

MINUTE
of
AUDIT & SCRUTINY COMMITTEE

Minute of Meeting held at 2.00pm in the Council Chamber, Council Headquarters, Giffnock on 17 August 2017.

Present:

Councillor Stuart Miller (Chair)
Councillor Barbara Grant (Vice Chair)
Provost Jim Fletcher

Councillor Paul Aitken
Councillor Annette Ireland
Councillor David Macdonald

Councillor Miller in the Chair

Attending:

Margaret McCrossan, Head of Accountancy (Chief Financial Officer); Louise Pringle, Head of Business Change and Revenues; Andy Corry, Head of Environment (Operations); Barbara Clark, Chief Accountant; Jackie Martin, Corporate Business Manager; Michelle Blair, Chief Auditor; Mary Docherty, (QIO, Education); Linda Hutchison, Clerk to the Committee; and Jennifer Graham, Committee Services Officer.

Also Attending:

Elaine Barrowman and Morven Fraser, Audit Scotland.

DECLARATIONS OF INTEREST

89. There were no declarations of interest intimated.

CHAIR'S REPORT

90. Councillor Miller welcomed Members, both new and returning, to the first meeting following the election. Having paid tribute to the work of his predecessor, Councillor Gordon Wallace, and thanked the Clerk and Chief Auditor for their past contribution to the committee, he referred to the report prepared by the previous committee, and similar ones prepared in the past, reflecting the range of its work. Having commented on challenges that lay ahead, he encouraged all members of the committee to participate actively in its work and work together to help ensure that as much as possible that they wished to pursue was achieved.

Thereafter, Councillor Miller confirmed that Councillor Swift had recently submitted his resignation from the committee.

The committee noted:-

- (a) the general comments made by the Chair; and

- (b) that a report would be submitted to the next meeting of the Council regarding the filling of the vacancy arising from Councillor's Swift's resignation.

REVISED RISK MANAGEMENT STRATEGY

91. The committee considered a report by the Chief Executive regarding the updating of the Council's Risk Management Strategy under its corporate governance arrangements which required it to have effective systems in place to manage risks. A copy of the revised Strategy proposed was attached to the report.

The report referred to risks faced by the authority threatening service provision and potential lost opportunities, emphasising the importance of demonstrating that risk implications had been fully considered as services are delivered. Having commented on commendations received on the Council's risk management arrangements, their refinement since first introduced in 2002, the mainstreaming of risk and further integration of risk into existing governance structures, the report referred to strategic and operational risk registers in place and related issues and reporting arrangements, clarifying that the Strategy had last been updated in 2014. Proposed changes to it were itemised, which included encouraging the development of joint risk registers for partnerships and contract management; and increasing the frequency of review of the strategic risk register such as by the Corporate Management Team (CMT).

Others issues commented on in more detail included risk management training; the benefits of discussing risk openly; the preparation of joint registers; and the capture of risks through the service planning process. It was confirmed that the CMT had approved the proposed approach in April 2017.

The Corporate Business Manager referred to key aspects of the report and risk management, including the value of having risk champions in departments, risk appetite and related issues.

Having referred to a road safety issue in his Ward in detail to illustrate a point, Councillor Macdonald sought clarification on how departments perceived risk; concluded when change was required and an issue had become a risk; and determined if a matter should be escalated to the Strategic Risk Register, referring to repercussions of not addressing issues and expressing the opinion that a risk register of roads considered dangerous should be compiled. The Head of Environment (Operations) commented briefly on the specific roads issue raised and related legislation which was in preparation, confirming that an in-depth response had already been provided to Councillor Macdonald who could contact his department again following the meeting if he wished. He referred to a focus placed on business continuity in his operational risk register rather than itemising every individual risk in detail.

Following on from comments made by Councillor Fletcher regarding the recent Best Value Audit and the length of time risk registers had been in place within the authority, Ms Barrowman confirmed that the authority's governance arrangements had been examined, risk management being an element of these. She clarified that if there were any related concerns, these would be reported on through the interim audit reports prepared by External Audit on key controls (Item 93 below refers).

