

# MINUTE

# A & B

**Audit and Scrutiny Committee**  
**Council Chamber, Town Hall, Lerwick**  
**Wednesday 4 February 2009 at 10am**

**Present:**

F B Grains	A T Doull
A G L Duncan	R S Henderson
C H J Miller	J W G Wills
G Robinson	

**Apologies:**

L F Baisley

**In attendance (Officers):**

G Greenhill, Executive Director, Infrastructure Services  
G Johnston, Head of Finance  
J R Riise, Head of Legal and Administration  
J Smith, Head of Organisational Development  
M Gordon, Human Resources Adviser  
P Peterson, Performance Management Co-ordinator  
A Sutherland, Policy and Development Assistant  
L Adamson, Committee Officer

**Chairperson**

Mrs F B Grains, Chairperson of the Committee, presided.

**Circular**

The circular calling the meeting was held as read.

**Declarations of Interest**

None.

**Minute**

The minute of the meeting held on 19 November 2008, was confirmed on the motion of Mrs F B Grains.

**37/08 – Abstract of Accounts 2007/08 and report by the Auditor**

Dr J W G Wills advised Members that he had written to the Cabinet Secretary with his complaints regarding the Council's Capital Project management.

**40/08 – Audit and Scrutiny Committee Investigation – Gender Balance – May 2008 Report**

In response to a question from Dr Wills, the Performance Management Co-ordinator clarified that an e-mail containing the guidelines on Remote Working had been sent to all staff and Members.

The Chairperson advised that the Financial Review Panel was currently being reviewed.

**41/08 – Study into the Efficient Use of Council Buildings**

Dr Wills referred to the request that officers would be invited to the next meeting to help formulate recommendations. The Performance Management Co-ordinator reported that Capital Programme

Services and Building Services were currently carrying out surveys that should be complete by the end of the financial year, and he suggested that would a more suitable time to invite officers to meet with the Committee. The Head of Legal and Administration advised that during discussions with the Asset and Properties Manager it was agreed that some clarification was required on the definition of buildings that were “operational but not in use”. He said that a less narrow definition of what was meant by ‘operational’ would be beneficial, and this would allow a report to be prepared covering the totality of the Council’s estate for a future meeting. Mrs C H J Miller commented that such a suggested report would be worthwhile.

In response to a question from Mr A T Doull regarding progress with wind turbines at schools, the Performance Management Co-ordinator advised that he was aware that the project was ready to be go out to tender.

#### 42/08 – Items for Future Discussion

Dr Wills referred to his proposal that the Committee discuss the roles of Civic Head and Political Leader and the arrangements for electing Council office bearers, and to the suggestion that legal advice should first be sought to determine whether this was a competent issue for review by the Audit and Scrutiny Committee. The Head of Legal and Administration advised that he had carried out research into the legislation, referred to the Council’s Scheme of Delegations, and discussed the matter with other Local Authorities and it appeared that the extent of the remit and responsibility for political governance of Councils and arrangements for electing office bearers was generally excluded and had not been specifically included within SIC’s remit in spite of the detailed remit which did exist for the Audit and Scrutiny Committee. He advised that the Council’s Scheme of Delegation included the areas of responsibility for Members, and there was no reference to the terms of office for the election of office bearers. He advised that in terms of the Local Government (Scotland) Act 1973 each Council had in the past been expected to appoint a Chairperson of the Council, and the position regarding the duration of office bearers was prescribed by legislation to be four years, which would end with the term of the Council, and there was no mechanism in place for an office bearer to resign. However, the situation changed in the 1994 with the Local Government reorganisation, with the provision for a ‘Convener’ and a ‘Vice-Convener’, and there was no such term as a ‘Civic Leader’.

