



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

**TUESDAY 29 NOVEMBER 2022  
VIA DIGITAL MEETINGS SYSTEM**

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### **Committee Members Present:**

Councillor Bruce	Councillor McFarlane
Councillor Jardine	Councillor Ritchie
Councillor Menzies (Convener)	Councillor Trotter
Councillor McGuire	

### **Council Officials Present:**

Ms M Patterson, Chief Executive  
Ms S Fortune, Executive Director for Council Resources  
Mr D Proudfoot, Executive Director for Place  
Ms L Brown, Executive Director for Education and Children's Services  
Ms M Sullivan, Head of Development  
Ms W McGuire, Head of Housing  
Ms M Ferguson, Head of Corporate Support  
Ms E Dunnet, Head of Finance  
Mr D Stainbank, Service Manager – Internal Audit  
Mr P Vestri, Service Manager – Policy, Improvement & Partnerships  
Mr S Kennedy - Emergency Planning, Risk and Resilience Officer  
Mr C Grilli, Service Manager – Governance, Council Resources  
Ms S Saunders, Head of Communities and Partnerships  
Mr I Gorman, Head of Operations (NHS)  
Ms A Glancy, Service Manager – Corporate Accounting  
Mr P Moore, Senior Auditor  
Mr A Cruickshank, Service Manager - IT  
Ms L Smith, Team Manager - Arts  
Mr R Baty – Companies Manager (ELL & ELI)  
Mr B Axon – Chief Executive (Enjoy Leisure)

### **Clerk:**

Ms M Scott  
Ms F Currie (back up)

### **Visitors Present:**

Mr R Butt – Brunton Theatre Trust

### **Apologies:**

Councillor K McLeod

### **Declarations of Interest:**

**Councillor Menzies declared she was appointed by the Council to the Board of EnjoyLeisure but there was no conflict as there was no vote for item 7 on the agenda.**

**1. MINUTE OF AUDIT & GOVERNANCE COMMITTEE ON 20 SEPTEMBER 2022 AND 1 NOVEMBER 2022**

The minutes of the Audit & Governance Committee from 20 September and 1 November were approved.

**2. INTERNAL AUDIT REPORT: NOVEMBER 2022**

A report was submitted by the Service Manager for Internal Audit, informing the Audit and Governance Committee of Internal Audit reports issued since the last meeting of the Committee, to provide details of Internal Audit's follow-up work undertaken and provide an update on progress made against the 2022/23 annual audit plan.

Duncan Stainbank, Service Manager for Internal Audit reported that since the last meeting of the Committee final reports had been issued in respect of the following audits: IT Asset Management, Sundry Accounts, Data Protection, and City Deal Governance and Monitoring. IT Asset Management was given an assessment of "limited assurance", Sundry Accounts, Data Protection and City Deal Governance and Monitoring were given as assessment of "reasonable assurance".

**IT Asset Management**

Mr Stainbank explained that the Council IT Team are responsible for authorising the purchasing all IT assets of East Lothian Council but the current system for recording the initial device location had fallen into disuse over the last three years due to the increased demand for mobile devices to meet the needs of staff during the COVID-19 pandemic. Mr Stainbank highlighted the following key findings and recommendations which had been agreed with the IT Service Manager:

- There was no IT Asset Management procedure in place for the Council. Management have agreed to develop a procedure by July 2023.
- No IT Asset Management system was currently being used to confirm the individuals responsible for each device and to track it. Management have agreed to put in place and IT Asset Management system and reconcile to purchases by September 2023.
- There were currently no regular checks and reconciliations on the IT equipment issues within East Lothian schools, a recent check completed within one school resulted in the blocking of 41 devices, where the current whereabouts could not be identified following a lengthy checking exercise. Management have agreed to introduce appropriate annual exercises by April 2023.

