

Minute of Meeting Audit, Risk and Scrutiny Board

Date	Time	Venue
Monday, 27 August 2018	10:00	Corporate Meeting Room 1, Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

Present

Councillor Tom Begg, Councillor Stephen Burns, Councillor Michelle Campbell, Councillor Emma Rodden, Councillor Jim Sharkey

Chair

Councillor Sharkey, Depute Convener, presided.

In Attendance

L McIntyre, Head of Policy & Commissioning (Chief Executive's); J Trainer, Head of Early Years & Inclusion (Children's Services); F Carlin, Head of Planning & Housing Services and Colin Hunter, Environmental Improvements Manager, Lead Officer (both Communities, Housing & Planning Services); D Gillies, Head of Facilities Management and G Hannah, Interim Head of Operations and Infrastructure (both Environment & Infrastructure Services); J Lynch, Head of Property Services, A McMahon, Chief Auditor, E Shields, Business Services Manager, L Dickie, Finance Manager, S Fanning, Senior Health & Safety Officer and C MacDonald, Senior Committee Services Officer (all Finance & Resources); I Beattie, Head of Health & Social Care (Paisley), P McCulloch, Adult Services Manager and D Wilson, Social Work Manager (all Renfrewshire Health and Social Care Partnership).

Apologies

Councillors Binks and Dowling.

Declarations of Interest

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

1 Training for Audit, Risk & Scrutiny Board Members

There was submitted a report by the Chief Auditor relative to training for Audit, Risk & Scrutiny Board members.

The report intimated that at the meeting of the Board held on 28 August 2017 it was agreed that a programme of briefings for members would be provided and would continue to form part of the agenda at every alternate meeting and a copy of the Audit, Risk & Scrutiny training programme was attached as an appendix to the report. The Chief Auditor intimated that the scheduled National Fraud Initiative briefing would not take place on 25 September 2018 and the timetable would be altered accordingly.

L Dickie, Finance Manager, Finance & Resources provided a briefing to members on understanding financial statements. Members discussed the situation currently facing Northamptonshire Council which had a £70 million budget shortfall and lessons to be learned from the experience of that authority. It was proposed that a briefing on the situation facing Northamptonshire Council be given at the next meeting of the Audit, Risk & Scrutiny Board instead of the postponed briefing on the National Fraud Initiative. This was agreed.

DECIDED:

- (a) That the change to the timetable of briefing sessions be agreed;
- (b) That the content of the current training briefing be noted; and
- (c) That it be agreed that a briefing be given at the next meeting of the Audit, Risk & Scrutiny Board to be held on 25 September 2018 on the current situation at Northamptonshire Council and lessons to be learned.

2 Summary of Internal Audit Reports for Period 19 May to 30 June 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 or service improvement. A summary of findings was also provided in relation to final reports issued for those engagements completed during the period 19 May to 30 June 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 including 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 teams.

DECIDED: That the summary of Audit findings reported during the period 19 May to 30 June 2018 be noted.

3 Internal Audit and Counter Fraud Progress & Performance for Period to 30 June 2018

There was submitted a report by the Chief Auditor relative to Internal Audit and Counter Fraud performance from 1 April to 30 June 2018 in terms of the delivery of the Audit Plan for the year and outlining actual performance against targets set by the Director of Finance & Resources. No formal performance targets for fraud investigation had been established as a major part of the team's work involved being the single point of contact for the Department for Work and Pensions Single Fraud Investigation Service.

It was noted that the focus over the last year had been on increasing fraud awareness amongst employees to prevent fraud within the Council. The types of fraud referrals received to date were wide-ranging and the team's objective was to concentrate on investigating those referrals considered to contain the greatest fraud risk.

The report detailed the progress made against local and national initiatives involving Internal Audit and the Counter Fraud Team from 1 April to 30 June 2018.

DECIDED: That the Internal Audit and Counter Fraud Team progress and performance from 1 April to 30 June 2018 be noted.

