

Minute

Monitoring and Audit Committee

Thursday, 24 September 2020, 10:30.

Microsoft Teams.



Present

Councillors John T Richards, David Dawson, Stephen G Clackson, Andrew Drever, Steven B Heddle and John A R Scott.

Clerk

- Sandra Craigie, Committees Officer.

In Attendance

- James Wylie, Executive Director of Education, Leisure and Housing (for Items 1 to 5.1).
- Gareth Waterson, Head of Finance.
- Gavin Mitchell, Head of Legal Services.
- Karen Greaves, Head of Executive Support.
- Andrew Groundwater, Head of HR and Performance.
- Andrew Paterson, Chief Internal Auditor.
- Pat Robinson, Chief Finance Officer, Orkney Health and Care (for Items 5.2 to 6).
- Maureen Spence, Democratic Services Manager (for Items 1 to 5.2).
- Peter Thomas, Internal Auditor.

Audit Scotland:

- Claire Gardiner, Senior Audit Manager.

Observing

- David Hartley, Communications Team Leader.

Declarations of Interest

- Councillor Stephen G Clackson – Item 5.3.
- Councillor John T Richards – Item 5.3.
- Councillor David Dawson – Item 5.3.

Chair

- Councillor John T Richards (for Items 1 to 5.2).
- Councillor David Dawson (for Items 5.3 and 6).

1. Form of Voting

The Committee resolved that, should a vote be required in respect of the matters to be considered at this meeting, notwithstanding Standing Order 21.4, the form of voting should be by calling the roll or recorded vote.

2. Internal Audit Quality Assurance and Improvement Programme

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

Noted:

2.1. That, in order to comply with the Public Sector Internal Audit Standards, an Internal Audit Quality Assurance and Improvement Programme, covering both internal and external assessments, was required.

2.2. That the existing Quality Assurance and Improvement Programme, adopted in 2014, required updating.

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

2.3. That the Internal Audit Quality Assurance and Improvement Programme, attached as Appendix 1 to this Minute, be approved.

3. Audit Scotland – COVID-19: Emerging Fraud Risks

After consideration of a report by the Chief Internal Auditor, copies of which had been circulated, and after hearing a report from the Senior Audit Manager, Audit Scotland, the Committee:

Noted the Audit Scotland publication, COVID-19: Emerging Fraud Risks, attached as Appendix 1 to the report by the Chief Internal Auditor, which highlighted new challenges and fraud risks for the public sector due to the COVID-19 pandemic, together with suggested measures to mitigate those emerging risks.

4. Complaints Handling

After consideration of a report by the Chief Executive, copies of which had been circulated, and after hearing a report from the Head of Legal Services, the Committee:

Noted the Annual Complaints Handling Report for 2019/20, attached as Annex 1 to the report by the Chief Executive.

5. Internal Audit Reports

5.1. Stromness Academy

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

Noted:

5.1.1. That Internal Audit had undertaken an audit of various operational procedures and controls within Stromness Academy.

5.1.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to various operational procedures and controls within Stromness Academy.

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

5.1.3. That, having reviewed the audit findings referred to at paragraph 5.1.2 above, assurance was obtained that action had been taken or agreed where necessary.

5.2. Community Council Governance

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

Noted:

5.2.1. That Internal Audit had undertaken an audit of the processes in place within the Council, for the oversight of Community Council financial management and governance.

5.2.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to the processes in place within the Council for the oversight of Community Council financial management and governance.

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

5.2.3. That, having reviewed the audit findings referred to at paragraph 5.2.2 above, assurance was obtained that action had been taken or agreed where necessary.

5.3. Integration Joint Board Budgetary Process

Councillors Stephen G Clackson and David Dawson declared non-financial interests in this item, being proxy members of the Integration Joint Board, but concluded that their interests did not preclude their involvement in the discussion.

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, whilst Section 5.18(2) of the Councillors' Code of Conduct contained specific exclusions and accordingly his interest did not preclude his involvement in the discussion, on this occasion he would withdraw from the meeting.

Signed: John T Richards.

As the Chair was not present during consideration of this item, Councillor David Dawson, Vice Chair, took the Chair for the remainder of the meeting.

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

Noted:

5.3.1. That, as part of the Integration Joint Board's internal audit plan, Internal Audit had undertaken an audit of procedures and controls relating to the budgetary processes of the Integration Joint Board.

5.3.2. The findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, which were presented for scrutiny to the Integration Joint Board's Audit Committee on 17 September 2020.

6. Conclusion of Meeting

At 12:03 the Chair declared the meeting concluded.

Signed: David Dawson.