

**Corporate and Community Services Department**

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Date: 7 August 2020

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TO: Councillors Stewart Miller (Chair), Barbara Grant (Vice-Chair), Angela Convery, Charlie Gilbert, Annette Ireland, Jim McLean and Jim Swift.

**AUDIT AND SCRUTINY COMMITTEE**

A meeting of the Audit and Scrutiny Committee will be held on **Thursday, 13 August 2020 at 2.00 pm.**

The agenda of business is as listed below.

**Please note this is a virtual meeting.**

**CAROLINE INNES**

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DEPUTY CHIEF EXECUTIVE

**AGENDA**

1. **Report apologies for absence.**
2. **Declarations of interest.**
3. **Chair's Report.**
4. **Code of Corporate Governance - Report by Deputy Chief Executive (copy attached, pages 3 - 46).**
5. **Annual Treasury Management Report 2019/20 - Report by Head of Accountancy (copy attached, pages 47 - 60).**
6. **Withdrawal from the European Union - Joint Report by Director of Corporate & Community Services and Director of Environment (copy attached, pages 61 - 66).**

7. **Local External Audit Report - East Renfrewshire Council Management Report 2019/20 - Oral Update on Progress by External Auditor.**
8. **National External Audit Report - Early Learning and Childcare Follow-Up - Report by Clerk (copy attached, pages 67 - 76).**
9. **Internal Audit Plan 2020/21 - Implementation Progress April to June 2020 and Revised Annual Plan - Report by Chief Auditor (copy attached, pages 77 - 88).**
10. **Public Sector Internal Audit Standards (PSIAS) Internal Self-Assessment - Report by Chief Auditor (copy attached, pages 89 - 94).**
11. **Internal Audit Annual Report 2019/20 - Report by Chief Auditor (copy attached, pages 95 - 110).**
12. **Committee's Specialisation Arrangements for Dealing with Internal and External Audit Reports and Inspection Reports - Report by Clerk (copy attached, pages 111 - 114).**

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EAST RENFREWSHIRE COUNCIL  
AUDIT AND SCRUTINY COMMITTEE  
13 August 2020  
Report by Deputy Chief Executive  
CODE OF CORPORATE GOVERNANCE

## PURPOSE OF REPORT

1. To update the Audit and Scrutiny Committee on progress against improvement actions in the 2019/20 Code of Corporate Governance and to approve a new Code for 2020/21 (listed at Annex 1).

## RECOMMENDATIONS

2. The Audit and Scrutiny Committee is asked to:-
- (a) Note progress on the 2019/20 Code of Corporate Governance improvement actions, and:
  - (b) Approve the Code of Corporate Governance updates and actions for 2020/21 (Annex 1).

## BACKGROUND

3. East Renfrewshire Council is responsible for ensuring that business is: conducted in accordance with the law and proper standards; and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

4. In discharging this responsibility, elected members and senior officers are responsible for putting in place proper arrangements for the governance of the Council's affairs and the stewardship of resources. Since December 2002, the Council has adopted and updated annually a Code of Corporate Governance which is consistent with the principles and requirements of the CIPFA/SOLACE Framework: *Delivering Good Governance in Local Government*.

5. The Code of Corporate Governance is a statement of the structures and processes that govern internal policy-making, community leadership, partnership working and the mechanisms to ensure proper control and accountability are in place.

6. The *Delivering Good Governance in Local Government* framework was revised in 2016. Previously the Corporate Governance framework consisted of six core principles. The Code now comprises of seven governing principles and a set of supporting principles however the sentiment is essentially the same. The full set of principles is listed in the draft code in Annex 1. A diagram providing an 'at a glance' summary of the Council's evidence to ensure good corporate governance is included at the end of Annex 1 for ease of reference.

7. All councils must comply with the following requirements:

- Publication of an annual progress summary on the previous year's Code, including any actions taken to improve compliance.
- Publication of an annual Code of Corporate Governance update. This must include an update on any new evidence we can present. It must also include self-assessment scoring of the evidence we have regarding: compliance with national guidance on each governance requirement; and details of any action planned to improve compliance during 2020/21.
- Inclusion of an Annual Governance Statement in the Council's Annual Report and Accounts.

## **PROGRESS ON 2019/20 ACTIONS**

8. In May 2020 an update on the actions from the 2019/20 Code of Corporate Governance update was produced. The update is attached at Annex 2 and is available to the public on the council website.

9. Four of five improvement activities listed in the 2019/20 code were completed:

- A full review of the Code of Conduct in relation to employees was completed on schedule.
- Teams across the Council were consulted before an agreed set of three new values was introduced in 2019. These are now embedded across the organisation.
- The new Quality Conversations scheme involving an annual conversation between individual staff and their managers and regular 1-2-1 and team check-ins is now embedded across the Council.
- The "Anti-Fraud, Bribery and Theft Strategy", prepared in line with the CIPFA "Code of Practice on Managing the Risk of Fraud and Corruption" was approved by the Corporate Management Team.

Development of the new Digital Customer Experience project is progressing. The target for completion has changed to March 2021 to take account of new priorities during the Covid-19 crisis.

## **UPDATED CODE OF CORPORATE GOVERNANCE FOR 2020/21**

10. The updated Code of Corporate Governance for 2020/21 is included at Annex 1 and sets out arrangements which fulfil the seven governance principles outlined in the national guidance. Some of these are linked to recovery/renewal planning in response to the Covid-19 crisis.

11. The CIPFA / SOLACE framework emphasises that councils should:

- keep codes of corporate governance under review;
- carry out a process of self-evaluation scoring; and
- develop actions to address any gaps or areas for improvement in governance arrangements.

The self-assessment scoring of this year's code found that we were fully compliant across all governance principles. Any supplementary actions added in relation to the recovery/renewal phases of the Covid-19 crisis will be evaluated in future to check for continued compliance.

12. A number of actions to be undertaken in 2019/20 to further improve compliance with the Code have been identified. Each action has been included only once to avoid duplication, with any references to other relevant supporting principles included for information. Key actions for 2020/21 are:

- The first annual “Fraud Statement” providing an update on work to address fraud, bribery and theft within the Council.
- A plan outlining the next steps for Community Choices participatory budgeting events.
- Development of a Climate Change Strategy.
- Finalisation of the new Digital Customer Experience programme.
- Development of the council’s Equality and Human Rights Mainstreaming Report.
- Full roll out of an investment reporting system for Capital and Investment projects.
- Development of the ODP for 2020-23 to reflect recovery and renewal post-COVID-19.

13. Once approved, the Code of Corporate Governance 2020/21 will be made available on the Council’s website and a progress update on the actions will be made in May 2021 after the close of the 2020/21 financial year.

## **ANNUAL GOVERNANCE STATEMENT**

14. As part of the SOLACE/CIPFA corporate governance framework the Leader and the Chief Executive are responsible for ensuring the inclusion of the Annual Governance Statement in the Annual Report and Accounts. The 2019/20 Annual Report and Accounts is to be published later in the year. This Statement includes a progress summary of the 2019/20 Code of Corporate Governance actions and also references the 2020/21 Code.

## **CONCLUSION**

15. Based on the evidence presented here East Renfrewshire Council is governed by sound and effective internal management controls and continues to demonstrate compliance with the requirements of the CIPFA/SOLACE Framework: *“Delivering Good Governance in Local Government.”*

16. As part of the annual review process the Code of Corporate Governance has been updated and scored in line with evidence and in consultation with colleagues across the Council. Progress on planned actions for last year (2019/20) has been posted on the Council’s website, accessible [here](#). Subject to Audit and Scrutiny Committee’s approval the new revised Code for 2020/21 will also be posted on the Council’s website in August 2020.

## **RECOMMENDATIONS**

17. The Audit and Scrutiny Committee is asked to:-

- (a) Note progress on the 2019/20 Code of Corporate Governance improvement actions.
- (b) Approve the Code of Corporate Governance updates and actions for 2020/21 (Annex 1).

Caroline Innes  
Deputy Chief Executive  
24 July 2020

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**BACKGROUND PAPERS**

- Code of Corporate Governance, Audit & Scrutiny Committee, 20 June, 2019.

**KEYWORDS**

(governance, code, corporate, principles, CIPFA, SOLACE, LAN, accountability, improvement actions, leadership).

CODE OF CORPORATE GOVERNANCE 2020/21

<b>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1– not; 2– partial; 3–fully)	<b>Further Action Required</b>
<b>1. Behaving with integrity</b>	1.1 Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation	<ul style="list-style-type: none"> <li>Codes of Conduct for Members &amp; Employees</li> <li>Members' Induction Programme</li> <li>Council Values (reviewed 2019)</li> <li>Performance Review and Development (reviewed 2019 – replaced by new Quality Conversations framework)</li> </ul>	3	
	1.2 Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	<ul style="list-style-type: none"> <li>Council Values</li> <li>HR notices and policies</li> <li>Customer Care standards</li> <li>Council website</li> <li>Communications Strategy</li> <li>Vision for the future strategy (reviewed 2019)</li> <li>Citizens' panel findings on demonstrating council values</li> </ul>	3	
	1.3 Leading by example and using these standard operating principles or values as a framework for decision making and other actions	<ul style="list-style-type: none"> <li>Minutes of meetings</li> <li>Council Standing Orders</li> <li>Audit and Scrutiny Committee</li> <li>Scheme of Administration</li> <li>Scheme of Delegated Functions</li> <li>Council values</li> <li>Register of interests</li> </ul>	3	

<b>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1– not; 2– partial; 3–fully)	<b>Further Action Required</b>
	1.4 Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively	<ul style="list-style-type: none"> <li>• HR notices and policies</li> <li>• Social Media Policy &amp; Media Protocol</li> <li>• Anti-fraud and Bribery strategy</li> <li>• Registers of interests (Councillor and Employee)</li> <li>• Complaints policy, procedure &amp; report</li> <li>• Unacceptable Actions Policy</li> <li>• Codes of Conduct for Members &amp; Employees</li> <li>• Council Values</li> <li>• Leadership Competencies</li> <li>• Management &amp; Leadership Development Programmes</li> </ul>	3	
<b>2. Demonstrating strong commitment to ethical values</b>	2.1 Seeking to establish, monitor and maintain the organisation's ethical standards and performance	<ul style="list-style-type: none"> <li>• Minutes of committee meetings</li> <li>• Council Standing Orders</li> <li>• Audit and Scrutiny Committee chaired by opposition group on Council</li> <li>• Scheme of Administration</li> <li>• Scheme of Delegated Functions</li> </ul>	3	
	2.2 Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation	<ul style="list-style-type: none"> <li>• Members' Induction Programme</li> <li>• Codes of Conduct for Members &amp; Employees</li> <li>• Scheme of Delegated Functions</li> <li>• Council Values</li> <li>• Leadership Competencies</li> </ul>	3	



<b>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1– not; 2– partial; 3–fully)	<b>Further Action Required</b>
	2.3 Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	<ul style="list-style-type: none"> <li>• HR notices and policies</li> <li>• Contract Standing Orders</li> <li>• Quality Conversations</li> <li>• Chief Executive performance review meetings</li> <li>• Recruitment and Selection Code of Practice</li> <li>• Discipline &amp; Grievance procedures</li> <li>• Corporate Procurement Strategy</li> </ul>	3	
	2.4 Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation	<ul style="list-style-type: none"> <li>• Codes of Conduct for Members &amp; Employees</li> <li>• Contract Standing Orders</li> <li>• General Conditions of Purchase</li> <li>• Corporate Procurement Strategy</li> <li>• Integration scheme for ER HSCP</li> <li>• Culture and Leisure Trust – Transfer of Services Agreement and Articles of Association</li> </ul>	3	
<b>3. Respecting the rule of law</b>	3.1 Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations.	<ul style="list-style-type: none"> <li>• Scheme of Administration</li> <li>• Council Values</li> <li>• Contract Standing Orders</li> <li>• Adherence to Local Government in Scotland Act</li> <li>• Other statutory provision (e.g. planning legislation, placing requests, freedom of information, data protection and health and safety requirements)</li> <li>• Role of Monitoring Officer</li> <li>• Financial Regulations</li> </ul>	3	

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<b>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1– not; 2– partial; 3–fully)	<b>Further Action Required</b>
	3.2 Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements	<ul style="list-style-type: none"> <li>• Codes of Conduct for Members &amp; Employees</li> <li>• Scheme of Delegated Functions</li> <li>• Job descriptions</li> <li>• Financial Regulations</li> <li>• Compliant with CIPFA Statement on role of Chief Financial Officer</li> <li>• Council Standing Orders</li> </ul>	3	
	3.3 Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	<ul style="list-style-type: none"> <li>• Legal files and emails</li> <li>• Outcome Delivery Plan Establishment of an Emergencies Committee to sit during COVID-19 restrictions on council meetings</li> </ul>	3	
	3.4 Dealing with breaches of legal and regulatory provisions effectively	<ul style="list-style-type: none"> <li>• Role of Monitoring Officer</li> <li>• Legal files and emails (e.g. response to Housing Regulator reports)</li> <li>• Adherence to Local Government in Scotland Act 2003</li> <li>• Other statutory provision (e.g. planning legislation, placing requests, freedom of information and data protection requirements)</li> </ul>	3	

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law				
Sub Principle	Requirement	Evidence	Evaluation of Requirement Against Code (1– not; 2– partial; 3–fully)	Further Action Required
	3.5 Ensuring corruption and misuse of power are dealt with effectively	<ul style="list-style-type: none"> <li>• Anti-fraud and Bribery Strategy (including probity register)</li> <li>• HR policies</li> </ul>	3	The first annual “Fraud Statement” providing an update on work to address fraud, bribery and theft within the Council due to be considered by the Audit and Scrutiny Committee has been delayed due to the current Covid-19 situation, Chief Executive’s Business Manager.

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<b>Principle B: Ensuring openness and comprehensive stakeholder engagement</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
<b>1. Openness</b>	1.1 Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	<ul style="list-style-type: none"> <li>• Community Plan &amp; Outcome Delivery Plan</li> <li>• National reporting requirements to Scottish Government/Audit Scotland</li> <li>• Internal Audit annual report</li> <li>• Annual Report &amp; Accounts</li> <li>• Annual Performance Report</li> <li>• Council and Community Planning Partnership (CPP) performance reports</li> <li>• Citizen Space engagement tool</li> <li>• Social media growth and content strategy</li> <li>• Council website</li> <li>• Citizens' Panel</li> <li>• Council Standing Orders</li> <li>• Planning for the future demographic report</li> <li>• National LGBF benchmarking report</li> <li>• Annual Complaints report</li> <li>• Chief Social Work Officer Annual Report</li> <li>• Publication Scheme</li> <li>• Records Management Plan</li> <li>• FoI annual report</li> <li>• Council values</li> <li>• Communications Strategy</li> <li>• Insider magazine</li> <li>• iMatter staff engagement tool</li> <li>• Programme reporting &amp; governance</li> </ul>	3	

<b>Principle B: Ensuring openness and comprehensive stakeholder engagement</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	1.2 Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided	<ul style="list-style-type: none"> <li>• Council meetings and webcasts</li> <li>• Council Standing Orders</li> <li>• Audit and Scrutiny Committee chaired by opposition group on Council</li> <li>• Scheme of Administration</li> <li>• Scheme of Delegated Functions</li> </ul>	3	
	1.3 Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear	<ul style="list-style-type: none"> <li>• Scheme of Administration</li> <li>• Call-in procedure</li> <li>• Scheme of Delegated Functions</li> <li>• Committee Minutes and reports</li> <li>• Risk management strategy</li> <li>• Options appraisal guidance and training</li> <li>• Reporting arrangements</li> <li>• Unacceptable Actions Policy</li> <li>• Record of decisions taken by officers using extended delegated powers following the cancellation of meetings due to COVID-19</li> </ul>	3	
	1.4 Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action	<ul style="list-style-type: none"> <li>• Community Plan</li> <li>• Community Planning Partnership</li> <li>• Citizen Space community engagement tool</li> <li>• Social media interaction</li> <li>• Citizens' Panel</li> <li>• Service-level customer communication</li> <li>• Digital Customer Experience principles</li> <li>• User/service design as part of MAP</li> </ul>	3	

<b>Principle B: Ensuring openness and comprehensive stakeholder engagement</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
<b>2. Engaging comprehensively with institutional stakeholders</b>	2.1 Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably	<ul style="list-style-type: none"> <li>• Outcome Delivery Plan</li> <li>• Vision for the Future strategy</li> <li>• Communications Strategy</li> <li>• Community Engagement for Fairer East Ren plan</li> <li>• Locality Planning - targeted and joint approaches to improving outcomes in specific communities</li> </ul>	3	
	2.2 Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	<ul style="list-style-type: none"> <li>• Citizens' Panel</li> <li>• Community Planning Partnership</li> <li>• Voluntary organisations database</li> <li>• Community Groups database</li> <li>• Community Plan (incorporating Fairer East Ren)</li> </ul>	3	
	2.3 Ensuring that partnerships are based on: trust, a shared commitment to change, a culture that promotes and accepts challenge among partners, and that the added value of partnership working is explicit	<ul style="list-style-type: none"> <li>• Community Planning Partnership</li> <li>• Integration scheme for ER HSCP</li> <li>• Culture and Leisure Trust – Transfer of Services Agreement and Articles of Association</li> </ul>	3	
<b>3. Engaging stakeholders effectively, including individual citizens and service users</b>	3.1 Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes	<ul style="list-style-type: none"> <li>• Citizen Space community engagement tool</li> <li>• Community Planning Partnership</li> <li>• Council website</li> <li>• Participation Requests Framework</li> </ul>	3	

<b>Principle B: Ensuring openness and comprehensive stakeholder engagement</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	3.2 Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement	<ul style="list-style-type: none"> <li>• Vision for the Future strategy</li> <li>• Citizen Space engagement tool</li> <li>• Service-level customer communication</li> <li>• Community Empowerment Act briefings</li> <li>• Community Engagement driver diagram</li> <li>• Communications Strategy</li> <li>• Social media growth and content strategy</li> <li>• Community engagement training</li> </ul>	3	
	3.3 Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs	<ul style="list-style-type: none"> <li>• CPP needs assessment</li> <li>• Citizens' panel data trends</li> <li>• Citizen Space engagement tool</li> <li>• Planning for the Future document</li> <li>• Communications Strategy</li> <li>• Social media growth and content strategy</li> <li>• Community engagement on Fairer East Ren plan</li> <li>• Fairer Scotland Duty – impact assessment</li> <li>• Locality Planning – targeted/joint approaches to improve outcomes in specific communities</li> </ul>	3	
	3.4 Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account	<ul style="list-style-type: none"> <li>• Citizen Space community engagement tool</li> <li>• Social media &amp; Council website</li> <li>• Citizens' Panel</li> <li>• Complaints report</li> <li>• Communications Strategy</li> </ul>	3	
	3.5 Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity	<ul style="list-style-type: none"> <li>• Citizen Space community engagement tool</li> <li>• Fairer East Ren community engagement exercise</li> <li>• Community mapping database</li> <li>• Locality Planning – targeted/joint approaches to improve outcomes in specific communities</li> </ul>	3	



