

ANGUS COUNCIL

MINUTE of MEETING of the **SCRUTINY AND AUDIT COMMITTEE** held in the Town and County Hall, Forfar, on Tuesday 19 June 2018 at 2.00pm.

Present: Councillors ALEX KING, BILL DUFF, JULIE BELL, BRIAN BOYD, KENNY BRAES, COLIN BROWN, LYNNE DEVINE, CRAIG FOTHERINGHAM, BEN LAWRIE, MARK McDONALD, IAN MCLAREN, MARK SALMOND and BETH WHITESIDE.

Councillor KING, Convener, in the Chair.

1. APOLOGIES/SUBSTITUTES

An apology for absence was intimated on behalf of Councillor David Fairweather with Councillor Craig Fotheringham substituting.

2. DECLARATIONS OF INTEREST

There were no declarations of interest made.

3. MINUTE OF PREVIOUS MEETING

The minute of meeting of this Committee of 24 April 2018 was approved as a correct record and signed by the Convener.

At this stage of the meeting, the Convener advised that Cathie Wyllie, previous co-sourced Audit Manager had been appointed to the post of Service Leader – Internal Audit.

With reference to Article 7 of the minute, Councillor Devine enquired as to whether the provision of Integration Joint Board briefings to elected members had been taken up with the Chief Officer. The Chief Executive agreed to progress this further.

Thereafter, the Committee agreed in accordance with the provisions of Standing Order 37(2), to change the Order of Business which would now be considered in the following order.

4. 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.

5. POLICE AND FIRE REFORM: LOCAL SCRUTINY AND ENGAGEMENT: OPERATIONAL REPORT

Members were provided with updates in relation to the divisional/local perspective by Chief Superintendent Paul Anderson, Police Scotland.

The Committee noted the information provided.

6. ANGUS LOCAL POLICING AREA PERFORMANCE RESULTS FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2018

With reference to Article 7 of the minute of meeting of this Committee of 6 March 2018, there was submitted Report No 198/18 by Chief Superintendent Paul Anderson, which updated the Committee on the performance results for the period 1 April 2017 to 31 March 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 3 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 31,745 calls had been received during the period 1 April 2017 to 31 March 2018.

Chief Superintendent Paul Anderson, accompanied by Chief Inspector David McIntosh, highlighted a number of key areas and provided an informative and detailed overview of the Report.

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

The Committee agreed:-

- (i) to note the contents of the Report; and
- (ii) that Police Scotland representatives would provide a briefing on Public Protection to elected members following recess.

7. SCOTTISH FIRE AND RESCUE QUARTERLY MONITORING REPORT FOR THE PERIOD 1 JANUARY TO 31 MARCH 2018.

With reference to Article 6 of the minute of meeting of this Committee of 6 March 2018, there was submitted Report No 197/18 by Gordon Pryde, Local Senior Officer, Scottish Fire and Rescue, containing performance information relating to the fourth quarter (January to March) 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 Service in the Angus area against indicators and targets.

Gordon Pryde provided an overview and highlighted a number of key performance results.

Following discussion and having heard from a number of members, the Committee agreed to note the performance of the Scottish Fire and Rescue Service as outlined in the Quarterly Monitoring Report for the period 1 January 2018 to 31 March 2018.

At this point, the Scottish Fire and Rescue Service and Police Scotland representatives left the meeting.

6. COMPLAINTS RAISED WITH THE SCOTTISH PUBLIC SERVICES OMBUDSMAN – 1 OCTOBER 2017 TO 31 MARCH 2018

With reference to Article 13 of the minute of meeting of this Committee of 21 November 2017, there was submitted Report No 199/18 by the Service Leader – Legal and Democratic, providing information about the complaints made to the Scottish Public Services Ombudsman (SPSO) in respect of Angus Council during the period 1 October 2017 to 31 March 2018.

The Council had adopted the SPSO national complaints handling procedure in December 2012 and the purpose behind the national procedure was to enable Councils to compare the number and type of complaints with other local authorities but also to enable Councils to learn from complaints and to use them to drive improvement within Council services.

During the period 1 October 2017 to 31 March 2018, a total of six letters of complaint were received by the SPSO in relation to Angus Council. Two complaints were ongoing. Details of these complaints were outlined in Appendix 1 to the Report.

The Committee agreed:-

- (i) to note the findings of the Scottish Public Services Ombudsman; and
- (ii) that the actions taken in respect of the Scottish Public Services Ombudsman recommendations were appropriate.

