

Scrutiny Committee
11 October 2010

IRVINE, 11 October 2010 - At a Meeting of the Scrutiny Committee of North Ayrshire Council at 2.00 p.m.

Present

John Hunter, Anthea Dickson, Matthew Brown, Andrew Chamberlain, Alex Gallagher, Jean Highgate, Pat McPhee, and Alan Munro.

Also Present

John Reid.

In Attendance

E. Murray, Chief Executive; A. Herbert, Corporate Director and I. Gibson, Chief Internal Auditor (Finance and Infrastructure); C. Kirk, Corporate Director and J. McKnight, Manager, Community and Culture, Community Development (Education and Skills); I. Colvin, Corporate Director (Social Services and Health); I. MacKay, Solicitor to the Council and A. Blakely, Infrastructure Manager (Corporate Services); J. Montgomery, General Manager, S. Bale and A. Osborne, Policy and Performance Officers and A. Little, Committee Services Officer (Chief Executive's Service).

Chair

Councillor Hunter in the Chair.

Apologies for Absence

Anthony Gurney and David Munn

1. Declarations of Interest

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

2. Minutes

The Minutes of (i) the previous meeting of the Committee held on 27 September 2010; and (ii) the special meeting held on 4 October 2010 were signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Call in Request: Review of General Services Capital Programme

Submitted report by the Chief Executive on the decision taken by the Executive in relation to the Review of the General Services Capital Programme.

At its meeting on 21 September 2010, the Executive of North Ayrshire Council received a report by the Corporate Director (Finance and Infrastructure) on proposed new projects outwith the approved Capital Programme to utilise £1.665m generated through real savings in project costs in 2010/11. The Executive agreed to (a) approve the use of current savings in projects towards the projects listed in Section 3 of the report; and (b) receive a further report before the end of the calendar year on other projects outwith the current plan that may require funding.

At its special meeting on 4 October 2010, the Scrutiny Committee considered a call in request in relation to the decision taken by the Executive and, after a full discussion, agreed (a) to scrutinise the decision taken by the Executive; and (b) that the Corporate Director (Finance and Infrastructure) report to a future meeting of the Committee on the concerns raised by Members.

Councillor Munro reiterated the terms of the call in that "not enough consideration was given to other projects particularly replacement of huttred accommodation at Hayocks" and his concerns that Members had not been consulted on those projects considered and prioritised by the Capital Programme Monitoring Officer Group to utilise the savings within the Capital Plan.

Councillor Reid was also present as Chair of the meeting of the Executive on 21 September 2010 and as the relevant portfolio holder. He advised that the Executive had been satisfied with the process undertaken by the Officer Working Group in considering and prioritising projects outwith the approved programme, which satisfy the Council's immediate priorities. Any delay in the implementation of the decision of the Executive will hold up the start of these projects.

Discussion took place on:-

- Members' involvement in amendments to the Capital Programme; and
- The benefit of more comprehensive reports to the Executive, with details on all projects under consideration for inclusion within priority categories.

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

- The process used by the Officer Group to examine and prioritise projects for inclusion in the Capital Plan;
- The revisiting of projects at the Budget Seminar to focus on service delivery;
- The change in status of community projects to priority 3 as a result of the Review of Community Facilities;
- The provision of a further report to the Executive on those projects outwith the current plan that may require funding; and
- The relocation of many of the activities previously accommodated within Hayocks to other facilities.

The Committee agreed (a) not to scrutinise further the decision of the Executive on 21 September 2010; and (b) to request that the Corporate Director (Finance and Infrastructure) in future provide more detailed information on all projects considered for inclusion, including their priority categories, as part of future Capital Programme reports to the Executive.

4. Internal Audit Update Report

Submitted report by the Corporate Director (Finance and Infrastructure) on the internal audit work carried out since 1 June 2010.

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.

At its meeting on 14 June 2010, the Scrutiny Committee received an update report highlighting the outcomes from Internal Audit work for the period up to 31 May 2010.

Since 1 June 2010, 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.