The Head of Legal and Administration went on to explain that under the new legislation rather than prescribing the duration this was now a matter for each Council to determine in their Standing Orders. The Council’s Scheme of Delegation includes the appointment of a Convener, Vice Convener and Chairperson for all the Committees, with the term of office of the Convener being the date of his/her appointment from the date of election to the end of the term, and there is no reference to resignation. As regards the Vice-Convener, Chairpersons and Vice-Chairpersons the term of office is from election until the day of the ordinary election of Councillors following the date of their appointment, unless he/she resigns or becomes disqualified.

The Head of Legal and Administration stated that it was his conclusion that the Audit and Scrutiny Committee does not have authority to debate the term of office or roles of the senior office bearers of the Council, however the Committee could refer the question to the Council as to whether to devolve such responsibility. He went on to say that Council had made the appointments for a specified duration, and even the Council was not now in a position to bring these appointments to an end, without due legal process, however the Scheme of Delegations could be modified for future appointments for a new Council.

The Head of Legal and Administration added that a final determination on the length of this term of either 4 or 5 years is required from the Scottish Parliament.

The Chairperson thanked the Head of Legal and Administration for the information provided.

Dr Wills said that this was a ridiculous situation where the Committee had no powers and were prevented by the interpretation of law to have the discussion. Dr Wills added that although it was too late to amend the roles of the Civic Head and arrangements for election of office bearers for this Council, he would put a suggestion to Council for a report to be presented on the options for the next Council.

Min. Ref.	Subject	Action/Info
01/09	<p><b><u>Capital Project Management Best Practice: First Progress Report</u></b></p> <p>The Committee considered a report by the Head of Finance (Appendix 1).</p> <p>The Head of Finance advised that the first meeting of the Multi-Disciplinary Officer Working Group had taken place and had provided the opportunity to tap into a wealth of material and experience on the handling of Capital Projects. He was encouraged at this stage by the contribution received both verbally and in writing, and confident it was a matter of condensing and collating the information to make significant improvements in the future.</p> <p>In response to a proposal from Mrs C H J Miller that Audit and Scrutiny Committee members should meet to discuss the proposals in the report prior to it being presented to Council, the Head of Finance agreed that a meeting between Working Group members and the Committee would be beneficial.</p> <p>In response to a question, the Head of Finance confirmed that Mr G Greenhill, the recently appointed Executive Director of Infrastructure Services would be invited to future Working Group meetings.</p> <p>In response to a question from Dr J W G Wills, the Head of Finance clarified that the Council's Capital Project Procurement Guidance (November 2003) still exists, however due to its great length (comprising of some 150 pages), it has not been well embedded in procedures, but will be summarised into a manual of best practise.</p> <p>Dr Wills referred to the main source documents identified by the Working Group, set out in Section 4.2 of the report, and said that it should not be necessary to duplicate work, but to follow best practise and to implement what is already known to produce the summary manual.</p> <p>In response to a question from Dr Wills, the Head of Finance advised that External Audit monitors the Council's Capital Projects procedures, and no particular comments have been made to the Authority.</p> <p>Mr A G L Duncan moved that the Committee approve the recommendation in the report. Mrs C H J Miller seconded.</p>	

