

Argyll & Bute Council - Internal Audit Report

August 2018

Final

Member Services

Audit Opinion: Substantial

	High	Medium	Low
Number of Findings	0	1	0

Contents

1. Executive Summary	3
Introduction	3
Background	3
Scope	3
Audit Opinion	3
Key Findings	3
Objectives and Summary Assessment	4
2. Detailed Findings	5
Appendix 1 – Action Plan	8

Contact Details

Internal Auditor: **David Sullivan**
 Telephone: **01546 604125**
 e-mail: **david.sullivan@argyll-bute.gov.uk**

1. Executive Summary

Introduction

1. As part of the 2018/19 internal audit plan, approved by the Audit & Scrutiny Committee in March 2018, we have undertaken an audit of Argyll & Bute Council's (the Council) system of internal control and governance in relation to Member Services.
2. The audit was conducted in accordance with the Public Sector Internal Audit Standards (PSIAS) with our conclusions based on discussions with council officers and the information available at the time the fieldwork was performed.
3. The contents of this report have been agreed with the appropriate council officers to confirm factual accuracy and we would like to record our appreciation for the cooperation and assistance we received from all officers over the course of the audit.

Background

4. The Leadership Support and Members Services Team are responsible for providing a wide range of administrative and advisory services to support elected members in their day-to-day role including provision of training through a programme of seminars and continuous professional development. It is also responsible for the administration and oversight of the case management system (Casebook) to support elected members in managing their constituency casework. A higher level strategically focused service is provided to the Administration/Policy Leads. This includes responsibility for civic matters on behalf of the Provost in relation to protocols, funding requests and civic events.

Scope

5. The scope of the audit was to ensure that members receive sufficient support from the Council to allow them to carry out their role effectively.

Audit Opinion

6. We provide an overall audit opinion for all the audits we conduct. This is based on our judgement on the level of assurance which we can take over the established internal controls, governance and management of risk as evidenced by our audit work. Full details of the five possible categories of audit opinion are provided in Appendix 2 to this report.
7. Our overall audit opinion for this audit is that we can take a **substantial** level of assurance. This means that internal control, governance and the management of risk is sound. However, there are minor areas of weakness which put some system objectives at risk and specific elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.

Key Findings

8. We have one medium priority recommendation where we believe there is scope to strengthen the control and governance environment. This is summarised below:
 - in the event that the 2018 elected member survey does not highlight a material improvement in member satisfaction with Casebook consideration should be given to

engaging further with members to ascertain the root cause of their concerns to help identify the most appropriate improvement action.

9. Full details of the audit findings, recommendations and management responses can be found in Section 3 of this report and in the action plan at Appendix 1.

Objectives and Summary Assessment

10. Exhibit 1 sets out the control objectives identified during the planning phase of the audit and our assessment against each objective.

Exhibit 1 – Summary Assessment of Control Objectives

	Control Objective	Assessment	Summary Conclusion
1	Appropriate training and development is provided to enable members to carry out their roles effectively	High	There is a comprehensive induction programme made available to all new and returning members and a voluntary member's continuous professional development programme. A programme of seminars, based on feedback from members is also made available with the programme published on the HUB. Members are consulted via a range of mechanisms to ensure that their training requirements are met.
2	The case management system is used efficiently and effectively	Substantial	Training on Casebook is included in the member's induction programme with guidance notes available on the HUB. Guidance notes are also available for support staff. All members have access to Casebook and a Casebook controller has been assigned to all relevant services. Members are notified on a monthly basis of all outstanding cases and they are also reported to the Customer Services Departmental Management Team (DMT) on a monthly basis. There is currently a back log of Development & Infrastructure (D&I) issues in Casebook however we recognise that D&I are in the process of recruiting two additional officers whose roles will include providing additional support to elected members.
3	Member support is appropriate, effective and appropriately monitored	Substantial	Members Services conduct an annual members survey to assess satisfaction with the support provided. The last survey, carried out in 2016 (2017 was not carried out due to elections), reported overall satisfaction of 90%. However in 2015 members satisfaction with Casebook was 43% rising very slightly to 47% in 2016. Early indications from an ongoing elected member survey is that there is still a level of dissatisfaction amongst elected members in relation to how timeously services respond to member queries. In the event that the 2018 member survey does not highlight a significant improvement in Casebook satisfaction action should be taken to identify and resolve the cause of the dissatisfaction.