**Sundry Accounts**

Mr Stainbank reported that the Council has a Domestic Rates and Sundry Accounts team that, in addition to responsibility for Non-Domestic Rates, provides a service for the raising of Council invoices and where this is required follow up and collection of the fees and charges due from other Council Services. Invoices are raised for many Council Services including residential care charges, trade and special waste collection and Section 75 contributions. Mr Stainbank noted that over the last three financial years the Council have raised on average 14,000 invoices to the value of 28.4 million. Mr Stainbank identified the following key findings:

- 10% of the invoices tested had been undercharged to a value of £25,000 due to a lack of appropriate completion of verification and authorisation processes. Management within Council services raising these invoices have agreed to improve verification and authorisation processes and to undertake further training of staff raising invoices to avoid these errors by April 2023.
- For three of these invoices tested there was a delay of between four and ten months in raising the invoices. Revenues management have agreed that any delays in the raising of invoices by Council services will be monitored and raised with those Council services in regular meetings which are in place.
- Until recently the core processes of debt collection action completed by the Sundry Accounts team formally finished when final notices had been issued and followed up by further contact and the system did not allow for automatic file transfer to Sheriff Officers. A trial has recently commenced of sending four accounts to Sheriff Officers. Revenues Management are in the processes of working with software suppliers to develop a mechanism for transferring appropriate debt cases to Sheriff Officers, and a suitable solution should be in place by June 2023.

### **Data Protection**

Mr Stainbank explained that on the 25<sup>th</sup> May 2018 the European General Data Protection Regulation (GDPR) came into effect which is now underpinned by the UK General Data Protection Regulations (UKGDPR) which are distinct from the EUGDPR. Mr Stainbank highlighted the following key findings:

- There was a backlog of Information Sharing Agreements (ISAs) that require to be put in place with organisations with whom personal data is shared. Management have confirmed that following recruitment of new posts, processes for approving ISAs are to be simplified and streamlined by June 2023 to remove backlogs.
- There has been limited progress on the development of Information Asset Registers for areas in the Council where data processing activities are undertaken. Management have confirmed that there will be continued development of the Information Asset Register, with four workshops being held with service areas per annum on an ongoing basis.
- The Council has appropriate policies, procedures and guidance documents in place for all aspects of Data Protection, however in a small number of cases the policies and procedures require to be reviewed and updated. Management have confirmed that these will be reviewed and updated by April 2023.

### **City Deal Governance and Monitoring**

The Edinburgh and South-East Scotland (ESES) City Region Deal was the second of its kind to be established in Scotland and comprised of six local authorities, including East Lothian Council, together with regional universities, colleges and the private sector. The ESES City Regional Deal Document was signed in August 2018 with the UL and Scottish Government to a value of £1.3 billion. Mr Stainbank added that the innovation hub and innovation park had been developed in partnership with East Lothian Council and Queen Margaret Universities with an overall cost of £40 million with £10 million ELC capital investment for land acquisition. Mr Stainbank then highlighted the following key findings:

- Governance arrangements within the Council could be further enhanced by the reporting of project progress, risks and issues to a formal Programme or Project Board for the Innovation Hub, independent of operational involvement in the Hub. Management have agreed to formalise the arrangements in place and to set up a Programme/Project Board by January 2023.

Mr Stainbank reported Internal Audit have followed up three previous audits since the last Audit and Governance Committee being Non-Domestic Rates Reliefs and Recoveries, Council Tax Reliefs and Recoveries and Restart of Capital Projects. Mr Stainbank stated that out of 19 recommendations, 17 have been fully implemented and 2 recommendations have been put forward for implementation by April 2023. Mr Stainbank highlighted that 56% of the audit plan has been completed or commenced and the team is on target to complete by June 2023.

There were no questions for Mr Stainbank.

Councillor Jardine stated she found the report incredibly detailed and valuable to come to the Committee on a regular basis. Councillor Jardine commended Mr Stainbank and his team for their work on the report and found it a valuable addition to the work of the Council giving a lot of assurance.

