

MINUTES

A&B - Public

Audit Committee

Council Chamber, Town Hall, Lerwick

Tuesday 18 November 2014 at 10.00am

Present:

M Burgess	S Coutts
A Duncan	B Fox
A Manson	T Smith
M Stout	A Westlake
V Wishart	

Also:

G Cleaver

Apologies:

None

In attendance (Officers):

C Ferguson, Director of Corporate Services
D Bell, Executive Manager – Human Resources
C McIntyre, Executive Manager – Audit, Risk and Improvement
K Adam, Solicitor
C Black, Procurement Manager
C Anderson, Senior Communications Officer
L Geddes, Committee Officer

Chairperson

Mr A Duncan, Chair of the Committee, presided.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

Minutes

The minutes of Audit Committee held on (i) 19 August and (ii) 23 September 2014 were confirmed.

In response to queries relating to the procurement of school meals, the Procurement Manager advised that the contract relating to fish supply for the next 12 months had recently been awarded. Work was currently being carried out in relation to the supply of foodstuffs across the Council, and a Project Initiation Document had been prepared and some scoping work done. Comparisons had also been made with work carried out in Orkney and the Western Isles, and that would form part of the project which would be taken to the Central Management Team, or all Directors as required, once it had been subject to further consideration. The majority of the Council's spend on school meals was to local suppliers, who are often better able to meet the criteria with regard to fresh produce which is built into the tender documentation. Notwithstanding this requirement, contracts may have to be advertised in the European Journal due to their value.

Internal Audit – Six-Monthly Internal Audit Progress Report 2014/15

The Committee considered a report by the Executive Manager – Audit, Risk and Improvement (IA-04-14-F) which presented details of progress made to date against the Action Plan approved for 2014/15.

The Executive Manager – Audit, Risk and Improvement, Executive Manager – Human Resources and Director of Corporate Services responded to questions from Members, and the Committee noted the following:

- The review of Sport and Leisure had not yet been carried out, and the Chief Executive was currently considering the specification and timescale. A suitable time for carrying out the audit would be identified, and consideration could be given as to whether it could contribute to the review.
- A full review of security at the North Ness building had been undertaken. Guidelines had been discussed at the Health and Safety Forum, and steps had been taken to improve security. This would be kept under review.
- The continued use of relief workers had been identified as an issue, particularly in social care services, and this could have implications for the Council as staff started to accrue entitlements. Regular reports were produced to ensure that the services monitored this issue.
- There should be no barriers to the employment of relief staff, and there were currently vacancies. If people were applying for relief positions in care centres, for example, they would have to be a member of the PVG Scheme, have references, and be able to prove that they had the right to work in the UK, so this may delay things slightly.
- Some services were finding it difficult to recruit staff, and recruitment events were going to be held in the North Isles to raise awareness and to assist people in applying for posts, as it was proving particularly difficult to recruit in these areas. Feedback from these events could be provided to Members, and more events would probably be held in other areas. The Council currently had to compete with a very buoyant private sector, so it was important to actively promote recruitment.
- Work was being carried out to complete a Workforce Development Strategy which would look at a number of issues around recruitment and retention, and this would be presented to the Committee in due course.
- Progress on work carried out in relation to community care banked hours would be reported via the annual audit report.

Decision:

The Committee noted the contents of the report.

Council Performance Indicators

The Committee considered a report by the Executive Manager – Audit, Risk and Improvement (IA-06-14-F) which provided an opportunity to consider Council-wide performance indicators.

The Executive Manager – Human Resources and Executive Manager – Audit, Risk and Improvement responded to queries, and Members noted the following:

- Since July 2014, seven of the staff on long-term sickness leave had left the Council, five had returned to work and 16 remained under occupational health review. It should be borne in mind that the Council had around 3,000 employees. The policy relating to long-term sickness was being applied, and the Council managed a number of schemes to promote health, safety and wellbeing. Maximising attendance meetings were also being set up, and this would provide further information to Directors and Executive Managers. Things were moving in the right direction, albeit not as quickly as hoped, and sickness levels were down.
- Further information in relation to the reasons for long-term sickness could be supplied to Members. However the data collected did not distinguish between mental health issues and stress, and work-related stress applied to only a small number of cases. Data relating to reasons for sickness absence was captured as part of the maximising attendance policy, and any work-related illnesses were reported to the Safety Manager. Data relating to long-term sickness was not published nationally, probably because there would be differences in the definition of the term across areas. However it should be possible to ascertain where Shetland sat nationally if that information could be obtained.
- There were a variety of reasons for temporary posts in schools, and most of these were not rolled over to the new school year. There had been an increase in the number of temporary posts because of the commitment to protect jobs and hold established posts for staff moving around. Teachers' conditions of service meant that temporary posts had to be made permanent after two years.
- When claiming mileage, staff had to declare on their claim form that they had the appropriate insurance in place.
- In response to queries, the Executive Manager – Audit, Risk and Improvement advised that he would arrange to provide further information in respect of FOISA requests that had not been responded to within the relevant timescale.

Decision:

The Committee considered the list of Performance Indicators and highlighted issues to be addressed.

31/14

Audit Scotland and other External Audit Reports

The Committee considered a report by the Executive Manager – Audit, Risk and Improvement (IA-05-14-F) which was the first in a series of reports allowing members to track the Council's actions related to reports received from external Auditors/Advisers.

The Executive Manager – Audit, Risk and Improvement summarised the main terms of the report, advising that the Audit Committee would be responsible for monitoring progress on actions.

Decision:

The Committee noted that:

- lead officers and Committee have been tasked with considering the external reports listed in Appendix 1 to the report, and
- a response/action plan on each report from those Committees will be reported back to the Audit Committee for consideration.

32/14 **Committee Business Programme 2014/15**

The Committee considered a report by the Team Leader - Administration (GL-19-14-Audit-F) which informed of the planned business to be presented to Committee over the remaining quarters of the current financial year to 31 March 2015 and sought discussion regarding any changes or additions required to that Programme.

Decision:

The Committee noted its business planned for the remaining quarters of the current financial year to 31 March 2015.

The meeting concluded at 10.55am.

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Chair