

Scrutiny Committee
23 May 2011

IRVINE, 23 May 2011 - At a Meeting of the Scrutiny Committee of North Ayrshire Council at 2.00 p.m.

Present

Anthea Dickson, Andrew Chamberlain, Anthony Gurney, Jean Highgate, Margaret McDougall, Pat McPhee and Alan Munro.

In Attendance

I. Mackay, Solicitor to the Council and H. Lauder, Information and Records Manager (Corporate Services); M. Armstrong, Head of Logistics and Infrastructure, M. Rainey, Principal Officer Resources and L. Santarossa, Research Officer (Education and Skills); Y. Baulk, Head of Finance, C. Nelson, General Manager, P. Doak, Senior Manager Internal Audit and Risk Management, S. Humphries, Chief Revenues and Benefits Officer and T. Reaney, Procurement Manager (Finance and Infrastructure); J. Montgomery, General Manager, M. Adams, S. Bale, A. Osborne and J. Paton, Policy and Performance Officers and A. Little, Committee Services Officer (Chief Executive's Service).

Chair

Councillor Dickson in the Chair.

Apologies for Absence

Matthew Brown, John Hunter and David Munn.

1. Chair's Remarks

On behalf of the Committee, the Chair, extended a warm welcome to Councillor McDougall, who replaces Councillor Gallagher as a member of the Scrutiny Committee, and congratulations on her election to the Scottish Parliament.

2. Declarations of Interest

2.1 Declarations of Interest: Advice to Elected Members

Submitted report by the Chief Executive highlighting the requirements of Standing Orders and Section 5 of the Code of Conduct for Councillors in relation to declarations of interest.

The Standards Commissioner for Scotland recently reported on an investigation into a complaint that a Member of the Council had breached the Code of Conduct for Councillors. The Commissioner concluded that the Councillor had not breached the Code of Conduct and recommended that:-

- all Elected Members be made aware of the provisions of Section 5 of the Code of Conduct, including specifically paragraph 5.15, in relation to declarations of interest;
- that Elected Members receive training on how properly to make declarations of interest, including the need to state the nature of the interest; and
- Committee Chairs and officers with responsibility for the conduct of Council or committee meetings should ensure adherence to the proper mode and content of declarations of interest.

Standing Order 16 provides that if any Member of the Council has a financial or non-financial interest in any contract or any other matter as defined by Section 5 of the Councillors' Code of Conduct, and is present at any meeting at which that matter is to be considered, he/she must, as soon as practicable after the meeting starts, disclose that he/she has an interest and importantly, state the nature of this interest. Section 5 of the Code, which was appended to the report, sets out the rules in relation to declarations of interest.

To facilitate such declarations, a heading "Declarations of Interest", routinely appears as the first item on agendas for all meetings of the Council and its Committees. The report provided information on the future arrangements for the Committee Chairs when dealing with the Declarations of Interest item on the agenda, the Commissioner's suggested wording for Members declaring an interest in an agenda item and induction training for Elected Members following next year's local government elections.

Noted.

2.2 Declarations of Interest

There were no declarations of interest by Members in terms of Standing Order 16.

3. Minutes

The Minutes of the previous meeting of the Committee held on 11 April 2011 were signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

4. Investigation Report: Service Level Agreements

Submitted report by the Chief Executive on the draft investigation report into Service Level Agreements (SLAs).

On 11 October 2010, the Scrutiny Committee considered a report by the Chief Executive seeking agreement to carry out an investigation into the extent and effect of the Council's internal and external SLAs. The Committee agreed that the next investigation should consider the processes for drawing up, monitoring performance and reviewing such SLAs as well as assessing the extent and effect of these agreements.

On 17 January 2011, the Committee sought to identify current SLAs and on 14 February 2011 went on to consider a definition of a SLA and to undertake an evidence gathering session.

The draft final investigation report was appended and summarised the Committee's investigation, the evidence gathered, and the investigation's conclusions and recommendations.

Members asked questions and were provided with information in relation to:-

- The report's recommendation that consideration should be given to the inclusion within Service Level Agreements of sanctions for failure to deliver, including the ultimate sanctions of outsourcing.

The Committee agreed to (a) approve and adopt the report; (b) undertake an investigation of external contracts at a future date; and (c) instruct the Chief Executive to remit the conclusions and recommendations to relevant officers for action and implementation and issue the report to all Elected Members.

5. Internal Audit Quarterly Report

Submitted report by the Corporate Director (Finance and Infrastructure) on the internal audit reports published since 1 February 2011.

The Council's local Code of Corporate Governance requires effective arrangements to be in place for the objective review of risk management and internal control. The Internal Audit Section reviews internal controls and provides an objective and independent appraisal of how effectively resources are being managed.

Since February 2011, a number of internal control reviews have been completed. The results of each Internal Audit assignment have been notified in writing to the relevant Corporate Directors and service managers and, where appropriate, action plans detailing recommendations for improving internal control have been produced. Executive Summaries and Action Plans for each of the areas reviewed were appended to the report. Full copies of audit reports have been provided to the Scrutiny Committee Members, redacted where appropriate.

