

# ANGUS COUNCIL

MINUTE of MEETING of the **SCRUTINY AND AUDIT COMMITTEE** held in the Town and County Hall, Forfar, on Tuesday 5 March 2019 at 2.00pm.

**Present:** Councillors ALEX KING, BILL DUFF, JULIE BELL, BRIAN BOYD, KENNY BRAES, LYNNE DEVINE, BEN LAWRIE, MARK MCDONALD, IAN MCLAREN, BOB MYLES, MARK SALMOND and BETH WHITESIDE.

Councillor KING, Convener, in the Chair.

## 1. **APOLOGIES/SUBSTITUTES**

An apology for absence was intimated on behalf of Councillor Colin Brown.

## 2. **DECLARATIONS OF INTEREST**

There were no declarations of interest made.

## 3. **MINUTE OF PREVIOUS MEETING**

The minute of meeting of this Committee of 22 January 2019 was approved as a correct record and signed by the Convener.

## 4. **SCOTTISH FIRE AND RESCUE SERVICE QUARTERLY MONITORING REPORT FOR THE PERIOD 1 OCTOBER 2018 TO 31 DECEMBER 2018**

With reference to Article 4 of the minute of meeting of this Committee of 20 November 2018, there was submitted Report No 68/19 by Gordon Pryde, Local Senior Officer, Scottish Fire and Rescue Service, containing performance information relating to quarter three (October to December) 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 an Appendix 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 Fire and Rescue Service in the Angus area against indicators and targets. Appendix 2 to the Report provided details of a notable event in respect of a fire fatality at River Street, Brechin in November 2018.

Gordon Pryde, Local Senior Officer advised that following the retirement of Alasdair Hay, Martin Blunden had been appointed as the new Chief Officer and David McGown appointed as Deputy Chief Officer of the Scottish Fire and Rescue Service.

He thereafter provided a summary of the 2018/19 quarter three activities.

Roy Dunsire, Group Manager, provided an overview of some of the performance highlights of the 12 headline indicators and targets, in particular highlighting ADF Fatal Casualty, ADF Non-fatal Casualties, Road Traffic Incidents and Deliberate Secondary Fires.

Councillor Bell raised a question relating to deliberate fires and in response, the Group Manager advised that he would obtain the necessary detailed information and revert back thereafter.

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 October to 31 December 2018.

## 5. **ANGUS LOCAL POLICING AREA PERFORMANCE RESULTS FOR THE PERIOD 1 APRIL 2018 TO 31 DECEMBER 2018**

With reference to Article 5 of the minute of meeting of this Committee of 20 November 2018, there was submitted Report No 69/19 by Chief Superintendent Andrew Todd, which updated the Committee on the performance results for the period 1 April to 31 December 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 23,659 calls had been received during the period 1 April 2018 – 31 December 2018.

Chief Inspector David McIntosh provided an overview and highlighted a number of key areas of the Report.

Councillor Bell requested further context in relation to the rape detection rate, and in response, Chief Inspector McIntosh provided some background information but indicated that he would require to liaise with the appropriate section and refer back in due course.

Councillor Whiteside advised that there had been a number of school complaints raised in relation to the driving behaviour of parents and queried whether a specific event could be arranged to address these concerns. Chief Inspector McIntosh advised that he would give this matter due consideration.

Further questions were answered by Chief Inspector McIntosh, thereafter the Committee agreed to note the contents of the Report.

## **6. INTERNAL AUDIT ACTIVITY UPDATE**

With reference to Article 4 of the minute of meeting of this Committee of 22 January 2019, there was submitted Report No 70/19 by the Chief Executive, providing the Internal Audit Activity update on the main findings of the Internal Audit Reports issued since the date of the last meeting.

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

- Interreg
- MEB Contract Management

The Report presented the progress of Internal Audit Activity within the Council up to the 25 February 2019; provided an update on progress with the 2018/19 Internal Audit Plan and progress with the implementation of Internal Audit recommendations.

Having heard from the Service Leader – Internal Audit who provided an overview of the Report, the Committee agreed:-

- (i) to note the update on progress with the 2018/19 Internal Audit Plan; and
- (ii) to note the management's progress in implementing Internal Audit recommendations.

## **7. ANNUAL INTERNAL AUDIT PLAN 2019-20**

With reference to Article 7 of the minute of meeting of this Committee of 24 April 2018, there was submitted Report No 71/19 by the Chief Executive, providing the Audit Manager's Annual Internal Audit Plan for 2019/20 for approval.

