

## **ANGUS COUNCIL**

MINUTE of MEETING of the **SCRUTINY AND AUDIT COMMITTEE** held in the Town and County Hall, Forfar, on Tuesday 24 January 2017 at 2.00pm.

**Present:** Councillors BRIAN BOYD, DAVID CHEAPE, LYNNE DEVINE, BILL DUFF, CRAIG FOTHERINGHAM, JEANETTE GAUL, JIM HOUSTON, IAN MCLAREN, ROB MURRAY and RONNIE PROCTOR MBE.

Councillor BOYD, Convener, in the Chair.

Prior to the commencement of business, the Convener welcomed Councillor Cheape to his first meeting of the Scrutiny and Audit Committee.

### **1. APOLOGIES/SUBSTITUTES**

An apology for absence was intimated on behalf of Councillor Mark Salmond.

### **2. DECLARATIONS OF INTEREST**

Councillor Duff declared an interest in item 5 as he was a Council appointed Director of Angus Alive. He indicated that he would participate in any discussion and voting.

Councillor Jeanette Gaul declared an interest in item 5 as she was a Council appointed Director of Angus Alive. She indicated that she would participate in any discussion and voting.

### **3. MINUTE OF PREVIOUS MEETING**

The minute of meeting of this Committee of 22 November 2016 was approved as a correct record and signed by the Convener.

### **4. RESIGNATION OF A MEMBER**

The Committee noted that Councillor Bowles had resigned as a Member of the Committee. Accordingly, the Council at its meeting on 9 February 2017 would be asked to fill the vacancy.

### **5. INTERNAL AUDIT ACTIVITY UPDATE**

With reference to Article 7 of the minute of meeting of this Committee of 22 November 2016, there was submitted Report No 32/17 by the Acting Service Manager – Governance and Consultancy, providing the Audit Manager's update of the main findings of the Internal Audit Report issued since the date of the last meeting.

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

- Information Governance
- National Non-Domestic Rates (NNDR)
- Payments Processing
- IT Change Management
- Staff Appraisal and Development
- Angus Alive – Monitoring

The Report provided an update in relation to the progress of Internal Audit Activity within the Council up until the end of December 2016, the progress with the 2016/2017 Internal Audit Plan and the progress with implementing Internal Audit recommendations.

Councillor Murray raised his concern in relation to the three outstanding latest notes IAFM\_0001, IAGSF\_0001 and IAITAM\_0002 as detailed in Table 3 – Outstanding Grade 1 recommendations and having heard the responses from the Strategic Director – Children and Learning and the Strategic Director – Resources, the Committee agreed:-

- (i) to note the update on the completion of the 2016/17 Internal Audit Plan;
- (ii) to note the management's progress in implementing Internal Audit recommendations; and
- (iii) that the Strategic Directors would email an update to elected members on the three outstanding latest notes IAFM\_0001, IAGSF\_0001 and IAITAM\_0002.

## **6. CORPORATE GOVERNANCE – ANNUAL GOVERNANCE STATEMENT FOR YEAR TO 31 MARCH 2016 – UPDATED ACTION PLAN**

With reference to Article 8 of the minute of meeting of this Committee of 21 June 2016, there was submitted Report No 33/17 by the Acting Service Manager – Governance and Consultancy, presenting an update on the Annual Governance Statement Action Plan for review and comment.

The Report indicated that the Annual Governance Statement which was included in the Council's 2015/16 Annual Accounts included a number of developments to be taken forward during 2016/17 to strengthen the Council's Corporate Governance. There were a total of seven actions in the Annual Governance Statement and an updated action plan was attached at Appendix 1 to the Report.

The Committee agreed to note the contents of the update Report.

## **7. SCRUTINY PANEL REVIEWS – UPDATE**

With reference to Article 8 of the minute of meeting of this Committee of 23 August 2016, there was submitted Report No 34/17 by the Acting Service Manager – Governance and Consultancy, presenting updates on the action plans from previous years' Scrutiny Panel Reviews, for review and challenge.

The Report provided an update on progress in addressing the recommendations of the previous years' Scrutiny Reviews namely:- Progress towards Zero Waste; Roads Maintenance; Transforming Angus/Management Restructure; Improving Partnership Working; Economic Development and Links to Planning and Customer Care.

Appendix 1 to the Report provided more detailed information on all recommendations from the first five reviews which were outstanding at the time of the previous update Report.

One of the recommendations from the Customer Care review had passed its target completion date. The completion date had been revised from September 2016 to October 2017 to align with the dates for the 2017 Citizens Panels.

The Committee agreed to note the update on the outstanding Scrutiny Review recommendations.

## **8. LOCAL GOVERNMENT IN SCOTLAND – FINANCIAL OVERVIEW 2015/16**

There was submitted Joint Report No 35/17 by the Chief Executive, Strategic Director – Resources and the Head of Corporate Improvement and Finance highlighting specific audit findings from an analysis of Councils' 2015/16 Audited Annual Accounts.

The Report indicated that this was the first of Audit Scotland's published Local Government overview output reports and told the strategic financial story for Local Government in Scotland in 2015/16. It was aimed primarily at Councillors and Senior Council Officers as a source of information and to support them in their complex and demanding roles.

It was anticipated that the findings would be considered by Councils' and Councillors when setting their 2017/18 budgets. The published Report also provided the opportunity to compare Angus Council to other authorities.

The Report also recognised that difficult decisions had been required when setting budgets and the disciplined approach must continue as Councils' moved into the 2017 election year, as significant challenges lay ahead and Councils' needed to be well placed to meet them.

The overview report attached as Appendix A to the Report set out summary key messages that would require to be considered by all Councils. The key messages were generally positive and the main highlights were outlined in Section 4.2 of the Report.

Following discussion and having heard from the Head of Corporate Improvement and Finance, the Committee agreed to note the content of Audit Scotland's Overview Report and supplementary information as outlined in Appendices 1A and 1B to the Report.

