

Argyll and Bute Council
Internal Audit Report
May 2021
FINAL

Warden Services

Audit Opinion: Limited

	High	Medium	Low	VFM
Number of Findings	3	0	1	1

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1. Executive Summary

Introduction

1. As part of the 2020/21 internal audit plan, approved by the Audit & Scrutiny Committee in March 2020, we have undertaken an audit of Argyll and Bute Council's (the Council) system of internal control and governance in relation to Warden 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. The findings outlined in this report are only those which have come to our attention during the course of our normal audit work and are not necessarily all the issues which may exist. Appendix 1 to this report includes agreed actions to strengthen internal control however it is the responsibility of management to determine the extent of the internal control system appropriate to the Council.
3. The contents of this report have been agreed with the appropriate council officers to confirm factual accuracy and appreciation is due for the cooperation and assistance received from all officers over the course of the audit.

Background

4. The Council's warden service is divided into two areas of responsibility, environmental wardens and parking wardens. This audit focused on the service provided by the environmental wardens. The Council covers 2,667 square miles with four environmental wardens covering that area. The Council employed nine FTEs environmental wardens up until 2019 when budget reductions reduced the number to four FTEs. The redundancy selection process (together with some staff taking up other opportunities) carried out as part of this downsizing has resulted in staff not being evenly spread across the Council area which has resulted in one area receiving less coverage than the other administrative areas.
5. Councils have legislative responsibilities and powers under the following acts:
 - Environmental Protection Act 1990
 - Dog Control (Scotland) Act 2010
 - Stray Dog Act
 - Amenity Act 1978
 - Litter and Refuse (Scotland) Act 2006
 - Refuse Disposal (Amenity) Act 1978
 - Dangerous Dogs Act 1991
 - The Dog Fouling (Scotland) Act 2003
6. The warden service is involved in delivering a wide range of tasks, a number of which, due to legal requirements, cannot be ceased including dog control, stray dogs, abandoned vehicles and LEAMS (Local Environmental Audit and Management System). This creates pressure on the service to find ways for four wardens to deliver:
 - Litter enforcement
 - Fly tipping
 - Dog control
 - Dog foul

- Stray dogs
 - Abandoned vehicles
 - Enforcement of waste collection
 - Commercial waste duty of care
 - LEAMS (Local Environmental Audit and Management System)
 - Travelling persons
 - Fly posting
7. LEAMS, as part of the Keep Scotland Beautiful campaign, monitors issues such as litter, dog fouling, fly tipping, fly posting and graffiti and, in partnership with councils, carry out annual local environmental quality audit. To facilitate comparison, a system of reporting has been devised whereby councils are grouped together. The Council is grouped with Aberdeenshire, Dumfries & Galloway, Eilean Siar, Highland, Orkney Isles, Scottish Borders and Shetland Isles. The street cleanliness scores for the Council over a three year period are (the average for the group over the same period being 92.2%):
- 2017/18 93.5%
 - 2018/19 92.5%
 - 2019/20 90.7%

Scope

8. The scope of the audit was to assess the controls relating to the application of statutory requirements and Council policy as outlined in the Terms of Reference agreed with the Head of Roads and Infrastructure Services on 4 May 2020.

Risks

9. The risks considered throughout the audit were:
- **SRR05:** The Council fails to understand service user needs and emerging demographic trends and does not align service delivery to meet these.
 - **SRR06:** Insufficient resources to ensure effective service delivery
 - **Audit Risk 1:** Failure to meet statutory requirements

Audit Opinion

10. 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 is provided in Appendix 2 to this report.
11. Our overall audit opinion for this audit is that we can take a limited level of assurance. This means that 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 at risk. Weakness must be addressed with a reasonable timescale with management allocating appropriate resources to the issues raised.

Recommendations

12. We have highlighted three high priority recommendations, one low priority recommendations and one value for money recommendation where we believe there is scope to strengthen the control and governance environment. These are summarised below:
- consideration should be given to options to address the disproportionately low level of warden services being delivered to MAKI
 - the second bin verification process should be subject to a process review to reconsider how it is being delivered
 - policies and procedures to support the service should be established
 - recording of the time spent on LEAMS audits should be identified as a separate activity
 - opportunities for collaborative working with the Park Authority should be explored.
13. 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.

