

ANGUS COUNCIL

MINUTE of HYBRID MEETING of the **SCRUTINY AND AUDIT COMMITTEE** held in the Town and County Hall, Forfar on Thursday 13 June 2024 at 2.00pm.

Present: Councillors CRAIG FOTHERINGHAM, IAN MCLAREN, CHRIS BEATTIE, JULIE BELL, LYNNE DEVINE, HEATHER DORAN, IAIN GALL, ROSS GREIG, LOUISE NICOL, RONNIE PROCTOR (MBE), MARTIN SHEPHERD, LOIS SPEED and DEREK WANN.

Councillor FOTHERINGHAM, Convener, in the Chair.

Prior to the commencement of the business, the Convener reminded members that it was currently the pre-election period in light of the forthcoming UK Parliamentary General Election on 4 July 2024 and that members were to be mindful of the legal requirements in their discussion and debate during the meeting.

1. APOLOGIES/SUBSTITUTES

Apologies for absence were intimated on behalf of Councillor Gavin Nicol with Councillor Ian McLaren substituting.

2. DECLARATIONS OF INTEREST/STATEMENTS OF TRANSPARENCY

Councillor Heather Doran made a statement of transparency in relation to items 4 and 5, in that she had recently undertaken workplace projects with the Scottish Fire and Rescue Service and Police Scotland, which had no bearing on the reports submitted.

3. MINUTE OF PREVIOUS MEETING

The minute of meeting of this Committee of 23 April 2024 was approved as a correct record and signed by the Convener.

4. SCOTTISH FIRE AND RESCUE SERVICE – QUARTERLY MONITORING REPORT FOR THE PERIOD 1 JANUARY 2024 TO 31 MARCH 2024

With reference to Article 4 of the minute of meeting of this Committee of 7 March 2024, there was submitted Report No 187/24 by the Local Senior Officer, Scottish Fire and Rescue Service relating to quarter four, 1 January 2024 to 31 March 2024 on the performance and activities in support of the priorities in the Local Fire and Rescue Plan for Angus 2020 and the wider community planning priorities.

Attached as Appendix 1 to the Report was a detailed breakdown and analysis of all data collected during the reporting period. Headline indicators within the Report provided Members with an overview of the performance summary for the reporting year. The Report also provided an update in regard to Community Safety engagement events and partnership working and highlighted any notable incidents and events.

The Area Commander provided a brief overview of the Report and was heard in relation to the key performance highlights, performance management targets and the Community Safety Engagement Programmes.

Thereafter, the Area Commander thanked the Depute Chief Executive for his support over the years and wished him a healthy and long retirement.

Following questions and comments, the Committee agreed to note the performance of the Scottish Fire and Rescue Service as outlined in the quarterly monitoring Report for the period 1 January 2024 to 31 March 2024.

5. POLICE SCOTLAND – ANGUS LOCAL POLICING AREA QUARTERLY REPORT FOR THE PERIOD 1 JANUARY 2024 TO 31 MARCH 2024

With reference to Article 5 of the minute of meeting of this Committee of 7 March 2024, there was submitted Report No 188/24 by the Assistant Chief Superintendent, Police Scotland which updated the Committee on the performance results for the period 1 January 2024 to 31 March 2024.

The Temporary Divisional Commander provided Members with National updates with regards to a recent public announcement related to Police Scotland rolling out body worn video and confirmed that updates would be provided in future reporting. Members were updated with regards to the Forfar estate where it was noted that the planned public consultation had been delayed as a result of an internal issue and that it was now anticipated that the consultation would go live within the next few weeks.

The Chief Inspector provided members with an overview of the Report and Appendix A attached to the Report which outlined the performance of Police Scotland and information in relation to some of the work which had taken place within the Angus Local Policing Area. The data provided within the Report was for information purposes to allow members to conduct their scrutiny responsibilities under the Police and Fire Reform (Scotland) Act 2012.

Following questions and comments and having heard Police Representatives indicate that they would review future reports to provide further breakdowns in terms of the detail, the Committee agreed to note the Angus Local Policing Area Quarterly Report for the period 1 January 2024 to 31 March 2024.

At this point, the Scottish Fire and Rescue Service and Police Scotland representatives left the meeting.

6. INTERNAL AUDIT ACTIVITY UPDATE

With reference to Article 13 of the minute of meeting of this Committee of 23 April 2024, there was submitted Report No 189/24 by the Service Leader – Internal Audit providing an assurance update on Internal Audit matters including the main findings from reports issued since the date of the last meeting, and progress with implementation of agreed Internal Audit and Counter Fraud actions.

