

**APPENDIX II to the minute of meeting  
of the Strategic Policy Committee of  
13 March 2012 (Article 3(c) refers)**

MINUTE of MEETING of the **SCRUTINY AND AUDIT SUB-COMMITTEE** of the **STRATEGIC POLICY COMMITTEE** held in the Boardroom, Angus House, Forfar on Tuesday 14 February 2012 at 2.00 pm.

**Present:** Councillors BOB SPINK, JOHN WHYTE, IAIN GAUL, PAUL VALENTINE, IAN MACKINTOSH, BOB MYLES and HELEN OSWALD.

Councillor SPINK, Convener, in the Chair.

**1. APOLOGIES/SUBSTITUTES**

Apologies for absence were intimated on behalf of Councillors Alex King and Mark Salmond, with Councillor Paul Valentine substituting for Councillor King.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

**3. MINUTE OF PREVIOUS MEETING**

The [minute of meeting of this Sub-Committee of 10 January 2012](#) was submitted and approved as a correct record.

**4. INTERNAL AUDIT ACTIVITY UPDATE**

With reference to Article 5 of the minute of meeting of this Sub-Committee of 10 January 2012, there was submitted [Report No 108/12](#) by the Head of Finance providing the Chief Internal Auditor's update on the main findings of internal audit reports issued since the date of the last meeting.

The Report indicated that three internal audit reports had been finalised, namely Free Personal Care, Virus and Spam Protection and Recycling Centre Income with details of the recommendations graded 1 to 3.

The Sub-Committee agreed:-

- (i) to note the summaries of the audit reports and follow-ups; and
- (ii) to note that the Chief Internal Auditor would bring back to future Sub-Committees update reports in relation to follow-up audits, including any outstanding actions.

**5. TREASURY MANAGEMENT STRATEGY STATEMENT 2012/2013**

With reference to Article 7 of the minute of meeting of Angus Council 15 December 2011, there was submitted [Joint Report No 109/12](#) by the Director of Corporate Services and the Head of Finance, seeking approval of the Treasury Management Strategy for Angus Council in 2012/2013.

The Report indicated that the purpose of the Treasury Management Strategy Statement was to develop borrowing, investment and debt rescheduling strategies for the forthcoming financial year, based on prospects for interest rates. The strategies adopted took account of the current treasury position and treasury limits in force, which would limit treasury risk and the treasury activities of the Council. The Report also indicated that, following a tender process, the contract for treasury management advisers had been awarded to Sector Treasury Services for a three year period, with a potential two year extension.

Having heard from the Head of Finance, the Sub-Committee agreed to note the proposed Treasury Management Strategy Statement and Annual Investment Strategy for 2012/2013 attached as Appendix A to the Report.

## **6. EXTERNAL AUDIT REPORTS**

With reference to Article 8 of the minute of meeting of this Sub-Committee of 23 August 2011, there was submitted [Report No 132/12](#) by the Head of Finance presenting the External Auditor's Report on the 2011/2012 Audit of Angus Council, Fee Proposal in Terms of Engagement.

The Report indicated that the paper set out the fee structure, proposed fee, terms of engagement and planned outputs in respect of the 2011/2012 Audit and that for 2011/2012 it was proposed that the overall fee for Angus Council was £261,300, which represented a reduction of 6.67% from 2010/2011.

The Sub-Committee then heard from Anne MacDonald (Senior Audit Manager, Audit Scotland) who highlighted various aspects of the Report.

The Sub-Committee thereafter agreed:-

- (i) to note the contents of the Report; and
- (ii) to approve the fee proposal, as detailed in the Appendix to the Report.

## **7. SICKNESS ABSENCE: OCTOBER TO DECEMBER 2011**

With reference to Article 12 of the minute of meeting of this Sub Committee of 10 January 2012, there was submitted [Report No 110/12](#) by the Chief Executive advising of the level of sickness absence within the Council for the period 1 October to 31 December 2011.

The Sub-Committee agreed to note the terms of the Report.