



**MINUTES OF THE MEETING OF THE
AUDIT AND GOVERNANCE COMMITTEE**

**TUESDAY 24 NOVEMBER 2020
VIA DIGITAL MEETINGS SYSTEM**

Committee Members Present:

Councillor J Henderson (Convener)	Councillor S Currie (Items 1 – 4)
Councillor F Dugdale	Councillor C Hoy
Councillor G Mackett	Councillor K Mackie
Councillor K McLeod	Councillor J Williamson

Other Councillors Present:

Councillor F O'Donnell	Councillor J McMillan
Councillor J Goodfellow	

Council Officials Present:

Ms M Patterson, Chief Executive
Mr A McCrorie, Depute Chief Executive
Mr J Lamond, Head of Council Resources
Ms S Saunders, Head of Communities & Partnerships
Mr D Proudfoot, Head of Development
Mr T Reid, Head of Infrastructure
Ms L Brown, Chief Operating Officer - Education
Ms S Fortune, Chief Operating Officer - Finance
Mr P Vestri, Service Manager – Corporate Policy & Improvement
Mr D Stainbank, Service Manager – Internal Audit
Mr S Kennedy, Emergency Planning, Risk and Resilience Officer
Ms K MacNeill, Service Manager – People & Governance
Mr C Grilli, Service Manager - Legal
Mr R Baty, Companies Manager
Mr E John, Service Manager – Sport, Countryside & Leisure
Mr J Coutts, Service Manager – Community Housing & Homelessness
Ms D Pringle, Corporate Accountant
Mr G Marsden, Planning Obligation Officer
Mrs A Smith, Committees Officer

Clerk:

Miss F Currie

Visitors Present:

Mr B Axon, Enjoyleisure
Ms S Mills, Enjoyleisure
Mr B Farnsworth, Musselburgh Racecourse
Mr D Kennedy, Musselburgh Racecourse
Ms E Symon, Audit Scotland

Apologies:

None

Declarations of Interest:

Item 8a and b – Councillors Currie and Mackie declared an interest as former members of the Musselburgh Racing Associated Committee and indicated they would withdraw from the meeting during this item.

Item 6 – Councillor Mackett declared an interest as a Director of Enjoyleisure and indicated that he would withdraw from the meeting during this item.

Councillor O'Donnell asked whether she could observe proceedings during Items 8a and 8b. Carlo Grilli, Service Manager – Legal, confirmed that as she was not a member of the Audit & Governance Committee there was no need for her to make a declaration.

1. MINUTES OF THE AUDIT AND GOVERNANCE COMMITTEE MEETINGS ON 22 SEPTEMBER AND 26 OCTOBER 2020

The minutes of the Audit and Governance Committee meetings held on 22nd September and 26th October 2020 were approved.

Councillor Currie asked about follow up on his point raised at the meeting on 22nd September regarding costs associated with the Transformation Programme. Sarah Fortune, Chief Operating Officer – Finance, apologised for the delay and advised that officers were drawing together the information and this would be relayed to Councillor Currie and other members of the Committee shortly.

Councillor Williamson raised a point under 'Matters Arising'; referring to a commitment from officers to provide an update at the Committee's next meeting on burial services in Musselburgh. Mr Grilli advised that the agenda business did not permit Members to formally raise 'Matters Arising' but that officers would provide the requested information to Councillor Williamson.

2. INTERNAL AUDIT REPORT – NOVEMBER 2020

A report was submitted by the Depute Chief Executive (Resources & People Services) informing the Committee of Internal Audit reports issued, and follow-up work completed, since the last meeting of the Committee and providing an update on the progress against the 2020/21 annual audit plan.

Duncan Stainbank, Service Manager – Internal Audit, presented the report outlining the purpose of the audits and indicating that as a result of this work an assessment of 'moderate assurance' had been given on Residential and Non-Residential Charging and 'reasonable assurance' on Housing Rents (Billing and Reconciliations) and Section 75 Developer Contributions. He summarised the main findings of the audits, highlighting areas where controls were met and those with scope for improvement.

Mr Stainbank also outlined the findings of the audit undertaken for the EU Exit Assurance Review and advised that the Scottish Housing Regulator Annual Assurance Statement would be dealt with as part of Agenda Item 5. Officers then responded to questions from Members.