4 Audit Scotland Report - Local Government in Scotland - Challenges and Performance 2018

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 key 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 outlined the key messages and issues highlighted by Audit Scotland along with the summary position within Renfrewshire Council. A copy of the 2018 Audit Scotland Challenges and Performance report was appended to the report.

DECIDED: That the key messages, Renfrewshire Council's position, and the content of the appendix and scrutiny toolkit for elected members be noted.

5 Audit Scotland Report - Early Learning & Childcare

There was submitted a report by the Acting Director of Children's Services relative to Audit Scotland's Early Learning and Childcare report.

The Audit Scotland report, published on 17 February 2018, advised that the Scottish Government had announced on 1 May 2018 the financial settlement for local authorities to implement the expansion of early learning and childcare from the present 600 to 1140 hours per child. The report also highlighted the actions required by the Scottish Government and local authorities to ensure delivery of the current 600 hours of funded early learning and childcare.

DECIDED: That the report be noted.

6 Update on Council Response to "Report of the Independent Inquiry into the Construction of Edinburgh Schools" and Audit Scotland's 2016/17 Audit of "The City of Edinburgh Council - Report on Edinburgh Schools".

There was submitted an update report by the Director of Finance & Resources relative to the Council's response to the 'Report of the Independent Inquiry into the construction of Edinburgh Schools' which advised on the implications of Audit Scotland's '2016/17 audit of the City of Edinburgh Council - report on Edinburgh schools'. A copy of the steps taken by this Council to address the Inquiry recommendations were set out in the appendix.

DECIDED: That the report be noted.

7 Absence Statistics - 2018/19 Quarter 1

There was submitted a report by the Director of Finance & Resources relative to the Council's absence statistics for the period 1 April to 30 June 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, cost of sick pay, the overall number of days lost during the period, and for comparison, the equivalent quarters in previous years.

DECIDED: That the report on absence statistics for the period 1 April to 30 June 2018 be noted.

8 Audit, Risk & Scrutiny Board Annual Report 2017/18

There was submitted a report by the Director of Finance & Resources relative to the Board's 2017/18 annual report, prepared in terms of the Council's Code of Corporate Governance, which highlighted the issues considered by the Board during the period August 2017 to June 2018.

The report intimated that during the period, the Board examined different topics including the audit of accounts; the annual internal audit plan 2018/19; Audit Scotland annual audit plan 2017/18; the strategic and corporate Risk Registers; and annual reports by the Scottish Public Services Ombudsman; and the Commissioner for Ethical Standards in Public Life Scotland. As part of the 2017/18 annual programme the Board

examined fly-tipping in the countryside and known fly-tipping spots; and housing repairs by Council and outside contractors.

DECIDED: That the Audit, Risk & Scrutiny Board annual report 2018/18 be noted.

9 Audit, Risk & Scrutiny Board - Annual Programme

There was submitted a report by the Director of Finance & Resources relative to the Board's annual programme for 2018/19. The report intimated that in terms of the guidelines for its operation the Board was required to prepare an annual programme of activities.

The report advised that the final report on housing repairs by the Council and outside contractors was a separate item on the agenda and the final report on fly-tipping in the countryside and known fly-tipping spots would be submitted to the meeting of the Board to be held on 25 September 2018. The Council Tax exemptions report had been submitted to the Board on 29 May 2018 and the report on Japanese Knotweed would be submitted to the next meeting of the Board.

The report intimated that there were five investigations which had been included in the 2017/18 programme which were outstanding: bus deregulation and its effect on transport services in Renfrewshire; the newly-introduced speed limit in Brookfield (A761); maintenance of multi-occupancy accommodation; the effectiveness of Fair Trade; and the conversion of grassed areas to parking. Lead Officers had been allocated to the first two reviews and it was proposed that the topics of bus deregulation and its effect on transport services in Renfrewshire; and the newly-introduced speed limit in Brookfield (A761) be agreed as part of the 2018/19 programme. It was also proposed that consideration be given as to whether the remaining three investigations carried forward from the 2017/18 programme should be taken forward at this time.