<b>Principle B: Ensuring openness and comprehensive stakeholder engagement</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	3.6 Taking account of the interests of future generations of tax payers and service users	<ul style="list-style-type: none"> <li>• CPP needs assessment</li> <li>• Community mapping database</li> <li>• Social media engagement</li> <li>• Annual Report &amp; Accounts</li> <li>• Annual Performance Report</li> <li>• Council and CPP performance reports</li> <li>• Vision for the Future strategy</li> <li>• Financial Planning</li> <li>• Planning for the future demographic document</li> <li>• Renewal theme of COVID-19 recovery</li> </ul>	3	

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<b>Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
<b>1. Defining outcomes</b>	1.1 Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions	<ul style="list-style-type: none"> <li>• Modern Ambitious change Programme (MAP)</li> <li>• Council vision, capabilities and values</li> <li>• Outcome Delivery Plan</li> <li>• Annual updates on Community Plan and Outcome Delivery Plan</li> <li>• Council Report – Financial Planning</li> <li>• Community Planning Partnership (CPP) Board meetings</li> <li>• CPP Performance and Accountability (PAR) meetings</li> <li>• Vision for the Future strategy</li> <li>• Strategic Planning update for Council</li> <li>• Driver diagrams for 5 capabilities (incl. modernisation, data, digital and empowering communities)</li> </ul>	3	
	1.2 Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer	<ul style="list-style-type: none"> <li>• Outcome Delivery Plan</li> <li>• Vision for the Future strategy</li> <li>• MAP change programme</li> <li>• Directors of Finance- Economic Forecasts/Benchmarking</li> <li>• Communications Strategy</li> <li>• Locality Planning</li> <li>• Budget planning process</li> </ul>	3	

<b>Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	1.3 Delivering defined outcomes on a sustainable basis within the resources that will be available	<ul style="list-style-type: none"> <li>• Annual updates on Community Plan and Outcome Delivery Plan</li> <li>• Annual report and accounts</li> <li>• Council Report – Financial Planning</li> </ul>	3	
	1.4 Identifying and managing risks to the achievement of outcomes	<ul style="list-style-type: none"> <li>• Strategic and operational risk registers</li> <li>• Risk reporting</li> <li>• Audit and Scrutiny and CMT risk monitoring</li> <li>• Risk Management Strategy</li> <li>• Business Continuity Planning</li> </ul>	3	
	1.5 Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available	<ul style="list-style-type: none"> <li>• Public performance reporting</li> <li>• 2021 Budget consultation exercise</li> <li>• Participatory budgeting (PB) – engagement and participation in expenditure and policy developments e.g. ER Spaces for People (consultation on safe travel during Covid-19), Learning &amp; Leisure in Neilston and support for Linking Communities: community led PB group.</li> <li>• Outcome Participation Request policy and process</li> </ul>	3	Plan next steps for Community Choices participatory budgeting events, which were postponed earlier in 2020 as a result of COVID-19, March 2021, Head of Communities, Revenues & Change
<b>2. Sustainable economic, social and environmental benefits</b>	2.1 Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision	<ul style="list-style-type: none"> <li>• Capital programme</li> <li>• City Deal</li> <li>• Invest East Renfrewshire</li> <li>• Sustainable procurement policy</li> <li>• Corporate Procurement Strategy</li> <li>• City Deal procurement strategy</li> <li>• Budget Strategy Group and annual budget process</li> <li>• PEST analysis in Vision for the Future</li> </ul>	3	

<b>Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	2.2 Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints	<ul style="list-style-type: none"> <li>• Agendas, reports and minutes of meetings</li> <li>• Council Report – Financial Planning 2019-25</li> <li>• Budget Strategy Group and annual budget process</li> <li>• Strategic risk register monitoring</li> <li>• Recovery &amp; Renewal themes of COVID-19 response</li> </ul>	3	
	2.3 Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs	<ul style="list-style-type: none"> <li>• Agendas, reports and minutes of meetings</li> <li>• Council Standing Orders</li> <li>• Council website</li> <li>• Scheme of Administration</li> <li>• Budget consultation exercise</li> <li>• Main Issues Report &amp; Local Development Plan</li> </ul>	3	Development of a Climate Change Strategy on completion of a public consultation exercise using the Citizens' Panel, January 2021, Environment Leadership Support Officer.
	2.4 Ensuring fair access to services	<ul style="list-style-type: none"> <li>• Adhering to statutory guidance</li> <li>• Equality Impact Assessments</li> <li>• Equality Outcomes Mainstreaming Plan and Report</li> <li>• Fairer Scotland Duty</li> </ul>	3	

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<b>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
<b>1. Determining interventions</b>	1.1 Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided	<ul style="list-style-type: none"> <li>Options appraisals (including guidance &amp; training) – mainstreamed into MAP &amp; financial bid processes</li> <li>Council Standing Orders</li> <li>Agendas, reports and minutes of meetings</li> <li>Corporate template - options</li> </ul>	3	
	1.2 Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resource available including people, skills, land and assets and bearing in mind future impacts	<ul style="list-style-type: none"> <li>Financial planning and financial management</li> <li>Budget Strategy Group</li> <li>Use of Citizens' Panel data</li> <li>Service/user design via MAP</li> <li>'Consul' scoping and development – citizen engagement and participation software</li> <li>Use of 'Commonplace' – tool for plotting and responding to needs</li> <li>Use of Citizen Space community engagement tool across departments</li> <li>Local Development Plan 2 preparation</li> </ul>	3	
<b>2. Planning interventions</b>	2.1 Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	<ul style="list-style-type: none"> <li>Cabinet system of governance</li> <li>Annual Cabinet work plan</li> <li>Six monthly strategic performance monitoring</li> <li>MAP &amp; Investment Programme governance</li> <li>Multi-year budgeting</li> </ul>	3	

<b>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	2.2 Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	<ul style="list-style-type: none"> <li>• Council website</li> <li>• Citizen's Space</li> <li>• Communications Strategy</li> <li>• Commonplace</li> <li>• Locality planning – targeted and joint approaches to improving outcomes in specific communities</li> </ul>	3	ONGOING Development of the new Digital Customer Experience programme is progressing. The target for completion has changed to March 2021 to take account of new priorities during the Covid-19 crisis, Communications Manager.
	2.3 Considering and monitoring risks facing each partner when working collaboratively including shared risks	<ul style="list-style-type: none"> <li>• Community Planning Partnership including thematic outcome delivery groups</li> <li>• Risk Management Strategy</li> <li>• Strategic Risk Register</li> <li>• Business Continuity Planning</li> </ul>	3	
	2.4 Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances	<ul style="list-style-type: none"> <li>• Council Standing Orders</li> <li>• Call-in procedure</li> <li>• Scheme of Administration</li> <li>• Range of budget scenarios</li> <li>• MAP &amp; investment programme governance</li> <li>• Response to COVID-19 incl. establishment of Emergencies Committee</li> </ul>	3	Work is underway to develop the Council's Equality and Human Rights Mainstreaming Report due to be published by April 2021 outlining how the Council will integrate equality into its business, Strategic Services



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				Development Manager.
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<b>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	2.5 Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured	<ul style="list-style-type: none"> <li>• Performance Management Framework</li> <li>• Evaluative approach to Service Business Planning</li> <li>• Outcome strategies</li> <li>• Outcome Delivery Plan</li> <li>• Community Plan</li> </ul>	3	
	2.6 Ensuring capacity exists to generate the information required to review service quality regularly	<ul style="list-style-type: none"> <li>• Performance Management System</li> <li>• RAG status included in reports</li> <li>• 6 monthly performance reporting</li> </ul>	3	
	2.7 Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan	<ul style="list-style-type: none"> <li>• Financial planning and management</li> <li>• Budget Strategy Group</li> <li>• Financial Planning</li> </ul>	3	
	2.8 Informing medium and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy	<ul style="list-style-type: none"> <li>• Financial planning and management</li> <li>• Budget Strategy Group</li> <li>• Outcome Delivery Plan</li> <li>• Reserves policy</li> <li>• Capital Investment Strategy</li> <li>• Asset Management Plans</li> <li>• Workforce Plan</li> <li>• Change plans</li> </ul>	3	Investment reporting has been developed for Capital and Investment projects. The roll out which is behind schedule due to Covid-19 crisis is expected to be completed by December 2020, Project Management Office Manager.

<b>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
<b>3. Optimising achievement of intended outcomes</b>	3.1 Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	<ul style="list-style-type: none"> <li>• Financial management and planning</li> <li>• Budget Strategy Group</li> <li>• Capital Investment Strategy</li> <li>• Asset Management Plans</li> <li>• Budget engagement process</li> <li>• Capital planning</li> <li>• Local Development Plan</li> <li>• Participatory budgeting (PB) – participatory approaches to policy development and capital and revenue spend</li> </ul>	3	
	3.2 Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term	<ul style="list-style-type: none"> <li>• Asset Management Plans</li> <li>• Corporate Asset Management Group</li> <li>• Capital Project Appraisal Forms</li> <li>• Financial Planning</li> <li>• Revenue Savings Templates</li> <li>• Corporate Resource Planning (e.g. transformation fund, restructuring budget)</li> </ul>	3	
	3.3 Ensuring the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage	<ul style="list-style-type: none"> <li>• Financial Planning and management</li> </ul>	3	

<b>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	3.4 Ensuring the achievement of 'social value' through service planning and commissioning	<ul style="list-style-type: none"> <li>• Economic Development &amp; City Deal approaches to community benefits</li> <li>• Change programmes</li> <li>• Corporate procurement</li> <li>• Alternative models of service delivery (HSCP)</li> </ul>	3	

<b>Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
<b>1. Developing the entity's capacity</b>	1.1 Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness	<ul style="list-style-type: none"> <li>• Annual Outcome Delivery Plan review</li> <li>• Performance Management Framework</li> <li>• Corporate Asset Management Group</li> <li>• Job descriptions/person specifications</li> <li>• Audit and Scrutiny Committee</li> <li>• Service Business Plans</li> <li>• Inspection regimes</li> <li>• Asset Management Plans</li> </ul>	3	Development of Outcome Delivery Plan for 2020-23 to reflect recovery post-COVID-19, October 2020, Strategic Services Officer.
	1.2 Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently	<ul style="list-style-type: none"> <li>• Procurement Strategy</li> <li>• Option appraisal</li> <li>• APSE benchmarking reports</li> <li>• Participation in benchmarking groups &amp; Local Government Benchmarking Framework report</li> </ul>	3	
	1.3 Recognising the benefits of partnerships and collaborative working where added value can be achieved	<ul style="list-style-type: none"> <li>• CoSLA</li> <li>• Improvement Service engagement</li> <li>• Community Planning Partnership</li> <li>• ERCL Trust</li> <li>• HSCP</li> <li>• City Deal</li> <li>• Scotland Excel</li> <li>• Local Government Digital Partnership</li> <li>• Clyde Valley arrangements</li> <li>• Shared services/collaborative arrangements</li> </ul>	3	
<b>Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it</b>				

Sub Principle	Requirement	Evidence	Evaluation of Requirement Against Code (1 – not; 2 – partial; 3 – fully)	Further Action Required
	1.4 Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	<ul style="list-style-type: none"> <li>• Workforce Plan and driver diagram</li> <li>• Planning for the Future staff profile</li> <li>• Vision for the Future strategy</li> </ul>	3	
<b>2. Developing the capability of the entity's leadership and other individuals</b>	2.1 Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained	<ul style="list-style-type: none"> <li>• Scheme of delegated functions</li> <li>• Elected member inductions</li> <li>• Scheme of Administration</li> <li>• Codes of Conduct for Employees &amp; Members</li> <li>• Anti-fraud and Bribery Strategy</li> <li>• Job descriptions</li> </ul>	3	
	2.2 Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	<ul style="list-style-type: none"> <li>• Scheme of Delegated Functions</li> <li>• Scheme of Administration</li> <li>• Council Standing Orders</li> <li>• Contract Standing Orders</li> </ul>	3	
	2.3 Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure, whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority	<ul style="list-style-type: none"> <li>• Job descriptions</li> <li>• Scheme of Delegated Functions</li> <li>• Quality Conversations</li> <li>• Six monthly corporate performance reporting</li> </ul>	3	

<b>Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	2.4 Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks	<ul style="list-style-type: none"> <li>• Member and Officer induction programme</li> <li>• Leaders for the Future programme</li> <li>• Vision for the Future strategy (incl. PEST analysis)</li> <li>• Briefings to Members</li> <li>• Corporate Training Calendar</li> <li>• Brightwave e-learning</li> <li>• Atomic online video training</li> <li>• Quality Conversations</li> <li>• Member Training and Development Plans</li> <li>• Organisational Development Board</li> </ul>	3	
	2.5 Ensuring that there are structures in place to encourage public participation	<ul style="list-style-type: none"> <li>• Citizens' Panel</li> <li>• Citizens' Space engagement tool</li> <li>• Community Councils and Tenant group support</li> <li>• Service/User design as part of MAP</li> <li>• Supporting community groups</li> </ul>	3	
	2.6 Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections	<ul style="list-style-type: none"> <li>• Member support team</li> <li>• Chief Executive and Member meetings</li> <li>• Member Training and Development Plans</li> <li>• Leadership training 360 feedback</li> <li>• iMatter employee engagement tool</li> </ul>	3	

<b>Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	2.7 Holding staff to account through regular performance reviews which take account of training or development needs	<ul style="list-style-type: none"> <li>• Quality Conversations</li> <li>• Training and Development Plans</li> <li>• Annual review corporate training programme</li> <li>• Chief Executive and Member meetings</li> </ul>	3	
	2.8 Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing	<ul style="list-style-type: none"> <li>• HR and Health and Safety policies</li> <li>• Healthy Working Lives Award</li> <li>• Employee counselling provision</li> <li>• Occupational Health provision</li> <li>• Stress risk assessment</li> </ul>	3	



<b>Principle F: Managing risks and performance through robust internal control and strong public financial management</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
<b>1. Managing risk</b>	1.1 Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making	<ul style="list-style-type: none"> <li>• Scheme of Administration</li> <li>• Scheme of Delegated Functions</li> <li>• Risk management strategy</li> <li>• Corporate Management Team monitoring</li> <li>• Business Continuity Planning</li> <li>• Risk registers as part of response to and recovery from COVID-19</li> </ul>	3	
	1.2 Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	<ul style="list-style-type: none"> <li>• Risk management strategy</li> </ul>	3	
	1.3 Ensuring that responsibilities for managing individual risks are clearly allocated	<ul style="list-style-type: none"> <li>• Risk management strategy</li> <li>• Risk Management Group</li> <li>• Audit and Scrutiny Committee role</li> <li>• Operational risk registers</li> </ul>	3	
<b>2. Managing performance</b>	2.1 Monitoring service delivery effectively including planning, specification, execution and independent post-implementation review	<ul style="list-style-type: none"> <li>• Strategic planning and performance arrangements (Outcome Delivery Plan, Community Plan)</li> <li>• Council Minutes and Committee reports</li> <li>• Performance Management Framework</li> <li>• Corporate Asset Management Group</li> </ul>	3	
	2.2 Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook	<ul style="list-style-type: none"> <li>• Member Support team</li> <li>• Corporate report format guidance</li> <li>• Council Minutes and Committee reports</li> </ul>	3	

<b>Principle F: Managing risks and performance through robust internal control and strong public financial management</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	2.3 Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making	<ul style="list-style-type: none"> <li>• Scheme of Administration</li> <li>• Scheme of Delegated Functions</li> <li>• Codes of Conduct for Members and Employees Recruitment and Selection Code of Practice</li> <li>• Registers of interests (Member and Officer)</li> <li>• Anti-fraud &amp; Bribery Strategy</li> <li>• Council Standing Orders</li> <li>• Annual Governance Statement</li> <li>• Adherence to Local Gov. in Scotland Act</li> <li>• Audit and Scrutiny Committee chaired by opposition group on Council</li> <li>• Call-in procedure</li> <li>• Establishment of Emergencies Committee as part of COVID-19 response</li> </ul>	3	
	2.4 Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement	<ul style="list-style-type: none"> <li>• Directors' 1:1s with Convenors</li> <li>• Performance management framework</li> <li>• Strategic and service business plan monitoring arrangements</li> </ul>	3	
	2.5 Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements )	<ul style="list-style-type: none"> <li>• Contract standing orders</li> <li>• Financial planning and management</li> <li>• Annual Report and Accounts</li> </ul>	3	
<b>3. Robust internal control</b>	3.1 Aligning the risk management strategy and policies on internal control with achieving objectives	<ul style="list-style-type: none"> <li>• Risk management strategy</li> <li>• Strategic risk register</li> <li>• Internal audit plan and reports</li> <li>• Risks linked to outcomes in key plans</li> </ul>	3	

	3.2 Evaluating and monitoring risk management and internal control on a regular basis	<ul style="list-style-type: none"> <li>• Risk management strategy</li> <li>• Budget monitoring arrangements</li> </ul>	3	
	3.3 Ensuring effective counter fraud and anti-corruption arrangements are in place	<ul style="list-style-type: none"> <li>• Anti-fraud &amp; Bribery Strategy</li> <li>• Compliance with the Code of practice on managing the risk of fraud and corruption</li> </ul>	3	Action at A3.5

<b>Principle F: Managing risks and performance through robust internal control and strong public financial management</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial;3 –fully)	<b>Further Action Required</b>
	3.4 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	<ul style="list-style-type: none"> <li>• Annual Governance Statement</li> <li>• Annual Report and Accounts</li> <li>• Internal audit work plan</li> <li>• Audit and Scrutiny Committee oversight of Internal /External Audit and Strategic Risks</li> </ul>	3	
	3.5 Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment, that its recommendations are listened to and acted upon	<ul style="list-style-type: none"> <li>• Audit and Scrutiny Committee chaired by member of opposition group</li> <li>• Audit and Scrutiny Committee oversight of Internal /External Audit and Strategic Risks</li> <li>• Committee's use of 'call in' procedures</li> </ul>	3	

