**

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted progress made to date in completing the Internal Audit Plan for 2019 to 2020, as detailed in Appendix 1 to the report by the Chief Internal Auditor.

## **2. Integration Joint Board**

### **Internal Audit Annual Report and Assurance Statement**

Councillor John T Richards declared a non-financial interest in this item, being one of the Council-appointed voting members of the Integration Joint Board, but concluded that his interest did not preclude his involvement in the discussion.

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

**2.1.** That the Council's Chief Internal Auditor was appointed as Chief Internal Auditor of the Integration Joint Board for the period 2017 to 2019.

**2.2.** The Internal Audit Annual Report and Assurance Statement 2018 to 2019 in respect of the Integration Joint Board, attached as Appendix 1 to the report by the Chief Internal Auditor.

**2.3.** That, subject to exclusions set out within the Internal Audit Annual Report and Assurance Statement in respect of the Integration Joint Board, the audit confirmed that, for areas subject to audit review during 2018 to 2019, adequate and effective controls were operating.

## **3. Review of Major Capital Projects**

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

**3.1.** That Internal Audit had undertaken a consultancy review of the effectiveness of current systems, processes and procedures associated with delivery of the Council's capital programme.

**3.2.** The recommendations and the management response contained in the consultancy report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to the effectiveness of current systems, processes and procedures associated with delivery of the Council's capital programme.

Councillor Steven B Heddle joined the meeting during discussion of this item.

## **4. Internal Audit Reports**

### **4.1. Capital Programme Slippage**

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

**4.1.1.** That Internal Audit had undertaken an audit of the processes and procedures relating to the avoidance of slippage on the capital programme.

**4.1.2.** The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to slippage on the capital programme.

The Committee resolved to **recommend to the Council:**

**4.1.3.** That, having reviewed the audit findings referred to at paragraph 4.1.2 above, assurance was obtained that action had been taken or agreed where necessary.

### **4.2. Orkney LEADER Programme**

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

**4.2.1.** That Internal Audit had undertaken a review of compliance with the LEADER Programme Service Level Agreement and relevant European Commission Regulations.

**4.2.2.** The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to administration of the Orkney LEADER Programme during the period 1 October 2018 to 30 September 2019.

The Committee resolved to **recommend to the Council:**

**4.2.3.** That, having reviewed the audit findings referred to at paragraph 4.2.2 above, assurance was obtained that action had been taken or agreed where necessary.

### **4.3. Orkney College – Credits**

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

**4.3.1.** That Internal Audit had undertaken a review of the further education statistical return and supporting systems, known as Credits, at Orkney College in relation to academic year 2018 to 2019.

**4.3.2.** That an audit certificate and an audit report were provided to the Scottish Funding Council to report the findings of the review, referred to at paragraph 4.3.1 above.

**4.3.3.** The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to the review, referred to at paragraph 4.3.1 above.

The Committee resolved to **recommend to the Council:**

**4.3.4.** That, having reviewed the audit findings referred to at paragraph 4.3.3 above, assurance was obtained that action had been taken or agreed where necessary.

#### **4.4. Insurance**

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, the Committee:

Noted:

**4.4.1.** That Internal Audit had undertaken an audit of the processes and procedures relating to Insurance.

**4.4.2.** The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to Insurance.

The Committee resolved to **recommend to the Council:**

**4.4.3.** That, having reviewed the audit findings referred to at paragraph 4.4.2 above, assurance was obtained that action had been taken or agreed where necessary.

### **5. Conclusion of Meeting**

At 11:20 the Chair declared the meeting concluded.

Signed: J T Richards.