

ANGUS COUNCIL

MINUTE of MEETING of the **SCRUTINY AND AUDIT COMMITTEE** held in the Town and County Hall, Forfar, on Tuesday 27 January 2015 at 2.00pm.

Present: Councillors BOB SPINK, BRIAN BOYD, BILL BOWLES, LYNNE DEVINE, BILL DUFF, CRAIG FOTHERINGHAM, JEANETTE GAUL, ALEX KING, IAN MCLAREN, ROB MURRAY, RONNIE PROCTOR MBE and MARK SALMOND.

Councillor SPINK, Convener, in the Chair.

1. APOLOGIES/SUBSTITUTES

Apologies for absence were intimated on behalf of Councillors Jim Houston and Bob Myles with Councillor Alex King substituting for Councillor Houston.

2. DECLARATIONS OF INTEREST

The Committee agreed to note that no declarations of interest were made.

3. MINUTE OF PREVIOUS MEETING

The minute of meeting of this Committee of 25 November 2014 was approved as a correct record and signed by the Convener.

4. INTERNAL AUDIT ACTIVITY UPDATE

With reference to Article 4 of the minute of meeting of this Committee of 25 November 2014, there was submitted Report No 35/15 by the Service Manager – Governance providing the Audit Manager's update on the main findings of Internal Audit Reports issued since the date of the last meeting.

Four Internal Audit Reports had been issued since the last meeting, these being:-

- Payment Card Industry – Data Security Standards (PCI – DSS)
- Affordable Housing – Survive and Thrive
- Income – Letting of Premises
- Subscriptions Value for Money review

The Report provided an update in relation to the 2013/2014 and 2014/15 Internal Audit Plans, a request for approval of a change to the 2014/15 Internal Audit Plan, Lean Reviews and Investigations Activity.

The Committee heard from Councillor Rob Murray who raised concerns in relation to the lack of information on progress of the 2014/15 Internal Audit Plan. Having heard a response from Paul Kelly, Audit Manager, the Committee agreed:-

- (i) to note the update on progress with the 2013/14 Internal Audit Plan;
- (ii) to note the update on progress with the 2014/15 Internal Audit Plan; and that the report would be reviewed to include further information and populated with appropriate dates;
- (iii) to the requested amendment to the 2014/15 Internal Audit Plan; and
- (iv) to note the update on investigation work conducted by Internal Audit since April 2014.

5. CORPORATE RISK REGISTER UPDATE

With reference to Article 5 of the minute of meeting of this Committee of 25 November 2014, there was submitted Report No 36/15 by the Service Manager – Governance presenting the first quarterly Corporate Risk Register update for review and challenge.

The Report indicated that in accordance with the Risk Management Strategy, the Council's Management Team would review the Corporate Risk Register (CRR) quarterly and consequently update this Committee on progress made against identified actions, as outlined in Appendix 1 to the Report.

The Committee agreed to note the contents of the Corporate Risk Register Updated Report.

6. ANGUS COMMUNITY PLAN AND SINGLE OUTCOME AGREEMENT 2013/16

With reference to Article 6 of the minute of meeting of this Committee of 26 August 2014, there was submitted Report No 37/15 by the Head of Planning and Place, presenting highlights of the 2014/15 mid year performance report on the Community Plan and Single Outcome Agreement 2013/16.

The Report indicated that the Community Plan and Single Outcome Agreement for 2013/16 outlined the five priority areas that the community planning partnership had agreed to focus on to support the partnership vision.

The plan also identified the local outcomes which were based around the partnership's five priorities to improve quality of life and opportunities for individuals, families and communities in Angus. They also contributed towards the Scottish Government's national outcomes.

The Report also outlined the progress of the five thematic partnerships in terms of indicators and actions that would support the delivery of the five priority areas.

Vivien Smith, Head of Planning and Place provided a brief overview of the highlight report.

A number of members raised the issue of dog fouling in Angus and following discussion and having heard from Vivien Smith, Councillor Jeanette Gaul advised that a report on dog fouling would be presented to the next meeting of the Communities Committee in March 2015.

The Committee agreed:-

- (i) to note the contents of the Report;
- (ii) to note the highlights of the 2014/15 mid year Performance Report on the Angus Community Plan and Single Outcome Agreement 2013/16; and
- (iii) to note that the Report had been submitted to the Community Planning Partnership Board on 10 December 2014.

7. SICKNESS ABSENCE JULY – SEPTEMBER 2014

With reference to Article 9 of the minute of meeting of this Committee of 30 September 2014, there was submitted Report No 38/15 by the Head of HR, IT and Organisational Development advising of the level of sickness absence within the Council for the period 1 July to 30 September 2014.

The Report indicated that for all Council employees, there had been a disappointing +13.5% increase in the percentage of working days lost, when compared with the corresponding quarter in 2013/14. This was an abrupt reversal of reducing sickness absence levels per quarter over the last 15 months. The direct cost of employee's sickness absence for the quarter was £714,825.50.

The top five reasons for sickness absence were outlined in Appendix 3 of the Report. Reasons for absence were currently being reviewed as detailed in the annual report for sickness absence in 2014/15.

Having heard from Mark Armstrong, Strategic Director – Resources and the Convener, the Committee agreed:-

- (i) to note the terms of the Report; and

- (ii) that the reasons for sickness absence report should be reviewed to also incorporate the previous quarter figures for comparison purposes and to separate the stress related reason into work and non-work related stress.

8. THE LOCAL AUTHORITY ACCOUNTS (SCOTLAND) REGULATIONS 2014 – STATUTORY ANNUAL ACCOUNTS 2014/15

With reference to Article 8 of the minute of meeting of this Committee of 24 September 2013, there was submitted Report No 39/15 by the Head of Corporate Improvement and Finance, advising members on the Local Authority Accounts (Scotland) Regulations 2014 which came into force on 10 October 2014 and outlined the implications for this Committee's role in scrutinising the Council's Accounting Statements.

The Report indicated that the main legislation setting out the obligation on the Council in preparing and publishing its Annual Accounting Statement were contained in the Local Authority Accounts (Scotland) Regulations 1985.

The Scottish Government had issued a consultation document in the summer of 2013 proposing the replacement of the existing "1985" Regulations. The Council's response had been submitted to the Scottish Government and a number of changes to the proposed legislation were made as a result of the responses to the consultation. Changes introduced by the legislation were outlined in Section 4 of the Report.

The Committee, for its interest, agreed:-

- (i) to note the contents of the Report; and
- (ii) that a training session would be organised to support members in their new role in relation to the Council's Accounting Statements.

9. SCRUTINY PANEL REVIEWS

The Service Manager – Governance provided an overview and update in relation to the Scrutiny Panels. She indicated that both panels were progressing well and were on course for reporting their findings to this Committee in June 2015. She also indicated that an email providing an update on progress would be issued to all elected members following the meeting.

10. MEETING OF SCRUTINY AND AUDIT COMMITTEE IN JUNE

The Committee agreed to note that the meeting of this Committee scheduled for Tuesday 2 June 2015 had been rescheduled to Tuesday 23 June 2015 at 2.00pm. This was to allow the Audit Manager's annual audit report to inform the Annual Governance Statement.