

**Audit and Scrutiny Committee**  
**28 May 2019**

**IRVINE, 28 May 2019** - At a Meeting of the Audit and Scrutiny Committee of North Ayrshire Council at 10.00 a.m.

**Present**

Marie Burns, Margaret George, Joy Brahim, Alan Hill, Tom Marshall, Donald Reid and John Sweeney.

**In Attendance**

M. Boyd, Head of Service (Finance) D. Forbes, Senior Manager (Finance) and P. Doak, Senior Manager (Internal Audit, Risk and Fraud) (Finance and Corporate Support); S. Brown, Director (Health and Social Care Partnership); R. McCutcheon, Head of Service (Commercial) (Place); A. McClelland, Head of Service (Learning, Teaching and Curriculum) (Education and Youth Employment) and A. Fraser, Head of Democratic Services, N. Sugden, Policy and Performance Officer, A. Hale, Health Improvement and Equalities Officer and A. Little, Committee Services Officer (Chief Executive's Service).

**Chair**

Councillor Burns in the Chair.

**Apologies**

Alan Hill.

**1. Declarations of Interest**

There were no declarations of interest by Members in terms of Standing Order 10 and Section 5 of the Code of Conduct for Councillors.

**2. Minutes**

The Minutes of the meeting of the Audit and Scrutiny Committee held on 26 March 2019 were confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

**3. Ministerial Strategic Group Review of Progress with the Integration of Health and Social Care – Self Evaluation**

Submitted report by the Chief Finance and Transformation Officer on the self-evaluation undertaken to rate progress against the Scottish Government's Review of progress by integration authorities. The completed self-evaluation was attached at Appendix 1 to the report and outlined the progress against the key features and principles and identified improvement actions.

Noted.

#### **4. Local Government Benchmarking Framework**

Submitted report by the Chief Executive on the Local Government Benchmarking Framework indicators for 2017/18. Appendix 1 to the report highlighted the priorities identified by directorates and the mapping exercise of the Council Plan against the National Performance Framework was attached at Appendix 2.

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

- SCQF awards (grades A – D) and SCQF passes (grades A – C);
- That a decline in some measures has not impacted on the overall upward trend;
- Insight indicators that are calculated using a slightly different methodology from LGBG indicators;
- The refresh of priorities in 2019 to better align to the Performance Framework;
- The setting of priorities by Executive Directors following discussion by the Executive Leadership Team;
- a lower than target sickness level for Teachers and work that continues to monitor attendance; and
- The remit of the Committee that includes setting its own work programme to undertake reviews.

Noted.

#### **5. Equality Mainstreaming and Outcome**

Submitted report by the Chief Executive on the Equality Mainstreaming and Equality Outcome Reports 2017 – 2018. The Equality Mainstreaming report outlined how the Council are mainstreaming the equality duty, equality outcomes and the assessment and review of policies. The Equality Outcome report provided information on the progress being made towards the shared equality outcomes, actions by partners and other equality relation work being carried out across the Council.

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

- The development of on-line Equality Awareness Training to staff and information that will be gathered on the number of staff who complete the training;
- Discussions that will take place with the Learning and Development Team to ensure manual workers, without access to computers, are able to access this training; and
- Work that is underway with IT to increase access to digital facilities for manual workers.

Noted.

## **6. Annual Governance Statement**

Submitted report by the Executive Director (Finance and Corporate Support) on the Council's Annual Governance Statement for 2018-19 which was attached at Appendix 1 to the report. The Annual Governance Statement, which will be included within the annual accounts, explained how the Council complies with the Code of Governance Framework and outlined the governance framework in place and changes made to strengthen the framework during 2018/19.

The Committee agreed to approve the Annual Governance Statement, as outlined in Appendix 1 to the report.

## **7. Strategic Risk Register**

Submitted report by the Executive Director (Finance and Corporate Support) on the Council's Strategic Risk Register, which provided information on Very High Risks, High Risks, Risks removed from the register and Risks added to the register. The Register was attached as Appendix 1 to the report.

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

- Controls being implemented in relation to flooding and the removal of the risk relating to climate change;
- The risk assessments that were undertaken at the beginning of 2019; and
- That the risk entry relating to a no deal Brexit was still accurate.

Noted.

## **8. Accounting Policies**

Submitted report by the Executive Director (Finance and Corporate Support) on the Council's Accounting Policies to be adopted in the preparation of the Council's Annual Accounts for the year to 31 March 2019. Appendix 1 to the report, highlighted the most significant changes to the Accounting Policies.

The Committee agreed to approve the Accounting Policies as detailed in Appendix 1 to the report.

## **9. Internal Audit Annual Report**

Submitted report by the Executive Director (Finance and Corporate Support) on the work of Internal Audit during 2018-19, attached at Appendix 1, that outlined the role of Internal Audit, the performance of the section during the year, the key audit findings and the annual audit assurance statement.

Noted.

## **10. Internal Audit and Corporate Fraud Action Plans: Quarter 4 Update**

Submitted report by the Executive Director (Finance and Corporate Support) on the progress made by Council services in implementing the agreed actions from Internal Audit and Corporate Fraud reports as at 31 March 2019. Appendix 1 to the report provided full details of seven actions which were not started or only partially complete as at 31 March 2019.

Noted.

## **11. Internal Audit Reports Issued**

Submitted report by the Executive Director (Finance and Corporate Support) on the findings of Internal Audit work completed during March and April 2019. The findings from three separate audit assignments were detailed at Appendix 1 to the report, together with their respective executive summary and action plans.

Noted.

## **12. Corporate Fraud Annual Statement**

Submitted report by the Executive Director (Finance and Corporate Support) on the work carried out by the Corporate Fraud Team during 2018-19, which included information on the internal and external investigations undertaken, proactive work during 2018/19 and a number of awareness raising events held across North Ayrshire.

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

- Data from the Council Tax Team that assists investigations;
- A range of property related investigations and referrals, such as property abandonment, Houses of Multiple Occupation and empty domestic properties in receipt of Council Tax Relief, that requires staff to visit individuals and properties;
- Joint working with the DWP in relation to cases with Housing Benefit and Council Tax Reduction elements;
- The National Fraud Initiative that includes investigations into the Single Person's Discount; and
- An exercise that was previously undertaken in relation to non-domestic properties.

Noted.

## **13. Exclusion of the Public - Para 1**

The Committee resolved in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the Meeting the press and the public for the following item of business on the grounds indicated in terms of Paragraph 1 of Part 1 of Schedule 7A of the Act.

### **13.1 Corporate Fraud Reports Issued**

Submitted report by the Executive Director (Finance and Corporate Support) on the findings of corporate fraud investigations completed between March and April 2019.

The Committee discussed the timeline of the investigation in relation to Case 1 and anonymisation of gender in future reports.

The Committee agreed to (a) receive a report, outlining the timeline of the investigation of Case 1, to a future meeting; and (b) that future reports are gender anonymous.

The meeting ended at 11.05 a.m.