Councillor Ritchie said it was helpful to see the updates and follow up from the last audit and it was good to see the progress made.

Councillor Menzies echoed the comments of the other Councillors and added that the robust measures help us all improve as a Council.

### **Decision**

The committee agreed to note:

- i) the main findings and recommendations from the Internal Audit reports issued during the period from September 2022 to November 2022 as contained in Appendix 1;
- ii) the findings from Internal Audit's follow-up work;
- iii) Internal Audit's progress against the annual audit plan for 2022/23 as set out in Appendix 2.

### **3. INTERNAL AUDIT CHARTER**

A report was submitted by the Service Manager for Internal Audit to present an updated Internal Audit Charter to the Audit and Governance Committee for approval.

Mr Stainbank explained East Lothian Council's Internal Audit Charter was approved by the Audit and Governance Committee in November 2021. The Charter has been reviewed and updated to reflect revised job titles. The updated Internal Audit Charter is being presented to the Audit and Governance Committee for approval.

There were no questions or comments on the report.

The Convener moved to the vote on the recommendation, taken by roll call, which was approved unanimously

### **Decision**

The committee unanimously agreed to approve the updated Internal Audit Charter.

### **4. CIPFA POSITION STATEMENT: AUDIT COMMITTEES IN LOCAL AUTHORITIES AND POLICE 2022**

A report was submitted by the Service Manager for Internal Audit to East Lothian Council's position in relation to the adoption of the Chartered Institute of Public Finance and Accountancy (CIPFA) Position Statement: Audit Committees in Local Authorities and Police 2022.

Mr Stainbank informed Members that the East Lothian Council Audit and Governance Committee already meets the majority of the principals outlined in the CIPFA Position Statement however there are three key areas the Committee do not fully comply with which are highlighted within the report. The following actions were proposed to adopt the principals in full:

- Self-review of the knowledge and expertise of the Audit & Governance Committee members to take place during 2023. Recommendations on any requirements for co-opted members would then be made to the September 2023 Audit & Governance Committee meeting.
- A meeting to be set up with the incoming Audit Scotland external audit team and the Service Manager – Internal Audit, with all of the Audit & Governance Committee members invited. Consideration could then be given to future arrangements to meet privately on an appropriate basis.
- A self-assessment of good practice against the CIPFA Position Statement would take place during 2023. This self-assessment will form the key input to an annual report on compliance with the statement and the performance of the Audit & Governance Committee, which would be presented to the committee in September 2023.

Councillor Jardine asked for clarification on what co-option would look like. Mr Stainbank explained that this would be best answered when going through the self-assessment which would provide information on what type of Member you would like to co-opt on and the length of time you would like them to be on the Committee or if you feel there is no need to co-opt Members onto the Committee but an assessment would be useful to go through to identify if there would be any benefits to having a co-opted Member and what kind of skills or experience you would be looking to co-opt onto the Committee. Mr Stainbank added that there are a variety of ways in which this could occur. Councillor Jardine asked Mr Stainbank to expand of the ways this could be done to give some transparency to people watching online where co-optees may be requested from if they are required. Mr Stainbank indicated that core elements of what the Committee looks at are Governance, Risk Management and Control and also a number of financial reports therefore experience in finance particularly within local authorities may be one of the areas where the Committee feel they need additional experience. In addition risk management or audit experience would be the skills that audit committees may benefit from. Sarah Fortune, Executive Director for Council Resources assured Members that Officers try to support Members of this Committee as best they can and there are no significant obvious gaps so she didn't want anyone to think that all of a sudden there are massive gaps in terms of our governance. Ms Fortune added that it is right and proper for us to go through this process and if Members did feel there were gaps in our expertise that we consider how we could try and fill those gaps which could be through co-opting external Members.

