

ANGUS COUNCIL

MINUTE of SPECIAL MEETING of the **SCRUTINY AND AUDIT COMMITTEE** held in the Town and County Hall, Forfar, on Tuesday 20 February 2018 at 11.00am.

Present: Councillors ALEX KING, BILL DUFF, JULIE BELL, BRIAN BOYD, COLIN BROWN, LYNNE DEVINE, DAVID FAIRWEATHER, BEN LAWRIE, IAN MCLAREN and BETH WHITESIDE.

Councillor KING, Convener, in the Chair.

1. APOLOGIES/SUBSTITUTES

Apologies for absence were intimated on behalf of Councillors Kenny Braes, Mark McDonald and Mark Salmond.

2. DECLARATIONS OF INTEREST

There were no declarations of interest made.

3. PROVISION OF INTERNAL AUDIT SERVICES

With reference to Article 7 of the minute of meeting of this Committee of 25 November 2014, there was submitted Report No 81/18 by the Chief Executive seeking authority to revert to a full time, directly employed management arrangement for internal audit at the cessation of the current co-sourced contract.

The Report indicated that in December 2011, the Strategic Policy Committee had authorised the procurement of an internal audit co-source arrangement to address the resourcing issue arising from a vacant auditor post. Following a competitive tender exercise, the contract was awarded to Scott Moncrieff. The current internal auditing co-source services contract covered the period 1 May 2015 to 30 April 2018.

The current co-sourced arrangement had worked well for the Council to date. However, it only allowed for 80 days of a Chief Audit Executive and, whilst adequate in the past, it was not considered adequate for the future.

It was proposed that the Internal Audit management be brought back in-house at the conclusion of the current co-source contract. Provision had been made within the managers' review for a full time Service Leader – Internal Audit post to accommodate this. The post would fulfil the duties of the Chief Audit Executive in terms of the Public Sector Internal Audit Standards (PSIAS).

The Committee noted there would likely still be a requirement for the external procurement of specialist internal audit support in terms of computer audit. A proportion of the current bought in services would be retained and a tender exercise would be undertaken by the new Service Leader to source the specialist services.

The Committee agreed:-

- (i) to approve the move to a directly employed Service Leader – Internal Audit to fulfil the role of Chief Audit Executive; and
- (ii) to approve the commencement of an external recruitment exercise for the post.