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THIS PAPER RELATES TO ITEM 3 ON THE AGENDA

MINUTES OF MEETING of the AUDIT AND SCRUTINY COMMITTEE held in Council Chambers, Kilncraigs, Alloa on THURSDAY 11 JUNE 2026 at 9.30 AM.

PRESENT

Councillor Janine Rennie (Chair)
Councillor Martha Benny
Councillor Kenneth Earle (via Teams)
Councillor Phil Fairlie (via Teams)
Councillor Scott Harrison (S)

IN ATTENDANCE

Chris Alliston, Head of Corporate Services
Lorraine Sanda, Depute Chief Executive/Director of Wellbeing
Kevin Wells, Director of Place and Economy
Colin Bruce, Head of Wellbeing Service/Chief Education Officer
Sharon Robertson, Head of Wellbeing Service/Chief Social Work Officer
Lindsay Sim, Chief Finance Officer (Corporate Services)
Lee Robertson, Senior Manager, Legal and Governance (Corporate Services)
Alastair Hair, Organisational Development Adviser (Corporate Services)
Sarah Langsford, HR Team Leader (Corporate Services)
Cherie Jarvie, Senior Manager, Partnership and Transformation (Corporate Services)
Stephen Craig, External Auditor, Deloitte (via Teams)
Rebbecca McConnachie, External Auditor, Deloitte (via Teams)
Katie Roddie, Team Leader Business Improvement (Place and Economy)
Sarah McPhee, Senior Internal Auditor, Falkirk Council (via Teams)
Derek Barr, Procurement Manager (Corporate Services)
Fi Grinly, Strategy and Performance Adviser (Corporate Services)
Johan Roddie, Senior Manager, Permanence (Wellbeing) (via Teams)
Wendy Forrest, Head of Strategic Planning and Health Improvement (HSCP)
Judi Richardson, Performance and Information Adviser (Corporate Services)
Wendy Robertson, Senior Manager (Transformation & Capital) (Via Teams)
Rona Burns, Solicitor, Legal and Governance (Corporate Services) (Depute Clerk to the Committee)
Melanie Moore, Committee Services, Legal and Governance (Corporate Services) (Minute)
Gillian White, Committee Services, Legal and Governance (Corporate Services)

Before moving to substantive business, the Chair, proposed a change to the order of the agenda items relating to Internal Audit. Having considered the structure and flow of the reports and in discussion with Internal Audit and the Clerk, under Standing Order 10.5 to amend the order as follows:

The revised order would be:

- *Item 9 – Internal Audit Strategy and Internal Audit Charter*
- *Item 8 - Internal Audit Progress Report*
- *Item 7 - Internal Audit Plan*
- *Item 6 - Internal Audit Annual Assurance Report*

The change reflects the nature of the papers. The Strategy and Charter is a standalone report linked to compliance with the Global Internal Audit Standards. The remaining reports then follow a logical sequence, progress to date, forward planning and the annual assurance option.

Reordering the items in this way will provide a clearer narrative for Members and reduce perceived duplication.

AS(26)25 APOLOGIES

Apologies were received from Councillor Coyne, Councillor Forson, Councillor Keogh and Councillor Quinn. Councillor Harrison is in attendance today as a substitute for Councillor Forson.

AS(26)26 DECLARATIONS OF INTEREST

None.

AS(26)27 MINUTE OF AUDIT AND SCRUTINY COMMITTEE HELD ON 23 APRIL 2026

The minutes of the meeting of the Audit and Scrutiny Committee held on Thursday 23 April 2026 were submitted for approval.

Decision

The minutes of the meeting of the Audit and Scrutiny Committee held on Thursday 23 April 2026 were agreed as a correct record by the Committee and signed off by the Chair.

AS(26)27 COUNCIL FINANCIAL PERFORMANCE 2025/26 AS AT MARCH 2026

The report, submitted by the Chief Finance Officer, provided Committee an update on the financial performance for the Council, as at 31 December 2025, in respect of the General Fund (GF) revenue spend and the achievement of savings for the financial year 2025/26, and the Clackmannanshire element of the Stirling and Clackmannanshire Health and Social Care Partnership (H&SCP) revenue spend.

