

Audit and Scrutiny Committee
16 November 2021

At a Meeting of the Audit and Scrutiny Committee of North Ayrshire Council at 10.00 a.m. involving participation by remote electronic means.

Present

Marie Burns, Alan Hill, Davina McTiernan, Tom Marshall and Donald Reid.

In Attendance

A. McClelland, C. Amos and L. Morris, Heads of Service, (Communities); P Doak, Head of Service (Health and Social Care Partnership); M. Boyd, Head of Finance, T. Reaney, Head of Service (Recovery & Renewal), L. Miller, Senior Manager and K. Gray, Team Supervisor (Audit, Fraud, Safety and Insurance), A. Craig, Head of Service (Democratic), I. Hardy, Corporate Policy and Performance Officer, C. Stewart and D. McCaw, Committee Services Officers (Chief Executive's Service).

Chair

Councillor Burns in the Chair.

Apologies

Margaret George, John Sweeney.

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 (i) the Meeting of the Audit and Scrutiny Committee held on 14 September 2021; and (ii) the Special Meeting held on 27 September 2021 were confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

In terms of item 3 of the Minute of the Meeting held on 14 September on the SEPA Reclassification of North Coast as Area of Potential Flooding, the Head of Service (Democratic) advised that the matter is being progressed by the Flood and Planning Teams and a report will be brought back to the Committee on this matter.

3. Local Government in Scotland: Overview 2021

Submitted report by the Head of Finance on the findings of the recent national report "Local Government in Scotland: Overview 2021", highlighting the key messages and providing an update of North Ayrshire Council's position in relation to the key recommendations made by Audit Scotland. A link to the full report was provided within the Executive Summary which reflects on the impact of the Covid-19 pandemic on the delivery of Council services, the initial response of Councils to the challenges and the progress being made in supporting the recovery within local communities.

Members asked a question and were provided with further information in relation to substantial additional support received from the Scottish Government to be utilised by the Council in terms of Covid recovery.

The Committee agreed to note (i) the findings of the Audit Scotland report and the challenges highlighted in relation to the Covid-19 pandemic; and (ii) the significant actions by North Ayrshire Council, its staff and its partners in responding to these challenges.

4. Local Government Benchmarking Framework (LGBF) 2019-20 Data Analysis (Data Released May 2021)

Submitted a report and received presentation by the Head of Service (Democratic) on an analysis of the Council's performance within the Local Government Benchmarking Framework. The LGBF 2019/20 Data Analysis was attached at Appendix 1 to the report.

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

- the difference between the LGBF and Spikes Cavell indicators in relation to procurement and on what is being measured in both;
- the importance of consistency to show any impact in terms of Community Wealth Building impact on procurement;
- an assurance that the LGBF and Spikes Cavell indicators can be tracked in parallel and comparisons made between both;
- information provided not being a league table; and
- whether the indicators accurately measure the performance of the Council nationally.

The Head of Finance undertook to bring information back to the Committee in terms of the differences between the LGBF and Spikes Cavell indicators to provide a side-by-side comparison with other Local Authorities to determine where the Council sits nationally.

The Committee agreed to note the results of the LGBF indicators as at 2019/20.

5. 2020/21 Complaint Report

Submitted report by the Head of Service (Democratic) on the Council's complaint performance and the volumes and trends of complaints received in financial year 2020/21. The report detailed the volume of complaints received and closed, complaints closed at each stage, complaint outcomes, the average time in working days for a full response at each stage, complaints closed within timescale, complaint timescale extensions, trends identified from upheld/partially upheld complaints and changes or improvements made as a result of complaints. The Corporate Complaints Annual Report 2020/21 was attached as an Appendix to the report.

Members asked a question and were provided with further information in relation to the potential underestimation of complaints which could be attributed to the closure of Council buildings throughout the pandemic.

The Head of Service (Democratic) undertook to contact the service and issue information to the Committee regarding any complaint reporting restrictions throughout the pandemic.

The Committee agreed to note the information contained within the report.

6. Strategic Risk Register 2021/22: Mid-year Update

Submitted report by the Head of Service (Recovery & Renewal) which provided a mid-year update on the progress with actions related to the Strategic Risk Register. The Strategic Risk Report 2021/22, with detailed actions, was provided at Appendix 1 to the report.

Members asked a question and were provided with further information in relation to mitigation actions to ensure enough is being done as a Council to meet the challenges outlined at COP26.

The Committee agreed to note the mid-year update on the 2021/22 Strategic Risk Register.

7. Internal Audit Reports Issued

Submitted report by the Head of Service (Finance) on the findings of Internal Audit work completed during September and October 2021. The findings from one audit assignment were detailed at Appendix 1 to the report, together with the respective executive summary and action plan.

The Committee agreed to note the outcomes from the Internal Audit work completed as set out in the report.

8. Internal Audit and Corporate Fraud Action Plans: Quarter 2 Update

Submitted report by the Head of Service (Finance) on the progress made by Council Services in implementing the agreed actions from Internal Audit and Corporate Fraud reports as at 30 September 2021. Appendix 1 to the report provided full details of 3 Internal Audit actions which were not completed within the agreed timescale.

The Senior Manager, Audit, Fraud, Safety and Insurance, advised the Committee that the audit in relation to Information Governance and Data Protection had now been implemented.

The Committee agreed to note (i) the current position with the implementation of Internal Audit and Corporate Fraud actions; and (ii) challenges which were faced by those services that have not implemented actions within the previously agreed timescales.

9. Internal Audit Plan 2021/22: Mid-year Update

Submitted report by the Head of Service (Finance) providing an update as at 30 September 2021 on progress made in delivering the 2021/22 Internal Audit Plan, including information of seven audits to be deferred to the 2022/23 Internal Audit Plan. The Internal Audit Quarter 2 Progress Report was set out at Appendix 1 to the report.

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

- the assignment plan on Procurement and Accounts Payable having been extended to allow for a follow-up of the previous audit in relation to procurement cards;
- the decision to defer facilities management procurement; and
- an update on Procurement Cards being provided to a future meeting of the Committee within the current administration period.

The Committee agreed to (a) approve the deferral of seven audits for consideration as part of the 2022/23 internal audit plan; (b) receive an update on procurement cards to a meeting of the Committee within this administration; and (c) otherwise note the mid-year position.

10. Corporate Fraud Team Update

Submitted report by the Head of Finance on the work of the Corporate Fraud Team between April and September 2021.

The Senior Manager (Audit, Fraud, Safety and Insurance) highlighted investigations which had been carried out across a range of areas including employee related matters as well as Council Tax, Discretionary Housing Payments, Scottish Welfare Fund, Blue Badges and Housing tenancy issues. Joint working with the Department for Work and Pensions (DWP) paused during the Covid-19 pandemic, however, DWP have intimated that they will shortly be looking to recommence this work for cases where suspected frauds relate to both Housing Benefit and Council Tax Reduction.

The Committee agreed to note the work carried out by the Corporate Fraud Team between April and September 2021.

11. 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.

12. Investigation Reports Issued

Submitted report by the Head of Service (Finance) on investigation reports finalised since the last meeting.

The Head of Finance undertook to provide information to the Committee as discussed.

Noted.

The meeting ended at 11.25 a.m.