The committee agreed:-

- (a) to **recommend to the Cabinet** that the revised Risk Management Strategy be approved; and

- (b) to note that it was an option for Councillor Macdonald to contact the Head of Environment (Operations) again following the meeting to seek further clarification on a roads and related risk issue he had already raised.

UNAUDITED ANNUAL ACCOUNTS FOR 2016/17

92. Under reference to the Minute of the meeting of 2 March 2017 (Page 2248, Item 2410 refers), when the 2016/17 Annual Audit Plan and timetable for the publication of related documents had been noted, the committee considered a report by the Head of Accountancy (Chief Financial Officer) on the unaudited Annual Accounts for 2016/17 which had been submitted to Audit Scotland and which were attached for consideration in line with the Local Authority Accounts (Scotland) Regulations 2014.

It was reported that the financial position of the Council remained satisfactory with an overall surplus for the financial year of £2,434k recorded in the Accounts. After transfers to earmarked reserves, the balance of the Council's non-earmarked General Fund at 31 March 2017 was £9,751k representing 4.2% of the annual budgeted net revenue expenditure which was in line with Council policy. Transfers totalling £8,000k had been made from the General Fund balance to the Capital Reserve, Modernisation Fund, Repairs and Renewal Fund, and Equalisation Reserve; and capital expenditure of £40,242k had been invested. There had been an operating deficit of £134k on the Housing Revenue Account after a transfer of loan charges to reduce future financing costs, the net effect being to decrease the accumulated surplus balance to carry forward to £1,244k.

Whilst summarising the financial position, the Head of Accountancy thanked her colleagues for producing the Accounts to such a high standard and the result achieved, advising that a report on the audited accounts would be submitted to the next meeting.

In response to Councillor Aitken, the Head of Accountancy and Chief Accountant clarified that only a high level summary of information on Strathclyde Pension Fund liabilities was included in the Accounts, and the basis on which related figures in them were calculated.

The committee agreed to note the content of the unaudited Annual Accounts for 2016/17 and that a report on the final Accounts and related documents would be submitted to the next meeting.

LOCAL EXTERNAL AUDIT REPORT – INTERIM AUDIT REPORT 2016-17

93. The committee considered a report by the Clerk on the publication by the External Auditor of a local report entitled *Interim Audit Report 2016/17* which, pending the committee's specialisation arrangements for dealing with external audit reports being approved, had been sent to Councillors Miller and Grant for review. It was clarified that the report, which referred to controls operating within financial systems of the Council which had been subject to testing to ensure they were operating satisfactorily, superseded one submitted annually to the committee previously under the title *Key Controls*.

The report made reference to a significant failure in key controls within the Creditors section and related audit work, reporting on a fraudulent request to change a supplier's bank account details and related issues, checks, findings and ongoing work; and clarifying that further checking would form part of the 2016/17 financial statements audit. The report also commented on a further matter regarding a lack of evidence to support the completion of

adequate checks through a forensic system to reduce the risk of duplicate or erroneous invoice payments being made, referring to related matters including an on-going review of all potential duplicate payments made in 2015/16 and 2016/17, the findings of which would be reviewed by the External Auditor who would consider the associated impact on the 2016/17 financial statements. Both issues were also the subject of further detailed comment in a report on invoice payments and related discussions as referred to in Item 94 below. It was concluded that, with the exception of these issues, the Council's main internal controls could be relied on to support the preparation of the 2016/17 financial statements.

Other issues commented on included some other areas where existing controls should be improved, related action to be taken, and five areas of work as itemised where formal reliance was to be placed by External Audit on the work of Internal Audit. Regarding a follow up of issues raised in 2015/16, the report clarified that all of the recommendations made following a review of the Care Finance system had been completed as planned, and that an action relating to the segregation of duties within HR and payroll remained outstanding in respect of which an update was provided.