Motion

That the Committee agrees the recommendations as set out in the report.

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

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

1. General Fund revenue forecast underspend of £(3.637)m for the year to 31 March 2026;

2. The Clackmannanshire element of the Health and Social Care Partnership (H&SCP) forecast overspend of £6.265m, for the year to 31 March 2026;

3. The balances of earmarked reserves used to date and remaining balances at 31 March 2026;

4. Delivery of £3.231m of the £3.814m approved savings programme, representing a forecasted achievement of 84.7%, as at March 2026: and

5. The General Fund Capital programme forecast underspend of £(9.648)m.

AS(26)28 HRA FINANCIAL PERFORMANCE 2025/26 AS AT MARCH 2026

The report, submitted by the Chief Finance Officer, provided an update on the financial performance, as at 31 March 2026, in respect of the Housing Revenue Account (HRA) revenue and capital spend for the financial year 2025/26.

Motion

That the Committee agrees the recommendations as set out in the report.

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

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

1. The HRA revenue surplus of £(6.441)m which is £(1.785)m greater than budgeted for the year to 31 March 2026; and

2. The HRA Capital programme forecast underspend of £(6.347)m;

The next items of business were in the following order, Item 9, Item 8, Item 7 and Item 6.

AS(26)29 INTERNAL AUDIT STRATEGY AND INTERNAL AUDIT CHARTER

This report, submitted by the Internal Audit Manager, sought Audit and Scrutiny Committee's approval of the Internal Audit Strategy and an updated Internal Audit Charter.

Motion

That the Committee agrees the recommendations as set out in the report.

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

The Committee agreed to:

1. Consider and approve the Internal Audit Strategy attached at Appendix 1;

2. Consider and approve the Internal Audit Charter attached at Appendix 2; and

3. Note that both documents meet the requirements of the Global Internal Audit Standards and their application in the UK Public Sector.

AS(26)30 INTERNAL AUDIT PROGRESS REPORT

The report, submitted by the Head of Corporate Services, provided the Committee with an update on the progress with completion of the 2025/26 Internal Audit Plan.

Motion

That the Committee agrees the recommendations as set out in the report.

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

The Committee agreed to note:

1. Progress made with the finalisation of the 2025/26 Internal Audit Plan;

2. The carry forward of three audits into the 2026/27 Internal Audit Plan; and

3. The action taken on duplicate payments.

AS(26)31 INTERNAL AUDIT PLAN 2026/27

The report, submitted by the Internal Audit Manager, presented the Committee the 2026/27 Internal Audit Plan for approval.

Motion

That the Committee agrees the recommendations as set out in the report.

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

The Committee agreed to:

1. Note the resources available to Internal Audit and that the plan is flexible;

2. Approve the Internal Audit Plan for 2026/27; and

3. Note that progress will be reported to the Audit and Scrutiny on an ongoing basis, with any significant changes in-year brought back for approval.

AS(26)32 INTERNAL AUDIT ANNUAL ASSURANCE REPORT 2025/26

The report, submitted by the Internal Audit Manager, provided the Committee an overall assurance on the Council's arrangements for risk management, governance, and control, based on Internal Audit work undertaken during 2025/26. It also sets out how Internal Audit operates in compliance with the Global Internal Audit Standards and provides an update on performance via Key Performance Indicators.

Motion

That the Committee agrees the recommendations as set out in the report.

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

The Committee agreed to note:

1. Progress with 2025/26 work and that sufficient Internal Audit work was undertaken to support a balanced assurance;

2. Progress with the National Fraud initiative 2024/25 Exercise;

3. The action taken on duplicate creditor payments;

4. Progress with overdue recommendations;

5. Internal Audit, met, and exceeded two of its Key Performance Indicators, however, performance dropped slightly in one of the indicators;

6. Internal Audit can provide **LIMITED** assurance on the Council's arrangements for risk management, governance, and control for the year to 31 March 2026; and

7. In providing this opinion, Internal Audit operated with no real or apparent impairment or restriction to scope / independence / objectivity of internal audit activity during the year.