In response to a question from Councillor Menzies Mr Stainbank confirmed that the self-assessment process will start around Easter time next year. Mr Stainbank added he has a self-assessment template against the position statement that is providing additional guidance and he is looking to develop this across local Scottish authorities to give understanding how they have gone about identifying the skills and experience of the Committee Members so we can bring that at the same time to go along with the self-assessment. He noted this would run through the early part of the summer and then reassess with Councillor Menzies as to the process we take forward for the annual report.

## **Decision**

Members agreed to note the position of East Lothian Council in progressing the adoption of the CIPFA Position Statement: Audit Committees in Local Authorities and Police 2022.

### **5. INTERNAL AUDIT JOINT WORKING WITH MIDLOTHIAN COUNCIL**

A report was submitted by the Service Manager for Internal Audit to provide information to the Audit and Governance Committee concerning the approved trial of a joint working arrangement with Midlothian Council for Internal Audit services.

Mr Stainbank informed Members that in order to increase resilience, improve ability to benchmark controls across authorities, and increase the efficiency of Internal Audit, the East Lothian Council Internal Audit team had been considering partnership with another local authority. Mr Stainbank added the Chief Executives of East Lothian and Midlothian Councils considered that a joint working approach should be explored and the risks and benefits considered. This report provides the results of the consideration given and the subsequent process taken.

Mr Stainbank advised that the proposal is that for a trial period covering one full internal audit cycle, East Lothian and Midlothian Council's would share a Chief Internal Auditor with the Service Manager – Internal Audit of ELC acting in that capacity with the cost of the post being shared equally between both Council's. Mr Stainbank confirmed that all employees would remain under their current contracts of employment and there was no proposed change to staffing structure of either Internal Audit teams as part of this proposal.

Councillor Trotter asked how much of a saving would be made by this proposal. Mr Stainbank stated that plans are still being finalised with Midlothian Council but he would be happy to have a discussion offline about this. Mr Stainbank added that any financial savings made from the proposal would not be taken from the budget immediately and instead would happen later on if the trial works.

Councillor McGuire commented that after the finance meeting last week initiatives like this should be applauded where we are investigating where money can be saved and shared so he would like to record that this is a positive action being taken and maybe in the future more can be done.

Councillor Ritchie commented that this proposal lined up well with the vision of where we are going as a Council and looking towards more partnership working and working with other teams and Council's where possible. Councillor Ritchie added this was a positive step and the work that's gone in already to make this proposal and the work towards it becoming active was really positive.

Councillor Jardine stated the scope for shared services had been discussed previously and thought it would be useful to revisit some of what was done a decade ago. She added that it would be useful going forward in other areas we may want to look at to pick the learning from this one in terms of it being a trial and really understand the implications as the practicalities of shared services can be significantly different to what we planned but that she valued the proposal.

Councillor Trotter echoed the points made from other Councillor's and added proposals like this one have to be the way forward and we need to keep looking further afield for any benefits to the Council.

Councillor Menzies thanked Mr Stainbank for his report and for the meetings outside of this Committee meeting which gave her a fuller understanding of the benefits and possible benefits to the Council. She added that she was really heartened to hear the comments and it showed a real willingness of collaboration by all elected Members.

#### **Decision**

The Committee agreed to note the trial of joint working arrangements with Midlothian Council.

#### **6. TREASURY MANAGEMENT – MID-YEAR REVIEW 2022-23**

A report was submitted by Executive Director for Council Resources to update to the Committee on Treasury Management activity during the first six months of 2022-23.

Ann-Marie Glancy, Service Manager – Corporate Accounting stated that monitoring and scrutiny has been delegated to the Audit and Governance Committee therefore the mid-year and annual treasury reports will be submitted to this Committee for review. Ms Glancy reported that the mid-year report sets out the treasury activity of the Council for the first half of the year and this report is reviewed against the current treasury management strategy for the Council and the approved treasury indicators. Ms Glancy highlighted the key points within Economic Update, Review of Treasury Management Strategy Statement and Annual Investment Strategy, The Council's Capital Position (Prudential Indicators), Investment Portfolio 2022-23, Borrowing Strategy 2022-23, Debt Rescheduling and Introduction of Reporting Standard IFRS16.

