
To: Audit, Scrutiny & Petitions Board

On: 19 September 2016

Report by: Director of Finance & Resources

Heading: Audit, Scrutiny & Petitions Board Annual Report 2015/16

1. **Summary**

- 1.1 The annual report highlights the issues considered by the Board during the period September 2015 to June 2016 when the Board met on eight occasions. The report is submitted to the Board in terms of the Council's Code of Corporate Governance.
- 1.2 Scrutiny enables members to review decisions, policies and performance that affect the Council and helps to ensure that the Council's services and policies meet the Council's aims and standards. The scrutiny process not only provides a means of reviewing the Council's own services but can also examine services provided by other organisations on issues causing public concern. In addition, the Board performs the important function of audit committee for the Council and considers petitions submitted by members of the public.
- 1.3 During the course of the year members looked at many different subjects, including those agreed in terms of their annual programme and annual reports from other bodies. Members also considered reports from the chief internal auditor and also participated in a training programme in terms of their audit committee role. A number of petitions were also considered throughout this period, and the Board agreed previously that the annual report on petitions received and their outcomes would be incorporated into this report.
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2. Recommendations

- 2.1 That the Audit, Scrutiny & Petitions Board annual report, including the report on petitions received and their outcomes, be noted.

3. Issues considered by the Board during 2015/16

3.1 Annual Programme of Reviews

- 3.1.1 The Board deals with its reviews by examining a subject through consideration of evidence from Council officers, other organisations and service users. Once all the evidence has been collected, the lead officer prepares a report on the Board's behalf outlining the Board's findings and recommendations and when approved by the Board the report is submitted to the Council for consideration.

- 3.1.2 During the period of this report the Board continued consideration of (i) review of the upkeep of common areas within Council housing stock including garden areas; (ii) Ward 15 (Children's Ward) Royal Alexandra Hospital; and (iii) bus de-regulation and its effect on transport services in Renfrewshire.

- 3.1.3 The Board at its meeting held on 6 June 2016 agreed that its 2016/17 annual programme would comprise (i) fly-tipping in the countryside and at known fly-tipping spots and (ii) housing repairs by Council and outside contractors; and that this would be the order of priority in which the reviews would be undertaken; and that a review of Japanese knotweed in our landscapes and gardens be a reserve item in the event that either of the agreed two reviews did not proceed.

3.2. Training

- 3.2.1 In line with national guidance by the Chartered Institute of Public Finance and Accountancy (CIPFA) on the implementation of audit committee principles in Scottish local authorities, training on audit and risk-related matters is provided to members of the Board. During the period covered by this report, Board members agreed and commenced a programme of training which included briefings on: serious and organised crime; fraud risk; and risk management.

3.3 Audit and Related Matters

Audit of Accounts - The Board at its meeting held on 21 September 2015 considered a report relative to the audit of the Council's 2014/15 accounts. The report outlined Audit Scotland's findings and it was noted that in order to comply with the Local Authority Accounts

(Scotland) Regulations 2014 that the audited financial statements would be presented to the Council for approval at its meeting on 24 September 2015.

- (a) **Annual Internal Audit Plan 2016/17** – The Board at its meeting held on 21 March 2016 agreed a risk-based Audit Plan for 2016/17. The plan took into account the outcomes of the internal corporate and service risk identification and evaluation processes, and the current business environment. In addition to undertaking work which would provide assurance on the robustness of key internal controls, the plan sought to reflect the key priorities and challenges for the Council. Progress on the 2016/17 Annual Audit Plan and summaries from each audited assignment are reported to the Board on a quarterly basis.
- (b) **Audit Scotland Annual Audit Plan 2015/16** – The Board at its meeting held on 25 April 2016 considered a report relative to Audit Scotland's Annual Audit Plan 2015/16. The Audit Plan outlined the work Audit Scotland proposed to undertake in reaching a view on whether the financial statements of the Council were a true and fair representation of its financial position and whether they had been properly assessed in accordance with proper accounting practice. The plan outlined the responsibilities of Audit Scotland and the Council, their findings in relation to key challenges and risks and the approach and timetable for completion of the audit. Audit Scotland had also published further guidance for elected members in relation to the annual accounts "Why the Accounts Matter" and this was appended to the report.
- (c) **Risk Management Annual Report** - The Board at its meeting held on 6 June 2016 considered the risk management annual report for 2015/16 which described the corporate risk management activity that had taken place during the year in relation to the Council's risk management arrangements and strategic risk management objectives. The Council promoted an environment that was risk aware rather than risk averse, placed risk management information at the heart of key policy decisions and took an effective approach to managing risk in a way that both addressed significant challenges and embraced innovation. The Council had received national recognition for good risk management and had been shortlisted in two categories in 2016.
- (d) **Accounts Commission and Audit Scotland Reports** – during the period covered by this report, the Board considered reports concerning Audit of Housing and Council Tax Benefit Risk Assessment; Benefits Performance Audit Annual Update 2014/15; Health and Social Care Integration; Housing Benefit Subsidy Audit 2014/15; and Major Capital Investment in Councils. Each report highlighted key points and the Renfrewshire Council position where available.