11. Further details of our conclusions against each control objective can be found in Section 3 of this report.

2. Detailed Findings

Appropriate training and development is provided to enable members to carry out their roles effectively

12. All members, new and returning, are offered the opportunity to participate in an induction programme. A review of the programme found it to be comprehensive covering pertinent areas such as roles and responsibilities, the support that elected members can expect to receive and introductions to key council services. All members are invited via e-mail and sent an overview of the programme as well as links to the presentations given. In addition members are supplied with a series of handbooks which cover the following areas:
- the first few weeks in office
 - roles and responsibilities of members at both ward and Council level
 - standards, ethics and information handling
 - corporate governance and the governance of Scotland
 - policy and legislation information.
13. The Council has adopted the continuous development framework (CPD) for elected members in Scottish Local Government. The Framework has been developed in conjunction with elected members and councils across Scotland and includes a wide range of political skills and behaviours for elected members to consider including in a personal development plan. Engagement in the framework is voluntary. It covers areas such as:
- how to deal with ward issues and to represent constituent needs effectively
 - political awareness and understanding within the Council
 - effective communication
 - analysis and problem solving
 - negotiation and Lobbying
 - effective working with others.
14. Members Services consult with members on their training needs via a range of mechanisms including a member's reflection log, one to one meetings, evaluation forms handed out after each member training session and through requests from members for specific training to meet their individual requirements.
15. Members Services has a seminar training programme based on feedback from members. It is available on the member's HUB and includes all training material relevant to each course.
16. Elected member attendance at training sessions is monitored by Members Services and a consolidated attendance is prepared for all seminar sessions in each financial year.

The case management system is used efficiently and effectively

17. Casebook guidance notes for elected members are available on the member's section of the HUB with separate guidance available for the member support team. The guidance is periodically reviewed with the last review having taken place in June 2016.

18. Casebook training is covered in the member induction programme and members services also e-mail elected members periodically offering casebook training via one to one sessions.
19. All members have access to Casebook and, as at 30 June 2018, 20 of the 36 members had 339 'live' cases open in the system. There are case controllers for all appropriate council services who are responsible for ensuring that member queries are acted upon. A list of all casebook controllers is available from Members Services and is updated on a regular basis.
20. Casebook incorporates pre-determined response times for member queries depending on their allocated priority. These are:
 - High - 1 working day
 - Medium – 3 working days
 - Low – 5 working days.
21. Members Services review all open cases on a monthly basis and follow up overdue cases with the relevant service. A monthly report is prepared for the Customer Services DMT which summarises the number of open cases for each council service. The June 2018 report highlighted 500 open cases of which 426 (85%) were assigned to D&I. The high percentage sitting with D&I is predominantly because the majority of cases in Casebook are assigned to D&I as it includes the council services most likely to receive constituent queries (i.e. roads, street cleaning, lighting etc.). Services are responsible for ensuring that adequate resource are made available to address issues raised in Casebook in a reasonable timescale. D&I currently have one dedicated case controller but are in the process of recruiting two additional officers whose roles will include providing additional support to elected members. As action is already being taken to help alleviate this issue no audit action point has been raised.
22. Members Services have recently undertaken a review of all open cases and written to members seeking their agreement to close cases. In the event of a nil response cases will be closed after four weeks. Members retain the ability to retrieve closed cases. The June 2018 report to the Customer Services DMT noted that the reason for carrying out the review was due to there being a large number of cases remaining open that should be closed and consequently was distorting Casebook performance reporting.
23. Since June 2018 members have been contacted on a monthly basis to advise them which cases will be closed under the four week rule and that, if no response is received, they will be closed.
24. Members Services regularly consult with the Casebook controllers concerning open cases.

Member support is appropriate, effective and appropriately monitored

25. Member Services conduct an annual member survey to assess their satisfaction with the support provided. The last survey, carried out in 2016 (2017 was not carried out due to elections), reported overall satisfaction of 90% (85% in 2014 and 90% in 2015), based on responses received from 21 of the 36 members. The results of the 2016 survey, including comparison with the 2014 and 2015 surveys were presented to SMT in March 2017. The 2018 survey is scheduled for September 2018 with the results being made available by November 2018.
26. Whilst this is a very positive overall score, the 2015 survey highlights that member satisfaction with Casebook was only 43% with a slight increase to 47% reported in the 2016 survey. Internal Audit are currently conducting an elected member survey as part of an ongoing organisational culture audit and, whilst it is not complete yet, early indications are that members continue to

have concerns about the time taken by services to respond to member queries. The June 2018 Customer Services DMT report (refer to paragraph 21), confirmed that *'feedback has indicated that although the system provides members with an effective tool to manage their caseload, the timeliness and quality of responses being provided by the services is not currently meeting expectations and as such is having a negative impact on Member satisfaction with the system'*. The paper also confirms that a series of improvement actions have been identified, in particular with reference to how Members Support will work with Roads and Amenity Services to address the issue of poor response times and lack of consistency in responses provided.

