

ANGUS COUNCIL

MINUTE of MEETING of the **SCRUTINY AND AUDIT COMMITTEE** held remotely on Tuesday 1 June 2021 at 2.00pm.

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

Councillor KING, Convener, in the Chair.

1. APOLOGIES/SUBSTITUTES

There were no apologies intimated.

2. DECLARATIONS OF INTEREST

Councillors Devine and Duff each declared a non-financial interest in Item 13 (Report 57/21) in that they were Council appointed Board members of Angusalive. They indicated that they had a specific exclusion and would participate in any discussion and voting on this item.

3. MINUTE OF PREVIOUS MEETING

The minute of meeting of this Committee of 27 April 2021 was approved as a correct record and signed by the Convener.

4. SCOTTISH FIRE AND RESCUE SERVICE – QUARTERLY MONITORING REPORT FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

With reference to Article 4 of the minute of meeting of this Committee of 2 March 2021, there was submitted Report No 175/21 by Stephen Wood, Local Senior Officer, Scottish Fire and Rescue Service, containing performance information relating to quarter four (1 January to 31 March) of 2021 on the performance and activities in support of the priorities in the Local Fire and Rescue Plan for Angus 2020 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.

Stephen Wood, Local Senior Officer advised that Scottish Fire and Rescue Services would be undertaking public consultations in relation to the vision for services which outlined the long term strategic vision and was scheduled to be launched next week, followed by a further consultation on how the services responded to unwanted fire alarm signals which would be launched on 19 July 2021. He confirmed that updates would be reported to a future meeting of this Committee.

In reference to the question raised at the Scrutiny and Audit Committee of 2 March 2021, relating to the fire at Cameron House in 2017, he provided an update on the local approach, underpinned by national resources around the preventative work being undertaken in Angus.

The Group Commander summarised the 2020/21 quarter four activities and provided a detailed overview of some of the performance highlights of the 12 headline indicators and targets, highlighting accidental dwelling fires, non-domestic building fires, road traffic collisions, unwanted fire alarm signals, deliberate primary and secondary fires. He also provided detailed relating to the 64 special services.

Councillors Myles, Whiteside and Braes sought further information in relation to home safety visits, deliberate primary fires, unwanted fire alarm signals, and special services and heard from both the Group Commander and Local Senior Officer in response to the matters raised.

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 2021 to 31 March 2021.

5. POLICE SCOTLAND – ANGUS LOCAL POLICING AREA QUARTERLY REPORT FOR THE PERIOD 1 JANUARY 2021 TO 31 MARCH 2021

With reference to Article 5 of the minute of meeting of this Committee of 2 March 2021, there was submitted Report No 176/21 by Chief Superintendent Andrew Todd, which updated the Committee on the performance results for the period 1 January 2021 to 31 March 2021.

Appendix A to the Report outlined the performance in relation to the identified policing objectives and outcomes which were monitored and reviewed at the monthly Tasking and Delivery meeting. The data provided in the Report was for information purposes to allow members to conduct their scrutiny responsibilities under the Police and Fire Reform (Scotland) Act 2012.

The Report made reference to specific crimes mentioned in the local policing plan and complimented the force priorities and supported reporting through Community Planning Partnership structures.

Chief Superintendent Andrew Todd provided an overview and in referring to the unprecedented nature of the last twelve months period, highlighted to members the challenges with the figures provided in comparison to the previous year.

Councillors Devine, Whiteside, McDonald Bell, Lawrie and Braes sought further information in relation to ASBOs, vandalism, fraud, Operation CEDAR, particularly A92, Operation Close Pass, domestic abuse, hate crime and Naloxone, and in response heard from both Chief Superintendent Todd and Chief Inspector Morrison.

Councillor McDonald raised a question relating to the A92 Muirdrum junction and having heard from Chief Superintendent Todd, Councillor McDonald was advised to write to Chief Inspector Morrison direct in order that this matter could be further investigated.

Councillor Devine provided an update regarding a new scam text message she had received from "Census 21". In raising awareness, she had also reported this scam to the Council's Trading Standards. The Convener also suggested that this matter be escalated to Police Scotland.

Councillor Bell referred to Operation Close Pass and enquired whether there was further detail available from the West Midlands project that highlighted any long term and sustainable change in driver behaviour. In response, Chief Superintendent Todd indicated that he would require to revert to Councillor Bell in this matter and also regarding the provision of the list of Keep Safe Premises in Angus.

The Committee agreed to note the contents of the Report.