The Report indicated that in terms of the Public Sector Internal Audit Standards (PSIAS), the Audit Manager was required to set a risk based audit plan sufficient to provide the required assurances to members and officers in relation to corporate governance, risk management and internal controls.

Attached as Appendix 1 to the Report were the outcomes of the annual planning exercise and the Service Leader's proposed 2019/20 Internal Audit Plan, for approval.

The 2019/20 Internal Audit Plan set out the proposed activity to be performed by the Council's Internal Audit team in order to allow the Service Leader – Internal Audit to provide an annual Internal Audit opinion in June 2020.

The Audit Manager provided an overview of the Report and also thanked all members and officers who contributed to the 2019/20 audit planning process.

Following discussion and having heard from some members, the Committee agreed:-

- (i) to note that a risk based approach methodology had been utilised to develop the proposed Internal Audit Plan for 2019/20; and
- (ii) to approve the proposed 2019/20 Internal Audit Plan.

## **8. RISK MANAGEMENT STRATEGY AND CORPORATE RISK REGISTER REVIEW**

With reference to Article 10 of the minute of meeting of the Policy and Resources Committee of 29 January 2019, there was submitted Report No 72/19 by the Chief Executive, outlining the work being undertaken in relation to the Council's approach to risk management, the risk management strategy and the corporate risk register.

The Report indicated that a new service of risk, resilience and safety had brought together all the risk functions within the Council. This provided opportunities for the sharing of and integration of risk priorities across the organisation, whilst supporting Council services to be much more accountable and responsible for all aspects of risk underpinning their business objectives. This was also strengthened by developing a more proactive approach with the audit and governance and change teams.

The update of the risk management strategy was the first step in condensing and presenting succinctly the Council's overview of risk and importantly, aligning to the Council's plan and priorities.

The next stage would be to review the accompanying guidance to support improvements and wider integration in the Council's approach to risk. The Council's Corporate Risk Register was due for comprehensive review which reflected the changing needs of the organisation. Given the work had commenced it was proposed that a Report would be considered by this Committee at their meeting on 18 June 2019.

The Committee agreed:-

- (i) to note the new Risk, Resilience and Safety Service structure; and
- (ii) to note the revised Risk Management Strategy, which was approved by the Policy and Resources Committee on 29 January 2019.

## **9. REPORTS RELEVANT TO THE WORK OF THE SCRUTINY AND AUDIT COMMITTEE**

With reference to Article 10 of the minute of meeting of this Committee of 20 November 2018, there was submitted Report No 73/19 by the Head of Strategic Policy, Transformation and Public Sector Reform advising members of reports submitted to other Angus Council committees and to the IJB 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 Angus Council committees and the IJB for the period 19 October 2018 to 31 January 2019.

The Committee agreed:-

- (i) to note the reports listed at Appendix 1 to the Report; and
- (ii) that there were no reports that should be the subject of a more detailed discussion by this Committee.

## **10. TREASURY MANAGEMENT STRATEGY STATEMENT 2019/20**

With reference to Article 4 of the minute of meeting of Angus Council of 22 March 2018, there was submitted Report No 74/19 by the Head of Finance and Legal seeking members to review and scrutinise the proposed Treasury Management Strategy for Angus Council in 2019/20.

The Report indicated that the purpose of the Treasury Management Strategy Statement was to develop borrowing, investment and debt rescheduling strategies for the forthcoming financial year based on prospects for interest rates. The strategies adopted took account of the current treasury position and treasury limits in force that would limit treasury risk and treasury activities of the Council.

The 2019/20 Treasury Management Strategy Statement and Annual Investment Strategy set out the expected treasury management activities for Angus Council for the forthcoming financial year.

Having heard from the Service Leader – Finance, the Committee agreed to note the proposed Treasury Management Strategy Statement and Annual Investment Strategy for 2019/20, attached as Appendix A to the Report.

## **11. CHANGE PROGRAMME UPDATE**

With reference to Article 6 of the minute of meeting of the Policy and Resources Committee of 29 January 2019, there was submitted Report No 75/19 by the Head of Strategic Policy, Transformation and Public Sector Reform providing a progress update in relation to the Council's Change Programme.

The Report highlighted that Report 23/19 was considered by the Policy and Resources Committee at its meeting on 29 January 2019 which provided a progress update in relation to the Council's Change Programme. The remainder of the Report from Section 4 onwards, replicated the principle contents from that Report in order to keep members of the Scrutiny and Audit Committee fully apprised on developments.

