

# MINUTES

## A & B - Public

**Audit and Standards Committee**  
**Council Chamber, Town Hall, Lerwick**  
**Thursday 7 November 2013 at 10am**

### **Present:**

A Duncan	S Coutts
B Fox	A Manson
M Stout	T Smith
Dr J Wills	V Wishart

### **Apologies:**

A Westlake

### **In attendance (Officers):**

C McIntyre, Executive Manager - Internal Audit  
J Riise, Executive Manager - Governance and Law  
J Smith, Executive Manager - Improvement and Performance  
J MacLeod, Performance and Improvement Adviser  
B Eunson, Performance and Improvement Officer  
K Johnston, Solicitor  
L Adamson, Committee Officer

### **Also Present**

I Lochhead, Audit Scotland

### **Chairperson**

Mr A Duncan, Chair of the Committee, presided.

### **Circular**

The circular calling the meeting was held as read.

### **Declarations of Interest**

None

### 27/13 **Minutes**

The Minutes of Audit and Standards Committee held 23 September 2013 were confirmed on the motion of Ms Wishart, seconded by Mr Fox.

### 28/13 **Committee Work Programme Update**

A report by the Performance and Improvement Adviser (IP-20-13-F) provided an update on items from previous meetings, items raised by Members and any forthcoming or overdue "Work Programme" items.

The Performance and Improvement Adviser introduced the report, and updates were provided as follows:

#### **Sickness Levels and Sickness Statistics**

The Performance and Improvement Adviser provided further explanation in regard to a number of the graphs, and Members noted the marked improvements in sickness absence since April 2013 following the implementation of the Council's new Maximising Attendance Policy.

In response to a question, the Performance and Improvement Adviser explained how the Committee's initial and ongoing concerns relating to sickness absence rates within the Council had brought more focus to the issues, and he confirmed that the new Policy has been effective in improving attendance throughout the Council.

*(Ms Manson attended the meeting).*

In regard to the information provided in the graphs for long-term sickness (over 4 weeks) and very long-term sickness (over 6 months), the Performance and Improvement Adviser assured Members that the individuals included within these categories have documented sickness reasons for their long term absences. He went on to advise, that in services where it is practical, management can put in place alternative duties which would make it possible for some employees who have been absent through long-term sickness to return to work.

In response to questions, the Committee were informed on the role of the Council's Staff Welfare Officer and on how the function contributes to the maximising attendance objectives. The Performance and Improvement Adviser advised that staff welfare drop in sessions are promoted to all staff and details of the Welfare Service are published on the Council's intranet page. He added that the Staff Welfare Officer was a part-time post.

The Chair thanked the Performance and Improvement Adviser and all other staff who have contributed towards the improvements in promoting attendance. He advised on the savings to date from the improved attendance, and said that the progress reported was a good news story which had evolved from the instigation of the Committee. Dr Wills commented on the significant improvements in the procedures of recording sickness and encouraging employees to return to work since the Committee's concerns had first been raised, and he suggested that unless any further concerns arise in regard to sickness levels, future reporting in this area should be through Executive Committee. In response to questions, the Performance and Improvement Adviser explained that the sickness reporting would continue to be presented to Audit and Standards Committee through the Statutory Performance Indicators reports and he confirmed that the Council's sickness statistics are reported to Executive Committee on a quarterly basis.

#### Committee Refresher Training

The Chair referred to the poor response from Members of the Committee to the on-line survey, which is to inform future training for the Committee. The Chair reminded Members to submit their responses as soon as possible to allow the training programme to be progressed.

#### Community Care Staffing Levels

In referring to the update provided at Section 3.7 of the report, Mr Fox made a request for the report to be presented to Committee in January, rather than it being 'anticipated' that the report would be presented during the next cycle of meetings.

#### Future Items

Reference was made to the lack of progress on the proposal for Chairs and Vice Chairs of the functional Committees to attend Audit and Standards Committee. It was confirmed that this arrangement was solely to allow for a general discussion on how things are going with each Committee, and it was suggested that this process would be helpful during the mid-term review of internal governance arrangements. The Committee agreed that a further invitation should be conveyed to the Chairs and Vice Chairs to attend at a future meeting.

## **Decision:**

The Committee **RESOLVED** to note the contents of the report.

*(Mr Duncan left the meeting. Dr Wills took the Chair).*

### **29/13 Audit Scotland Reports**

A report by the Performance and Improvement Adviser (IP-19-13-F) provided links to reports produced by Audit Scotland since the last meeting of the Audit and Standards Committee.

In introducing the report, the Performance and Improvement Adviser said that he would encourage Members to access the full reports from Audit Scotland, and he confirmed that Mr I Lochhead, Audit Scotland, was in attendance to answer any questions.

Dr Wills provided a brief summary of the findings from the 3 reports as included within the Appendix to the report.

In response to a question relating to a specific conclusion in the report on Moray Council Best Value Audit Work 2012/13, it was confirmed that in Shetland Islands Council the Section 95 Officer/Monitoring Officer is a member of the Corporate Management Team.

## **Decision:**

The Committee **NOTED** the contents of the report and the links to the reports produced by Audit Scotland.

### **30/13 Statutory Performance Indicators 2012-13**

The Committee considered a report by the Performance Improvement Adviser (IP-21-13-F), which, in addition to being a follow-up report, also compared the Council's performance with other Councils in Scotland.

In introducing the report, the Performance and Improvement Adviser said that he welcomed questions relating to any of the SPI comparisons as reported within the Appendix, however any detailed questions may have to be relayed to the relevant Service for a fuller response.

