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Argyll and Bute Council Comhairle Earra-Ghàidheal Agus Bhòid

Customer Services
Executive Director: Douglas Hendry



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11 March 2016

NOTICE OF MEETING

A Special Meeting of the **PERFORMANCE REVIEW AND SCRUTINY COMMITTEE** will be held in the **COUNCIL CHAMBERS, KILMORY, LOCHGILPHEAD** on **FRIDAY, 18 MARCH 2016** at **9:30 AM**, which you are requested to attend.

Douglas Hendry
Executive Director of Customer Services

BUSINESS

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF INTEREST**
- 3. OUTLINE SCRUTINY SCHEDULE** (Pages 1 - 8)
Report by Chief Internal Auditor.

Performance Review and Scrutiny Committee

Ian M M Ross (Chair)	Councillor Sandy Taylor (Vice-Chair)
Councillor Gordon Blair	Councillor Anne Horn
Councillor Iain MacDonald	Councillor John McAlpine
Councillor Robert E Macintyre	Councillor Donald MacMillan
James Hymas	Grant Manders

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ARGYLL AND BUTE COUNCIL**PERFORMANCE REVIEW AND SCRUTINY
COMMITTEE****STRATEGIC FINANCE****18 MARCH 2016**

OUTLINE SCRUTINY SCHEDULE

1. SUMMARY

- 1.1 This report updates members on the progress on the consideration of topics for Scrutiny review and the development of a Scrutiny Timetable.
- 1.2 An informal meeting of the PRS Committee was held on the 25th February where members were invited to provide topics or themes for consideration for Scrutiny review.
- 1.3 Members were also given a briefing paper on the Employability Service which provided some background commentary and information in relation to Financial Management and Governance arrangements.
- 1.4 A number of areas were discussed including Employability, Health and Social Care Integration, TIF (Tax Incremental Financing) and CHORD.
- 1.5 This report recommends that Members agree Employability is selected for Scrutiny review and outlines a suggested approach as per the Committee handbook.

2. RECOMMENDATIONS

- 2.1 The Performance Review and Scrutiny Committee is asked to agree:-
 - (1) the initial Scrutiny Timetable attached as Appendix 1;
 - (2) that the first scrutiny review will be of the Employability Service, and
 - (3) the approach and remit for the review of the Employability Service as outlined in the Terms of Reference Schedule attached as Appendix 2.

3. DETAIL**3.1 Employability Service**

The Committee had considered a briefing note provided by the Chief Internal Auditor which gave an outline of the work of the Employability Team and also gave information on the financial model for the service. The Committee were of the view that they would like to undertake scrutiny on the Employability Service, to include looking at the contractual elements of the service, the governance arrangements and the financial reporting which had been undertaken. This was to be the Committee's first exercise in scrutiny of a service which would follow the guidelines as set out in the Scrutiny Handbook.

3.2 CHORD

The Committee discussed the inclusion of the CHORD project as a possible item for scrutiny. The Chief Internal Auditor advised that an audit had recently been undertaken by the Internal Audit service on the CHORD project, and that a response was now awaited from the Council's External Auditors on the findings from that report. It was noted that there was an action plan in place. The Committee asked that they be given sight of the Internal Audit report in the first instance and that this should be added to the Scrutiny timetable, but no further action would be taken until the response had been received from the External Auditors.

3.3 TIF

The Committee discussed the inclusion of the TIF project as a possible item for scrutiny. The Chief Internal Auditor advised that an Internal Audit of the TIF project is scheduled to take place as part of the Internal Audit Plan which will be approved by the Audit Committee shortly. Thereafter, the findings from the Internal Audit will be reported to the Audit Committee. The Committee asked that the TIF project be added to the Scrutiny Timetable, but no further action would be taken until the work of the Audit Committee had been completed, and at that point it would be reviewed.

3.4 Integrated Health Care

The Committee discussed the inclusion of Integrated Health Care as a possible item for scrutiny. It was noted that there would be a report to the PRS Committee in May from the Chief Officer of the Integrated Joint Board (IJB), and this would outline the proposals for reporting of performance by the IJB. It was also noted that the Integrated Partnership had recently been inspected by the Care Inspectorate, and it was agreed that the report from the Chief Officer should also include reference to the terms of this inspection report. The Committee asked that Integrated Health Care should be added to the Scrutiny Timetable as a possible item for the future, but they would await the outcome of the formal reports to the Committee before proceeding further.

3.5 The suggested process to undertaking a scrutiny review is contained within the Performance Review and Scrutiny Handbook.

3.6 Terms of reference for the Employability review have been prepared and are outlined in Appendix 2.

3.7 The selection process includes a background paper being made available to members of the Committee and this has been provided in the form of a briefing paper. The paper identified two main areas for possible Scrutiny review, being Financial Management arrangements and Governance arrangements.