Ms Barrowman summarised the main issues identified regarding the significant failure in key controls and commented on related issues.

The committee noted the report and comments made, including on control failure issues within the Creditors section and related action being taken to address these in respect of which further detailed discussion took place under Item 94 below.

UPDATE ON INVOICE PAYMENTS IN EAST RENFREWSHIRE COUNCIL

94. Under reference to the Minute of the meeting of 19 January 2017 (Page 2188, Item 2352 refers), when the committee had noted a report on improvements made on invoice processing arrangements and that a further update would be provided in the end of year performance report submitted to Cabinet, and agreed to revisit the issue in future as necessary, the committee considered a report on the review and redesign of invoice processing within the Council, and providing an update on management action taken in response to audit and compliance issues identified (Item 000 above refers also).

The report reiterated a range of background information on the issue, including that in recent years the Council's position had been in the lower quartile of national performance for the percentage of invoices paid within 30 days. It referred to a related project undertaken to improve performance and enhance departments' visibility of and ability to track their invoices and related progress and matters, including the transfer of responsibility for the Creditors team to the Head of Business Change and Revenues in February 2016. It was clarified that the initiative comprised various projects, including three major work programmes to address a backlog of invoices; implement a comprehensive new on-line information system; and centralise invoice delivery to the Creditors team.

The report commented in detail on backlog recovery, improvement in terms of the national performance indicator, projects delivered, and the next phases of improvement project work to be undertaken on the purchase to pay process, highlighting that considerable work was underway to deliver efficiencies.

It was explained that, during implementation of improvement projects, audit and compliance issues affecting the invoice payments process had been identified as also referred to in the *Interim Audit Report 2016/17* (Item 93 above refers). Having emphasised how seriously these issues were taken by management who were committed to ensuring sound financial

control procedures were maintained and enhanced as necessary, detailed information was provided on the bank mandate attempted fraud, the duplicate supplier payments issue and related matters, procedures, audit work and action taken and being taken.

In conclusion, the report referred to improvements made on the processing of invoices and payments within 30 days through service redesign and a more project-focussed approach; the detailed programme of improvement work for the year ahead to further modernise and automate processes; and the quick response to the audit and compliance issues identified. It was highlighted that the Head of Accountancy had received the necessary level of assurance required for the Annual Accounts, that audit work was continuing, and that management were committed to full implementation of the improvement recommendations. It was also highlighted that additional steps had been taken to review the structure and management of the Creditors team, with additional resource committed in this area to provide assurance as necessary during the next stages of transformation. It was confirmed that the committee would be kept updated on the invoice payments process issue with a further report planned in 6 months.

Whilst commenting on the report in detail, the Head of Business Change and Revenues reported on the total number and value of payments processed annually, and performance improvements made and related issues, including progress on clearing a backlog of invoice payments she had inherited. Based on as yet unaudited figures, she confirmed that 86.2% of payments being made within 30 days was the average in 2017 compared to 50-60% before. Having acknowledged that further service improvements were required, she referred to the improvement projects already delivered, the pace of change and next phases of work to be progressed.

The Head of Business Change and Revenues referred to the issues that had arisen during the year in relation to the attempted bank mandate fraud and duplicate or erroneous payments, commenting on the human error involved in respect of both at a time of considerable change, and actions taken and being taken to improve the systems in place and take corrective action working closely with Internal Audit and Accountancy. The importance of compliance was commented on.

Responding to concerns expressed by Councillor Grant about the compliance issues identified and related supervision and management issues about ensuring procedures were being followed, the Head of Business Change and Revenues commented first on the attempted bank mandate fraud. Having reported on what had happened, including the misinterpretation of the status of a letter received when suppliers had been contacted during a time of change, she referred to 3 gateways in place to prevent fraud, the first of which had been breached on this occasion before the issue had been identified by the bank at the second. She confirmed that the matter had been referred to the Police, commented on related issues, and acknowledged the need for vigilance and management responsibility for keeping on top of attempts to defraud the authority. She also commented on related audit work, the re-enforcement of procedures, the importance of ensuring procedures were clear to all those using them, training, compliance checks that could be done and temporary resources being deployed in the Creditors section to help address issues.