Councillor Sharkey, seconded by Councillor Begg, moved that the Board's 2018/19 annual programme also include maintenance of multi-occupancy accommodation; the effectiveness of Fair Trade; and the conversion of grassed areas to parking. This was agreed unanimously.

DECIDED: That the 2018/19 programme comprise investigations of (i) bus deregulation and its effect on transport services in Renfrewshire; (ii) the newly-introduced speed limit in Brookfield (A761); (iii) maintenance of multi-occupancy accommodation; (iv) the effectiveness of Fair Trade; and (v) the conversion of grassed areas to parking and that this be the order of priority in which they be undertaken.

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

There was submitted a report by the Lead Officer relative to the review of housing repairs by Council and outside Contractors.

The report advised that the review was undertaken as part of the annual programme of activity for 2017/18. The report detailed the findings and overall conclusions and a copy of the report to be submitted to Council was appended to the report.

DECIDED:

- (a) That it be agreed that the draft report attached as an appendix be approved for submission to the Council; and
- (b) That the report be otherwise noted.

11 Review of Bus Deregulation and its effect on transport services in Renfrewshire (Lead Officer Peter McCulloch)

There was submitted a report by the Lead Officer relative to the proposed purpose, scope, terms of reference and witnesses to be called for the review of bus deregulation and its effect on transport services in Renfrewshire. A provisional timescale was outlined in the appendix to the report.

The report intimated that the key purposes of the review would be to understand the impact of bus deregulation on transport services in Renfrewshire; to consider in particular those communities and individuals who were adversely affected by bus deregulation; to identify what actions could be taken under the existing arrangements to improve transport services, particularly bus services; and in partnership with Strathclyde Partnership for Transport (SPT) to consider the proposed powers available via the Transport Bill to put in place new arrangements to better manage local bus services. The review would examine research and information available at local and national levels on the impact of bus deregulation; would seek views from officers from Environment & Infrastructure Services and SPT.

DECIDED:

- (a) That the purpose and scope of the review be approved;
- (b) That the provisional timescale as outlined in the appendix to the report be approved;
- (c) That the Lead Officer be authorised to contact any organisations recommended by the Board who might have information useful to the Board and who might be potential witnesses;
- (d) That powers be delegated to the Lead Officer in consultation with the Convener to alter the timetable having regard to the availability of evidence and witnesses throughout the course of the review; and
- (e) That the Lead Officer be authorised to make the necessary arrangements to progress the review within the agreed timescales.

12 Review of the Newly Introduced Speed Limit in Brookfield (A761) (Lead Officer David Wilson)

There was submitted a report by the Lead Officer relative to the proposed purpose, scope, terms of reference of the review and witnesses to be called for the review of the newly introduced speed limit in Brookfield (A761). A provisional timescale was set out in the appendix to the report.

The report intimated that the key purposes of the review would be to consider the

decision made by the Environment and Infrastructure Policy Board in 2011 regarding the reduction in speed limit in Brookfield and whether this was still considered suitable; to consider if a change of speed limit would be suitable and for any findings to be recommended to the appropriate Policy Board; and to consider any other areas of concern or learning about the decision made previously with regard to this speed limit.

The scope of the review would look at reviewing the Speed Limit Review which supported the initial decision; would seek views from officers from Environment & Infrastructure Services, Police Scotland and local community members; and would only consider this speed limit. No other speed limits would fall within the scope of this review.

DECIDED:

- (a) That the purpose and scope of the review be approved;
- (b) That the provisional timescale as outlined in the appendix to the report be approved;
- (c) That the Lead Officer be authorised to contact any organisations recommended by the Board who might have information useful to the Board and who might be potential witnesses;
- (d) That powers be delegated to the Lead Officer in consultation with the Convener to alter the timetable having regard to the availability of evidence and witnesses throughout the course of the review; and
- (e) That the Lead Officer be authorised to make the necessary arrangements to progress the review within the agreed timescales.