The Service Leader – Internal Audit provided members with an update on the recent recruitment exercise to fill two vacant auditor posts. Preferred candidates had now been identified and the team would be at full complement by the end of the month.

She also provided an overview of the Report including the summary of assurances as outlined in the Appendix to the Report with regards to IT Asset Hardware Inventory in School and Random Cash Counts and Cash Handling – Schools.

The Report provided an up-to-date table which showed a significant amount of work had been reported, the work within the plan that had not been reported and was in progress or was planned.

Noting that a recent request about the timing for external placement of children audit would be commenced at the end of September with a Report to be brought forward to the next available Committee thereafter.

Following several questions and in response having heard from a number of Officers, the Committee agreed: -

- (i) having considered the Report, to note the update on progress with the planned Internal Audit work as outlined in Appendix 1 to the Report; and
- (ii) having considered the Report, to note management's progress in implementing internal audit and counter fraud recommendations, as outlined in Appendix 1 to the Report.

7. CORPORATE COUNTER FRAUD REVIEW

With reference to Article 8 of the minute of meeting of this Committee of 28 November 2023, there was submitted Report No 190/24 by the Service Leader – Internal Audit providing members with a summary of the work undertaken by the Corporate Fraud Team (CFT) during the 12 months to 31 March 2024.

The Report indicated that during the financial year to 31 March 2024, the CFT identified that the main types of external fraud were related to council tax, national fraud initiative, tenancy where investigations had led to the recovery of 6 council properties, and school placements where false declarations had resulted in 7 school placements being allocated. Employee and corporate fraud resulted in 21 investigations being concluded.

Further information was provided in terms of fraud awareness and Code of practice on managing the risk of fraud and corruption (CIPFA).

The Service Leader – Internal Audit provided an update and highlighted the key areas of the Report.

Following questions and having heard from the Service Leader – Internal Audit in response, the Committee agreed: -

- (i) to note the contents of this Report; and
- (ii) to note the results of the self-assessment against the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption, as outlined in Appendix 1 of the Report.

At this stage, in the meeting, the Committee agreed to adjourn for a five minute comfort break.

The meeting reconvened at 3.51pm.

8. INTERNAL AUDIT ANNUAL REPORT AND REVIEW OF CORPORATE GOVERNANCE

With reference to Article 9 of the minute of meeting of this Committee of 15 June 2023, there was submitted Report No 191/24 by the Service Leader – Internal Audit presenting the Service Leader - Internal Audit's Internal Audit Annual Report and independent assurance opinions in relation to the overall corporate governance arrangements, risk management and internal controls for 2023-24.

The Report indicated that the Internal Audit Annual Report and review of Corporate Governance provided an overall opinion from the Service Leader- Internal Audit on the internal control and internal financial control environment within the Council for the 2023-24 financial year. This would be used to inform the production of the Council's Annual Governance Statement.

Appendix 1 to the Report detailed the Internal Audit Annual Report 2023/24 and provided detailed information and assurances in relation to the matters outlined in Section 5 of the Report.

It was noted that there had been some further progress with Risk Management arrangements this year, but it remained slow with some key areas of risk management that would require to be fully established and embedded in day-to-day practice. The Report highlighted that responsibility for risk identification, assessment and management sat across the whole organisation and that services and risk owners need to pay more consistent attention to ensure progress was made at a faster pace.

Following questions, the Committee agreed to note the contents of the Internal Audit Annual Report for 2023-24.

9. SCRUTINY AND AUDIT COMMITTEE SELF-ASSESSMENT AND ANNUAL REPORT

With reference to Article 17 of the minute of meeting of this Committee of 15 June 2023, there was submitted Report No 192/24 by the Service Leader – Internal Audit providing a members with a draft annual Report to Council on the work undertaken by this Committee during 2023/24.

The Service Leader -Internal Audit provided an overview of the Report and highlighted that Appendix 1 of the Report had been prepared by the Convener and Vice-Convener to inform Angus Council of the work carried out by the Scrutiny and Audit Committee during 2023/24, noting that an action plan for 2024/25 was also included at Annex A to the Appendix.

Following questions, the Committee agreed :-

- (i) to note the draft Annual Report for the year to 31 March 2024;
- (ii) to revise the date for the training action to be delivered to March 2025 and updated this for the final Report; and
- (iii) to note that the Annual Report would be signed by the Convener and would be submitted to full Council after the recess.