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

6. INTERNAL AUDIT ACTIVITY UPDATE

With reference to Article 4 of the minute of meeting of this Committee of 27 April 2021, there was submitted Report No 177/21 by the Service Leader - Internal Audit providing the Internal Audit Activity update on the main findings of the Internal Audit Report issued since the date of the last meeting.

The Report presented the progress with the Internal Audit activity within the Council from June 2020 to 20 May 2021, provided an update on progress with the planned audit work and progress with implementing internal audit and counter fraud recommendations.

Three Internal Audit Reports had been issued since the last meeting, in relation to:-

- Property Asset Maintenance Processes
- IT Interfaces
- Data Analysis/Continuous Auditing – Payroll and Creditors (January to March 2021)

The Service Leader – Internal Audit provided a summary of the Property Asset Maintenance Process and Data Analysis/Continuous Auditing – Payroll and Creditors Audit and the outstanding internal audit actions.

Paul Kelly, Director of Audit and Assurance, Azets provided an overview of the IT Interface audit and confirmed that on agreeing the action plan, one priority 2 recommendation had been removed.

Councillor Devine raised a point in relation to exit strategies and in response, the Service Leader – Internal Audit provided an update. The Director of Infrastructure confirmed that the action relating to exit strategies for property had been incorporated in the review of the Council's Financial Regulations due to be considered at the next meeting of Angus Council on 24 June 2021.

The Service Leader – Internal Audit, in reference to Councillor Bell's queries relating to the Badger system, advised that she would require to investigate and revert back in due course.

Councillor Devine requested further information regarding the timescales for implementation of the Interface audit recommendations, and in response the Service Leader – Digital Enablement and IT provided an update.

The Committee agreed:-

- (i) to note the update on progress with the planned Internal Audit work;
- (iii) to note management's progress in implementing internal audit and counter fraud recommendations; and
- (iii) to note the position with regard to the Head of Internal Audit's Annual Opinion for 2020/21, as detailed within Section 4 of the Report.

7. INTERNAL AUDIT ANNUAL REPORT AND REVIEW OF CORPORATE GOVERNANCE

With reference to Article 11 of the minute of meeting of this Committee of 16 June 2020, there was submitted Report No 178/21 by the Service Leader – Internal Audit, presenting the Internal Audit Annual Report and independent assurance opinion in relation to both the overall corporate governance arrangements and internal controls for 2020/21.

The Report indicated that the Internal Audit Annual Report and review of Corporate Governance provided an overall opinion from the Service Leader – Internal Audit on the internal control and internal financial control environment within the Council for the 2020/21 financial year. This would be used to inform the production of the Council's Annual Governance Statement.

Appendix 1 to the Report detailed the Internal Audit Annual Report and provided the information and assurances in relation to the matters outlined in Section 3 of the Report.

The Service Leader – Internal Audit provided a detailed overview and highlighted the key areas of the Report.

The Committee agreed to note the contents of the Internal Audit Annual Report for 2020/21.

8. CORPORATE GOVERNANCE – LOCAL CODE OF CORPORATE GOVERNANCE (2021)

With reference to Article 12 of the minute of meeting of this Committee of 16 June 2020, there was submitted Report No 179/21 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. It 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, which were outlined in Section 4 of the Report.

The Local Code of Corporate Governance affirmed the Council's commitment to achieving a good standard 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 also included a new matrix that summarised the various documents that provided assurance and where they were applied to the seven core principles.

The Local Code had been reviewed and updated and was outlined in Appendix 1 to the Report.

Councillor Devine referred to Section 4.1 of the Report, Core Principle C and suggested that consideration should be given to include climate change impact and environment impact into future committee reports, and also raised a question relating to Locality Implementation Partnerships and Locality Plans

In response, the Chief Executive provided an update and also welcomed Councillor Devine's suggestion with regards to future reporting. She also confirmed that over the coming months, there would be further information provided to members outlining the Council's actions and activities in response to climate change. With reference to localities she advised that the Director Portfolios were currently being reviewed and that the review would also take into consideration a more focused approach on how the Council would support and lead community empowerment.

The Committee agreed to approve the revised Local Code of Corporate Governance (2021).

9. CORPORATE GOVERNANCE – ANNUAL REVIEW AND DRAFT ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31 MARCH 2021

With reference to Article 13 of the minute of meeting of this Committee of 16 June 2020, there was submitted Report No 180/21 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 2020/21, the Council had 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, including the Council's Local Code of Corporate Governance. This included the governance arrangements that had been put in place in response to the COVID-19 pandemic.

