

---

**To:** Audit, Scrutiny & Petitions Board

**On:** 21 September, 2015

---

**Report by:** Director of Finance & Resources

---

**Heading:** Audit, Scrutiny & Petitions Board Annual Report 2014/15

---

1. **Summary**

1.1 The annual report highlights the issues considered by the Board during the period September 2014 to June 2015 when the Board met on five 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.

---

## **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 2014/15**

### **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 (a) continued consideration of its review of the terms and conditions of a Renfrewshire Housing lease/contract in relation to the upkeep of Council property and (b) concluded its reviews of (i) communication between tenants, elected members and Development & Housing Services - when it was agreed that there was no empirical evidence to support the view that there was currently an issue with communications between tenants, elected members and housing services in relation to housing repairs; and (ii) the Invest in Renfrewshire Programme - when it was agreed that, as subsequent to the Board including this review in its annual programme, the Council had established the Economy & Jobs Policy Board and Invest in Renfrewshire was monitored and reviewed by that Board and a review by external consultants had been carried out in 2013, the original purpose of this review had been overtaken and was no longer required.
- 3.1.2 The Board at its meeting held on 1 June, 2015 agreed that its 2015/16 annual programme would comprise (a) those reviews continued from the 2014/15 programme ie (i) terms and conditions of a Renfrewshire Housing lease/contract in relation to the upkeep of Council property; (i) Ward 15 (Children's Ward) Royal Alexandra Hospital, Paisley; and (iii) bus deregulation and its effect on transport services in Renfrewshire; and (b) reviews of (i) the newly-introduced speed limit in Brookfield (A761); (ii) restricting access to the Council's cycle to work scheme; (iii) fly tipping in the countryside and at known fly-tipping spots; (iv) housing repairs by Council and outside contractors; (v) Japanese knotweed in our landscapes and gardens; (vi) maintenance of multi-occupancy accommodation; and (vii) the effectiveness of Fair Trade. And that this would be the order of priority in which the reviews would be undertaken.

### 3.2. **Training**

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 members' roles and responsibilities in relation to Public Sector Internal Audit Standards (PSIAS); policy development and measuring success; fraud risk; regulation of the Third Sector; the benefits of trusts and other delivery models; risk management; and serious and organised crime.

### 3.3 **Audit and Related Matters**

- (a) **Audit of Accounts** - The Board at its meetings held on 30 September and 1 December, 2014 considered reports, including Audit Scotland's Chief Auditor's report to members summarising all significant matters which had arisen during the course of the audit. The Board noted that the audit process had been completed and that Audit Scotland's Assistant Director of Audit had provided an Audit Certificate for the Accounts of Renfrewshire Council which was free from qualification. An action plan setting out the key tasks identified by the audit had been established.
- (b) **Annual Internal Audit Plan 2015/16** – The Board at its meeting held on 30 March, 2015 agreed a risk-based Audit Plan for 2015/16. 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 2015/16 Annual Audit Plan and summaries from each audited assignment are reported to the Board on a quarterly basis.
- (c) **Audit Scotland Annual Audit Plan 2014/15** – The Board at its meeting held on 30 March, 2015 considered a report relative to Audit Scotland's Annual Audit Plan 2014/15. 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.

- (d) **Risk Management Annual Report** - The Board at its meeting held on 1 June, 2015 considered the risk management annual report for 2014/15 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.
- (e) **Accounts Commission and Audit Scotland Reports** – during the period covered by this report, the Board considered reports concerning Benefits Performance Audit Annual Update 2013/14; Self-directed Support; Procurement in Councils; National Fraud Initiative; School Education; Scotland's Public Finances - A Follow-up Audit: Progress in Meeting the Challenges; the Impact of Welfare Reforms on Council Rent Arrears in Scotland; Housing Benefit Subsidy Audit 2013/14; an Overview of Local Government in Scotland 2015; and Borrowing and Treasury Management in Councils. Each report highlighted key points and the Renfrewshire Council position where available.
- (f) **Quality Assurance and Improvement Programme** – The Board at its meeting held on 1 December, 2014 considered a report relative to the requirement, in terms of the PSIAS, that the Chief Auditor develops and maintains a quality assurance and improvement programme that covers all aspects of internal audit activity and evaluates the extent of conformance with the Definition of Internal Auditing and compliance with the Code of Ethics and Standards.
- The programme also assesses efficiency and effectiveness of Internal Audit activity and identifies opportunities for improvement. PSIAS has stated that a Quality Assurance and Improvement Programme must include both an annual internal assessment and external assessments once every five years. The results of the annual assessment for 2013/14 had been reported to the meeting of this Board held on 2 December, 2013 when it was agreed that regular updates would be provided to the Board regarding progress against the resulting action plan. The results of the self-assessment and the improvement actions were disclosed in the Internal Audit Annual Report.
- (g) **Corporate Governance** – The Board at its meeting held on 30 March, 2015 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.

- (h) **Internal Audit Annual Report 2014/15** - The Board at its meeting held on 1 June, 2015 considered the annual report on the activities of the Council's Internal Audit section for 2014/15, 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.
- (i) **Local Government Benchmarking Framework – Overview of 2012/13 Data** – The Board at its meeting held on 1 June, 2015 considered a report relative to the Local Government Benchmarking Framework (LGBF) and a review of the Council's 2013/14 data. Of the 55 national indicators, since 2012/13, the Council's ranking in 25 had improved, had remained the same in nine, had declined in 17, and in four 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.
- (j) **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.
- (k) **Audit and Benefit Investigation 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. Performance in all but one area was reported as ahead of target.
- (l) **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. During the period March 2014 to March 2015 the overall number of days lost per full time equivalent (FTE) employee was 9.00 being a 0.08 day per FTE employee decrease in the overall absence level in comparison to the previous year.