Residential and Non-Residential Charging

Iain Gorman, Head of Operations - East Lothian Health & Social Care Partnership, explained that the Debt recovery group had previously met on a quarterly basis but due to winter pressures and the onset of COVID-19, no meetings had taken place since August 2019. Prior to this the Group had managed to reduce outstanding debt from £1.3m to £800,000 and the remaining sum included a number of cases of high value and longstanding. However, he acknowledged the recommendations of the audit report and confirmed that the Group would meet shortly and more regularly thereafter. In the meantime, he reassured Members that work was continuing in the background to recover debts where possible.

The Convener thanked Mr Gorman for providing some context to the audit findings and indicated her intention of meeting with the Convener of the Council's Policy & Performance Review Committee to discuss this and other matters.

EU Exit Assurance Review

Mr Stainbank advised that potential risks related to staffing levels in social care and other commissioned services had been identified and was being monitored. Sharon Saunders, Head of Communities & Partnerships, confirmed that this issue had been discussed at the Brexit Working Group and was included in the relevant service Risk Registers, all of which had been reported to Council at its meeting on 27th October. Work was continuing across areas of the Council and with businesses to monitor the risks in relation to staffing.

Mr Stainbank advised that the potential impact on food supplies and possible mitigation, was continuing to be monitored at local and national level. Ms Saunders added that there would continue to be briefing sessions for Members on EU Exit and she would ensure that Members were kept up to date with progress.

Section 75 Developer Contributions

Mr Stainbank considered that the grading of 'reasonable assurance' was appropriate as there were effective arrangements in place for the setting and monitoring of obligations. There was also a process in place to ensure the Council received necessary information from developers at an early stage.

Ms Fortune gave the Committee her assurance that there had been significant progress since the previous audit in 2016 and she welcomed the approach taken in this most recent audit. There were now robust processes in place regarding Section 75 contributions and Finance colleagues continued to engage with developers to ensure that the Council was receiving the contributions it was due.

Graeme Marsden, Planning Obligation Officer, said the audit had highlighted the Council's positive contacts with major developers and that information was being provided as required. He said it was not in developers' interests to avoid obligations and he and his colleagues would continue to work to ensure all contributions were received on time.

Councillor Mackett welcomed the audit report and congratulated officers on their hard work. He encouraged everyone to adopt a positive outlook as the end of the EU Exit transition period approached.

Councillor Currie said that the Committee could take reasonable assurance that the issues identified in the report were being resolved. He maintained the importance of Members being sighted on all issues affecting the Council in relation to EU Exit and he welcomed the audit report which had highlighted some of these challenges.

Mr Stainbank summarised the audit follow-up work completed since September 2020 and confirmed that all of the recommendations made in relation to the Area Partnerships and Risk Management audits had been completed. He also referred Members to Appendix 2 of his report which outlined progress against the annual audit plan for 2020/21.

Decision

The Committee agreed to note:

- i. the main findings and recommendations from the Internal Audit report issued during the period from September 2020 to November 2020;
- ii. the findings from Internal Audit's follow-up work; and
- iii. Internal Audit's progress against the annual audit plan for 2020/21.

3. INTERNAL AUDIT CHARTER

A report was submitted by the Depute Chief Executive (Resources & People Services) presenting to the Committee the updated Internal Audit Charter.

Mr Stainbank presented the report informing Members that the Charter had been reviewed and updated to reflect minor changes in operating procedures and revised job titles. The Charter defined the Internal Audit activity's purpose, authority and responsibility within the Council.

Mr Stainbank responded to questions from Councillor McMillan and the Convener. He explained that the Charter was reviewed every 5 years in association with Local Authority Chief Internal Auditor's Group. While there were no plans at present to publish the Charter on the Council Intranet, he agreed to consider how best to make it more visible to staff.

Mr Stainbank also outlined the appropriate scope of any advisory work undertaken by Internal Audit. Jim Lamond, Head of Council Resources, offered an illustrative example: referring to the work of the Internal Audit Team on COVID-19 controls assurance reviews, he said that he had engaged with the Team at an early stage to get their input on establishing new control arrangements, e.g. on the new Business Grants scheme. Audit Scotland, in their role as the Council's external auditors, had viewed this as useful advisory input from the Internal Audit Team.

Councillor Dugdale thanked Mr Stainbank and his Team for the Charter and for all of the work they had undertaken over the year. She noted that the part of the purpose of Internal Audit was to add value and to improve operations and that this had been clearly demonstrated in the reports presented to the Committee by Mr Stainbank.

