

CORPORATE AND COMMUNITY PLANNING
STANDING SCRUTINY PANEL.

Minutes of meeting in County Buildings, Wellington Square, Ayr,
on 3rd December 2009 at 10.00 a.m.

Present: Councillors Brian Connolly (Chair), Sandra Goldie, Bill Grant, John Hampton, Mairi Low, Helen Moonie, Alec Oattes and Mike Peddie.

Attending: E. Howat, Executive Director – Corporate Services; D. Russell, Head of Legal and Administration; D. Alexander, Head of Corporate Resources; A. Wilson, Head of HR and Organisational Development; C. Monaghan, Head of Policy, Performance and Communication; J. McQuillan, Head of Property and Neighbourhood Services; A. Greenwood, Estates Manager; H. McLaughlin, Audit Services/Programme Review Manager; P. Linton, Performance and Change Management Manager; D. Robertson, Communications Manager; D. Sherlock, Improvement Manager; and E. Wyllie, Committee Administration Officer.

Also Attending: Councillors John McDowall and Bill McIntosh (Portfolio-holder of Resources and Performance); Peter Tait, Assistant Director Audit (Local Government); Asif Haseeb, Senior Audit Manager; and Anne Cairns, Senior Auditor, Audit Scotland.

1. Minutes of previous meeting.

Decided: to note the Minutes of the previous meeting of 5th November 2009 (issued).

Matter Arising - Strathclyde Partnership for Transport.

With reference to the Minutes of 5th November 2009 (Page 604, paragraph 1(2)), Councillor Moonie enquired if the Executive Director – Corporate Services had arranged for information to be circulated to the Members of this Panel in relation to this matter.

Decided: having heard the Executive Director – Corporate Services, that she would pursue this matter further.

2. Variation in Order of Business.

In terms of Council Standing Order No. 10, the Panel agreed to vary the order of business as hereinafter minuted.

AUDIT FUNCTION:-

3. Report to Members and the Controller of Audit on the 2008/09 Audit.

There was submitted a report (issued) of 20th November 2009 by the Executive Director – Corporate Services

(1) advising

(a) of Audit Scotland's audit of this Council's accounts for the financial year 2008/09;

(b) that the Council's accounts for financial year 2008/09 had been awarded a clean audit certificate; and

- (c) that Audit Scotland had considered the key strategic and financial risks being faced by the Council, audited the financial statements and looked at aspects of performance management and governance;
- (2) highlighting the key outcomes from the 2008/09 audit as follows:-:
- a recognition of the progress made in improving the Council's financial position;
 - a recognition of the financial constraints of the current economic climate;
 - a recognition of the challenges for Members and Officers in delivering quality services with limited resources;
 - a recognition of the significant change undertaken over the last year, including restructuring of the Council, implementation of single status, and preparation of an asset management plan and the improvement plan; and
 - the need for further development in terms of risk management, financial planning, performance management, workforce management and asset management;
- (3) indicating that the action plan identified the individual Officers responsible for addressing the risks, the timescales involved and linkages with the improvement plan agenda and that the Improvement Agenda and the twelve strands encompassed therein provided a clear framework and structure for the Council's improvement activity and for monitoring progress; and
- (4) reporting
- (a) that the accumulated revenue surplus on non-HRA accounts at 31st March 2009 was £7.453m;
- (b) that the accumulated revenue surplus on the HRA at 31st March 2009 was £20.520m which had been retained for use in subsequent years; and
- (c) that the Council incurred capital expenditure of £28.4m during the year.

Mr. Tait, Assistant Director Audit (Local Government), Audit Scotland outlined and emphasised the main issues from the audit and the Action Plan contained within.

A full discussion took place and questions were raised by Members of the Panel in relation to:- the term "Sustained Activity" and milestones; the carbon trading commitment; partnerships and joint working and the Arbuthnott report; affordable housing targets; a request for further detail on the £0.5m funded by the service budgets as part of the overall £1.9m used for redundancy etc.; mutual trust issues; and efficiency measures and Mr. Tait, the Executive Director – Corporate Services and the Head of Policy, Performance and Communication responded accordingly. The Executive Director – Corporate Services also advised that she would arrange for a written response to be circulated to all Members in relation to the detail in respect of the £0.5m outlined above.