Members asked questions and received further information in relation to:-

- Reviewing future reporting arrangements to ensure the Committee has the opportunity to consider Internal Audit reports prior to their inclusion in External Audit reports;
- The requirement for independent controls to be put in place in relation to the processing of Members' expenses;
- The availability of the full reports on each of the reviews from Internal Audit;
- The checks and balances in place to ensure corroboration of purchase orders placed by IT staff with no approval limits;
- New arrangements in relation to the collection of council tax arrears from employees and the inclusion of new employees with historical arrears within the total of arrears owed to the Council; and
- Follow up reviews undertaken in relation to the areas highlighted within Action Plans.

Noted.

5. North Ayrshire Single Outcome (SOA) Agreement Annual Report 2009/10

Submitted report by the Chief Executive on the North Ayrshire Single Outcome Agreement Annual Report 2009/10.

At its meeting on 31 August 2010, the Executive considered a report on the draft North Ayrshire Single Outcome Agreement Annual Report 2009/10. The Executive agreed (a) to note the draft Annual Report meantime; (b) to refer the Annual Report to the meeting of the Community Planning Partnership (CPP) Board on 16 September 2010 for approval, with the inclusion of additional information on those indicators where targets have not been met; (c) to receive a further report to its next meeting on the outcome of the CPP Board's consideration of the Annual Report, prior to its submission to the Scottish Government; (d) to refer the Annual Report to the Scrutiny Committee for it to monitor progress against the outcomes contained within the SOA; and (e) that the Chief Executive raise the need for more timely data for future years with the CPP Board.

The draft Annual Report was submitted again to the Executive of the Council on 21 September 2010, along with the comments of the CPP Board. The Executive agreed (a) to approve the draft Annual Report; and (b) that the Annual Report be submitted to the Scottish Government by 30 September 2010.

As part of the Concordat between the Scottish Government and Local Authorities in Scotland, each Council was required to reach a Single Outcome Agreement with the Scottish Government, based on a set of five national strategic objectives, 15 national outcomes and 45 national indicators. Appropriate local outcomes were developed by the Council to align with national outcomes and appropriate indicators were selected to measure progress against the local outcomes.

The Scottish Government requires an annual report on progress made against the SOA during 2009/10 to be submitted by 30 September 2010. The Annual Report and Indicators Not Met Overview Report were appended to the report and provided a narrative against progress on each of the local outcomes and indicators covering the period 2006/07 to 2008/09, along with target indicators and actual indicators for 2009/10, intermediate targets for 2010/11 and 2011/12, and longer term targets.

Of the 108 indicators included in the document, 47.22% have met the target for 2009/10; 25% (27 indicators) have not met the target for 2009/10, of these 27 indicators 9 are adrift by up to 5%, 10 are adrift by 5-15% , 6 are adrift by over 15% and 2 have unspecified targets; 27.78% will not be available until later in the year; and 8.33% whilst not meeting the target have improved from the 2007/08 baseline. The Annual Report also outlined factors affecting progress and provided a qualitative assessment of how the Community Planning Partnership is working, its methods of community engagement and how performance against delivery of the SOA Actions is monitored in order to achieve the Outcomes.

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

- Current discussions with partners in respect of a joint information framework and the provision of a report to a future meeting when a draft joint information framework has been prepared;
- The positive public perception of Council services, compared to the less positive public perception of the Council as a whole;
- The provision of a national definition in respect of the term 'positive' within Outcome 4a1;
- The use of internal indicators to measure progress in schools;
- The indicator not met in respect of the number of new business start-ups and the promotion of a national approach to encourage growth in this area; and
- The overall costs to prepare the Annual Report.

The Committee agreed (a) that the Corporate Director (Social Services and Health) provide further information to Members of the Committee in relation to the questions raised on Outcomes 6a8, 6a9 and 6c1-5; and (b) to note that the Annual Report was submitted to the Scottish Government on 30 September 2010.

6. North Ayrshire CCTV Limited: Monitoring Report

Submitted report by the Solicitor to the Council on the operation of North Ayrshire CCTV Limited and the allocation of funding from the Council.