<b>Principle F: Managing risks and performance through robust internal control and strong public financial management</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
<b>4. Managing data</b>	4.1 Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data	<ul style="list-style-type: none"> <li>• Codes of Conduct for Members and Employees</li> <li>• Recruitment and Selection Code of Practice</li> <li>• Registers of Members' and Employees' interests</li> <li>• Anti-fraud &amp; Bribery Strategy</li> <li>• Corporate training and guidance notes on FOI, Regulation of Investigatory Powers and Data Protection</li> <li>• Data Loss Prevention programme</li> <li>• Data Protection (e-courses)</li> <li>• Information Governance Officer</li> <li>• Data protection policies</li> <li>• Records Management Plan</li> </ul>	3	
	4.2 Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies	<ul style="list-style-type: none"> <li>• Data Loss Prevention programme</li> <li>• Information Governance Officer</li> <li>• Data protection policies</li> </ul>	3	
	4.3 Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring	<ul style="list-style-type: none"> <li>• Performance Management Framework</li> <li>• Sign off procedures</li> <li>• Mid and end year reporting</li> <li>• Mid and end year review meetings</li> <li>• Local Government Benchmarking Framework analysis</li> </ul>	3	
<b>5. Strong public financial management</b>	5.1 Ensuring financial management supports both long-term achievement of outcomes and short-term financial and operational performance	<ul style="list-style-type: none"> <li>• Financial planning and management arrangements</li> <li>• Council Report - Financial Planning</li> <li>• Outcome Delivery Plan</li> <li>• Finance Business Partner Approach</li> </ul>	3	
	5.2 Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks & controls	<ul style="list-style-type: none"> <li>• Budget monitoring reports</li> <li>• Annual report and accounts</li> <li>• Finance Business Partner Approach</li> </ul>	3	

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<b>Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
<b>1. Implementing good practice in transparency</b>	1.1 Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	<ul style="list-style-type: none"> <li>• Council website</li> <li>• Corporate Reporting Format guidance</li> <li>• Communications strategy</li> </ul>	3	
	1.2 Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	<ul style="list-style-type: none"> <li>• Annual Public Performance Report</li> <li>• Council website- performance pages</li> <li>• Evaluation of public performance reporting arrangements</li> </ul>	3	
<b>2. Implementing good practices in reporting</b>	2.1 Reporting at least annually on performance, value for money and the stewardship of its resources	<ul style="list-style-type: none"> <li>• Annual report and accounts</li> <li>• Annual Public Performance Report</li> <li>• Performance Management Framework</li> <li>• Local Government Benchmarking Framework</li> <li>• Annual Performance Report</li> </ul>	3	
	2.2 Ensuring members and senior management own the results	<ul style="list-style-type: none"> <li>• Discussion at Council/Cabinet/Committees</li> <li>• Chief Executive review meetings</li> <li>• Chief Executive's 'Quality Conversation'</li> </ul>	3	

<b>Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	2.3 Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)	<ul style="list-style-type: none"> <li>Annual governance statement</li> <li>Code of Corporate Governance improvement actions published online</li> </ul>	3	
	2.4 Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate	<ul style="list-style-type: none"> <li>Annual governance statement- included in annual accounts and publicly available</li> </ul>	3	
	2.5 Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations	<ul style="list-style-type: none"> <li>Recent review of annual account format to improve accessibility</li> </ul>	3	
<b>3. Assurance and effective accountability</b>	3.1 Ensuring that recommendations for corrective action made by external audit are acted upon	<ul style="list-style-type: none"> <li>Recommendations made by external audit acted upon</li> <li>Audit Scotland Annual Audit Report to Members and the Controller of Audit</li> <li>East Renfrewshire Best Value report</li> </ul>	3	
	3.2 Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon	<ul style="list-style-type: none"> <li>Compliance with CIPFA's statement on the role of the head of internal audit</li> <li>Compliance with public sector internal audit standards</li> </ul>	3	
	3.3 Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	<ul style="list-style-type: none"> <li>Recommendations made by peer reviews/inspections/regulatory and bodies considered and included in plans for implementation e.g. thematic review cycle in schools</li> </ul>	3	



<b>Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b>				
<b>Sub Principle</b>	<b>Requirement</b>	<b>Evidence</b>	<b>Evaluation of Requirement Against Code</b> (1 – not; 2 – partial; 3 – fully)	<b>Further Action Required</b>
	3.4 Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement	<ul style="list-style-type: none"> <li>• Annual Governance Statement</li> </ul>	3	
	3.5 Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met	<ul style="list-style-type: none"> <li>• Community Planning Partnership governance arrangements</li> <li>• Ongoing approach to community engagement, participation and feedback on decisions</li> </ul>	3	

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**East Renfrewshire Council Corporate Governance - Key documents, supporting processes and monitoring**

**Corporate Governance comprises the systems and processes, cultures and values, by which councils are directed and controlled and through which they account to and engage with their communities**

**Key Documents**

**Strategies, standards and statements**

Vision for the Future	Council Values
Outcome strategies	Governance Statement
Capital Investment Strategy	Codes of Conduct
Anti-Fraud and Bribery Strategy	Register of Interests
Corporate Procurement Strategy	Social Media Policy & Protocol
Risk Management Strategy	Customer Care Standards
Communications Strategy	
Strategic Risk Register	

**Plans, policies and reports**

Community Plan (including Fairer East Ren)	Public Performance Report
Outcome Delivery Plan	Internal Audit Reports
Local Scrutiny Plan	LGBF Benchmarking Report
Mainstreaming Equality Plan	Strategic Performance Reports
Asset Management Plans	Citizens' Panel Report
Records Management Plan	Audit & Scrutiny Reports
Workforce Plan	Financial Planning Report
Complaints Policy	Annual Report & Accounts
Unacceptable Actions Policy	Change & Investment
Meeting Agendas and Minutes	
Programmes	
Local Development Plan	
Service Business Plans	

**Supporting Processes and Monitoring**

- HR policies
- Leadership Competencies
- Recruitment Code of Practice
- Inductions and training
- Quality Conversations framework
- Job Descriptions
- iMatter employee engagement process
- Monitoring Officer
- Performance Management Framework
- Inspection regimes
- Council website
- Community Planning Partnership
- Budget monitoring
- Data Protection/Information Governance policies
- Risk Monitoring
- Audit & Scrutiny Committee
- Council Standing Orders
- Scheme of Delegated functions
- Scheme of Administration
- Contract Standing Orders
- Financial Regulations

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## EAST RENFREWSHIRE COUNCIL

### Update on CODE OF CORPORATE GOVERNANCE 2019/20 Improvement Actions

In June 2019 East Renfrewshire Council's Audit and Scrutiny Committee approved the local Code of Corporate Governance 2019/20. The code is a Council statement of the structures and working arrangements in place for internal policy-making; community leadership; partnership working and accountability mechanisms that are in place. As well as self-assessing our local code's compliance against the national prescribed scoring, the statement also included a number of improvement actions to be carried out in 2019/20. A progress update on the improvement actions is listed below. For more information contact the Strategic Services Team. Tel: 0141 577 3855.

<b>Principle A</b>			
<b>Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>			
<b>Supporting Principle</b>	<b>Requirement</b>	<b>Further Action Required</b>	
1. Behaving with integrity	1.1 Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation	Full review of the Code of Conduct considering all related documents, changes to legislation, feedback from employees and managers and the principles in the CIPFA Code - Alison Findlay Sep 2019.	<b>COMPLETE</b> Full review of the Code of Conduct in relation to employees was completed on schedule.
	1.2 Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	Review of council values with stakeholder engagement resulting in launch of updated council values which will be embedded through the provision of toolkits and briefings - Pauline Cameron Dec 2019.	<b>COMPLETE</b> Teams across the Council were consulted before an agreed set of three new values was introduced in 2019. These are now embedded in the organisation. A 'Values Week' was held in September and a corporate working group set up to further promote and develop these values among staff on a continuing basis.

<b>Principle D</b>			
<b>Determining the interventions necessary to optimise the achievement of the intended outcomes</b>			
<b>Supporting Principle</b>	<b>Requirement</b>	<b>Further Action Required</b>	
2. Planning interventions	2.2 Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	Engagement of internal and external stakeholders for input into design of customer processes for implementation of new Customer Experience system and Council website - Digital Customer Experience Team December 2020.	<b>ONGOING</b> Development of the new Digital Customer Experience programme is progressing. The target for completion has changed to March 2021 to take account of new priorities during the Covid-19 crisis.
<b>Principle E</b>			
<b>Developing the entity's capacity, including the capability of its leadership and the individuals within it</b>			
<b>Supporting Principle</b>	<b>Requirement</b>	<b>Further Action Required</b>	
2. Developing the capability of the entity's leadership and other individuals	2.7 Holding staff to account through regular performance reviews which take account of training or development needs	The current PRD (Performance Review and Development) scheme has been developed to move to Quality Conversations (QC) to promote a more open and constructive discussion between employees and managers. QC was launched in April 2019 and briefing sessions are ongoing to educate on the new scheme - Pauline Cameron March 2020.	<b>COMPLETE</b> The new Quality Conversations scheme involving an annual conversation between individual staff and their managers and regular 1-2-1 and team check-ins is now embedded across the Council. A series of briefing sessions were held to support the roll out of the scheme.
<b>Principle F</b>			
<b>Managing risks and performance through robust internal control and strong public financial management</b>			
<b>Supporting Principle</b>	<b>Requirement</b>	<b>Further Action Required</b>	
3. Robust internal control	3.3 Ensuring effective counter fraud and anti-corruption arrangements are in place	A new "Anti-Fraud, Bribery and Theft" Strategy has been prepared in line with the CIPFA "Code of Practice on Managing the Risk of Fraud and Corruption" and is due to be considered by CMT in June 2019. An annual report on fraud will be submitted for approval in 2020 to ensure full compliance – Gill Darbyshire 2020.	<b>COMPLETE</b> The "Anti-Fraud, Bribery and Theft Strategy", prepared in line with the CIPFA "Code of Practice on Managing the Risk of Fraud and Corruption" was approved by the Corporate Management Team in August 2019. The first annual "Fraud Statement" providing an update on work to address fraud, bribery and theft within the Council due to be considered by the Audit and Scrutiny Committee has been delayed due to the current Covid-19 situation.

EAST RENFREWSHIRE COUNCILAUDIT & SCRUTINY COMMITTEE13 August 2020Report by Head of Accountancy (Chief Financial Officer)ANNUAL TREASURY MANAGEMENT REPORT FOR 2019/20**PURPOSE OF REPORT**

1. To advise the Audit & Scrutiny Committee on the Treasury Management activities for the year ending 31 March 2020.

**RECOMMENDATION**

2. It is recommended that the Committee: -
- a) note the Treasury Management Annual Report for 2019/20; and
  - b) recommend to the Council that the attached organisations for investment of surplus funds be approved.

**BACKGROUND**

3. In line with the CIPFA Code of Practice on Treasury Management, the Audit & Scrutiny Committee is responsible for ensuring effective inspection of treasury management activities and this report is submitted in accordance with this requirement.

**SUMMARY**

4. Overall the report demonstrates a well-managed treasury function within the Council. The average interest rate on long-term borrowing has decreased slightly over the previous year, reflecting the scheduled maturity of existing borrowing with lower interest rates. The Council continues to adopt a prudent approach to treasury management and in particular the percentage of loans held as at 31 March 2020 that had variable interest rates was 7.21% which is well below the Council's approved upper limit of 30%. The resulting stability in borrowing assists the Council in responding to the current national economic pressures.

**RECOMMENDATION**

5. It is recommended that the Committee: -
- a) note the Treasury Management Annual Report for 2019/20; and
  - b) recommend to the Council that the attached organisations for investment of surplus funds be approved.

**REPORT AUTHOR**

Head of Accountancy (Chief Financial Officer): Margaret McCrossan  
Chief Accountant: Barbara Clark  
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Report Date: July 2020

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## ANNUAL TREASURY MANAGEMENT REPORT 2019/20

## 1. Actual External Debt

	<b>Borrowing 01/04/19 £M</b>	<b>Average Interest %</b>	<b>Borrowing 31/03/20 £M</b>	<b>Average Interest %</b>	<b>Change in year £M</b>
<b><u>Long Term Borrowing</u></b>					
Public Works Loan Board	74.71	4.22	99.57	3.52	24.86
Local Authority Bonds	14.40	4.60	14.40	4.60	-
PFI / PPP Finance Leases	90.48	7.19	85.75	7.21	(4.73)
SALIX Energy Efficiency Loan	0.04	-	0.02	-	(0.02)
<b>Total Long Term</b>	<b>179.63</b>	<b>5.74</b>	<b>199.74</b>	<b>5.18</b>	<b>20.11</b>
<b><u>Short Term Investments</u></b>					
Temporary Investments	<b>(67.14)</b>	<b>0.97</b>	<b>(73.82)</b>	<b>1.01</b>	<b>(6.68)</b>

## NOTES

- (i) For purposes of this report long-term borrowing means loans taken on a long-term basis. This differs from the Annual Accounts, which have to categorise long-term loans with less than a year until repayment as short-term loans. Loans above totalling £0.55million come into this category.
- (ii) The average interest rate on long-term borrowing has decreased by 0.56%.
- (iii) During the year additional borrowing of £27 million was made with the Public Works Loan Board and loans totalling £2.14 million matured.
- (iv) The Council's net external borrowing position has increased in total by £13.43 million during the year.
- (v) The Council's activity in the temporary investments market is shown along with the corresponding interest rate movements in Appendices 2 - 5. All sums invested were for periods of less than 1 year. In response to difficulties in the financial markets and as part of a risk managed process designed to protect the principal of the sums invested, during the course of the year the maximum period of investment was restricted to 6 months, with the exception of those investments with the Bank of Scotland which are set at maximum of 1 year.
- (vi) At 31 March 2020, the Council had 7.21% of its total debt outstanding in variable rate loans. For the Council to gain a high level of stability in overall borrowing costs the Council's Treasury Policy Statement requires the exposure to variable rate loans to be less than 30% of the total debt outstanding.

## 2. PWLB

The primary source of medium/long term borrowing is from the UK Government through the Public Works Loan Board (PWLB). The PWLB provides loans to local authorities at rates, which are in general more attractive than loans available from other sources.

## 3. DEBT MATURITY PROFILE

The Council's debt maturity profile at 31 March 2020 is shown both below and in Graph format at Appendix 6.

It was a requirement of the Council's Treasury Policy Statement that the maximum amount of long-term debt maturing in any one year should be no more than 15% of the Council's long-term debt outstanding, at the time of borrowing.

The Council's debt Maturity Profile as at 31 March 2020 was within the agreed limits.

### Long Term Debt Maturity Profile as at 31 March 2020

	PWLB	Local Authority Bond	SALIX	Total	
	£M	£M	£M	£M	%
<b>20/21</b>	0.54	0.00	0.01	0.55	0.48
<b>21/22</b>	0.36	0.00	0.01	0.37	0.32
<b>22/23</b>	0.82	0.00	0.00	0.82	0.72
<b>23/24</b>	0.36	0.00	0.00	0.36	0.32
<b>24/25</b>	0.01	0.00	0.00	0.01	0.01
<b>25/26</b>	0.00	0.00	0.00	0.00	0.00
<b>26/27</b>	5.00	0.00	0.00	5.00	4.39
<b>27/28</b>	2.00	0.00	0.00	2.00	1.75
<b>28/29</b>	0.00	0.00	0.00	0.00	0.00
<b>29/30</b>	0.00	0.00	0.00	0.00	0.00
<b>After 2029/30</b>	90.48	14.40	-	104.88	92.01
<b>Total</b>	<b>99.57</b>	<b>14.40</b>	<b>0.02</b>	<b>113.99</b>	<b>100.00</b>

## 4. PRUDENTIAL INDICATORS

In line with the agreed monitoring arrangements for the Prudential Indicators, listed below there is a table showing all the prudential indicators comparing the approved indicator, as reported to the Council on 28 February 2019 along with the actual figures recorded at 31 March 2020, demonstrating that the Council is operating well within the limits set.

Prudential Indicator	Approved indicator	Actual	COMMENT
1. Capital Expenditure	£58,986,000	£47,895,000	Movement is due to revised planning of capital projects to future years, resulting in a

			commensurate movement of capital expenditure.
2. Capital Financing Requirement	£216,633,000	£200,099,000	Movement is due to a reduction in net capital expenditure in both previous and current year also re-phasing debt w/o profile.
3. Operational Boundary for External Debt	£229,626,000	£199,740,000	Movement is due mainly to only £27m of the anticipated in year borrowing of £50m from PWLB being undertaken, and existing in year debt being repaid.
4. Authorised Limit For External Debt	£250,498,000	£199,740,000	Approved indicator included an allowance of £50m for new debt and a further allowance to cover any unusual temporary movements, only £27m was required during the year. In addition existing debt was repaid during the year.
5. Gross Debt	£222,740,000	£199,740,000	Movement is mainly due to only £27m of the anticipated in year borrowing of £50m from the PWLB being undertaken.
6. Code of Practice For Treasury Management	The Council has adopted the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes	All of the approved activities within the Council Treasury Management Policy Statement have been complied with.	

## 5. APPROVED ORGANISATIONS FOR INVESTMENT

In line with normal practice the status of all Banks and Building Societies has been reviewed in order to amend the current list of approved organisations for investment (see appendix 7). All lending is in line with the permitted methods of investment which were approved by Council on 28 February 2019 as part of the Treasury Management Strategy report.