7. COMPLAINTS RAISED WITH THE COMMISSIONER FOR ETHICAL STANDARDS IN PUBLIC LIFE – 1 APRIL 2017 TO 31 MARCH 2018

With reference to Article 20 of the minute of meeting of this Committee of 22 June 2017, there was submitted Report No 200/18 by the Service Leader – Legal and Democratic, advising of complaints made against Angus Councillors to the Commissioner for Ethical Standards in Public Life (the Standards Commission), during the period 1 April 2017 to 31 March 2018.

The Report indicated that the Ethical Standards in Public Life etc. (Scotland) Act 2000 provided for a framework to encourage and, where necessary enforce, high ethical standards in public life. The Act established the Standards Commission for Scotland and placed a duty on local authorities to adopt the Councillors' Code of Conduct. It also provided a framework for breaches of that code to be investigated and adjudicated upon by the Standards Commission.

During the period from 1 April 2017 to 31 March 2018 there had been three referrals to the Standards Commission in respect of Angus Councillors. All of these matters were ongoing and members will be advised of the outcome of these referrals in a future report.

The Committee agreed:-

- (i) to note the findings of the Report; and
- (ii) to request the Service Leader – Legal and Democratic to update members on the outcome of the ongoing complaint decisions in the Report at a later date.

8. WORKFORCE DATA REPORT

With reference to Article 21 of the minute of meeting of this Committee of 22 June 2017, there was submitted Report No 201/18 by the Head of HR, Digital Enablement 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 31 March 2018. Appendix 2 to the Report provided analysis highlights in relation to each of the data sets.

The data presented was described in relation to the previous Council management structure prior to implementation of the Managers' review on 1 April 2018. The data would be amended to reflect the new management structure for the committee report in November 2018.

The Head of HR, Digital Enablement and Business Support provided an overview and update to the Report.

Councillor Julie Bell indicated that it would be beneficial to have the Report broken down further in terms of stress related absence to highlight work and non-work related stress. Also in relation to long term illness' to include, for example, in terms of a cancer diagnosis, the treatment and recovery times.

The Committee agreed:-

- (i) to note the contents of the Report; and
- (ii) to request the Head of HR, Digital Enablement and Business Support to review the Report to include further details in relation to stress related and long term absences.

9. CORPORATE COUNTER FRAUD REVIEW 2017/18

With reference to Article 13 of the minute of meeting of this Committee of 22 June 2017, there was submitted Report No 202/18 by the Chief Executive, summarising the activity undertaken by the Corporate Fraud Team (CFT) in the year to 31 March 2018.

The Report supported the Council's zero tolerance approach to fraud and corruption. The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Managing the Risk of Fraud and Corruption set out the five key principles that defined the governance and operational arrangements necessary for an effective counter fraud response. These five key principles were outlined in Section 3 of the Report.

The Corporate Fraud Team had been successful in achieving the key principles to support Angus Council's goal of protecting public assets, acting in the public interest and making best use of resources to achieve intended outcomes. In addition to the financial savings, the specialist investigative service provided by the Counter Fraud Team strengthened the Council's governance arrangements by improving internal controls and safeguarding assets.

During the financial year to 31 March 2018, the Corporate Fraud Team identified savings in excess of £153K from investigative work and a further £79K of fraud and error in housing benefits and council tax through the sharing of intelligence with the Single Fraud Investigation Services (SFIS). Action was taken by Angus Council to recover these monies.

The Committee agreed:-

- (i) to note the contents of the Report;
- (ii) to note the results of the self-assessment against the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption, attached as Appendix 1 to the Report; and
- (iii) that the self-assessment confirmed that the Council had adopted a response that was appropriate for its fraud and corruption risks.

10. INTERNAL AUDIT ACTIVITY UPDATE

With reference to Article 6 of the minute of meeting of this Committee of 24 April 2018, there was submitted Report No 203/18 by the Chief Executive, providing the Audit Manager's Internal Audit Activity update on the main findings of the Internal Audit Reports issued since the date of the last meeting.

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

- Service Legal Agreements
- Property Repairs Work Allocation
- Council Oversight of Integration Joint Board (IJB)

The Report presented the progress of internal audit activity within the Council up to 8 June 2018 and provided updates on progress with the 2017/18 and 2018/19 Internal Audit Plans and the implementation of internal audit recommendations.

The Committee agreed:-

- (i) to note the update on progress with the 2017/18 Internal Audit Plan; and
- (ii) to note the management's progress in implementing Internal Audit recommendations.

11. INTERNAL AUDIT ANNUAL REPORT AND REVIEW OF CORPORATE GOVERNANCE

With reference to Article 10 of the minute of meeting of this Committee of 22 June 2017, there was submitted Report No 204/18 by the Chief Executive, presenting the Audit Manager's Annual Report and independent assurance opinions in relation to both the overall corporate governance arrangements and internal controls for 2017/18.

