



COMHAIRLE NAN EILEAN SIAR

AUDIT AND SCRUTINY COMMITTEE

Minute of Meeting held in Cnoc Soilleir,
Daliburgh, on Tuesday 23 April 2024 at 3.30pm.

PRESENT

Mr Angus Morrison (Chair)	Mr Iain A MacNeil
Mr Malcolm K Macdonald	Mr Rae Mackenzie
Mr Finlay M Stewart	Mr Mustapha Hocine
Mr George Murray	Mr Calum Maclean
Mr Ranald Fraser	
Mr Gordon Murray	
Mr John A Maciver	

MEMBERS IN ATTENDANCE

Mr Uisdean Robertson	Mr Iain M Macleod
Mr Duncan Macinnes	Mr Paul Steele
Mr Kenneth Macleod	Dr Frances Murray
Mr Norman Macdonald	Mr Angus McCormack

OFFICERS IN ATTENDANCE

Mr Malcolm Burr	Ms Norma Skinner
Mr Sandy Gomez	Ms Morag Fletcher
Ms Diane Campbell	Mr Neil Macleod
Mr David Macleay	Mr Martin Devenny
Mr Asif Haseeb	Mr Derek Mackay
Ms Rebecca Macleod	Ms Marina Macaulay
Mr Steven Ferguson	Ms Fiona Maciver
Ms Shona Hadwen	

Prayer

The Meeting was preceded in prayer by Cllr Finlay Stewart.

MINUTES

Minute of Meeting of 8 February 2024	1	The Minute of Meeting of 8 February 2024 was approved.
Declaration of Interest	2	There were no declarations of interest.

PERFORMANCE MONITORING

Service Business Plans and Operational Risk Registers 2024/25	3	The Chief Executive submitted a Report seeking approval of the Comhairle’s Service Business Plans 2024/25. The Comhairle approved the five-year Operational Plan and associated Service Business Plans (SBPs) 2022-2027 in February 2022 that were prepared in accordance with the Corporate Strategy 2022-2027. The Report stated that SBPs were developed, reviewed, and monitored periodically in the Comhairle’s electronic performance management system, Interplan. The organisational structure, as per Interplan March 2024, was provided at Appendix 1 to the Report and the Draft SPBs and Operational Risk Registers 2024/25 followed this structure.
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It was agreed to recommend, insofar as the Committee’s interests were concerned, that the Comhairle approve the Service Business Plans and Operational Risk Registers 2024/25

Business Continuity Plans	4	The Chief Executive submitted a Report providing an update on the status of Business Continuity Management across the Comhairle. The Report stated that risks that resulted in a disruption to service, required continuity strategies in place to allow the service to continue with minimum disruption to service users. Services were asked to prepare Business Continuity Plans (BCPs) for their most critical activities, therefore in the event of an incident causing service disruption, the BCP can be immediately actioned. A Business Continuity Management folder was available on SharePoint where Elected Members could view the most up to date documents. The Report further stated that the Corporate Continuity Plan would be reported to the next Committee Series in June 2024.
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It was agreed to recommend, insofar as the Committee’s interests were concerned, that the Comhairle note the Report.

Best Vale – Public Performance Reporting 2022-2023	5	With reference to item 3 of the Minute of Meeting of 26 April 2023, the Chief Executive submitted a Report providing an overview of the Comhairle’s Public Performance Reporting duty of Best Value for the 2022/23 period as per the Publication of Information (Standards of Performance) Direction 2021. The Report stated that the Comhairle had experienced a criminal cyber incident on Tuesday 7 November. A temporary website was launched on 14 November and, where available, Public Performance Reports (PPRs) were republished on the interim website.
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The Report indicated that as per Direction 2021, the Comhairle had a statutory duty to report its 2022/23 performance information on or before 31 March 2023. As detailed in the main body of the Report, the Comhairle made their performance reports 2022/23 available to the public on its [website](#) by the statutory deadline. It was highlighted that Head of Services would present their 2022/23 service performance reports to the June 2024 Series of Meetings for effective scrutiny and challenge against the duty of Best Value, if they had not already done so.

It was agreed to recommend that the Comhairle note the Report.

INTERNAL AUDIT MATTERS

Internal Audit Operational Plan 2024-25	6	The Chief Internal Auditor submitted a Report which sought approval of the Internal Audit Operational Plan covering period 2024-25. The Report stated that Public Sector Internal Audit Standards require that Internal Audit produce a risk based Internal Audit plan for each year and that this be approved by the Audit & Scrutiny Committee. The Report highlighted that the work undertaken allowed the formation of the Annual Assurance Statement which sought to provide assurance over the adequacy and effectiveness of the Comhairle’s framework of governance, risk management and control.
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The Report stated that the Comhairle’s Audit and Scrutiny Committee approved a three-year Strategic Audit Plan covering the period 2023-2026 on the 9th of February 2023. It was noted that year one of that Strategic Audit Plan formed the Operational plan for the internal audit section for 2024-25. The Report ensured that, despite the effects of the cyber incident still being felt in the Comhairle as well as the Internal Audit section, that work was targeted to ensure sufficient work would be undertaken to support and form the annual assurance statement following the end of the 2024-25 year.

It was agreed to recommend that the Comhairle approve the amended Operational Plan for 2024-25.

