

MINUTE of MEETING of the AUDIT COMMITTEE held within COUNCIL CHAMBERS, WEST LOTHIAN CIVIC CENTRE, on 24 MARCH 2023.

Present – Councillors Angela Doran-Timson (Chair), Lawrence Fitzpatrick, Lynda Kenna, Pauline Orr and Kirsteen Sullivan; Moira Glencorse (Lay Member)

In attendance – Elaine Cook (Depute Chief Executive), Kenneth Ribbons (Audit, Risk and Counter Fraud Manager), Donna Adam (Strategic Resource Manager), David Baird (Property Services Manager), Stuart Saunders (Senior Compliance Officer), Reta Wallace (Group Accountant), Kenny Wilson (Auditor); Brian Battison (Audit Scotland) and Rachel Browne (Audit Scotland)

1        OPENING REMARKS

The committee noted that at its meeting on 14 March 2023 West Lothian Council had extended Moira Glencorse's appointment as Lay Member of the Audit Committee for a further three years.

2        DECLARATIONS OF INTEREST

There were no declarations of interest made.

3        ORDER OF BUSINESS

The committee agreed to hear agenda items 8–11 and 13 in accordance with Standing Order 8(3).

4        MINUTES

The committee confirmed the minute of its meeting held on held on 20 January 2023 as a correct record. The minute was thereafter signed by the Chair.

5        AUDIT COMMITTEE WORKPLAN

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager informing members of the proposed workplan for 2023/24.

During discussion, it was noted that there was flexibility in the workplan to allow for non-planned items and that the Audit, Risk and Counter Fraud Manager was happy to engage with Chair and committee members in terms of the programme of work going forward.

It was recommended that the committee approve the workplan for 2023/24.

Decision

To approve the terms of the report.

6 INTERNAL AUDIT PLAN 2023/24

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager informing members of the 2023/24 internal audit plan.

During discussion, the Audit, Risk and Counter Fraud Manager explained the process of deciding on risk priority levels. He also provided assurance that the current controls in place for the climate change risk were effective; it was nevertheless proposed that consideration should be given on whether matters relating to the third part of the climate change risk could become a higher priority.

The Audit, Risk and Counter Fraud Manager also undertook to investigate and confirm whether blue badges were part of a local or national scheme.

It was recommended that the committee approve the 2023/24 internal audit plan.

Decision

To approve the terms of the report.

7 COUNTER FRAUD PLAN 2023/24

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager informing members of the 2023/24 counter fraud plan.

Resource issues were discussed and it was explained that staff reduction had led to the revision of fraud referral priority assessment procedures.

It was recommended that the committee approve the 2023/24 counter fraud plan.

Decision

To approve the terms of the report.

8 INTERNAL AUDIT OF SCHOOL FUNDS

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager informing members of the outcome of an internal audit of the administration of school funds within Education Services.

During discussion, it was clarified that the six-month limit for school fund account balances was considered on a case by case basis and in the case of long-term projects there was flexibility with regard to funds over the threshold amount.

It was recommended that the committee note that controls in place were considered to be satisfactory.

#### Decision

To note the terms of the report.

### 9 AUDIT COMMITTEE SELF ASSESSMENT FEEDBACK

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager informing members of the results of the recent self-assessment undertaken by its members.

Responses had been received from four out of the six committee members. Training would be developed to promote understanding of members' role on the committee and improve performance.

It was recommended that the committee:

1. Review the results of the self-assessment undertaken by its members; and
2. Considers any areas of concern and recommends appropriate actions to address them.

#### Decision

To note the terms of the report.

### 10 EXTERNAL AUDIT PLAN 2022/23

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager informing members of the external auditor's 2022/23 annual audit plan.

It was noted that Rachel Browne and Brian Battison would be the Audit Scotland contacts for the council going forward.

It was recommended that the committee note the external auditor's 2022/23 annual audit plan.

#### Decision

To note the terms of the report.

11      LOCAL GOVERNMENT IN SCOTLAND FINANCIAL BULLETIN 2021/22

The committee considered a report (copies of which had been circulated) by the Head of Finance and Property Services providing a summary of the Local Government in Scotland Financial Bulletin 2021/22 report, published by the Accounts Commission in January 2023.

It was recommended that the committee note the key messages included in the financial bulletin 2021/22.

Decision

To note the terms of the report.

12      PRIVATE SESSION

The committee resolved under Section 50(A) (4) of the Local Government (Scotland) Act 1973, that the public be excluded from the meeting during consideration of the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in paragraph 14 of Schedule 7A of the Act.

13      COUNTER FRAUD INVESTIGATION: THEFT OF PROMETHEAN PANELS

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager informing members of the outcome of an investigation into the theft of promethean panels from a school.

Members asked for further details regarding the case. Officers provided clarifications and undertook to confirm the number of council building doors covered by CCTV. An update on Police Scotland's investigation progress and findings would be provided to the committee in due course. Members were assured that the action plan produced as a result of the counter fraud investigation was already in place.

It was recommended that the committee:

Note the findings of the counter fraud investigation and the agreed actions within the action plan; and

Note that in accordance with the council's Anti-Fraud and Corruption Policy, the matter has been reported to Police Scotland.

Decision

1. To note the terms of the report.
2. To provide an update on Police Scotland's investigation progress and findings to the committee in due course.