- (f) **Annual Complaints 2014/15** – The Board at its meeting held on 15 February 2016 considered a report setting out the stages of the complaints process and provided a summary of the numbers and types of complaints received, responded to within timescales, customer satisfaction monitoring and key complaint areas including what was being done to address issues raised. The Council had received 5,725 complaints in 2014/15 and the report identified how the information provided in complaints was used to improve services.
- (g) **Health & Social Care Integration; Financial Assurance Audit** – The Board at its meeting held on 21 March 2016 considered a report relative to the duty placed on the Council and the Health Board to integrate planning for and delivery of certain adult health and social care services. The Scottish Government had established the Integrated Resources Advisory Group (IRAG) to develop professional guidance in relation to financial matters including the framework for financial governance and assurance. The internal audit annual report concluded that internal audit was able to provide a reasonable level of assurance over financial governance and assurance relating to Renfrewshire Council and its responsibilities to the Renfrewshire Integration Joint Board. Moving forward there would need to be continued monitoring of the financial risk that had been identified through the due diligence process and that adult social care reviews would continue to be report to the Board.
- (h) **Local Scrutiny Plan 2016/17** – The Board at its meeting held on 25 April 2016 considered a report relative to the Local Scrutiny Plan 2016/17, which was prepared each year by the Local Area Network. 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 and the Council would also be subject to a range of scrutiny that was part of national activity.
- (i) **Corporate Governance** – The Board at its meeting held on 25 April 2016 considered a report relative to the annual review of the Council's local code of corporate governance. The code reflected the importance placed by the Council on self-assessment and activities involving greater scrutiny of services. In addition, the Board considered a report relative to the Council's compliance with the code and the Chief Auditor's responsibility to review independently its adequacy and effectiveness. Internal audit confirmed that the Council complied with its requirements and that it was evident that the code had been subject to review and updating.

The Director of Finance & Resources had endorsed the Chief Auditor's recommendation that the code continue to be subject to annual review to ensure that it reflected developments and best practice.

- (j) **Internal Audit Annual Report 2015/16** - The Board at its meeting held on 6 June 2016 considered the annual report on the activities of the Council's Internal Audit section for 2015/16, which outlined the role and performance of internal audit, the strategic and operational issues which influenced the nature of the work undertaken, key audit findings and the annual audit assurance statement.
- (k) **Local Government Benchmarking Framework Indicator Profile 2014/15** – The Board at its meeting held on 15 February 2016 considered a report relative to the Local Government Benchmarking Framework (LGBF) indicator profile for 2014/15. Of the 56 national indicators, since 2013/14, the Council's ranking in 28 had improved, one had remained the same, 22 had declined, and in five no trend information was available. The report considered why certain indicators were ranked in the bottom quartile and where there was declining performance and detailed planned actions to improve performance, including learning from best practice in other authorities.
- (l) **Internal Audit Findings** – The Board considered quarterly reports on the findings of internal audit in terms of national guidance produced by CIPFA on the implementation of audit committee principles in Scottish local authorities, in line with which internal audit submitted regular reports on the findings of audit work to the Board based on the work of internal audit and detailing the main issues arising.
- (m) **Internal Audit and Counter Fraud Progress and Performance** – The Board considered quarterly reports on the performance of the Council's Audit and Benefit Investigation Team in terms of delivery of the Audit Plan. The report compared the percentage of audit work completed by target, completed within time budget and the percentage of audit reports issued within three weeks of completion of audit field work. The number of sanctions and level of overpayments identified by the Counter Fraud Team were also provided. The report also detailed progress against local and national initiatives involving Internal Audit and the Counter Fraud team, including the National Fraud Initiative and the Scottish Local Authorities' Chief Internal Auditors Group (SLACIAG).
- (n) **Absence Statistics** - The Board considered reports on absence returns with the statistics broken down by service and category of staff, including information relative to absence targets and how services had performed against them. The report intimated that the overall number of days lost per full time equivalent employee was 9.5 for 2015/16 which was an increase of 0.5 on the previous year.

- (o) **Audit Appointments and the role of Audit Scotland** – The Board at its meeting held on 25 January 2016 considered a presentation which indicated that the external auditors for Renfrewshire Council for financial years 2016/17 to 2020/21 were likely to change from Audit Scotland to a private firm. The presentation highlighted that the appointment of all auditors to public sector bodies was made by the Accounts Commission or the Auditor General for Scotland. The presentation outlined the appointment process, the procurement timeline and handover arrangements.