Regarding the duplicate invoices issues identified, she referred to attempts being made to automate and simplify processes to help reduce the impact of potential human error, and internal audit work which had revealed that the AP Forensics System was not being fully utilised to check invoices, in respect of which a previous audit recommendation had not been fully implemented as it should have been. She confirmed that the system was now being used before every payment was made, adding that further staff training had been provided very recently, that her section was working closely with Internal Audit to verify suppliers' bank details, and that further work was being done to cleanse the supplier list using the system.

Councillor Grant referred to the high importance of addressing the issues identified to avoid any further recurrence of the problems identified.

Having heard Councillor Ireland seek further clarification on the completion of training and if all issues relating to invoice related fraud had been identified, Councillor Fletcher sought clarification on whether or not the Chair and Vice-Chair of the committee had any opportunities to speak with the External Auditor on issues such as this; referred to invoice related improvements made; and requested that the progress made and fact that the issues identified had been drawn to Members' attention be acknowledged and referred to in the Minute. He also sought further clarification on the scale of the duplicate payment issue identified and assurances that systems had changed to ensure that the authority was vigilant to attempted fraud in future.

Ms Barrowman confirmed that the Chair and Vice-Chair could ask to meet with the External Auditor at any time and that it was considered good practice elsewhere for such a meeting to take place at least annually which she intended to arrange.

The Head of Business Change and Revenues commented further on recent training some of which had been undertaken jointly with Internal Audit; on work being progressed on changes to suppliers' bank details and related risk categorisation issues; and on further work being done on the duplicate payments issue in respect of which she thanked Internal Audit and Accountancy for their support and assistance. Having reported that, subject to audit, the outstanding value of money remaining to be recovered associated with the duplicate payments was 0.02% of all payments made in the 28 month timeframe from 1 April 2015 to June 2017, she clarified that initial data suggested outstanding sums to be recovered were in the region on £27,652 for 2015/16; £34,419 for 2016/17; and £3,439 for 2017/18. She confirmed that work was continuing on recovery action.

In response to Councillor Macdonald, the Head of Business Change and Revenues emphasised that the control errors identified were not considered to have resulted from wilful avoidance of procedures, but rather poor implementation of the AP Forensics System in the case of the duplicate payments and, regarding the fraud, poor decision making and the setting aside of procedures at a time of significant change. She also referred to a national standard of trying to pay invoices within 30 days, and attempts made to pay some invoices sooner. In reply to Councillor Aitken, she clarified why the invoice centralisation initiative had been pursued, referring to a range of issues including enhanced levels of control and workflow, checks that could be done on the extent to which invoices were outstanding at a point in time, the linking of purchase orders and invoices, and procedures to confirm that goods had been received prior to payment.

The committee, having heard Councillor Miller, agreed:-

- (a) that a further update on invoice payment process related issues be submitted to the committee in 6 months, before the end of the financial year;
- (b) to note the improved performance; the progress on implementing significant change; and actions taken and being taken to address recent audit and compliance issues;
- (c) that it was considered important that officers alert appropriate elected Members to control failures of the type discussed when identified initially; and

- (d) to note that the Chair and Vice-Chair could ask to meet with the External Auditor at any time and that it was considered good practice elsewhere for such a meeting to take place at least annually regarding which the External Auditor now intended to arrange these.

CODE OF CORPORATE GOVERNANCE

95. Under reference to the Minute of the meeting of 2 June 2016 (Page 1928, Item 2051 refers), when the Code of Corporate Governance updates and actions for 2016/17 had been approved, the committee considered a report by the Deputy Chief Executive on progress against improvement actions and seeking approval of a revised code for 2017/18.