The vote on the recommendation was taken by roll call:

Councillor J Henderson	Agreed
Councillor S Currie	Agreed
Councillor F Dugdale	Agreed
Councillor C Hoy	Agreed
Councillor K Mackie	Agreed

Councillor G Mackett	Agreed
Councillor K McLeod	Agreed
Councillor J Williamson	Agreed

Decision

The Committee approved the updated Internal Audit Charter.

4. TREASURY MANAGEMENT – MID YEAR REVIEW 2020/21

A report was submitted by the Depute Chief Executive (Resources and People Services) updating the Committee on treasury management activity during the first half of 2020-21.

Ms Fortune presented the report highlighting key aspects of treasury management activity during the first half of the current financial year. She confirmed that the Council was currently in an under-borrowed position and that it was expected to remain well within borrowing limits during the second half of the year. She advised that while PWLB interest rates remained low at present, they were forecast to increase gradually over the next few years and this may make it necessary for the Council to consider alternative borrowing options. She also referred to a change in international reporting standards, due to come into force in April 2021, which would have implications for capital and debt calculations.

Ms Fortune responded to questions from Councillor Currie. She explained that the phrase 'under-borrowed' came from treasury management terminology and that being in an under-borrowed position was a positive, as well as being in line with the Council's wider treasury management strategy. She reminded the Committee that the Council could not borrow for revenue purposes except in the short-term. Ms Fortune also responded to a query about the treasury management strategy explaining there were a number of indicators which determined the strategy and these were informed by the Council's capital plan.

Mr Lamond remarked on the Council's under-borrowed position observing that in the current circumstances, using cash rather borrowing made better financial sense. He added that the Council's treasury advisors would continue to provide updates on any likely changes to interest rates allowing the Council the opportunity to reassess its position going forward.

In reply to further questions from Councillor McLeod and the Convener, Ms Fortune advised that the Council had received no flexibility on debt repayments as a result of COVID-19. However, there were wider discussions ongoing regarding fiscal flexibilities, such as possible payment holidays on loan fund repayments. On debt rescheduling, she stated that the Council continued to work closely with its advisors to consider whether debt restructure was required. There were no issues at present and the position would continue to be monitored. However, the change to international reporting standards would have a material impact on the Council's balance sheet as all leases would have to be included and this would impact treasury management indicators. Work was underway to understand the full impact and a further report and revised Treasury Management Strategy would be brought to Council and to the Committee in the coming months.

Councillor Hoy commended the report and reinforced the message from officers that the Council being in an under-borrowed position was not a bad position to be in.

referring to previous discussions regarding the financial impact of EU Exit, he commented on the potential financial impact of independence and the likelihood that this would lead to increased borrowing.

Councillor Currie said that the report emphasised the importance of treasury management in everything that the Council did but he disliked the phrase 'under-borrowed' and was concerned that the public understood clearly what it meant. He noted that there were a number of uncertainties, such as the delayed UK Government budget statement, currently impacting on the Council's ability to understand clearly the challenges it would face in the next financial year and on its ability to discuss and set its budget for 2021/22. However, he welcomed the report and the robust discussions taking place at Council and Committee.

Decision

The Committee agreed to note the content of the report.

Sederunt: Councillor Currie left the meeting.

5. HOUSING ANNUAL ASSURANCE STATEMENT

A report was submitted by the Head of Development advising the Committee of the Scottish Housing Regulator's regulatory framework and, in particular, the requirement for East Lothian Council to produce an Annual Assurance Statement to be signed off by the Service Manager – Internal Audit, on behalf of the Audit & Governance Committee. The report also sought the Committee's approval for East Lothian Council's Annual Assurance Statement.

James Coutts, Service Manager – Community Housing and Homelessness, presented the report outlining the background to the regulatory framework and annual assurance statement and the results of the Internal Audit assurance exercise. He advised Members of the impact of COVID-19 on the Council's compliance with the regulatory framework in respect of gas safety checks in the first half of 2020/21, as a result of tenants self-isolating and shielding, and confirmed that all outstanding gas safety checks had now been completed. However in dealing with the pandemic, both operationally and in developing new ways of working, the Council had been unable to advance work around data capture and reporting of protected groups under the new regulatory framework. It was now developing forms and systems to meet the target date of April 2021.

Councillor Dugdale highlighted the comments in the report regarding the impact of the current public health emergency on housing services. She added that it was reassuring to know that all gas safety checks were now complete.

