



MINUTES OF THE MEETING OF THE AUDIT AND GOVERNANCE COMMITTEE

**TUESDAY 16 SEPTEMBER 2025
COUNCIL CHAMBER, TOWN HOUSE, HADDINGTON
& HYBRID MEETING SYSTEM**

Committee Members Present:

Councillor Jardine
Councillor McGuire
Councillor McLeod
Councillor McFarlane
Councillor Menzies (Convener)
Councillor Ritchie – joined at item 6, not included in any roll call votes
Councillor Trotter

Other Councillors Present:

N/A

Council Officials Present:

Mr L Rockey, Chief Executive
Ms S Fortune, Executive Director for Council Resources
Ms E Dunnet, Head of Finance ®
Ms H Barnett, Head of Corporate Support
Mr D Stainbank, Service Manager – Internal Audit
Mr S Kennedy, Team Manager – Emergency Planning & Resilience ®
Mr T Reid, Head of Infrastructure
Mr C Grilli, Service Manager – Governance
Ms W McGuire, Head of Housing
Ms A Cruickshank, Service Manager – IT ®
Ms L Byrne, Head of Children's Services ®
Ms S Irvine, Service Development & Support Team Manager ®
Mr K Dingwall, Head of Development
Ms R Astin, Service Manager – Housing, Strategy, Policy & Performance
Mr E John, Head of Communities & Partnerships Infrastructure

External Audit:

Mr M Ferris, Senior Audit Manager – Audit Scotland ®

Clerk:

Ms R Crichton
Minute completed by Ms M Scott

Apologies:

N/A

Declarations of Interest:

N/A

**1. MINUTES OF AUDIT & GOVERNANCE COMMITTEE
17 JUNE 2025**

The minutes from the Audit and Governance Committee from 17 June 2025 were approved as an accurate record.

**2. AUDIT & GOVERNANCE ACTION RECORD 2025/26 & ANNUAL WORK
PLAN 2025/26**

No presentation was necessary for this item. Councillor Menzies asked for Members to let officers know in advance if they have questions on a specific paper to ensure the correct officers attendance at Committee.

All Members were happy to note the Action Record and Annual Work Plan.

3. INTERNAL AUDIT REPORT: SEPTEMBER 2025

A report was submitted by the Service Manager for Internal Audit to inform the Audit and Governance Committee of Internal Audit reports issued since the last meeting of the Committee, provide details of Internal Audit's follow-up work undertaken and provide an update on progress made against the 2025/26 annual audit plan.

Having provided Members with a summary of the report, Duncan Stainbank – Service Manager for Internal Audit, responded to questions from Members in relation to how assurance ratings were reached, how smaller organisations were supported to access funds and agreed to provide further information on the LAG Members for Tyne and Esk.

Decision

The Audit and Governance Committee noted:

- i. the main findings and recommendations from the Internal Audit reports issued during the period from June 2025 to August 2025 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 2025/26 as set out in Appendix 2.

4. REVISED INTERNAL AUDIT PLAN 2025/26

A report was submitted by the Service Manager – Internal Audit to inform the Audit and Governance Committee of Internal Audit's revised operational plan for 2025/26.

Duncan Stainbank, Service Manager for Internal Audit informed Members of the changes made to the revised Audit Plan for 2025/26 from its approval in March this year. He responded to questions relating to the removal of complaints from the plan to focus on other areas, provided information on how Internal Audit would pick up any anomalies or inconsistencies within the area of commercial rents and how the upcoming audit of Early Years may potentially impact the service. Mr Stainbank also

updated Members on work being done within cyber security and the combined working between East Lothian and Midlothian to deal with fraud.

Decision

The Audit and Governance Committee agreed to:

- Approve the revised Audit Plan for 2025/26 see shown in Appendix 1.

A roll call vote was carried out where Members unanimously agreed to approve the revised Audit Plan for 2025/26.

