

Minutes

Financial Audit and Assurance
Committee
Thursday 27 April 2023, 9.15am
Online via Microsoft Teams

Present:

Tim McKay
Andrew Cowie
Geraldine Wooley
William Moyes

Other Commission members in attendance:

Christine Lester
Malcolm Bell
Jennifer Henderson
Ruth MacLeod

Apologies:

There were no apologies.

In attendance:

John Boyd, Audit Director, Audit Services Group (ASG) (item 4)
John Cornett, Executive Director of Audit Services
Blyth Deans, Interim Secretary
Helena Gray, Controller of Audit
Anne MacDonald, Senior Audit Manager, ASG (item 4)

1. Apologies for absence

It was noted that no apologies for absence had been received.

2. Declaration of connections or conflict

Geraldine Wooley declared a connection relating to item 4 as a member of the Local Taxation Chamber.

Andrew Cowie declared a connection relating to item 4 as a council taxpayer in Highland Council.

Helena Gray declared a connection relating to item 4 as a homeowner in Highland Council which required her to recuse herself from part of the discussion.

3. Minutes of meeting of 23 February 2023

The minutes of the meeting of 23 February 2023 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

Arising therefrom, the Committee:

In relation to paragraph 3, the bi-annual intelligence report will go to the next full Commission meeting.

Action: Interim Secretary

4. Current audit issues in councils

The Committee considered a report by the Controller of Audit providing a summary of emerging issues and recurring themes across local authorities in Scotland.

During discussion, the Committee:

- Noted that the Controller of Audit would bring an update on the annual audit delivery to the next Commission meeting.

Action: Controller of Audit

- Noted that the Annual Audit Reports will provide the Commission with an overview of the financial sustainability challenges facing Local Authorities, including how Councils may be using Council tax, reserves and efficiency savings to manage the challenges. The Annual Assurance and Risk Report as well as the Local Government Financial Bulletin will be an opportunity to consider this issue in more detail.

Action: Controller of Audit

- Requested further information on Finance Circular 10/2022 including a worked example.

Action: Controller of Audit/ Executive Director of Audit Services

Following discussion, the Committee:

- Took assurance that the auditor's responses detailed in the report recognise the scope of the risk identified and reflects the impact on planned audit work.
- Noted that the Glasgow S102 report will be tabled at the August meeting of the Commission and not June 2023.

Action: Controller of Audit

- Requested advice in the next current issues report on whether developments relating to the Corran Ferry present a material financial risk to the Council.

Action: Controller of Audit

5. Risk assessment and implications for the work programme

This item was subject of a joint meeting with the Performance Audit Committee and is contained in a separate minute.

6. Any other business

The Chair, having advised that there was no business for this item, closed the meeting.

Close of meeting

The meeting finished at 10.10 am.