The report reiterated the Council's responsibilities for the conduct of its business, defined what the Code of Corporate Governance was, and explained that the proposed updates took account of guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (SOLACE). The report referred to key requirements with which the Council had to comply and summarised progress on 2016/17 actions, highlighting that all six actions had been completed.

The updated Code of Corporate Governance for 2017/18, setting out arrangements which fulfilled the seven governance principles outlined in national guidance, was included as an appendix to the report. Self-assessment of the 2016/17 Code against nationally prescribed criteria had found the Council to be fully compliant across most principles. Regarding three areas identified where there was considered to be partial compliance, improvement actions were specified. The scoring was supported by a positive external Local Scrutiny Plan prepared by Audit Scotland.

Having itemised action to be taken in 2017/18 to further improve compliance and commented on the Annual Governance Statement to be published in the 2016/17 Annual Report, the report concluded that the Council continued to be governed by sound management controls and complied with the requirements of the CIPFA/SOLACE framework *Delivering Good Governance in Local Government*. It was explained that progress on planned actions for 2016/17 had been posted on the Council's website, as would the 2017/18 Code subject to its approval by the committee.

The Head of Business Change and Revenues commented on the report during which she referred to the importance of the Council's governance arrangements, some change to the scoring guidance since last year, and key actions for 2017/18.

The committee:-

- (a) noted progress on the 2016/17 Code of Corporate Governance improvement actions; and
- (b) approved the Code of Corporate Governance updates and actions for 2017/18.

NATIONAL EXTERNAL AUDIT REPORT – LOCAL GOVERNMENT IN SCOTLAND PERFORMANCE AND CHALLENGES 2017

96. The committee considered a report by the Clerk on the publication by the Accounts Commission of a report entitled *Local Government in Scotland – Performance and Challenges 2017* which, pending approval of the committee's specialisation arrangements for dealing with external audit reports, had been sent to Councillors Miller and Grant for review. The Head of

Business Change and Revenues had been asked to provide comments and a copy of her feedback was attached to the report.

The Head of Business Change and Revenues had commented that this was a particularly useful report providing a good overview of the performance issues and key challenges facing local government in Scotland. It was highlighted that many of the issues referred to had been the subject of other external audit reports that the committee and others had been made aware of and on which local feedback had been prepared.

The report assessed the performance of the Council against each recommendation and highlighted ongoing improvements to performance. Amongst other things, it was commented that councils should set clear priorities supported by long-term strategies and medium-term plans, ensuring that budgets were clearly linked to medium and long-term financial planning. Other recommendations focused on arrangements for workforce planning; options for change and service redesign; supporting communities to participate in decision making; supporting elected Members in their role; public reporting of performance, benchmarking and understanding variation; and understanding reasons for variations in unit costs and performance. Comments were provided on each of these from the Council's perspective.

It was concluded that the Council fully recognised the challenges outlined in the report, were not complacent and were working to address these pertinent issues through the approaches and activities highlighted in the report which provided strong evidence and gave assurance that it was well positioned across the wide range of issues highlighted.

The committee noted the report.

INTERNAL AUDIT ANNUAL REPORT 2016/17

97. The committee considered a report by the Chief Auditor regarding the annual report on the activities of internal audit during 2016/17, and providing an independent annual opinion on the adequacy and effectiveness of the internal controls operating within the Council.

Whilst commenting on the successful implementation of the Plan, the Chief Auditor reported that all planned audits had been carried out, that 3 others had been brought forward from 2017/18, and that satisfactory responses had been received to all audits except one on which a response had been received, the final review of which was ongoing with a view to it being signed off. Having commented on 2 internal audit reports regarding which some recommendations had not been fully accepted and the related reasons provided by management which had been accepted, she summarised the position on various potential fraud and contingency related issues, and referred to the excellent working relationship that her section had with External Audit. Regarding the annual statement on the adequacy and effectiveness of internal controls within the Council she confirmed that, based on the information available and work carried out, her opinion was that reasonable assurance could be placed upon the adequacy and effectiveness of these controls in the year to 31 March 2017 except for creditors as commented on earlier in the meeting (Items 93 and 94 refer). Reference was also made to internal audit performance indicators.

