

Audit and Scrutiny Committee  
19 September 2017

**Irvine, 19 September 2017** - At a Special Meeting of the Audit and Scrutiny Committee of North Ayrshire Council at 10.00 a.m.

**Present**

Marie Burns, Margaret George, Joy Brahim, Alan Hill and Donald Reid.

**In Attendance**

L. Friel, Executive Director, P. Doak, Senior Manager (Internal Audit, Risk and Performance) and D. Forbes, Senior Manager (Financial Management) (Finance and Corporate Support); Y. Baulk, Head of Physical Environment (Place) and A. Little, Committee Services Officer (Chief Executive's).

**Also In Attendance**

Pat Kenny, Deloitte.

**Chair**

Councillor Burns in the Chair.

**Apologies for Absence**

Tom Marshall and John Sweeney.

**1. Declarations of Interest**

There were no declarations of interest by Members in terms of Standing Order 10 and Section 5 of the Code of Conduct for Councillors.

**2. Annual Report on the 2016/17 Audit**

Submitted report by the executive Director (Finance and Corporate Support) on the annual audit report for 2016/17. Appendix 1 to the report comprised the letter of representation to be signed by the Executive Director (Finance and Corporate Support) as responsible officer for North Ayrshire Council. Deloitte's proposed annual report to Members, which summarised the findings of their audit, was attached at Appendix 2 to the report.

Pat Kenny of Deloitte provided a verbal report on the appendices to the report, including the key messages contained within the external auditor's unqualified report on the 2016/17 audit of North Ayrshire Council, the significant findings from the audit in accordance with ISA260, and the significant audit risks identified during the course of the audit.

Members asked questions and were provided with further information in relation to:-

- business partnering that was introduced in April 2017 and provides a discrete resource to provide a strategic role in the transformation programme;
- the net pension liability increase that is mainly as a result of an increase in the discount rates applied, offset to some extent by a slight increase in some inflation adjustments; and

- the provision of regular updates on the transformation programme to future meetings of the Committee.

The Committee agreed to (a) note the findings of the 2016/17 audit and Action Plan as contained in the External Auditor's Annual Report (Appendix 2); (b) approve the audited Annual Accounts for signature (Appendix 1).

### **3. Urgent Item**

The Chair agreed that the following item of business be considered as a matter of urgency to allow the matter to be actioned without delay.

#### **3.1 Equal Pay**

The Committee was advised of a request for an update in relation to the Council's approach to equal pay and specifically information on:-

- the number of ongoing equal pay claims and how they are being progressed;
- the potential cost of equal pay claims;
- the steps the council is taking to mitigate against the risks of equal pay claims;
- the gender pay gap position;
- a copy of any action plan on the council's equal pay policy; and
- the council's approach to proactively carrying out equality work around gender pay gap.

The Executive Director (Finance and Corporate Support) reported that a report would be made to the next meeting on the Audit Scotland's report on Equal Pay in Scottish Councils.

The Committee agreed to receive a report at the next meeting from the Executive Director (Finance and Corporate Support) on the Audit Scotland report on Equal Pay in Scottish Councils and information on the areas that had been raised by the Committee, as detailed above.

The meeting ended at 10.15 a.m.