

CORPORATE AND COMMUNITY PLANNING
STANDING SCRUTINY PANEL.

Minutes of meeting in County Buildings, Wellington Square, Ayr
on 26th June 2014 at 10.00 a.m.

- Present: Councillors Brian Connolly (Chair), Andy Campbell, Douglas Campbell, Alec. Clark, Mark Kilpatrick and Brian McGinley.
- Apologies: Councillors Ann Galbraith and John Hampton.
- Attending: V. Andrews, Executive Director – Resources, Governance and Organisation; C. Monaghan, Head of Policy, Community Planning and Public Affairs; T. Baulk, Head of Finance and ICT; K. O'Hagan, Head of Employee and Customer Services; H. McLaughlin, Audit Services Programme Review Manager; W. Carlaw, Democratic Governance Manager; K. Briggs, Legal and Licensing Manager; Z. Brownlie, Procurement Manager; C. Gardner, Senior Strategic Planning and Performance Management Officer; and E. Wyllie, Committee Services Officer.
- Also Attending: Councillor Bill McIntosh (Portfolio-holder); and Dave Richardson, Audit Manager, Audit Scotland.

1. Declaration of Interest.

There were no declarations of interest by Members of the Panel in terms of Council Standing Order No. 17 and the Councillors' Code of Conduct.

2. Item for Call-in

The Panel noted that there had been no call-ins for this meeting.

3. Minutes of previous meeting.

Decided: to approve the Minutes of the previous meeting of 5th June 2014 (issued) ([link attached](#)).

WIDER SCRUTINY PANEL BUSINESS:-

4. Budget Management Reporting – Scrutiny Review.

Reference was made to the Minutes of 28th February 2013 (Page 216, paragraph 13) and there was submitted a report (issued) ([link attached](#)) of 18th June 2014 by the Chief Accounting Officer presenting the outcomes from the scrutiny review of financial information currently presented to Elected Members and proposals to consider improvements which could be made.

The Chair, on behalf of the Panel, congratulated Tim Baulk on his recent appointment as Head of Finance and ICT.

A discussion took place in relation to the good work undertaken by the Sub-Group on this scrutiny review. Various comments were made in respect of the way in which financial information could be presented to Members. As part of the next steps within the Service and Improvement Plan reporting process, a direct link between performance and financial information would be a welcomed approach. In terms of the Oracle R12 upgrade, this was recognised as a useful tool which should aid access to live information.

The Panel

Decided: to approve

- (1) the proposed outcomes from the review at this time as detailed in the report; and
- (2) the proposals to conclude this Budget Management Reporting Scrutiny Review pending a fuller investigation of the opportunity to incorporate financial reporting information alongside performance information through the Service and Improvement Plan reporting process.

5. Service and Improvement Plans 2014 – 2017.

Reference was made to the Minutes of the Leadership Panel of 29th April 2014 (Page 11, paragraph 16) and there was submitted a report (issued) ([link attached](#)) of 16th June 2014 by the Head of Policy, Community Planning and Public Affairs requesting consideration of both the Employee and Customer Services and the Legal and Democratic Services Service and Improvement Plans (SIPs).

The Head of Policy, Community Planning and Public Affairs outlined the general observations that had arisen from consideration of the Service and Improvement Plans at the latest round of Scrutiny Panel meetings.

Following discussion and taking account of issues raised by Members of this Panel as well as the Portfolio-holder(s), the undernoted key points were made:-

Employee and Customer Services

- queried how confident Officers were at achieving the dates and targets identified within the detailed action plans and heard that there had been a cultural shift in preparing the SIPs in terms of profile and rigour attached to them, that there would always be a trade off between being realistic and being challenging, and that the test would be in the six month reporting back on progress to Members;
- queried the setting of a target for the percentage of Council employees in the top 5% of earners that were women when such positions were subject to open interviews and it was agreed that it was not appropriate to have any target for this measure;
- queried sub-actions being shown as being delivered within current resources when, for example, those around the reviewing the skills base might identify the need for additional training. The Panel heard that, as the SIPs were developed further, Officers would look to improve the linkage of resourcing and outcomes beyond this initial exercise;
- queried the targets for absence of pro-rata to overall reduction of 4.5% and agreed that these would be translated into actual numbers of lost days;
- queried whether the targets set for absence were aspirational enough and heard that these were designed to get the Council into the top third of Councils across Scotland which represented a marked improvement;

- queried the approach to resourcing identified in the plan and the need to get far sharper in linking resources to outcomes and demonstrating that what was allocated was being used effectively. It was recognised that there was further work to be done across the SIPs to provide such linkage;
- queried the references to community alarms within this SIP and heard that this related to the role of the monitoring station which fell under the responsibility of the service and that this was identified as being one of the areas for systematic service review;
- queried whether, in relation to supporting employees to be healthy, consideration could be given to discounted access to the Council's leisure facilities. It was agreed that this would be explored further with the relevant directorate and service;
- queried in relation to Continuing Professional Development for Members whether consideration of the Best Value Toolkits could be included as part of future induction programme. It was agreed that there should be greater emphasis on performance and self evaluation going forward for both Officers and Members;
- queried how progress would be reported across the range of commitments and whether the risks associated with them had been assessed. The Panel heard that risk registers were being prepared in relation to each of the SIPs and that these would be reported upon as part of the first reporting cycle, that oversight of progress against the commitments within the SIPs represented the day job of the Heads of Service and would be reflected in the six monthly reporting to Members, that the commitments within the plans would feature in the relevant PDRs of Officers and that further opportunities for reporting to Members on 'hot topics' could be done through a variety of other methods;
- commented that this SIP was a good example of the use of sub-actions to give confidence in the focus of Officers;
- queried the lack of a comparator on the percentage of young people leaving the Council's Employability Initiatives who go on to a positive destination and heard that this was due to when the data commenced to be recorded; and
- queried what the number of incidents reported to the police proactively supported by CCTV intervention actually showed and whether the target was meaningful. It was suggested that it was a useful contextual measure but it was agreed that the target should be removed.