There were no questions on the report.

Councillor Menzies thanked Ms Glancy and Ms Fortune for their report, for all the work that went into this before today's meeting and for providing updates to make sure all Members were fully aware with everything. Councillor Menzies stated that this is evident due to the lack of questions from Members today.

#### **Decision**

The Committee agreed to note the paper.

#### **7. ENJOY ANNUAL REPORT 2021/22**

Councillor Ritchie declared she is a Director for EnjoyLeisure. She apologised for not declaring this at the start of the meeting but she didn't think it was necessary as she was appointed by the Council. Morag Ferguson, Head of Corporate Support stated Councillor Ritchie was correct that you do not need to make a declaration but it does enable you to make a transparency statement which is essentially announcing the connection and being transparent for others. Ms Ferguson added that what Councillor Menzies and Ritchie have done today qualifies as a transparency statement.

A report was submitted by the Chief Executive of EnjoyLeisure to set out the financial and operational performance of EnjoyLeisure (enjoy) since March 2021, the challenges that enjoy faced in light of the cost of living and energy crises, and the successes that enjoy has achieved through this period.

Bill Axon, Chief Executive of enjoy spoke to his report highlighting the biggest challenges enjoy faces including; rebuilding reserves, planning for impact of utility price rises, increasing fitness memberships in light of the cost of living crisis, difficulties in recruitment of staff and keeping up with the demand of swimming and gymnastics lessons in East Lothian. Mr Axon also highlighted the successes for enjoy over the last three years since COVID hit including; the negotiation of a 10 year extension to the

funding agreement with East Lothian Council, which will ensure continuity of the existing service provision and affordable leisure activities for local communities, the avoidance of redundancies since the pandemic began, all facilities have remained open and the improved and sustained partnership with East Lothian Council.

In response to a question from Councillor Jardine Mr Axon explained that the staff member who leads on customer experience left his post to join the Council so analysis on this had stagnated but a new member of staff has recently been appointed. Mr Axon added that he will be reporting to the Board in the New Year about the way staff will be speaking with customers to determine what they require. Mr Axon stated that the business transformation restructure mentioned in the report will help determine a platform for constructive dialogue with customers.

Councillor Bruce asked if Mr Axon was confident membership levels at enjoy would return to their previous levels. Mr Axon stated that current figures indicate this has been successful however he is unsure what impact the cost of living crisis will have. Mr Axon pointed out that to some people an enjoy membership could be seen as a luxury however he would advocate it is not and instead is a need to ensure individuals wellbeing and fitness levels are maintained. He noted that some individuals are making decisions about memberships based on disposable income but this has been offset by new customers joining who were previously members at private gyms. Mr Axon stated he is confident enjoy are doing the right things at this time.

In response to a question from Councillor Ritchie regarding steps that have been taken to address recruitment issues Mr Axon reported that enjoy retains staff extremely well but a number of employees they have are of the younger generation who are potentially studying so move onto their chosen career after a few years in post so this is causing a gap. Mr Axon added that another big issue was the inability to complete staff training to achieve qualifications during lockdown. He noted enjoy was the first in the country to reintroduce training after lockdown which helped with their income as other local authorities and trusts asked for their staff to be trained. Mr Axon explained that fast track posts are advertised when enjoy is able to run a course to gain a professional qualification and the suitable candidates are chosen to join the programme. Individuals would be given a probationary post within enjoy which will allow for a paid qualification to be achieved. Mr Axon confirmed the cost of the qualification was covered by enjoy which was a good investment as it allowed them to gain new employees. Mr Axon noted that the current wage negotiations were having an impact as the private sector is able to pay higher rates and also offer individuals an upfront payment to join their facility. He added that staff continue to come up with new ideas to help with recruitment and at a meeting yesterday an action plan was created to address this particular issue and will be reported to the Board in the near future.