The Chair, on behalf of the Panel, thanked Mr. Tait for his presentation of the Annual Audit Report and Mr. Tait and his colleagues left the meeting at this point.

Decided:

- (i) to note the report by Audit Scotland on the Council's Audit of Accounts 2008/09 and that the accounts had been given a clean audit certificate; and
- (ii) to approve the action which had been taken in relation to the preparation of the Action Plan outlined at Appendix 1 of the report, designed to address the areas of concern highlighted within the body of Audit Scotland's report.

4. Improvement Agenda.**(1) Remit from the Leadership Panel of 24th November 2009 – Improvement Agenda: Second Progress Report.**

Reference was made to the Leadership Panel of 24th November 2009 (Page 641, paragraph 16) when that Panel, having considered a report of November 2009 (issued) by the Head of Policy, Performance and Communication advising of the second progress report arising from the Council's agreement on 9th July 2009 to the South Ayrshire Council Improvement Agenda, had agreed

- (a) to consider the status of each improvement strand and the detailed information provided; and
- (b) to note that two improvement strands had been graded as 'amber'.

Various questions were raised by Members of the Panel in relation to:- the use of the traffic light system; certain information not being reported and how this was embedded within the document; whether the Leadership Panel had commented on the document; specific Improvement Strands, the role of Members within these processes and the colour coding; and the Community Planning Board, scrutiny and funding arrangements and officers responded accordingly.

Decided: to agree with the recommendations of the Leadership Panel.

(2) Programme of Detailed Consideration.

There was submitted a report (issued) of November 2009 by the Head of Policy, Performance and Communication

- (a) reminding the Panel that it had agreed that a more detailed consideration of individual strands should be provided and given that there were twelve strands, one would be considered at each meeting of the Panel commencing with communications and engagement with a programme to be developed for consideration of other strands;
- (b) proposing that, in developing the programme, the timeline for the strands had been taken into account with some strands characterised by sustained activity and, therefore, could be considered at any juncture and other strands had very specific timelines for particular meetings where their consideration could be timely and outlining the programme of more detailed consideration of the individual strands making up the Improvement Agenda as follows:-

- 4th December 2009 Communications and Engagement;
- 21st January 2010 Leadership Capacity;
- 18th February 2010 Performance management;
- 18th March 2010 Core ICT Systems;
- 22nd April 2010 Service Modernisation and Review;
- 20th May 2010 Efficiency and Effectiveness;
- 17th June 2010 Financial Health;
- 26th August 2010 Information and Training for Elected Members;
- 23rd September 2010 Joint Working and Shared Services;
- 4th November 2010 Customer Care;
- 2nd December 2010 Strategic Planning and the Golden Thread; and
- 27th January 2011 The Role of Elected Members and Senior Officers; and

(c) reporting that the format for detailed consideration would vary according to the nature of the strand and its stage in development and that for communications and engagement, a powerpoint would be provided and feedback would be welcomed on whether Scrutiny Panel Members found that a helpful means of facilitating a detailed consideration of the improvement strand.

A Member of the Panel requested that, as well as the proposal to provide a powerpoint presentation on each strand, it would also be helpful to have a report circulated prior to that particular meeting on each occasion.

Decided: to approve the programme as detailed at (b) above.

(3) Communications and Engagement Improvement Strand.

The Head of Policy, Performance and Communication gave a presentation in relation to the Communications and Engagement Improvement Strand including the following areas:- news releases; wider external communication; information for Elected Members and for staff; and community engagement.

Various questions were raised by Members of the Panel in relation to:- media protocols; promoting the Council; website and forums; and the community conversations and the Head of Policy, Performance and Communication responded accordingly.

Decided: to thank the Head of Policy, Performance and Communication for her presentation and that the presentation material would be circulated to Members of the Panel for information.

WIDER SCRUTINY PANEL BUSINESS:-**5. Strategic Review of Absence.**

There was submitted a report (issued) of 26th November 2009 by the Head of HR and Organisational Development

- (1) advising of the absence statistics for the Council for the period from 1st July to 30th September 2009 based on each Directorate and which included long and short term absence, reasons for absence and pressure points, occupational health reports and monthly and quarterly comparisons as outlined within the Appendices to the report; and
- (2) informing that progress continued to be made with the strategic review of absence.

