

STIRLING COUNCIL

MINUTES of MEETING of the AUDIT COMMITTEE held via MICROSOFT TEAMS on THURSDAY 27 JANUARY 2022 at 10.00 am

Present

Councillor Martin EARL (Convener)

Councillor Neil BENNY
Councillor Graham HOUSTON
Councillor Alison LAURIE

Councillor Alastair MAJURY
Councillor Alasdair TOLLEMACHE

In Attendance

Stephen Clark, Chief Officer - Housing
Drew Leslie, Senior Manager – Infrastructure
Isabel McKnight, Chief Operating Officer – Communities & Performance
Sean Moffatt, ICT Analyst
Bryony Monaghan, Interim Head of Education - Schools, Learning & Education
Gordon O'Connor, Audit Service Manager
Stuart Oliver, Senior Manager – Economic Development & Communities
Bruce Reekie, Senior Manager - Environment & Place
Brian Richardson, Finance Business Partner
Brian Roberts, Chief Operating Officer – Infrastructure & Environment
Marie Valente, Senior Manager (Chief Social Work Officer)
Sheila McLean, Governance Officer (Clerk & Minutes)

Also Present

Andrew Wallace, Audit Scotland, External Auditor

Recording of Meeting started

Prior to commencement of business, the Convener welcomed and thanked everyone for attending the meeting via MS Teams. He updated the meeting on the procedures related to MS Teams and the protocols that both Members and Officers should adhere to throughout the meeting.

It was advised that the meeting was being broadcast live via the Stirling Council YouTube page and that a recording of the meeting would also be made publicly available on the Council's YouTube page following the meeting.

The Convener asked the Governance Officer to carry out a roll call of all Members participating in the meeting.

AC255 APOLOGIES AND SUBSTITUTIONS

There were no apologies or substitutions.

AC256 DECLARATIONS OF INTEREST

There were no declarations of interest.

AC257 URGENT BUSINESS BROUGHT FORWARD BY THE CONVENER

There were no items of urgent business.

AC258 MINUTES OF MEETING – 4 NOVEMBER 2021

The Minutes of Meeting of the Audit Committee held on 4 November 2021 were submitted for approval.

Decision

The Committee agreed to approve the Minutes of Meeting held on 4 November 2021 as an accurate record of proceedings.

AC259 ROLLING ACTION LOG

The Rolling Action Log was presented for review. Members were pleased to note that all actions were complete and could be removed.

Decision

The Committee agreed to note the Action Log and updates from Officers.

(Reference – Rolling Action Log, submitted).

AC260 RISK MANAGEMENT UPDATE

The Audit Service Manager introduced a report by the Chief Officer - Governance which presented the current version of the Council's Strategic Risk Register (SRR) and provided an update on strategic risk management arrangements. This was in line with the Council's Scheme of Delegation, which required the Audit Committee to consider the effectiveness of the Council's risk management arrangements.

The SRR had been updated to take account of concerns raised at the previous meeting of the Committee in respect of recruitment to social care.

Members welcomed a review and re-evaluation of risk management arrangements currently being undertaken by the Corporate Management Team and noted that a report would be brought back to the first meeting following the May elections.

Officers responded to a number of questions in relation to individual risks and undertook to provide further information where requested.

Decision

The Committee agreed to note and take assurance from work being undertaken to further develop risk management arrangements, including the Strategic Risk Register.

(Reference - Report by Chief Officer - Governance dated 18 January 2022, submitted).

AC261 INTERNAL AUDIT UPDATE REPORT

A report by the Audit Service Manager provided a summary of the findings arising from the Internal Audit assignment finalised since the last meeting of the Audit Committee on 4 November 2021 and an update on work relating to action tracking.

Members noted current resource limitations within the Internal Audit service and the steps being taken by management to resolve these and to recruit additional staff.

Forth Valley and Lomond Leader (FVL) – Annual Review

The operation of the programme was reviewed to assess compliance with the requirements of the Service Level Agreement and related technical guidance. No issues were identified that required recommendations for improvement action.

