

Argyll and Bute Council
Internal Audit Report
November 2023
FINAL

Compliance Review
(Period Products)

Audit Opinion: Substantial

	High	Medium	Low	VFM
Number of Findings	0	5	4	0

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1. Executive Summary

Introduction

1. As part of the 2023-24 internal audit plan, approved by the Audit & Scrutiny Committee in March 2023, we have undertaken an audit of Argyll and Bute Council's (the Council) system of internal control and governance in relation to a compliance review of Period Product provision.
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. In August 2022, Period Products (Free Provision) (Scotland) Act 2021 (the Act) came into force. Building on the existing voluntary provision in education and community settings funded by the Scottish Government since 2018-19, the Act will ensure that everyone in Scotland who menstruates can have reasonably convenient access to period products, free of charge, as and when they are required. This includes visitors to Scotland for the duration of their stay.
5. Section 1 of the Act places a duty on Local Authorities to make period products obtainable free of charge for anyone who needs to use them. Section 2 of the Act places a duty on education providers to make period products obtainable free of charge on their premises for pupils and students during term time. Section 3 of the Act provides for sufficient products be obtainable to meet an individual's needs while they are on the premises.
6. Prior to the Act coming into force, all responsible bodies were required to consult with the public asking how they would like this service to be delivered and to produce a Statement on Exercise of Functions that summarises the arrangements that will be put in place to meet the duty, specifically how they will make products reasonably easy to obtain, respect dignity and offer a reasonable choice of types of period products.

Scope

7. The scope of the audit was to review and assess the arrangements for the provision of period products throughout relevant Council establishments as outlined in the Terms of Reference agreed with the Senior Manager: Catering, Cleaning, Commercial Events and Food Strategy (CCEF) on 17 July 2023.

Risks

8. The risks considered throughout the audit were:
 - **Audit Risk 1:** The Council is not compliant with Period Products (Free Provision) (Scotland) Act 2021
 - **Audit Risk 2:** Failure to ensure appropriate monitoring and reporting arrangements are in place.

Audit Opinion

9. 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.

10. 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.

Recommendations

11. We have highlighted 5 medium priority recommendations and 4 low priority recommendations where we believe there is scope to strengthen the control and governance environment. These are summarised below:

- The Council's Statement on Exercise of Functions should be published as a standalone document.
- The Council's website should be updated to set out the legislative requirements and provide a copy of the Statement on Exercise of Functions.
- Transactions for 2022-23 should be reviewed to ensure that all costs associated with supporting the Exercise of Functions under the Act, both in schools and in wider communities, are included.
- There should be one master document which details the locations of all the Council establishments in which products are available.
- A procedure for auditing of sites, to ensure products remain available in an equitable way, should be developed.
- As a priority procedure notes should be written for all key tasks, including detailing the monitoring, evaluation and reporting requirements.
- Feedback should be sought from other services and staff involved in the various processes to establish any issues arising and ensure procedures are efficient.
- Management should undertake a review of the monitoring and evaluation processes to ensure that they are in line with the Scottish Government Evaluation Strategy.
- Once the consultation and feedback have been analysed, the current Statement on Exercise of Functions should be reviewed to ensure it accurately reflects the transition from a 'start up' phase to 'steady state'.

12. 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

13. 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	The Council has a Statement on Exercise of Functions, and has received funding for period product provision.	Audit Risk 1	Substantial	<ul style="list-style-type: none"> • The Council has a Statement on Exercise of Functions, which takes account of the public consultations. Prior to this review this was not a standalone document, meaning it was not easy to locate. • The period product provision page on the Council website is not up to date, it does not set out the legislative requirements nor contain a copy of the Statement on Exercise of Functions. • As agreed with CoSLA, funding for the initial set up and roll out of access to free period products has been

