

MINUTE
of
AUDIT & SCRUTINY COMMITTEE

Minute of meeting held at 2.00pm in the Council Chamber, Council Headquarters, Giffnock on 8 May 2025.

Present:

Councillor Andrew Morrison (Chair)
Councillor Tony Buchanan (Vice Chair)*
Councillor Annette Ireland

Councillor David Macdonald
Councillor Gordon Wallace

Councillor Morrison in the Chair

Attending:

Louise Pringle, Director of Business Operations and Partnerships; Michelle Blair, Chief Auditor; Barbara Clark, Chief Accountant; Tracy Butler, Lead Planner (Recovery Services), East Renfrewshire HSCP; Alison Ballingall, Senior Revenues Manager; Debbie Hill, Chief Procurement Officer; Barry Tudhope, Democratic Services Manager; and Bethany Mitchell, Assistant Democratic Services Officer.

Also Attending:

Rob Jones and Laura Prior, Ernst and Young.

Apologies:

Provost Mary Montague and Councillor Paul Edlin.

DECLARATIONS OF INTEREST

1197. There were no declarations of interest intimated.

CHAIR'S REPORT – SELF EVALUATION OF COMMITTEE

1198. Under reference to the Minute of the meeting of 23 January 2025 (Page 1057, Item 1085 refers), when the position on the Committee's self-evaluation had been noted, Councillor Morrison referred to related discussions since then, and requested that members of the Committee relay any final comments or proposed amendments to a document circulated to them by the Clerk to her by no later than Friday, 16 May, as she has requested, and earlier if possible.

The Committee noted the report.

CONSULTANCY EXPENDITURE

1199. Under reference to the Minute of the meeting of 20 June 2024 (Page 886, Item 881 refers), when the Committee had noted a report on the log maintained regarding the appointment of consultants for the 2023/24 financial year and that further such reports would be submitted after the end of each financial year, the Committee considered a report by the Clerk referring to discussions by the Committee thus far on such expenditure, and providing feedback on consultancy expenditure for the 2024/25 financial year. A copy of the most recent log was appended to the report.

In response to Councillor Ireland, the Chief Procurement Officer confirmed that a contract had been awarded to the ICT system consultant during the 2024/25 financial year, for expenditure that would be incurred in 2025/26.

In response to Councillor Macdonald, she explained how consultants were appointed, through the quick quote procedure or open market competition. Regarding both, the appropriate procurement procedure was followed which included a technical evaluation of bids and other steps to ensure Best Value was achieved. Councillor Macdonald considered this evident, referring to the variety of consultants appointed. In response to Councillor Morrison, the Chief Procurement Officer confirmed that steps were always taken to secure the best price possible for consultancy, which took account of what the market dictated.

The Committee noted the report and that a further report on such expenditure would be submitted after the end of the 2025/26 financial year.

NATIONAL EXTERNAL AUDIT REPORT – 2023-24 AUDIT OF ABERDEEN CITY COUNCIL: COUNCIL TAX REFUNDS – A SIGNIFICANT FRAUD

1200. The Committee considered a report by the Clerk on the publication in January 2025 of a report by the Accounts Commission entitled *The 2023/24 Audit of Aberdeen City Council, Council Tax Refunds – A Significant Fraud*. Under the Committee's specialisation arrangements, Councillor Macdonald was leading the review of the report. The Director of Business Operations and Partnerships had been asked to provide comments, and a copy of that feedback was appended to the report.

The report referred to the scale of the fraud that had come to light in Aberdeen City Council in September 2023, how the crime had been perpetrated, the consequences for the individual concerned, and failures in controls that had been identified. Having itemised lessons for other local authorities to consider, the report summarised the position on the administration of Council Tax and Council Tax refunds in East Renfrewshire Council, confirming that a full end to end review had been carried out by the Revenue Service and the outcome. No significant issues had been identified, but some areas for improvement were being taken forward.

It was highlighted that the fraud at Aberdeen City Council had been due to a failure in controls, which allowed it to continue over a prolonged period of time. Regarding East Renfrewshire Council, it had been concluded that a robust control environment was in place, but that it could be further enhanced, with appropriate steps being taken to update controls and mitigate the risk of a similar fraud.

