

Audit and Scrutiny Committee
14 September 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, Margaret George, Alan Hill, Davina McTiernan, Tom Marshall, Donald Reid and John Sweeney.

Also Present

Anthony Gurney.

In Attendance

P. Doak, Head of Service, HSCP Finance and Transform and A. Reid, Lead Allied Health Professional Adviser (Health and Social Care Partnership); C. Dempster, Senior Manager, Roads, C. Hope, Senior Manager, Facilities Management, L. Kirk, Senior Manager, Economic Development and Regeneration and J. Cameron, Senior Manager, Physical Environment (Place); C. Devoy, Manager, Education (Communities); M. Boyd, Head of Finance, F. Walker, Head of Service, J. Hamilton, Senior Manager, A. Lyndon, Senior Manager, L. Miller, Senior Manager, A. Craig, Head of Service (Democratic Services), A. Little and D. McCaw, Committee Services Officers (Chief Executive's Service).

Chair

Councillor Burns in the Chair.

1. Chair's Remarks

The Chair agreed, in terms of Standing Order 9.4, to vary the order of business with regard to Agenda 3 Petition: Winton Street and Hill Street, Ardrossan, to allow the Lead Petitioner to be contacted regarding his attendance at the meeting and be given time to join.

2. 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.

3. Minutes

The Minutes of the Meeting of the Audit and Scrutiny Committee held on 1 June 2021 were confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

The Committee agreed that the Head of Service (Democratic Services) request an update with regard to progress in terms of minute item 16.1: SEPA Reclassification of North Coast as Area of Potential Flooding, from the Flood Team, SEPA and the Senior Management Development Officer in the Planning Service.

4. Audit and Scrutiny Self Evaluation

Submitted report by the Head of Service (Democratic Services) on the outcome of the second self-evaluation of the Audit and Scrutiny Committee undertaken as part of improvement actions identified in the External Audit Interim Report 2018/19. Appendix 1 to the report detailed the findings arising from the self-evaluation, together with improvement actions.

The Committee (a) noted the findings of the self-evaluation as detailed in Appendix 1 to the report; (b) agreed to approve the improvement action identified in Appendix 1 to the report; and (c) agreed to repeat the self-evaluation exercise on an annual basis.

5. Annual Governance Statement to the Scottish Housing Regulator 2020-21

Submitted report by the Executive Director (Place) on the Council's Annual return on the Charter 2020/21 submission and endorsement of the Annual Assurance Statement for submission to the Scottish Housing Regulator. The Annual Assurance Statement was detailed at Appendix 1 to the report.

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

- the increase in the average length of time taken to complete emergency repairs during the Covid-19 pandemic where safe systems of work and sanitising processes required to be implemented;
- non-emergency repairs which were logged but not undertaken during the Covid-19 restriction period resulting in a substantial backlog which impacted on response times; and
- different landlord practices in relation to the period prior to re-letting of void properties and on repair works carried out during this time.

The Senior Manager (Physical Environment) undertook to contact Building Services to determine whether current processes on tenant contact in relation to repairs could be improved and feed back to the Committee in this regard.

The Committee agreed (a) that the Committee Chair sign the Annual Assurance Statement detailed at Appendix 1 to the report; and (b) to note (i) the Annual Return on the Charter submission 2020-21; (ii) the supporting evidence provided to demonstrate compliance with the regulatory framework; and (iii) the Council's non-compliance with its legal gas safety responsibilities due to the Covid-19 pandemic, including that all outstanding gas safety checks for 2020/21 have now been carried out.

6. Proactive Approach to Derelict Sites

Submitted report by the Executive Director (Place) providing an update on the production of a register of derelict sites across North Ayrshire, requested at a meeting of the Committee on 1 June 2021.

The Council received funding from the Scottish Government Place Based Investment Programme (PBIP) which aims to bring sites and buildings back into positive use and also from the Vacant and Derelict Land Fund (VDLF) which aims to tackle long term vacant and derelict land. The allocations made under PBIP and VDLF were summarised in section 2.14 of the report and section 2.16 of the report detailed the range of existing powers and legislation which the Council can utilise in relation to derelict sites.

The development of the Regeneration Delivery Plan (RDP) and Local Development Plan (LDP) identified several sites which are not in positive use and where there is an overlap between these records. Combined, the records identified over 250 sites in need of redevelopment, most of which are in private ownership.

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

- timescales regarding the PBIP funding allocations for development of a place framework for Kilwinning and a pilot project for Largs and Saltcoats;
- prioritisation criteria and background briefs currently being prepared in terms of delivery frameworks to support funding allocated through the PBIP and VDLF;
- alternative funding options being considered to allow progress within the current financial year; and
- locality funding as a potential option for consideration.

The Senior Manager, Economic Development and Regeneration undertook to share links with the Committee to the external Vacant and Derelict Land Register and Buildings at Risk Register, together with the internal Regeneration Delivery Plan.

The Committee agreed to note the update and progress to date as detailed in the report.

7. Internal Audit Reports Issued

Submitted report by the Head of Service (Finance) on the findings of Internal Audit work completed during May and August 2021. The findings from eight audit assignments were detailed at Appendix 1 to the report, together with the respective executive summaries and action plans.

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

Temporary Posts and Contracts

- development of an automated report to Heads of Service highlighting posts which expired 3 months prior; and
- potential training issue for Managers.

Procurement Cards

- training around procurement card spending and limits; and
- scope for a further audit review in this regard.

The Committee agreed (a) to note the outcomes from the Internal Audit work completed as set out in the report; and (b) to receive a further report in terms of the Procurement Cards Audit to a future meeting of the Committee prior the end of the current Administration period.