2. Objectives and Summary Assessment

14. 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	Link to Risk	Assessment	Summary Conclusion
1	An effective service is provided to ensure compliance with legislative requirements	SRR05 SRR06 Audit Risk 1	Limited	The wardens are not strategically based, following a reduction in FTE as a result of budget pressures, to provide an efficient service across Argyll and Bute and levels of service delivery in MAKI are disproportionately low. Wardens are expected to carry out a second bin verification process which should be reviewed to assess whether it should be retained in its current form. There may be opportunities for collaborative working within the Park Authority Area which the Council could explore.
2	Policies and procedures are in place and being followed	SRR05 Audit Risk1	Limited	Wardens are knowledgeable about their duties due to the length of time they have worked in the service however there are limited documented policies and procedures to support service delivery.
3	Reporting mechanisms are in place to inform the effectiveness of the service	SRR06 Audit Risk 1	Substantial	Reporting mechanisms are in place for litter control and recording of complaints and warden activity is reported to the Operations Manager. Times spent on LEAMS audits is currently begin categorises as 'litter

				control' which is not an accurate description of the activity undertaken.
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15. Further details of our conclusions against each control objective can be found in Section 3 of this report.

3. Detailed Findings

An effective service is provided to ensure compliance with legislative requirements

16. Four environmental wardens cover the Council area including the islands. Prior to June 2019 the service was delivered by nine full time equivalent staff covering 2,667 square miles, equating to one warden covering 296.3 square miles. The reduction in wardens means one warden now covers 667 square miles.
17. The four wardens are not strategically based to provide an efficient service across the Council's geographical area. There is one based in Dunoon, one in Oban, one in Helensburgh and one on the Isle of Bute. This means there is no warden based in the Mid Argyll, Kintyre and Islay area (MAKI).
18. Warden services in MAKI are predominantly being covered by the Dunoon based warden with assistance provided by the Oban based warden. This can mean that when a service is required in MAKI a disproportionately large amount of the warden's working day is spent on a ferry, driving or a combination of both. This clearly impacts on the efficiency of the service being delivered.
19. Wardens are required to complete a weekly timesheet recording time spent on pre-determined categories. Financial Services provide monthly reports to management detailing warden activities. Exhibit 2 shows warden hours spent over the period 2018/2019 – 2020/21 across the four Council administrative areas of Helensburgh & Lomond (H&L), Oban, Lorne and the Isles (OLI), Bute & Cowal (B&C) and MAKI. Exhibit 2b presents the same information as a percentage.

Exhibit 2a – Warden Hours by Council Administrative Area

	Hours Spent			Totals
	2018/2019	2019/2020	2020/2021	
MAKI	1,860	227	366	2,453
B&C	3,339	2,649	1,784	7,772
OLI	1,925	1,818	1,540	5,283
H&L	4,945	1,885	1,235	8,065
Grand Total	12,069	6,579	4,925	23,573

Exhibit 2b – Warden Hours (Percentage) by Council Administrative Area

	Percentage of Hours		
	2018/2019	2019/2020	2020/2021
MAKI	15%	3%	7%
B&C	28%	40%	36%
OLI	16%	28%	31%
H&L	41%	29%	25%
Grand Total	100%	100%	100%

20. Exhibits 2a and 2b illustrate the disproportionate time spent in the H&L, OLI and B&C administrative areas when compared with time spent in MAKI. The 2018/19 figures reflect the period when there was nine FTE wardens in place which strongly suggests that the reduced time in MAKI in 2019/20 and 2020/21 is not due to a reduced need for the services but due to resource availability.

Action Plan 1

21. Keep Scotland Beautiful are in the process of changing how LEAMS reporting is undertaken and random samples will now require to be recorded on a mobile phone app to be made available to all wardens. In addition the focus within the Scottish Government National Litter Strategy on prevention has led to a review of the Code of Practice on Litter and Refuse 2006, updated 2018. This requires all duty bodies to review their operational practices to align with this new code of practice. A significant change centres on the criteria for prioritising land (zoning). The guidance states this should be reviewed for all relevant land and made available to the public, including recommending this information is made available digitally via a Geographic Information System. The Council is prepared for the changes.
22. One of the non-legislative services wardens undertake is verifying requests from customers for a second domestic bin service. Requests are generally made by customers to the Council's customer service centre who take information to ensure the criteria for a second bin is met. The warden must then either visit or telephone the customer to discuss and assess whether the information they provided is accurate and the applicant meets the criteria. The information provided to substantiate a request can be very personal and sometimes of a sensitive medical nature. Wardens have been asked to provide this service but have received no formal training in how to ensure a customer's dignity is maintained or to ensure they are aware of the requirement of General Data Protection Regulation (GDPR) in relation to personal data for this specific process. In 2019/2020 there were 462 requests which required verification by a warden. Due to the sensitivity of this process, and the potential risks associated with data protection it is recommended that the current verification process is reconsidered to determine if it is appropriate to maintain it in its current form. If it is decided it should be retained then there should be engagement with the Council's Governance and Risk Manager to ensure it is being carried out in full compliance with GDPR.

Action Plan 2

23. There may be opportunities for collaborative working within the Park Authority Area, in particular the A82 corridor. There are wardens appointed by the Park Authority to undertake similar tasks as the wardens within the Council, the Council should explore opportunities for collaborative working to ensure there is no duplication of work.