In response to the Chair and Councillor Macdonald, the Chief Auditor commented further on the issues that had arisen within creditors, the recovery of funds linked to duplicate payments and the total value of these, and related training provided to officers recently on the use of the AP Forensics software, referring also to various levels of checks that could be carried out on invoices. She also commented on the 2 performance indicators for her section which had failed to be met marginally. In reply to Councillor Grant, she provided further clarification on some potential fraud issues referred to her section.

The committee, following discussion:-

- (a) agreed to approve the Annual Statement on the Adequacy of Internal Controls and submit it to the Council; and
- (b) otherwise, noted the internal audit annual report 2016/17.

INTERNAL AUDIT PROGRESS REPORT

98. The committee considered a report by the Chief Auditor regarding progress made on the implementation of the 2017/18 internal audit plan from 1 April to 30 June 2017. The report confirmed the number of reports issued during the quarter and that satisfactory management responses had been received in all cases, referring also to performance indicators for the internal audit section which were currently being met.

Having referred to a new development for 2017/18 through which all internal audit recommendations were to be risk rated, the Chief Auditor commented on two medium risks associated with the Mearns Castle High School cluster audit findings pertaining to Calderwood Lodge, and a further two linked to the school transport audit the report on which had been issued just after the period covered by the report and on which a further update would be provided when the next progress report was submitted. She also commented on internal audit work undertaken under the time allocated to fraud and contingency and the related findings.

The committee noted the report and related comments made.

INTERNAL AUDIT REPORT – REVIEW OF MEMBERS EXPENSES, TAXI ACCOUNT AND USE OF ELECTRIC CAR AND RELATED MANAGEMENT RESPONSE

99. Under reference to the Minute of the meeting of 6 April 2017 (Page 2294, Item 2463 refers), when it had been agreed that the internal audit report on the review of members expenses, the taxi account and use of the electric car should be submitted to a future meeting when completed, the committee considered the report and related management action plan. The report explained that the review had been carried out at the request of the previous Chair of the committee and Chief Executive, clarifying that it had covered compliance with guidance for the electric car scheme; compliance with the scheme for members remuneration and expenses; and an assessment of controls over the use of the corporate taxi account.

The report concluded that completion of the electric car vehicle log and defect forms could be improved and that the guidance for the pilot scheme could be expanded. Regarding expenses, it was concluded that reliance was placed on elected Members' own declaration that amounts claimed had been reasonably incurred for the purposes of carrying out approved duties and that checks on accuracy or validity of amounts being claimed were not currently carried out by officers, regarding which it was recommended that future checks should be implemented but on a basis commensurate with the values being claimed. Regarding the taxi account, the conclusion reached was that no demonstrable controls were in place until recently regarding whether the use of it was for an approved duty or not or whether other reasonable travel options were available. On the basis of the issues reviewed, the Chief Auditor had made 20 recommendations as specified in the report, all of which were accepted. The related management response and action plan was attached to the report.

In response to Councillor Macdonald who sought clarification regarding the frequency with which various checks on those driving council vehicles were carried out, the Chief Auditor

explained that, for those claiming mileage, checks were pursued annually such as about having valid insurance for example. She also referred to checks and procedures departments should be pursuing regarding those driving the authority's electric cars, referring to related recommendations she had made. Councillor Macdonald expressed the opinion that pursuing checks more frequently than annually would be a more stringent and appropriate approach to help ensure that material changes of individuals' circumstances were more proactively identified and reduce related risks to the Council. The Clerk referred to work the committee had progressed on some related procedural issues at one point.

