

AUDIT COMMITTEE – 21 AUGUST 2018

Audit Committee

Tuesday 21 August 2018 at 3pm

Present: Provost Brennan, Councillors Brooks, Curley, Jackson (for McCabe), Moran (for McCormick), J McEleny, McVey, Murphy, Nelson, Quinn and Rebecchi.

Chair: Councillor Rebecchi presided.

In attendance: Corporate Director Environment, Regeneration & Resources, Chief Internal Auditor, Ms G Murphy (for Head of Legal & Property Services), Ms D Sweeney (Legal & Property Services) and Mr M Thomson (for Chief Financial Officer).

In attendance also: Mr T Yule, Audit Scotland.

The following paragraphs are submitted for information only, having been dealt with under the powers delegated to the Committee.

430 Apologies, Substitutions and Declarations of Interest 430

Apologies for absence were intimated on behalf of Councillor McCabe, with Councillor Jackson substituting and Councillor McCormick, with Councillor Moran substituting.

Councillors Brooks and J McEleny declared an interest in agenda item 3 (Internal Audit Progress Report – 30 March to 27 July 2018).

431 Interim Audit Letter – Review of Internal Controls and Financial Systems 2017/18 431

There was submitted a report by the Chief Financial Officer bringing to the attention of the Committee a letter received from Audit Scotland regarding a review of Inverclyde Council's internal controls and financial systems for 2017/18.

Decided: that the Committee note the contents of the interim letter received from Audit Scotland and the matters arising as detailed in the Appendix to the report.

432 Internal Audit Progress Report – 30 March to 27 July 2018 432

There was submitted a report by the Corporate Director Environment, Regeneration & Resources appending the monitoring report in respect of Internal Audit activity for the period 30 March to 27 July 2018.

Councillors Brooks and J McEleny declared a non-financial interest in this item as Board Members of Inverclyde Leisure. They also formed the view that the nature of their interest and of the item of business did not preclude their continued presence in the Chamber or their participation in the decision-making process.

Decided: that the monitoring report in respect of Internal Audit activity for the period 30 March to 27 July 2018 be noted.

433 Internal Audit Annual Report and Assurance Statement 2017/18 433

There was submitted a report by the Corporate Director Environment, Regeneration & Resources presenting the Internal Audit Annual Report and Assurance Statement for

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2017/18 which forms part of the Council's Annual Governance Statement.

Decided: that the content of the Internal Audit Annual Report and Assurance Statement 2017/18 be noted.

434 Annual Review of Risk Management Activity 2017/18 434

There was submitted a report by the Corporate Director Environment, Regeneration & Resources advising of progress made in 2017/18 in developing and monitoring a strategic approach to managing risks faced by the Council, which forms part of the Council's overall Corporate Governance Framework.

Decided: that the progress made in 2017/18 in developing, implementing and monitoring a coherent corporate approach to managing risks faced by the Council be noted.

435 Audit Scotland National Report: The National Fraud Initiative in Scotland – July 2018 435

There was submitted a report by the Corporate Director Environment, Regeneration & Resources appending Audit Scotland's report "The National Fraud Initiative in Scotland", providing an overview of the key messages and recommendations raised in the report and how these issues are being addressed by the Council.

Decided: that the content of the report be noted and that a further update report be submitted to the February 2019 Audit Committee outlining the Council's progress.

It was agreed in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 as amended, that the public and press be excluded from the meeting during consideration of the following item on the grounds that the business involved the likely disclosure of exempt information as defined in paragraph 1 of Part I of Schedule 7(A) of the Act.

436 Internal Audit Progress Report - Appendix 436

There was submitted an appendix relative to Item 3, (the Internal Audit Progress Report), providing details of a special investigation undertaken since the last meeting of the Committee.

Following discussion the Committee agreed to authorise a number of actions relative to the special investigation, all as detailed in the appendix.