Members asked questions and received further information in respect of:-

PECOS within Human Resources

- Work underway with Payroll to update the authorised signatories list; and
- The inclusion in the 2011/12 workplan of work to ensure the CHRIS system and manual procedures are updated where an employee leaves the Council.

PECOS within Catering and Cleaning

- Changes in products and product prices that affects recurring orders;
- Plans to roll-out the Pecos system to all catering and cleaning units;
- A pilot project in operation for a number of school kitchens without Pecos, that channel their requisitions through a central point; and
- Support for staff following Pecos training and consideration of the introduction of a mentoring scheme.

Creditors testing

- The introduction of a system to review and remove duplicate suppliers from the creditors system;
- The ability of the creditors system to recognise duplicate payments and arrangements in place to secure refunds/credit from suppliers where necessary;
- The risk of manual input errors to the creditors system; and
- Daily reports on payments over £100,000 for inspection and authorisation by the Corporate Director (Finance and Infrastructure) or Head of Finance.

SEEMIS System Access Controls (Education and Skills)

- The implementation of internal audit recommendations to ensure access to the system is adequately secure and controlled; and
- Software work by SEEMIS to ensure users change the default password when it has been re-set.

Loss of school fund monies from a primary school

- Induction training provided for all staff that includes compliance with the Council's financial regulations, the reinforcement of these regulations through regular service updates and as part of the PDR process.

Shewalton Landfill Site - Follow Up Report

- Potential implications of increased security.

The Committee agreed (a) that the Corporate Director (Finance and Infrastructure) provide information directly to Members on (i) the impact on the level of fly-tipping as a result of increased security measures at Shewalton Landfill site; and (ii) the remaining lifespan of the site; and (b) to otherwise note the report.

6. Benefits Performance Audit: Outcome of Audit Scotland Follow-up Risk Assessment

Submitted report by the Corporate Director (Finance and Infrastructure) on the outcome of an Audit Scotland risk assessment of the Benefits Service.

Audit Scotland's Audit Strategy Group carries out a rolling programme of benefits performance audits of all benefits services across Scotland. The Audit Strategy Group first carried out a risk assessment of the benefits service in March 2008 and identified 8 risks. An action plan was subsequently developed to mitigate against the risks. A follow-up risk assessment was undertaken in September 2010, and the findings reported to the Council in November 2010.

Audit Scotland found that the benefits service is performing at the upper end of Scottish local authorities in terms of performance and customer service. From the eight risks identified from the first assessment the Audit Strategy Group reported that further work was required in the area of accuracy and in the area of reconsiderations, which was the one area where performance had declined from the last risk assessment. In total five new risks to achieving continuous improvement were identified from the audit and an action plan has been developed by the benefits service and approved by Audit Scotland to address them. A copy of Audit Scotland's report was attached at appendix 1 and the action plan was set out at appendix 2 to the report.

Audit Scotland will review the progress made against the Council's action plan in approximately 18 months to 24 months time.

Members asked questions and were provided with information in relation to:-

- The improvements undertaken to date as identified in the Action Plan and the expected achievement of the targeted improvements;
- Improvements to the Northgate Benefit system to provide a more robust management information system and;
- A number of factors that influence the response time to implement changes in government legislation, including software updates and sample testing of the Benefit system prior to live launch.

The Committee congratulated the Benefits Service on building in continuous improvement to their service and on the positive audit report.

Noted.

7. Council Plan 2011/12

Submitted report by the Chief Executive on the development of the Council Plan and its action plan for 2011/12.

The Council Plan was developed in 2010 in response to recommendations arising from the Golden Thread Healthcheck of the Council's performance management arrangements. Since the Plan has been produced, the outcomes in the Single Outcome Agreement (SOA) which link with its objectives have been identified. There are 18 of the SOA's 35 local outcomes which are considered as being most relevant to the Council's four core objectives and details were provided in Appendix 1.

A new one year Action Plan for 2011/12 has been developed from existing commitments made by the Council to give an overview of its high level commitments over the next year. The Action Plan was appended to the report at Appendix 2. This provided details of the proposed indicators and actions. Six monthly reports will be submitted to the Executive and Scrutiny Committee on its implementation.

The Council Plan's vision will be developed over the next few months to assist in setting out more clearly its strategic direction and ensure it is properly aligned with the Council's Change Programme.

Members asked questions and received further information in respect of:-

- The rationale for the placement of Action 1.7 (Explore alternative ownership and management arrangements for community facilities) within the Council Core Objective 1 - Regenerating our communities and increasing employment, as opposed to Objective 4 - Operating more efficiently and effectively;

- Actions within Council Core Objective 2 - Protecting Vulnerable People, to counter the impact of poverty;
- The inclusion of drugs and alcohol actions within the Single Outcome Agreement (SOA); and
- Implementation of the senior phase of Curriculum for Excellence that incorporates 16+ Learning Choices and the delivery of a curriculum that meets the needs of all learners and the need for clearer definitions of the actions required.

The Committee agreed to (a) note the Council Plan outcomes and indicators to measure progress and the Action Plan for 2011/12; (b) receive 6-monthly reports on progress in implementing the Action Plan; and (c) in connection with the outcome on tourism, that the Corporate Director (Finance and Infrastructure) provide information to Members on plans to address the parking challenges in coastal towns and encourage a greater usage of public transport.