3.3 **Petitions**

- 3.3.1 The Board considered 13 new petitions during the period covered by this report. Details of the petitions received and their outcomes are set out in the appendix to this report.

3.4 **Annual Reports by other Bodies**

- (a) **Scottish Public Services Ombudsman** – The Board at its meeting held on 30 November 2015 considered the Scottish Public Services Ombudsman's (SPSO) annual report 2014/15. The report highlighted that during the period covered by the report the SPSO handled 4,895 complaints which led to over 1,400 recommendations for improvement to public services. Local Government remained the sector about which the SPSO received most complaints being 38% of the SPSO's total caseload for 2014/15. During the period covered by the report the SPSO received 1,880 complaints about local government compared with 1,750 in the previous year. Complaints about the NHS had gone up by 25% over the past two years.

No complaint details for specific organisations were included in the report. Information had been received separately indicating that the number of complaints received by him during the period covered by the report relative to Renfrewshire Council was 63 compared with 52 in 2013/14 and 45 in 2012/13. No complaints against the Council had been reported to the Scottish Parliament.

- (b) **Commission for Ethical Standards in Public Life in Scotland: Annual Report 2013/14** – The Board at its meeting held on 30 November 2015 considered the 2014/2015 Annual Report of the Commission for Ethical Standards in Public Life in Scotland, which detailed the work of the Commissioner during the year, provided details of the investigation of complaints dealt with in relation to councillors, members of devolved public bodies and MSPs. Nationally the number of complaints received was high which led to a significant increase in the number of breaches reported to the Standards Commission.

Again, nationally, complaints in relation to registration and declaration of interests and misconduct on individual applications continued to be the most significant categories of complaint. No specific figures for Renfrewshire Council were included within the report, however, information had been received separately indicating that during the period covered by the report 10 complaints had been received against Renfrewshire councillors compared with 11 in 2013/14 and three in 2012/13. The report outlined the practice in Renfrewshire including training provided and reminders issued in relation to registration of interests.

- (c) **Scottish Information Commissioner Annual Report 2014/15** – The Board at its meeting held on 30 November 2015 considered the Scottish Information Commissioner’s annual report. The report intimated that the Freedom of Information (Scotland) Act 2002 (FOISA) came into force on 1 January, 2005 and created a general right to obtain information from any designated Scottish public authority subject to limited exceptions. The annual report entitled “Information for All” explored the performance of the Office of the Scottish Information Commissioner across the year and how the Freedom of Information Scotland Act could support openness and transparency within Scotland. The report intimated that in 2014/15 Renfrewshire Council had three valid appeals determined by the Commissioner. Renfrewshire had received 823 freedom of information requests in 2013/14 and 1,040 in 2014/15, an increase of 26.4% and 24 requirements for review compared to 18 in the previous year. However, the low level of requirements for review compared to the high volume of requests processed by the Council and only three appeals to the Information Commissioner indicated that the Council was managing its responsibilities well.
- (d) **Scottish Housing Regulator Risk Assessment Summary Outcome** – The Board at its meeting held on 21 September 2015 considered the feedback from the Scottish Housing Regulator following their assessment of the Council’s Scottish Social Housing Charter return for 2013/14. The Regulator concluded that the Council demonstrated a high level of commitment to delivering the requirements of the Charter and that the Council used the Charter to determine and monitor its performance and report this information to members and tenants. In July 2015 the Scottish Housing Regulator published its risk assessment summary outcomes for local authorities and Renfrewshire Council was one of only nine authorities where the Regulator had sufficient assurance about performance that monitoring of the delivery of the Housing and Homelessness Services would be conducted through the annual return.

Implications of the Report

1. **Financial** – none.

2. **HR & Organisational Development** – none.
 3. **Community Planning** – none.
 4. **Legal** – none.
 5. **Property/Assets** – none.
 6. **Information Technology** – none.
 7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
 8. **Health & Safety** – none.
 9. **Procurement** – none.
 10. **Risk** – none.
 11. **Privacy Impact** – none.
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List of Background Papers - None.