### 3.4 **Petitions**

- 3.4.1 The Board considered five 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.

### 3.5 **Annual Reports by other Bodies**

- (a) **Scottish Public Services Ombudsman** – The Board at its meeting held on 1 December, 2014 considered the Scottish Public Services Ombudsman's (SPSO) annual report 2013/14. The report referred to the change in the way councils handled people's complaints about local government services, 2013/14 being the first year of operation of the simplified, standardised model complaints handling procedure across all of Scotland's councils. The report intimated that local government remained the sector about which the SPSO received most complaints being 40% of the SPSO's total caseload for 2013/14, an increase from 37% in the previous year. During the period of the report the SPSO received 1,750 complaints about local government - 16% more than the previous year.

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 52 compared with 45 in 2012/13 and 43 in 2011/12. However, as detailed in the report, there had been an overall increase in complaints in the local authority sector. 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 1 December, 2014 considered the 2013/2014 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. This was the first annual report since the merger, on 1 July, 2013, of the Commission for Ethical Standards, the Public Standards Commissioner for Scotland and the Public Appointments Commissioner for Scotland into the office of Commissioner for Ethical Standards in Public Life in Scotland.

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. The Commissioner had indicated previously that if members of the public were to have confidence in decisions taken by elected and appointed members it was essential that members rigorously applied the statutory provisions that dealt with the registration and declaration of interests. The report outlined the practice in Renfrewshire including training provided and reminders issued in relation to registration of interests.

No specific figures for Renfrewshire were included in the report. However information had been received separately indicating that during the period covered by the report 11 complaints had been received against Renfrewshire councillors compared with 3 in the previous year. The report referred to the hearing into a complaint received concerning Councillor M Macmillan, the outcome of which had been reported to the Council on 1<sup>st</sup> May, 2013.

- (c) **Freedom of Information Annual Report 2014** – The Board at its meeting held on 1 December, 2014 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 “Taking Fol Forward” explored the performance of the Office of the Scottish Information Commissioner across the year and introduced the Commissioner’s plan to take Fol forward in Scotland. The report intimated that there was nothing significant to report for Renfrewshire Council in terms of the year. During the period covered by the report Renfrewshire Council had received 795 requests and 20 requirements for review. The low level of requirements for review compared to the high volume of requests processed by the Council and only four appeals to the Information Commissioner indicated that the Council was managing its responsibilities well.

---

### 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.

---

### List of Background Papers

None.

---

**Author:** Lilian Belshaw, Democratic Services Manager  
(tel: 0141 618 7112/email: [lilian.belshaw@renfrewshire.gcsx.gov.uk](mailto:lilian.belshaw@renfrewshire.gcsx.gov.uk))





	<b>Subject of Petition</b>	<b>Outcome</b>	<b>Update/progress</b>
<b>1</b>	Behaviour of a tenant in Paisley.	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.	n/a
<b>2</b>	Request that a decision to permit the investigation of leasing Hunterhill Care Home, Paisley be rescinded by the Council.	Board agreed that the petition was not valid in terms of paragraph 3(b)(x) of the procedures for dealing with petitions.	n/a
<b>3</b>	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.	Board agreed that matters contained in the petition be referred to the Director of Community Resources and a further report be submitted to a future meeting of the Board. The report was submitted to the meeting of the Board held on 1 June, 2015 but the petitioner was unable to attend.	Consideration of the petition has been continued to the next meeting of the Board to be held on 21 September, 2015 to give the petitioner a further opportunity to attend.
<b>4</b>	Request to remove the bus stop outside Trident House, Renfrew Road, Paisley.	Board agreed that the petition be referred to the Director of Community Resources with the recommendation that a site visit be arranged, to be attended by members of the Board, a representative from SPT, relevant officers, the petitioner and supporter and the remaining local member who was not a member of the Board and a further report be submitted to a future meeting of the Board. The report was submitted to the meeting of the Board held on 1 June, 2015 but the petitioner was unable to attend.	Consideration of the petition has been continued to the next meeting of the Board to be held on 21 September, 2015 to give the petitioner a further opportunity to attend.

5	Request that the Council take the views of residents into consideration before deciding on any action on trees from the south bank of Houston Burn in Houston village centre, between Main Street and Bogstonhill Road.	Board agreed that the petition be referred to the Director of Development & Housing Services with the recommendations (a) that the matters contained in the petition be taken into account in terms of the officers' deliberations on the treeworks application; and (b) that if the treeworks application were to be granted, that the matters contained in the petition be taken into account prior to any decision being taken to act on the permission and implement the works.	The Board's recommendations were conveyed to the Director of Development & Housing Services. The Head of Planning & Development has advised that the application to fell the trees is to be withdrawn. A new treeworks application has been submitted to instead carry out crown thinning to the five trees and the pruning of broken branches on one of the trees. Before being decided, the original objectors will be contacted and given the opportunity to comment on the new proposals. Thereafter, any comments will be taken into consideration in coming to a decision on the application - the deliberations and resolution of the Board will be acknowledged and referred to in the Officers Report of Handling on the new application.
---	---	---	--