Councillor McGuire commented that as a member of enjoy he finds them to be fantastic value for money and he also hoped they will attract new members who currently use private gyms. Councillor McGuire added the roles behind the scenes at enjoy should be recognised for their hard work during the pandemic and although there will be financial implications the benefits to peoples mental and physical health and wellbeing was priceless. Councillor McGuire congratulated individuals who have come through enjoy and now compete at county, national and international levels in all sports bringing recognition and reward back to East Lothian. He thanked everyone involved with enjoy.

Councillor Menzies stated enjoy should be commended for their ongoing work and widely reported health benefits. She added that without enjoy and the benefits people get by attending a gym or swimming the Council would have much more work to do.



Councillor Menzies also commended enjoy for having no redundancies or reducing staff capacities and thanked Mr Axon

**Decision**

The Committee agreed to note the report.

**8. EAST LOTHIAN LAND LTD 2021/22**

A report was submitted by the Companies Manager for East Lothian Land Ltd to inform the Audit and Governance Committee of the work undertaken by East Lothian Land Ltd in 2021/22.

Richard Baty, Companies Manager (ELL & ELI) reported a number of changes have been made to Board for East Lothian Land Ltd due to the retirement of the senior council officer and private sector representative and the sad passing of Councillor Innis, Council Leader. Mr Baty noted the Board act on a pro bono basis and do not receive payment and Board meetings are held on a regular basis linked to business requirements. He confirmed that the end of year audit gave a true and fair view of the state of the company and there were no matters of concern. Mr Baty explained during the year the Board considered a number of projects and were guided by a report they receive monthly with available land and commercial property for sale.

Councillor McMillan asked Mr Baty to remind Members of the excellent work of Eric Murray and to say more about the work of directors and the wise advice and experience they bring. Mr Baty stated that Eric Murray was a founding director of East Lothian Land and brought with him a huge amount of business knowledge and contacts within East Lothian where he was highly regarded. Mr Baty added that Mr Murray guided him a great deal and that all directors have a say in running the company which is always well received.

**Decision**

The Committee agreed to note the paper.

**9. BRUNTON THEATRE TRUST PROGRAMME OUTCOMES 2021/22**

A report was submitted by the Team Manager for Arts to appraise the Committee of the performance of the Brunton Theatre Trust's programme 2021/22.

Richard Butt, Trustee for the Brunton Theatre Trust stated that the Brunton Theatre is registered Scottish charity and overall they had a positive year. Mr Butt reported that in April 2021, The Brunton was in a period of closure due to Scottish Government's Covid guidelines. He added that in May 2021, The Brunton was able to re-open for film screenings only and by September 2021, live events were permitted to re-start but in December 2021, due to rising cases of Covid infection, the Scottish Government closed live events until February 2022. Mr Butt said the impact of these periods of closure and restrictions on the programming of The Brunton was huge with many performances and screenings cancelled or postponed. He added despite the challenges presented by the pandemic, The Brunton Theatre Trust adapted and continued its programme when possible for local communities and despite the challenges, the programme that was presented resulted in a total attendance at live performances and screenings of 18,619. Mr Butt confirmed the COVID pandemic impacted the Trust's ability to raise income from ticket sales however careful budget management and raising funds from external sources ensured that the Trust was able to successfully navigate its way through this difficult period. Mr Butt stated that the key sources of income from the annual contract payment from East Lothian Council and

additional external funding from Creative Scotland enabled the Trust to remain financially stable. He explained that key short term artistic aim of the Brunton Theatre Trust over the next year is to continue to provide its high quality programme of performing arts and this would enable the Brunton to continue as a key performing arts venue. Mr Butt concluded The Trust is currently in a stable financial position going forward into 2022/23 and with its continued partnership with East Lothian Council will strive to respond and adapt to the continued economic challenges that it will face during these uncertain times.

