

Minute of Meeting Audit, Risk and Scrutiny Board

Date	Time	Venue
Tuesday, 29 May 2018	10:00	Corporate Meeting Room 2, Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

Present

Councillor Tom Begg, Councillor Bill Binks, Councillor Stephen Burns, Councillor Michelle Campbell, Councillor Alison Jean Dowling, Councillor Neill Graham, Councillor Jim Harte, Councillor Emma Rodden

Chair

Councillor Binks, Convener, presided.

In Attendance

L McIntyre, Head of Policy & Commissioning (Chief Executive's); D Hawthorn, Head of Child Care & Criminal Justice (Children's Services); A Morrison, Head of Regeneration and L Feely, Housing Asset & Investment Manager (Development & Housing Services); O Reid, Head of Public Protection, G Hannah, Strategic Change Manager and C Hunter, Environmental Improvements Manager, Lead Officer (all Environment & Communities); A MacArthur, Head of Finance, A McMahon, Chief Auditor, K Campbell, Assistant Chief Auditor, K Locke, Risk Manager, G Innes, Customer Services Manager, G Caldwell, Service Delivery Manager (Revenue and Finance), Emma Shields, Business Services Manager, S Fanning, Senior Health & Safety Officer and C MacDonald, Senior Committee Services Officer (all Finance & Resources); and P McCulloch, Adult Services Manager (Renfrewshire Health and Social Care Partnership).

Also in Attendance

M Ferris and A Haahr (both Audit Scotland).

Apology

Councillor J Sharkey.

Declarations of Interest

There were no declarations of interest intimated prior to commencement of the meeting.

Order of Business

In terms of Standing Order 16, Councillor Binks intimated that he proposed to alter the order of business to facilitate the conduct of the meeting by considering item 14 of the agenda before Item 1.

Exclusion of Press and Public

The Board resolved that the press and public be excluded from the meeting during consideration of Item 1 as it was likely, in view of the nature of the business to be transacted, that if members of the press and public were present, there would be disclosure to them of exempt information as defined in paragraph 14 of Part I of Schedule 7A of the Local Government (Scotland) Act 1973.

1 Summary of Findings - CSC Kiosk Discrepancy

2 Summary of Internal Audit Reports for Period 1 January to 18 May 2018

There was submitted a report by the Chief Auditor relative to the requirement in terms of the Public Sector Internal Audit Standards (PSIAS) that Internal Audit communicated the results of each engagement to the Board.

The Appendix to the report detailed the category of assurance, service, engagement and assurance rating and gave recommended risk ratings for each engagement as either critical, important, good practice and service improvement. A summary of findings was also provided in relation to final reports issued for those engagements completed during the period 1 January to 18 May 2018.

The report intimated that in addition to the reports listed in the Appendix, Internal Audit had an ongoing commitment to arrange corporate and service initiatives, progress information security matters in partnership with ICT and Legal Services, provide regular advice to officers, provide Internal Audit services to the associated bodies for which Renfrewshire Council was the lead authority and to Renfrewshire Leisure Limited and Renfrewshire Health and Social Care Integration Joint Board, coordination of the Council's corporate risk management activity and management of the counter fraud, risk management and insurance team.

DECIDED: That the summary of Audit findings reported during the period 1 January to 18 May 2018 be noted.

3 Summary of Outstanding Internal Audit Recommendations

Under reference to Item 3 of the Minute of the meeting of the Audit, Risk & Scrutiny Board held on 19 March 2018, there was submitted a report by the Chief Auditor relative to a summary of outstanding Internal Audit recommendations.

The report provided an updated position of the critical recommendations that had been followed up and had not yet been fully implemented. The appendix to the report detailed the recommendations that had not yet been implemented or were in the process of being implemented and the latest responses received from service management.

DECIDED: That the report be noted.

4 Internal Audit Annual Report 2017/18

There was submitted a report by the Chief Auditor relative to the annual report on the activities of the Council's Internal Audit section.

The report intimated that the Public Sector Internal Audit Standards (PSIAS) required that the Chief Auditor prepared a report at least annually to senior management and the Board on internal audit activity, purpose, authority and responsibility as well as performance relative to its plan. The annual report also provided an annual audit opinion on the overall adequacy and effectiveness of the Council's internal control environment and included details of any significant risk exposures, control issues and other matters that could be used to inform the governance statement. The annual report for 2017/18 was appended to the report and outlined the role of internal audit; its performance; the strategic and operational issues which influenced the nature of the work carried out; the key findings; and contained the annual audit assurance statement.