10. CORPORATE GOVERNANCE – ANNUAL REVIEW AND DRAFT ANNUAL GOVERNANCE STATEMENT FOR YEAR TO 31 MARCH 2024

With reference to Article 12 of the minute of meeting of this Committee of 15 June 2023, there was submitted Report No 193/24 by the Chief Executive, advising members of the outcome of the annual review of compliance with the principles of good governance and presenting the draft Annual Governance Statement, for consideration.

The Report indicated that the overall conclusion of the review was that during 2023/24, the Council demonstrated that the governance arrangements and framework within which the Council operated were sound and operating effectively and that the Council was generally compliant with the core principles of good governance, including the Local Code of Corporate Governance.

Actions had been identified as part of the 2023/24 review process which were included in the Corporate Governance Action Plan within Appendix 2 of the Report. Progress on all actions would be reported to this Committee in January and June 2025. The Corporate Governance Action Plan included continuing actions from the previous year.

Following questions and having heard from the Service Leader – Governance and Change and also the Service Leader – HR and Business Support in response, the Committee agreed :-

- (i) to note the 2023/24 draft Annual Governance Statement, as outlined in Appendix 1 of the Report;
- (ii) to note that the 2023/24 draft Annual Governance Statement would be included in the Council's unaudited Annual Accounts, which would be submitted to the Controller of Audit;
- (iii) to note the updates to the Corporate Governance Action Plan, the Best Value Audit Action Plan and the Best Value Thematic Action Plan, as outlined in Appendices 2, 3 and Appendix 4 respectively, of the Report; and
- (iv) to note the draft Annual Governance Statement would be kept under review and updated as necessary until the Audited Accounts were approved for signing later this year, with the final statement being signed by the Leader of the Council and the Chief Executive, at that time.

11. CORPORATE GOVERNANCE – LOCAL CODE OF CORPORATE GOVERNANCE (2024)

With reference to Article 15 of the minute of meeting of this Committee of 15 June 2023, there was submitted Report No 194/24 by the Chief Executive advising members of the outcome of the review of the Local Code of Corporate Governance and presenting the revised Local Code, for approval.

The Report indicated that Angus Council first adopted a Local Code in 2002. It had been regularly reviewed and updated to ensure consistency with best practice and guidance, in particular the CIPFA/SOLACE framework Delivering Good Governance in Local Government. The framework was revised during 2016 and related Scottish Guidance Notes were published in November 2016.

The framework set out seven core principles for good governance, which were outlined in Section 5 of the Report. The Local Code of Corporate Governance affirmed the Council's commitment to achieving a good standard of corporate governance. It set out the key policies, procedures and structures which demonstrated the Council's compliance with the seven core principles as outlined in Appendix 1 to the Report.

The Committee agreed to approve the revised Local Code of Corporate Governance (2024).

12. LOCAL GOVERNMENT BENCHMARKING FRAMEWORK (LGBF) NATIONAL BENCHMARKING OVERVIEW REPORT 2022-2023

With reference to Article 13 of the minute of meeting of this Committee of 15 June 2023, there was submitted Report No 195/24 by the Director of Finance presenting to this Committee, the key messages outlined in the Improvement Service's Local Government Benchmarking Framework (LGBF) 'National Benchmarking Overview Report 2022-23', and provided a

strategic overview of Angus Council's performance against the various indicators as published on the Local Government Benchmarking Framework Dashboard.

The Report provided Members with an insight into local and national performance from a comparator perspective which can inform the Council's approach to quality improvement, performance management and achieving the outcomes laid out in the Council Plan.

The Service Leader – Governance & Change provided an overview of the Report which updated Angus Council's performance in 2022-23 outlining the overall changes from the base year (2010-11). The compared performance in 2022-23 to the previous year (2021-22) for all the indicators was detailed in the LGBF Dashboard.

The Report highlighted factors that may have contributed to the decline and improvement of service performance over the years, acknowledging that not everything remained static over time, including pandemic recovery, cost of living increases, changes in demography and the financial challenges which have emerged since the base year.

The figures reported should be interpreted with the view that they are 'can-openers' for further investigation rather than as a statement of definitive council performance. Comparing performance across local authorities and within a local authority over time required interpretation and meaningful analysis, considering the external factors on performance at any given point in time.

Following questions and comments, the Committee agreed: -

- (i) to note the key messages outlined in the Local Government Benchmarking Framework (LGBF) 'National Benchmarking Overview Report 2022-23'; and
- (ii) to note the strategic overview of Angus Council's position against the various indicators as published on the Local Government Benchmarking Framework Dashboard.