Action Point 5

Policies and procedures are in place and being followed

24. There are limited documented policies and procedures in place to support the wardens in the delivery of the service however the library is not comprehensive and would benefit from a gap analysis with additional documentation being added to ensure a full coverage of all activities. Through discussion with the wardens we were assured that they are knowledgeable with regards to their work and well experienced through on the job learning.

Action Plan 3

Reporting mechanisms are in place to inform the effectiveness of the service

25. The key reporting mechanism with regards to litter control is through membership of Keep Scotland Beautiful and the submission of LEAMS audits. This benchmarks the Council against other Council's in terms of litter control.
26. Complaint statistics with regards to dog fouling, fly tipping and abandoned vehicles are recorded on Pyramid.
27. Time recording statistics are provided to the Operations Manager, Development & Infrastructure however time spent on LEAMS audits, which can be considerable is not recorded separately in the time recording system. It is recorded under the category of 'litter'.

Action Plan 4

Appendix 1 – Action Plan

	No	Finding	Risk	Agreed Action	Responsibility / Due Date
High	1	<p>Warden Service Coverage</p> <p>The four environmental wardens that are expected to cover the whole of the Council area, including the islands, are not geographically spread to ensure there is efficient cover across the four Council administration areas. In particular, since 2018, there has been no warden based in the MAKI area which has resulted in:</p> <ul style="list-style-type: none"> • disproportionately low level of warden service in MAKI compared to the other administrative areas • where work is required in MAKI the majority of the warden’s time is spent commuting rather than delivering the required services. 	Inefficient service provision and a risk that the service provided to MAKI may not meet minimum statutory requirements.	<p>Consider opportunities to either restructure/ review overall service delivery to provide additional warden cover or alternatively look to generate additional income to facilitate additional FTEs and a more equitable spread of resource.</p> <p>This will help inform any input into the 2022 budget process.</p>	<p>Operations Manager</p> <p>30 June 2022</p>

High	2	<p>Second Bin Service Verification</p> <p>Wardens are expected to verify the veracity of applications from customers for a second domestic bin service. This requires the warden to confirm that information provided by the customer is accurate and meets the defined criteria. The information provided to substantiate an application can be very personal and sometimes of a sensitive medical nature. Wardens have been asked to provide this service but have received no formal training in how to ensure a customer's dignity is maintained or to ensure they are aware of the requirements of General Data Protection Regulation (GDPR) in relation to personal data for this specific process.</p> <p>Due to the sensitivity of this process, and the potential risks associated with data protection it is recommended that the current verification process is reconsidered to determine if it is appropriate to maintain it in its current form. If it is decided it should be retained then there should be engagement with the Council's Governance and Risk Manager to ensure it is being carried out in full compliance with GDPR.</p>	<p>Customer confidentiality and dignity is not considered and there may be a breach of GDPR which can result in substantial financial penalties.</p>	<p>Review the process for:</p> <ul style="list-style-type: none"> • Dealing with requests for new and replacement bins. • Review the second bins that are in place and the process for rationalising. This review to also give consideration to composition and identify opportunity to increase recycling and reduce general waste. 	<p>Operations Manager</p> <p>30 June 2022</p> <p>30 September 2022</p>
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High	3	<p>Policies and Procedures</p> <p>There are limited documented policies and procedures in place to support the wardens in the delivery of the service.</p>	Lack of consistency in service provision	Provide documents which are indexed and available via sharepoint for all relevant staff to access. This to include producing bespoke documents for Argyll and Bute rather than using nationally available documents.	Operations Manager Supported by Project Manager (Transformation) December 2021
Low	4	<p>LEAMS Time Recording</p> <p>The wardens are required to undertake and record regular environmental audits as part of the Keep Scotland Beautiful LEAMS reporting. The time spent on these audits is captured within 'litter' category on the time recording system.</p>	Time recording statistics may not reflect the extent of time spent on non-legislative tasks	Collect additional time sheet information which separates out any LEAMS activity. This is a relatively easy adjustment to the time management system already in place.	Operations Manager December 2021
VFM	5	<p>Collaborative Working</p> <p>There may be opportunities for collaborative working within the Park Authority Area, in particular the A82 corridor. There are wardens appointed by the Park Authority to undertake similar tasks as the wardens within the Council. The Council could explore opportunities for collaborative working to ensure there is no duplication of work.</p>	Opportunities for efficiencies through collaborative working might not be maximised.	Reinstate a series of regular meeting previously held pre COVID which focused on setting up collaborative opportunities with the National Park adjacent councils and other agencies. The meetings to set out and action plan of possible deliverables.	Operations Manager 30 June 2022

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.
VFM	An observation which does not highlight an issue relating to internal controls but represents a possible opportunity for the council to achieve better value for money (VFM).

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 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.