



COMHAIRLE NAN EILEAN SIAR

AUDIT AND SCRUTINY COMMITTEE

Minute of Meeting held in Council Chamber,
Council Offices, Stornoway and through
Microsoft Teams on Thursday 30 November 2023
at 9.30am.

PRESENT	Mr Angus Morrison (Chair) Mr Malcolm K Macdonald (Vice-Chair) Mr Iain A MacNeil Mr Ranald Fraser	Mr John A Maciver Mr Rae Mackenzie
APOLOGIES	Mr John N Macleod Mr George Murray	Mr Calum Maclean
MEMBERS IN ATTENDANCE	Mr Paul Steele Mr Grant Fulton Mr Kenneth Macleod Dr Frances Murray	Mr Uisdean Robertson Mr Robert Mackenzie Mr Duncan MacInnes
OFFICERS IN ATTENDANCE	Mr Malcolm Burr Mrs Chrissie Macaulay Mr Iain GG Campbell Ms Rachel Brown, External Audit Mr Martin Devenny, External Audit Mr Jack Libby Mrs Shona Hadwen	Mr Sandy Gomez Ms Erica Geddes Mr Tim Langley Mr Asif Hasbeeb, External Audit Ms Katie Macaskill Mr James Mackinnon Mrs Yvonne Maciver

Prayer The Meeting was preceded in prayer by Mr Duncan MacInnes.

MINUTES

Minute of Meeting of 21 September 2023	1	The Minute of Meeting of 21 September 2023 was approved.
Declaration of Interest	2	There were no declarations of interest.

GOVERNANCE

Regulation of Investigatory Powers	3	With reference to item 5 of the Minute of Meeting of 8 December 2020, the Chief Executive submitted a Report to inform the Comhairle of the outcome of the latest assessment by the Investigatory Powers Commissioner's Officer. (IPCO) The Report stated that prior to the COVID pandemic, IPCO routinely carried out inspections every 3 years. In 2020, during the pandemic, it carried out a remote inspection, the outcome of which was reported to the Comhairle on 8 December 2020. The Report further stated that the IPCO no longer carried out routine inspections; it conducted a preliminary assessment of compliance by way of correspondence, and only then proceeds to a formal inspection if it considers it necessary.
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The Report highlighted that following such an assessment this year, IPCO reported that it was satisfied that the Comhairle was compliant and therefore did not require a formal inspection. It did however require that the Policy on Covert Surveillance be submitted to the Comhairle for approval. The Report indicated that the next assessment would be due in 2026.

It was agreed to recommend that the Comhairle:

- (1) note the Report; and**
- (2) approve the Policy on Covert Surveillance set out in the Appendix to the Report.**

INTERNAL AUDIT MATTERS

Internal Audit Progress 2023/24	4	With reference to item 8 of the Minute of Meeting of 21 September 2023, 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 November 2023. The activity had 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 and this would be undertaken later in 2023. Work included in the approved annual plan for 2023-24 included: Economic and Community Development Services, HR – Core Activities, Schools Catering TO, Islands Deal – Comhairle Governance Arrangements and Care at Home Services.
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It was agreed to recommend that the Comhairle note the Report.

Amended Internal Audit Operational Plan 2023-24	5	With reference to item 8 of the Minute of Meeting of 26 April 2023, the Chief Internal Auditor submitted a Report seeking approval of the Amended Internal Audit Operational Plan covering period 2023-24 to take cognisance of the reduced resource capacity in the Internal Audit section during the early part of the year. The Report stated that as previously reported in Progress Reports at previous committees, the section was under-resourced for a considerable time. A Trainee Auditor was appointed in August 2023 and the section returned to capacity. However, due to the training element of the new staff member, resources would still be constrained until such time as sufficient work could be allocated.
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The Report indicated that the amended plan recognised that some audits on the original plan were ones that had been extensively audited in recent years or were externally audited by other bodies to ensure assurance or were not yet placed to have sufficient auditable information to provide a meaningful review.

It was agreed to recommend that the Comhairle approve the amended Operational Plan for 2023-24.

INTERNAL AUDIT – FOLLOW UP REPORTS

Strategic Housing Investment Plan (SHIP) Delivery (in collaboration with HHP)	6	The Chief Internal Auditor submitted a Report to update the Committee on recommendations made in the Strategic Housing Investment Plan (SHIP) Delivery (in collaboration with HHP). The follow up review was undertaken in accordance with the operational annual internal audit plan for 2022-23.
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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.

The Report confirmed that all three recommendations made in the original report had been fully implemented.

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

Learning Disability and Autism Service	7	The Chief Internal Auditor submitted a Report to update the Committee on recommendations made in the Learning Disability & Autism Service report. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2022/23. 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 out of the eleven follow up recommendations made in the original report, four had been fully implemented and management had confirmed that the remaining recommendations would be implemented by March 2024.

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

Corporate Asset Management	8	The Chief Internal Auditor submitted a Report to update the Committee on recommendations made in the Corporate Asset Management report. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2022/23.
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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.