As a result of the banking crisis and in line with prudent financial management, investment has been restricted to UK organisations with high credit ratings. Also, the maximum period of investment was restricted to 6 months, with the exception of loans to the Bank of Scotland, in line with advice from our Treasury Advisers, Link Asset Services. These

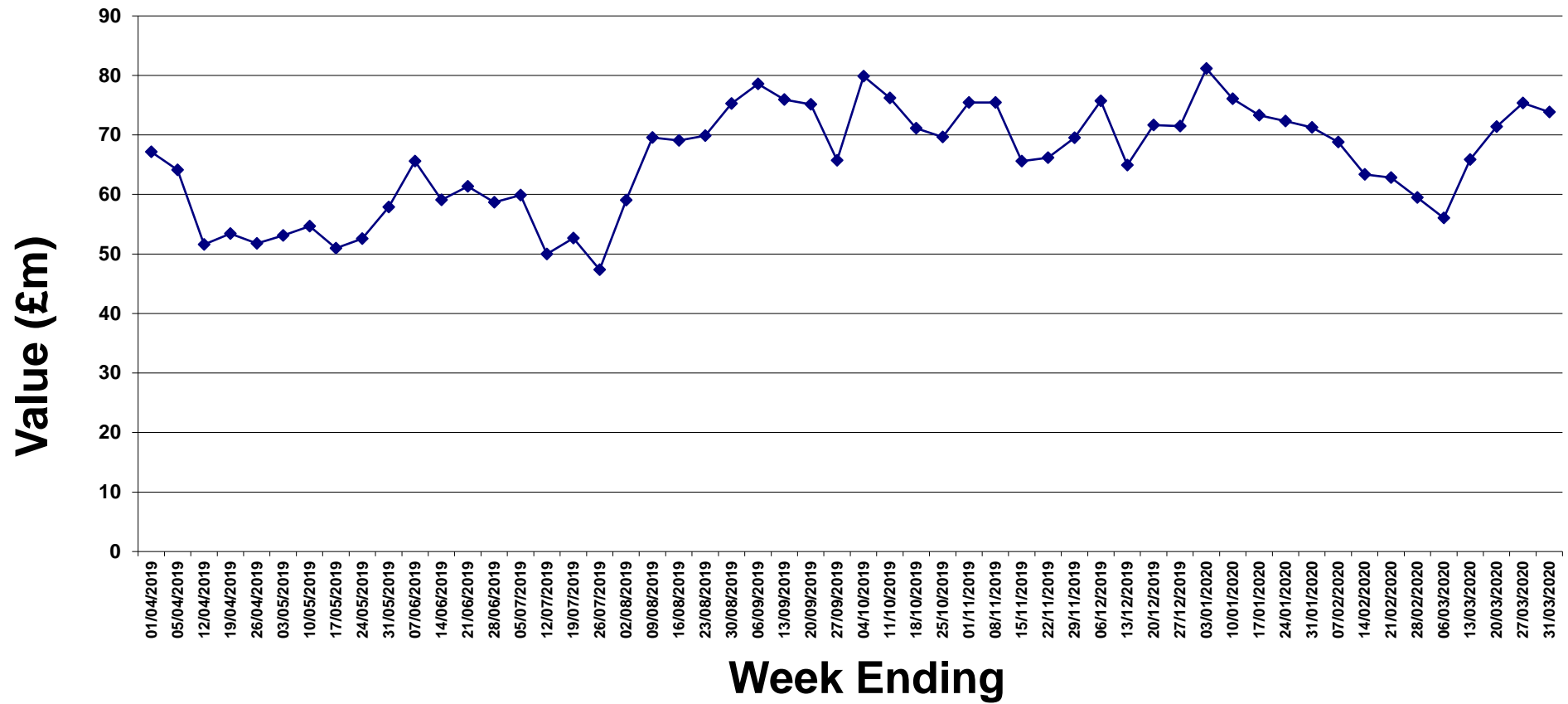
measures have been taken as part of a risk managed process designed to protect the principal of the sums invested.

Credit ratings of organisations on the counter-party list are subject to continuous monitoring and review to ensure that subject to available professional advice, approved organisations remain sound for investment purposes.

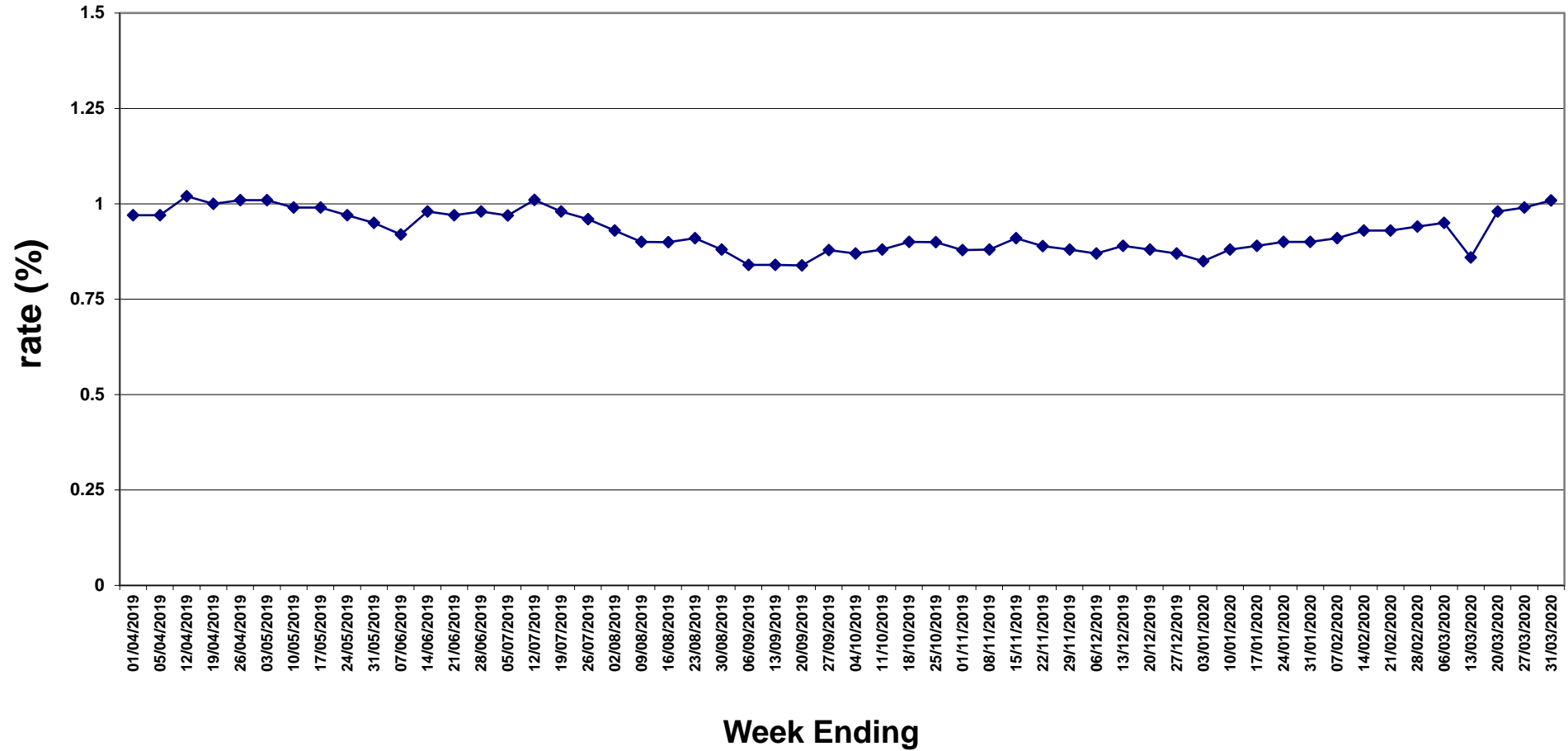
**6. TREASURY MANAGEMENT RISK**

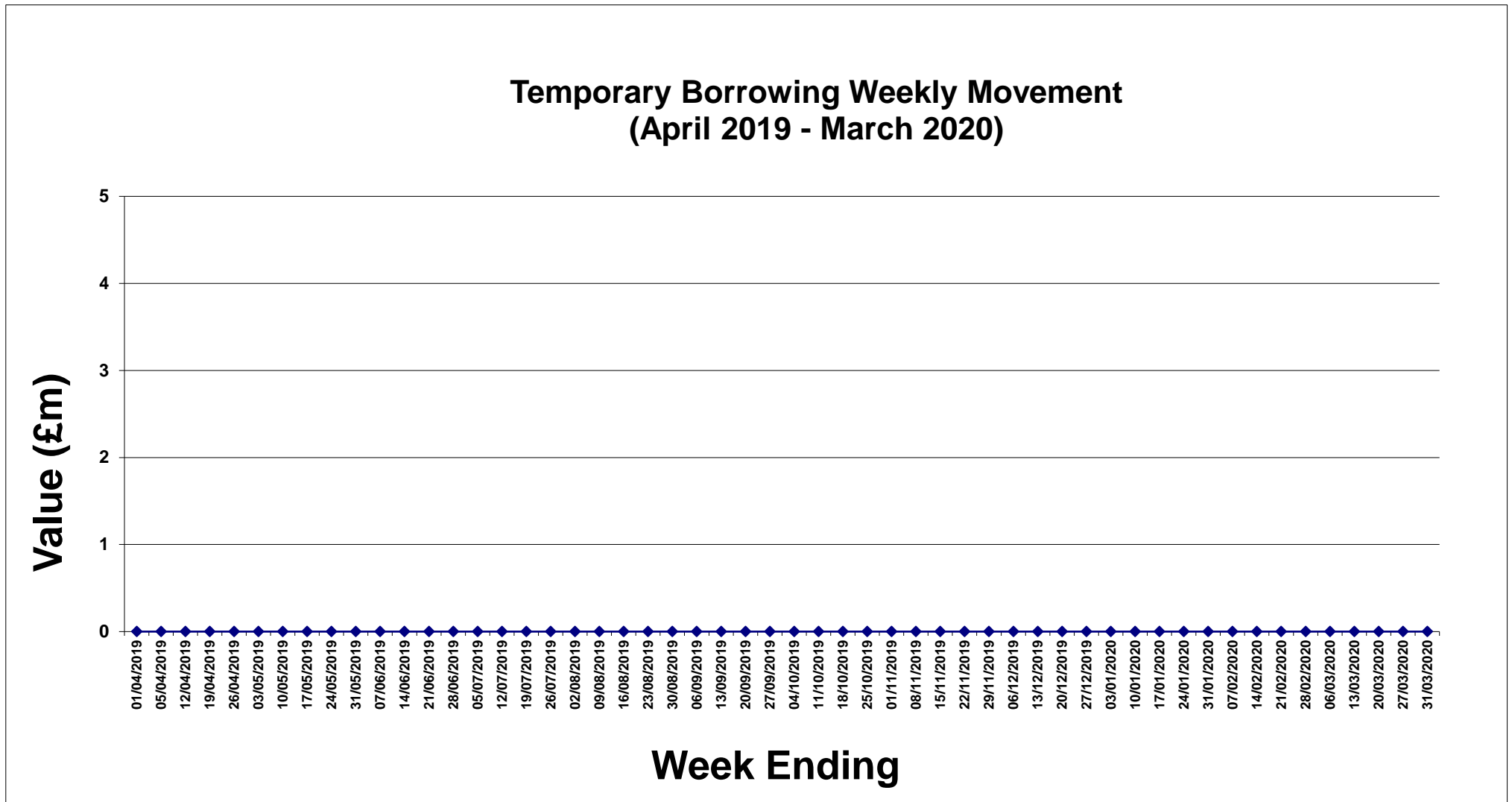
Within the Operational Risk Register for Accountancy Services there is a risk listed that highlights the difficulty in obtaining sufficient institutions, that meet the Council's criteria, to invest surplus funds with. To minimise this risk the Council has seven Money Market Funds which provide highly diversified investments.

### Temporary Deposits Weekly Movement (April 2019 - March 2020)

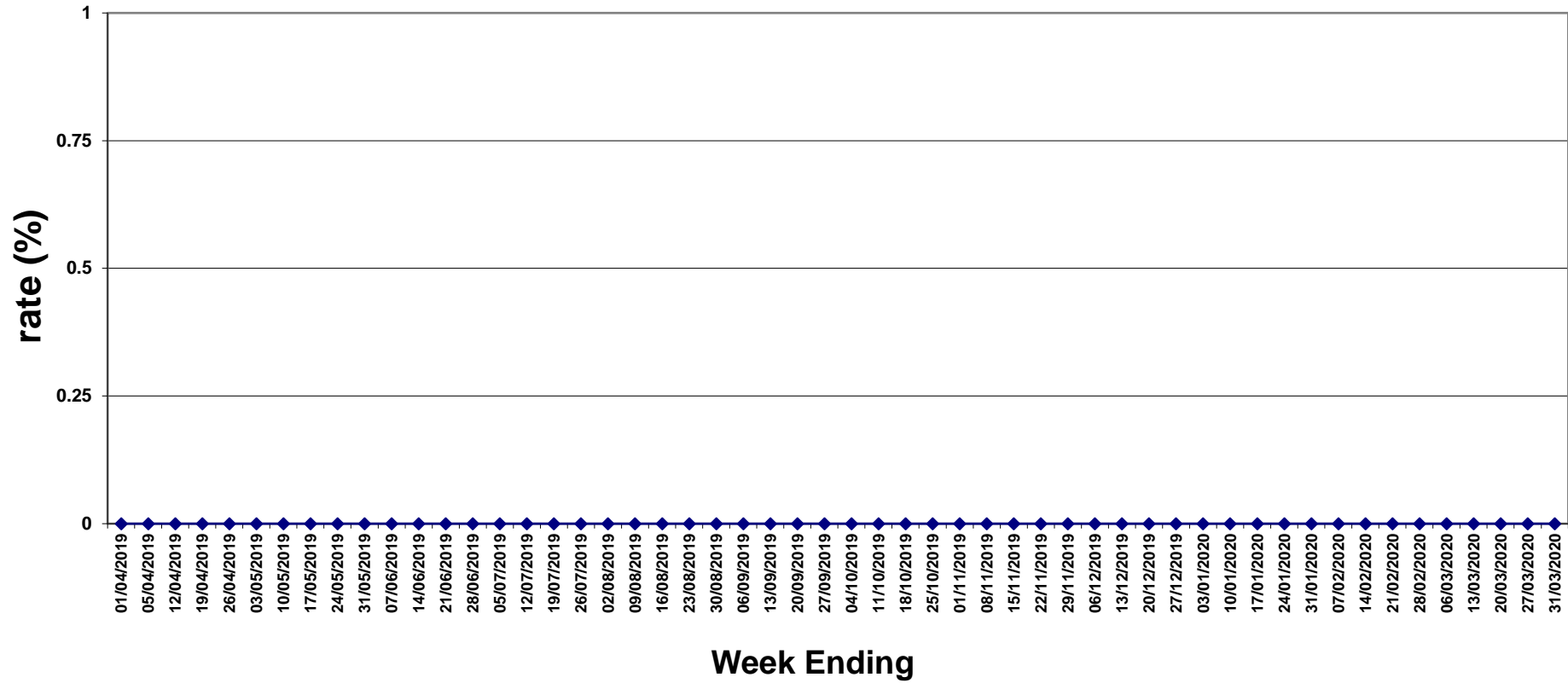


**Temporary Deposit  
Interest Rate Movements  
(April 2019 - March 2020)**



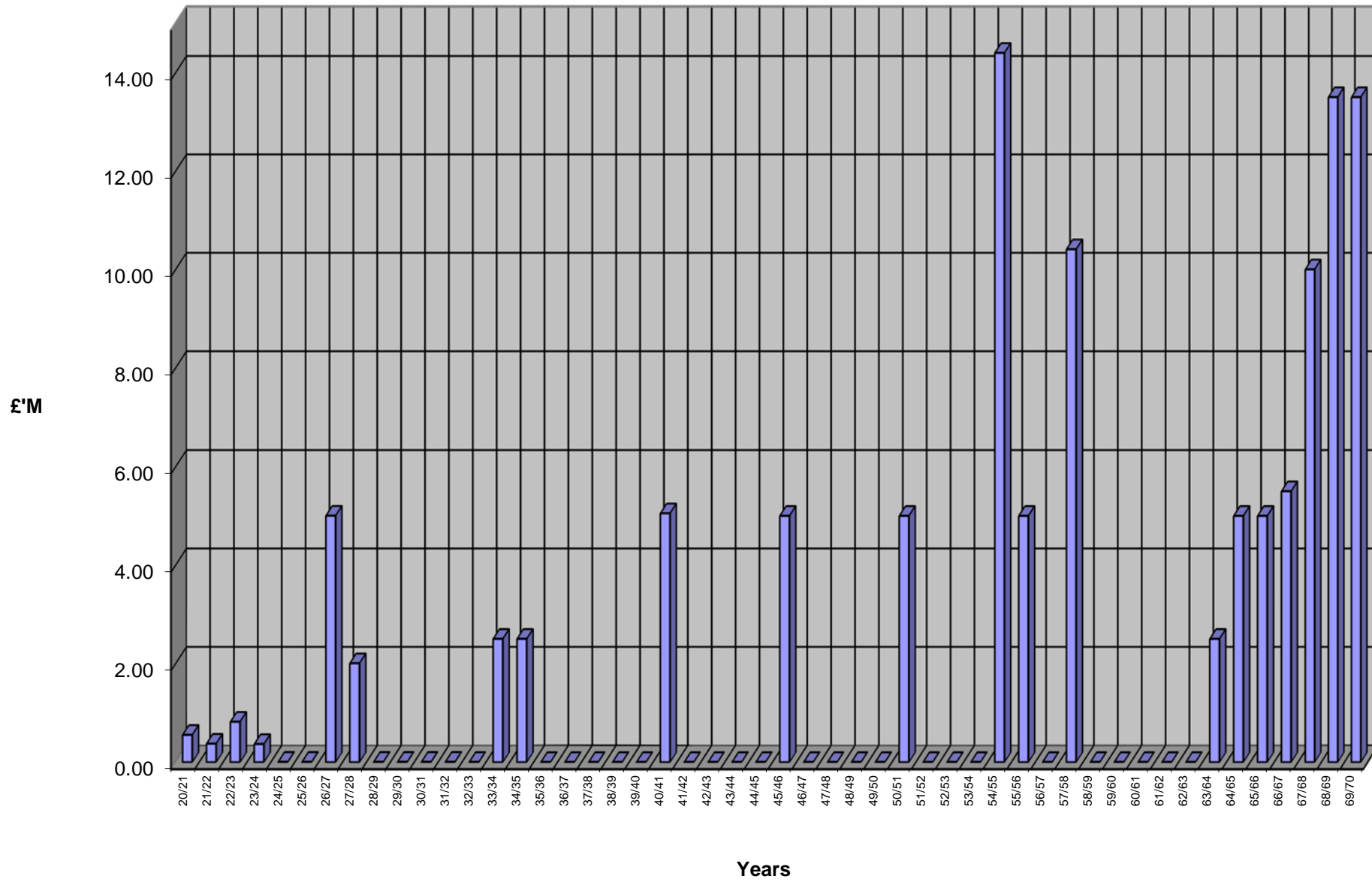


### Temporary Borrowing Interest Rate Movements (April 2019 - March 2020)





Long Term Debt Maturity Profile as at 31/03/20



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## EAST RENFREWSHIRE COUNCIL

## ORGANISATIONS APPROVED FOR THE INVESTMENT OF SURPLUS FUNDS

## Limits

Banking Group	Individual Counterparty	Deposit	Transaction
Bank of England	Debt Management Office	£5m	£5m
	UK Treasury Bills	£5m	£5m
Barclays Banking Group	Barclays Bank plc	£5m	£5m
Goldman Sachs International Bank		£5m	£5m
HSBC		£5m	£5m
Lloyds Banking Group:	Bank of Scotland plc	£12.5m	£12.5m
Royal Bank of Scotland Group:	Royal Bank of Scotland plc	} £5m	£5m
	National Westminster Bank		
Standard Chartered Bank		£5m	£5m
Santander Group	Santander UK plc	£7.5m	£7.5m
Clydesdale Bank		£0m	£0m
<b>Building Societies</b>			
Nationwide		£5m	£5m
<b>Local Authorities</b>			
All Local Authorities including Police & Fire		£5m	£5m
<b>Money Market Funds</b>			
Maximum limit of £5m per fund, with the exception of Federated which has a maximum limit of £10m		£40m	£5m

**Credit Ratings**

	Fitch		Moody's		S&P	
	LT	ST	LT	ST	LT	ST
Minimum Criteria (unless Government backed) (please note credit ratings are not the sole method of selecting counterparty)	A-	F1	A	P-1/P-2	A	A-1/A-2

**Limit**

Investment of surplus funds is permitted in each of the above organisations, limits can only be exceeded or another organisation approved with written permission of the Chief Financial Officer.

