



COMHAIRLE NAN EILEAN SIAR

AUDIT AND SCRUTINY COMMITTEE

Minute of Meeting held in Council Chamber,
Council Offices, Stornoway on Tuesday 18 June
2024 at 11.30am.

PRESENT

Mr Angus Morrison
Mr Malcolm K MacDonald
Mr Gordon Murray
Mr Iain A MacNeil
Mr Ranald Fraser
Mr Finaly Stewart
Mr Calum Maclean

MEMBERS IN ATTENDANCE

Mr Uisdean Robertson
Mr Iain M Macleod
Mr Paul Finnegan
Mr Robert Mackenzie

OFFICERS IN ATTENDANCE

Mr Malcolm Burr
Mr Sandy Gomez
Mr Domhnall Macdonald
Ms Norma Skinner
Ms Chrissie Macaulay
Ms Charlene Macmillan
Ms Rachel Browne
Mr Murdo Mackay
Mr Tim Langley
Mr David Macleod
Ms Fiona Knape
Ms Rebecca Macleod
Ms Erica Geddes
Ms Johanna Morrison
Mr Donald A Macleod

Prayer

The Meeting was preceded in prayer by Cllr Gordon Murray

MINUTES

- Minute of Meeting of 23 April 2024 1 The Minute of Meeting of 23 April 2024 was approved.
- Declaration of Interest 2 Mr Iain A Macneil declared a non-pecuniary interest in item 13 as a member of his family received Care at Home, he remained in the meeting.
- Mr Uisdean Robertson declared a non-pecuniary interest in item 13 as a member of his family worked within Care at Home, he left the meeting.

SERVICE IMPROVEMENT

- Best Value Continuous Improvement Action Plan 3 With reference to item 4 of the Minute of Meeting of 8 February 2024, the Chief Executive submitted a Report to inform of the progress with the Continuous Improvement Action Plan and present the key findings for effective challenge and scrutiny. The Report stated that a performance review of the Continuous Improvement Action Plan (CIAP) was undertaken to highlight the work outstanding, and the action being taken by services. The Report detailed that as requested by the Audit and Scrutiny Committee in September 2022, the key findings were summarised in the Report by department and service rather than the Local Government Benchmarking Framework themes as in previous reports.

The Report indicated that the end-of-year 2023/24 performance review of the CIAP found that seven of the 12 CIAP actions presented to the Audit and Scrutiny Committee in the mid-year performance review report were complete and five new actions added. The key improvement outcomes from two external audits, seven internal audit follow-up reviews and one self-assessment would be carried forward to the 2024/25 business plan for completion. These were represented as CIAP actions in Service Business Plans (SBPs) and were included in the departmental business plan progress reports made available to the public on the Comhairle's website quarterly.

The CIAP Summary was detailed in the Appendix to the Report with a link to the audit and self-assessment reports, where available, and the name of the officer responsible for taking each action forward to completion. The Report highlighted that Elected Members had access to Interplan and could view the progress of SBPs and CIAP actions online throughout the year.

It was agreed to recommend that the Comhairle:

- (1) note the Continuous Improvement Action Plan performance review; and**
- (2) scrutinise the key findings summarised in the main body of the Report.**

PSIF Programme of
Self Assessments

4 The Chief Executive submitted a Report providing an update on the programme of self-assessments. The Report stated that the programme of self-assessments for 2022 was approved by Comhairle in December 2021. It was agreed that four self-assessments be undertaken in total, one on financial management, two on digitalisation (innovation and technologies), and one to be agreed based on emerging priorities. The Report indicated that since the programme of self-assessments was approved, the Accounts Commission's Best Value Assurance Report (BVAR): Comhairle nan Eilean Siar was published on 29 September 2022. It highlighted that "self-assessment activity needs to be more strategic".

The Report indicated that two strategic assessments were undertaken to support and evidence continuous improvement in relation to PSIF 2020 Processes and Services, and Leadership, and one cross cutting self-assessment was undertaken using the PSIF 2023 Standard Checklist across six themes: Service Planning, Staff, Partnerships and Resources, Processes and Services, Leadership and Results to identify priority areas for improvement.

The Report stated that the Corporate Strategy 2024-2027 was approved in December 2023. In January 2024, the CMT agreed to undertake a programme of service level self-assessments during 2024-2027 to take cognisance of the Strategy and to identify operational improvements. It was highlighted that the outcome of the five self-assessments undertaken in 2022 and 2023 were presented to CMT for approval and the areas for improvement were summarised in the main body of the report.

It was agreed to recommend that the Comhairle note the progress of the programme of self-assessments.

