

The Highland Council

Audit and Scrutiny Committee – 27th March 2014

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| Agenda Item | 6 |
| Report No | AS/4/14 |

Audit Scotland National and other Reports

Report by Head of Internal Audit & Risk Management

Summary

This report provides details of the most recent National and other Reports issued by Audit Scotland and the action taken within the Council to address the report findings.

1. Background

1.1 All National Reports issued by Audit Scotland are reported to the relevant strategic committee who should consider what action should be taken to address the report findings. Thereafter this is reported to the Audit and Scrutiny Committee who should satisfy themselves that the appropriate action is being taken by the strategic committee. In addition it should be noted that progress in addressing the National Reports by individual councils is monitored by Audit Scotland.

2. Reports Issued

2.1 In addition to the two recent National reports, a Risk Assessment report was also received from Audit Scotland. The first two reports listed below were considered by the Finance, Housing and Resources Committee on 23/11/13 and the third one on 26/02/14:

- National Report - Charging for services: are you getting it right?
- Audit report - Housing Benefit Risk Assessment
- National Report - Scotland's public sector workforce.

The Committee minutes are provided in Section 3 below, and these contain links to the agenda report and the respective reports.

3. Minutes of Meetings

3.1 Charging for services: are you getting it right?

There was circulated Report No. [FHR-155-13 \(951kb pdf\)](#) by the Director of Finance advising that The Accounts Commission had recently issued a national report "Charging for services: are you getting it right?" A copy of the report had been enclosed for consideration, along with arrangements to take forward detailed consideration of the report recommendations.

The Accounts Commission report considered arrangements within Scottish Local Government for charging for services, and set out some findings and best practice recommendations. Highland Council's position in terms of developing its own corporate approach to charging for services was highlighted in the report. Members welcomed the report which would be useful when determining

its charging policies.

Of particular note was a significant variation in charges for Services provided by Councils across Scotland. It was therefore recommended that the income generation project within the Corporate Improvement Programme be tasked with determining where Highland Council was positioned in its charges for services compared to other Councils, as there might be additional opportunities for income and to assist in understanding the cost of delivering these services.

Responding to a point raised, it was explained that the Council had approved a general charging policy which allowed for an annual increase of charges in line with the Retail Price Index and any recommendation to increase charges above this rate would be submitted to the relevant strategic committee for approval. Although it was acknowledged that there might be instances when decisions on charging had been delegated to officers, it was highlighted that the decision to delegate was still made by Members. The Income Generation Project Board would look at what services the Council was currently charging for, including those charges which had been delegated to officers, and this information would be submitted to a future meeting of the Committee.

In terms of raising income through advertising on roundabouts, it was felt that some opportunities had been missed and that the process for attracting income from potential sponsors should be reviewed. An undertaking was given that the Corporate Improvement Programme team would review the process of offering advertising on roundabouts.

The Committee:-

- i. **NOTED** the Accounts Commission report set out on the annex to the report;
- ii. **AGREED** that, following detailed consideration of the Accounts Commission report, the Corporate Improvement Programme Income Generation Project Board be tasked with reporting back to Committee any improvements which emerge and that a list of all charges, including any which had been delegated to officers, be incorporated into the report; and
- iii. **AGREED** that the process of obtaining advertising on roundabouts be reviewed to ensure that opportunities were not being missed and income generation was being maximised.

3.2 Housing Benefit Risk Assessment.

There was circulated Report No. [FHR-156-13 \(390kb pdf\)](#) by the Director of Finance which referred to a letter from the Assistant Auditor General, together with attached Risk Assessment Report dated October 2013 setting out the findings from a recent Audit Scotland follow up risk assessment.

It recorded continuous improvement in most areas of performance since the last visit in August 2010 and noted that the Council was in a strong position to effectively deal with the challenges related to the introduction of Universal Credit.

Members expressed their appreciation to officers for the continuous improvements in Housing benefit performance which was particularly commendable given the challenges being faced with the introduction of Universal Credit.

The Committee **NOTED** the Audit Scotland findings and that satisfactory progress

had been made in Highland, which would position the Council well to deal with the first introduction of Universal Credit in Scotland.

3.3 Scotland's public sector workforce.

There was circulated Report No. [FHR-46-14 \(41kb pdf\)](#) dated 9 February 2014 by the Depute Chief Executive which proposed actions relating to workforce planning in response to an Audit Scotland report.

In introducing the report, it was explained that workforce planning was the process organisations used to ensure they had the right people with the right skills in the right place at the right time. It was proposed that a consistent approach to workforce planning be implemented across all Council Services. Plans at Council, Service and Section level should be integrated and presented in a consistent format. Workforce plans should forecast expected staff numbers, skill shortages and costs as well as supporting effective succession planning. Workforce plans should be prepared by Services as part of the long term budget planning process, to help support budget decisions and service planning, and should be carried out in partnership with the trade unions, and scrutinised by Members. It was proposed that the Head of People and Performance should develop guidance, toolkits and template reports to facilitate effective workforce planning. A number of other supporting actions were proposed, including provision of training and other support for managers, deploying HR Service Business Partners to work with each Service to assist with analysis of workforce data and to identify scenarios, and to agree Service Learning Plans to identify and meet development and skills shortage requirements as a result of the workforce analysis.

In response to a question, it was confirmed that, with regard to redeployment and vacancy management, a process was already in place to ensure that precedent would be given to any employee on the redeployment register.

Responding to a point raised, an assurance was provided that planning at a community level would be incorporated within the Service Learning Plans. In response to comment from the Chairman, the Depute Chief Executive advised that the Community Planning Partnership Chief Officers Group had undertaken initial discussions in respect of developing proposals with the key aim of collaboration of public sector partners to develop a workforce for Highland communities through more effective joint working on recruitment, learning, development and attracting people to the Highlands to fill skills gaps. The Chairman welcomed this and asked that a report on the progress of these proposals to the Community Planning Partnership be submitted to a future meeting of the Committee.

The Committee **AGREED**:-

- I. the consistent approach to workforce planning outlined in sections 3 and 4 of the report; and
- II. that a report be submitted to a future meeting of the Committee on the progress being made by the Community Planning Partnership in respect of working in partnership to develop a workforce for Highland communities through more effective joint working on recruitment, learning, development and attracting people to the Highlands to fill skills gaps.

4. Implications

- 4.1 There are no resource, legal, equalities, climate change/Carbon Clever or risk implications arising from this report. The resulting workforce management plans referred to at 3.3 above will be the subject of equality screening and impact assessments.

Recommendation

Members are invited to consider the action being taken by the Finance, Housing and Resources Committee and whether this provides sufficient assurance that appropriate action has been taken to address the respective report's findings.

Designation: Head of Internal Audit & Risk Management

Date: 7th March 2014

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Background Papers: