

MINUTE

A & B

Audit and Scrutiny Committee
Room 16, Islesburgh Community Centre, Lerwick
Wednesday 11 March 2009 at 10am

Present:

F B Grains	L F Baisley
R S Henderson	C H J Miller
J W G Wills	

Apologies:

A T Doull	A G L Duncan
G Robinson	

In attendance (Officers):

S Cooper, Head of Service, Environment and Building Services
M Dunne, Environmental Health Manager
C Symons, Technical Support Manager
C Medley, Head of Service, Housing
C McIntyre, Internal Audit Manager
J R Riise, Head of Legal and Administration
A Rolfe, Acting Asset and Properties Manager
J Smith, Head of Organisational Development
P Peterson, Performance Management Co-ordinator
L Adamson, Committee Officer

Chairperson

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

Circular

The circular calling the meeting was held as read.

The Chairperson welcomed Ms L Baisley to her first meeting of the Committee.

Declarations of Interest

None.

Minute

The minute of the meeting held on 4 February 2009, was confirmed on the motion of Mrs C H J Miller, seconded by Dr J W G Wills.

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

In response to a question from the Chairperson, the Head of Organisational Development advised that the Financial Review Panel had been replaced with the Financial Monitoring Member/Officer Working Group, to be convened by the Assistant Chief Executive. The membership of the Group has to be agreed by Council and the schedule of meetings has yet to be confirmed. In response to questions from Mrs C H J Miller, the Head of Organisational Development said that he would expect the terms of reference to be agreed as part of the initial work of the group, and he would seek to get clarity on the communication arrangements between the group and the Council.

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

In response to a question from the Chairperson regarding the wind turbines at schools, the Performance Management Co-ordinator advised that he had discussed this with the Council's Energy Manager, who had reported that an estimate had been received for the turbine at the Lunnasting Primary, and the turbine at Urafirth school would be the next to progress. In response to further questions, the Performance Management Co-ordinator advised that he would seek further clarification on the proposals for further turbines to be sited at other schools in Shetland, and this would include progress on the turbine at Foula primary.

42/08 – Items for Future Discussion

The Chairperson referred to the options for the Council to debate the term of office and roles of the senior office bearers of the Council, and proposed that the Committee Structure should also be included in a review. In response to a question whether there had been any decision on the length of term of this Council, the Head of Legal and Administration advised that the second reading of the Bill had received little opposition, therefore it was anticipated that the legislation would be approved with an extension of one year, for this term to be for 5 years.

Dr J W G Wills said that as it had now been agreed that this Committee should examine the governance of the Council, he proposed that the process commences with a hearing at the next Audit and Scrutiny Committee. Dr Wills advised that he would prepare a short paper to be circulated with the agenda papers, and he proposed that officers and Members also present their views, for a discussion to be held at Committee on the way forward. Dr Wills referred to the current structure of the Council, and said that in his opinion the two Executive Directors were over-burdened and carry too much responsibility in a wide range of functions. The plethora of Committees, Panels and Forums also required to be simplified and he favoured a structure where each Committee would be responsible for its clear budget, and there also a need for clear distinction between an independent Chair of the Council (the ambassador), and the political leader.

Mrs C H J Miller said that she considered this to be an ideal opportunity to look at the governance arrangements, with the current elected Members having sufficient experience to consider and find the best way forward for the Council. Mrs Miller said that one of her concerns was the lack of communication from the various meetings back to the Council. She suggested that the review could also look at the arrangements within individual Council departments, and with the recent announcement on the resignation of the Chief Executive, she considered this to be an appropriate time for changes to be made to the inter-departmental arrangements and the structure of the Council. The Head of Organisational Development commented that this could possibly be a more complicated period during the replacement of the Chief Executive, and he was aware of challenges involving Community Planning governance arrangements in light of partnership working. He added that a complete debate would potentially require a variety of inputs, and officers would be tasked following the initial discussion at the next meeting of the Committee. Mrs Miller said that in addition to the paper to be presented by Dr Wills, it was important that alternative opinions should be discussed to get a balance of views.

Dr Wills advised that a similar exercise had been carried out in 1994, which had encouraged all Council staff to come forward with suggestions for improvements, and he proposed that this practice could be repeated for this review, with the responses being anonymous.

Dr Wills suggested that the Policy section provide subject heads for the next meeting, and said that his paper and submissions from other Members and officers would be presented to decide the terms and scope for progress.

The Head of Legal and Administration said it was important to keep the focus of Audit and Scrutiny Committee on its proper role, which was essentially one of overview and review of effectiveness.