GOVERNANCE

- Complaints Annual Report
- 5 With reference to item 7 of the Minute of Meeting of 15 June 2023, the Chief Executive submitted a Report to inform of the publication of the Complaints Annual Report for 2023/24. The Report stated that the Comhairle was required by the Scottish Public Services Ombudsman (SPSO) to complete and publish an annual report on complaints handling and performance.
- The Report indicated that a total of 47 complaints were closed in 2023/24: 28 at Stage 1 and 19 at Stage 2. The Comhairle's performance in 2023/24, for closing stage 1 complaints within five working days had improved on last year's performance to 89%. Closure of stage 2 complaints within the allotted 20 working days had however decreased to 31.5%. It was highlighted tha the Comhairle would aim to reissue briefings regarding the need to meet the required working day response timescales when managing complaints, highlighting the importance of seeking and recording of formal authorisation to extend the timescales when necessary.
- It was agreed to recommend tha the Comhairle note the Complaints Annual Report 2023/24 and its pending publication.**
- Local Code of Corporate Governance
- 6 With reference to item 5 of the Minute of Meeting of 15 June 2023, the Chief Executive submitted a Report providing an update on implementation of the Local Code of Corporate Governance Action Plan and sought approval of the Code of Corporate Governance and Action Plan 2024-25.
- The Report stated that there was a legal requirement for the Comhairle to put in place proper arrangements (known as the Governance Framework) for the governance of the Comhairle's affairs and to facilitate the exercise of its functions. This included setting the strategic direction, vision, culture and values of the Comhairle; the effective operation of corporate systems, processes and internal controls; engaging with and leading the community; monitoring where strategic objectives have been achieved and services delivered cost effectively; and ensuring that appropriate arrangements are in place for the management of risk and that the Comhairle complies with the statement on the role of the Chief Financial Officer in Local Government.
- A progress narrative on the Action Plan 2023-24 had been attached at Appendix 2. The action plan for 2024-25 retained the themes of Service Redesign, Communication and the CPP. All the actions developed related to the Best Value Assurance Review undertaken in 2022. The actions detailed were under Dimension 1 – Community Focus, Dimension 2 - Service Delivery Arrangements and Dimension 6 – Engaging with Local People and Community Stakeholders.
- It was agreed to recommend that the Comhairle approve the draft Local Code of Corporate Governance 2023-24 and Action Plan 2024-25 at Appendices 1 and 3 to the Report.**
- Annual Governance Statement 2023/24
- 7 With reference to item 4 of the Minute of Meeting of 15 June 2023, the Chief Executive submitted a Report seeking approval of the Comhairle's proposed Annual Governance Statement for 2023-24 for inclusion in the Comhairle's unaudited accounts.
- The Report stated that the Comhairle was responsible for and fully committed to ensuring that its business was conducted in accordance with the law and proper standards, and that public money was safeguarded and properly accounted for. The Comhairle also had a duty of best value under the Local Government in Scotland Act 2003 to make arrangements to secure continuous improvement in performance while maintaining an appropriate balance between quality and cost; and in making those

arrangements and arranging to secure that balance to have regard to economy, efficiency, effectiveness, equal opportunities and future sustainability.

The Report indicated that in discharging this overall responsibility, Elected Members and Senior Officers were responsible for putting in place proper arrangements for the governance of the Comhairle's affairs and to facilitate the effective exercise of its functions. A draft Annual Governance Statement was appended to the Report.

It was agreed to recommend that the Comhairle approve the draft Annual Governance Statement appended to the Report for inclusion in the Comhairle's unaudited accounts for submission to Audit Scotland.

RISK MANAGEMENT

Business Continuity Plan

8 With reference to item 9 of the Minute of Meeting of 15 June 2023, the Chief Executive submitted a Report which sought approval for the Corporate Business Continuity Plan, which was appended to the Report and was approved at Corporate Management Team on 21 May 2024. An update would be provided to the Committee annually.

It was agreed to recommend that the Comhairle approve the Corporate Business Continuity Plan held at Appendix 1.

INTERNAL AUDIT MATTERS

Internal Audit Key Annual Report and Assurance 2024-25

9 With reference to item 12 of the Minute of Meeting of 15 June 2023, the Chief Executive submitted a Report stating that it was a requirement of the Public Sector Internal Audit Standards (PSIAS) that the Chief Internal Auditor prepare a Report in relation to the activities of Internal Audit and that the Report should contain a view on the adequacy of the Comhairle's governance, risk management and internal control frameworks.

The Internal Audit Annual Report was attached at Appendix 1 to the Report and provided information on the work carried out during the period of the 2023/24 audit plan. The plan covered a 12-month period from 1 April 2023 – 31 March 2024.

It was agreed to recommend that the Audit and Scrutiny Committee note the content of the Annual Report and the opinion of the Chief Internal Auditor on the Council's governance, risk management and internal control environment at Appendix 1.

Internal Audit Progress Report

10 With reference to item 6 of the Minute of Meeting of 23 April 2024, the Chief Executive submitted a Report which summarised the internal audit activity within Comhairle nan Eilean Siar for the period covering 1 April 2024 to 27 May 2024. The activity had been based on the approved Strategic Audit Plan for the three years to 31 March 2026 and the approved Operational Internal Audit Plan for 2024/25.