DECIDED: That the report be noted.

5 Audit Scotland - Management Report 2017/18

There was submitted a report by the Director of Finance & Resources relative to Audit Scotland's Management Report 2017/18.

The report indicated that Audit Scotland, as appointed external auditors, had identified some issues over the course of 2017/18 while undertaking their interim audit work. This work included testing of key controls within the systems and processes used in preparing the annual accounts. The report contained a summary of their findings and outlined management action to address the issues raised.

DECIDED: That the report be noted.

6 Unaudited Annual Governance Statement 2017/18

There was submitted a report by the Director of Finance & Resources relative to the Annual Governance Statement for 2017/18 which had been prepared and would be included in the Annual Accounts for the Council.

The Governance Statement for 2017/18 had been prepared in accordance with the relevant regulation and guidance and took account of the Internal Audit Annual Report and Director's evaluation of the operation of the governance arrangements within each service area. The Annual Governance Statement for 2017/18 was appended to the report.

DECIDED: That it be noted that the Annual Governance Statement would be included in the Unaudited Accounts for 2017/18.

7 Risk Management Annual Report 2017/18

There was submitted a report by the Director of Finance & Resources relative to corporate risk management activity which took place during 2017/18 in relation to the Council's risk management arrangements and strategic risk management objectives.

The report intimated that the Council recognised that good risk management contributed to the delivery of better financial outcomes, business objectives, better project success rates, achievement of targets and fewer unexpected problems. An environment that was risk 'aware' rather than risk 'averse' was promoted and risk management information was at the heart of the key decisions that were made. This meant that an effective approach to managing risk was taken in a way that both addressed the challenges and enabled innovation.

DECIDED: That the continued effectiveness of the risk management framework in place and the significant contribution that it made to the Council's corporate governance arrangements be noted.

8 Strategic, Corporate & Key Service Risks, April 2018

There was submitted a report by the Director of Finance & Resources relative to the strategic, corporate and key service risks effective from April 2018.

In keeping with 'Risk Matters', the Council's combined risk management policy and strategy, the strategic and corporate risk registers were required to be updated each year. Each Council Service department maintained its own risk management plan in respect of the operational risks within their areas of responsibility.

The report advised that a combined single risk report had been developed to cover all strategic, corporate and key service-specific risks and the register effective from April 2018 was appended to the report.

The methodology for identifying key risks along with a table which evaluated the

strategic, corporate and service-specific risks going forward from April 2018 were set out within the report.

DECIDED:

(a) That the robust methodologies used to ensure the appropriate risks were identified and managed be noted; and

(b) That the Strategic, Corporate and Key Service Risk Register effective from April 2018 be approved.

9 Local Scrutiny Plan for Renfrewshire Council (2018/19)

There was submitted a report by the Director of Finance & Resources relative to the Local Scrutiny Plan 2018/19 for Renfrewshire Council.

The report provided an overview of the key points and intimated that the Local Scrutiny Plan was prepared each year by the Local Area Network which consisted of representatives from all the main scrutiny bodies that engaged with the Council – Audit Scotland, the Care Inspectorate, Education Scotland and the Scottish Housing Regulator. The Local Area Network met annually to carry out a shared risk assessment and decided whether the Council required external scrutiny in any specific areas for the year ahead.

The conclusion of the Local Area Network at the end of this year's shared risk assessment was that no scrutiny risks had been identified which required specific scrutiny. However, audit and inspection work would continue to take place, such as ongoing inspection of schools and care establishments. The Local Scrutiny Plan was appended to the report and highlighted the planned external scrutiny activity for 2018/19.

DECIDED:

(a) That it be noted that no scrutiny risks had been identified for 2018/19 which required specific scrutiny by the Local Area Network; and

(b) That the planned external scrutiny activity for 2018/19 as set out in the appendix to the Local Scrutiny Plan be noted.

10 Local Government in Scotland - Performance & Challenges 2018

There was submitted a report by the Director of Finance & Resources relative to the requirement that the Council's external auditor, Audit Scotland, reviewed the financial context in which councils were operating, highlighting the overall financial position and pressures on budgets, and looked at how councils managed those challenges.

