

Minutes of the Corporate Management Team (CMT) Meeting 1st February 2018

Present:

Sue Winspear (SW), Auditor General
Garnet Harrison (GH), Deputy Auditor General and Freedom of Information Manager
Kim Lutz (KL), Finance & Administration Manager
Angela Cullen (AC), Director of Performance Audit
Patrick Smith (PS), Director of Financial Audit

SW chaired the meeting.

1. Approval of Minutes

The minutes of 3rd January 2018 meeting were agreed, subject to minor amendments being made, for SW to sign and then load onto the OAG website. **(Action: SW)**

2. Action items / Matters Arising

The action items still outstanding from the meeting of 3rd January 2018 are:

- a) The write up of the SAI PMF report contributions urgently so that SW could then write up the rest. **(Action: GH/PS)**
- b) Develop a strategy, through EPS work, for dealing with old court fund trust papers and new ones going forward **(Action: PS)**
- c) Filing cabinets should be locked to avoid odd papers being put into them during the course of the year **(Action: GH)**

Under item 2c) from 3rd January, AC fed back that it may be better to file bank confirmations with the entity files rather than all together so they could be disposed of in a more timely way

Under item 3b) from 3rd January, on preparing for audit peak it was agreed (PoCS' s consent had been received), an honorarium of the equivalent of 50 hours should be paid to the two AMs during March and April as overtime was not permitted at their grade. Core audit staff being able to claim up to 50 hours of overtime in both March and April as agreed at the last CMT.

Under item 4e) from 3rd January, CMT also formally approved the ISA260 policy which PMT had already considered and approved. It was agreed that a tweak should be made to the wording where the DG and FS were referenced to make it clear that their approval related only to Ministries, Offices & Portfolios. Garnet to make the wording tweak and load the policy onto the OAG website **(Action: GH)**

3. Leading by Example

A well governed and transparent organisation:

a) The **OAG monthly detailed expenses to the end of December 2017** were presented by KL. It was noted that personnel costs had reduced because the leave and comp. time accruals had been calculated and more was carried forward than anticipated which helps the position in 2016/17 but adds cost to 2018 (everything else being equal). CMT spent some time discussing where **the year-end outturn** may fall. The big outstanding issue to be resolved is the amount of additional billing for the MEEGA2014 audit but revenue was going to be higher than recently forecast because we were able to be bill PAC for the full budget amount for the period. GH estimated the year end deficit would be somewhere between \$150k and \$200k. February 12th is the cut-off date for journals in 2016/17. KL to be in this weekend to progress year end closing and SW asked GH & KL whether anyone else could do anything to help them in progressing the close down. After discussion, it was agreed that JA would be asked if he would be prepared to do the accruals calculations for codes 20150 and 20160 as he had done these calculations for KL after the end of September quarter and so knows what to do. It was also agreed JA should be paid an honorarium amount equivalent to 7.5 hours for this work in order to avoid his TOIL increasing further. **(Action: GH to discuss with JA).**

b) CMT returned to the issue of **acting arrangements** as they had told APLs they would return to this matter again in 2018. Four APLs were on the acting up rota for 2017 and it was noted several other APLs had expressed an interest in acting up at the time they were last asked. CMT felt that as all four had performed well in the role during 2017, the three remaining should continue for 2018. It was noted that as VR had left the OAG, another APL should be invited to join the rota and CMT agreed considered those that had expressed an interest last time and agreed that YC should be offered the opportunity first given her relative experience in OAG compared to the others **(Action: SW to confirm with the 4 APLs that they wish to act up in 2018 and then let all staff know).**

There was a further discussion about the application of the pay increase in accordance with the acting up policy (which was in keeping with CIG's policy) and although it was noted the acting up allowances were relatively modest, CMT agreed it was important to comply with the policy as it stands recognizing that the experience gained during a period of acting up was the most important thing. Also, arising from the conversation was an agreement that an APL should act up if WS was ever off or acting up for PS but no APL would be asked to act up on the PA side for JA for the time being given that the APL skills in performance audit were still being developed. It was also agreed that for the IT aspect of JA's and EB's roles, a duty allowance would be considered for JA and / or EB on a case by case basis.

A motivated, high performing & skilled workforce:

c) CMT was pleased to note the excellent response received to the **Professional Audit Trainee advertisement** with 50 applications having been received. After discussion of the options, CMT decided to go for a long listing testing process before short listing candidates for a final interview. Therefore all 23 candidates meeting the essential criteria would be invited to undertake verbal and numerical reasoning tests. The composition of the final panel was agreed.

KL left the meeting at this point.

d) The **Office Retreat** went well on the whole and CMT discussed and debriefed on each session. It was agreed that the whole office should have a further discussion about the impact of culture on office performance following on from SM's session on her dissertation and that we would do this at the next whole office meeting (**Action: SW**).

e) There was an update on where **OAG performance appraisals** were at and a view that these should all be completed in the near future.

4. Any Other Business

- a) AC raised the **framework contract for performance audit consultants** because she had recently approached one consultant on our call off list to work on the Education audit that she was about to kick off and he had indicated that he no longer wished to be considered for OAG work. Having looked at the rest of the consultants on the list, none had Education experience and she was left feeling unable to proceed with using any of these. It was agreed that GH would share the bids and tender evaluation details from last year and AC would review these to see if there were any other suitable consultants that could be used (**Action: GH**) and that AC & SW would approach Audit Scotland and the NAO to pursue potential secondees for this piece of work (**Action: AC & SW**).
- b) Earlier in the meeting KL mentioned that **CINICO had put their rates up for 2018** and didn't think this was in OAG's budget. GH confirmed that it was not and so CMT were concerned that the budgetary impact across CIG could be significant. It was agreed that GH would pick this up with the FS (**Action: GH**).



Sue Winspear, CPFA
Auditor General

5th March 2018

Date