In response to Councillor Ireland who sought assurance that the situation that had arisen could not happen in East Renfrewshire, the Senior Revenues Manager referred to the local review undertaken and related Internal Audit findings, stressing that a robust control environment was considered to exist. However, she added that it was difficult to say definitively that nothing could ever happen if someone was determined to commit fraud.

During discussion, in response to Councillor Morrison, she confirmed that the volume of Council Tax refunds reported locally was not abnormally high, explaining that these were attributable to various reasons, such as a person moving house, or a property being rebanded by the Assessor, applications for the latter tending to be from residents seeking a reduction in the Band in which their house was placed.

In response to Councillor Wallace and Councillor Macdonald, the Senior Revenues Manager confirmed that a national revaluation of properties had not been undertaken since the Council Tax system had been introduced, such as to take account of properties being extended. Councillor Macdonald considered this to be one reason why the current system was not fit for purpose, referring, for example, to the plateau when properties reached Band H, within which a very wide range of properties fell.

The Committee, having heard Councillor Morrison welcome the assurances provided, noted the report.

NATIONAL EXTERNAL AUDIT REPORT – ACOHOL AND DRUG SERVICES

1201. The Committee considered a report by the Clerk on the publication in October 2024 of a report by Audit Scotland entitled *Alcohol and Drug Services*. Under the Committee's specialisation arrangements, Councillor Edlin was leading the review of the report. The Head of Adult Services: Learning Disability and Recovery, had been asked to provide comments and a copy of the feedback was appended to the report.

Having itemised the key messages within the Audit Scotland report, the report confirmed that the East Renfrewshire Health and Social Care Partnership (HSCP) delivered integrated alcohol and drug recovery services to support people with harmful alcohol and/or drug use. The HSCP led the local Alcohol and Drug Partnership (ADP) which oversaw work to reduce alcohol and drug harm and deaths, which included provision of alcohol and drug services and wider prevention work in communities, such as through working with young people.

The report provided an update on the local position relative to the Audit Scotland report, concluding that the HSCP was making good progress on achieving the recommendations set out in the Audit Scotland report. It would continue to lead the East Renfrewshire ADP in delivering the Alcohol and Drugs Plan, and participate in national discussions to ensure a sustainable, long term plan for the effective delivery of alcohol and drug services.

Councillor Ireland welcomed the increased funding for preventative measures, and the good work being done locally, whilst highlighting that more remained to be done. In response to a query from her, the Lead Planner (Recovery Services) provided an update on the development of a Lived Experience Network, work on which was underway. She explained that the Advocacy Project, which was leading this work for the HSCP and ADP, had been asked to make recommendations by March 2026 on what had worked well thus far, and how the ADP could sustain work on strategy involving young people, their involvement being considered critical to success.

Councillor Wallace asked if both increased taxation on alcohol and minimum pricing of it had resulted in an increase in young people using drugs instead of alcohol on the basis of cost and, if so, how this impacted on support provided locally and the related budgetary implications of that. The Lead Planner (Recovery Services) was unable to comment in detail on this at the meeting, but referred to work that was continuing to be done by learning and development partners associated with the ADP to engage with young people and gather intelligence on their drug and alcohol use. She undertook to provide some further information on the issue following the meeting.

In response to Councillor Macdonald who referred to a range of reports he had seen which reflected that minimum pricing of alcohol had resulted in a reduction in cases of domestic abuse, the Lead Planner (Recovery Services) confirmed that this was not an issue on which she had specific information.

Referring to recent media reports of alcohol deaths being at a record high level, Councillor Morrison asked if there was evidence of the use of the additional funding for preventative work being effective, or if it could be deployed in a better way. The Lead Planner (Recovery Services) confirmed that data on alcohol and drug deaths had been examined locally and a focus of the ADP's work for some time, reporting that alcohol related deaths were higher than those attributable to drugs. She clarified that, initially, use of the additional funds from the Scottish Government had focussed on preventing drug and alcohol related deaths but, over time and through discussion, flexibility had increased regarding its use, such as for preventative work. She highlighted the flexible and creative approach adopted by the ADP on the use of the funding to respond to local trends, citing examples of how it had been used. The Lead Planner (Recovery Services) confirmed that initiatives were appraised and best practice was shared, such as amongst the other HSCPs in the NHS Greater Glasgow and Clyde area, through the joint commissioning of work to develop a sound evidence base, and participation in the National Drug Partnership Coordinator Network. She confirmed that feedback on the evaluation of the pilot safe drug consumption facility in Glasgow was awaited with interest, the need for such a facility in East Renfrewshire being considered to be low.