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	Subject of Petition	Outcome	Update/progress
1	Request the installation of speed bumps on Shortroods Road (between Springbank Road and Fullerton Street).	<p>The Board agreed that it be recommended to the Director of Community Resources that an un-illuminated driver feedback signal be installed to determine driver behaviour at the location. It was also agreed that a site visit be arranged for those members who wished to attend and the outcome reported to a future meeting of the Board.</p>	<p>Speed detectors had been installed on Shortroods from 7-18 January 2016.</p> <p>It was agreed that no further action be taken in relation to the petition but that the Board write to Police Scotland and the Director of Community Resources advising of the petitioner's view that there was reckless driving at the location and in relation to the petitioner's concerns regarding school buses respectively.</p>
2	Request to remove the bus stop outside Trident House, Renfrew Road, Paisley.	<p>The Board agreed that matters contained in the petition be referred to the Director of Community Resources with the recommendation that no action be taken on moving the bus stop and that the survey to determine the routes people used near the stop including the roundabout to the retail park and the slip roads to the M8 motorway continue to be progressed.</p>	N/A

3	Request the installation of traffic lights at the corner of Sandy Road and Newmains Road and also Broadloan/Sandy Road (both Renfrew) to prevent further accidents.	<p>The Board agreed that matters contained in the petition be referred to the Director of Community Resources with the recommendation that consideration be given to converting the two existing zebra crossings on Sandy Road at Broadloan and Sandy Road at Newmains Road to pedestrian controlled traffic lights.</p> <p>The Board agreed that the matter be continued to allow a site meeting to be held to establish the extent of the problem, attended by the Transportation Manager, other officers as appropriate, Police Scotland, the principal petitioner and supporter and the Convener and Depute Convener of the Board.</p>	N/A	
4	Request to install speed bumps in Tiree Avenue for the safety of local children and drivers.		Petition was continued to the meeting of the Board on 19 September 2016.	
5	Request to remove a tenant from their Council property.	<p>The Board agreed that the petition was not valid in terms of paragraphs 3(b)(i), (vi) and (vii) of the procedures for dealing with petitions and that the matter be referred to the Director of Development & Housing Services.</p>	N/A	

6	Employee's terms and conditions of employment	The Board agreed that the petition was not valid in terms of paragraph 3(b)(v) of the procedures for dealing with petitions	N/A
7	Hamilton Court, Paisley	The petition was withdrawn.	N/A
8	Request for a pedestrian crossing at Corsebar Road	<p>The Board agreed that the matter be referred to the Director of Community Resources with a recommendation that a further vehicle and pedestrian survey be undertaken; a site visit be arranged for members of the Board and that the outcome be reported to a future meeting of the Board at which consideration of the petition would resume.</p> <p>The Board agreed that the matter be referred to the Director of Community Resources with the recommendation that (a) the rationale for the installation of a pedestrian crossing at Stanley Road be examined and compared against the Corsebar Road site; (b) that all factors taken into account to make an exceptional case for the pedestrian crossing near the RAH entrance; and (c) that the options identified be reported to a future meeting of the Board.</p>	<p>Further consideration of the petition at the meeting of the Board on 15 February 2016. The results of a site visit and a survey conducted on 2 December 2015 were discussed by the Board.</p> <p>The Board agreed that the matter be referred to the Director of Community Resources with the recommendation that (a) the rationale for the installation of a pedestrian crossing at Stanley Road be examined and compared against the Corsebar Road site; (b) that all factors taken into account to make an exceptional case for the pedestrian crossing near the RAH entrance; and (c) that the options identified be reported to a future meeting of the Board.</p>

9	Request for the removal of parking bays outside the property at 86A Renfrew Road, a health and safety risk assessment of the risk and that the pavement be reinstated and metal bollards installed on the pavement to prevent on-pavement parking	<p>The Board agreed that the matter be referred to the Director of Community Resources with the recommendation that further investigation be undertaken relative to (a) the date and time of recent health and safety inspections; (b) evidence of the identified need for parking bays in the area; (c) ownership of the pavement; (d) shortening the overall length of parking bays; and (e) road traffic accident statistics for Renfrew Road, and that the outcome be reported to a future meeting of the Board.</p>	At the meeting of the Board held on 21 March 2016, it was agreed that the matter be continued to enable additional information to be provided.
10	Request to reduce the speed limit at Inchinnan Junction A8 Greenock Road.	<p>The Board noted that an application had been made to SPT for funding of £500,000 to deliver a revised road layout, including traffic lights at the junction.</p> <p>The Board agreed that the matter be referred to the Director of Community Resources to arrange discussions between the petitioner, Council representative and Police Scotland to promote the appropriate traffic order required to reduce the speed limit in the event that the application to SPT was not successful. The outcomes of both matters to be reported to a future meeting of the Board.</p>	<p>Funding of £510,000 from SPT was in place for improvements to the junction and it was agreed that no further action would be taken in relation to the petition.</p>

11	Decision to remove staff from recycling centres in Renfrew, Linwood, Johnstone and Erskine.	The Board agreed that the petition was not valid in terms of paragraph 3(b)(x) of the procedures for dealing with petitions.	N/A
12	Allocation of tenancy	The Board agreed that the petition was not valid in terms of paragraph 3(b)(iii) of the procedures for dealing with petitions.	N/A
13	Breakdown of costs of external works	The Board agreed that the petition was not valid in terms of paragraph 3(b)(iii) of the procedures for dealing with petitions.	N/A