Various questions were raised by Members of the Panel in relation to:- the Kiama Trust; Children and Community absence statistics; staff morale issues; health providers; and health awareness campaigns and the Head of HR and Organisational Development responded accordingly.

Decided: to note the absence statistics as detailed within the Appendices attached to the report.

C**6. Panel Work Programme.**

There was submitted a report (issued) of 18th November 2009 by the Executive Director – Corporate Services

- (1) advising
 - (a) that this Panel had considered a report by the Chief Executive in January 2009 which outlined proposed areas of work and had agreed that further discussion/consideration should be given to the following areas:-
 - reviewing the Council's corporate planning and performance management arrangements, including the integration of budgets with Council priorities, the introduction of balanced scorecards and the embedding of the Vision priorities in Directorate service plans;
 - concluding discussions on the Council's communications strategy, community engagement strategy and project management arrangements and providing recommendations to the Leadership Panel;
 - monitoring progress in the delivery of the Single Outcome Agreement;
 - capital monitoring arrangements and what could be done to ensure that the Council's capital spend was more evenly spread over the year, linked to the provision of financial and performance information;

- absence management across all employee groups; and
 - the Panel's role as Audit Committee – there had been a number of issues raised as part of the recent training and there was CIPFA guidance which could be considered;
- (b) that the Panel had agreed that the following areas of work would be undertaken during 2009/10 by two sub-groups:
- concluding discussions around project management (including capital programme management); and
 - reviewing the role of the Audit Committee;
- (2) reporting that monthly updates on progress in relation to absence management had been presented to this Panel from April 2009 by the Head of HR and Organisational Development; and
- (3) indicating
- (a) that it was anticipated that the discussions around project management would be concluded early in 2010, allowing the sub-group to review community engagement and the communications strategy during 2010/11 and suggesting that the scope of this review would be developed in conjunction with the Head of Policy, Performance and Communication; and
- (b) that the review of the role of the Audit Committee would continue during 2010/11.

Decided: to recommend that this Panel's work programme of Scrutiny Reviews in 2010/11 focus on:-

- (i) completion of the project management review;
- (ii) completion of the review of the role of the Audit Committee; and
- (iii) review of communication / community engagement.

7. Panel Work Programme – Project Working Group - Update.

Decided: that the Project Working Group update be continued to the next meeting of the Panel.

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 agenda, 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. Item for Call-in - Proposed Grant of an Option to purchase land at Cockhill Farm, Ayr.

Reference was made to the Minutes of the Leadership Panel of 24th November 2009 (Page 648, paragraph 26) when that Panel, having considered a report (issued to members only) of 6th November 2009 by the Depute Chief Executive and Executive Director – Development and Environment, had decided to approve the grant of an Option to Purchase the lands and buildings of Cockhill Farm, Ayr in favour of John Lynch (Developments) Limited and Cala Management Limited (and/or such other companies as shall constitute the SE Ayr Consortium) on terms and conditions acceptable to the Depute Chief Executive and Executive Director - Development and Environment.

The Panel was advised that the report had been the subject of a call-in for the following reasons:-

- (a) additional information relating to the type and nature of the proposed option / contract;
- (b) additional information regarding minimum price;
- (c) clarification of paragraph 3.3 of the report in relation to the nature of the commitment intended;
- (d) clarification relating to the progress including potential future reports;
- (e) further information in relation to the Scheme of Delegation to Officers; and
- (f) additional information relating to consultation.

The Chair invited Councillor McDowall to explain his reasons for the call-in and, thereafter, the Panel heard Councillor McDowall seek clarification on the points outlined at (a) to (f) above.

Councillor Moonie similarly expressed her concerns in support of the Call-in.

A discussion took place and various questions were raised by Members of the Panel and Officers responded accordingly and the Portfolio-holder confirmed that he had been fully consulted on this matter.

Decided: following review, that the decision of the Leadership Panel in respect of this matter be confirmed and implemented.

The meeting ended at 1.25 p.m.