In response to Councillor Macdonald and Councillor Wallace, the Lead Planner (Recovery Services) confirmed the way in which funds were allocated to local authority areas by the Scottish Government, citing a range of factors that were taken into account, only one of which was deprivation within some areas of East Renfrewshire. It was acknowledged that drug and alcohol misuse was not just confined to areas of deprivation.

The Committee:-

- (a) agreed that further information and data be provided on drug and alcohol use by young people in East Renfrewshire, specifically if increased taxation on alcohol and minimum unit pricing of it had led to an increase in drug use amongst young people and a reduction in their consumption of alcohol on the basis of cost; and
- (b) otherwise, noted the report and related comments made.

INTERNAL AUDIT PLAN 2024/25 – IMPLEMENTATION PROGRESS – JANUARY TO MARCH 2025 (QUARTER 4)

1202. Under reference to the Minute of the meeting of 28 March 2024 (Page 810, Item 799 refers), when the Internal Audit Strategic Plan for 2024/25 to 2028/29 had been approved, the Committee considered a report by the Chief Auditor regarding progress made on the implementation of the Plan from 1 January to 31 March 2025.

It was confirmed that nine reports relating to planned 2024/25 audit work had been issued since the last progress report had been considered, details of which were provided. Reference was also made to the quarterly performance indicators (PIs) for the section, three of which had not been met. Two requests for assistance had been dealt with using contingency time, one of which concerned the Council Tax issues discussed earlier in the meeting.

The Chief Auditor highlighted various issues, confirming that good progress was being made on implementing the Plan. She reported that there had been no issues raised of major concern from the audits, but drew attention to some recommendations arising from the commercial

rents audit, some of which it was hoped would be addressed by moving the rental information currently held on a database to a system already used by the Council. She also clarified that some of the recommendations made on housing allocations would be addressed by the implementation of a more automated system for allocating properties, and that it had been noted that the development of a new housing allocation policy was underway. She confirmed that further clarification would be provided in the 2024/25 Internal Audit Annual Report on the PIs where performance exceeded target, the one on time spent on contingency being out with the control of the section.

In response to Councillor Wallace, the Chief Auditor commented that requests for assistance requiring the use of contingency time arose for various reasons, citing examples and confirming that priority tended to be given to an alleged theft, or if there was a deadline to be met on an issue for example.

In response to Councillor Ireland, the Chief Auditor clarified that the audit regarding highway maintenance did not focus on the quality of repairs, and that a report on follow-up audit work done on environment department audits would be circulated to members of the Committee in the normal manner in due course, updating them on any outstanding recommendations.

The Committee, having heard Councillor Morrison comment that he considered the time spent by Internal Audit on the Council Tax issues referred to earlier in the meeting to be well spent, agreed to note the report and related comments made.

AUDIT AND SCRUTINY COMMITTEE 2024/25 AND 2025/26 WORK PLANS

1203. Under reference to the Minute of the meeting of 20 June 2024 (Page 888, Item 883 refers), when the Committee had noted that a report on performance against the Committee's 2024/25 Work Plan would be submitted to a future meeting, the Committee considered a report by the Clerk providing an update on the 2024/25 Work Plan and related performance, and seeking approval of the 2025/26 Work Plan to the extent it had been developed thus far.

The Committee agreed:-

- (a) to note performance against the Committee's 2024/25 Annual Work Plan;
- (b) to approve the draft 2025/26 Annual Work Plan, to the extent it had been developed thus far;
- (c) that development of the 2025/26 Work Plan continue; and
- (d) to note that performance on delivering the 2025/26 Work Plan would be reviewed by the Committee in due course.

CHAIR