Internal Audit Key
Documentation
Update

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With reference to item 7 of the Minute of Meeting of 26 April 2023, the Chief Internal Auditor submitted a Report which sought agreement to continuing use of the current Internal Audit Charter, Manual and Anti-Fraud, Corruption, Bribery and Irregularity Strategy and Response Arrangements. The Report stated that the Public Sector Internal Audit Standards (PSIAS) require that Internal Audit sections have an Internal Audit Charter that includes specific requirements contained within the Standards. The Standards require that the organisation’s Audit & Scrutiny Committee approves the Internal Audit Charter.

The Report indicated that the key documents were last reviewed by the Audit & Scrutiny Committee on 26 April 2023. A review was completed by the Chief internal Auditor of all key documents, and these were considered to still be relevant and as such are presented to the Committee with no changes.

It was agreed to recommend that the Comhairle:

- (1) Approve the Internal Audit Charter at Appendix 1; and**
- (2) Note the Internal Audit Manual at Appendix 2.**

Internal Audit
Progress Report
2023-24

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With reference to item 9 fo the Minute of Meeting of 8 February 2024 the Chief Internal Auditor submitted a Report which summarised the internal audit activity within Comhairle nan Eilean Siar for the period covering 1 April 2023 to 9 April 2024. The activity has been based on the approved Strategic Audit Plan for the three years to 31 March 2026 and the revised Operational Internal Audit Plan for 2023/24. The Report noted that there was one outstanding item relating to 2022-23 of the plan, which was unlikely to be undertaken. Work included in the approved annual plan for 2023-24 and which was currently in progress included Care at Home.

The Report highlighted that there were currently no active investigations, however, ongoing work was being gathered of the effects and response to the cyber incident with a view to Report to the Committee in 2024/25.

It was agreed to recommend that the Comhairle note the Report.

INTERNAL AUDIT – FOLLOW-UP REVIEWS

Construction Design Management	9	The Chief Internal Auditor submitted a Report to update the Committee on recommendations made in the Construction Design Management report. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2023/24. In accordance with the remit detailed in the operational annual internal audit plan for 2022/23, the internal audit work was designed to obtain assurance that the original recommendations had been implemented. Assurance was obtained through internal audit testing and undertaking discussions with key personnel.
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The Report confirmed that there was one follow up recommendation made in the original report which had now been fully implemented.

It was agreed to recommend that the Comhairle note the Report.

Residential Care Services	10	The Chief Internal Auditor submitted a Report to update the Committee on recommendations made in the Residential Care Services report. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2023/24. It was highlighted that following up internal audit reports and assessing the level of compliance with recommendations made was an important part of the internal audit function.
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The Report confirmed that out of the eight follow up recommendations made in the original report, six had been fully implemented and management had confirmed that the remaining recommendations would be implemented by late 2024.

It was agreed to recommend that the Comhairle note the Report.

INTERNAL AUDIT – COMPLETED REVIEWS

Islands Deal Processes	11	The Chief Internal Auditor submitted a Report which provided an overview of the Comhairle’s arrangements for the operation and management of Islands Growth Deal. The Report provided detailed information in relation to the scope of the audit. The Report indicated the review concluded that there were no issues concerning the claims Processing Arrangements in relation to the Islands Growth Deal, and therefore no recommendations were made concerning the review.
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The Report indicated that based on the audit work carried out the overall opinion was that a full level of assurance could be placed upon the control environment of the service/area under review.

It was agreed to recommend that the Comhairle note the Report.

Corporate Training	12	The Chief Internal Auditor submitted a Report to update the Committee on recommendations made in the Corporate Training report. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2023/24. The detailed findings and recommendations were detailed in Section 2 of the Report.
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The Report confirmed that out of the eleven follow up recommendations made in the original report, five had been fully implemented and management had confirmed that the remaining recommendations would be implemented by late 2024.

It was agreed to recommend that the Comhairle note the Report.

Catering Trading Organisations	13	<p>The Chief Internal Auditor submitted a Report which provided an overview of the Comhairle’s arrangements for the operation and management of Catering Trading Organisations. The Report provided detailed information in relation to the scope of the audit. The Report indicated that there had been a few findings while undertaking the audit, and that a great deal of work had been undertaken by the Operational Manager and the team to address and resolve issues identified in the audit undertaken in 2020/21.</p> <p>The Report indicated that based on the audit work carried out the overall opinion was that a substantial level of assurance could be placed upon the control environment of the service/area under review. The Findings, Recommendations and Action Plan were detailed at Section 3 of the Report.</p> <p>It was agreed to recommend that the Comhairle note the Report.</p>
Community Learning and Development	14	<p>The Chief Internal Auditor submitted a Report which provided an overview of the Comhairle’s arrangements for the operation and management of Community Learning and Development. The Report provided detailed information in relation to the scope of the audit. The areas of good practice were highlighted at section 1.3 of the Report.</p> <p>The Report indicated that based on the audit work carried out the overall opinion was that a substantial level of assurance could be placed upon the control environment of the service/area under review. The Findings, Recommendations and Action Plan were detailed at Section 3 of the Report.</p> <p>It was agreed to recommend that the Comhairle note the Report.</p>
Reports Outstanding	15	<p>PERFORMANCE MONITORING</p> <p>The Chief Executive submitted a Report detailing the Reports Outstanding arising from decisions of the Committee.</p> <p>It was agreed to recommend that the Comhairle note the Report.</p>