The Convener echoed Councillor Dugdale's remarks observing that it had been a difficult time for all services and housing was one of the Council's most fundamental roles. She welcomed the report, noting the caveats, and acknowledged the achievement of staff in undertaking the work required to support the annual assurance statement.

Recommendations 2.1 to 2.3 were for noting and were approved by the general agreement of Members. The vote on the recommendation 2.4 was for approval and was taken by roll call:

Councillor J Henderson	Agreed
Councillor F Dugdale	Agreed
Councillor C Hoy	Agreed
Councillor K Mackie	Agreed
Councillor G Mackett	Agreed
Councillor K McLeod	Agreed
Councillor J Williamson	Agreed

Decision

The Committee agreed to:

- i. Note the regulatory framework and the requirement for the Service Manager – Internal Audit to be signed-off the Annual Assurance Statement (AAS) on behalf of the Audit & Governance Committee;
- ii. Note that the regulatory framework had been temporarily amended to allow landlords additional time to submit the AAS and highlight any areas of non-compliance that related specifically to the impact of the COVID-19 pandemic;
- iii. Note the findings from Internal Audit's assurance work; and
- iv. Approve the Annual Assurance Statement, noting that East Lothian Council was fully compliant with the regulatory requirements for the financial year 2019/20 and was partially compliant for the first half of 2020/21 - limited to the Council's ability to effect gas safety checks when tenants were either shielding or self-isolating during the height of the pandemic and to the data collection of all the protected characteristic groups under the Equality Act 2010.

6. ENJOYLEISURE ANNUAL REPORT 2019/20

A report was submitted by Enjoyleisure outlining the organisation's activities and financial position during 2019/20.

Bill Axon, General Manager of Enjoyleisure, invited Members to note the report for 2019/20 as presented and then gave a summary of the position to date during 2020/21 and the ongoing impact of COVID-19. He referred to the closure of all facilities between March and September 2020 and confirmed that the company had taken advantage of the furlough scheme during this period. He outlined some of the difficulties caused by the requirement for social distancing and noted that the ongoing restrictions and lack of emergency funding from Government had resulted in significant financial challenges. So many uncertainties remained in relation to the availability of additional funding, how long restrictions would last and the introduction of a vaccine, that it was difficult to plan for the remainder of the current financial year and beyond. He concluded by thanking Council officers for their continuing support and dialogue during the past nine months.

Suzanne Mills, Financial Controller, reported on the Enjoyleisure accounts for 2019/20, drawing attention to the key income and expenditure figures and confirming that the external auditors had issued an unqualified audit opinion. She added that they had been expected to deliver a balanced budget for 2020/21 but due to COVID-19, the projected year-end financial position was currently uncertain.

Mr Axon responded to questions from Councillor Hoy on the furlough scheme, loss of income scheme support and the current funding gap. He confirmed that Enjoyleisure had made full use of the furlough scheme but he remained unclear whether they would benefit from any additional funds from the Government loss of income schemes. In terms of the impact on the end year financial position, he said he would have to update the Board before he could comment publically.

Eamon John, Service Manager – Sport, Countryside & Leisure, advised that charities were looked at differently by the Government and that discussions were underway with CoSLA on how best to support ALEOs. He added that, because of its level of financial reserves, Enjoyleisure was in a better position than many ALEOs across the country.

Ms Fortune said she had submitted a return to CoSLA and was awaiting confirmation on the level of support that would be made available. However, she did not expect the funding to cover the total loss of income to local authorities and partners.

Mr Axon added that, to date, Enjoyleisure had lost £3.5m in income and this figure may increase. However, the use of furlough and other mitigation measures had reduced potential losses considerably. He said it was likely that Enjoyleisure would meet its financial obligations in the current financial year but there would be a knock-on effect in future years.

Replying to a further question from Councillor Hoy in relation to the redevelopment of the Aubigny Centre in Haddington, Mr Axon confirmed that this work remained a priority for Enjoyleisure but that the timescale had been affected by COVID-19. He was currently in dialogue with partners on a plan of action and he was confident that this work would move forward.

Councillor O'Donnell and Councillor Dugdale asked about Enjoyleisure's contribution to improving people's health and wellbeing and the reporting of outcomes.

Mr Axon confirmed that Enjoyleisure took a strategic approach to its contribution to the wider health agenda and had recently appointed a Business development Officer to look at this area and potential funding streams. He also confirmed that they were looking in more detail at the benefits Enjoyleisure offered to health and wellbeing of individuals and within communities and these social benefits would be reported in more detail in future.