The Report confirmed that out of the seven follow up recommendations made in the original report, six had been fully implemented and management had confirmed that the remaining recommendation would be implemented by March 2024.

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

Bus Contracts – Public, School and Integrated	9	The Chief Internal Auditor submitted a Report to update the Committee on recommendations made in the Bus Contract – Public, School and Integrated report. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2022/23.
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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.

The Report confirmed that out of the five follow up recommendations made in the original report, 2 had been fully implemented and management had confirmed that the remaining recommendations would be implemented by December 2023.

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

Childrens Services (Providers/Contracts)	10	The Chief Internal Auditor submitted a Report to update the Committee on recommendations made in the Children's Services (Providers/Contracts) report. The
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follow up review was undertaken in accordance with the operational annual internal audit plan for 2022/23.

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.

The Report confirmed that out of the seven follow up recommendations made in the original report, four had been fully implemented and management had confirmed that the remaining recommendations would be implemented by early 2024.

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

Contract Audit –
Quality Assurance
and Evaluation
Processes

11

The Chief Internal Auditor submitted a Report to update the Committee on recommendations made in the Contract Audit – Quality Assurance and Evaluation Processes report. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2022/23.

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.

The Report confirmed that out of the three follow up recommendations made in the original report, two had been fully implemented and management had confirmed that the remaining recommendation would be implemented by March 2024.

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

INTERNAL AUDIT – COMPLETED REVIEWS

Garage and Fleet
Trading Operation

12

The Chief Internal Auditor submitted a Report which provided an overview of the Comhairle's arrangements for the operation and management of Garage and Fleet Trading Operation. The Report provided detailed information in relation to the scope of the audit. The Report stated that the Comhairle's Garage and Fleet operations provided a one stop facility which covered maintenance, repairs, 24-hour recovery and insurance claim management for Comhairle owned vehicles.

The Report indicated that the most significant issues arising from the review which required management attention were:

- Assess how best to implement a Corporate Fleet Replacement policy in order to promote best value and ensure a consistent approach across all departments;
- Implement improvements to stocktake processes to assist new system implementation;
- Address resilience issues across the section.

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.

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

Homelessness	13	<p>The Chief Internal Auditor submitted a Report which provided an overview of the Comhairle's arrangements for the operation and management of Homelessness. The Report provided detailed information in relation to the scope of the audit. The Report stated that Homelessness in the Western Isles was relatively low, but the service found it hard to house these individuals in temporary accommodation until such a time as a permanent property became available due to the low stock of properties. It was highlighted that the Comhairle had a statutory duty to provide a service to people who were homeless or threatened with homelessness.</p> <p>The Report indicated that the most significant issue arising from the review which required management attention was that low grade recommendations which should be addressed to conform to best practice standards and process improvement opportunities.</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>
Incident Reporting System – ASSURE	14	<p>The Chief Internal Auditor submitted a Report which provided an overview of the Comhairle's arrangements for the operation and management of the Incident Reporting System – ASSURE. The Report provided detailed information in relation to the scope of the audit. The Report stated that incident Reporting was the process of capturing, recording, and managing an incidental occurrence such as a near miss, injuries, and accidents. The system in place removed the archaic method of paper-based documents and files with web-based input on any device (PC, laptop, phones) that had the portal uploaded, making it easier for employees to have access to forms to report accidents instantaneously at the press of a button.</p> <p>The benefits that were identified from the Assure system were highlighted within the Report. There were no significant issues arising from the review of the operation and management of the Incident Reporting System – Assure.</p> <p>The Report indicated that based on the audit work carried out the overall opinion was that full assurance could be placed upon the control environment of the service/area under review.</p> <p>It was agreed to recommend that the Comhairle note the Report.</p>
Sports Centres – Slàinte Mhath	15	<p>The Chief Internal Auditor submitted a Report which provided an overview of the Comhairle's arrangements for the operation and management of the Sports Centres – Slàinte Mhath. The Report provided detailed information in relation to the scope of the audit. The Report stated that the Slàinte Mhath scheme was introduced in 2010 with the primary role to promote and provide good health and wellbeing activities in the Western Isles in an affordable way for individuals and families. The Report highlighted that the review covered arrangements at the sports facilities at ISL, Harris, Lionacleit and Castlebay Sports Centres.</p> <p>The Report indicated that the most significant issues arising from the review which required management attention were:</p> <ul style="list-style-type: none"> • Consideration to be given to address issues identified at the sports centres when budgets and resources permit;

- Where staffing shortages had been identified this should be addressed in order to prevent the facilities having days when they are completely shut down.
- The remaining issues are graded medium to low risk and are of a housekeeping nature.

The Report indicated that based on the audit work carried out the overall opinion was that a reasonable level of assurance could be placed upon the control environment of the service/area under review. The Findings, Recommendations and Action Plan were detailed as Section 3 of the Report.

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

PERFORMANCE MONITORING

Reports
Outstanding

16 The Chief Executive submitted a Report detailing the Reports Outstanding arising from decisions of the Committee.

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