

Minute

Monitoring and Audit Committee

Thursday, 26 September 2024, 11:30.

Council Chamber, Council Offices, School Place, Kirkwall.



Present

Councillors P Lindsay Hall, Gillian Skuse, Stephen G Clackson, W Leslie Manson, James R Moar, John A R Scott and Mellissa-Louise Thomson.

Also Present

Councillor Heather N Woodbridge (for Items 1 and 2).

Clerk

- Sandra Craigie, Committees Officer.

In Attendance

- Karen Greaves, Corporate Director for Strategy, Performance and Business Solutions.
- Hayley Green, Corporate Director for Neighbourhood Services and Infrastructure.
- Gareth Waterson, Corporate Director for Enterprise and Sustainable Regeneration.
- Peter Diamond, Head of Education (for Items 1 to 7).
- Andrew Groundwater, Head of Human Resources and Organisational Development.
- Erik Knight, Head of Finance.
- Gavin Mitchell, Head of Legal and Governance.
- Frances Troup, Head of Community Learning, Leisure and Housing (for Items 1 to 9).
- Shonagh Merriman, Service Manager (Corporate Finance) (for Items 1 to 3 and 9 to 11).
- Pat Robinson, Service Manager (Accounting) (for Items 1 to 3).
- Andrew Paterson, Chief Internal Auditor.

In Attendance via remote link (Microsoft Teams)

UHI Orkney:

- Seonaidh McDonald, Principal (for Items 1 to 8).
- Avril Litts, Finance Manager (for Items 7 and 8).

KPMG:

- Michael Wilkie, Public Sector Audit Director (for Items 1 to 3).
- Taimoor Alam, Audit Manager (for Items 1 to 3).
- Molly Harris, Assistant Manager (for Items 1 to 3).

Observing

- Kenny MacPherson, Head of Property, Asset Management and Facilities.
- Alex Rodwell, Head of Improvement and Performance (for Items 1 to 6).
- Olwen Sinclair, Service Manager (Payments) (for Items 1 to 6).
- Glen Thomson, Service Manager (Property and Capital Programme).
- Nigel Fyffe, Team Manager (Maintenance and Heritage).
- Kirsty Groundwater, Team Manager (Communications).
- Maya Tams-Gray, Committees Officer (for Items 1 to 7).

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor P Lindsay Hall.

1. Audit Report to those charged with Governance

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Public Sector Audit Director, KPMG, the Committee:

Noted:

1.1. KPMG's covering letter in respect of the audit of Orkney Islands Council's Annual Accounts for 2023/24, attached as Appendix 1 to the report by the Corporate Director for Enterprise and Sustainable Regeneration, in accordance with the International Standard on Auditing 260.

The Committee resolved, in terms of delegated powers:

1.2. That Orkney Islands Council's Letter of Representation to KPMG in connection with its audit of the financial statements of Orkney Islands Council for the year ended 31 March 2024, attached as Appendix 1 to this Minute, be approved.

The Committee scrutinised:

1.3. The Annual Audit Report to the Council and the Auditor General for Scotland, attached as Appendix 3 to the report by the Corporate Director for Enterprise and Sustainable Regeneration, and obtained assurance.

2. Annual Accounts

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, the Committee:

Resolved, in terms of delegated powers, that, subject to any final audit adjustments requested by KPMG, the Annual Accounts for financial year 2023/24, incorporating the Annual Governance Statement, attached as Appendix 2 to this Minute, be approved.

3. Best Value Thematic Report 2023/24

After consideration of a report by the Corporate Director for Strategy, Performance and Business Solutions, copies of which had been circulated, and after hearing a report from the Audit Manager, KPMG, the Committee:

Scrutinised the key messages and improvement actions outlined in the Best Value Thematic Report 2023/24: Workforce Innovation, attached as Appendix 1 to the report by the Corporate Director for Strategy, Performance and Business Solutions, and obtained assurance.

4. Integration Joint Board – Internal Audit Annual Report and Opinion

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

Noted the Internal Audit Annual Report and Opinion for 2023/24 in respect of the Integration Joint Board, attached as Appendix 1 to the report by the Chief Internal Auditor, which confirmed that, in respect of areas subject to audit review during 2023/24, it was found that there was an adequate framework of controls operating within the Integration Joint Board.

5. Internal Audit – Statutory Performance Indicator Reporting

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

Scrutinised the findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to the processes and controls around Performance Indicator reporting, including ensuring that indicator figures correlated with supporting evidence, and obtained assurance that action had been taken or agreed where necessary.

6. Internal Audit – Sundry Debtors

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

Scrutinised the findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to the processes and controls within the sundry debtors' system, ensuring that the Council effectively managed the recovery of money owed for goods and services provided, and obtained assurance that action had been taken or agreed where necessary.

7. Internal Audit – Sanday Community School

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

Scrutinised the findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to administrative procedures and controls operating within Sanday Community School, focussing on administration, security, financial management and human resource management, and obtained assurance that action had been taken or agreed where necessary.

8. Internal Audit – UHI Orkney Business Units – Follow-Up Audit

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

Scrutinised the findings contained in the internal follow-up audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to UHI Orkney Business Units, namely to determine whether the agreed actions had been implemented and whether they had effectively mitigated the risks identified in the original audits carried out during 2023/24, and obtained assurance that action had been taken or agreed where necessary.

9. Internal Audit – Works, Inspection, Repairs and Maintenance

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

Scrutinised the findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, relating to the policies and procedures surrounding the inspection of Council housing stock and the procedures followed for managing repairs, maintenance and improvements, and obtained assurance that action had been taken or agreed where necessary.

10. Internal Audit – Capital Slippage

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

Scrutinised the findings contained in the internal audit report, attached as Appendix 1 to the report by the Chief Internal Auditor, reviewing the effectiveness of current systems, processes and procedures associated with delivery of the Council's capital programme in order to prevent slippage on projects contained therein, and obtained assurance that action had been taken or agreed where necessary.

11. Conclusion of Meeting

At 13:54 the Chair declared the meeting concluded.

Signed: Councillor P Lindsay Hall.