

**ABERDEENSHIRE COUNCIL**  
**SCRUTINY AND AUDIT COMMITTEE**

**WOODHILL HOUSE, ABERDEEN, 1 JULY, 2016**

**Present:** Councillors G Owen (Chair), R Cassie (Vice Chair), P W Bellarby, A J C Cullinane, K Farquhar, J Ingram and C Shand.

**Apologies:** Councillors A C Duncan, I Gray, G Petrie, I Tait and M Watt.

**Officers:** Director of Business Services, Head of Finance, Head of Service (HR and OD), Chief Internal Auditor, Corporate Finance Manager, Performance and Worksmart Team Manager, Chief Accountant, Communications Team Leader, Sustainability and Climate Change Co-ordinator, Solicitor (F Stewart) and Committee Officer (V McCaskill).

**OPENING REMARKS FROM THE CHAIR**

The Chair opened the meeting and invited members and officers to observe a minute's silence for the centenary of the Battle of the Somme. Thereafter, the Chair advised that Alex Stephen, Corporate Finance Officer, and Victoria McCaskill, Committee Officer, were leaving their posts and would no longer be working with the Scrutiny and Audit Committee. The Chair thanked them both for their hard work and input throughout the time that they had worked with the Committee.

**1. DECLARATION OF MEMBERS' INTERESTS**

The Chair asked Members if they had any interests to declare in terms of the Councillors' Code of Conduct. No interests were intimated.

**2(a). PUBLIC SECTOR EQUALITY DUTY**

In taking decisions on the undernoted items of business, the Committee **agreed**, in terms of Section 149 of the Equality Act 2010 to:-

- (1) have due regard to the need to :-
  - (a) eliminate discrimination, harassment and victimisation,
  - (b) advance equality of opportunity between those who share a protected characteristic and persons who do not share it,
  - (c) foster good relations between those who share a protected characteristic and persons who do not share it, and
- (2) consider the contents of equality impact assessments, where provided, and to take those into account when reaching a decision.

**2(b). RESOLUTION**

The Committee **agreed** in terms of Section 50A (4) and (5) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of Item 3 so as to avoid disclosure of exempt information of the classes described in paragraphs 1, 12 and 14 of Part 1 of Schedule 7A of the Act.

### 3. INTERNAL AUDIT REPORTS (EXEMPT)

There had been circulated a report dated 15 June, 2016, by the Chief Internal Auditor on a recent internal audit report on *School Crossing Patrollers Payroll* which had been reported to Education, Learning and Leisure Committee in May, 2016. Appendices were attached to the report setting out progress made by Services in completing agreed recommendations contained in internal audit reports as at 15 June, 2016.

After discussion, the Committee **agreed** to note the issues raised within the report and attached appendices.

### 4. INTERNAL AUDIT REPORTS (PUBLIC)

There had been circulated a report dated 15 June, 2016, by the Chief Internal Auditor, on recent internal audit reports considered by Education, Learning and Leisure and Policy and Resources Committees during May and June, 2016. Audits had been carried out into *SEEMiS; Aberdeen Western Peripheral Route; and Travel and Subsistence*. Appendices were attached to the report setting out progress made by Services in completing agreed recommendations contained in internal audit reports as at 15 June, 2016.

During discussion, members asked a questions relating to internal audit reports on *SEEMiS; Travel and Subsistence; and Aberdeen Western Peripheral Route*.

As requested by the Committee at the meeting of 30 March, 2016, Claudia Cowie, Sustainability and Climate Change Co-ordinator, was in attendance and provided members with an update on work undertaken to implement agreed recommendations from Internal Audit 1521 – Energy Efficiency. After receiving the update, the Chair thanked Ms Cowie for the information provided.

