



**MINUTES OF MEETING of the AUDIT COMMITTEE held within the Council Chamber,  
Kilncraigs, Greenside Street, ALLOA, FK10 1EB, on THURSDAY 3 DECEMBER 2020 at  
9.30 am.**

**PRESENT**

Councillor Martha Benny (Convenor)  
Councillor Dave Clark (Vice Convenor)  
Councillor Ellen Forson  
Councillor Darren Lee  
Councillor Helen Lewis  
Councillor Derek Stewart

**IN ATTENDANCE**

Stuart Crickmar, Strategic Director (Partnership & Performance)  
Pete Leonard, Strategic Director (Place)  
Lindsay Sim, Chief Finance Officer (Partnership & Performance)  
Chris Alliston, Senior Manager, HR and Workforce Development (Partnership & Performance)  
Cherie Jarvie, Partnership and Transformation (Partnership & Performance)  
Graham Templeton, Internal Audit Officer (Partnership & Performance)  
Derek Barr, Procurement Manager (Partnership & Performance)  
Lindsay Thomson, Senior Manager, Legal and Governance (Partnership & Performance)  
(Clerk to the Committee)  
Gillian White, Committee Services, Legal and Governance (Partnership & Performance)

The Convenor welcomed Councillor Denis Coyne to his first meeting of the Audit Committee.  
Councillor Coyne was attending the Committee as an observer.

**AC(20)07      APOLOGIES**

Apologies for absence were received from Councillor Chris Dixon and Councillor Tina Murphy.

**AC(20)08      DECLARATIONS OF INTEREST**

None.

**AC(20)09      CONFIRM MINUTES OF MEETING HELD 6 FEBRUARY 2020**

The minutes of the Meeting of the Audit Committee held on 6 February 2020 were submitted for approval.

**Decision**

The minutes of the Meeting of the Audit Committee held on 6 February 2020 were agreed as a correct record and signed by the Convenor.

## **AC(20)10 COUNCIL FINANCIAL PERFORMANCE 2020/21 – AUGUST OUTTURN**

The report, submitted by the Chief Finance Officer, provided an update on the financial performance for the Council, as at August 2020, in respect of the General Fund (GF) revenue and capital spend and the achievement of savings to date, for the current financial year, 2020/21; and the Housing Revenue Account (HRA) revenue and capital spend, for the current financial year, 2020/21.

### **Motion**

That Committee agrees the recommendations set out in the report.

Moved by Councillor Darren Lee. Seconded by Councillor Martha Benny.

### **Decision**

Having commented on and challenged the report, the Committee agreed to:

1. Note that the GF revenue spend is forecasting an overspend of £2.220m for the year to 31 March 2021;
2. Note that the Clackmannanshire element of the Health and Social Care Partnership (H&SCP) is forecasting an underspend for the year of £(0.091)m;
3. Note the HRA forecasted revenue surplus over budgeted surplus for the year of £(1.307m) to 31 March 2021;
4. Note that the Capital programme for HRA is currently forecasting an underspend of £(2.110)m;
5. Note the General Fund Capital Programme underspend of £(1.956)m, and
6. Note the progress to date in delivering the £3.343m savings programme, currently forecast to be 87.3%, as at 31 March 2021; and
7. Approve the referral to Council for approval of additional capital budget of £0.100m to support the Bowmar Regeneration project as set out in para 6.4 and 6.5 of the report.

### **Action**

Chief Finance Officer

## **AC(20)11 INTERNAL AUDIT UPDATE REPORT**

The report, submitted by the Internal Audit Manager, provided an update on 2020/21 Internal Audit work.

### **Motion**

That Committee agrees the recommendations set out in the report.

Moved by Councillor Dave Clark. Seconded by Councillor Darren Lee.

### **Decision**

The Committee agreed to note progress with completing planned 2020/21 Internal Audit work; and the outcomes of COVID-19 specific Internal Audit work.

**AC(20)12      INTERNAL AUDIT ANNUAL ASSURANCE REPORT 2019/20**

The report, submitted by the Internal Audit Manager, provided an overall assurance on the Council's arrangements for risk management, governance, and control, based on Internal Audit work undertaken during 2019/20.

**Motion**

That Committee agrees the recommendations set out in the report.

Moved by Councillor Martha Benny. Seconded by Councillor Helen Lewis.