North Ayrshire CCTV Limited provides a monitoring facility for CCTV cameras located throughout North Ayrshire. The Council is one of the main funding sources for the company, providing £144,000 in 2009/10. Strathclyde Police, Fairer North Ayrshire and Community Safety provided funding in the amount of £32,494, £48,500 and £40,000, respectively, during the same period. Funding from Fairer North Ayrshire will reduce by 3% next year and thereafter will no longer be ring fenced.

The Company currently employs a total of eight individuals and has a turnover of £216,400. Of this, 68.7% relates to payroll, 12.5% to on-line rental for the transmission of images and the remainder on running costs for the equipment. The Company has achieved a small surplus in its operating balance during the current year. A range of performance statistical information was provided in the report.

During the year to 31 March 2010, the Company continued to undertake monitoring of a total of 32 fixed CCTV cameras and three re-deployable cameras. A review of CCTV operations involving both the Council and the Company has been commissioned to ensure the most effective use of resources.

Members asked questions and received information on the undernoted:-

- The quality of images recorded by the Beith cameras;
- The monitoring and recording practices in place which ensure 21 hour surveillance and 24 hour recording;
- The range of cameras in place within North Ayrshire;
- The positive public perception of CCTV and the value to society of this service; and
- Future funding arrangements following the removal of Fairer North Ayrshire ring fenced funding.

The Committee agreed (a) to endorse the conclusions of the monitoring report; and (b) that the Solicitor to the Council investigate the issues in relation to the quality of images recorded by the Beith cameras and report directly to the Local Member.

7. Fullarton Community Association, Redburn and Vineburgh Community Association, Vineburgh Community Association and West Kilbride Village Hall Committee: Income and Staffing Expenditure Report

Submitted report by the Corporate Director (Education and Skills) on income and staffing costs associated with each of the four named centres.

At its meeting on 2 August 2010, the Scrutiny Committee considered a monitoring report on the utilisation of the grant awarded to the four centres. The Committee agreed (a) that the Corporate Director (Education and Skills) provide a report on the salary costs incurred by Redburn and Vineburgh, Fullarton and Vineburgh Community Associations and West Kilbride Village Hall Committee for the running of their facilities to a future meeting; and (b) otherwise to note the report.

Financial support is provided to each of the four centres through a Service Level Agreement (SLA) with North Ayrshire Council's Community Development Team. Information on each centre's total funding and salary costs was provided in the report.

Redburn and Vineburgh Community Associations have completed a re-organisation of staffing schedules that will result in savings within the current financial year. Work is currently underway with Fullarton Community Association to complete a similar staffing review.

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

- The provision of more detailed and comparable information within the annual Service Level Agreement report;
- The reporting of the results of the staffing reorganisation at Redburn and Vineburgh Community Association to a future meeting of the Executive; and
- Staffing flexibility within community run centres.

Noted.

8. Investigation into the Council's Service Level Agreements (SLAs) with External Organisations

Submitted 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 and to continue any further consideration of grants to external organisations until the end of year Following the Public Pound Report in May 2011.

On 2 August 2010, the Committee considered a report by the Chief Executive on a proposed investigation into the Council's grants to external organisations. The Committee agreed to continue consideration of this item to a future meeting.

The Scrutiny Committee considers a report on Following the Public Pound on an annual basis. The report provides information on the support provided to external organisations, including details of grants, support in kind, concessionary letting, concessionary rents and non-domestic rates relief (mandatory and discretionary). It was proposed that an examination of grants to external organisations would be undertaken as part of the overall consideration of this area.

There are currently a range of SLAs in place between corporate services and the rest of the Council, and between services of the Council and external organisations. An investigation would examine the processes for drawing up, monitoring performance and reviewing such SLAs as well as assessing the extent and effect of these agreements. An investigation brief was provided as an appendix to the report.

The Committee agreed that (a) the next investigation should consider internal and external SLAs; and (b) consideration of the Council's Community Grants be undertaken as part of the consideration of the Following the Public Pound year end report in May 2011.

The meeting ended at 3.50 p.m.