After consideration, the Committee **agreed**:-

- (1) to note the issues raised within the report and attached appendices,
- (2) to note the information provided in the update from the Sustainability and Climate Change Co-ordinator,
- (3) to instruct officers to find out how many councillors had not yet completed the data protection training and to issue a reminder to councillors that this training needed to be undertaken,
- (4) to instruct officers to email all councillors about the need for VAT receipts to be submitted with travelling and subsistence expenses claims, and
- (5) to reiterate that, for future meetings of the Committee, where Internal Audit had not been provided with updates from Services by the time of the Pre-meeting, officers from those Services would be called before Committee to provide updates in person.

### 5. FINANCIAL YEAR END POSITION 2015/16

There had been circulated a report dated 17 June, 2016, by the Director of Business Services, which asked members to (1) consider the unaudited Annual Accounts 2015/16 for Aberdeenshire Council and its Charitable Trusts; (2) note the revenue budget monitoring position at 31 March, 2016; and (3) note the balances of the General Fund, HRA and other statutory and usable reserves. A series of appendices were attached to the report and these provided a summary of revenue monitoring by Service; a summary of revenue monitoring by function; variance analysis; summary of revenue monitoring virements; summary of

earmarked reserves and statutory fund 2015/16 for monitoring report; and end year flexibility requests 2015/16.

During discussion, members expressed disappointment that the Committee had not been asked to monitor end year flexibility requests on this occasion.

Thereafter, the Committee **agreed**:-

- (1) to note the unaudited Annual Accounts 2015/16 for Aberdeenshire Council and its Charitable Trusts,
- (2) to note the revenue budget monitoring position at 31 March, 2016,
- (3) to note the balances of the General Fund, HRA and other statutory and usable reserves,
- (4) to note that End Year Flexibility monitoring would be brought back to the Committee for consideration and that the Director of Business Services and the Head of Finance would meet to progress this, and
- (5) to instruct officers to circulate a copy of the email from the Corporate Finance Manager to the Chair of the Committee, giving further information on a number of queries relating to End Year Flexibility, to Committee members.

## **6. SCRUTINY AND AUDIT COMMITTEE ANNUAL REPORT 2015/16**

There had been circulated a report dated 20 June, 2016, by the Director of Business Services, which asked members to consider and approve the draft Scrutiny and Audit Committee Annual Report. A copy of the draft Annual Report was attached as an appendix to the report.

After consideration, the Committee **agreed**:-

- (1) to approve the draft Scrutiny and Audit Committee Annual Report,
- (2) to delegate authority to approve the final version of the Annual Report to the Director of Business Services, following consultation with the Chair and Vice Chair of Scrutiny and Audit Committee.

## **7. TOPIC SCORING – OUTCOMES AND SIX MONTH WORKPLAN**

There had been circulated a report dated 20 June, 2016, by the Director of Business Services, which stated that the Committee had met informally on 8 June, 2016, to consider topics which had been submitted by members and officers for consideration as topics for investigation. The topics submitted, decisions taken by the Committee and the reasons for the decisions were detailed in Appendix 1 to the report.

Work had also been carried out to identify a suitable schedule of dates going forward for the Committee to undertake investigation work or to hold workshops. Appendix 2 to the report set out a series of suggested dates for members to hold in their diaries.

After consideration, the Committee **agreed**:-

- (1) to approve the record of decisions taken, and the reasons for those decisions, from the informal meeting of the Committee on 8 June, 2016, as detailed in Appendix 1 of the report, and

- (2) to agree to the proposed timetable of meeting weekly on Monday afternoons and/or Wednesdays/Thursdays from September to December, 2016.

#### **8. PROGRESS WITH ACTIONS FROM PREVIOUS SCRUTINY AND AUDIT COMMITTEE MEETINGS**

There was circulated a report dated 15 June, 2016, by the Director of Business Services, which updated members on progress made with actions agreed at the previous meeting of the Scrutiny and Audit Committee, held on 19 May, 2016. One action was outstanding from the meeting of the Committee held on 18 February, 2016, and several actions from the meeting on 30 March, 2016, were ongoing. These outstanding actions were also detailed within the report.

After consideration, the Committee **agreed** to note the contents of the report and appendix.