**Deposit Periods**

The maximum period for any deposit is based on the Link Asset Services suggested Duration matrix with a maximum of 6 months. The exception to this is deposits with the Bank of Scotland which is set at 1 year. These limits can only be exceeded with the written permission of the Chief Financial Officer.

Hub scheme deposit periods are dependent on the lifetime of the associated scheme.

EAST RENFREWSHIRE COUNCIL  
AUDIT AND SCRUTINY COMMITTEE

13 AUGUST 2020

Report by Directors of Corporate & Community Services and Environment

WITHDRAWAL FROM THE EUROPEAN UNION

**PURPOSE OF REPORT**

1. This report provides an update on the United Kingdom's (UK's) exit from the European Union (EU) and East Renfrewshire Council's work in response to this.
2. Audit Scotland's report *Preparing for Withdrawal from the European Union* is considered.

**RECOMMENDATION**

3. It is recommended that the Audit and Scrutiny Committee consider this report.

**BACKGROUND**

4. A copy of the Audit Scotland report *Preparing for Withdrawal from the European Union*, published in December 2019, was circulated to Audit and Scrutiny Committee Members. Under the Committee's specialisation arrangements, the Members leading the review of this particular report are Councillor Miller and Councillor Grant.
5. Following ratification of the Withdrawal Agreement, the UK ceased to be a member of the EU on 31 January 2020; entering a transition period in operation to 31 December 2020.
6. During the transition the UK is subject to EU laws and protections; without influencing decisions. This meant there was initially no change to trade, rights, etc. Any extension of the transition had to be agreed by 1 July 2020. As this date has passed, there is no obvious mechanism for further extension of the transition period.
7. From the 1 January 2021, the EU and UK enter a new relationship; based on current negotiations. If no agreement is made, the outcome has been equated to previous No Deal concerns; particularly regarding goods, services and the legal framework. To allow sufficient ratification, any agreement must be finalised by 31 October 2020.
8. To prepare for Brexit, East Renfrewshire Council has a well-established Brexit Working Group; containing representatives from each Department and key services.

**AUDIT SCOTLAND REPORT**

9. The December 2019 paper outlines public sector preparations for the March and October 2019 withdrawal dates, concluding they were reasonable against an uncertain backdrop.

10. Audit Scotland recognise Brexit impacts will only be realised when the finality of UK and EU negotiations is known. However, existing public sector pressures will likely be exacerbated; including:

- Staffing / service provision, linked to declining migration and a diminishing working-age population. Areas including health, social care and teaching are already pressured.
- Financial pressure; already stretched budgets are vulnerable to further cost increases.
- Trade uncertainty arising from custom check delays or price increases. Food, medicines, medical equipment, veterinary medicines are all highly imported goods.
- While social and economic consequences are likely to be widely felt, more rural areas and lower income communities face a proportionally higher risk.

11. Audit Scotland's report highlights that public bodies should proportionately plan for Brexit. Risks identified should be regularly reviewed based on lessons learned and changing circumstances.

12. It should be noted that Audit Scotland reported ahead of the Covid-19 pandemic. As such, pressures highlighted have already been exacerbated and may be more so by Brexit.

#### **BREXIT WORKING GROUP**

13. In preparation for Brexit, the Council has an established Working Group; with representatives from each Department and key areas. While meetings were cancelled from March 2020 to focus on Coronavirus; group members continued to share updates. Resuming formally in July, meetings will be monthly – until an October review, which will consider if more frequent meetings are required to focus on No Deal mitigations.

14. The Brexit Working Group coordinates overall planning and preparations for EU Exit. Issues such as Contingency Planning, Workforce, Communications, Economic Development and Procurement are considered. The group and the Council is linked to a number of reporting mechanisms and forums for sharing best practice.

15. The Brexit Working Group will regularly reconsider priorities and focus to ensure that any appropriate considerations are escalated ahead of transition expiry. Current priorities are:

- Ensure the Brexit Risk Register is up to date and reflective of the situation.
- Use learning from the January 2020 Table Top Exercise (referenced in paragraphs 19 and 20) to shape preparedness.
- Consider ways to promote the EU Settlement Scheme to our staff and communities.
- Continue to monitor legislative and trade changes, considering impact upon our services – particularly relating to enforcement activity and Export Health Certification.
- Continue to deal with any information requests.

#### **BREXIT RISK REGISTER**

16. The Brexit Risk Register is regularly updated, seeking to identify the risks the Council faces and any steps that can be taken to mitigate these risks. Any significant risks feed into the Council's Strategic Risk Register, which contains an overarching risk at this level.

17. The latest refresh of the Brexit Risk Register reflects the remaining uncertainty and that No Deal is a tangible threat once again. Risks are broadly categorised into themes:

- Procurement & Supply Chain – primarily to Council services, but with the acknowledgement supply chains will be widely affected.
- People – reflecting our workforce, those under our care and community cohesion.
- Economy – reflecting financial uncertainty for the council, the wider local economy, import / export and potentially diverging standards of goods, laws & services.
- Data & Information Sharing
- Public Order – appreciating the strong views felt across society on Brexit.

18. Key risks within the Brexit Risk Register highlight the potential for regulatory differentiation between the UK and EU, which would impact on goods / services; or the legislative framework in which key services (e.g. Trading Standards, Environmental Health) operate.

### **EU EXIT EXERCISE**

19. In January 2020, a Table Top Exercise took place – seeking to test the Brexit Working Group and Council Resilience Management Team against EU Exit scenarios. While Brexit was the backdrop for scenarios, Business Continuity and broader incident response were explored. The exercise sought to promote open discussion in a relaxed environment.

20. The Exercise evidenced a strong knowledge of risks faced across Departments. Feedback highlighted the event as a beneficial opportunity to share knowledge. There was recognition that a number of potential disruptions may be business as usual – but the challenge would be in relation to frequency or even concurrency of disruption. As such, the key learning from the exercise was to maintain awareness of Brexit as it evolves and sharing knowledge beyond the Brexit Working Group.

### **EU SETTLEMENT SCHEME**

21. The EU Settlement Scheme is the process for EU, European Economic Area or Swiss citizens to apply to continue living in the UK after 31 December 2020. It is a free, online process where successful applicants will receive either Settled or Pre-Settled status; depending on the period of continuously living in the UK. Under the Withdrawal Agreement, the deadline for applications under the Scheme will be 30 June 2021.

22. Home Office figures published for the period up to 31 March 2020 show that 850 East Renfrewshire residents have applied under the Scheme. This represents 43% of our estimated 2,000 EU national population (using the National Records of Scotland Annual Population Survey). The next Local Authority data release on the Settlement Scheme is likely to be in August, providing data to the end of June 2020.

23. The Council will signpost information on the Scheme to our staff and the public. East Renfrewshire Culture and Leisure are a recognised digital support provider; which allows booking appointment slots to guide applicants through the online process, at a location convenient to them.

24. In seeking to increase awareness of the Settlement Scheme, the Council implemented a dedicated EU Exit page on our website in January 2020. Having researched the output from elsewhere; the page is predominantly for signposting. For the Settlement Scheme this links to the application process, and avenues of support. The Council website also seeks to direct visitors to up to date information from the UK and Scottish Government; and direct businesses to support available from the enterprises and skills agencies.

25. Work undertaken to promote the Settlement Scheme has included ensuring information is available on the Council Intranet around key dates. The Council has linked with Citizens Advice and with Voluntary Action, with a view to enhancing signposting, sharing challenges and trends, while joining up on working where possible.

## **REGULATORY DIVERGENCE AND EXPORT HEALTH CERTIFICATION**

26. A key concern in relation to a “No Deal” exit is in relation to the legal framework which supports Council activity. EU legislation underpins a significant amount of Council work, including key enforcement activity such as in Environmental Health and Trading Standards. Without EU legislation being appropriately replaced or reflected in UK law, there is potential that many of the standards we uphold or seek to enforce would no longer be applicable.

27. In response to the legal framework concerns, the Scottish Government have published the UK Withdrawal from the European Union (Continuity) (Scotland) Bill [2020]. If enacted, this will empower Scottish Ministers to keep devolved areas of law in line with the EU, following the transition period expiry. However, it should be noted that the Bill is primarily focussed on Environmental protections and that there are still areas requiring UK Parliament action.

28. One of the most significant concerns arising from any No Deal scenario is in relation to Export Health Certification. Currently, products of animal origin exported to some nations outside the EU require an Export Health Certificate (EHC), authorised by a suitably qualified Council Environmental Health Officer. Current estimates are that approximately 15,000 EHCs are issued in Scotland each year; in a No Deal scenario, this is believed to increase well beyond 100,000. In addition to burdens to businesses, it has been recognised that there are not enough suitable Local Authority officers nationally to cope with the increased EHC regimen.

29. Any solutions to the issue of EHCs come against the backdrop of declining Environmental Health Office numbers and resourcing nationally. Additionally, the profession is intrinsically linked to the ongoing Coronavirus response, which will further stretch any available resourcing for EHCs. The future requirements for EHCs will depend on the trade discussions between the UK and EU, meaning there is continued uncertainty. Environmental Health professionals and COSLA have continued to press on solutions for EHCs, as well as the longer term protection of the Environmental Health profession.

## **INFORMATION REQUESTS**

30. In the immediate period prior to March, April and October 2019 deadlines for a Withdrawal Agreement to be reached, the Council was required to submit daily reporting to a Scottish national Multi Agency Coordination Centre (MACC). Dependent on the status of negotiations and potential for a No Deal exit, the MACC may re-emerge, requiring a resumption of daily Council reporting.

31. COSLA are developing a regular Risk Monitoring Framework for Local Authorities, for implementation in January 2021. This will monitor the impacts of Brexit using a data dashboard, containing information indicators in areas such as Social Care, Vulnerable Communities, EU Settlement Scheme, etc. This will identify where issues that may require



support arise, or emerging trends. Upon commencement of the Framework, we will provide regular data returns.

#### **FINANCE AND EFFICIENCY**

32. There are currently no finance and efficiency implications arising from this report.

#### **CONSULTATION**

33. This report has been produced with input from the Council's Brexit Working Group.

#### **PARTNERSHIP WORKING**

34. This report details work of the Council's Brexit Working Group, a cross-discipline group of Council Officers. Each Council Department is represented along with a number of key areas. Additionally, the Council has worked with COSLA, Voluntary Action East Renfrewshire, the Scottish Government and Citizens Advice as part of Brexit preparations.

#### **IMPLICATIONS OF THE PROPOSALS**

35. There are currently no staffing, property, legal, IT, State Aid, equalities and sustainability implications arising from this report.

#### **CONCLUSION**

36. In providing a broad overview of the status of the UK's exit from the EU, this report seeks to outline the main preparatory work undertaken by East Renfrewshire Council for Brexit. While the regularity of this work has been impacted by the Covid-19 pandemic response; many of the procedures and preparations were well established, having been implemented for previous Brexit deadlines. The pressures of a No Deal end to the transition period have been exacerbated as a result of the Coronavirus global pandemic.

#### **RECOMMENDATION**

37. It is recommended that the Audit and Scrutiny Committee consider this report.

Directors of Corporate & Community Service and Environment  
July 2020

Report author: Brexit Coordinator  
E-mail address: [Anthony.Jenkins@eastrenfrewshire.gov.uk](mailto:Anthony.Jenkins@eastrenfrewshire.gov.uk)

#### **Background Papers**

1. Audit Scotland report Preparing for Withdrawal from the European Union

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EAST RENFREWSHIRE COUNCIL  
AUDIT AND SCRUTINY COMMITTEE

13 August 2020

Report by Clerk

NATIONAL EXTERNAL AUDIT REPORT – EARLY LEARNING AND  
CHILDCARE FOLLOW-UP

**PURPOSE OF REPORT**

1. To provide information on the Audit Scotland report *Early Learning and Childcare Follow-Up*.

**RECOMMENDATION**

2. It is recommended that the Committee considers the report.

**BACKGROUND**

3. A copy of the Audit Scotland report [Early Learning and Childcare Follow-Up](#), published in March 2020, has already been circulated to all Audit and Scrutiny Committee Members. Under the Committee's specialisation arrangements, the Members leading the review of this particular report are Councillor McLean and Councillor Swift. The Director of Education has provided comments on the Audit Scotland report and a copy of those comments is attached (see Appendix A).

**RECOMMENDATION**

4. It is recommended that the Committee considers the report.

Local Government Access to Information Act 1985

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Background Papers:-

1. Audit Scotland Report – *Early Learning and Childcare Follow-Up*.

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EAST RENFREWSHIRE COUNCIL  
AUDIT AND SCRUTINY COMMITTEE

13 AUGUST 2020

Report by Director of Education

RESPONSE TO NATIONAL EXTERNAL AUDIT REPORT:  
EARLY LEARNING AND CHILDCARE

### **PURPOSE OF THE REPORT**

1. To provide information on the Audit Scotland report, Early Learning and Childcare (March 2020) and to comment on such within the context of ELC in East Renfrewshire.

### **RECOMMENDATIONS**

2. Elected members are asked to note the department's progress against the national position of delivering 1140 hours of ELC.

### **BACKGROUND**

3. Audit Scotland published 2 reports as part of a series of audits on ELC. The [first report](#) was published on February 2018 and commented on the delivery of the expansion to 600 hours of funded Early Learning and Childcare (ELC). It also commented on the planning for the expansion to 1140 hours of funded ELC for all 3 and 4 year olds and eligible 2 year olds by August 2020. This report was the subject of a [paper](#) to Audit and Scrutiny Committee in June 2018

4. The second Audit Scotland report on [Early Learning and Childcare](#) was published on March 2020 and is in two parts: Part 1 comments on the progress with delivering the expansion to 1140 hours of funded Early Learning and Childcare (ELC); Part 2 comments on the planning for the evaluation of the policy.

5. This second report sets out key messages and recommendations for the Scottish Government and local authorities and this paper considers these and comments on the findings and implications for East Renfrewshire's delivery of 1140 hours.

6. Audit and Scrutiny Committee may also be aware of numerous reports to East Renfrewshire's Education Committee, relating to the expansion to 1140 hours by August 2020. These are included as background papers.

### **REPORT**

7. The Audit Scotland report sets out five key messages as listed below. This paper comments on these as pertinent to local authorities in general and East Renfrewshire in particular.

## Key Messages

1. *The Scottish Government and councils are making steady progress to deliver the expansion of funded early learning and childcare (ELC). At a national level, progress is broadly in line with plans to deliver the increased hours by August 2020. These plans are critically dependent on achieving much in a short time, particularly over the summer months. This creates a number of significant risks around getting enough people and buildings in place to deliver the expansion. In addition, it is likely that some aspects of the policy, such as delivering flexibility and choice, will not be fully implemented by August 2020.*
2. *There is evidence of a great deal of planning activity taking place at local and national levels. The Scottish Government, COSLA, councils and other stakeholders are continuing to work well together at a national level and there is effective national oversight of the expansion. However, a delay in issuing some guidance increased uncertainty for individual private and third sector providers, including childminders, about their future role in the expansion.*
3. *Important workforce challenges in all sectors remain. In September 2019, councils still needed to recruit about half of the additional staff required for the expansion. Private and third sector providers, including childminders, are expected to deliver funded hours to over a quarter of eligible children but continue to report significant workforce challenges threatening their sustainability.*
4. *Putting in place the necessary infrastructure remains a big risk to the expansion as around half of the work is planned for completion in the final few months before August 2020. Any delays to this will impact on service delivery and families who are planning to use these services. Councils have started to make contingency plans for the projects that are critical for the expansion.*
5. *The Scottish Government's plans to evaluate the expansion of funded ELC are well advanced. Work is under way to capture important baseline information. However, challenges to the evaluation process remain. For example, it is not yet clear how the longer-term economic benefits will be assessed, or how family wellbeing will be measured.*

## The Expansion to 1140 hours for all eligible 2, 3 and 4 year olds in East Renfrewshire

8. Audit Scotland's report suggests that the Scottish Government and local authorities are making steady progress to deliver the expansion of funded ELC, however the risk around achieving much around a short time, is likely to impact on some of the aspects of the policy such as flexibility and choice.
9. The Scottish Government announced on Tuesday 31 March 2020 that as a result of the COVID-19 pandemic they had taken the decision to remove the statutory duty on education authorities to make 1140 hours of early learning and childcare (ELC) available to each eligible child from August 2020.
10. One major impact on East Renfrewshire's capacity to deliver the programme was the cessation of all construction projects as a result of the pandemic.
11. Prior to this announcement East Renfrewshire Education Department reported to Education Committee (January 2020) the very good progress being made towards full implementation of 1140 hours of ELC.

12. The Scottish Government's decision has impacted on the original plans to deliver flexible and accessible 1140 hours of ELC to all eligible children from August 2020, in particular our infrastructure plans.

13. As part of the Education Department's Expansion Plans, detailed contingency measures were prepared to support delays or challenges.

14. These contingencies have been exercised to enable East Renfrewshire Council to progress with their offer to children and families of 1140 hours of ELC, however flexibility and choice have been reduced. A [report](#) to the Education Committee in June 2020 sought homologation of the Director's decision to offer 1140 hours having consulted with the Emergencies Committee in May.

15. It is anticipated that the reduction of flexibility and choice will be short term, and improved offers will be available to families on completion of the planned infrastructure programme.

### **Funded Providers**

16. In preparation for the introduction of 1140 hours of ELC, we have continued to build the number of funded providers we commission places from.