The 2020/21 action plan was included with the Annual Governance Statement and progress would be reported to this Committee in January and June 2022. The action plan also included four continued actions from 2020/21 and approval was sought to extend the completion dates on two of these actions:- AC-CGOV-00044 Review Whistleblowing Policy and AC-CGOV-0043 Review Social Care Billing Process (both extensions from 31 March 2021 to 30 September 2021).

The Council's draft Annual Governance Statement for 2020/21, was outlined in Appendix 1 to the Report.

Councillor Bell in highlighting the disparity between the Special Health Board's and the Council's current Whistleblowing Policy raised a question relating to the review of the Whistleblowing Policy, and in response, the Chief Executive and the Service Leader – Internal Audit provided updates.

The Team Leader – Counter Fraud confirmed that as the review was still in progress, and noting Councillor Bell's offer to share the Policy, he considered it would be beneficial to have sight of the Special Health Board's Whistleblowing Policy.

The Committee agreed: -

- (i) to note the 2020/21 draft Annual Governance Statement, including actions to be taken forward during 2021/20 as outlined in Appendix 1 to the Report;
- (ii) to note that 2020/21 draft Annual Governance Statement would be included in the Council's unaudited annual accounts, which would be submitted to the Controller of Audit;

- (iii) to note the exceptional circumstances throughout the 2020/21 draft Annual Governance Statement reporting period in relation to the COVID-19 pandemic and that various implications of the Council response to this was reflected in the draft Annual Governance Statement;
- (iv) to approve the extension to the completion dates on specific actions as set out in Section 5.2 of the Report; and
- (iv) to note that the draft Annual Governance Statement would be kept under review and updated as necessary until the audited accounts were approved for signing later this year with the final statement being signed by the Leader of the Council and the Chief Executive.

10. CORPORATE COUNTER FRAUD REVIEW 2020/21

With reference to Article 8 of the minute of meeting of this Committee of 16 June 2020, there was submitted Report No 181/21 by the Service Leader - Internal Audit, summarising the activity undertaken by the Corporate Fraud Team (CFT) in the year to 31 March 2021.

The Report supported the Council's zero tolerance approach to fraud and corruption. The CIPFA Fraud and Corruption Tracker 2020 Report indicated that the main types of external fraud facing local authorities are in Council Tax, Housing, Disabled Parking and Business Rates.

Corporate fraud included instances where individuals sought to profit from their position as employees. In 2020/21, the CFT concluded 5 corporate fraud investigations, with 3 cases ongoing as at 31 March 2021. In addition to the investigative work carried out during 2020/21, the CFT had provided advice and support in several areas including Education and Lifelong Learning and Children, Families and Justice.

During the financial year to 31 March 2021, the CFT identified recoveries in excess of £65k (2019/20 £151k) from investigative work and a further £9k (2019/20 £18k) of fraud and error in Housing Benefits and Council Tax through the sharing of intelligence with the Single Fraud Investigation Service.

Preventative work in Covid-19 business support grants enabled the cancellation of unjustified payments totalling £73,500. Additional financial benefits had accrued by the CFT's work in disrupting fraudulent activity, preventing fraud awareness action and by improving internal controls.

The Service Leader – Internal Audit provided an update to the Report.

The Committee agreed:-

- (i) to note the contents of the Report; and
- (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.

11. AUDIT SCOTLAND REPORT – FRAUD AND IRREGULARITY UPDATE 2019/20

With reference to Article 9 of the minute of meeting of this Committee of 16 June 2020, there was submitted Report No 182/21 by the Service Leader – Internal Audit, advising members of the Audit Scotland Report "Fraud and Irregularity Update 2019/20" and considered the internal control issues raised in relation to Angus Council.

The Report indicated that the Audit Scotland report provided information on several fraud cases, including the internal control weaknesses that contributed to the fraud occurring. The fraud cases, internal control weaknesses contributing to the fraud and a high-level overview of the Council's position were detailed in Section 4 of the Report.

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

- (i) to note the Council's position in relation to internal controls to mitigate against the reported incidents; and.

- (ii) that there were no recommendations about future internal audit or scrutiny work required.

12. CHANGE PROGRAMME UPDATE

With reference to Article 6 of the minute of meeting of the Policy and Resources Committee of 4 May 2021, there was submitted Report No 132/21 by the Director of Finance providing an update in relation to the Council's Change Programme, relating to the 3-year planning period 2021/22 to 2023/24).