Legal and Democratic Services

- queried whether, under 'people are safer', reporting the licensing performance measures told Members anything. It was clarified that it had always been difficult to identify outcome related measures for support services and that those reported attempted to look at the customer experience of using the services, with the measure concerning on line applications reflecting the drive to make things easier for customers and more efficient for the Council. It was recognised that this was an area for further development to identify more meaningful indicators;
- queried the ambition of the target for the total value of Council spend actively influenced by a procurement professionals given the work of the Sub-Group and the opportunity to achieve savings. The Panel heard that this was not as ambitious as could be achieved but was realistic pending decisions the Council required to take over resource shift, for example around social care;
- confirmed that the message from the Panel itself was loud and clear over the need to drive further improvement in the Council's procurement practices in line with the recommendations of its scrutiny review; and
- observed that one of the outcomes – 'the Council's resources are effectively used to transform and deliver best value customer focused services' – still included reference to best value that had previously been discussed as underpinning everything the Council did. It was agreed to remove this reference.

The Panel

Decided: to request that the Chief Executive make recommendations to the Council on 3rd July 2014 in line with the discussion of the Panel, to assist in finalisation of the Service and Improvement Plans.

AUDIT FUNCTION:-

6. Procurement in Councils – Outcome and Recommendations from Audit Scotland.

There was submitted a report (issued) ([link attached](#)) of 17th June 2014 by the Executive Director – Resources, Governance and Organisation advising of the outcome of the Audit Scotland Procurement in Councils report and subsequent recommendations.

Comments were made in relation to the commodity / project strategy approach and it was noted that this process was undertaken for those procurements assisted by the corporate procurement team although it was hoped that this strategy could be further rolled out.

Clarification was sought in relation to economic development and community benefits and what was in place to support, develop and evaluate the impact of such approaches. Officers commented on the balanced approach of the procurement process and also referred to the use of Scotland Excel and the Ambitions Programme in this regard. A request for further detail regarding community benefit and what this entailed within the context of this Council was sought.

In relation to the role of Members and scrutiny within procurement, various questions and concerns were raised, similar to that discussed at the previous meeting of this Panel. The Executive Director – Resources, Governance and Organisation commented on the strategic and operational differences within procurement and service delivery outcomes as well as the involvement of Members at certain stages of the process which was being further developed. It was recognised that the development of the Service and Improvement Plans would also assist Members in this regard and provide the opportunity for scrutiny.

The Audit Manager, Audit Scotland suggested that, since this was part of Audit Scotland's national reporting framework, he could arrange for the report's author to attend a future meeting of the Audit Committee and explain and expand on the response specific to this Council's position as it related to the role of Members within the procurement process. The Panel welcomed this suggestion.

Comments were made in respect of staff training and the Procurement Manager commented that training and support was good and provided information on the training budget and the qualifications available.

The Panel

Decided: having accepted the Audit Manager's offer for the report author to attend a future meeting of the Audit Committee to provide further detail

- (1) to note the recommendations made by Audit Scotland as detailed in Appendix 1 of the report;
- (2) to agree the recommended actions, as detailed in Appendix 1, including updates to the draft Service and Improvement Plan for Legal and Democratic Services, where applicable; and
- (3) to note the self-assessment checklist for Councillors contained within Appendix 2 of the report.

7. Audit Scotland: Arms-Length External Organisations: Are you getting it right? – Follow-up Audit.

There was submitted a report (issued) ([link attached](#)) of 18th June 2014 by the Executive Director – Resources, Governance and Organisation advising of the findings of Audit Scotland's high level assessment of the governance arrangements that the Council had in place for overseeing its Arms-Length External Organisations (ALEOs).

The Audit Manager commented on the national perspective relating to ALEOs and highlighted the key findings and areas for improvement pertaining to this Council and its dealings with Ayr Renaissance LLP, as detailed within the action plan appended to the report.

The Panel, having thanked the Audit Manager

Decided:

- (1) to agree the action plan attached as Appendix 1 of the report; and
- (2) to agree that progress in implementing the action plan would be reported to the Audit Committee as part of the review of External Audit reports.

8. Exclusion of press and public.

The Panel resolved, in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, that the press and public be excluded during consideration of the remaining item of business on the grounds that it involved the likely disclosure of exempt information in terms of paragraph 9 of Part 1 of Schedule 7A of the Act.

9. Update on Improvements following the Internal Audit Report 2014-06 – Multi-Functional Device Contract.

Reference was made to the Minutes of 8th May 2014 (Page 1, paragraph 4) and there was submitted a report (issued to members only) of 18th June 2014 by the Executive Director – Resources, Governance and Organisation providing an update on the Internal Audit Report 2104-06 – Multi-Functional Device Contract.

A full discussion took place in relation to this matter and clarification was sought and provided by Officers on the various points made. The Panel felt that, in general terms, there should be a formal approval process to deal with any subsequent variations to contracts after initial acceptance of terms. It was noted that the Executive Director – Resources, Governance and Organisation would review the current Standing Orders Relating to Contracts to take account of such a recommendation.

The Panel,

Decided: having reviewed the updates in Appendix 1 of the report

- (1) to note the progress achieved; and
- (2) that the Executive Director – Resources, Governance and Organisation would review the current Standing Orders Relating to Contracts to take account of a formal approval mechanism to sign-off variations to accepted contracts and that any changes to Standing Orders would be referred to a future meeting of the Council for its consideration.

The meeting ended at 12.25 p.m.