17. The annual commissioning exercise was carried out in December 2019 to determine which funded providers would receive partnership status to provide 1140 hours of ELC. All applications were scrutinised using the Scottish Government's National Standard for Quality in Early Learning and Childcare. Evidence was gathered and partnership status granted to 34 providers, 20 childminders and 14 private / voluntary settings.

18. Funded providers have indicated that they are ready to deliver 1140 hours from August 2020, however as a direct consequence of COVID-19, all but one provider are currently closed for business. We therefore will plan further work with those providers to understand their exact position and recovery plans for August 2020. This will be funded at a rate of £5.31 per hour.

### **Workforce**

19. A key strategy of our recruitment process was to 'grow our own' workforce within East Renfrewshire Council.

20. Our final recruitment exercise took place in March 2020, with us successfully recruiting the child development officer element of the workforce. Other key posts including the head teacher post at Overlee Family Centre and play worker posts have also been recruited to. Recruitment of facilities management staff now required for our August plans is underway. The remaining posts will be recruited on a needs basis as plans progress.

21. Our workforce is therefore in position to deliver 1140 hours from August 2020.

### **Infrastructure**

22. Members will recall that a fundamental part of East Renfrewshire's expansion plan was the provision of additional physical places for early learning and childcare. New and extended facilities are required to meet the increase in entitled hours for eligible children and to address population growth and the flexibility in models to suit parental needs.

23. To date we have opened two new nursery classes at Maidenhill and St Cadoc's primary schools and have extended the nursery class at Braidbar Primary School. These facilities are all operating successfully.

24. The main phase of our early year's expansion is dependent on the construction of new facilities that were planned to be available for August 2020. This comprises a new family centre within the grounds of Eastwood Park to replace the existing Glenwood Family Centre building as well as providing more places; two new build larger replacements for Busby and Eaglesham primary school nursery classes; two new build family centres in the sites of Crookfur and Overlee pavilions; and a new extension at Cross Arthurlie Primary School to establish a nursery class. These projects were all well underway having commenced construction in summer 2019 and were on schedule to open for August 2020.

25. Also under construction was the small extension at Carolside Primary School Nursery Class which commenced on site at the beginning of February this year and was also on progress for August 2020.

26. The decision by the Scottish Government to close all building sites has necessarily impacted on all projects under construction. The Council has been working with all parties to review the impact of the downtime on our programme and planning for recommencement on site once it is appropriate and safe to do so taking national advice and guidance, social distancing in terms of working practices and other matters into account. What is definite is that the buildings will not be ready for August 2020 and at the time of writing there are no proposed dates for completion and there will be significant delays before we can occupy and operate them. We are seeking to open the facilities as soon as practically possible realising they are a key part of our original intended delivery model.

27. The delay to the infrastructure programme has had a significant impact on our ability to deliver 1140 hours of early learning and childcare as planned. However as noted above, we have exercised our contingency plans to enable us to provide families with an offer of 1140 hours of ELC from August 2020.

### **Evaluation of the Expansion of Funded ELC**

28. Although a key finding of Audit Scotland was that the economic benefits longer-term, along with the impact on family wellbeing is unclear, in East Renfrewshire we have been able to record improvements to family wellbeing as part of our early phasing of 1140 hours for some children and families. Appendix 1 shows the impact on the families who have been accessing 1140 hours to date.

29. The audit report identified a list of recommendations for the Scottish Government:

- progress the work of the Living Wage Implementation Group to identify potential solutions to stakeholder concerns about implementing the living wage
- continue to work with the UK Government, the Department for Work and Pensions (DWP) and Her Majesty's Revenue and Customs (HMRC) to progress the necessary legislation and subsequent data-sharing arrangements to allow councils to access information on families with eligible two-year-olds
- consider alternative ways of capturing baseline information on the equality characteristics of children accessing funded ELC



- continue to develop the outstanding methods to complete the evaluation strategy
- consider how to include children's views in the evaluation of the policy.

30. It also identified a further list that the Scottish Government and councils should do:

- work together to ensure that contingency planning for any delays to infrastructure is complete, including plans for when and how best to inform parents
- continue to work with the Care Inspectorate to consider how best to mitigate the impact of registering temporary facilities
- continue to consider the impact of workforce expansion on other providers of ELC and make plans to alleviate this where possible
- consider how the locally available information on the movement of ELC workers from the private and third sectors into council settings could be used for national monitoring
- continue to progress communications with parents around the way in which 1,140 hours of funded ELC will be available from August 2020 and how the system will work, as well as any changes to how funded ELC is provided as part of the phasing process.

31. As indicated above the Director consulted with the Emergencies Committee in May 2020 on a proposal to progress with an offer of 1140 hours of ELC to all eligible 2, 3 and 4 year olds and subsequently decided to do so from August.

32. This decision was homologated at Education Committee on 11 June 2020.

33. All eligible families were issued with their 1140 hours of ELC offer by the end of May 2020.

## CONCLUSION

34. Audit Scotland's March 2020 report on Early Learning and Childcare identifies a number of key messages for the Scottish Government and local authorities, some of which are relevant to East Renfrewshire's delivery of ELC.

35. It also makes a number of recommendations, especially for the Scottish Government. Those for local authorities have been overtaken as we move to implementation of 1140 hours of ELC for all eligible children from August 2020.

## RECOMMENDATIONS

36. Elected members are asked to note the department's progress against the national position of delivering 1140 hours of ELC.

Report Author(s)

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Background papers

1. Audit Scotland Report: Early learning and Childcare, February 2018 & March 2020
2. Early Learning and Childcare, Audit and Scrutiny Committee, June 2018
3. Early Learning and Childcare Expansion Plan, Education Committee, September 2017
4. Progress of the Expansion of Early Learning and Childcare, Education Committee, June 2018, May 2019, January 2020
5. Early Learning and Childcare Provision from August 2020, Education Committee, June 2020

## Benefits of 1140 hours of Early Learning and Childcare

(32 responses)

1.

Which nursery does / did your child attend in receiving their 1140 hours?

Arthurlie Family Centre	10
Busby Nursery Class	11
Braidbar Nursery Class	8
Isobel Mair School	3

2.

Have you fully used the 1140 hours you were allocated?

Yes	30
No	1
Not sure	1

4.

Five being the highest and one being the lowest, how beneficial has this been for your family circumstances? (31 responses)



(4.87 Average Rating)

5.

Has taking up the offer of 1140 hours allowed you to explore any of the opportunities listed below?

Employment	13
Training	1
Further education	5
Spending time with other children	1
Some other reason	12

6.

What age was your child when you accessed 1140 hours?

Four years old	28
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Five years old	2
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7.

Can you give some detail of benefits to your four year old child? (29 responses)

*"helped with social skills and communication issues (twins)"*

*"Has helped with social skills and communication issues."*

*"Having extra time and lunch has made her more settled."*

8.

Can you give some detail of benefits to your five year old child? (if applicable) (1 response with no comment)

EAST RENFREWSHIRE COUNCILAUDIT & SCRUTINY COMMITTEE13 AUGUST 2020Report by Chief AuditorINTERNAL AUDIT PLAN PROGRESS REPORT 2020/21 QUARTER 1 AND REVISED ANNUAL PLAN**PURPOSE OF REPORT**

1. To inform members of progress on Internal Audit's annual plan for 2020/21 as approved in March 2020 and to propose revisions to this.

**BACKGROUND**

2. The work performed by Internal Audit is based on a rolling 5-year strategic plan, which is revised annually to take into account changes in circumstances. This report is provided to allow members to monitor the activities of Internal Audit and to oversee actions taken by management in response to audit recommendations.

**AUDIT PLAN 2020/21 - PROGRESS REPORT QUARTER 1**

3. A copy of the annual audit plan for 2020/21 is shown in appendix 1. No audit reports relating to planned 2020/21 audit work have been issued in quarter 1 as shown in appendices 2 and 3. Details of three reports relating to 2019/20 are now provided in appendix 3 as the management responses had not been received at the time of the previous progress report. Responses are deemed to be satisfactory if all recommendations are accepted for implementation by management and where any recommendation is not accepted, a satisfactory reason is given. The quarterly performance indicators for the section are shown in appendix 4. No reports were issued in quarter 1 relating to the 2020/21 audit plan therefore indicators 5.1 to 5.3 are nil or not applicable. Indicator 2.2 is not being met due to COVID19 restrictions on audit work that can be carried out during lockdown.

4. Three new requests for assistance were dealt with using contingency time during the quarter. None of these were categorised as potential frauds. In addition, some contingency time was spent assisting core systems and responding to external queries relating to suspected fraudulent activity.

**PROPOSED AMENDMENTS TO ANNUAL AUDIT PLAN 2020/21**

5. Internal audit are currently operating with one vacant post due to an internal secondment. At the time of preparing the annual plan it was proposed to fill this on a temporary basis however this has not been feasible due to COVID19 lockdown and also the difficulties associated with carrying out routine audits during this time. On this basis a reassessment of the number of audit days available in 2020/21 has been made. This is shown at appendix 5.

6. There are also a number of audits included within the plan which are not as feasible to carry out whilst in lockdown for various reasons such as:

- Some level of visiting premises is required (eg NDR, schools cluster)
- Restricted access to relevant council officers/documentation (eg HSCP and IJB audits, ERCLT audits)
- Changes in nature and volume of transactions (eg travelling and subsistence, maximising attendance)
- Suspension of some council services (eg housing allocations, services provided by ERCLT)

7. It is therefore proposed that some audits are now deferred/deleted from the plan as indicated in appendix 2. An estimated shortfall of 51 available days (appendix 5) remains even after deleting these audits from the 2020/21 plan and this will be reviewed regularly in each progress report. In addition, five audits which are outstanding from the 2019/20 plan will be carried forward and included in 2020/21 as agreed at the Audit and Scrutiny Committee in June 2020. In line with good practice, this plan will be reviewed on a regular basis throughout the year and may be further adjusted in response to future changes in the Council's business, risks, systems and controls.

### **RECOMMENDATION**

8. The Committee is asked to:

- (a) note Internal Audit's progress report for audits completed in quarter 1 of 2020/21.
- (b) confirm whether they wish any of the reports detailed in appendix 3 to be circulated to audit and scrutiny committee members or submitted to a future meeting for more detailed consideration.
- (c) approve amended annual audit plan for 2020/21.

Further information is available from Michelle Blair, Chief Auditor, telephone 0141 577 3067.

**EAST RENFREWSHIRE COUNCIL**  
**Internal Audit Section**  
**REVISED ANNUAL AUDIT PLAN FOR 2020/21 PROGRESS REPORT**

Department	Title	Audit Number	Original No. of days	Revised No of days	Status
Chief Executives	Financial Ledger and budgetary control	1	20	20	
Corporate & Community	Payroll	2	25	-	DEFER
	Maximising Attendance	3	20	-	DEFER
	Overtime	4	22	22	
	Cash income and banking	5	22	22	
	Creditor Payments	6	10	10	
	Debtors control	7	10	10	
	Housing Benefit/ Universal Credit	8	30	30	In progress
	Clothing Grants/free school meals	9	12	12	
	Council tax – billing and collection	10	24	24	In progress
	NDR	11	7	-	DEFER
	Travelling and subsistence	12	12	-	DEFER
	Education	Pupil Equity Fund	13	12	-
Environmental Controls – Education		14	10	10	
Schools Cluster		15	30	30	
Educational payments		16	8	8	
Environment	Asset Management	17	20	-	DEFER
	Grant Certification	18	15	-	DEFER
	Gas Servicing	19	15	15	
	City Deal	20	15	10	
	Burial Income	21	8	8	
	Health and Safety	22	15	-	DEFER
	Climate Change Report	23	5	5	
Energy and Fuel	24	15	-	DEFER	
Housing	Housing Allocations and homeless person accomm	25	27	-	DEFER
	New Council Houses	26	20	20	
HSCP	Care First Finance System	27	15	-	DEFER
	IJB	28	20	20	
Trust	Culture and Leisure Limited Trust	29	20	20	
Various	Contract 1	30	20	20	
	Contract 2	31	20	-	DEFER
	Application Audit Integra	32	32	32	In progress
	Fraud Contingency	33	67	47	In progress
	General Contingency	34	30	30	In progress
	LG Benchmarking Framework	35	10	10	In progress
	Follow up	36	50	50	
Previous year audits <b>Note1</b>	37	20	8	Complete	
Audits carried forward from 2019/20	Stores	38			
	Housing voids	39			
	Carers Legislation	40		30	In progress but suspended
	Payment to Care Providers	41			
	HSCP follow up	42			
<b>Total</b>			<b>733</b>	<b>523</b>	

**Note 1** previous year audits were completed with the exception of the five which have been carried forward.





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## SUMMARY OF 2019/20 AUDITS NOT INCLUDED IN PREVIOUS PROGRESS REPORT

### 1. MB/1108/RM HIGHWAYS MAINTENANCE

The objectives of the audit were to ensure that:

- Timescales for carrying out notified repairs are adhered to
- Records are maintained to show repairs having been completed satisfactorily
- Inspection schedules are completed in accordance with stipulated frequency
- Method of allocating priority to roads requiring repairs and resurfacing is consistent, is documented, takes account of all circumstances and is kept under review
- Costs of each job can be traced to source documentation and are coded correctly to the financial ledger
- Budgets reflect resources allocated in annual budget setting
- To maximise resources, there is consistency and rationale between what is resourced by capital and revenue spending.

It is of concern that the roads costing system is still not reconciled to the financial ledger on a regular basis or at all. There is no interface between the systems and therefore double and even treble keying is necessary to process roads costing amounts to the financial ledger. At the time of the audit, there was also a significant backlog of journals required to update the new financial system and the mapping of former ledger codes to those of the new system were not always correct. For a sample of projects, the figures could not be agreed between the two systems.

Ten recommendations were made, three were classified as high risk and seven as low risk. Management accepted all recommendations except one which was classified as low risk. The high risk recommendations are reproduced below together with the recommendation that wasn't accepted:

Ref.	Recommendation	Risk Rating	Accepted Yes/No	Comments (if appropriate)	Officer Responsible	Timescale for completion
4.1.1	Regular reconciliations should be carried out between the costing system and the financial ledger.	H	Yes	<b>Accountancy and Environment</b> New reports will be sourced from the Roads/Integra systems to facilitate reconciliations.	Head of Accountancy	Sept 2020
4.1.2	The current backlog of costings requiring to be processed to integra should be addressed as soon as possible.	H	Yes	<b>Environment</b> Finance have confirmed that costings up to week 32 have now been journaled to integra and they will address the backlog as a priority.	Ross Duncan	06 March 2020
				<b>Accountancy</b> Backlog for 2019/20 was brought up to date but a further backlog has arisen due to staff absence and the impact of COVID on workloads.	Head of Accountancy	Sept 2020
4.1.3	The ledger codes shown on the summary sheets passed to Accountancy for journals to be prepared should be traceable to the roads costing system and should be consistent	H	Yes	<b>Environment</b> Both old and new codes are at present shown on the summary sheets for ease of reference. As off 1 April 2020 only new codes will be shown. The back up sheets that are provided with the summary sheets	Jane Corrie	1 April 2020

Ref.	Recommendation	Risk Rating	Accepted Yes/No	Comments (if appropriate)	Officer Responsible	Timescale for completion
	between old and new codes.			are reports from the Roads Costing System (Profess) and therefore the figures in the summary are traceable to this system.		
4.4.1	Ad-hoc repairs carried out should be recorded in the same way as other types of repair. It is thought that the proposed new electronic monitoring and recording system will assist in this.	L	No	Ad-hoc repairs are repairs carried out by our internal RCU workforce for which they do not have a specific instruction from our technical staff/inspectors in advance. Once the repair is completed it is recorded in the same way as planned repairs but noted as being ad-hoc. Example provided to Ross Mitchell 19/2/20.	Jane Corrie	N/A

## 2. MB/1121/RM CONTRACT AUDIT – AUDIT SCOTLAND PROCUREMENT RED FLAGS

Audit Scotland issued a report for auditors titled Red Flags Procurement in October 2019. A review of some of the key procurement red flags and controls as specified in this document was carried out. These are checks of areas within the tendering process which if there is a lack of control may indicate that there is collusion or an opportunity for organised crime to be attempted. The objectives of the audit were to ensure that:

- Adequate checks are carried out that work has been done to required standards before invoices are paid
- Invoices are paid at prices/rates that can be agreed to the contract
- There is adequate segregation of duties between setting of technical specifications and checking of those submitted
- There are adequate validation checks on qualifications/standards etc in tenders submitted
- Where VAT is charged on invoices a valid VAT number is shown
- There is effective categorisation of spend in the ledger
- Single tender applications are approved by senior management and have a valid reason.

The main findings were that it is not always clear that prices stated in invoices are in accordance with those stated in the tender as they are not comparable. Verification is not being sought as a matter of course that contractors are meeting requirements regarding Protection of Vulnerable Group (PVG) checks or qualifications/training stated in tender bids are actually held. The specification of qualifications can be vague and leave the onus on the contractor to define what is relevant. In general, there is no separation of duties between those who evaluate tender bids and those who write the contract specification. Evidence that the specification has been checked or approved is not always held.

Ten recommendations were made, five of which were classified as medium risk and five as low risk. Three of the low risk recommendations were not fully accepted by management across all departments and these are detailed below.