				<p>distributed annually to Councils. From 2025-2026 onwards, once sufficient data on spend per Council is available, funding will be added to block allocations.</p> <ul style="list-style-type: none"> • The Councils standard processes are being followed for budget monitoring, and the maintenance and drawdown of ear marked reserves. • The Scottish Government has a bid process for Council's to apply for additional monies where the current allocation can be evidenced to be insufficient. Transactions for 2022-23 should be reviewed to ensure that all costs associated with supporting the exercise of functions under the Act, both in schools and wider communities, are included.
2	Period products are easily available in Council establishments and there are arrangements to maintain stock levels	Audit Risk 1	Reasonable	<ul style="list-style-type: none"> • Period products are easily available in Council establishments, including schools, offices, leisure centres and public conveniences. • The My Tribe brand has been successfully launched to promote and act as signage for the period product provision across Argyll and Bute. This has a supporting website and an app which have a map of locations where products are freely available. • The My Tribe School Champion role has been introduced to raise awareness of free provision and issues. • Arrangements are in place to maintain stock levels internally and externally, however, a plan to carry out spot checks on locations has not yet been developed. • There is a lack of written procedures in place. As a priority procedure notes should be written for all key tasks, including detailing the monitoring, evaluation and reporting requirements.
3	Appropriate monitoring and reporting arrangements are in place	Audit Risk 2	Reasonable	<ul style="list-style-type: none"> • Officers confirmed that currently there is no requirement to report to a Council Committee, instead two reports have been provided to DMT. • A public consultation was underway to evaluate how the Council have implemented the free period products initiative, <i>My Tribe</i>, across the communities. • As this is a new statutory requirement there would be benefit to engaging internally with other services and staff involved in the various processes. • Limited evidence of monitoring and evaluation was provided during the time of the review so we cannot provide assurance on this area. Management should undertake a review of the monitoring and evaluation processes to ensure that they are in line with the Scottish Government Evaluation Strategy. • Once the results of the public consultation have been analysed, and any internal reviews have been carried out, there would be benefit in reviewing the Council's current Statement to ensure it reflects the transition from a 'start up' phase to 'steady state'.

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

3. Detailed Findings

The Council has a [Statement on Exercise of Functions](#), and has received funding for period product provision.

15. The Period Products (Free Provision) (Scotland) Act 2021, (the Act) came into force in August 2022. The Scottish Government, in September 2021, issued a guidance document for responsible bodies detailing the overarching principles, setting out their responsibilities in discharging their duties and how to prepare the exercise of the functions conferred on them by the Act.
16. As required by the guidance, the Council undertook two public consultations - one for community provision aimed at over 18's, and one for school and community provision aimed at under 18s. These were widely published across via media channels, the Council website with paper copies and pre-paid envelopes were also made available at Customer Service Points. The outcomes were used as the basis for preparing the Council's Statement on Exercise and Functions (the Statement).
17. Prior to this review, the Statement had not been published as a standalone document, rather it was included within the Period Products Consultation Report in May 2022. Following our feedback, the Project Lead – Period Provision, has published the Statement within the legal information on the footer of the [My Tribe website](#) which was created to support the Council's period product provision initiative.

Action Plan 1

18. The [period product provision page](#) on the Council's website sets out the Council's aims and provides a link to the My Tribe Website but it does not set out the legislative requirements nor contain a copy of the Statement. The Council's website should be updated and consideration should be given to whether this information should also be available for staff on the intranet in the My Council Works section.

Action Plan 2

19. The Council has been providing access to free period products in education and community settings, since 2018-19, this has been funded by the Scottish Government. As with normal Council Budget Monitoring practices and procedures, cost centres and account codes for this funding and provision have been set up, maintained and monitored.
20. The roll out of the Act and funding for this, has been negotiated via CoSLA. Allocations are currently distributed annually to Councils with funding letters issued to confirm the distributions. From 2025-2026 onwards, once sufficient data on spend per Council is available, funding will be added to block allocations.
21. In October 2021, a temporary Project Lead for Period Products, was appointed for a term of two years to undertake the necessary start up duties related to compliance with the Act. As per the guidance, this post is funded from the annual distributions. Unspent allocations from previous years have been carried forward and protected using the Councils 'Ear Marked Reserves' process.
22. For the current financial year 2023-24, the Council's financial allocation to continue the provision of free period products, supporting the exercise of functions under the Act both in schools and in wider communities is £0.068m.
23. In recognition that this is a new statutory provision and the level of demand is unknown, the Scottish Government have an additional evidence-based 'bid in' fund available to local authorities. This fund will support ongoing delivery where evidence shows full funding allocations have been, or will be, used as a result of increased uptake and one-off costs such as marketing or promotional campaigns have been accounted for in the provision of this service.

24. The Act came into force on 15 August 2022, meaning that the Council now has access to a full 12 months of data for costs and uptake of products. A review and analysis of spend incurred in the current financial year 2023-24 is being undertaken. A check of these costs did not identify any spend relating to disposal of sanitary products. If not already undertaken, there would be benefit to reviewing the transactions for 2022-23 to ensure that all costs associated with supporting the exercise of functions under the Act, both in schools and in wider communities, are included.

Action Plan 3

Period products are easily available in Council establishments and there are arrangements to maintain stock levels.

25. Widening the availability of free period products has involved a co-ordinated effort among multiple services, including staff and managers within cleaning services, amenities and Live Argyll. While each service is aware of the Council establishment locations in which products are available, there would be benefit to having one spreadsheet which collates all these locations. This would aid the monitoring and evaluation of the type products and marketing available, the demand for these and costs associated with provision and disposal within each area/setting.