The Report highlighted that a significant review of the Change Programme had been undertaken during the period November 2020 to February 2021 as part of the preparation process for the Council's budget setting meeting on 4 March 2021. The various changes and updates were considered by the Change Board at its meetings held on 24 November 2020, 22 December 2020, 26 January 2021 and 23 February 2021. The latest Change Board meeting had been held on 23 March 2021.

During the budget preparation process, regular update reports in relation to the Change Programme had also been considered by the Policy & Budget Strategy Group (PBSG), along with the Shadow Budget Group (SBG). A full audit trail of changes to the Change Programme was therefore available through that review period and included in the associated meeting papers.

The Report was now focussed on reporting from the new baseline position set out in the Finance & Change Plan 2021 – 2024, which was agreed by the Council at its budget setting meeting on 4 March 2021.

The Service Leader – Governance and Change provided a brief overview and highlighted the key areas of the Report.

The Committee agreed:-

- (i) to note the progress update in relation to the Council's current Change Programme (2021/22 to 2023/24), along with the summary included in Appendix 1; and
- (ii) to note the update to the Change Programme governance arrangements, included in Appendix 2 to the Report.

13. LGBF NATIONAL BENCHMARKING OVERVIEW REPORT 2019/20 AND PERFORMANCE-LED COUNCIL PROGRAMME UPDATE

With reference to Article 13 of the minute of meeting of this Committee of 1 December 2020, there was submitted Joint Report No 183/21 by the Director of Finance and the Director of Strategic Policy, Transformation and Public Sector Reform advising members of the Local Government Benchmarking Framework (LGBF) - National Benchmarking Overview Report 2019/20 recently published by the Improvement Service and to highlight the key national and local issues emerging from the Report, along with progress made by Council services in relation to the Council's Performance-Led Programme of improvement work.

The LGBF - National Benchmarking Overview Report 2019/20 report was published by the Improvement Service at the end of February 2021. The LGBF report summarised trends in council spending, service performance and public satisfaction with services. The framework was based on core indicators for nine overall service groupings which covered the major public-facing services provided to local communities and the support services necessary to do that. Appendix 1 of the Report detailed the analysis for each of the nine LGBF service groupings. The analysis had identified a number of key messages for Angus which were outlined in Section 4 of the Report.

In terms of the Performance-Led (PLED) Council programme, the Report indicated that since the update provided to this Committee in December 2020, the programme had been recently relaunched using digital tools, which had allowed the improvement work to be done by staff both working at home and in offices. The development of resources and digital tools should help services to work through the programme with increased efficiency and independence. With all Council services resuming activities, it was intended that this phase of work would be completed by Autumn 2021.

The findings from the LGBF Report and annual data would be integrated into the Performance-Led Council programme with services required to report on how they were performing at a service level, including a review of performance indicators, which fed into the “Continuity, Evolution and Data Innovation” referenced in the LGBF Report.

The Service Leader – Governance and Change provided a detailed overview and highlighted the key areas of the Report.

Following discussion and having heard from Councillors Devine, Whiteside and Duff who requested further detail in terms of the Angus vs. National and Comparators, particularly relating to school satisfaction rates; Council employability programmes; town centre vacancy rates; roads spend and conditions; payment of invoices; and budget underspend; and in response heard from the Director of Education and Lifelong Learning and the Director of Finance.

The Service Leader – Governance and Change advised that he would require to look further into the questions raised by Councillors Devine and Whiteside in relation to the Council employability programmes and town centre vacancy rates, and revert back in due course.

The Director of Strategic Policy, Transformation and Public Sector Reform confirmed that previous reporting had demonstrated that the Council were delivering in terms of economic growth around employment and including the work with Tay Cities. She also referred to the proposed review of Directors portfolios that may focus more on improving outcomes in a number of areas.

Councillor Devine referred to the Environmental Services, particularly regarding the decline in spend in trading standards and environmental health. She commended the hardwork of the staff, particularly throughout the pandemic, and in reference to the reserves position, she questioned whether resources could be utilised in other ways that would support the provision of those vital services.

The Committee agreed:-

- (i) to note the LGBF National Benchmarking Overview Report 2019/20;
- (ii) to note the key issues emerging from Council Officers review of the LGBF Report, including the Angus position and what services were doing to improve and highlight the key areas of improvement for the Council as detailed in Appendix 1 to the Report; and
- (iii) to note the progress being made by Council services in relation to the Performance-Led programme which included the use of LGBF Report findings.