Ref.	Recommendation	Risk Rating	Accepted Yes/No	Comments (if appropriate)	Officer Responsible	Timescale for completion
4.1.1	Where possible, there should be separation of duties between those	L	Yes	<b>CCS</b> Officers producing tenders will be reminded of the corporate procurement guidance and where	Louise Pringle Sharon Dick	June 2020

Ref.	Recommendation	Risk Rating	Accepted Yes/No	Comments (if appropriate)	Officer Responsible	Timescale for completion
	who evaluate tenders and those who are responsible for writing the tender specification.			subject matter specialisms occur look to have separate review where possible.	Murray Husband	
No			<b>Environment</b> The vast majority of our projects require specialist knowledge, we therefore unfortunately do not have sufficient resources to comply with this requirement. Further, those who write the tender specification are normally involved from inception to completion and are most familiar with the technical requirements of the project being tendered and are best placed to advise whether the response is compliant. All tenders will still require at least two evaluators.	N/A	N/A	
No			<b>Education</b> Following discussions with Chief Procurement Officer her advice is that in practice this recommendation cannot be delivered.	N/A	N/A	
Partially			<b>HSCP</b> This is not always reasonably practicable due to level of resource within the department however this risk will be mitigated by the inclusion of relevant service representation for evaluation of each tender.	Commissioning and Planning Manager	June 2020	
4.1.2	In accordance with current corporate procurement guidance, all tender specifications should be checked by another officer and readily available evidence kept that this has been done.	L	Yes	<b>CCS</b> Officers producing tenders will be reminded of the corporate procurement guidance and where subject matter specialisms occur look to have separate review where possible.	Louise Pringle Sharon Dick Murray Husband	June 2020
Yes			<b>Environment</b> Peer group reviews of documents are carried out before going out to tender. Director will issue an email to service managers reminding them of this requirement.	Karen Grady / Director of Environment	June 2020	
No			<b>Education</b> The council has reduced resources and in many cases the persons writing, checking and evaluating tenders are the only officers qualified to do so. The guidance referred to is outdated in some areas and was written when the council had many more resources available to support the content. Procurement will be reviewing/replacing guidance documents.	N/A	N/A	
Partially			<b>HSCP</b> As response for 4.1.1	Commissioning and Planning Manager	June 2020	

Ref.	Recommendation	Risk Rating	Accepted Yes/No	Comments (if appropriate)	Officer Responsible	Timescale for completion
4.4.1	Evidence should be sought from the successful bidder(s) of their relevant staff qualifications/training stated in their bid. It could be made clear in the tender wording that this will be required of the winning contractor thus incentivising the bid stating those qualifications held by personnel which are only the most relevant.	L	Yes	<b>CCS</b> Officers will be reminded to validate through evidence from the successful bidder any requests for the relevant professional and technical skills available within their organisation.	Louise Pringle Sharon Dick Murray Husband	June 2020
			No	<b>Environment</b> We consider this would have a high resource requirement on the department with little benefit. Further, it would create arguments whether someone with a qualification is better placed to deliver a piece of work as opposed to an experienced person with little or no formal qualifications	N/A	N/A
			No	<b>Education</b> Following discussions with Chief Procurement Officer it was established that as it is not mandatory to seek evidence of qualifications / policies from successful bidder(s). Many other authorities include wording in the tender to the effect that the council reserves the right to check qualifications at any point over the life of the contract and the contract can be terminated if supplier does not have as stipulated in their tender response. Procurement will work with departments to adopt this approach and if in particular tenders departments wish to see successful bidders qualifications / policies prior to contract awarded then procurement can request prior to award instruction.	N/A	N/A
			Yes	<b>HSCP</b> In any exercise procuring services for social care the tender would contain specific references to the requirement of any bidder meeting the requirements for its staff to be registered with the SSSC and for their services to meet the requirements for registration with the Care Inspectorate. It would be a reasonable undertaking therefore at tender to ask organisations to confirm that they are in a position to commence at award, a service registered with the relevant statutory bodies. The tender would ask bidders to confirm that they are in a position to comply in respect of the category of care being awarded. This could be supplemented by training plans and policies which would provide further suitable information on the ability of the bidder	Commissioning and Planning Manager	01-06-2020

Ref.	Recommendation	Risk Rating	Accepted Yes/No	Comments (if appropriate)	Officer Responsible	Timescale for completion
				to successfully meet the requirements of the tender.		

### 3. MB/1125/NS TRADE WASTE AND SPECIAL UPLIFTS

The objectives of the audit were to ensure that:

- A system has been established for the control and recording of trade refuse income
- There are adequate supporting records for all charges levied for trade refuse
- Trade refuse collections are withdrawn promptly if invoices remain unpaid
- Special uplift charges have been properly approved
- Special uplifts are carried out promptly and charged at the approved rate
- Special uplifts are appropriately recorded and all income is fully accounted for.

It was noted that the fees and charges applied to commercial waste have not changed for a significant period of time, with a review of the fees and charges reports approved by Cabinet suggesting that the last increase was applied in 2011/12. The source records were obtained from the department and a review of these showed that not all commercial waste uplifts have a supporting signed mandate to allow the services being provided to be verified. It was also noted that charges were not being applied to all businesses in the sample and that no formal reconciliations are carried out to the financial ledger to ensure all income is being properly accounted for. The audit trail in place for failed direct debits could also be improved.

Six recommendations were made, all of which were classified as low risk and were accepted by management.

Risk Ratings for Recommendations	
<b>High</b>	<ul style="list-style-type: none"> <li>• Key controls absent, not being operated as designed or could be improved and could impact on the organisation as a whole.</li> <li>• Corrective action must be taken and should start immediately.</li> </ul>
<b>Medium</b>	<ul style="list-style-type: none"> <li>• There are areas of control weakness which may be individually significant controls but unlikely to affect the organisation as a whole.</li> <li>• Corrective action should be taken within a reasonable timescale.</li> </ul>
<b>Low</b>	<ul style="list-style-type: none"> <li>• Area is generally well controlled or minor control improvements needed.</li> <li>• Lower level controls absent, not being operated as designed or could be improved</li> </ul>

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**EAST RENFREWSHIRE COUNCIL**  
Internal Audit Section

**QUARTERLY PERFORMANCE INDICATORS**

<u>Internal Audit Indicators reported Quarterly</u>	Target (where applicable)	Quarter 1 Actual 2020/21
<b>2. Audit Coverage.</b>		
2.2 Actual direct audit days as a percentage of total days available	75%	29%
2.3 Number of requests for assistance/queries raised by departments outwith planned audit work.	-	3
2.4 Percentage of planned contingency time used.  (Days available exclude public holidays, annual leave and sickness absence)	<100%	11%
<b>5. Issue of Reports.</b>		
5.1 Number of audit reports issued per quarter.	-	0
5.2 Ave. time in weeks from start of fieldwork to issue of report. (Note 1)	12 weeks	N/A
5.3 Ave. time taken to issue report (working days). (Note 2)	10 working days	N/A

**Notes**

1. Average weeks calculated as working days divided by 5.
2. Working days excludes weekends, public holidays, annual leave and sickness absence.

## RE-ASSESSMENT OF AVAILABLE AUDIT DAYS 2020/21

			Estimated no. of days
<b>Total number of direct audit days in annual plan approved in March 2020</b>			733
<b>Audits brought forward from 2019/20 approved June 2020</b>	Stores Housing –voids, allocations Carers Legislation Payments to Care Providers HSCP follow up		30
<b>Less: Audits to be deferred from 2020/21 to a later year</b>	Payroll Maximising Attendance Travelling and Subsistence NDR Care First Finance System Pupil Equity Fund Contract audit 2 Housing Allocations and homeless accommodation Asset Management Health and Safety Energy and Fuel Grant certification	25 20 12 7 15 12 20 27 20 15 15 15	(203)
	Reduce contingency Reduce city deal Reduce days to complete 2019/20	20 5 12	(37)
			<b>523</b>

## Reassessment of Days Available in 2020/21 for Direct Audit Work

		Estimated no. of days
Total number of direct audit days in annual plan approved in March 2020		733
Less:	Non filling of vacant post	(200)
Plus savings on estimated days:	reduced sickness absence recruitment HGIOS/PSIAS	18 6 5
<b>Subtotal</b>		<b>562</b>
<b>Less:</b> Lockdown restrictions and volunteering by internal audit staff to assist other services	(As at 24/7/20 80 days spent)	90
Revised estimated days available for direct audit work		<b>472</b>

REMAINING NET SHORTFALL IN ESTIMATED DAYS AVAILABLE

51



EAST RENFREWSHIRE COUNCILAUDIT AND SCRUTINY COMMITTEE13 AUGUST 2020Report by Chief AuditorPUBLIC SECTOR INTERNAL AUDIT STANDARDS INTERNAL SELF ASSESSMENT**PURPOSE OF REPORT**

1. The purpose of this report is to advise members of progress in relation to compliance with the Public Sector Internal Audit Standards (PSIAS).

**BACKGROUND**

2. The Public Sector Internal Audit Standards came into force on 1 April 2013 and includes a requirement that the Head of Internal Audit develops and maintains a quality assurance and improvement programme (QAIP) to enable the internal audit activity to be assessed against the PSIAS. CIPFA recommends that in order to undertake a self-assessment, the recommended checklist for assessing conformance included within the application note to the PSIAS is used which contains 339 criteria. Additionally, there is a requirement for an external assessment to be carried out at least once every 5 years by an independent assessor.

3. For internal auditors in the public sector, compliance with PSIAS is mandatory and any areas of non-conformance should be reported to the Audit and Scrutiny Committee.

**QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME (QAIP)**

4. The standards require that the QAIP includes both internal and external assessments. The recommendations and actions resulting from these assessments are contained within the QAIP which is included in the appendix. All recommendations from the external assessment which were submitted to the Audit and Scrutiny Committee in June 2018 have now been implemented and have therefore been deleted from the QAIP.

5. The internal assessments must include ongoing monitoring of the internal audit activity and periodic self-assessments. This is achieved as follows:

- review of all internal audit files by the Chief Auditor
- monitoring of internal audit activity by the Audit and Scrutiny Committee through quarterly progress reports and the annual report
- performance measurement framework in place which includes reporting on performance indicators approved by the Audit and Scrutiny Committee, national Director of Finance indicators and Council corporate indicators
- annual review by the Council's external auditors of internal audit activity and feedback on whether they can place reliance on the work carried out by Internal Audit
- feedback via the use of annual customer satisfaction surveys on the work carried out by internal audit

- self-assessments using the recommended checklist are carried out periodically (except for years where there has been an external assessment) and the results submitted to the Audit and Scrutiny Committee.

6. External assessments are required to be carried out at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. External assessments can be in the form of a full external assessment or a self-assessment with independent external validation. The last external assessment was carried out in 2018. It was agreed by Audit and Scrutiny Committee in June 2019 that the Council will continue to participate in the reciprocal SLACIAG independent self-assessment process.

## SELF ASSESSMENT

7. In August 2014, a report detailing the full results of the first self-assessment of PSIAS was submitted and noted by the Audit and Scrutiny Committee. The self-assessment was carried out by using the recommended checklist which contains four columns to indicate full, partial or non-compliance and non-applicable. The self assessment was repeated again in 2016, May 2019 and July 20. A copy of the latest full self-assessment is available on request but the results are summarised below.

8. The Standards require that the assessment must include an evaluation with regard to the degree of internal audit's compliance. Internal audit's self-assessment indicates that the service is currently fully compliant with 289 (or 95%) of all criteria which are applicable and partially compliant with a further 11 (or 4%).

9. The table below summarises internal audit's self-assessment of conformance against the standards as at July 2020.

Standards	No. of criteria	IA assessment of conformance			
		Yes	Partial	No	N/A
1 Definition of internal audit	3	3			
2 Code of Ethics	13	13			
1000 Purpose, authority and responsibility	23	21			2
1100 Independence and objectivity	35	27		1	7
1200 Proficiency and due professional care	21	18			3
1300 Quality assurance and improvement programme	31	29			2
2000 Managing the internal audit activity	47	41	1	1	4
2100 Nature of work	31	28			3
2200 Engagement planning	54	32	10	1	11
2300 Performing the engagement	22	22			
2400 Communicating results	53	50			3
2500 Monitoring progress	4	3			1
2600 Communicating the acceptance of risks	2	2			
<b>Total</b>	<b>339</b>	<b>289</b>	<b>11</b>	<b>3</b>	<b>36</b>
<b>Total excluding non-applicable</b>	<b>303</b>				

Standards	No. of criteria	IA assessment of conformance			
		Yes	Partial	No	N/A
% of total	100%	95%	4%	1%	

10. This shows a slight improvement in compliance compared to the previous self-assessment submitted to the Audit and Scrutiny Committee as follows:

Standards	No. of criteria	IA assessment of conformance			
		Yes	Partial	No	N/A
Compliance as at August 2014	339	255	27	23	34
Compliance as at Sept 2016	339	269	20	13	37
Compliance as at May 2019	339	286	12	4	37
Compliance as at July 2020	339	289	11	3	36

11. There are now few areas of non-compliance and there is limited scope to address these. For example Audit and Scrutiny Committee having the power to appoint the Chief Auditor.

12. The main areas identified as non-applicable relate to:

- Consultancy engagements – internal audit has not undertaken any significant consultancy work in 2019/20 to date or in the years prior to this.
- Internal audit does not carry out any non-audit duties or have any operational duties outwith the internal audit function.

13. The main area assessed as being partially compliant is in relation to:

- The issues which are routinely considered when planning each audit assignment but are not always formally documented.

14. On the basis that the self-assessment indicates that the internal audit team are 95% fully compliant with the relevant standards and partially compliant with a further 4%, it is concluded that the internal audit section operates in general compliance with the Public Sector Internal Audit Standards. This result remains consistent with the external assessment which concluded that the internal audit service was fully compliant in 11 out of 13 sections and generally compliant in the remaining two.

## RECOMMENDATIONS

15. The Committee is asked to note the outcome of the revised self-assessment.

Further information is available from Michelle Blair, Chief Auditor, telephone 0141 577 3067.

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## QUALITY ASSURANCE IMPROVEMENT PLAN (QAIP) AS AT July 2020

Ref	Source (SA – Self Assessment EA – External Assessment)	Finding	Proposed action/recommendation	Progress	Target Date
1	SA 2019	<b>Standard 2430</b> Use of “Conducted in Conformance with the PSIAS” only if the results of the QAIP support such a statement	Include a statement in all audit reports that the audit has been conducted in conformance with PSIAS.	<b>Implemented</b> Included in all audit reports issued after 1 April 2020 and some prior to this.	N/A
2	SA 2020	<b>Standard 2410 Criteria for Communicating</b> – if assurance is to be provided to other partnership organisations, it should be demonstrated that fundamental responsibility is to the management of the Council.	A statement to reflect this will be included in the Annual Report.	<b>Implemented</b> Comment now included in the 2019/20 Annual Report	Aug 20

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**EAST RENFREWSHIRE COUNCIL****AUDIT AND SCRUTINY COMMITTEE****13 August 2020****Report by Chief Auditor****INTERNAL AUDIT ANNUAL REPORT 2019/20****PURPOSE OF REPORT**

1. To submit to Members an annual report on the activities of internal audit during 2019/20 and to provide an independent audit opinion on the adequacy and effectiveness of the Council's governance, risk management and internal control systems based on work undertaken in 2019/20.

**BACKGROUND**

2. The internal audit service is an autonomous unit within the Chief Executive's Office. The service objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper economic, efficient and effective use of the council's resources. Independence is achieved through the organisational status of internal audit and the objectivity of internal auditors. The council's financial regulations require that an annual report containing an assurance statement and summarising internal audit's activities during the year is submitted to the Audit and Scrutiny Committee.

**ANNUAL REPORT 2019/20**

3. The 2019/20 strategic audit plan was approved by the Audit and Scrutiny Committee on 14 April 2019. The attached annual report (Appendix 1) summarises the audit work carried out during the year. The internal audit annual statement of assurance is contained within appendix A of the report and concludes that reasonable assurance can be placed upon the adequacy and effectiveness of the council's governance, risk management and internal control systems in the year to 31 March 2020.

**RECOMMENDATION**

4. The Committee is asked to note the annual statement of assurance on the adequacy of governance, risk management and internal control systems and submit it to the Council.

5. The Committee is asked to note the contents of internal audit's annual report 2019/20.

Further information is available from Michelle Blair, Chief Auditor, telephone 0141 577 3067.

M Blair, Chief Auditor  
29 July 2020

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## APPENDIX 1

<b>INTERNAL AUDIT ANNUAL REPORT 2019/20</b>
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Chief Auditor  
29 July 2020

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## INTERNAL AUDIT ANNUAL REPORT 2019/20

### 1. INTRODUCTION

- 1.1 The responsibilities and duties of Internal Audit are summarised in the Council's Financial Regulations which state:
- 'The primary role of Internal Audit is to provide assurance to the Council on the adequacy of its control environment. Internal Audit will carry out independent examinations of financial and related systems of the Council to ensure the interests of the Council are protected.'*
- 1.2 Internal Audit's purpose, authority and responsibilities are set out in more detail in the Audit Charter.
- 1.3 Internal Audit activity during the year was based on the planned work contained in the Annual Audit Plan approved by the Audit and Scrutiny Committee on 14 April 2019. The Annual Plan is derived from the 5 year rolling Strategic Audit Plan which is compiled following a risk based internal audit needs assessment and following consultation with members of the Corporate Management Team, External Audit and elected members.
- 1.4 The audit service is provided by five members of staff of which four employees (3.7 FTE) hold a relevant professional qualification. There is currently one qualified post vacant.
- 1.5 The service operates in compliance with the Public Sector Internal Audit Standards (PSIAS) which came into effect on 1 April 2013.
- 1.6 The assistance afforded by council staff to Audit during the course of work carried out in 2019/20 is gratefully acknowledged and senior management and elected members are thanked for the due regard given to the work of internal audit.

### 2. INTERNAL CONTROL FRAMEWORK

- 2.1 In order to ensure the proper conduct of its business, the Council has a responsibility to develop and implement systems of internal control. The presence of an effective internal audit function contributes towards, but is not a substitute for, effective controls and it remains primarily the responsibility of line management to ensure that internal controls are in place and are operating effectively. A sound control system will help safeguard assets, ensure records are reliable, promote operational efficiency and ensure adherence to Council policy and procedures. Such systems of internal control can provide only reasonable and not absolute assurance against loss.
- 2.2 As part of its Standing Orders and in order for the business of the council to be dealt with in an efficient manner, the council has in place both a Scheme of Administration and Scheme of Delegated Functions. The former indicates the business to be dealt with by the various bodies of the council, whilst the latter gives details of the authority delegated to officers by the council. In addition to this, a comprehensive set of approved Financial Regulations (recently updated in June 2019) are in place, which ensure that the financial administration of the council is dealt with in a proper manner. The council's Financial Regulations incorporate the requirement that an Annual Audit Report showing the activity of the Internal Audit service and progress achieved against the plan shall be presented to the Audit and Scrutiny Committee each year. Contained within this report shall be an assurance statement to the Council on the adequacy of controls. Whilst audit work is also carried out on behalf of the Integration Joint Board and the East Renfrewshire Culture and Leisure Trust,

fundamental responsibility is to the management of the Council should there be any potential conflict.

- 2.3 The Audit and Scrutiny Committee's terms of reference require it to evaluate the internal control environment and provide an annual statement to the Council. To assist with this evaluation, Internal Audit is required to provide the Audit and Scrutiny Committee with an annual statement on the adequacy and effectiveness of internal control.

### 3. ACHIEVEMENT OF ANNUAL AUDIT PLAN

- 3.1 Internal audit activity during the year was undertaken in accordance with the annual internal audit plan. The results of internal audit's progress against the annual plan has been reported to Audit and Scrutiny Committee quarterly and is summarised in Appendix D. The 2019/20 plan was substantially completed with all planned outputs delivered except for one which is completed but not yet issued and five which were started but could not be completed due to COVID19 restrictions and these have been carried forward for completion within the 2020/21 audit plan.

