MINUTE of MEETING of the AUDIT COMMITTEE held within COUNCIL CHAMBERS, WEST LOTHIAN CIVIC CENTRE, LIVINGSTON, EH54 6FF, on 16 JANUARY 2026.

Present – Councillors Angela Doran-Timson (Chair), Lawrence Fitzpatrick, Susan Manion and Pauline Orr; Moira Glencorse (Lay Member)

Apologies – Councillor Lynda Kenna

1 DECLARATIONS OF INTEREST

There were no declarations of interest made.

2 MINUTES

The committee confirmed the minute of its meeting held on Friday 17 October 2025 as a correct record. The Chair thereafter signed the minute.

3 AUDIT COMMITTEE SELF-ASSESSMENT

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager inviting members to review and renew the arrangements for carrying out a self-assessment of its administrative arrangements and activity.

It was recommended that the committee:

1. Consider the statements set out in the appendix to the report; and

2. Agree that, subject to any changes it considers appropriate, the statements be circulated to Audit Committee members, with the results to be reported back to the Committee at its next meeting on 20 March 2026.

The Chair encouraged all members to respond to the assessment in order to achieve a hundred percent response rate.

Decision

To approve the terms of the report.

4 INTERNAL AUDIT INTERIM REPORT (APRIL 2025 TO DECEMBER 2025)

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager informing members of progress in relation to the internal audit plan for 2025/26.

It was recommended that the committee note progress on the 2025/26 internal audit plan as set out in section D.1 of the report.

Decision

To note the terms of the report.

5 COUNTER FRAUD INTERIM REPORT (APRIL 2025 TO DECEMBER 2025)

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager informing members of the performance and activities of the Counter Fraud Team for the period from 1 April 2025 to 31 December 2025.

It was recommended that the committee note the performance and activities undertaken by the Counter Fraud Team during the first nine months of financial year 2025/26.

In response to questions from members, officers clarified that the data sets included in the National Fraud Initiative exercise were set by Audit Scotland and the council was fully compliant with the process. Members were advised that the number of current referrals was consistent with the number of referrals received in the past few years.

It was also noted that the vacancy in the Counter Fraud Team had now been filled; as a result, all referrals would be reviewed and progressed as high priority.

Common themes in tenancy fraud and blue badge fraud were also discussed.

Decision

To note the terms of the report.

6 RISK ACTIONS ARISING FROM AUDIT AND INSPECTION REPORTS

The committee considered a report (copies of which had been circulated) by the Audit, Risk and Counter Fraud Manager advising members of progress in implementing agreed actions arising from audit and inspection reports.

It was recommended that the committee note that there was one outstanding risk action arising from audit and inspection reports that had been due for completion on or before 31 March 2025.

During discussion, details of the transition process to the bespoke system which would address business continuity issues and deliver service improvement in Education Services as referenced in action ED21001 in Appendix One of the report were provided.

Members were also assured of the ongoing monitoring of progress with risk actions entered on the council's corporate risk management system Ideagen.

Decision

To note the terms of the report.

7 INTERNAL AUDIT OF PAYROLL – KEY CONTROLS

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 key controls over payroll.

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

The reasons for non-collection of salary overpayments were discussed. Members were assured that Form Log reports were now run monthly supplementing other internal controls and were sufficient to lower the relevant risk level.

Officers confirmed that actions related to *Review of System Access* and *Performance Indicator HRS207 – Number of out of course salary payments as a percentage of the under or over payments made per month* risks had been completed. It was also clarified that the increase in incorrect salary payments in October 2025 was partly due to seasonal staff contract review at end of term.

Details of the system cleanse under the System Access and Audit Trail were also provided.

Decision

To note the terms of the report.

8 INTERNAL AUDIT OF BURGH HALLS CAFE INCOME COLLECTION

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 the follow up audit of income collection arrangements at Linlithgow Burgh Halls café.

It was recommended that the committee note the findings of the follow up audit as set out in the report's executive summary.

Members were advised that only one member of staff per shift was required to access the till, thus bypassing the requirement for individual PIN for till access. Transition to the new Electronic Point of Sale System Staff had been smooth, with staff welcoming the new system and no adverse impact on customer service.

Decision

To note the terms of the report.

9 WORKPLAN

A workplan had been circulated for information.

Decision

To note the workplan.