14. SCRUTINY AND AUDIT COMMITTEE – SELF ASSESSMENT AND ANNUAL REPORT

With reference to Article 14 of the minute of meeting of this Committee of 16 June 2020, there was submitted Report No 184/21 by the Service Leader – Internal Audit, providing a draft Annual Report to Council on the work undertaken by the Scrutiny and Audit Committee during 2019/20.

The Report indicated that a self-assessment workshop had been held on 29 April 2021. Three self-assessments checklists from the CIPFA guidance formed the basis for discussion at the workshop and were outlined in Section 3 of the Report.

The Annual Report attached as Appendix 1 to the Report had been prepared by the Convener and Vice Convener to inform Angus Council of the work carried out by this Committee during 2020/21. An action plan for 2021/21 was also included within the Appendix.

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

The Committee agreed:-

- (i) to note the draft Annual Report for the year to 31 March 2021;
- (ii) to determine that there were no amendments required; and
- (iii) to note that the Annual Report would be signed by the Convener and would be submitted to full Council after the recess.

During consideration of the following item, the Convener left the meeting. The Vice Convener took the Chair.

15. REGULATION OF INVESTIGATORY POWERS (SCOTLAND) ACT 2000 – QUARTERLY REPORT

With reference to Article 10 of the minute of meeting of this Committee of 26 January 2021, there was submitted Report No 185/21 by the Director of Legal and Democratic Services advising members of the use of surveillance powers by the Council in terms of the Regulation of Investigatory Powers (Scotland) Act 2000 in the period 1 January to 31 March 2021.

The Report indicated that Angus Council was a public authority for the purpose of the Regulation of Investigatory Powers (Scotland) Act 2000 (“RIP(S)A”) and had the power to authorise directed covert surveillance and the use of covert human intelligence sources. Covert activities covered by RIP(S)A would be lawful if the activities were authorised and if they were conducted in accordance with the authorisation.

In the period 1 January to 31 March 2021, no covert surveillance activities were authorised and there were no authorisations in respect of the use of a Covert Human Intelligence Source.

The Committee agreed to note that no authorisations were granted for surveillance and other investigatory activities regulated by the Regulation of Investigatory Powers (Scotland) Act 2000 in the period 1 January to 31 March 2021.

During consideration of the following item the Convener re-joined the meeting and resumed the Chair.

16. ANNUAL COMPLAINTS PERFORMANCE REPORT 1 APRIL 2020 TO 31 MARCH 2021

With reference to Article 11 of the minute of meeting of this Committee of 25 August 2020, there was submitted Report No 186/21 by the Director of Legal and Democratic Services informing members of complaints statistics for 2020/21 and to assure members that by looking at complaints received, lessons were learned which should reduce the likelihood of a similar problem being repeated.

The Report indicated that the new Scottish Public Services Ombudsman (SPSO) framework had been introduced nationally from 1 April 2021. The SPSO required Councils to publish an annual complaints report and to publish quarterly complaints. outcomes and action taken to improve services’ performance.

Complaints received from customers and service users were managed under the two-stage complaint procedure; Stage 1 – Frontline Resolution and Stage 2 – Investigation. On 1 July 2020, the Council moved to a fully digitalised system, “Contact Us” which enabled customers to log complaints online, with telephone, email and in person complaints accepted.

In 2020/21, Angus Council received a total of 256 complaints. The SPSO had a variety of indicators as basis for monitoring complaints handling performance and these were outlined in Section 5 of the Report. The performance for complaints from 2019/20 had been provided to a give a comparison. A report on the quarterly statistics, based on services, would be submitted to the August meeting of this Committee.

The Director of Legal and Democratic Services provided an overview of the key areas of the Report.

Councillor Bell enquired whether the number of complainants involved in those complaints detailed, could be reported on. Having heard from the Director of Legal and Democratic Service, and in response, the Team Leader – Members Services and Executive Support

advised that the system could not generate a report of that type however it was anticipated that this information could be provided but would require to liaise with IT to progress this request.

Having heard from Councillor Whiteside and the Convener regarding the format of Section 5.3 of the Report, the Director of Legal and Democratic Services intimated that this would be reviewed for future reports.

The Committee agreed: -

- (i) to note the complaints statistics for 2020/21, as outlined in the Report;
- (ii) to note that a new Scottish Public Services Ombudsman (SPSO) Complaints Handling Framework was introduced nationally on 1 April 2021; and
- (iii) to note the key performance indicators on complaints closed between 1 April 2020 and 31 March 2021.