8. Covalent Project: Status report as at 31 March 2011

Submitted report by the Chief Executive providing a status report on the implementation of the Covalent performance management system.

The 'Best Value 2 Improvement Plan 2011/12' approved by Council on 13 April 2011 contains a number of actions relating to the further development and wider use of the Covalent system that will contribute to the plan's high level objective to "Embed performance management arrangements.

The overall status of the Covalent project is satisfactory and assessed as "amber" on the basis that some Phase 2 deliverables were not completed to the original planned schedule. The report provided information on the work undertaken in Phase 2 and work planned for Phase 3. A detailed project status report was appended to the report and provided information on progress, deliverables and milestones, key risks and issues.

The Corporate Management Team is kept fully briefed on the status of the project to enable them to guide the project, resolve resource issues, and ensure that the final outcomes meet the Council's needs.

Members asked questions and were provided with information in relation to:-

- The slow uptake of Covalent user training by staff and Members and the reasons for this;
- The provision of a report on the Performance Management Strategy to future meetings of the Executive and Scrutiny Committee;
- The exchange of best practice through the Covalent User Group;
- The requirement to update some Covalent actions more than once and a request that the software provider investigate and provide a solution.

Members commented on IT issues that had been experienced in accessing computerised Council systems.

The Committee agreed that (a) the Solicitor to the Council investigate the IT issues raised by Members; (b) to otherwise note the report.

9. Freedom of Information: Annual Review

Submitted report by the Solicitor to the Council on the Council's compliance with the Freedom of Information (Scotland) Act 2002 and the Environmental Information (Scotland) Regulations 2004.

Freedom of Information (Scotland) Act 2002 (FOISA) came into effect on 1 January 2005. From that date any person or organisation has the right to request and receive information which the Council holds. FOISA sets out timescales for responding to these requests along with categories of exemption, which may apply, whereby the Council is not required to disclose that information.

In 2010, the Council received 699 FOISA requests, an increase of 13% on 2009. Of these requests, 93% were responded to within the appropriate timescale. Educational Services and cross service requests received the highest volume of requests during 2010 being 118 and 110 respectively. Details of the review and appeals process for those challenging the decision of the Council, to refuse to disclose information, was provided in the report.

As a result of the increased number and complexity of FOISA requests, steps are being taken to review the arrangements in place to establish more effective methods of processing these requests.

Members asked questions and were provided with information in relation to:-

- Legislation that allows Scottish councils to refuse to process FOI requests that will cost more than £600 to administer and complexities in establishing the costs of processing FOI requests;
- The pro-active approach now taken to publish information which should assist in the future management of FOI requests and in time reduce the costs to the Council; and
- Arrangements in place to assist individuals who do not have access to the Council website.

The Committee agreed to (a) note the report; and (b) receive further annual reports at future meetings.

10. Understanding and Tackling Domestic Abuse in North Ayrshire: Progress Update

Submitted report by the Chief Executive on progress in implementing the recommendations resulting from the Committee's investigation into improving effectiveness in tackling domestic abuse.

The North Ayrshire Violence Against Women Forum developed a draft Violence Against Women Strategy and Action Plan 2010/13 at the same time as the Scrutiny Committee undertook its investigation into Understanding and Tackling Domestic Abuse in North Ayrshire. Information from the investigation, particularly in relation to costs of domestic abuse, were incorporated into the strategy. The Strategy and Action Plan were approved by the CPP Board on 24 June 2010 and were consistent with the Scrutiny Committee's investigation report recommendations, approved by the Council on 30 June 2010, namely:-

- More preventative work is needed to influence attitudes about violence against women and this should be given greater focus through all educational services;
- There is a need for more public awareness-raising campaigns;
- Additional work is needed with the perpetrators of violence to address their behaviour;
- Counselling support services should be available to adult survivors of sexual abuse;
- Quicker access to assistance from Addiction Services should be available;
- Better indicators of progress in tackling domestic abuse should be developed; and
- The recommendations should be incorporated into plans to tackle violence against women in North Ayrshire.

The report provided further information on areas including, prevention, work with perpetrators, monitoring progress and the Violence Against Women Action Plan. The Violence Against Women Action Plan sets out the main proposals to take the work forward over the next three years and will be monitored annually.

Progress has been made in implementing the investigation's recommendations. These have been incorporated into the Violence Against Women Partnership's Action Plan and will be monitored annually through that plan. It was therefore considered appropriate that future progress reports be incorporated into the Council's annual performance report.

Members asked questions and received further information on the following:-

- Streetwork that had previously been undertaken by Strathclyde Police that included the distribution of anti-violence beermats and posters to public houses and bookmakers;

- The decision of the Executive to extend the contract for one year with Break the Silence to deliver a rape counselling service to survivors of rape and child sexual abuse and that an options appraisal will be carried out on arrangements and costs for a permanent service.

The Committee agreed that future progress reports be incorporated into the Council's annual performance report.

The meeting ended at 3.30 p.m.