Therefore the review being proposed would need to provide a strong evidence base to identify anything that is not working before proposing alternatives. It was also essential that the review was clear on the two different aspects, one being political decision making structures such as Committees and the like, and the other being the quite separate statutory role which would require the new Chief Executive as Head of the Paid Service to report on his/her view as to what resources would be needed to be able to deliver to the Council requirements to implement their decisions. It was, in view of that responsibility, important that the Committee does not predetermine what the management or departmental structures of the Council has to be, but the Committee could, of course, make suggestions to the Chief Executive who would then report to the Council.

01/09 – Capital Project Management Best Practice: First Progress Report

In response to questions, the Internal Audit Manager reported that the Head of Finance would be presenting the further report on best practise project management to the next Committee, and that an informal meeting would be arranged for Members to consider the report prior to the next Committee.

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

Dr J W G Wills circulated copies of the letter submitted to the Cabinet Secretary outlining his complaints regarding the Council's Capital Project Management and the response received (copies attached as Appendix A). Dr Wills reported that the Cabinet Secretary had indicated that he could not intervene and that Audit Scotland would be the most appropriate body to investigate the concerns, however Dr Wills advised that Audit Scotland had previously declined to investigate his complaints. Dr Wills therefore proposed that his concerns on the procedures that had been followed, leading to the wasteful spend on the three projects (Bressay Fixed Link, New AHS and Mareel Culture Centre) should be investigated by Committee. Following some discussion, Dr Wills was in agreement to a suggestion from the Chairperson, that this matter would be considered further when the Head of Finance's report on best practise project management is discussed at the informal meeting.

The Head of Organisational Development advised that the report from External Auditors was near completion and would be presented to the next Audit and Scrutiny Committee.

03/09 – Statutory Performance Indicators – Comparative Analysis

In response to a question from Mrs C H J Miller as to whether there were any Statutory Performance Indicators related to progress on the Council's Corporate Plan, the Head of Organisational Development advised that a report was being presented to tomorrow's Services Committee outlining delivery of the commitments set out in the corporate plan relating to the remit of the Education and Social Care Department, and information would also have been gathered on the delivery of the remit of Infrastructure Services. The Head of Service, Environment and Building Services advised that the environmental targets had been presented at a recent Infrastructure and Environment Forum. The Head of Organisational Development reported that the outcome from the Single Outcome Agreement should to be reported at the next cycle of meetings, and the information would be summarised and presented to Audit and Scrutiny Committee. Mrs Miller suggested that overall progress should be drawn together to find out the total delivery on the Corporate Plan. The Head of Organisational Development suggested that overall progress could be presented to Forums and Committees to allow focus on the different areas, prior to the report being presented to Council. In response to a question from Mrs Miller regarding the availability of finance to deliver on the Corporate Plan, the Head of Organisational Development suggested that a summary of the quarterly performance review meetings could be presented to Audit and Scrutiny Committee to highlight any issues and further work. Mrs Miller stated that she welcomed this proposal.

The Chairperson referred to the discussion on the Statutory Performance Indicator relating to refuse collection, where compared to Orkney the Council's costs for the service were an additional

£25 per property, and enquired whether Shetland provided a higher standard of service. The Head of Service, Environment and Building Services advised that he would provide further detail to the next meeting of the Committee, and also at the Service's Performance Review meeting.

In response a question from the Chairperson regarding an update on conveyance issues relating to Council housing, the Head of Legal and Administration advised that the review should to be complete by August, however an update report would be presented at the next cycle of meetings, and following completion of the review, the findings would be reported to Committee.

The Environmental Health Manager circulated a paper containing further explanation on the Environmental Health Indicators that had been highlighted at the previous meeting (paper attached as Appendix B), and outlined the procedures followed by the Council and the requirements of the inspection programme relating to food hygiene inspections, noise complaints, and abandoned vehicles.

In response to a question from Mr R S Henderson as to whether there was any means of collecting abandoned vehicles from privately owned land, the Environmental Health Manager explained the procedures followed to encourage individuals to relinquish vehicles, and asked Mr Henderson to provide her with further detail to follow up.

The Head of Legal and Administration referred to the decision at the previous meeting for an additional column to be inserted in the Analysis of the Statutory Performance Indicators table to provide some additional detail on each indicator. He suggested simply including a minute reference to decisions such as the one today on any procedures followed locally which given that the focus was on quality of service might mean that little would be done to alter the statutory performance reported but that was assessed as acceptable for reasons such as those give today on each of the indicators highlighted.

04/09 – Items for Future Discussion

In response to a question from the Chairperson regarding the request for an update on overtime working, it was reported that the Head of Finance would present this information to a future meeting.