AS(26)32 INTERNAL AUDIT ACTIONS - PROGRESS REPORT

The report, submitted by the Head of Corporate Services, provided the Committee with an update on the progress against actions arising from Internal Audit reports.

Motion

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

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

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

AS(26)33 ANNUAL GOVERNANCE STATEMENT 2024-25: END OF YEAR PROGRESS

The report, submitted by the Strategy and Performance Adviser, provided an end-of-year on progress of actions agreed to address areas for improvement previously identified from the Council's Annual Governance Statement (AGS) self-assessment activity. Progress reflects activity completed or underway up to 31 March 2026.

Motion

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

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

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

AS(26)34 CORPORATE RISK REGISTER

The report, submitted by the Senior Manager, Partnership and Transformation, provided the Committee with the 2025/26 Quarter 4 update on Clackmannanshire Council's Corporate Risk Register (Appendix A).

Motion

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

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

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

AS(26)35 EXCEPTIONS FROM THE APPLICATION OF CONTRACT STANDING ORDERS

It is a requirement of Contact Standing Orders that exceptions should be reported to the next available Audit and Scrutiny Committee. The purpose of this paper therefore is to provide detail on any Exceptions to Contract Standing Orders in the previous quarter.

Motion

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

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

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

AS(26)36 AUDIT AND SCRUTINY COMMITTEE FORWARD PLAN 2026/27

The report, submitted by the Head of Corporate Services, enabled members to review and approve the Audit and Scrutiny Committee forward plan for 2026-2027, agree on the process for completing the Committee self-evaluation to inform its Annual Report, and note the progress of the Committee agreed training plan.

Motion

That the Committee agrees the recommendations as set out in the report.

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Amendment

The Committee were asked to amend recommendation 2.1.2 as follows:

"To agree that all Committee members complete the online self-evaluation questionnaire, Appendix 2, by 31 July 2026."

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

The Committee agreed to:

1. Approve the draft forward plan as set out in Appendix 1;

2. Agree that all Committee members complete the online self- evaluation questionnaire, Appendix 2, by 31 July 2026;

3. Agree that all Committee members will meet informally during September 2026 to review the results of the self-evaluation exercise. This will support the preparation of the Committee's Annual Report for consideration at the October 2026 meeting and subsequent submission to Council;

4. Note the progress made in relation to the 2025/26 training plan (as detailed in paragraph 3.6).

AS(26)37 PARTNERSHIP AND PERFORMANCE: 2025/2026 YEAR END BUSINESS PLAN UPDATE

The report, submitted by the Strategic Director, Partnership and Performance, provided a year end update on the 2025/26 Partnership and Performance Business Plan. While a detailed summary is available in Appendix, key highlights and considerations are presented below.

Motion

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

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

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

AS(26)38 SCOTTISH HOUSING REGULATOR ANNUAL RETURN OF THE CHARTER (ARC)

The report, submitted by the Strategic Director, Place, provided information to the Committee on the Annual Return of Charter (ARC) submitted to the Scottish Housing Regulator (SHR) on 31 May 2026 (Appendix 1). The purpose of this report is to allow Housing Service performance to be scrutinised in a meaningful way.

Motion

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

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

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

AS(26)39 HSCP – CLACKMANNANSHIRE LOCALITY PERFORMANCE REPORT 2025/26 Q4 (1 JANUARY TO 31 MARCH 2026)

The report, submitted by the Head of Strategic Planning and Health Improvement, highlighted the work undertaken by Clackmannanshire and Stirling Health Care Partnership (HSCP) and its impact upon performance for the locality of Clackmannanshire.

Motion

That the Committee agrees the recommendations as set out in the report.

Moved by Councillor Janine Rennie. Seconded by Councillor Martha Benny.

Decision

The Committee agreed to note:

1. This paper and the continuing work being undertaken across Clackmannanshire;

2. The performance of Clackmannanshire locality within the Clackmannanshire and Stirling HSCP.

Ends 11:43 hrs