The Report detailed the scale of the budget cap for the next three years as £36.5m and outlined savings targets within the programme for the same period of £22.2m and also highlighted the requirement to identify further savings to fund a budget cap of approximately £14.3m.

Excellent progress had been made through the Change Programme in terms of transforming the Council to be a better, stronger, sustainable and smaller Council. This included progressing cultural change/workforce development in the organisation, and shifting resources to focus on improving outcomes through new ways of working. There were many examples of areas where improved outcomes would emerge. Key aspects included benefits to be gained from the Tay Cities Deal, the School's for the Future programme, Digital enablement and taking a more preventative approach to managing day-to-day demands on services, including working with communities to encourage them to become more involved in their areas.

Progress was being made with all the projects relating to the savings previously identified to secure a balanced budget for 2019/20. Key projects and progress were outlined in Section 5.2 of the Report with the full summary of the Change Programme Financial Benefits being provided in Appendix 1 to the Report.

Having heard from Service Leader – Governance and Change, the Committee agreed to note the update in relation to the Council's Change Programme.

## **12. PETITION – REPOSITION TRAFFIC LIGHTS OR USE ALTERNATIVE TRAFFIC CALMING MEASURES IN KEPTIE STREET, ARBROATH**

There was submitted Report No 76/19 by the Head of Finance and Legal, advising members of a petition which had been received in connection with traffic calming measures in Keptie Street, Arbroath.

The Report indicated that a petition was submitted to the Council on 23 January 2019 in respect of repositioning traffic lights or use alternative traffic calming measures in Keptie Street, Arbroath. It was understood that the petition was initiated circa August 2018. The petition

contained 186 signatures and called for the plans to be put on hold whilst the implications were reconsidered, the local residents and business owners listened to and other traffic calming options or the relocation of the traffic lights explored.

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. The petition did not meet the requirements of the Standing Order in this regard. Signatories had indicated their location but not their addresses. Four of the signatories did not reside in Angus. Given the public and media interest in the matter, it was considered appropriate to follow the procedure as contained in Standing Order 14.

The Communities Committee, at its meeting on 25 September 2018, considered a Report by the Head of Infrastructure Services regarding pedestrian crossing at Keptie Street (Report No 291/18 refers). The decision of that Report was outlined in Section 3.3 of the Report.

On 15 January 2019, the Communities Committee noted the outcome of the consultation as set out in Report No 9/19, the decision of that Report was outlined in Section 3.4 of the Report.

The Report highlighted that a site visit was established for 7 February 2019, with a subsequent Report being prepared for the Communities Committee.

Having heard from the Convener and the Chief Executive, the Committee agreed in terms of Standing Order 14 to determine that appropriate action had already been taken or was planned and no further action was necessary.

### **13. EXTERNAL AUDIT ANNUAL AUDIT PLAN**

With reference to Article 11 of the minute of meeting of this Committee of 6 March 2018, there was submitted Report No 77/19 by the Head of Finance and Legal, presenting the External Auditor's Annual Audit Plan for 2018/19.

The Report indicated that the Annual Plan contained an overview of the planned scope and timing of the audit and was carried out in accordance with the International Standards on Auditing (ISAs), the Code of Audit Practice and any other relevant guidance.

The Plan set out the work necessary to allow Audit Scotland to provide an independent auditor's Report on the financial statements and meet the wider scope requirement of public sector audit including the audit of Best Value. The wider scope of public audit contributed to assessments and conclusions on financial management, financial sustainability, governance and transparency and value for money.

The 2018/19 key audit risks, which required specific audit testing were outlined in Exhibit 1 of the Appendix to the Report.

Rachel Brown, Senior Audit Manager, Audit Scotland provided an overview and highlighted the various aspects of the Report.

Councillor Devine raised concerns in terms of the EU Withdrawal and confirmed that whilst assurances had been provided previously that work was being progressed, she emphasised, given the timeframe involved, that in addition to reports being provided, that consideration should be given to providing email updates also.

Having heard from the Senior Audit Manager, the Convener and also the Chief Executive who gave assurances that work was being progressed, that the Council were well prepared, she further proposed to provide members with a note in terms of the Angus Council preparedness in relation to the EU Withdrawal, the Committee agreed:-

- (i) to note the content of the External Audit Annual Audit Plan for 2018/19; and
- (ii) that a note be prepared and issued by the Chief Executive to members of the Committee, in terms of the Angus Council preparedness in relation to the EU Withdrawal.