Min. Ref.	Subject	Action/Info
05/09	<p><u>Asset Management Performance Indicators</u></p> <p>The Committee considered a report by the Acting Asset and Properties Manager (Appendix 1).</p> <p>The Acting Asset and Properties Manager introduced the report and provided further detail on the two Statutory Performance Indicators relating to Asset Management. He advised that the indicators were split into two parts being the suitability of the building for its current use, and the condition of the building, and explained that a small building with a poor rating would have a significant impact on the suitability indicator which is based on the number of buildings, whereas the poor condition of small buildings have less impact on the condition indicator which is based on the area of the buildings. The 'C' and 'D' categories in the suitability indicator related mainly to public toilet provision as the majority were not accessible to the disabled. During the discussion, the Acting Asset and Properties Manager advised that work was ongoing to improve disabled access to public toilets, however a number of</p>	

Min. Ref.	Subject	Action/Info
	<p>accesses would only be possible by extending the buildings. He reported that it was proposed that in each region of the islands there would be one public toilet with disabled access, and where toilets had no suitable access information on the closest accessible toilet would be provided.</p> <p>In response to questions from Dr J W G Wills regarding the current suitability and condition of Bells Brae school and the Anderson High School, the Acting Asset and Properties Manager gave some explanation, however he agreed to follow this up and provide Dr Wills with the information. The Head of Service, Environment and Building Services advised that a survey on the condition of Council buildings had been undertaken during the summer of 2008, and a report to link with the suitability of the buildings would be presented to Committee within the next two cycles. He added that the detail from the survey was currently available on the Council's intranet site, and he undertook to send the link to Members of the Committee.</p> <p>The Head of Legal and Administration advised that a full report on the Council's property portfolio would be presented to this Committee after the Accommodation Working Group on 25 March had considered such similar information as fell within its remit. There was some discussion on the actual time of the meeting, and it was agreed that the meeting should start at 2.15pm. The Performance Management Co-ordinator referred to the earlier study carried out into the Efficient Use of Council Buildings, and to the subsequent request for officers and Members to meet to discuss the issues, and advised that this would be arranged for the next Audit and Scrutiny meeting.</p>	<p>AR</p> <p>SC</p> <p>SC</p> <p>PP</p>
06/09	<p><u>Items of Future Discussion</u></p> <p>Ms L F Baisley reported that she had received an e-mail this morning from Sustainable Shetland, which had been sent to all Members and the Chief Executive, requesting that the Audit and Scrutiny Committee look into the amount of Local Authority funds being spent on Viking Energy Limited. Following some consideration, the Committee agreed that the Chief Executive be asked to respond providing a status report on the issues that were raised in the e-mail.</p> <p>The Chairperson referred to the SIC Audit of Communications report from March 2000, which included 53 recommendations, and suggested a review be undertaken to find out how many of the recommendations had been acted on. The Head of Organisational Development advised that an update report would be prepared for the Committee meeting in June. In response to a request from Mrs C H J Miller, the Head of Organisational Development agreed to circulate copies of the</p>	<p>JS</p> <p>JS</p>

	<p>Communications report to Members. The Head of Legal and Administration mentioned that he believed that a formal strategy was never approved nor therefore were the recommendations approved although some had no doubt been taken on board at operational level. He suggested that the Committee could review the current quality of communication and then consider whether there would be benefit from having an updated strategy and action plan. The Chairperson advised that one of the recommendations in the Communications report was to ensure that meetings involving Members do not clash, however she advised that there continued to be instances when meetings were being set for the same date and time.</p> <p>The Chairperson referred to the Sullom Voe Oil Terminal Study to be undertaken in 2008, and for two projects to be completed in 2009, and suggested that the targets be followed up. Dr Wills advised that a group had been set up to look at potential new developments at Sullom Voe Terminal, and an initial study had been carried out in 2008.</p> <p>The Chairperson suggested that updates should be provided on fleet management, fuel consumption, central purchasing, low-floor buses/service update and risk management.</p> <p>The Head of Legal and Administration advised of a deficiency of the Council, which had been highlighted by the Auditors, being a requirement to introduce a comprehensive business continuity recovery programme for all Council services. He reported that the project was now near completion and a report would be presented to Committee after the implementation and training/exercises scheduled for early summer had been completed.</p> <p>Dr J W G Wills suggested that a contingency plan be prepared following the reports of rising sea levels. The Head of Service, Environment and Building Services reported that the Council's Coastal Engineer would have detail on this matter, and a presentation had been given at a recent Infrastructure and Environment Forum.</p> <p>The Performance Management Co-ordinator reported that the Audit and Scrutiny Committee training had been confirmed for 27 March. All Members had been invited, and the Head of Finance and Audit staff would also be attending. It was suggested that the training could be relevant to NHS staff regarding joint working, and should spaces be available consideration could be given to representation from the Shetland Council of Social Services and the Association of Shetland Community Councils.</p> <p>The Head of Legal and Administration suggested that annual information reports could be prepared to Committee advising on the Council's health and safety initiatives and risk management activities over the year.</p>	<p>JRR</p> <p>PP</p> <p>JRR</p>
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The meeting concluded at 11.30am.

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F B Grains
Chairperson