Action Plan 4

26. The guidance issued by the Scottish Government, highlights four risks that were identified over the course of the voluntary delivery and requires the Council to consider and manage risks identified through its own appropriate procedures. Risks identified related to provision of safety information; storage conditions of loose products and products expiry dates and cleaning and disposal.
27. When planning the implementation of the period product provision, it was assessed that the aspects around cleaning, disposal and emptying bins are cleaning related activities and that current impact and risk assessments are sufficient to cover the wider provision. To raise awareness of safety risks, information has been added to marketing materials, including posters in locations, boxes used to store products and educational materials.
28. To assess whether period products are reasonably obtainable free of charge for anyone who needs to use them, within Council buildings and schools, testing via a mixture of visual inspections of premises and an email questionnaire was undertaken. Our conclusion is that period products are reasonably and easily available in Council establishments, including schools, offices, public conveniences and buildings managed by Live Argyll. During testing, some locations provided feedback that disposal facilities are limited to the general waste bin.
29. A procurement framework was put in place by Scotland Excel, the Centre of Procurement Expertise for the local government sector. The social enterprise company Hey Girls, provides the Council, other Local Authorities and education providers with the mechanism to procure a range of products and services including sanitary waste disposal and the provision of period products.
30. Stock levels internally are monitored by cleaners in each location and amenity staff who monitor public conveniences. Staff email the requirements for each location to the Project Lead who collates all requests and places product orders with Hey Girls via PECOS. The process for auditing of sites to ensure products remain available in an equitable way has still to be developed. As this is a statutory provision which has only been rolled out in locations other than schools since June 2022, it is important that the Council has records to evidence that checks are carried out to ensure that products, adequate storage and disposal facilities and branding are actually on site and available in one or more of, unisex, male, female and disabled toilets in Council establishments.

Action Plan 5

31. The My Tribe branding has been successfully launched to promote and act as signage for the period product provision across Argyll and Bute. My Tribe has its own [website](#) and a supporting PickUpMyPeriod app both of

which include a map of locations where products are freely available and providing residents with the option to order products for delivery. The app provides partner locations and users with a feedback form function where they can provide feedback and report low/no stock via email to the Council's dedicated email

32. For orders placed via the My Tribe website and the app, request reports are downloaded and checked by the Project Lead who collates and submits separate order requests forms for businesses (partner locations) and individual residents to Hey Girls for processing and delivery.
33. Section 2 of the Act places a duty on Local Authorities to tackle the stigma around periods and the use of period products, and to engage with communities and young people about how this is addressed, and how products are provided.
34. The Project Lead has engaged directly with children and young people in schools to introduce the My Tribe School Champion role to raise awareness of free provision and issues. This was recognised as an innovative approach by the Scottish Government Social Justice Secretary during a visit to Primary School during the travelling Cabinet on 3rd October where she highlighted the good progress in expanding this provision to independent locations within the Council area.
35. It is best practice for work force planning and resilience within the Council that there are written procedures, this is especially important when the work relates to the provision of statutory functions. With the exception of a draft stock ordering note, there are no procedure information available. As the Project Lead post is currently temporary, procedure notes should be written for all key tasks, include detailing what the monitoring, evaluation and reporting requirements are as a matter of priority.

Action Plan 6

Appropriate monitoring and reporting arrangements are in place

36. The Scottish Government has published the "Access to Period Products: Monitoring and Evaluation Strategy 2021-22 – 2024-25", which provides the approach and principles for how it will assess the appropriateness of funding allocations to local authorities and track, document, and understand the delivery of policies to provide access to free period products in educational and community settings.
37. When asked what the monitoring arrangements are, officers advised that information for spend within 2021-22 has been provided to the Scottish Government. Internally two resource reports have been provided to DMT, the first dated March 2020, approved the temporary post and launch of the provision and the second, dated August 2023, provided financial and quantitative data of products provided and engagements carried out within the last financial year. Currently there is no requirement to provide reports to any Council Committee.
38. In order to evaluate how the Council have implemented the free period products initiative, *My Tribe*, a consultation was launched seeking views from across the communities, this was still open during the review. As this is new statutory requirement there would be benefit to engaging internally with other services and staff involved in the various process to establish any issues arising and ensure procedures are efficient.

Action plan 7

39. Limited evidence of monitoring and evaluation arrangements was made available during this review, we are therefore unable to provide assurance for this aspect of the service. Management should undertake a review of the monitoring and evaluation processes to ensure that they are in line with the Scottish Government Evaluation Strategy.

