

ANGUS COUNCIL

MINUTE of MEETING of the **SCRUTINY AND AUDIT COMMITTEE** held in the Town and County Hall, Forfar, on Tuesday 20 November 2018 at 2.00pm.

Present: Councillors ALEX KING, BILL DUFF, JULIE BELL, BRIAN BOYD, KENNY BRAES, LYNNE DEVINE, BEN LAWRIE, BRENDA DURNO, IAN MCLAREN, DEREK WANN, MARK SALMOND and BETH WHITESIDE.

Councillor KING, Convener, in the Chair.

Prior to the commencement of the meeting, the Convener on behalf of the Committee welcomed Chief Superintendent Andrew Todd to his first meeting of the Scrutiny and Audit Committee.

1. APOLOGIES/SUBSTITUTES

Apologies for absence were intimated on behalf of Councillors Colin Brown, Mark McDonald and Bob Myles with Councillors Brenda Durno and Derek Wann substituting for Councillors McDonald and Myles respectively.

2. DECLARATIONS OF INTEREST

There were no declarations of interest made.

3. MINUTE OF PREVIOUS MEETING

The minute of meeting of this Committee of 25 September 2018 was approved as a correct record and signed by the Convener.

4. SCOTTISH FIRE AND RESCUE SERVICES QUARTERLY MONITORING REPORT FOR THE PERIOD 1 JULY TO 30 SEPTEMBER 2018.

With reference to Article 4 of the minute of meeting of this Committee of 21 August 2018, there was submitted Report No 359/18 by Gordon Pryde, Local Senior Officer, Scottish Fire and Rescue Services, containing performance information relating to quarter 2 (July to September) of 2018 on the performance and activities in support of the priorities in the Local Fire and Rescue Plan for Angus 2017 and the wider community planning priorities.

Attached as Appendix 1 to the Report was the detailed breakdown and analysis of all data collected during the reporting period which also included an overview of a range of community safety engagement events and partnership working. The Report also provided context to the performance of the Scottish and Fire Rescue Services in the Angus area against indicators and targets.

Gordon Pryde, Local Senior Officer, provided a summary of the 2018/19 quarter two activity and advised that a report would be brought forward to members in due course in terms of the recent accidental dwellinghouse fire fatality in Brechin.

Roy Dunsire, Group Manager provided an overview of the 12 headline indicators and targets, the Community Safety Engagement Programmes and the two notable events; Save a Life Day, Montrose and Alzheimer's Scotland Event, Carnoustie. He also provided members with an update in terms of the Strathmartine Hospital, which was attached as Appendix 3 to the Report.

Councillor Duff commended the work of the emergency services in providing the annual Safe Drive Stay Alive event and given the strong powerful messages delivered, he indicated that it would be beneficial for the event to continue in future years.

The Committee agreed to note the performance of the Scottish Fire and Rescue Services as outlined in the Quarterly Monitoring Report for the period 1 July to 30 September 2018.

5. ANGUS LOCAL POLICING AREA PERFORMANCE RESULTS FOR THE PERIOD 1 APRIL 2018 TO 30 SEPTEMBER 2018

With reference to Article 5(a) of the minute of meeting of this Committee of 21 August 2018, there was submitted Report No 360/18 by Chief Superintendent Andrew Todd, which updated the Committee on the performance results for the period 1 April to 30 September 2018.

Attached as Appendix A to the Report were the performance indicators that had been subdivided into the following priorities within the Report which were the Local Policing Priorities as identified in the three year Local Policing Plan:-

- Putting Victims at the heart of what we do
- Tackling Crime and Anti-Social Behaviour
- Protecting Vulnerable People
- Maintaining Public Safety

Also attached as an Appendix to the Report was the Performance Summary Report advising that 16,598 calls had been received during the period 1 April 2018 to 30 September 2018.

