



**MINUTES OF MEETING of the AUDIT COMMITTEE held within the Council Chamber,  
Kilncraigs, Greenside Street, ALLOA, FK10 1EB, on THURSDAY 25 APRIL 2019 at 9.30  
am.**

**PRESENT**

Councillor Dave Clark (Vice Convenor)  
Councillor Helen Lewis  
Councillor Jane McTaggart (S)  
Councillor Kenneth Earle (S)

**IN ATTENDANCE**

Stuart Crickmar, Strategic Director, Partnership and Performance  
Fiona McOmish, Strategic Director, People  
Lindsay Sim, Chief Finance Officer  
Ashleigh MacGregor, Team Leader, Finance  
Elizabeth Hutcheon, Management Accountancy Team Leader  
Tom Reid, External Audit  
Pamela Morrison, External Audit  
Graham Templeton, Internal Audit Officer  
Derek Barr, Procurement Manager  
Lindsay Thomson, Senior Manager, Partnership and Performance (Clerk to the Committee)  
Gillian White, Committee Services

**AC(19)08 APOLOGIES**

Apologies for absence were received from Councillor Bill Mason (Convenor), Councillor Darren Lee, Councillor Tina Murphy, Councillor Derek Stewart, Councillor Dixon and Councillor Ellen Forson. Councillor McTaggart acted as substitute for Councillor Forson and Councillor Earle acted as substitute for Councillor Stewart. In the absence of the Convenor, the Vice Convenor took the Chair.

**AC(19)09 DECLARATIONS OF INTEREST**

None.

**AC(19)10 CONFIRM MINUTES OF MEETING HELD 7 FEBRUARY 2019**

The minutes of the Meeting of the Audit Committee held on 7 February 2019 were submitted for approval.

The Clerk advised there had been some typographical errors within the minute: on Page 1, "In Attendance", the external auditor should have been named as Tom **Reid**, not Baird; on Page 6, AC(19)06, in the decision paragraph 2, the overspend for the year should be £1.152**m**; and on Page 7, AC(19)06, in the decision paragraph 5, the savings programme should be £7.3**m**.

**Decision**

Subject to the amendments, the minutes of the Meeting of the Audit Committee held on 7 February 2019 were agreed as a correct record and signed by the Vice Convenor.

**AC(19)11      EXTERNAL AUDIT: MANAGEMENT REPORT 2018/19**

The report, submitted by the Chief Finance Officer and Section 95 Officer, summarised the key issues identified during the interim audit work. The findings from this work will influence the approach to the audit activity in respect of the audit of the financial year 2018/19.

**Motion**

That Committee agrees the recommendation set out in the report.

Moved by Councillor Helen Lewis. Seconded by Councillor Kenneth Earle.

**Decision**

Having commented on and challenged the report, the Committee agreed to note the key issues identified in the report.

**AC(19)12      INTERNAL AUDIT PLAN 2019/20**

The report, submitted by the Internal Audit Manager, presented an Internal Audit Plan for 2019/20 for approval.

**Motion**

That Committee agrees the recommendation set out in the report.

Moved by Councillor Helen Lewis. Seconded by Councillor Kenneth Earle.

**Decision**

The Committee agreed to:

1. Note the resources available to Internal Audit;
2. Approve the Internal Audit Plan for 2019/20; and
3. Not that progress will be reported to the Audit Committee on an ongoing basis.

**Action**

Internal Audit Manager

**AC(19)13      COUNCIL FINANCIAL PERFORMANCE 2018/19 – DECEMBER OUTTURN**

The report, submitted by the Chief Finance Officer, provided an update on the financial performance for the Council in respect of the General Fund (GF) revenue and capital spend and the achievement of savings to date, for the current financial year, 2018/19. The paper also provided an update on the financial performance for the Council in respect of the Housing Revenue Account (HRA) revenue and capital spend, for the current financial year, 2018/19.

**Motion**

That Committee agrees the recommendation set out in the report.

Moved by Councillor Helen Lewis. Seconded by Councillor Kenneth Earle.

## **Decision**

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

1. General Fund (GF) revenue spend is forecasting an improved position with an underspend of £(1.044)m for the year to 31 March 2019;
2. The Health and Social Care Partnership (H&SCP) is forecasting an overspend for the year of £1.156m;
3. The forecast Housing Revenue Account (HRA) revenue surplus for the year of £(0.584)m to March 2019;
4. The capital programme in both HRA and GF are currently showing slippage and are expected to be underspent by the year end; and
5. The improved likely achievement in delivering the £7.2m savings programme currently 85.7%, to the end of December (83.5% October).

## **AC(19)14            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 report, submitted by the Strategic Director (Partnership and Performance), provided detail on exceptions to Contract Standing Orders submitted in the previous quarter.

### **Motion**

That Committee agrees the recommendation set out in the report.

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

### **Decision**

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

## **AC(19)15            BUILDING SECURITY**

On 7 February 2019, a paper entitled "Internal Audit Progress Report 2018/19" was considered by the Audit Committee. Contained within that report was the outcome of an audit on building security that had found that "No Assurance" could be provided in relation to the adequacy of the controls in place to ensure that the Council's buildings and their contents are secured. The report, submitted by the Strategic Director (Partnership and Performance) provided a further update on mitigating measures and progress made to date.

### **Motion**

That the Committee agrees the recommendation set out in the report.

Moved by Councillor Kenneth Earle. Seconded by Councillor Helen Lewis.

### **Decision**

Having commented on and challenged the contents of the report, the Committee agreed that a further progress report be brought back to the Audit Committee no later than 31 December 2019.

**Action**

Strategic Director (Partnership and Performance)

Ends 1026 hours