Action plan 8

40. The Scottish Government guidance states that after publishing the initial Statement, "responsible bodies may wish to undertake periodic review of local arrangements, consultation and publication of a new statement."

Once the results of the public consultation have been analysed, and any internal reviews have been carried out, there would be benefit to reviewing the Council's current Statement to ensure it reflects the move from a 'start up' phase to 'steady state'.

Action Plan 9

Appendix 1 – Action Plan

	No	Finding	Risk	Agreed Action	Responsibility / Due Date
Medium	1	<p>Statement on Exercise of Functions</p> <p>This is a key document required by the Act to be published. Prior to this review it was included within the Period Products Consultation Report 0.3 meaning it was not easy to locate. It should be published as a standalone document.</p>	It is not clear and obvious that the Council has a Statement on Exercise of Functions for the provision of period products.	This has been created and added to the My Tribe website in the footer under legal information.	Project Lead – Period Products Completed October 2023
Medium	2	<p>Published Information</p> <p>The period product provision page on the Council website is not up to date, it does not set out the legislative requirements nor contain copy of the Statement on Exercise of Functions. Consideration should be given to whether this information should be available for staff on My Council Works.</p>	Information required by Period Products (Free Provision) (Scotland) Act 2021 is not easy to locate.	Legislative requirement and SOF be added to the corporate website by March 24.	Project Lead – Period Products March 2024
Medium	3	<p>Cost Recovery</p> <p>A check of 2023-24 year to date transactions did not identify any spend relating to disposal of sanitary products. The transactions for 2022-23 should be reviewed to ensure all costs associated with supporting the Exercise of Functions, both in schools and wider communities, are included.</p>	All costs associated with supporting the Exercise of Functions, both in schools and in wider communities, may not be included in total spend figures.	Consideration will be given to disposal bags to adhere to health and safety legislation. Review of all costs/transactions. E.g. disposals and one off to be carried out.	Senior Manager Catering, Cleaning, Events and Food Strategy September 2024
Low	4	<p>Location Data</p> <p>While individual services are aware of the Council establishment locations in which products are available, there is no master spreadsheet. There would be benefit to having one spreadsheet which collates all these locations.</p>	Loss of oversight of the locations in which products are available.	Merging of school and location spreadsheet to create master sheet will be completed.	Project Lead – Period Products March 2024
Low	5	<p>Monitoring of onsite provision</p> <p>The process for auditing of sites to ensure products remain available in an equitable way has still to be developed. There are no records/evidence to support that checks are carried out to ensure that products, adequate storage and disposal facilities and branding are actually on site and available in one or more of, unisex, male, female and disabled toilets in Council establishments.</p>	The Council may not have sufficient records of onsite checks to evidence compliance with the Act.	Monitoring process will be implemented with an implementation date of March 2024.	Officer title Project Lead – Period Products March 2024

	No	Finding	Risk	Agreed Action	Responsibility / Due Date
Medium	6	Procedure Notes The Project Lead post is a temporary post, until December 2023, and with the exception of a draft stock ordering note, there are no procedure notes. As a priority procedure notes should be written for all key tasks, include detailing what the monitoring, evaluation and reporting requirements are.	Lack of business continuity as knowledge may be lost when post ends and duties are taken up by other staff.	Ongoing – implemented by Jan 24.	Project Lead – Period Products January 2024
Low	7	Engagement Given this is new statutory requirement there would be benefit to engaging internally with other services and staff involved in the various processes to establish any issues arising and ensure procedures are efficient.	Lack of engagement internally with staff may mean process and procedures might not be efficient.	Engagement is ongoing, informally but will be formalised as part of the new monitoring process as per point 5.	Project Lead – Period Products March 2024
Medium	8	Monitoring and evaluation Limited evidence of monitoring and evaluation arrangements was provided during this review. Management should undertake a review of the monitoring and evaluation processes to ensure that they are in line with the Scottish Government Evaluation Strategy.	Monitoring and evaluation processes may not be in line with Scottish Government guidance.	Annex D on SGES – Procedure notes will be considered to cover how to gather data as per document.	Project Lead – Period Products March 2024
Low	9	Reviewing the Statement on Exercise of Functions Once the results of the public consultation have been analysed, and any internal reviews have been carried out, there would be benefit to reviewing the Council’s current Statement to ensure it reflects the move from a ‘start up’ phase to ‘steady state’.	The current Statement on Exercise of Functions may not accurately reflect the transition from a ‘start up’ phase to ‘steady state’.	Will be completed by March 2024.	Project Lead – Period Products March 2024

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.