8. Internal Audit and Corporate Fraud Action Plans: Quarter 1 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 June 2021. Appendix 1 to the report provided full details of five Internal Audit actions which were not completed within the agreed timescale.

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

9. Council Plan Progress Update: Year End 2020/21

Submitted report and received presentation by the Head of Service (Democratic Services) on progress in relation to priorities set within the 2019-24 Council Plan and providing an update on the response to the Covid-19 pandemic as at March 2021. Appendix 1 to the report presented the full Progress Update for each of the priorities with Appendix 2 detailing the Supporting North Ayrshire Together update on the response to the Covid-19 pandemic. Appendices 3 and 4 provided Performance Indicators from the Council Plan Performance Framework and the progress against the Council Plan overall actions with an estimate of performance status respectively.

Members asked questions in relation to:-

- the significant variance and decline in household waste recycling (CP-31);
- any examples of best practice in relation to Participatory Budgeting (PB) and ways forward involving communities;
- the dip in relation to PB being as a result of the Covid-19 pandemic as in-person community engagement procedures could not be carried out in the normal way;
- a report on measures to be taken in relation to improving engagement with communities being brought forward to the Committee;
- the rate of procurement to local business and links to community wealth building which could be considered by the Committee in more detail; and
- a warning triangle which indicates a decline including in future an action point with an explanation.

The Committee agreed (a) to note (i) the progress of the Council Plan as at 31 March 2021, including replacement of an indicator (section 4.6) and target amendment (section 4.8); and (ii) the response to the Covid-19 pandemic to date; (b) that a report on measures to be taken in relation to improving engagement with communities in connection with participatory budgeting be brought to a future

meeting of the Committee; and (c) that a report on procurement with local business be brought to a future meeting of the Committee.

10. Council Plan 2019-24: Delivery Plan Refresh 2021-22

Submitted report by the Head of Service (Democratic Services) on the Council Plan Delivery Plan as at June 2021. Appendix 1 to the report detailed the full Delivery Plan with Appendix 2 showing the Action Tracker for existing overall actions.

The Committee agreed to note the Council Plan Delivery Plan for 2021-22.

11. Petition: Winton Street and Hill Street, Ardrossan

Submitted report by the Head of Service (Democratic Services) on the terms of a petition received supported by 308 signatories, urging the Council to take action in respect of resurfacing and lighting of the lane which runs between Winton Street and Hill Street, Ardrossan. The report outlined the terms of the petition as detailed below:-

“That the Council adopt the lane which runs between Winton Street and Hill Place in Ardrossan to allow the undertaking of resurfacing and lighting installation works to take place, given that at present and for the previous few decades the surface has been and continues to be in such a state of disrepair and has inadequate lighting that it is a hazard to residents and all others that use it, in particular the local school children and their families”.

The Committee considered that it had enough information to proceed to consider the terms of the Petition in the absence of the Lead Petitioner.

A briefing note by the Head of Service (Commercial) was detailed as an Appendix to the report and advised that the lane in question is a private road and does not form part of the adopted public road network and is consequently not maintained by the Council as roads authority. The lane was part of the Eglinton Estate which was transferred to Fairhold Limited in 1997. The roads service wrote to Fairhold on 18 May 2021 advising of the petition and the works required by them to bring the road up to an adoptable standard. Correspondence has taken place with Fairhold in terms of clarity of the location of the lane and a copy of Title showing Fairhold's interest in the land, together with photographs of the location, was provided to Fairhold on 16 August 2021. A further response is awaited.

Members asked questions and were provided with further information in relation to the length of the road in question and that costs included lighting, drainage, reconstruction etc.

Councillor Sweeney seconded by Councillor Marshall moved that the Committee (a) accept the recommendation from the Officers' report to (i) note the efforts undertaken by the Roads Service on behalf of the private residents to date in urging the landowner to meet their responsibilities in respect of the private road; and (ii) instruct the Roads Service to continue to pursue Fairhold on behalf of local residents to undertake improvements and offer up the lane for future adoption as part of the

public road network; and (b) agree not to take the petition forward by making a recommendation to Cabinet and dismiss the petition.

There being no amendment, the motion was declared carried.

12. 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. Investigation Reports Issued

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

Noted.

The meeting ended at 11.40 a.m.

Audit and Scrutiny Committee
27 September 2021

At a Special 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, Davina McTiernan, Tom Marshall, Donald Reid and John Sweeney.

In Attendance

M. Boyd, Head of Finance, D. Forbes, Senior Manager, Financial Management, L. Miller, Senior Manager, Financial Services, A. Craig, Head of Democratic Services and C. Stewart and D. McCaw and Committee Services Officers (Chief Executive's Service).

Also In Attendance

K. Watt (Deloitte).

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. Annual Report on the 2020/21 Audit

Submitted report by the Head of Finance on the annual audit report for 2020/21 and received a verbal update by the External Auditor. Appendix 1 to the report detailed letters of representation to be signed by the Head of Finance as the responsible officer for North Ayrshire Council. The External Auditor's report, which summarised the findings of their audit, was attached as Appendix 2 to the report.

Karlyn Watt of Deloitte provided a verbal report on the appendices to the report, including highlighting quality indicators in terms of the impact on the execution of their audit and also the two significant risk areas namely (1) Recognition of Covid-19 Related Income, and (2) Management Override of Controls which were both "green" and satisfactory.

The Committee agreed to (a) note the findings of the 2020/21 audit of the financial statements as contained in the External Auditor's annual report at Appendix 2; and (b) approve the audited Annual Accounts for signature.

The meeting ended at 10.10 a.m.