

AUDIT AND GOVERNANCE PANEL.

Minutes of a hybrid webcast meeting on 25 March 2026 at 10.00 a.m.

Present in
County Hall: Councillors Julie Dettbarn (Chair), Wullie Hogg, Brian McGinley and Cameron Ramsay.

Present
Remotely: Councillors Kenneth Bell and George Weir.

Apology: Councillor Bob Pollock.

Attending in
County Hall: K. Braidwood, Depute Chief Executive and Director of Housing, Operations and Development; C. Cox, Assistant Director, - Planning and Development; T. Baulk, Chief Financial Officer; W. Carlaw, Service Lead - Democratic Governance; T. Simpson, Service Lead – Corporate Accounting; S. McCardie, Service Lead - Performance, Community Planning and Sustainability; L. Jarvie, Co-ordinator - Sustainability, Climate Change and Nature; C. McGhee, Chief Internal Auditor; L. Duthie, Audit Scotland; P. Morrison, Audit Scotland; K. Hancox, Committee Services Officer and C. McCallum, Clerical Assistant.

Attending
Remotely: J. Chapman, Committee Services Officer.

Opening Remarks.

The Chair

- (1) welcomed everyone to the meeting;
- (2) outlined the procedures for conducting this meeting and advised that this meeting would be broadcast live.

1. Sederunt and Declarations of Interest.

The Chair called the Sederunt for the meeting and having called the roll, confirmed that there were no declarations of interest by Members in terms of Council Standing Order No. 17 and the Councillors' Code of Conduct.

2. Call-ins from Cabinet.

The Panel noted that there were no call-ins from Cabinet of 17 March 2026.

3. Minutes of Previous Meeting.

The Minutes of the meeting of 25 February 2026 ([issued](#)) were submitted and approved.

4. **Action Log and Work Programme.**

There was submitted an update of the Action Log and Work Programme for this Panel ([issued](#)).

The Chief Financial Officer advised there was one action from the previous Panel which was now complete.

The Panel

Decided: to note the current status of the Action Log and Work Programme.

Chairs Remarks.

The chair proposed to vary the order of business to consider agenda item 9 first. The Panel so agreed.

5. **Grey Fleet Miles**

There was submitted a report ([issued](#)) of 11 March 2026 by the Chief Executive presenting the findings of analysis on the comparison of grey fleet miles driven by staff between the period 2023/2024 and 2024/2025.

Following a question from a Member of the Panel in relation to an increase in reported mileage, it was noted that the increase in mileage was much smaller than initially reported.

Following a comment from a Member of the Panel on reducing the grey fleet mileage and ensuring that staff undertake essential journeys, the Service Lead, Transformation indicated that they would actively promote the Fleet Travel and Transport Policy through staff communications. This would specifically highlight the sustainable travel hierarchy that was established, which supported the necessity to minimize business travel while also enhancing employee awareness.

A Member of the Panel commented on the comparison of fleet mileage alongside grey fleet mileage shown on the second last page of the report at figure 2 and that it was considered advantageous to have a greater proportion of emissions coming through fleet and enquired if the strategy was to achieve that. The Co-ordinator advised that a new climate change strategy had been adopted at the end of last year and within that there would be the development of a more detailed action plan.

A Member of the Panel gave his view and enquired if the findings had been passed on to Directorates. The Co-ordinator - Sustainability, Climate Change and Nature advised that it was hoped this would be addressed in the development of the Action Plan that would accompany the Sustainable Development and Climate Change Strategy.

A Member of the Panel remarked that the Action Plan required to be implemented as a priority and enquired about timelines. The Co-ordinator for Sustainability, Climate Change, and Nature responded that this would occur within the next few months and mentioned that there was an annual emissions report as part of the Council's public body obligations to the Scottish Government, with the upcoming report set to be submitted in November.

A Member of the Panel gave his views on Section 13 of the report and advised that it was imperative that Sustainability remained a primary focus of the Council.

The Chief Financial Officer shared his views on the remarks made by Members, offering his perspective. He also stated that he would communicate the points raised to the Chief Executive.

A Member of the Panel commented that the Council's Health and Social Care Workforce travel over half a million miles annually to provide essential services to the residents of South Ayrshire; however, it was crucial to minimise the costs related to that service as much as possible.

Following a question from a Member of the Panel, it was noted that the Action Plan would be reported to the Service and Partnerships Performance Panel.

The Panel

Decided: to note the findings of the analysis on the comparison of grey fleet miles between the period 2023/2024 and 2024/2025.

6. **Annual Audit Plan 2025/26**

There was submitted a report ([issued](#)) of 11 March 2026 by the Chief Financial Officer providing a background to the presentation by Audit Scotland of their Annual Audit Plan 2025/26 (the Audit Plan).

The Panel welcomed the new Audit Scotland Engagement Lead for South Ayrshire Council and highlighted the positive collaborative relationship that existed between Audit Scotland and the Panel.

Following a question from a Member of the Panel with regards to borrowing against property, the Chief Financial Officer advised that the Council's finances differed from those of private entities and that borrowing was conducted as a Section 33 body.