Mr John reassured Members that Enjoyleisure had worked in partnership with the Council consistently throughout the pandemic and he commended its staff for their efforts to bring sport and leisure facilities back online following the easing of lockdown. The financial reserves had allowed them to weather the storm but challenges remained for the sector as a whole.

The Convener thanked Mr Axon and Ms Mills for their report and noted the unique challenges facing the sector.

Decision

The Committee agreed to note the information contained within the report.

Sederunt: Alex McCrorie, Depute Chief Executive, declared an interest as a Director of East Lothian Land Ltd and he withdrew from the meeting during the following item.

7. EAST LOTHIAN LAND LTD

A report was submitted by the Companies Manager informing the Committee of the work undertaken by East Lothian Land Ltd in 2019/20.

Richard Baty, Companies Manager, presented the report outlining the work undertaken during 2019/20 and confirming that the annual accounts for that year had been audited and found to be a 'true and fair view' of the company's financial position. He summarised activity in relation to a number of sites, including unsuccessful bids for properties and recent progress on the development of Tyne Close in Haddington.

In response to questions from the Convener, Mr Baty provided further details of the costs associated with making offers on potential sites. He also reported that, despite the impact of COVID-19, there continued to be a demand for commercial properties and an encouraging number of start-up businesses developing in East Lothian.

The Convener thanked Mr Baty for his report and the work being undertaken by East Lothian Land Ltd.

Decision

The Committee agreed to note the contents of the report.

Sederunt: Mr McCrorie re-joined the meeting. Councillor Mackie withdrew from the meeting for the following Items.

8. MUSSELBURGH RACING ASSOCIATED COMMITTEE

- a. FINANCIAL PERFORMANCE REPORT 2019/20**
- b. FINANCIAL PERFORMANCE REPORT 2020/21**

Reports were presented to the Committee by the Depute Chief Executive (Resources & People Services) reporting on the racecourse financial performance during 2019/20 and the period 1st April to 23rd June 2020. The Musselburgh Racing Associated Committee (MRAC) passed over the operation of the racecourse to Musselburgh Racecourse Company Limited (MRL) on 24th June 2020.

Mr Grilli advised Members that the recommendations contained in both reports were incorrect. The reports were for noting rather than approval. He outlined the content of each report drawing attention to the unqualified audit opinion issued in respect of the 2019/20 financial statements and reminding Members that the management of the racecourse had transferred to Chester Racecourse in June 2020. He also noted the significant impact of COVID-19 during 2020/21 resulting in the cancellation of race meetings and the knock-on effect on financial performance.

In response to a question from the Convener, Bill Farnsworth, General Manager of Musselburgh Racecourse, advised that they had taken advantage of the furlough scheme for the majority of staff but that the fixed costs incurred during the period had effectively wiped out the surplus accumulated in the previous year.

Mr Farnsworth commented that the tender process to identify a new operator of the racecourse had been long and complicated and he was pleased that it had been

concluded despite the ongoing public health situation. He hoped to see a small surplus when the final accounts were closed for this year and therefore no costs incurred for the Council over this period. Things were progressing well with the new operator and, once the pandemic was over, he saw a bright future ahead for the racecourse.

Councillor Williamson asked whether any profit or loss shown in the final accounts for 2020/21 would be inherited by the new operator.

Mr Grilli advised that, in terms of the winding up of the Musselburgh Racing Associated Committee (MRAC), all proceeds would come to the Council in the first instance, as per the Minute of Agreement, but that it would be some time before the final outcome was known.

The Convener asked about the current relationship between the racecourse and the British Horseracing Association (BHA).

Mr Farnsworth said that, at an operational level, the relationship between the two had always been positive. However, the BHA had considered the governance arrangements were inappropriate and this had had a major part to play in putting the operation of the racecourse out to tender. He referred to previous problems within the Committee, some of which had made the local and national press, but he concluded that the tender process had led to the best possible outcome for all of the partners.

The Convener thanked Mr Farnsworth for his comments and positive outlook and congratulated him on the racecourse's financial performance in 2019/20.

Decision

The Committee agreed to note the contents of the financial performance reports for 2019/20 and 2020/21.

Sederunt: Councillor Mackie re-joined the meeting.

9. COMMUNITIES AND PARTNERSHIPS RISK REGISTER

A report was submitted by the Chief Executive presenting to the Committee the Communities & Partnerships Risk Register for discussion, comment, and noting.

