



# Minutes

## Audit and Risk Committee

**1.30 pm, Friday 27 April 2018**

Dunedin Room, City Chambers, Edinburgh

**Present:**

Mike Ash (Chair), Alex Joyce, Ella Simpson and Councillor Susan Webber.

**Officers:** Michael Lavender (Scott-Moncrieff), Jamie Macrae (Committee Services, CEC), Lesley Newdall (Chief Internal Auditor) and Moira Pringle (Chief Finance Officer).

**Apologies:** None.

### 1. Appointment of a Chair

---

**Decision**

- Mike Ash was appointed to Chair the meeting.
- To note the Committee's concern that the vacancy for a Chair had not yet been filled.

### 2. Minutes

---

**Decision**

To approve the minutes of 1 December 2017 and 9 February 2018 as correct records.

### 3. Outstanding Actions

---

#### Decision

- To update Action 1 – a recommendation would be included in the next Risk Register review on how to fill the role of Chief Risk Officer. The functions were currently being carried out by the Chief Finance Officer.
- To note the outstanding actions.

(Reference – Outstanding Actions, submitted.)

### 4. Work Programme

---

#### Decision

- To note the Work Programme and upcoming reports.
- To agree that the annual audit opinion report would be considered at the next meeting after June 2018, which had not yet been scheduled.
- That the Clerk would liaise with members about the schedule of meetings for 2018/19.

(Reference – Audit and Risk Committee Work Programme, submitted.)

### 5. Internal Audit Update

---

Details were provided of the Internal Audit assurance activity on behalf of the Edinburgh Integration Joint Board (EIJB) by the Internal Audit functions of the EIJB's partners (City of Edinburgh Council & NHS Lothian) for the third quarter of the 2017/18 plan year (1 October to 31 December 2017).

Two of the three EIJB Internal Audits included in the rebased Internal Audit plan approved by the Committee in December 2017 had commenced. The third review was scheduled to start and would be completed in quarter four. It was expected that all three reviews would be completed by 30 April 2018, in sufficient time for preparation of the annual EIJB Internal Audit opinion.

There had been an increase in the total number of overdue Internal Audit recommendations across both the EIJB and the Health and Social Care Partnership.

#### Decision

- 1) To note progress with the three EIJB audits included in the rebased 2017/18 Internal Audit plan.
- 2) To note the status of overdue Internal Audit recommendations as at 31 January 2018.
- 3) To approve the enhanced Internal Audit assurance proposals included at sections 22 – 26.
- 4) To agree that Councillor Webber would highlight the concern of the Audit and Risk Committee to the May 2018 meeting of the Joint Board about

the number of overdue Internal Audit recommendations, particularly on the Council side of the Partnership.

(Reference – report by the Chief Internal Auditor, submitted.)

## **6. Internal Audit Quarterly Update Report 1 Quarter 2 (1 July-30 September 2017)**

---

The City of Edinburgh Council's Governance, Risk and Best Value Committee on 16 January 2018 considered a report which detailed the Internal Audit reviews completed in Quarter 2 and an update on progress with the overall delivery of the 2017/18 Internal Audit plan. The Starters audit report was referred to the IJB Audit and Risk Committee for consideration, as there were implications for services delivered by the Health and Social Care Partnership. The audit related to the design and operating effectiveness of the Council's controls relating to 'on boarding' and induction processes for new employees.

### **Decision**

To note that the Audit and Risk Committee took assurance from the Chief Internal Auditor that the issues identified had been addressed.

(Reference – report by the Chief Internal Auditor, submitted.)

## **7. External Audit Plan**

---

The work plan for Scott-Moncrieff's 2016/17 external audit of the Edinburgh Integration Joint Board was submitted. During discussion the following issues were raised:

- Previous external audits had been "light touch" but we were moving towards a deeper audit due to the higher weight of expectations on IJBs. This would be welcomed by the Joint Board.
- The Joint Board, like the Council, had a duty of best value.
- Scott-Moncrieff worked in partnership with Audit Scotland but formed its own views.

### **Decision**

To note the report.

(Reference – report by the Scott-Moncrieff, submitted.)

## **8. Urgent Business**

---

### **Decision**

- 1) To change the start time of the 1 June 2018 meeting to 1:00pm.

- 2) To agree that the Internal Audit Plan would come to the June meeting, but that an additional meeting would be arranged for July 2018 to consider the Internal Audit Annual Opinion.
- 3) To agree that diary invites for 2018/19 would be circulated.