The Report indicated that in relation to Corporate Governance, it was the Audit Manager's opinion that the Council had a framework of controls in place that provided reasonable assurance regarding the organisation's governance framework, effective and efficient achievement of objectives and the management of key risks and proper arrangements were in place to promote value for money. The Local Code of Corporate Governance was adequate and effective and although some areas for improvement had been identified, the Code was complied with in all material respects.

Attached as Appendix 1 to the Report was the Audit Manager's Internal Audit Annual Report which provided the information and assurance in relation to the matters outlined in Section 3 of the Report.

The Committee agreed to note the contents of the Audit Manager's Annual Report for 2017/18.

12. CORPORATE GOVERNANCE – LOCAL CODE OF CORPORATE GOVERNANCE 2018

With reference to Article 8 of the minute of meeting of this Committee of 22 June 2017, there was submitted Report No 205/18 by the Chief Executive, advising of the outcome of the review of the Local Code of Corporate Governance and presenting the revised Local Code for approval.

The Report indicated that Angus Council first adopted a Local Code in 2002. This had been regularly reviewed and updated to ensure consistency with best practice and guidance, in particular the CIPFA/SOLACE framework *Delivering Good Governance in Local Government*. The framework was revised during 2016 and related Scottish Guidance Notes were published in November 2016. The framework set out seven core principles for good governance and these were outlined in Section 4 of the Report.

The Local Code of Corporate Governance affirmed the Council's commitment to achieving good standards of corporate governance. It set out the key policies, procedures and structures which demonstrated the Council's compliance with the seven core principles. The Local Code had been reviewed and updated and was attached as Appendix 1 to the Report.

The Service Leader – Governance and Change provided an overview of the Report.

Councillor Lynne Devine highlighted that in relation to Core Principle B in terms of Customer Care Standards that this should be reviewed to add in further detail. The Service Leader – Governance and Change thereafter agreed to review the Report to add further information under the Customer Care Standards heading.

The Committee agreed to approve the revised Local Code of Corporate Governance.

13. CORPORATE GOVERNANCE – ANNUAL REVIEW AND DRAFT ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31 MARCH 2018

With reference to Article 11 of the minute of meeting of this Committee of 22 June 2017, there was submitted Report No 206/18 by the Chief Executive advising of the outcome of the annual review of compliance with the principles of good governance and presenting the draft Annual Governance Statement for consideration.

The Report indicated that the overall conclusion of the Review was that during 2017/18 the Council demonstrated that the governance arrangements and framework within which the Council operated were sound and operating effectively and that the Council was generally compliant with the core principles of good governance.

The 2016/17 review identified a number of developments which were expected to be delivered in 2017/18 to strengthen the Council's corporate governance. All of the actions had now been completed, with further information being provided at Appendix 1 to the Report.

The 2018/19 Action Plan was attached as Appendix 2 to the Report and progress would be reported to this Committee in January and June 2019. The Council's draft Annual Governance Statement for 2017/18 was attached as Appendix 3 to the Report.

The Committee agreed:-

- (i) to note the progress in addressing the improvement actions from 2016/17 Annual Governance Statement, attached as Appendix 1 to the Report; and the further improvements which would be taken forward during 2018/19, attached as Appendix 2 to the Report;
- (ii) to note the draft 2017/18 Annual Governance Statement as outlined in Appendix 3 to the Report; and
- (iii) to note that the 2017/18 Annual Governance Statement would be signed by the Leader of the Council and the Chief Executive and would be included as part of the Council's Annual Report and Accounts for submission to the Controller of Audit.

14. SCRUTINY AND AUDIT COMMITTEE SELF ASSESSMENT AND ANNUAL REPORT

With reference to Article 8 of the minute of meeting of this Committee of 24 April 2018, there was submitted Report No 207/18 by the Chief Executive, providing a draft Annual Report to Council on the work undertaken by the Scrutiny and Audit Committee during 2017/18.

The Report indicated that a meeting facilitated by the Audit Manager and the Manager – Governance, Risk and Scrutiny had taken place on 30 April 2018. Members considered and completed two CIPFA self-assessment checklists (good practice and evaluating the effectiveness of the Audit Committee).

The Good Practice self-assessment confirmed a high level of compliance with the principles set out in the CIPFA guidance.

The Evaluation of Effectiveness checklist was intended to help Committee members to consider where the Committee was most effective and where there may be scope to do more.

The Committee had used the checklist to develop an action plan for 2018/19, which had been included within the Annual Report, attached as Appendix 1 to the Report.

The Committee agreed:-

- (i) to note the draft Annual Report for the year to 31 March 2018;
- (ii) there were no amendments required to the Report; and
- (iii) to note that the Annual Report would be signed by the Convener and would be submitted to full Council after the recess.