**Decision**

The Committee agreed to note that:

1. Sufficient Internal Audit work was undertaken to support a balanced assurance;
2. Internal Audit can provide **SUBSTANTIAL** assurance on the Council's arrangements for risk management, governance, and control for the year to 31 March 2020; and
3. Internal Audit met, or exceeded, each of its Key Performance Indicators.

**AC(20)13      INTERNAL AUDIT PLAN 2020/21**

The report, submitted by the Internal Audit Manager, presented a 2020/21 Internal Audit Plan for approval.

**Motion**

That Committee agrees the recommendations set out in the report.

Moved by Councillor Dave Clark. Seconded by Councillor Darren Lee.

**Decision**

The Committee agreed to:

1. Note the resources available to Internal Audit;
2. Note that the plan is indicative and flexible;
3. Approve the Internal Audit Plan for 2020/21; and
4. Note that assignments not completed during 2020/21 will be carried forward into 2021/22.

**Action**

Internal Audit Manager

#### **AC(20)14      INTERNAL AUDIT CHARTER**

The report, submitted by the Internal Audit Manager, sought approval of an updated Internal Audit Charter. The Charter sets out the role, authority, and responsibility of the Internal Audit team.

##### **Motion**

That Committee agrees the recommendations set out in the report.

Moved by Councillor Dave Clark. Seconded by Councillor Helen Lewis.

##### **Decision**

Having considered the report, the Committee agreed to approve the Internal Audit Charter as set out in Appendix 1 to the report.

##### **Action**

Internal Audit Manager

#### **AC(20)15      EXCEPTIONS FROM THE APPLICATION OF CONTRACT STANDING ORDERS**

It is a requirement of Contract Standing Orders that exceptions should be reported to the next available Audit Committee. The purpose of report, submitted by the Strategic Director (Partnership & Performance) was to provide detail on Exceptions to Contract Standing Orders submitted in the previous quarter.

##### **Motion**

That Committee agrees the recommendations set out in the report.

Moved by Councillor Martha Benny. Seconded by Councillor Derek Stewart.

##### **Decision**

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

#### **AC(20)16      PROCUREMENT ANNUAL REPORT**

The Procurement Reform (Scotland) Act 2014 Section 18 states that the Council must prepare an annual procurement report on its regulated procurement activities as soon as reasonably practicable after the end of the financial year. The report, submitted by the Strategic Director (Partnership & Performance) updated the committee on key procurement activity and statistical performance during the Financial Year 2019-20 and provided an overview of the resources that are available to deliver effective procurement.

##### **Motion**

That Committee agrees the recommendations set out in the report.

Moved by Councillor Ellen Forson. Seconded by Councillor Helen Lewis.

##### **Decision**

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

## **AC(20)17 ANNUAL COMPLAINTS REPORT 2019/20**

The report, submitted by the Senior Manger, Legal and Governance, presented an overview of performance in relation to complaints handling during 2019/20.

### **Motion**

That Committee agrees the recommendations set out in the report.

Moved by Councillor Dave Clark. Seconded by Councillor Darren Lee.

### **Decision**

Having commented on and challenged the performance of Council services in handling complaints, the Committee agreed to note the report.

## **AC(20)18 NATIONAL AND LOCAL SCUTINY PLANNING**

At this point in the year Audit Committee would normally consider the National Scrutiny Plan. Covid-19 however has changed all our lives; responding to it has changed the way public services are delivered and how they are scrutinised. Given this, the Strategic Scrutiny Group published a report in November 2020 outlining its scrutiny approach in context of the Covid-19 pandemic. Additionally, in August 2020, Audit Scotland published a reported entitled: *Covid19 – A guide for audit and risk committees*.

The purpose of this report, submitted by the Strategic Director (Partnership & Performance), is to make the Audit Committee aware of both reports, and to sought agreement to review its forward plan in consideration of these, and in light of the ongoing Covid-19 pandemic.

### **Motion**

That Committee agrees the recommendations set out in the report.

Moved by Councillor Dave Clark. Seconded by Councillor Derek Stewart.

### **Decision**

The Committee agreed:

1. To note the Strategic Scrutiny Group's scrutiny responses to Covid-19;
2. To note Audit Scotland's report, *Covid19 – A guide for audit and risk committees*; and
3. That the Audit Committee forward plan will be reviewed for consideration at its next meeting in light of paragraphs 2.1.1 and 2.1.2 (as set out in the report) and the ongoing Covid 19 pandemic.

### **Action**

Strategic Director  
Partnership & Performance

Ends 10:35 hrs