The Report noted that there were four outstanding reviews relating to 2023/24 operational plan and it was hoped that these would be reinstated during 2024/25 where resources allowed:

- Treasury Management
- Purchasing and Accounts Payable
- Lochmaddy Pier Development
- Social Work Information System – Eclipse

The Report indicated that work included in the approved annual plan for 2024/25 and which was currently in progress included:

- Waste Disposal and Refuse Collection (including Landfill Tax)
- Social Work Services (Commissioning and Partnership Services)
- ASN Compliance with Children (Scotland) Act and GIRFEC

It was highlighted that there were currently no active investigations, however, ongoing work was being gathered of the effects and response to the cyber incident with a view to Report to the Committee in 2024/25.

It was agreed to recommend that the Comhairle note the Report.

INTERNAL AUDIT – FOLLOW-UP REVIEWS

Management of Sickness Absence 11 The Chief Internal Auditor submitted a Report to update the Committee on recommendations made in the Management of Sickness Absence Report. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2023/24. In accordance with the remit detailed in the operational annual internal audit plan for 2022/23, the internal audit work was designed to obtain assurance that the original recommendations had been implemented. Assurance was obtained through internal audit testing and undertaking discussions with key personnel.

The Report noted that out of the 9 follow up recommendations made in the original report, 1 appeared to have been fully implemented, and management had confirmed that the remaining recommendations were ongoing. The Report indicated that it should be noted that the service was affected by the cyber-attack in November 2023, and the focus had been to resume normal practice as a priority.

It was agreed to recommend that the Comhairle note the Report.

INTERNAL AUDIT – COMPLETED REVIEWS

Outer Hebrides Community Led Local Development 12 The Chief Internal Auditor submitted a Report which provided an overview of the Comhairle's arrangements for the operation and management of the Outer Hebrides Community Led Local Development (OH CLLD). The Report provided detailed information in relation to the scope of the audit. The findings, recommendations and action plan were detailed at Section 3 of the Report.

The Report provided background information in relation to Outer Hebrides Community Led Local Development. The Report stated that CLLD gives local communities the power to tackle their own local challenges by building knowledge and skills, supporting new ideas and encouraging cooperation and helping to create viable and resilient communities.

The Report indicated that based on the audit work carried out the overall opinion was that a substantial level of assurance could be placed upon the control environment of the service/area under review. A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

It was agreed to recommend that the Comhairle note the Report.

Care at Home 2023-2024 13 The Chief Internal Auditor submitted a Report which provided an overview of the Comhairle's arrangements for the operation and management of Care at Home 2023-2024. The Report provided detailed information in relation to the scope of the audit. The findings, recommendations and action plan were detailed at Section 3 of the Report.

The Report provided background information in relation to the Care at Home Service. The Report stated that Care at Home was the preferred option for most people who have limited mobility and/or frailty to receive the right support to remain at home. The Western Isles have the challenges of an ageing population and reduced availability of public funding as well as a huge shortfall in the staff availability.

The Report indicated that based on the audit work carried out the overall opinion was that a reasonable level of assurance could be placed upon the control environment of the service/area under review. A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

It was agreed to recommend that the Comhairle note the Report.

Marine Fuel 14 The Chief Internal Auditor submitted a Report which provided an overview of the Comhairle's arrangements for the operation and management of Marine Fuel. The Report provided detailed information in relation to the scope of the audit. The findings, recommendations and action plan were detailed at Section 3 of the Report.

The Report provided background information in relation to Marine Fuel. The Report stated that the Comhairle provides marine fuel facilities across fourteen key piers in the Western Isles. The FUELlink fuel management system in place is operated by a unique key fob issued to each user which controls the fuel disbursement and produces the data required to invoice accurately. The feature of the system purposefully reduces the hours and administration associated with controlling fuel at piers.

The Report indicated that based on the audit work carried out the overall opinion was that a substantial level of assurance could be placed upon the control environment of the service/area under review. A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

It was agreed to recommend that the Comhairle note the Report.

TRAINING AND DEVELOPMENT

Internal Training Annual Report 2023-2024 15 With reference to item 10 of the Minute of Meeting of 15 June 2023, the Chief Executive submitted a Report providing an update on the work of the Internal Training Team in 2023/24. The Annual Report aimed to provide an overview of the training being undertaken, the participation level and the satisfaction levels with the training.

The Report highlighted that in 2023/24 the Training Team delivered 228 training courses to 1091 members of staff and spent 1102 hours training. Training was delivered across all the Islands with the Training Officers travelling to deliver face-to-face training on a regular basis. Through the online training platform, LearnPro, 4,024 training courses were completed by 747 unique participants.

It was agreed to recommend that the Comhairle note the Internal Training Annual Report 2023/24.

PERFORMANCE MONITORING

Reports Outstanding 16 The Chief Executive submitted a Report detailing the Reports Outstanding arising from decisions of the Committee.

It was agreed to recommend that the Comhairle note the Report.