5. AUDIT & GOVERNANCE COMMITTEE ANNUAL/END OF TERM REPORT 202525

A report had been submitted by the Service Manager – Internal Audit to present the outcome of the 2024/25 Audit & Governance Committee self-assessment and seek approval from the Audit & Governance Committee to present the Annual/End of Term Report 2024/25 to the Council.

Duncan Stainbank, Service Manager – Internal Audit provided the Committee with a summary of his report. Mr Stainbank, along with colleagues from Housing and the Executive Director for Council Resources responded to questions from Members in relation to the local housing allowance, the digitisation of services and the future plans for how senior officers provide feedback on the effectiveness of the Audit and Governance Committee.

Decision

The Audit and Governance Committee agreed to:

- Approve the Audit Committee Annual/End of Term Report 2024/25 (Appendix 1) and its self-assessments using the CIPFA Audit Committees Guidance (Appendix 2) and approve that the Audit Committee Annual/End of Term Report 2024/25 should be presented to the Council.

A roll call vote was carried out and Members unanimously agreed to approve the recommendations.

6. RISK REGISTERS

A report had been submitted by the Chief Executive to present to the Audit & Governance Committee the Housing, Communities and Development Risk Registers for discussion, comment and noting. The Risk Registers are developed in keeping with the Council's Risk Management Strategy and are live documents, which are reviewed and refreshed on a regular basis, led by the Local Risk Working Groups (LRWG) within each service.

Scott Kennedy, Team Manager – Emergency Planning & Resilience provided a summary of his report and highlighted the Very High, High and Medium risks for the Housing, Communities and Development Risk Registers. He explained to Members the dates on the risk registers were not implementation dates, but dates planned measures would be reviewed and provided information on the work undertaken to ensure very high risks were closely monitored.

Wendy McGuire, Head of Housing responded to questions related to the development of the empty home strategy, the review of the strategic housing investment plan and building material issues. She also provided an update on the development of the

affordable housing design guide, provided a completion date of June 2026 for the removal and replacement of solid fuel systems which remained in 30 properties and was happy to provide a breakdown of age and status of applicants on the transfer list. Ms McGuire confirmed there was a 25% obligation from housing developers to deliver affordable housing with a target of 10% of those being accessible properties and negotiations would be done with private developers to try to ensure a greater range of properties including flattened units.

Keith Dingwall, Head of Development provided information on the strategic framework and policy being built into LDP2 and his confidence on this being an achievable target and on the failure of the parking management project.

Decision

The Audit & Governance Committee agreed to note:

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

7. HOUSING ANNUAL ASSURANCE STATEMENT

A report was submitted by the Executive Director for Place to advise the Audit and Governance Committee of the Scottish Housing Regulator's regulatory framework and in particular, the requirement for East Lothian Council to produce an Annual Assurance Statement, which requires to be signed off by the Senior Internal Auditor on behalf of the Council and to obtain approval for East Lothian Council's Annual Assurance Statement as laid out in Appendix 1.

Having provided Members with a summary of the report, Wendy McGuire, Head of Housing responded to questions in relation to addressing tenants concerns around health and safety risks, addressing the breach of unsuitable accommodation orders and the supply and demand of housing stock due to a changing demographic within East Lothian.

Decision

The Audit and Governance Committee agreed to:

- Note the regulatory framework and the requirement for the Senior Internal Auditor to sign-off the Annual Assurance Statement (AAS) on behalf of the Council.
- Note that the regulatory framework requires the submission of the AAS no later than the 31st October 2025.
- Approves the Annual Assurance Statement as detailed in Appendix 1, noting that East Lothian Council was partially compliant with the regulatory requirements for the financial year 2024/25 and partially compliant for the first quarter of 2025/26. Areas of partial compliance are in relation to lead water pipe programme (due to non-access) and meeting the requirements of the Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2020.

A roll call vote was carried out and Members unanimously agreed to approve the report's recommendations.

Signed

Councillor L Menzies
Convener of the Audit and Governance Committee