Councillor Menzies asked what the Trust are doing to encourage people back into the theatre. Mr Butt explained they were reassuring customers on precautions they were continuing to take around health and safety and more recently there has been a desire from people to come back into the space. He added that the ticket sales for the pantomime had been very good with schools signing up strongly to attend. He said at the moment they are unsure if financially they will return to pre-pandemic figures and felt it would be foolish to be overly confident about this as people are now feeling the squeeze with the cost of living crisis but that the Trust will continue to do their part with advertising and fair pricing.

Councillor Trotter stated the Brunton Theatre is an excellent venue and he would highly recommend to anyone. He welcomed the report wished the Trust all the best for the future.

Councillor Ritchie echoed Councillor Trotter's comments and added that the culture sector had been hit hard from the pandemic but it was really encouraging to see the positive direction the accounts were heading in and commended the hard work that went on behind the scenes to keep them afloat. She thanked the team, staff and trustees at the Brunton Theatre adding that it was a huge asset to the community.

Councillor Menzies thanked Mr Butt for the report and echoed the comments from fellow Councillors.

### **Decision**

The Committee agreed to note the paper.

- 10. CORPORATE SUPPORT RISK REGISTER**
- 11. FINANCE RISK REGISTER**
- 12. INFRASTRUCTURE RISK REGISTER**

Reports were submitted by the Chief Executive to present to the Audit and Governance Committee the Corporate Risk Register for discussion, comment and noting.

Scott Kennedy, Emergency Planning, Risk and Resilience Officer stated due to the large number of items on the agenda he would combine the reports for Corporate Support, Finance and Infrastructure Risk Registers. Mr Kennedy explained that Very High risks are unacceptable and measures should be taken to reduce, transfer or treat the risk to a more tolerable position; high risks may be tolerable providing the Council is assured that adequate and effective control measures are in place;

medium risks are tolerable with control measures that are cost effective; and low risks are broadly acceptable without any further action to prevent or mitigate risk.

### **Corporate Support**

Mr Kennedy reported the current Corporate Support Risk Register included 1 Very High, 4 High, 12 Medium and 13 Low risks. As per the Council's Risk Strategy, only the Very High and High risks were being reported to the Committee. Mr Kennedy was happy to answer any questions on the format of the risk register and analysis of the risks and Ms Ferguson, Head of Corporate Support would answer any questions individual risks.

There were no questions or comments.

### **Finance**

Mr Kennedy reported the current Finance Risk Register includes 1 Very High, 7 High, 5 Medium and 2 Low risks. As per the Council's Risk Strategy, only the Very High and High risks are being reported to the Committee. Mr Kennedy was happy to answer any questions on the format of the risk register and analysis of the risks and Ms Dunnet would answer any questions on individual risks.

There were no questions or comments.

### **Infrastructure**

Mr Kennedy reported the current Infrastructure Risk Register includes 2 Very High, 17 High, 36 Medium and 14 Low risks. As per the Council's Risk Strategy, only the Very High and High risks are being reported to the Committee. Mr Kennedy was happy to answer any questions on the format of the risk register and analysis of the risk and Mr Reid, Head of Infrastructure would answer any questions on individual risks.

### **Decision**

The Committee agreed to note that:

- the relevant risks have been identified and that the significance of each risk is appropriate to the current nature of the risk.
- the total profile of the Corporate Support/Finance/Infrastructure risks can be borne by the Council at this time in relation to the Council's appetite for risk.
- although the risks presented are those requiring close monitoring and scrutiny over the next year, many are in fact longer-term risks for Corporate Support/Finance/Infrastructure and are likely to be a feature of the risk register over a number of years.

Signed .....

Councillor Lee-Anne Menzies  
Convener of the Audit and Governance Committee