



MINUTES OF MEETING of the AUDIT AND FINANCE COMMITTEE held within the Council Chamber, Kilncraigs, Greenside Street, Alloa, FK10 1EB, on THURSDAY 7 SEPTEMBER 2017 at 9.30 am.

PRESENT

Councillor Archie Drummond, Chair (In the Chair)
Councillor Dave Clark
Councillor Kenneth Earle
Council Phil Fairlie
Councillor Ellen Forson (S)
Councillor Darren Lee

IN ATTENDANCE

Nikki Bridle, Depute Chief Executive
Garry Dallas, Executive Director
Stephen Coulter, Head of Resources and Governance
Stuart Crickmar, Head of Strategy and Customer Services
Celia Gray, Head of Social Services
Ahsan Khan, Head of Housing and Community Safety
Lindsay Sim, Chief Accountant
Michael Boyle, Improving Outcomes Business Manager
Gordon O'Connor, Internal Audit
Tom Reid, External Auditor
Andrew Wyse, Acting Legal Services Manager (Clerk to the Committee)
Lindsay Thomson, Service Manager, Legal and Democracy
Melanie Moore, Committee Services

The Chair welcomed Lindsay Thomson, Service Manger, Legal and Democracy, along to her first meeting of the Audit and Finance Committee.

AF(17)31 APOLOGIES

Apologies for absence were received from Councillor Les Sharp. Councillor Ellen Forson attended as substitute for Councillor Sharp.

AF(17)32 DECLARATIONS OF INTEREST

None.

AF(17)33 COUNCIL FINANCIAL PERFORMANCE 2016/17 – DRAFT FINAL OUTCOME

The report, submitted by the Chief Accountant, set out the financial performance of the Council in respect of both revenue and capital spend for the financial year 2016/17.

Motion

That Committee agrees the recommendations set out in the report.

Moved by Councillor Archie Drummond. Seconded by Councillor Darren Lee.

Decision

The Committee agreed to note:-

1. The draft General Fund revenue underspend for the year of £1.117m
2. The value of planning services delivered in the year.
3. The draft favourable outturn of £1.257m on the Housing Revenue Account.
4. The draft underspend in General Services capital of £4.265m of which £0.193m are savings in delivery of the programme with the remainder carried forward to 2017/18.
5. The draft underspend on HRA capital of £6.842m of which £2.680m is additional income from house and land sales and £0.627m are savings in delivery of programme with the remainder carried forward to 2017/18.

AF(17)34 COUNCIL FINANCIAL PERFORMANCE 2017/18 – Q1 OUTTURN

The report, submitted by the Chief Accountant, provided the Committee with an update on the financial performance of the Council in respect of both revenue and capital spend for the current financial year, 2017/18.

Motion

That Committee agrees the recommendations set out in the report.

Moved by Councillor Archie Drummond. Seconded by Councillor Dave Clark.

Decision

The Committee agreed to note:-

1. The forecasted General Fund revenue underspend for the year of (£0.371m).
2. Progress on delivering planned savings in the year.
3. The favourable forecast outturn of £0.187m on the Housing Revenue Account.
4. The underspend in General Services capital of £5.467m.
5. The forecasted underspend on HRA capital of £0.539m of which £0.448m is additional income from house and land sales.

AF(17)35 CORPORATE RISK AND EXTERNAL AUDIT ACTIONS

The report, submitted by the Head of Strategy and Customer Services, provided the Committee with the 2016/17 year end update on Clackmannanshire Council's Corporate Risk Log (Appendix A), as well as the Annual Emergency Planning Statement of Preparedness (Appendix B). The report also provided updates regarding progress on recommendations identified in the audit of 2015/16 accounts by Deloitte UK, the Council's previous external auditors (Appendix C). The Corporate Risk Management Guidance had also been provided for information (Appendix D).

Motion

That Committee agrees the recommendation set out in the report.

Moved by Councillor Archie Drummond. Seconded by Councillor Ellen Forson.

Decision

Having commented on and challenged the report, the Committee agreed to note the report.

AF(17)36 CLACKMANNANSHIRE LOCAL SCRUTINY PLAN 2017-18

The report, submitted by the Depute Chief Executive, advised the Committee of the publication by Audit Scotland of the Clackmannanshire Council Local Scrutiny Plan for 2017-18 and to summarise the key areas of scrutiny activity.

Motion

That Committee agrees the recommendations set out in the report.

Moved by Councillor Archie Drummond. Seconded by Councillor Dave Clark.

Decision

The Committee agreed to note:

1. The recent publication by Audit Scotland of the 2017-18 Local Scrutiny Plan for Clackmannanshire; and
2. The intended planned scrutiny activity in 2017-18.

AF(17)37 INTERNAL AUDIT ANNUAL ASSURANCE REPORT 2016/17

The report, submitted by the Head of Resources and Governance, provided the Committee with an overall assurance on the Council's arrangements for risk management, governance and control, based on Internal Audit work undertaken during 2016/17.

Motion

That Committee agrees the recommendations set out in the report.

Moved by Councillor Archie Drummond. Seconded by Councillor Ellen Forson.

Decision

The Committee agreed to note:

1. That Internal Audit work undertaken supports a balanced and evidence based assurance;
2. That Internal Audit can provide **Reasonable** Assurance on the Council's arrangements for risk management, governance and control for the year to 31 March 2017; and
3. That a self assessment and subsequent external quality assessment, of Internal Audit's compliance with Public Sector Internal Audit Standards will be undertaken during 2017/18.

AF(17)38 INTERNAL AUDIT PROGRESS REPORT 2017/18

The report, submitted by the Head of Resources and Governance, provided the Committee on progress with completing the 2017/18 Internal Audit Plan.

Motion

That Committee agrees the recommendation set out in the report.

Moved by Councillor Archie Drummond. Seconded by Councillor Ellen Forson.

Decision

The Committee agreed to note progress being made with completing the 2017/18 Internal Audit Plan.

Ends 1040 hrs.