3.8 It is proposed that a workshop session be held where officers are invited to attend who have particular responsibility for, and knowledge or expertise relevant to the Employability service. Officers from Strategic Finance service should also be invited to attend.

3.9 The workshop will begin with a session led by the Service(s) which identifies the current situation relating to the topic under discussion. This session is intended to

allow participants in the review to increase their awareness of the current status of the issue under review in addition to providing a service perspective.

- 3.10 A series of questions will be prepared and issued to officers in advance of the workshop. The questions to be asked will allow members to explore the issues which prompted the review in the first place. This is intended to allow officers to come prepared and seek out any information that they may need in advance. Where possible Officers may wish to send an initial written response before the workshop takes place.
- 3.11 The workshop should be informal and conducted in an open and friendly manner. Officers who support the Committee will be present. Key questions will be discussed. Notes will be taken of the discussion at the meetings.
- 3.12 After the workshop session, the Committee will draw its conclusions and any recommendations and a formal report will be prepared by the Scrutiny Officer which outlines key themes or issues which have been highlighted. The draft review report or briefing is then considered by Committee, again meeting informally or via electronic review, on as many occasions as required until all are satisfied that the report accurately reflects the conclusions of the review.
- 3.13 After the review report has been agreed. The Scrutiny Officer will present the report to the formal meeting of the PRS Committee. If the Head of Service /SMT wish to comment on the report then that will appear as section b of the item before the Committee and the Committee shall hear from the relevant officer prior to concluding their deliberations.

4. CONCLUSION

- 4.1 This report provides an outline of the proposed timetable for scrutiny, identifies topics for future scrutiny and asks the Committee to agree to proceed with their first review topic – the Employability Service.

5. IMPLICATIONS

- 5.1 Policy –None.
- 5.2 Financial – None
- 5.3 Personnel – None
- 5.4 Equal Opportunities – None
- 5.5 Legal – None.
- 5.6 Risk – None
- 5.7 Customer Service – None.

Kevin Anderson
Chief Internal Auditor

March 2016

Appendices

Appendix 1 - Draft Scrutiny Timetable

Appendix 2 - Terms of Reference - Employability Service

Scrutiny Topic	Detail	Timescale
Employability Service	The Committee were of the view that they would like to undertake scrutiny on the Employability Service, to include looking at the contractual elements of the service, the governance arrangements and the financial reporting which had been undertaken. This was to be the Committee's first exercise in scrutiny of a service which would follow the guidelines as set out in the Scrutiny Handbook.	Review to be undertaken beginning March 2016 with report to PRS Committee May 16.
CHORD	The Committee discussed the inclusion of the CHORD project as a possible item for scrutiny. The Chief Internal Auditor advised that an audit had recently been undertaken by the Internal Audit service on the CHORD project, and that a response was now awaited from the Council's External Auditors on the findings from that report. It was noted that there was an action plan in place. The Committee asked that they be given sight of the Internal Audit report in the first instance.	To be put on hold until information is received from External Auditor's.

Scrutiny Topic	Detail	Timescale
TIF	The Committee discussed the inclusion of the TIF project as a possible item for scrutiny. The Chief Internal Auditor advised that an Internal Audit of the TIF project is scheduled to take place as part of the Internal Audit Plan which will be approved by the Audit Committee shortly.	To be put on hold until Internal Audit has reported to Audit Committee and will be reviewed thereafter.
Integrated Health and Social Care	The Committee discussed the inclusion of Integrated Health Care as a possible item for scrutiny. It was noted that there would be a report to the PRS Committee in May from the Chief Officer of the Integrated Joint Board (IJB), and this would outline the proposals for reporting of performance by the IJB. It was also noted that the Integrated Partnership had recently been inspected by the Care Inspectorate, and it was agreed that the report from the Chief Officer should also include reference to the terms of this inspection report.	Report to PRS Committee in May from Chief Officer of H&SCP. Await the outcome of the formal reports to the Committee before proceeding further.

Performance Review and Scrutiny Committee – Scrutiny Brief	
Employability Service	SCRUTINY REVIEW NO. 1.
Purpose and objectives of review	
1) To examine the financial management of Employability Service including governance and reporting arrangements, 2) To make recommendations for improvements	
1.1 Review methodology	
Background documents/evidence/research	Background Paper from Service Workshop Questioning Session with relevant officers Preparation of Report – Conclusions and Recommendation
Witnesses to be invited to provide evidence	Head of Service - Economic Development Economic Development Manager Head of Strategic Finance Finance Manager –Accounting and Budgeting
Site Visits	N/a
Consultation process	n/a
Trade Unions Contribution	N/a
Project Team (Officers)	SCRUTINY OFFICER COMMITTEE MANAGER SERVICE LEAD
Committee	Full Committee
Additional Costs	Workshop / Travel and Subsistence
Review Timetable	April / May Workshop to be held Mid April – Draft Report – Late April Final Report – May PRS Committee Meeting
Agreed by Committee	

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