#### Indicator 9 – Home Care/Home Helps

In response to a question relating to the Council's ranking for the "Percentage of homecare clients receiving personal care" having remained at the bottom of the table for the last 5 years, it was advised that the disparity in this indicator could relate to the number of clients in Shetland who receive domestic care. It was agreed that clarity would be sought from the Community Care Service.

In response to comments from Members in regard to the relevance and fairness of some of the indicators, Mr Lochhead, Audit Scotland, advised that this would be the last year of the SPIs in their current format, with new indicators and benchmarking being developed for 2013/14. The Executive Manager – Performance and Improvement suggested that the quarterly Performance Overview – Community Care report, presented to both the Social Services Committee and the Community Health Partnership, could provide more relevant reporting on performance to this Committee.

### Indicator 3 – Public Access

Reference was made to the Council's current ranking of 22<sup>nd</sup>, and to the report that the majority of the properties in Shetland with poor access are ferry terminal waiting rooms. Following a brief discussion, it was agreed that the Ferry Service be asked to provide information on any plans to improve access to the waiting rooms.

### Indicator 13 – Time Processing Planning Applications

A Member noted with concern the information relating to the length of time taken by the Planning Service to deal with local development applications and to the Council's ranking of 31<sup>st</sup> within the Scottish Authorities. However it was noted that the data was from 2012/13 and improvements in performance had been reported since that time. The Executive Manager – Performance and Improvement advised that he would highlight this matter where additional explanation should be provided in the Planning Service's performance reporting to Development Committee in November.

### Indicators 15 - Housing Quality

A Member highlighted the good standard of performance reported in the majority of the Housing indicators, and complimented the Housing Service on these achievements.

### Indicator 22 – Carriageway Condition

A comment was made that the Council's decision to reduce and delay spending on roads maintenance was reflected in the general decline as reported on the condition of roads in Shetland. However it was noted that roads in Shetland continue to be better than the Scottish average, although they are deteriorating at a faster rate. It was further acknowledged that Council decisions in regard to reduced funding will undoubtedly impact on the Performance Indicators in time, but it is important that a watch is kept on any possible effects from those decisions.

Dr Wills moved that the Committee approve the recommendation contained in the report. Mr Fox seconded.

## **Decision**

The Committee **RESOLVED** to review the comparative Performance Indicators 2012-13 and noted their content.

### 31/13 **Internal Audit – Six-monthly Internal Audit Progress Report 2013/14**

The Committee considered a report by the Executive Manager – Internal Audit (IA-02-13-F), which presented details of the progress made to date against the Audit Plan approved for 2013/14.

The Executive Manager – Internal Audit summarised the main terms of the report.

During the discussion, reference was made to Section 3.14 in the report, which informed on the proposal that the mandatory 5-year reviews of Internal Audit would be carried out within the three island authorities of Orkney, the Western Isles and Shetland. In response to questions, the Executive Manager – Internal Audit advised that the costs to the Council would relate only to travel and subsistence from his participation in the process. He explained that the arrangement had to be agreed formally at the Scottish Local Authorities Chief Internal Auditors' Group (SLACIAG), and that he intended to report back to Committee on SLACIAG's decision. Following a brief discussion, Dr Wills moved that the Committee confirm

its support in principle to the arrangement as outlined in Section 3.14 of the report. Mr Stout seconded.

#### Transport Operations – Fleet Management Unit

A Member expressed concern in regard to the findings from the Audit and he highlighted the issues reported as having not been addressed due to the lack of an agreed Fleet Management Policy, and assurance was sought that similar lapses would not occur in the future. The Executive Manager – Internal Audit confirmed that the Review, to be completed by the end of March 2014, would highlight the roles and responsibilities in the Unit and identify areas for rationalisation and savings. In response to a question, the Performance and Improvement Adviser provided the Committee with detail on the remit of the Review, which it was acknowledged was a substantial piece of work.

In response to questions from Members, it was reported that the methodology for undertaking the different elements of the Review had yet to be decided. It was advised that all the different methods of procuring plant and vehicles, which would include local dealers, would form part of the Review.

#### Transport Operations – Tingwall Airport

In response to a comment, the Executive Manager – Internal Audit advised that audits of the legislative operation of airports are undertaken by the Civil Aviation Authority. The audit of Tingwall Airport carried out by Internal Audit focused on the management arrangements.

#### Asset Register

In response to a question, the Executive Manager – Internal Audit advised that the audit work undertaken followed the process during the transfer of data from the previous Asset Register to the new Integra system.

#### Capital Project – Occupational Therapy

In response to a question from Mr T Smith, the Executive Manager – Internal Audit confirmed that he would seek clarity as to whether there had been any financial implications arising from the three month delay on the project.

#### Mobile Phone Payments

Regarding a finding from the Review whereby 194 telephone numbers had no usage recorded against them, the Executive Manager – Internal Audit confirmed that the majority of contracts had now been cancelled and that a number of the phones had been required for emergency purposes only.

Dr Wills thanked the staff in Internal Audit for their efforts during the audit work.

### **Decision**

The Committee **RESOLVED** to note the contents of the report, and confirmed support in principle for the arrangement as outlined in Section 3.14 of the report.

### 32/13 **Items for Future Discussion**

A request was made that a report be prepared to the next meeting on the following:

- Computer and e-mail security.

The meeting concluded at 11am.

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Chair

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Vice-Chair