

## ANGUS COUNCIL

MINUTE of MEETING of the **SCRUTINY AND AUDIT COMMITTEE** held in the Town and County Hall, Forfar, on Tuesday 11 March 2014 at 2.00pm.

**Present:** Councillors BOB SPINK, BRIAN BOYD, LYNNE DEVINE, BILL DUFF, DAVID FAIRWEATHER, CRAIG FOTHERINGHAM, JEANETTE GAUL, JIM HOUSTON, ROB MURRAY, BOB MYLES, RONNIE PROCTOR and MARK SALMOND

Councillor SPINK, Convener, in the Chair.

### 1. APOLOGIES/SUBSTITUTES

An apology for absence was intimated on behalf of Councillor Bill Bowles.

### 2. DECLARATIONS OF INTEREST

Councillor Houston declared a non financial interest in item 7 as the Convener of Tayside Contracts Joint Committee. He indicated that he would participate in any discussion and voting.

Councillor Myles declared a non financial interest in Item 7 as a member of Tayside Contracts Joint Committee. He indicated that he would participate in any discussion and voting.

### 3. MINUTE OF PREVIOUS MEETING

The [minute of meeting of this Committee of 28 January 2014](#) was approved as a correct record and signed by the Convener.

### 4. TREASURY MANAGEMENT STRATEGY STATEMENT 2014/2015

With reference to Article 11 of the minute of meeting of Angus Council of 28 March 2013, there was submitted [Report No 130/14](#) by the Head of Corporate Improvement and Finance seeking approval of the proposed Treasury Management Strategy for Angus Council for 2014/15.

The Report indicated that the production of a Treasury Management Strategy Statement for the forthcoming financial year was a requirement of the Treasury Management in the Public Services Code of Practice issued by the Chartered Institute of Public Finance and Accountancy.

Having heard the Head of Corporate Improvement and Finance highlight a number of points, and having also heard from a number of members, the Committee, for its interest, agreed:-

- (i) to note the proposed Treasury Management Statement and Annual Investment Strategy for 2014/15, attached as Appendix A to the Report; and
- (ii) that the Head of Corporate Improvement and Finance amend the report to be considered by Angus Council on 27 March 2014 by adding further information in Section 6.1 of the Investment Policy to clarify the Strangs Mortification position.

### 5. UPDATE ON CREDITORS PAYMENT PERFORMANCE TO DECEMBER 2013

With reference to Article 9 of the minute of meeting of this Committee of 16 May 2013, there was submitted [Report No 131/14](#) by the Head of Corporate Improvement and Finance, updating members on Council wide performance in paying supplier invoices based on data for the third quarter of 2013/14.

The Report reflected the performance of all Council Departments in authorising invoices for payment within 30 days of invoice receipt.

Having heard from the Head of Corporate Improvement and Finance, the Committee agreed:-

- (i) to note the contents of the Report; and
- (ii) that future reports should include details of “hotspot” areas in relation to the payment performance figures.

## **6. QUARTERLY STAFFING REVIEW**

With reference to Article 10 of the minute of meeting of this Committee of 13 June 2013, there was submitted [Report No 132/14](#) by the Service Manager – Human Resources, providing an overview of the Council’s staffing levels during the period 1 April to 31 December 2013.

The Committee agreed to note the terms of the Report.

## **7. INTERNAL AUDIT ACTIVITY UPDATE**

With reference to Article 6 of the minute of meeting of this Committee of 28 January 2014, there was submitted [Report No 133/14](#) by the Service Manager – Governance, providing the Audit Manager’s update on the main findings of the Internal Audit Reports issued since the date of the last meeting.

Five Internal Audit Reports had been issued since the last Committee, these being:-

- Budget Monitoring
- Income Management
- Carbon Reduction
- School Catering
- Corporate Governance - Interim

The Report also provided an update on investigation work conducted by Internal Audit since 1 November 2013.

Having heard from a number of members and the Chief Executive in relation to the School Catering audit and also Councillor Murray, the Strategic Director - Communities and Strategic Director - People and the Chief Executive in relation to the Corporate Governance – Interim audit, the Committee agreed:-

- (i) to note the update on progress with the 2013/14 Internal Audit Plan;
- (ii) to note the update provided in respect of Internal Audit involvement in undertaking investigations; and
- (iii) that a further update report in relation to the Corporate Governance – Interim audit be presented to this Committee in June 2014 within the Audit Manager’s Annual Report.

## **8. SCRUTINY REVIEWS**

The Service Manager – Governance updated members in relation to the current Scrutiny Review Panels. She intimated that the Roads Network Maintenance and Repair panel had drafted their report and the Progress Toward Zero Waste panel had arranged two further meetings but were still to draft their report. She indicated that both panels were progressing well.

Both reports would thereafter be considered by the Executive Management Team and by the Communities Committee on 27 May 2014. Following recess, the reports would also be considered by this Committee and Angus Council.

She advised that the next round of canvassing was being implemented shortly and that a report would be submitted to this Committee in June 2014.

**9. EXTERNAL QUALITY ASSESSMENT OF INTERNAL AUDIT**

With reference to Article 8 of the minute of meeting of this Committee of 28 January 2014, there was submitted [Report No 134/14](#) by the Service Manager – Governance presenting the External Quality Assessment (EQA) peer review proposal from the Scottish Local Authority Chief Internal Auditors Group (SLACIAG) and proposed that Angus Council joined this for the EQA in the next electoral cycle.

The Report outlined the options for EQA's and the principles under which SLACIAG would develop a peer review process. The process would be a validated self-assessment through a peer review pool set up in a way to ensure independence of review and to deliver one peer review within each electoral cycle. The main benefits of the peer review were around cost minimisation and personal development for internal audit teams.

The Committee agreed:-

- (i) to note the peer review proposal presented, as appended to the Report; and
- (ii) to approve participation in the peer review process for the EQA within the next electoral cycle.

**10. EXCLUSION OF PUBLIC AND PRESS**

The Committee agreed, in terms of Standing Order 27(2), that the public and press be excluded from the meeting during consideration of the following item, so as to avoid the possible disclosure of information which was exempt in terms of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973, paragraph 14.

**11. RISK BASED VERIFICATION OF HOUSING BENEFIT AND COUNCIL TAX REDUCTION**

There was submitted [Report No 135/14](#) by the Head of Corporate Improvement and Finance advising of a proposed change in approach to the administering of new claims for Housing Benefit and Council Tax reduction.

The Committee, for its interest, agreed to note the proposed Risk Based Verification Policy, as appended to the Report.