Chief Inspector David McIntosh provided an overview and highlighted some key areas of the Report, in that domestic incidents had fallen by 6.6%; that working in partnership with Angus Violence against Women Partnership (AVAWP) had continued to provide briefings and raise awareness of the Safe and Together Model. Overall crimes of dishonesty had fallen from 660 to 524 incidents, a reduction of 20.6%. Road safety measures undertaken had welcomed reductions which had suggested a change in driver behaviour and that the level remained commensurate with the same period last year with approximately 10,000 vehicles being stopped. Youth related disorder and anti-social behaviour remained a key issue, with the effects of the activity being noted mostly in Arbroath.

Following discussion, a number of questions were answered by Chief Inspector McIntosh.

Councillor Julie Bell enquired as to the position in terms of the consultation on the closure of Forfar Police Office and also raised whether there would be continued accessibility and Police presence in Forfar. Chief Superintendent Andrew Todd confirmed that there had been ongoing dialogue with the local authority in terms of location, costs and timings and also with the Executive and Scottish Police Authority.

The Committee agreed to note the contents of the Report.

6. WORKFORCE DATA REPORT

With reference to Article 8 of the minute of meeting of this Committee of 19 June 2018, there was submitted Report No 361/18 by the Head of HR, Digital Enablement, IT and Business Support, providing information to members in relation to the workforce.

The Workforce Data Report attached as Appendix 1 to the Report was produced biannually for services and for reporting to Committee twice each year, covering the periods 1 April to 30 September and 1 October to 31 March. Appendix 2 provided analysis highlights in relation to each of the data sets. The data had been amended to reflect the new management structure.

The Head of HR, Digital Enablement, IT and Business Support provided an overview and highlighted that in terms of the Staffing Resource: Employee Headcount figure for Chief Officer which detailed -125.00% that this should have read -12.5%.

She indicated that stress related absences had increased and that action to address these absences had been to raise awareness amongst employees and managers of mental health issues and how these could be identified and supported. She intimated that WRAP events which were very effective had been delivered by NHS and that these events would be beneficial and assist in training managers. She advised that future reporting will details further information in terms of stress related absences.

The Committee agreed to note the contents of the Report.

7. INTERNAL AUDIT ACTIVITY UPDATE

With reference to Article 7 of the minute of meeting of this Committee of 25 September 2018, there was submitted Report No 362/18 by the Chief Executive, providing the Internal Audit Activity update on the main findings of Internal Audit Reports issued since the date of the last meeting.

Five Internal Audit Reports had been issued since the last meeting:-

- Early Years
- BACS
- Continuous Auditing – Payroll and Creditors/Accounts Payable
- School Transport
- Lochside Leisure Centre

The Report presented the progress of Internal Audit Activity within the Council up to 1 November 2018 and provided an update on progress with the 2018/19 Internal Audit Plan and the implementation of Internal Audit recommendations.

The Service Leader – Internal Audit provided an overview of the Report.

The Convener advised that the review of Lochside Leisure Centre would be discussed at the end of this item, following which the Committee agreed:-

- (i) to note the update on progress with the 2018/2019 Internal Audit Plan;
- (ii) to note the management's progress in implementing Internal Audit recommendations; and
- (iii) to approve the postponement of the review of Business Continuity Planning and Disaster Recovery until the 2019/20 Plan, and agreed not to bring another review forward to replace it.

In terms of the review of Lochside Leisure Centre, a copy of the independent structural survey of Lochside Leisure Centre, Forfar from Shepherds was circulated at the meeting.

The Chief Executive indicated that Report No 151/18 had been approved by the Policy and Resources Committee, which had declared the former Lochside Leisure Centre as surplus to requirements and agreed to demolish and reinstate the land, which belonged to the Common Good. The costs were estimated to be £500,000.

She advised that in August 2018, following that decision, the Depute Leader had raised a proposal in that the administration group were considering revisiting the decision concerning Lochside Leisure Centre as they had been approached by a potential buyer. The potential buyer was given access to the building to commission a structural inspection. A copy of the engineer's report dated 7 September 2018 was provided to the Chief Executive.

Given the differences in assessment between Report No 151/18 and the engineer's report, the Chief Executive requested an Internal Audit review to be undertaken. Given the outcome of the review and associated recommendations, she highlighted that she valued the integrity of officers and indicated that she had no concerns in terms of the decision taken, however it was clear from the review, that given the key recommendations outlined in the Report that improved practices required to be undertaken in terms of exit strategies, recordkeeping and reporting options/actions.