In response to an enquiry from a Member of the Panel concerning Audit Processes, specifically regarding the testing of journal entries, the Engagement Lead from Audit Scotland offered a detailed explanation.

A Member of the Panel requested clarification on what the journal entailed; and the Chief Financial Officer offered a brief description and indicated his willingness to discuss the matter further with the Members after the meeting.

A Member of the Panel requested clarification regarding why the risk of material misstatement was not applicable to the Common Good and to South Ayrshire Council, as indicated in exhibit 3 on page 10 of the appendix. The Engagement Lead from Audit Scotland explained that the judgment made about whether there was a material misstatement did not imply that an Audit procedure would not be performed on the balances. Furthermore, it was acknowledged that there was a disclosure in the Annual Accounts, which would also be subjected to Audit.

The Panel

Decided: to agree the attached Annual Audit Plan 2025/26 (Appendix 1).

7. **Asset Management - Best Value Thematic Work in South Ayrshire Council**

There was submitted a report ([issued](#)) of 17 March 2026 by the Deputy Chief Executive and Director of Housing, Development and Operations presenting Members with Audit Scotland's thematic report Asset Management in South Ayrshire.

A discussion took place concerning the results of the report, the development of the plan, and the issues presented in section two.

A Member of the Panel commented on the performance of the sub-quartile of operational buildings being in a satisfactory condition and enquired about the collaboration of partners, if there was a strategic approach to the transfer of Community Assets and was there an overarching link to the corporate strategy. The Assistant Director - Planning and Development responded that an initial review had been conducted, during which they collaborated with various services to develop a clearer understanding. Over the next six months, they would continue to engage with services at the Corporate Senior Management level to pinpoint properties that they wished to invest in for the long term, as well as other properties for which alternative recommendations may be presented to Council. This would establish a strategic basis for where capital investments would be made in the long term, while also identifying properties that may be deemed suitable for surplus and for exploring potential Community Asset Transfers. Throughout this process, public consultation would be crucial, and Community Engagement would be integrated into the approach.

A Member of the Panel gave their views and commented on the urgency regarding Building Safety and Compliance Inspections Risk and enquired what action was being taken. The Assistant Director - Planning and Development advised that there were Building Safety procedures in place and was happy to provide Members with a briefing note regarding these. Furthermore, it was noted that there was a rigorous programme of Compliance Inspection for all properties but was happy to report back to Members in more depth. The Assistant Director, Planning and Development advised they would consult with the Monitoring Officer to determine the most suitable Panel for reporting.

Clarification was requested and provided regarding the transparency of Community Asset Transfers.

The Panel,

Decided:

- (1) to scrutinise the content of Audit Scotland's thematic report on Asset Management in South Ayrshire;
- (2) to note the improvement actions identified in Appendix 1 of the report; and

- (3) to agree for these actions to be incorporated within the existing Best Value Action Plan and reported quarterly to the Audit and Governance Panel and the Best Value Working Group.

8. Proposed Internal Audit Plan 2026/27 (including Annual Review of Internal Audit Charter)

There was submitted a report ([issued](#)) of 11 March 2026 by the Chief Internal Auditor seeking approval for the revised Internal Audit Charter and the proposed Internal Audit Strategy and Internal Audit Plan and the reserve list for 2026-27.

A Member of the Panel gave their view on the report and enquired if the Chief Internal Auditor was confident in anticipating major changes and able to allocate resources to these changes. The Chief Internal Auditor responded that she was indeed confident as the audit plans drilled down to items that may be a risk for the Council. The audits carried out concentrated on high risk areas and there was nothing to suggest that key risk areas were being missed.

A Member of the Panel enquired if departments were open to accepting any recommendations provided by Internal Audit. The Chief Internal Auditor advised that it was very unusual for an Audit recommendation not to be accepted and that more services were consulting on any proposed changes.

Following comments from a Member of the Panel in relation to GDPR featuring on the reserve plan, the Chief Internal Auditor stated that it was on the reserve list while they awaited guidance from the Information Commissioner concerning the changes made. However, as part of the planning process the reserve list was always the first place they looked when preparing the following year's plan.

A Member of the Panel enquired if there was a five-year plan aimed at encompassing all the various sectors within the Council and sought assurance that the data that Elected Members collected would be incorporated into the Information Management Audit during its preparation. The Chief Internal Auditor gave assurance that this would be included and stated that there was an Audit Universe, which was a three-year rolling strategic plan containing all the Audits that would be considered.

The Panel

Decided:

- (1) to approve the revised Internal Audit Charter (Appendix 1);
- (2) to approve the Internal Audit Strategy (Appendix 2); and
- (3) to approve the Annual Internal audit plan and reserve list for 2026-27 (Appendix 3).

9. Audit and Governance Panel – 2026/27 Training Programme

There was submitted a report ([issued](#)) of 2 March 2026 by the Chief Governance Officer updating the Panel on the proposed training programme for the Panel for 2026/27.

A Panel Member welcomed the report and highlighted point 4.5, noting that Members were always encouraged to request training and should not hesitate to do so.

The Panel

Decided: to note the training programme set out in Appendix 1 of the report and provides feedback to the Chief Governance Officer.

The meeting ended at 11:23 a.m.