Min. Ref.	Subject	Action/Info
	<p>In response to questions, the Head of Finance said that he could not give commitment that the report would be complete for the next cycle, but would be ready for the following cycle of meetings. The informal meeting for the Working Group to meet with Members of the Committee would be held prior to the report being presented to Committee.</p>	GJ
02/09	<p><b><u>Sickness Absence Data for 2007/08</u></b></p> <p>The Committee noted a report by the Human Resources Manager (Appendix 2).</p> <p>The Human Resources Adviser explained that the report sets out the Council's performance relating to sickness absence over the three year period from 2005 to 2008. She outlined the comparative figures in Section 3.2 and stated that the matter for concern was that the Council's position has got worse over the three year period. The Human Resources Adviser advised that processes have been put in place which show improvements for this year, but for the target to be met for Shetland to be ranked in the top 8 Councils there was a long way to go and significant focus has to be made on this important area of work.</p> <p>Mr A G L Duncan referred to Section 5.3, and noted with concern that for the year 2007/08 Community Care had an absence rate of over 11%. He then referred to the NHS sickness rate statistics, which had substantially reduced to 4.5% and enquired whether any lessons could be learned from the NHS. The Human Resources Adviser explained that the NHS had undertaken a national drive for each area to make improvements, and lessons will be learned as the Council has a similar statistical profile.</p> <p>The Human Resources Adviser reported that a small pilot study had been undertaken involving 2 schools, 2 care centres and the Roads Service to determine whether there would be benefits of earlier intervention through occupational health for physiotherapy or counselling, and whether staff could return to work earlier or the period of absence could be avoided. She added that the data from the next three months should conclude whether any improvements had been made.</p> <p>In response to questions from Mr Duncan, the Human Resources Adviser advised that the analysis of the 2007/08 sickness data had not included whether there were any particular days of the week where absences had been significantly higher or lower. She added that the appraisal had concentrated more on whether there was a pattern of long-term or short-term absences, and the spread being different over the various areas of the Council due to the different nature of work.</p>	

	<p>The Human Resources Adviser reported that in terms of making improvements to reduce sickness absences, robust policies and procedures would have to be put in place, and the Council had to learn from other Local Authority areas that appear to be making improvements with their sickness rates, and more dialogue may be needed with Senior Education and Social Care managers, however culture and what is acceptable is such a significant issue. It was also important to look at Occupational Health provisions, pre-employment screening and to make proper interventions, to have accurate and timely performance information, and to continue to work with Service areas with managerial accountability where absence levels and targets were seen for each Service.</p> <p>In response to a question, the Human Resources Adviser clarified that sick pay entitlements would be like for like with other Authorities as it was a nationally prescribed area.</p> <p>In response to questions, the Human Resources Adviser explained that a referral can be made to the Occupational Health Service when a member of staff has been absent from work for a period of 4 weeks or more, and a second opinion is sought only when there is any conflict between Occupational Health and the individual's own GP. The Absence Management Policy and Ill Health Capability Policy both include advice for Managers to maintain regular contact with the employee through the duration of their absence.</p> <p>In response to a question from the Chairperson, the Human Resources Adviser reported that the Occupational Health Service was now fully staffed, and the Council works closely with the Service.</p> <p>In response to a request from Mrs C H J Miller, the Human Resources Adviser said that she would welcome the opportunity to present an update report to Committee in 6 months, to report on progress with the improvements that had been made in this important area.</p>	MG
03/09	<p><b><u>2007-08 Statutory Performance Indicators – Comparative Analysis</u></b></p> <p>The Committee considered a report by the Performance Management Co-ordinator (Appendix 3).</p> <p>The Performance Management Co-ordinator summarised the main terms of the report, and referred to Appendix 1, which sets out whether the Council's performance in 2007/08 was better or worse since 2005/06, and how the Council has ranked in comparison to Orkney and the Western Isles. The Performance Management Co-ordinator highlighted a number of the indicators where improvements had been made and the Council had ranked highly, and on other areas where the</p>	

