

**Audit and Scrutiny Committee  
Council Chamber, Town Hall, Lerwick  
Monday 1 March 2010 at 10.00am**

**Present:**

F Grains                      A Doull  
G Robinson

**Apologies:**

L Baisley                      A Duncan  
R Henderson                C Miller  
J Wills

**In attendance (Officers):**

J Smith, Head of Organisational Development  
D Bell, Human Resources Manager  
C McIntyre, Service Manager - Internal Audit  
D Macnae, Network and Design Manager  
S Pearson, Service Manager - Safety and Risk  
P Peterson, Policy Manager  
S Thompson, Resources Manager  
M Gordon, Human Resources Advisor  
E Murphy, Senior Human Resources Assistant  
A Priest, Staffing Officer  
R Laurenson, Staffing Assistant  
D Ramsay, Clerical Assistant  
D Smith, Staffing Assistant  
A Cogle, Service Manager – Administration

**Also:**

C Hislop, Audit Scotland

**Chairperson**

Mrs F Grains, Chairperson of the Committee, presided.

**Circular**

The circular calling the meeting was held as read.

**Declarations of Interest**

None.

**Minute**

The minute of meeting held on 18 January 2010 was confirmed, on the motion of Mrs F B Grains.

## **Matters Arising**

### **Matters Arising - 42/09 – Internal Audit – SIC Monthly Internal Audit Process Report**

The Network and Design Manager advised that three out of the six audit issues identified had been outstanding, but were now being addressed. In particular he said that with regard to the completion of the inventory of roads network assets, there was a National Asset Management plan being developed, which would assist with completing that outstanding issue. Regarding staff performance and development reviews, the Network and Design Manager advised that these were half way through completion for this year already. With regard to the software licensing inventory, the Network and Design Manager advised that this had now been completed.

### **Matters Arising - 45/09 – Diesel Usage Update**

The Head of Organisational Development advised that the Head of Transport was still committed to bringing forward a report on this matter, and that the matter would be followed up for the next meeting.

Min. Ref.	Subject	Action / Info
08/10	<p><b><u>Recruitment LEAN Process</u></b></p> <p>The Committee considered a report by the Resources Manager (Appendix 1).</p> <p>After hearing the Resources Manager summarise the terms of the report, Mrs F B Grains referred to the recruitment portal, and asked if there had been any difference noted in the number of local applicants, against those external to Shetland. The Staffing Assistant [D Smith] said that the split between local and external applicants were much the same, but the portal had meant an decrease in the number of paper applications, as most people were now applying on line. Regarding recruitment for Isleshaven and Independent Living posts, the Staffing Assistant [D Smith] said that there had been an increase from the mainland of applicants for those posts, and many were willing to attend interview or relocate at their own costs.</p> <p>With regard to the number of working days, Mrs Grains asked what the process was for any posts that were not recruited to. The Resources Manager advised that such vacancies would continue to be covered by relief or supply staff, but the recruitment process would begin straight away.</p> <p>Mr A Doull asked how long it would realistically take for the new processes to come together. The Staffing Officers said that the main issue was to maintain motivation amongst staff, and to ensure that everything was in place to support colleagues with implementing the new processes. She said that it had taken about a year to reach the current stage. The Resources Manager said that during that year the national recruitment portal had been implemented, and so that was a</p>	

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	<p>new way of working which had to be taken into account.</p> <p>Mrs F B Grains noted that the reduction of manual payments and overpayments would be a great improvement. The Staffing Officer agreed, but said that there still some problems with managers not communicating timeously or not following the new procedures, but these areas were being worked on for improvement.</p> <p>Mr G Robinson said that the report was a very positive one.</p> <p>Mrs Grains thanked the officers for attending, and for them to keep up their good work.</p>	

09/10	<p><b><u>Risk Management Development Plan Update</u></b></p> <p>The Committee noted a report by the Service Manager – Safety and Risk (Appendix 2).</p> <p>The Service Manager – Safety and Risk introduced the report, and advised that this was intended as a list of issues that had been progressed, and an update on the full Development Plan would be presented to the next meeting of the Committee.</p> <p>Mrs Grains referred to recent Risk Management training for Members, and the Service Manager agreed to arrange another session for those Members who had been unable to attend.</p> <p>With regard to the inclusion of Risk Management in job descriptions, the Human Resources Manager confirmed that the target was to have this completed by March 2011.</p> <p>Regarding the Risk Management database, the Service Manager advised that training was still being carried out for officers, and some ongoing issues with the software were being addressed with the developers through ICT and the Project Board.</p>	
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10/10	<p><b><u>Internal Audit Operational Plan 2010/11 and Strategic Plan Review</u></b></p> <p>The Committee approved the terms of a report by the Service Manager – Internal Audit (Appendix 3) on the motion of Mr G Robinson, seconded by Mr A Doull.</p> <p>In response to a question from Mrs F B Grains, the Service Manager Internal Audit confirmed that the six year plan was</p>	
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	based on the capacity of current staffing resources within Internal Audit, although it was noted that key financial systems were audited more regularly, every 3 years.	
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11/10	<p><b><u>Promoting Attendance Update</u></b></p> <p>The Committee noted a report by the Human Resources Manager (Appendix 4).</p> <p>The Human Resources Advisor summarised the terms of the report, and in particular referred to paragraph 3.5 of the report, and advised that the 9 month figures showed the average number of days lost within the Council was 6.9 days for Teachers and 12.3 days for other staff, both indicating an improvement against the Scottish average.</p> <p>Regarding paragraph 4.5, and in response to a query from Mrs Grains, the Human Resources Adviser confirmed that Internal Audit were continuing to monitor return to work interviews, and in areas where they were being carried out, the benefits were being noted.</p> <p>Mrs Grain referred to the amount of money the Council was paying in Sick Pay, and said anything that could be done to reduce that would be welcome. The Head of Organisational Development said that despite the improvements, sickness absence was still costing the Council more because of the extra staff that the Council is employing year on year.</p> <p>The Committee noted that the trend in most areas were moving in the right direction, and noted the report.</p>	
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12/10	<p><b><u>Governance – Update</u></b></p> <p>The Head of Organisational Development referred to discussion at the last meeting of the Committee in relation to the proposal for the establishment of a Finance Committee. He said that the Head of Finance was working on that area in putting together the options available, and that this would come back to the Committee for consideration along with other areas of corporate governance which would impact on the process, including the arrangements for a new Chief Executive and external Audit work.</p> <p>Mrs Grains agreed it was important area, and that this item would be continued to the next meeting.</p>	
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13/10	<p><b><u>Items for Future Discussion</u></b></p> <p>The Committee agreed the following areas for future discussion:</p> <ul style="list-style-type: none"> <li>▪ Follow up on use of Council vans;</li> <li>▪ Community Care Staff and Adverse Weather Arrangements</li> <li>▪ Overtime</li> <li>▪ Long Term Voids</li> <li>▪ Devolved School Management</li> <li>▪ Diesel Usage Update</li> <li>▪ Social Care £1.7m 2009/10 under spend and 2010/11 Budget</li> </ul> <p>Mrs Grains said that any Members not present could provide comment to herself or the Head of Organisational Development on matters which they would like to see considered at Committee</p>	
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The meeting concluded at 10.30 a.m.

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F B Grains  
Chairperson