It was proposed that as the appendices were missing from the report that consideration of this report be continued to the next meeting of the Board. This was agreed.

DECIDED: That consideration of the report be continued to the next meeting of the Board.

11 Absence Statistics 2017/18

There was submitted a report by the Director of Finance & Resources relative to the Council's absence statistics for the period 1 January to 31 March 2018.

The report provided information in relation to absence targets and how services and categories of staff had performed against them. An analysis of the reasons for absence for the period was included in the report. Information was also provided on supporting attendance activity levels by service and costs of sick pay and the overall number of days lost for Quarter 4, ending 31 March 2018 and for the equivalent quarters in previous years.

DECIDED: That the report on absence statistics for the period 1 January to 31 March 2018 be noted.

Adjournment

The meeting adjourned at 11.50am and reconvened at 12 noon.

12 Council Tax Briefing Paper

Under reference to Item 11 of the Minute of the meeting of the Audit, Risk & Scrutiny Board held on 28 August 2017, there was submitted a report by the Director of Finance & Resources relative to a Council Tax briefing as part of the Annual Programme 2017/18.

The report advised that at the meeting of the Audit, Risk & Scrutiny Board held on 28 August 2017, it was agreed that in relation to the proposed topic of Council Tax exemptions, a full investigation was not required but that a report would be included in the programme to outline Council Tax discounts and exemptions.

The appendix to the report provided information about exemptions and discounts; highlighted initiatives which had been developed to provide customers with information, including the new customer portal; indicated the proactive work that the Council undertook to ensure residents were receiving the reductions to which they were entitled; and provided clarity and assurance received in relation to back-dating of discounts and exemptions.

DECIDED: That the report be noted.

Prior to consideration of the following items the Convener welcomed C Devine from Zero Waste.

13 Fly-tipping in the Countryside and at known Fly-tipping Spots (Lead Officer Karen Locke)

Under reference to Item 11 of the Minute of the meeting of the Board held on 19 March 2018, there was submitted a report by the Lead Officer relative to the Board's review of fly-tipping in the countryside and at known fly-tipping spots. The report provided an update on progress of the review and information that had been prepared for the Board's interest to date.

The report focused on fly-tipping prevention and detection activities carried out by other organisations, including neighbouring local authorities and partner organisations.

A presentation was given by C Devine from Zero Waste on the activities, policy and approach taken by Zero Waste.

There followed a question and answer session at the conclusion of which the Convener thanked Mr Devine for his contribution to the Board's review.

DECIDED:

- (a) That the progress of the review and outcome of previous matters arising be noted;
- (b) That the input from Zero Waste be noted; and
- (c) That the fly-tipping prevention and detection activities carried out by other organisations including neighbouring local authorities and partner organisations be noted.

Prior to consideration of the following item the Convener welcomed G Clark, Housing Asset Services Manager from East Ayrshire Council and G Hannah, Strategic Change Manager from Environment & Communities, Renfrewshire Council.

14 Review of Housing Repairs by Council and Outside Contractors (Lead Officer Colin Hunter)

Under reference to Item 12 of the Minute of the meeting of the Board held on 19 March 2018 there was submitted a report by the Lead Officer relative to an update on progress of the Board's review of housing repairs by Council and outside contractors.

The report advised that further scrutiny of specific areas of interest identified within the Council's repairs process had taken place. The review found that customers did not appear to have significant issues with the quality of repairs being carried out within Council stock. When benchmarked against other councils with similar numbers of housing stock, customer satisfaction levels within Renfrewshire were not significantly lower than other councils (with the exception of East Ayrshire Council). In addition, the findings indicated that the redesign of the repairs service which was currently being undertaken through integration of Building Services and Housing Repairs was likely to have benefits for both customers and the Council, as evidenced from the experience of East Ayrshire Council.

A presentation was given by G Clark, Housing Asset Services Manager, East Ayrshire Council which provided an overview of their Repairs Service. A presentation was then

given by G Hannah, Strategic Change Manager, which provided an overview of the Council's current repairs process and which was being redesigned to meet the future demands of tenants.

There followed a question and answer session at the conclusion of which the Convener thanked Mr Clark and Mr Hannah for their contribution to the Board's review.

DECIDED:

- (a) That the content of the report be noted; and
- (b) That the findings of the review as set out within the report be agreed.