Councillor Lynne Devine thanked the Chief Executive for carrying out the review and bringing this update to Committee, however she raised concerns in terms of the lack of information being made available during this period, the handling of the matter, the demolition costs including £200,000 for toilet provision. Councillor Mark Salmond also raised concerns in terms of the £500,000 demolition costs and the lack of an options appraisal.

Ian Cochrane, Head of Infrastructure provided informative background details of the process and confirmed that the £500,000 was the cost originally set aside for the project. It had included a store for Angus Alive and potential toilets and not just the cost of demolition.

Councillor Brian Boyd indicated that the decision should be reconsidered and that any potential buyer should be given the opportunity to purchase the property and seek their own independent survey, given the challenging financial position the Council faced.

The Service Leader – Internal Audit advised that in gathering all the evidence, the decision taken by the Policy and Resources Committee was sound.

The Chief Executive re-iterated that the decision of the Policy and Resources Committee stood, unless a further Report was considered under Standing Order No 26.

The Committee agreed to note the contents of the Internal Audit Review of Lochside Leisure Centre.

8. CORPORATE COUNTER FRAUD REVIEW 2018/19

With reference to Article 9 of the minute of meeting of this Committee of 19 June 2018, there was submitted Report No 363/18 by the Chief Executive, summarising the activity undertaken by the Corporate Fraud Team (CFT) in the six months to 30 September 2018.

The Report supported the Council's zero tolerance approach to fraud and corruption. The Corporate Fraud Team was a specialist investigative team which operated in 2018/19 with the Internal Audit Service reporting to the Chief Executive. The continued work of the CFT played a key role in the Council's response to its risk of fraud and corruption.

Two new data matching exercises had been commissioned with Council IT colleagues comparing Council Tax Single Person Discount records to SEEMiS, the Council's Education database, and matching Council Tax Empty Farm Cottage records with the Electoral Roll.

The Council was a mandatory participant in the National Fraud Initiative and work was being done across the Council to provide data for that exercise. During the six month period to 30 September 2018, the Corporate Fraud Team identified savings in excess of £56k from investigative work and a further £13k of fraud and error in Housing Benefits and Council Tax through the sharing of intelligence with the Department for Work and Pensions. Action was taken by Angus Council to recover these monies.

The Corporate Fraud Team had been successful in contributing to the Council's aims and vision for efficiency and effectiveness. In addition to the financial savings the specialist investigative service provided by the Counter Fraud Team emphasised fraud prevention and strengthened the Council's governance arrangements by improving internal controls and safeguarding assets.

Having heard from the Service Leader – Internal Audit, the Committee agreed:-

- (i) to note the revised Counter-Fraud and Corruption Strategy; Fraud Response Plan; and Whistleblowing Policy; and
- (ii) to commend the documents to the Policy and Resources Committee for approval.

9. CHANGE PROGRAMME UPDATE

With reference to Article 6 of the minute of meeting of the Policy and Resources Committee of 9 October 2018, there was submitted Report No 364/18 by the Head of Strategic Policy, Transformation and Public Sector Reform providing an update in relation to the Council's Change Programme.

The Report indicated that Report No 305/18 had been considered by this Committee at its meeting on 25 September 2018, which provided the previous update in relation to the Council's Change Programme and subsequently Report No 310/18 had been considered by the Policy and Resources Committee at its meeting on 9 October 2018, which approved a new version of the Council's Change Programme.

The Report indicated that since the previous Report, significant effort had continued, to ensure all savings proposals for 2018/19 were completed with risks identified and managed. As a result of the work, the Change Programme had been refreshed and was attached as Appendix 1 to the Report. The Change Programme would continue to feature as a key mechanism to delivering transformational change to Council services.

Having heard from the Head of Strategic Policy, Transformation and Public Sector Reform, the Committee agreed to note the update in relation to the Council's Change Programme.

10. REPORTS RELEVANT TO THE WORK OF THE SCRUTINY AND AUDIT COMMITTEE

There was submitted Report No 365/18 by the Head of Strategic Policy, Transformation and Public Sector Reform advising members of reports submitted to other Angus Council committees that were relevant to the work of the Scrutiny and Audit Committee.