	<p>Council's performance had been quite poor.</p> <p>Mr A G L Duncan suggested that a further column should be added to the table to give a clearer indication on how the current ranking compares with previous years. The Performance Management Co-ordinator agreed to include the information in future reports.</p> <p>In response to a question from Mrs C H J Miller relating to the indicator "Asset Management – proportion of operational buildings that are suitable for their current use", where the Council had ranked 22<sup>nd</sup>, the Head of Legal and Administration advised that an issue was the definition of what is meant by "operational and suitable for their current use", and the report to be prepared by the Asset and Properties Manager would better inform Members. He added that in real terms the Council's performance was no different than it had been last year, however other Councils could have ranked higher which would alter the Council's ranking.</p> <p>Mrs Miller referred to the indicator for the costs for refuse collection where the Council had ranked 27<sup>th</sup>, and noted that compared to Orkney the Council's costs for the service were an additional £25 per property. The Executive Director of Infrastructure Services explained that the additional costs for related to the size of the population, and Shetland's geographical layout. He added that due to the increase in fuel prices it could prove difficult to maintain costs at the current level.</p> <p>In response to a question regarding the Council ranking 32<sup>nd</sup> for food hygiene inspections, the Executive Director confirmed that the Council meets the criteria in the number of inspections required each year, however the problem related to the timing of the inspections, and this would be changed to improve the Council's ranking. The Executive Director gave his assurance that health was not being compromised but this was solely a bureaucratic issue.</p> <p>In response to a question from Mr A G L Duncan, the Performance Management Co-ordinator reported that the cost relating to rent loss due to housing voids totalled £158,183 in 2007/08. He added that this figure had reduced over the last three years.</p> <p>In response to a question from the Chairperson regarding the indicator on the average time to sell Council houses, the Head of Legal and Administration explained that there could be a delay of some 6 weeks for a valuation to be carried out by the District Valuer, and there are a number of conveyance issues unique to Shetland. He added that Internal Audit had highlighted this area in a recent intensive internal audit review, and some of the areas they had addressed will form part of a review with the actions arising from that hopefully providing</p>	<p>PP</p> <p>JRR</p> <p>GG</p>
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	<p>further improvement in the future. The Head of Legal and Administration undertook to report the outcome of that review to this Committee. Mr G Robinson said he was aware of some cases where issues with title deeds had held up the sale of private and former Council houses and this could also impact on the figure. The Head of Legal and Administration agreed with the Councillor's observations but said that this was only one of the types of difficulties that could arise. Members noted that there could also be problems with property boundaries/shared facilities, which would also affect the statistics.</p> <p>In response to a question from Mr Duncan relating to the "Abandoned Vehicles and the proportion removed within 14 days" indicator, the Executive Director advised that the delay could be related to the distance to travel with the specialist vehicle to collect the abandoned vehicle. He added that Council officials should be reporting on instances of possible abandoned vehicles, and checks made with the DVLA. The Executive Director undertook to follow this up.</p> <p>In response to a question from the Chairperson relating to the Benefits Admin Performance Measures, the Head of Finance explained that the priority was to ensure high take up of the service, and to do things thoroughly and accurately, and provide as good a coverage as possible for the community. In response to a question from Mr Duncan, the Performance Management Co-ordinator reported that a further indicator reported on the information on Benefits payments that had been correct, and the Council's performance had been 99.8%, which highlighted the good quality service.</p> <p>The Committee briefly discussed the indicators relating to the Library service, and the Performance Management Co-ordinator advised that Indicators No. 48 and 49 related to the amount of book stock held by the library, which was excellent. However No. 50 related to the number of visits to the Library where the Council had ranked 4<sup>th</sup>.</p> <p>In response to a question from the Chairperson, the Policy and Development Assistant advised that the Performance Reviews commenced on 16 February.</p>	<p>JRR</p> <p>GG</p>
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04/09	<p><b><u>Items of Future Discussion</u></b></p> <p>The Chairperson suggested that updates should be provided on Housing Voids/Homelessness, Use of Property, and Disabled Access to Council Buildings, and for the Sickness Absence Rates to be kept under review.</p> <p>Mr A G L Duncan referred to the discussions at Infrastructure Committee on the Capital Replacement Programme of Council Vehicles and requested that Senior Managers attend</p>	

	<p>Committee to answer questions on this issue. During the discussion that followed the Executive Director suggested that Councillor Duncan and himself meet to discuss this matter in greater depth. Cllr Duncan agreed to this suggestion.</p> <p>Mr Duncan requested an update report on overtime for all Council departments.</p> <p>Mr A T Doull asked for an update on the windmills at schools to be reported to the next meeting.</p>	GG
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The meeting concluded at 11.30am

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F B Grains  
Chairperson