The committee:-

- (a) agreed that the Clerk circulate to members of the committee some information on the previous work progressed by it on procedural issues, including those regarding checks for those claiming mileage, for information; and
- (b) otherwise, noted the report and related comments made.

INTEGRATION JOINT BOARD PERFORMANCE AND AUDIT COMMITTEE – INVITATION TO CO-OPT MEMBER OF AUDIT AND SCRUTINY COMMITTEE

100. Under reference to the Minute of the meeting of the Council of 14 December 2016 (Page 2149, Item 2310 refers) when as recommended by the committee the Council had appointed a co-optee to serve on the Integration Joint Board (IJB) Performance and Audit Committee and a substitute, further to the local government elections in May, the committee considered a report seeking the nomination of a Member of the committee to serve as the co-optee and the nomination of a substitute.

The committee agreed **to recommend to the Council** that Councillor Grant be appointed as the co-optee and that Councillor Ireland be appointed as substitute.

FUTURE WORK PROGRAMME AND RELATED ISSUES

101. Under reference to the Minute of the meeting of 6 April 2017 (Page 2294, Item 2463 refers), when the committee had approved a list of observations and recommendations arising from a self-evaluation it had just completed to pass to the new committee for consideration, the committee considered a report by the Clerk referring to the establishment of the committee and related matters, its terms of reference, and work progressed during the previous administration. Whilst providing an overview of the committee's work programme, the report clarified the extent to which some routine reports were considered and how issues regarding external and internal audit reports were addressed, seeking approval of specialisation arrangements for dealing with such reports taking account of an analysis that had been completed of the related workload amongst the committee's membership.

The report also referred to how matters were considered by the committee which had been called-in; sought views on whether or not it wished to continue to pursue an issue regarding welfare reform that had been ongoing prior to the elections; and referred to the intention to seek views from the committee on matters it might wish to focus on in-depth or otherwise and related matters. Reference was also made to a range of recommendations and observations made by the committee prior to the election arising from a self-evaluation it had completed, the frequency of meetings and related matters.

During discussion reference was made to the extent to which the committee's work was driven by Members themselves and the value of Members discussing with officers potential topics for investigation which, in turn, could help to inform final decisions made on matters to be investigated in-depth or otherwise and assist with the development of the precise scope of work.

Regarding the welfare reform related issue that was on-going by the committee prior to the local government election, various members of the committee confirmed that they wished to continue to pursue the matter in due course. The Clerk confirmed that background information could be made available on the committee's consideration of the matter to date for information at this stage.

During discussion on the observations and recommendations made by the committee in April 2017 arising from the self-evaluation (Appendix 3 of report refers), members of the committee endorsed various observations and suggestions made to be taken forward in appropriate manner.

Referring to her membership of the committee for a number of years, Councillor Grant commented on the value of its wide terms of reference and encouraged those serving on it to discuss issues with officers outside meetings, to ask questions and take a keen interest and become involved in matters the committee agreed to pursue.

The committee agreed:-

- (a) specialisation arrangements for dealing with external and internal audit reports etc, including those for dealing with reports of a corporate nature or with a Council-wide focus as specified in Paragraphs 12 to 16 of the report, and which elected Members would deal with which specific matters;
- (b) regarding the previous committee's decision to seek a further update in due course on the impact of welfare reform on rent arrears after Discretionary Housing Payments (DHPs) arrangements have ended, to continue to pursue the update in due course, in advance of which background information on the committee's discussions to date would be circulated by the Clerk for information;
- (c) that the Clerk seek feedback from members of the committee on matters they wished to suggest are scrutinised, including possibly in detail, with this to be informed by implementation of associated recommendations arising from the committee's self-evaluation ((d) below refers) with a view to a report on suggestions being collated by the Clerk and submitted to a future meeting for further discussion;
- (d) to endorse all of the observations and approve all of the recommendations arising from the committee's self-evaluation as specified in Appendix 3 to the report for implementation as appropriate; and
- (e) otherwise, to note the report.

