

AUDIT AND GOVERNANCE PANEL.

Minutes of meeting in County Buildings, Wellington Square, Ayr
on 5 December 2019 at 10.00 a.m.

Present: Councillors Martin Dowey (Chair), Alec Clark, Brian Connolly, Hugh Hunter, Lee Lyons and Arthur Spurling.

Apologies: Councillors Chris Cullen and Helen Moonie.

Attending: T. Baulk, Head of Finance and ICT; K. Briggs, Service Lead – Legal and Licensing; D. Love, Senior Accountant – Capital/Treasury; L. Miller, Chief Internal Auditor; D. Urquhart, Senior Investigations Officer; and J. McClure, Committee Services Lead Officer.

1. Declarations of Interest.

There were no declarations of interest by Members in terms of Council Standing Order No. 17 and the Councillors' Code of Conduct.

2. Call-ins from Leadership Panel.

The Panel noted that there were no call-ins from the Leadership Panel of 26 November 2019.

3. Minutes of Previous Meeting.

The Minutes of the meeting of [6 November 2019](#) (issued) were submitted and approved.

4. Action Log and Work Programme.

There was submitted an update of the [Action Log and Work Programme](#) for this Panel (issued).

The Panel, having expressed its pleasure that all outstanding actions had been completed,

Decided: to note the current status of the Action Log and Work Programme.

External Audit Reports.

5. External Audit Reports – Progress to 31 October 2019.

There was submitted a [report](#) (issued) of 26 November 2019 by the Head of Finance and ICT providing the Panel with an update on the progress that the Council was making in relation to external audit improvement actions.

Following a question from a Panel Member on the objective of Participatory Budgeting, the Head of Finance and ICT advised that his view was that Participatory Budgeting was engaging with the public on how Council monies should be expended; that the Council was exceeding its obligations in this regard; and that external auditors were comfortable with the Council's approach to Participatory Budgeting, however, had requested that the outcomes of the engagement process be monitored.

The Panel

Decided: to note the progress against the Council's external audit improvement actions as presented in the report.

Internal Audit Reports.

6. Corporate Fraud Team – Activity Report.

There was submitted a [report](#) (issued) of 26 November 2019 by the Chief Internal Auditor outlining the Corporate Fraud Team's (CFT) activity from 1 April to 30 September 2019.

Following a question from a Panel Member on the figures for Blue Badge Parking Permit errors, the Senior Investigations Officer advised that these were systems generated figures.

In response to a question on the matrix relating to tenancy fraud, the Senior Investigations Officer advised that the figures related to the estimated savings when a tenancy was removed from a tenant, as someone on the housing waiting list could then be granted this property, resulting in the subsequent cost of their temporary accommodation being saved by this authority.

The Panel, having scrutinised the report,

Decided: to note the contents of the report.

Other Governance Reports.

7. Treasury Management Mid-Year Report 2019/20.

There was submitted a [report](#) (issued) of 26 November 2019 by the Head of Finance and ICT providing Panel Members with a mid-year treasury management update for the financial year 2019/20.

Following a question from a Panel Member on whether it would now be prudent to borrow from other sources due to the increase in borrowing from the Public Works Loan Board (PWLB), the Head of Finance and ICT advised that the PWLB rate had previously been the lowest, however, other sources of borrowing were now also being investigated; and the Senior Accountant – Capital/Treasury further advised that a number of local authorities were also looking to borrow elsewhere.

A question was raised by a Panel Member on the Council's Authorised Limit and how controllable this limit was and the Head of Finance and ICT advised that the limits were to give an operational boundary and allow members to monitor actual borrowing activity against planned activity. If a specific event caused the Council to go above the limit, this would be brought to Members' attention.

On a question from a Member on who had provided the forecast and commentary within the Appendix, the Head of Finance and ICT advised that this had been written by LINK Asset Services, Advisers to the Council.

The Panel, having scrutinised the contents of the report

Decided: to remit this report to the Leadership Panel of 21 January 2020 for approval.

The meeting ended at 10.25 a.m.