Attached as Appendix 1 to the Report was a list of reports submitted to other committees since 1 April 2018 which had not been formally submitted to the Scrutiny and Audit Committee but which were relevant to its work.

The intention was to submit summary reports to the March, June and November meetings of this Committee in future.

The Committee agreed:-

- (i) to note the reports listed at Appendix 1 to the Report;
- (ii) that there were no reports that should be the subject of a more detailed discussion by this Committee; and
- (iii) to note the intention to submit similar summary reports to this Committee in March, June and November each year.

11. PETITION – KEEP PARKING IN ANGUS FREE

There was submitted Report No 376/18 by the Service Leader – Legal and Democratic, advising members of a petition which had been received in connection with car parking charges in Angus.

The Report indicated that two petitions were submitted to the Council on 8 November 2018 in respect of car parking in Angus. One petition extended to 195 pages and contained approximately 3,920 signatories and the other extended to 33 pages and contained approximately 396 signatories. Both petitions contained at least 50 signatories who indicated that they resided in locations in Angus. In addition to the petition, correspondence was submitted and this was attached as Appendix 1 to the Report.

Standing Order 14 of the Council's Standing Orders provided that petitions would only be accepted where the name and address had been provided with all signatories requiring to be resident in Angus. These petitions do not meet the requirements of the Standing Order in this regard. Signatories have indicated their location and not their addresses. Given the significant public and media interest in this matter, it was considered appropriate to follow the procedure as contained in Standing Order 14.

Angus Council, at its meeting on 14 June, considered a report by the Head of Infrastructure Services regarding parking charges (Report No 193/18 refers). The decision of that Report was outlined in Section 3.4 of the Report.

On 25 September 2018, the Communities Committee approved the making of the Angus Council (Off-Street Car Parks) (Decriminalised Enforcement) (Variation) (No.2) Order 2018 – Car Parking Charges (Report No 294/18 refers).

Councillor Bill Duff indicated that since the introduction of the car parking charges, there had been much public criticism of elected members and council officers. He highlighted concerns over the lack of information and contradictory financial detail and suggested that a detailed scrutiny review be undertaken as per recommendation (iv) of the Report.

The Convener advised that it was not the decision that was being reviewed but an examination of the process that had been undertaken to reach the decision. He intimated that the panel membership should consist of 2 administration members, 2 non-administration members and one independent member.

He also highlighted that given the scrutiny review process there may be the requirement to call witnesses to the panel, it would therefore, in his opinion, not be inappropriate, given the decision

making process, that the previous Leader of the Council, Councillor Bob Myles and Councillor Mark Salmond, Communities Convener take part in the scrutiny review panel.

The Committee agreed in terms of Standing Order 14:-

- (i) to undertake a detailed scrutiny review, gather evidence and make recommendations to the relevant Committee; and
- (ii) that the scrutiny review panel membership would consist of Councillors Lynne Devine, Bill Duff and Brian Boyd; and that the two administration members were to be nominated in due course.

12. EXCLUSION OF PUBLIC AND PRESS

The Committee resolved, in terms of Standing Order 28(2) that the public and press be excluded from the meeting during consideration of the following item, so as to avoid the possible disclosure of information which was exempt in terms of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973, Paragraph 14.

13. PAYMENT SYSTEMS INTERNAL CONTROL AND RESPONSE TO A MAJOR FRAUD IN ANOTHER COUNCIL

There was submitted Report No 366/18 by the Head of Finance and Legal providing information on the actions taken in response to a major fraud in another Council which was relevant to the internal control environment related to the Council's payment systems.

Having heard from the Convener and the Head of Finance and Legal the Committee agreed:-

- (i) to note the contents of the Report and the significant efforts being made to mitigate the risks of fraud in the Council's payment processes;
- (ii) to note the actions already taken and the further actions planned to address identified and potential weaknesses; and
- (iii) to note the ongoing need to be vigilant and adaptable to new threats from criminals seeking to exploit any weaknesses in the Council's systems.