27. The SMT report in March 2017 (refer to paragraph 25) included reference to a number of areas, including Casebook, where members would like extra support. At that time no overarching plan was prepared to support the resolution of these issues as a number of members were due to stand down with a new Council elected in May 2017 and also because of the resource challenges associated with the introduction of service choices. However it is recognised that a range of actions were introduced including member feedback being incorporated into the member induction program, the member handbook and an improved member's page on the website.
28. Due to the 2018 member survey being scheduled for September 2018 which is after the completion of this audit, we are unable to determine whether there has been a material improvement in member satisfaction with Casebook however, as per paragraph 26, concerns clearly still exist. In the event that the 2018 survey does not highlight a material improvement in member satisfaction, and falls short of the 70% target set in the Governance and Law service plan, consideration should be given to engaging further with members to ascertain the root cause of their concerns to ensure that the current improvement actions are properly focused on the areas requiring improvement and determine whether any further action is required.

Action Plan 1

29. Key performance indicators based on the member survey results are recorded in Pyramid though no current data is available due to the 2018 member survey being scheduled for September 2018.

Appendix 1 – Action Plan

	No.	Finding	Risk	Agreed Action	Responsibility / Due Date
Medium	1	<p>Member Casebook Satisfaction</p> <p>The 2015 and 2016 member surveys conducted by Member Services highlighted members satisfaction with Casebook was 43% and 47% respectively. Internal Audit’s ongoing elected member survey, and a paper taken to the Customer Services DMT in June 2018, confirm that member satisfaction with officer responses to member queries continue to be an issue.</p> <p>The 2018 member survey is being conducted in September 2018 with results available in November 2018. In the event that the 2018 survey does not highlight a material improvement in member satisfaction consideration should be given to engaging further with members to ascertain the root cause of their concerns to help identify the most appropriate improvement actions.</p>	<p>Failure to address member’s concerns about the timeliness and quality of officer responses to member queries may result in a deterioration of officer member relationships.</p>	<p>Governance and Law are aware that members are currently dissatisfied with the quality and response times for many Casebook inquiries from specific departments. An improvement programme is currently being led by EDI however in the event the next survey does not highlight an improvement in member satisfaction then Governance and Law will confirm this position and refer the matter to SMT for further consideration of the concerns and appropriate improvement actions</p>	<p>Patricia O’Neill 30 December 2018</p>

In order to assist management in using our reports a system of grading audit findings has been adopted to allow the significance of findings to be ascertained. The definitions of each classification are as follows:

Grading	Definition
High	A major observation on high level controls and other important internal controls or a significant matter relating to the critical success of the objectives of the system. The weakness may therefore give rise to loss or error.
Medium	Observations on less significant internal controls and/or improvements to the efficiency and effectiveness of controls which will assist in meeting the objectives of the system. The weakness is not necessarily substantial however the risk of error would be significantly reduced if corrective action was taken.
Low	Minor recommendations to improve the efficiency and effectiveness of controls or an isolated issue subsequently corrected. The weakness does not appear to significantly affect the ability of the system to meet its objectives.

Appendix 2 – Audit Opinion

Level of Assurance	Definition
High	Internal control, governance and the management of risk are at a high standard. Only marginal elements of residual risk have been identified with these either being accepted or dealt with. A sound system of control designed to achieve the system objectives is in place and being applied consistently.
Substantial	Internal control, governance and the management of risk is sound. However, there are minor areas of weakness which put some system objectives at risk and specific elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.
Reasonable	Internal control, governance and the management of risk are broadly reliable. However, whilst not displaying a general trend, there are a number of areas of concern which have been identified where elements of residual risk or weakness may put some of the system objectives at risk.
Limited	Internal control, governance and the management of risk are displaying a general trend of unacceptable residual risk above an acceptable level and placing system objectives are at risk. Weakness must be addressed with a reasonable timescale with management allocating appropriate resources to the issues raised.
No Assurance	Internal control, governance and the management of risk is poor. Significant residual risk and/or significant non-compliance with basic controls exists leaving the system open to error, loss or abuse. Residual risk must be addressed immediately with management allocating appropriate resources to the issues.