Scott Kennedy, Emergency Planning, Risk and Resilience Officer, presented the report outlining the background to the register and the arrangements for assessment and review of ongoing risks. He informed Members that the register included 3 High, 30 Medium and 13 Low risks, and that he had included all risks with a rating of 8 or above.

Sharon Saunders, Head of Communities & Partnerships, advised that the risks associated with IT related specifically to customer service provision. The Contact Centre remained the main point of contact supporting all services across the Council and having appropriate systems in place and operating well was essential. She also reported on the customer service portal currently being developed to increase access to services online. The first area to go live would be Waste Services with an announcement to be made shortly and other services rolled out thereafter.

Councillor Hoy queried the risk related to antisocial behaviour and the actions being taken regarding ongoing delays with court proceedings on evictions and ASBO cases.

Ms Saunders reassured Members that issues related to antisocial behaviour continued to be reviewed and reported through the Police, Fire and Community Safety Scrutiny Committee. She said that the recent increase in antisocial behaviour complaints had related to lockdown and increased home working which had also affected people's tolerance levels. Where such behaviours escalated cases were continuing to be progressed in the usual way. However, she acknowledged that there were backlogs and delays in the court system and officers were working with colleagues in the Legal Team to progress cases as soon as possible.

Mr Grilli advised that there had been a 6 month period during which no ASBO cases could be progressed through the courts as these had not been viewed as essential business. However, court proceedings had re-started two months ago and his team were currently working to progress delayed and new cases as quickly as possible.

Councillor Dugdale asked about additional funding for environmental health. Ms Saunders advised that this related to a proposal for additional national funding from the Scottish Government. While the Council still awaited confirmation of their allocation it was hoped that this money would help to fund 1 or 2 new compliance officer posts to support the existing Environmental Health Officer. The process was underway to define, grade and advertise these posts and it was expected that the funding would be for a defined period.

Decision

The Committee agreed to note the Communities & Partnerships Risk Register and in doing so, noted that:

- i. the relevant risks had been identified and that the significance of each risk was appropriate to the current nature of the risk;
- ii. the total profile of the Communities & Partnerships risk could be borne by the Council at this time in relation to the Council's appetite for risk; and
- iii. although the risks presented were those requiring close monitoring and scrutiny over the next year, many were in fact longer term risks for Communities & Partnerships and were likely to be a feature of the risk register over a number of years.

10. COUNCIL RESOURCES RISK REGISTER

A report was submitted by the Chief Executive presenting to the Committee the Council Resources Risk Register for discussion, comment, and noting.

Mr Kennedy presented the report outlining the background to the register and the arrangements for assessment and review of ongoing risks. He informed Members that the register included 1 Very High, 6 High, 23 Medium and 8 Low risks. In line with the Council's Risk Strategy, only Very High and High risks had been reported to the Committee.

The Convener asked about the risks associated with data breaches while so many staff were working from home and the mitigation measures put in place.

Mr Lamond confirmed that there had been an increase in the prevalence of data breaches, all of which had been investigated in the usual way. He was of the view that there was nothing in these incidents to cause concern; these were operational errors rather than intentional breaches of protocol.

Kirstie MacNeill, Service Manager – People and Governance, advised that there had been a brief increase in incidents as staff adapted to new ways of working but that IT and other services had taken on board the lessons learned. While 2 or 3 breaches had been reported to the Information Commissioner, no further action had been required.

Councillor McLeod asked about the risks associated with accidental IT breaches – such as clicking on an inappropriate or insecure link within an e-mail - and access to external platforms such as Zoom.

Mr Lamond reported that the prevalence of such breaches had not increased despite home working and that the numbers remained low. While the risk of such breaches would always remain, the Council's IT systems and policies were responsive to ongoing issues and the same level of support was available to staff should they have any concerns or queries. On the question of access to external platforms, Mr Lamond advised that this was not always possible due to concerns about security and the confidentiality of data. Not all platforms were of the standard required for Council access.

Decision

The Committee agreed to note the Council Resources Risk Register and in doing so, noted that:

- i. the relevant risks had been identified and that the significance of each risk was appropriate to the current nature of the risk;
- ii. the total profile of the Council Resources risk could be borne by the Council at this time in relation to the Council's appetite for risk; and
- iii. although the risks presented were those requiring close monitoring and scrutiny over the next year, many were in fact longer term risks for Council Resources and were likely to be a feature of the risk register over a number of years.

Signed

Councillor Jane Henderson
Convener of the Audit and Governance Committee