

A MEETING of the AUDIT AND SCRUTINY COMMITTEE will be held in the COUNCIL CHAMBER, COUNCIL HEADQUARTERS, NEWTOWN ST BOSWELLS on WEDNESDAY, 28 JUNE 2017 at 10.15 am.

As previously agreed, there will be a meeting of Members of the Committee at 9.30 a.m. prior to the main meeting.

J. J. WILKINSON,
Clerk to the Council,
21 June 2017

| BUSINESS | | |
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| 1. | Apologies for Absence. | |
| 2. | Order of Business. | |
| 3. | Declarations of Interest. | |
| AUDIT BUSINESS | | |
| 4. | Minute. (Pages 1 - 8) Minute of Meeting of the Audit and Risk Committee held on 28 March 2017 to be noted and signed by the Chairman. (Copy attached.) | 5 mins |
| 5. | Scottish Borders Council Local Scrutiny Plan 2017/18. (Pages 9 - 34) Consider the local scrutiny plan by Audit Scotland which sets out the planned scrutiny activity in Scottish Borders Council during 2017/18. The plan is based on a shared risk assessment undertaken by a local area network, comprising representatives of all of the main scrutiny bodies who engage with the Council. The National Scrutiny Plan for 2017/18 and Map also published in May 2017 provide the national context of planned scrutiny. (Copies attached) | 20 mins |
| 6. | External Audit Interim Management Report 2016/17. (Pages 35 - 42) Consider report by Audit Scotland on interim findings from their review of Key Systems of Internal Control in connection with their audit for the year ended 31 March 2017 and associated Management Action Plan. (Copy attached.) | 15 mins |
| 7. | Financial Reporting & Scrutiny: Why the Accounts Matter. (Pages 43 - 48) | 10 mins |

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| | Consider the report by Audit Scotland prepared for Local Government and published in February 2016, including appended Questions for elected members to consider as part of the accounts scrutiny and approval process. (Copy attached.) | |
| 8. | <p>Scottish Borders Council Draft Reports and Accounts 2016/17.</p> <p>Consider various draft annual reports and accounts by Chief Financial Officer prior to their submission to the External Auditors:</p> <p>(a) Scottish Borders Council; (Pages 49 - 160)</p> <p>(b) Scottish Borders Council Common Good Funds; (Pages 161 - 182)</p> <p>(c) SBC Charitable Trusts: (Pages 183 - 290)</p> <p>(i) SBC Welfare Trust;</p> <p>(ii) SBC Education Trust;</p> <p>(iii) SBC Community Enhancement Trust;</p> <p>(iv) Thomas Howden Wildlife Trust;</p> <p>(v) Ormiston Institution;</p> <p>(vi) SBC Charity Funds;</p> <p>(d) Bridge Homes LLP; (Pages 291 - 308)</p> <p>(e) SBC Supports LLP; (Pages 309 - 326)</p> <p>(f) SB Cares LLP; (Pages 327 - 348)</p> | 30 mins |
| 9. | <p>Pension Fund Annual Report and Accounts 2016/17. (Pages 349 - 434)</p> <p>Consider draft annual report and accounts of the Scottish Borders Council Pension Fund by Chief Financial Officer prior to their submission to the External Auditors. (Copy attached.)</p> | 10 mins |
| 10. | <p>Scottish Borders Council's Local Code of Corporate Governance. (Pages 435 - 456)</p> <p>Consider a report by Chief Executive on the revised Local Code of Corporate Governance to ensure it reflects the changing context of Scottish Borders Council and is consistent with the principles and recommendations of the new CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' (2016) and the supporting guidance notes for Scottish authorities. (Copy attached.)</p> | 15 mins |
| 11. | <p>Internal Audit Work to June 2017. (Pages 457 - 470)</p> <p>Consider a report by Chief Officer Audit & Risk on findings from recent work carried out by Internal Audit, including the recommended audit actions agreed by Management to improve internal controls and governance arrangements, and the work of the Scottish Local Authorities Chief Internal Auditors Group. (Copy attached.)</p> | 15 mins |
| 12. | Any Other Audit Items Previously Circulated. | |
| 13. | Any Other Audit Items which the Chairman Decides are Urgent. | |

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| | SCRUTINY BUSINESS | |
| 14. | Scrutiny Reviews. (Pages 471 - 476) Discussion on process. (Copy attached.) | 15 mins |
| 15. | Proposed Dates of Future Meetings. (Pages 477 - 478) Consider proposed dates of future meetings. (Copy attached.) | 5 mins |
| 16. | Any Other Scrutiny Items Previously Circulated. | |
| 17. | Any Other Scrutiny Items which the Chairman Decides are Urgent. | |

NOTES

1. **Timings given above are only indicative and not intended to inhibit Members' discussions.**
2. **Members are reminded that, if they have a pecuniary or non-pecuniary interest in any item of business coming before the meeting, that interest should be declared prior to commencement of discussion on that item. Such declaration will be recorded in the Minute of the meeting.**

Membership of Committee:- Councillors S. Bell (Chairman), H. Anderson, K. Chapman, S. Hamilton (Vice-Chairman), N. Richards, H. Scott, E. Small, R. Tatler and E. Thornton-Nicol. Mr M Middlemiss.

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