The Audit Opinion was that comprehensive assurance could be given that, during the period covered by the annual report, 16 October 2020 to 15 October 2021, the FVL Leader Programme complied with the above and that the Council had properly undertaken the delegated functions specified in the Service Level Agreement as the 'Accountable Body' for the FVL Leader programme.

Discussion took place on the Action Tracking Summary which was attached as Appendix 3 to the submitted report and officers undertook to provide further information where requested.

Decision

The Committee agreed to take assurance from:-

1. the findings and conclusions arising from Internal Audit assignment completed since 4 November 2021; and
2. the position in relation to action tracking work.

(Reference - Report by Audit Service Manager dated 14 January 2022, submitted).

AC262 ALEOS AND STRATEGICALLY FUNDED BODIES: OVERVIEW OF GOVERNANCE REPORTING 2020/21

A report by the Chief Officer - Governance provided the Committee with an overview of the governance reporting arrangements for each of the Council's arm's-length external organisations (ALEOs) and other strategically-funded bodies. At its meeting on 28 May 2019 the Committee agreed to receive such a report on an annual basis.

The overview report was last reported to the Committee at its meeting on 26 November 2020.

An Appendix to the report set out a list of ALEOs and strategically funded bodies, providing a summary of projected and actual funding for each, where relevant, along with details of the relevant Committee to which a report on each organisation was submitted.

Decision

The Committee agreed to note the ALEO and other strategically-funded bodies governance reporting framework summarised at Appendix 1 to the submitted report.

(Reference - Report by Chief Officer - Governance dated 14 January 2022, submitted).

AC263 CORPORATE FRAUD UPDATE

The Audit Service Manager presented a report which provided an update on investigation work undertaken in relation to referrals received by the Corporate Fraud team since April 2021. This was in line with the Council's Scheme of Delegation which required that the Audit Committee received and considered periodic reports on fraud, theft and irregular use of Council funds.

Decision

The Committee agreed to take assurance from the work undertaken in relation to referrals received by the Corporate Fraud team since April 2021.

(Reference - Report by Audit Service Manager dated 14 January 2022, submitted).

AC264 PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWING POLICY) ANNUAL REPORT

The Council's Whistleblowing Policy was approved by the Finance & Economy Committee on 25 November 2021. This replaced the version previously approved by that Committee on 15 February 2018.

A report by the Chief Officer – Governance advised that the Scheme of Delegation remitted responsibility for monitoring the Council's policy on whistleblowing to the Audit Committee. In terms of the policy an annual report on whistleblowing activity should be presented to Audit Committee. The submitted report had been prepared to meet those requirements and covered the 12 months to 31 December 2021.

One disclosure had been made to the Monitoring Officer, who had considered the matter but concluded that it did not fall within the Policy as other procedures had not been exhausted.

Decision

The Committee agreed to note and take assurance from:-

1. the contents of this Public Interest Disclosure (Whistleblowing Policy) Annual Report; and

2. the fact that the policy will be publicised to staff to raise awareness.

(Reference - Report by Chief Officer - Governance dated 14 January 2022, submitted).

AC265 STIRLING COUNCIL EARMARKED RESERVES

A report by the Interim Chief Officer - Finance provided detail on the individual balances held within the Council's earmarked reserves, which had been prepared following discussion at the previous meeting of the Committee on 4 November 2021.

Members noted that the high level of reserves was heavily impacted by Covid-19 funding.

Officers responded to a number of questions on individual items. Members welcomed the information presented and noted that this would be presented to Committee on an annual basis.

Decision

The Committee agreed to note the individual balances held within the Council's earmarked reserves.

(Reference - Report by Interim Chief Officer – Finance dated 8 January 2022, submitted).

Convener's Remarks

In noting that this was the final Audit Committee of the current Council administration ahead of the Local Government elections in May, the Convener recorded thanks to Members and officers for their efforts in bringing a wide range of reports to Committee.

The Convener declared the Meeting closed at 11.20 am