The 2019/20 plan provided 720 (741 2018/19) direct audit days (i.e. excluding 254 days for planning, reporting, administration, training, consultancy work, seminars, secondments and meetings) spread across various audit activities and council departments. The actual number of audit days achieved was 603. Details of audit work carried out analysed by type of audit is shown in table 1 below.

**Table 1 – Audit Work by Type of Audit**

Type of Audit	Planned Days 2019/20	Actual Days 2019/20	Variance in days
Systems and Regularity	442	403	(39)
Contract	40	42	2
Computer	10	10	0
General and Fraud Contingency and NFI	108	46	(62)
Performance Indicators	10	12	2
Follow up of previous year	50	42	(8)
Grant Certification	20	6	(14)
Trust	20	26	6
IJB	20	16	(4)
<b>Total</b>	<b>720</b>	<b>603</b>	<b>(117)</b>

- 3.2 Internal audit issued 33 reports and memos relating to 2019/20 audit work which contained in excess of 200 recommendations in total. Details of all reports issued were included in the quarterly progress reports during the year. Five of the reports were issued after the year end and one further report has yet to be issued. Satisfactory responses have now been received for all audit reports relating to 2019/20 which were issued except for MB1123NS Debtors Control for which the deadline given for management response has not yet passed.
- 3.3 There were four reports where management did not accept all of the recommendations contained in the reports. Details of these have been provided to the Audit and Scrutiny Committee during the year within the quarterly progress reports. In total, six recommendations were not fully or only partially accepted but reasonable explanations were provided to support the response and therefore all

were considered satisfactory. The reports and details of recommendations not fully accepted were:

- MB1121RM Contract Audit - Audit Scotland Procurement Red Flags (3) – low risk
- MB1108RM Highways Maintenance (1) – low risk
- MB1106NS Scottish Welfare Fund (1) – low risk
- MB1103RM Environment Follow up (1) – medium risk

3.4 Management are effectively accepting the associated risks of not implementing the recommendations. Internal audit's approach always attempts to be constructive and this appears to have been welcomed by departments. One of these six recommendations was classified as medium risk, the remaining five were all classified as low risk. Details of the medium risk which was not accepted is detailed below.

3.5 One point classified as medium risk was not accepted within the environment follow-up report. The recommendation related to spot checks being carried out on vehicles refuelling to ensure the odometer readings are accurate. The departmental response explained that fuel will not be given if an inaccurate odometer is recorded on the system and had arisen when recycling fuel fobs from previous vehicles were re-used which made odometer readings appear anomalous.

3.6 The three points not accepted within the Audit Scotland Procurement Red Flags report were all classified as low risk and the management responses were deemed satisfactory. Reasons for not accepting the recommendations were all linked to limited resource being available to fully implement the recommendations.

3.7 An excellent working relationship exists between internal audit and Audit Scotland, the council's appointed external auditors. Information on audit planning and the progress of audit work is regularly exchanged on an informal basis which helps avoid duplication of effort and maximises audit resources. Audit Scotland review the work of internal audit annually to consider whether reliance can be placed on internal audit's work and it is pleasing to be able to report that Audit Scotland continue to be able to place reliance on internal audit's work as the standard of work meets their requirements.

#### **4. SUMMARY OF AUDIT ACTIVITIES 2019/20**

4.1 Internal Audit carried out a range of activities throughout the year, however systems and regularity based reviews continue to represent two of the main elements of planned activity. Systems reviews focus on identifying, assessing and testing the adequacy and effectiveness of controls in place to ensure the underlying objectives of the system are met whereas regularity focuses more on compliance testing. The key systems and regularity audits carried out were as follows:

- |                              |  |
|------------------------------|--|
| • Debtors control            | • Housing benefits                               |
| • Ordering and Certification | • Barrhead and Eastwood Payments Centres         |
| • Corporate Debt Recovery    | • Rent Accounting                                |
| • Creditor Payments          | • Contract –Audit Scotland Procurement Red Flags |
| • Highways Maintenance       |  |

4.2 Overall, the audit findings suggested that whilst some weaknesses were identified and some elements of control were only partially in place, when taken with other findings they did not significantly impair the overall systems of internal control in the

areas reviewed. Four regularity/systems audits were started during 2019/20 but were not completed due to COVID19 restrictions and therefore these have been carried forward to the 2020/21 audit plan for completion when feasible. These are audits of stores, payments to care providers, housing voids and carers legislation.

- 4.3 In addition a number of other types of audit were carried out such as computer audit and performance indicators. Following each audit, a report detailing appropriate recommendations to address weaknesses in systems and procedures was issued. In general, audit results suggested that although errors and weaknesses were often noted they were not considered to be generally indicative of absent or inadequate controls and that broadly, the level of compliance was satisfactory.
- 4.4 **Follow-up audits:** An ongoing programme of follow-up audits is also carried out to ensure that recommendations previously made by Internal Audit and accepted by management have been implemented. No responses are outstanding in relation to follow-up audit reports issued during the year. One follow-up report for HSCP audits was started during 2019/20 but could not be completed due to COVID19 restrictions and has therefore been carried forward to the 2020/21 audit plan.
- 4.5 **General contingency:** Three specific requests for assistance/consultancy or guidance on queries/anomalies were received during the year, none of which resulted in actual financial loss to the council. One of these was a request to assist in looking at the business grant application forms being processed by the Environment Department in relation to the COVID19 pandemic. Details of this were provided in the quarter 4 progress report. Contingency time was also used to assist the core systems team in relation to new systems being implemented.
- 4.6 **Fraud contingency:** Internal Audit also has responsibility for investigating as appropriate all alleged frauds and irregularities which have been brought to audit's attention in accordance with the Council's Anti-Fraud and Bribery Strategy. The number of frauds and irregularities and the level of resources required to investigate them are always difficult to estimate. Nine potentially fraudulent matters brought to Audit's attention were investigated during the year using budgeted fraud contingency time. In each case which warranted investigation, the matter was brought to a conclusion and recommendations were made to the relevant director on how to improve controls. Three of these involved a cost or loss to the council. Two were for amounts less than £100 (missing/unaccounted for cash and loss/theft of equipment) and the third relates to theft of various pieces of equipment from a council location with an estimated value of £1,000. Two of these three incidents were notified to the police, the third one being missing cash of £20.
- 4.7 None of the other items investigated involved loss of income or additional cost to the council.
- 4.8 Various methods of encouraging employees and members of the public to whistleblow or bring matters of concern to the attention of Audit (either anonymously or not) are in place and are used to varying degrees. These are by e-mail via a link on the council's website, by post using a freepost address and by phone to a dedicated phone number within Internal Audit.
- 4.9 Frauds and irregularities included in Audit Scotland's quarterly Fraud Digests were also considered in relation to practices within the Council, to proactively try and identify potential weaknesses and ensure that appropriate measures have been taken or are in place to prevent these happening within East Renfrewshire.

## 5. COMPLIANCE WITH PUBLIC SECTOR INTERNAL AUDIT STANDARDS (PSIAS)

- 5.1 In 2017/18, an external assessment of PSIAS was carried out and submitted to the Audit and Scrutiny Committee in June 2018. The results of that review confirmed that the Internal Audit function has sound documentation standards and reporting procedures in place and complies with the main requirements of PSIAS.
- 5.2 An internal self-assessment of compliance with PSIAS was subsequently carried out and the results presented to the Audit and Scrutiny Committee in June 2019. The self-assessment concluded that the internal audit service were fully compliant with 95% of the standards and partially compliant with a further 4%. This is broadly in line with the findings of the external assessment. The self-assessment was reviewed in July 2020 which confirmed the levels of compliance previously reported.
- 5.3 A revised Quality Assurance and Improvement Plan (QAIP) was prepared as part of the most recent self-assessment review and is included in Appendix C. All actions have now been implemented.
- 5.4 One of the requirements of the PSIAS is that the internal audit service must be free from interference in determining the scope of internal auditing, performing work and communicating results. I can confirm that during 2019/20, the internal audit service has operated without any such interference.

## 6. INTERNAL AUDIT PERFORMANCE INDICATORS

- 6.1 In January 2008, the Audit Committee approved revised key performance indicators to be used to measure Internal Audit's performance. Some of these indicators have been reported to the Audit and Scrutiny Committee on a quarterly basis, whereas it is only appropriate to report others on an annual basis.
- 6.2 A summary of all the indicators is given in Appendix B with the targets and actual achievement for the full year. Four of the targets were not met;
- 2.1 which measures actual direct audit days compared to planned days,
  - 4.1 which measures percentage of planned audits that are completed
  - 5.2 which measures the time to complete an audit and
  - 5.3 which measures the time to issue a report.

Indicator 2.1 was impacted by a reduced staffing level. Indicator 4.1 was impacted by the suspension of some planned audits due to COVID19 restrictions. Indicators 5.2 and 5.3 are linked and failure to meet the targets were impacted by slow responses from departments for some audits to allow reports to be cleared during the year and exacerbated by COVID19 restrictions at the end of the year.

Customer satisfaction surveys for the Chief Executives Department are usually issued post year end and include questions about the service provided by internal audit. Due to COVID19 lockdown and prioritisation, no such questionnaires were issued in relation to 2019/20 therefore data is not available for indicator 3.1 or 3.2.

## 7. ANNUAL INTERNAL AUDIT OPINION

- 7.1 There is a formal requirement for the Chief Auditor to prepare an annual report which contains an assurance statement on the adequacy of governance, risk management and internal control systems. Such systems need to be monitored so that management and Members may be sure that they continue to be effective. Monitoring of controls is done at a number of levels, for example, assessment by line management, internal audit and external audit review and subsequent reporting to management of identified weaknesses and recommendations, and monitoring by the

Audit and Scrutiny Committee. If monitoring of control is to be effective, then senior management must foster an environment where internal control is the responsibility of all staff.

- 7.2 The Internal Audit Annual Statement of Assurance is included in Appendix A. The evaluation of the control environment is informed by a number of sources as detailed in the appendix.
- 7.3 In reviewing these different sources of evidence, consideration has to be given as to whether any key controls are absent or ineffective and when taken together with other findings, would lead to the conclusion that the overall system of control has been significantly impaired as a result.
- 7.4 Based on the information available, the formal annual statement of assurance did not lead me to conclude that the Council's overall systems of governance, risk management and internal control were significantly or materially impaired during 2019/20.

## **8. CONCLUSION**

- 8.1 The 2019/20 audit year was satisfactory for Internal Audit as the audit plan was substantially completed despite a reduction in staffing levels due to an internal secondment and COVID19 restrictions in the final quarter which prevented five of the audits which had been started being completed and issued. External audit continue to place reliance on the work of the service and a reasonable level of performance was achieved against the indicator targets set given the restrictions that were largely outwith the control of the service.



## APPENDIX A

**INTERNAL AUDIT ANNUAL STATEMENT OF ASSURANCE FOR 2019/20**

As Chief Auditor of East Renfrewshire Council, I am pleased to present my annual statement on the adequacy and effectiveness of the governance, risk management and internal control systems of the Council for the year ended 31 March 2020.

**Respective Responsibilities of Management and Internal Audit in relation to Governance, Risk Management and Internal Control**

It is the responsibility of the Council's senior management to establish appropriate and sound systems of governance, risk management and internal control and to monitor the continuing effectiveness of these systems. It is the responsibility of the Chief Auditor to provide an annual overall assessment of the robustness of governance, risk management and internal control.

**The Council's Framework of Governance, Risk Management and Internal Controls**

The main objectives of the Council's framework of governance, risk management and internal control are:

- To ensure adherence to management policies and directives in order to achieve the organisation's objectives;
- To safeguard assets;
- To ensure the relevance, reliability and integrity of information, so ensuring as far as possible the completeness and accuracy of records; and
- To ensure compliance with statutory requirements.

Any system of control can only ever provide reasonable and not absolute assurance that control weaknesses or irregularities do not exist or that there is no risk of material errors, losses, fraud, or breaches of laws or regulations. Accordingly, the Council is continually seeking to improve the effectiveness of its systems of governance, risk management and internal control.

**The work of Internal Audit**

Internal Audit is an independent appraisal function established by the Council for the review of the internal control system as a service to the organisation. It objectively examines, evaluates and reports on the adequacy of internal control in all service areas as a contribution to the proper, economic, efficient and effective use of the Council's resources.

During 2019/20, the internal audit service operated in accordance with the Public Sector Internal Audit Standards (PSIAS). In particular, the service operated free from interference in determining the scope of internal audit, performing work and communicating results. A self-assessment was carried out and submitted to the Audit and Scrutiny Committee. This review concluded that the internal audit service continues to operate in compliance with the Public Sector Internal Audit Standards. A quality assurance improvement plan has been developed to further enhance compliance and is included within the appendices. External audit have also considered the work of internal audit and did not raise any issues.

The service undertakes an annual programme of work approved by the Audit Committee based on a five year strategic plan. The strategic plan is based on a formal risk based audit needs assessment which is revised on an ongoing basis to reflect evolving risks and changes within the Council.

All internal audit reports identifying system weaknesses and/or non-compliance with expected controls are brought to the attention of management and include appropriate recommendations. It is management's responsibility to ensure that proper consideration is given to internal audit reports and that an appropriate action plan is provided in response to audit recommendations. Internal Audit is required to ensure that appropriate arrangements are made to determine whether action has been taken on internal audit recommendations or that management has understood and assumed the risk of not taking action. Significant matters arising from internal audit work are reported to the Chief Executive and the Council's Audit and Scrutiny Committee. Follow up work is carried out by Internal Audit to ensure that recommendations previously accepted by management have been implemented. Copies of these reports are circulated to members of the Audit and Scrutiny Committee.

### **Basis of Opinion**

My evaluation of the control environment is informed by a number of sources:

- The audit work undertaken by Internal Audit during the year to 31 March 2020 and material findings since the year end
- The audit work undertaken by Internal Audit in previous years
- The assessment of risk completed during the preparation of the strategic audit plan
- Assessments of the general control environment within individual departments as completed by each director
- Reports issued by the Council's external auditors and other review and inspection agencies
- Knowledge of the Council's governance, risk management and performance monitoring arrangements
- Any other items brought to the attention of internal audit staff by whatever means which may warrant further investigation.

### **Opinion**

Owing to COVID19 and the resultant enforced remote working from March 2020 onwards, completing audits from the 2019/20 audit plan became particularly challenging for the audit team. All planned 2019/20 audits have been completed with the exception of five audits which had been started but could not be completed. These are unlikely to have materially affected the annual assurance statement and annual opinion. It is therefore my opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's framework of governance, risk management and internal control for the year ended 31 March 2020.

Michelle Blair FCA  
Chief Auditor

29 July 2020

## Internal Audit Performance Indicators 2019/20

Indicator	Definitions (where required)	Target (where applicable)	Actual 2019/20	Actual 2018/19	Actual 2017/18
<b>1. Cost</b>					
1.1 Cost of Internal Audit per productive day.	Productive days are those spent on direct audit activities.	-	£435	£322	£363
<b>2. Audit Coverage</b>					
2.1 Actual direct audit days as a % of planned direct audit days per the plan.	Planned direct audit days as detailed in the strategic audit plan.	100%	84%	97%	103%
2.2 Actual direct audit days as a percentage of total days available.	Days available exclude public holidays, annual leave and sickness absence.	75%	75%	77%	77%
2.3 Number of requests for assistance/ queries raised by departments outwith planned audit work.	This will generally include most items met from general and fraud contingency. This is contextual information only.	-	12	9	11
2.4 Percentage of planned contingency time used.	Actual contingency time used as a percentage of total planned contingency time. This is mainly for contextual information.	<100%	48%	39%	100%
<b>3. Quality</b>					
3.1 Number of questionnaires issued during the year. (Note: questionnaire sent electronically so this now records the number of responses)			0	18	12
3.2 Percentage of customer questionnaires with overall rating of satisfactory or better.		90%	N/A	100%	100%
3.3 Percentage of established audit posts (FTE) at year end filled by staff with relevant professional qualification.		45%	57%	57%	78%
<b>4. Achievement of Plan</b>	Total number of audits defined as number per strategic annual plan. Number achieved defined as number of audits from plan which were started during the year.				
4.1 No of audits achieved as a percentage of all audits planned during the year.		90%	86%	95%	96%
<b>5. Issue of Reports</b>					
5.1 Number of audit reports issued		-	33	40	41
5.2 Average time in weeks from start of fieldwork to issue of report.	Start of fieldwork defined as when auditor starts gathering information or preparing file. Initial phone call to set up the audit would not be counted as start of fieldwork.	12 weeks	14.9 weeks	13.7 weeks	16.2 weeks
5.3 Average time taken to issue report (working days).	Speed of issue of report is measured from date file is handed to Chief Auditor for review to date of issue of report. GENERAL Average weeks calculated as working days divided by 5. Working days exclude weekends, public holidays, annual leave, training and sickness absence.	10 working days	15.0 working days	11.1 working days	12.0 working days

## QUALITY ASSURANCE IMPROVEMENT PLAN (QAIP) AS AT JULY 2020

Ref	Source (SA – Self Assessment EA – External Assessment)	Finding	Proposed action/recommendation	Progress	Target Date
1	SA 2019	<b>Standard 2430</b> Use of “Conducted in Conformance with the PSIAS” only if the results of the QAIP support such a statement	Include a statement in all audit reports that the audit has been conducted in conformance with PSIAS.	<b>Implemented</b> Included in all audit reports issued after 1 April 2020 and some prior to this.	N/A
2	SA 2020	<b>Standard 2410 Criteria for Communicating</b> – if assurance is to be provided to other partnership organisations, it should be demonstrated that fundamental responsibility is to the management of the Council.	A statement to reflect this will be included in the Annual Report.	<b>Implemented</b> Comment now included in the 2019/20 Annual Report	Aug 20

**EAST RENFREWSHIRE COUNCIL**  
**Internal Audit Section**  
**ACHIEVEMENT OF ANNUAL AUDIT PLAN FOR 2019/20**

Department	Title	Audit Number	No. of days	Status
Chief Executives	Ordering and Certification	1	20	Complete
Corporate & Community	GDPR	2	15	In progress
	Barrhead and Eastwood Payment Centres	3	16	Complete
	Corporate Debt Recovery	4	20	Complete
	Council Tax – Recovery and Enforcement	5	18	Deleted
	Creditor Payments	6	10	Complete
	Debtors control	7	10	Complete
	Housing Benefit/ Universal Credit	8	30	Complete
	Licensing income	9	15	Complete
	Scottish Welfare Fund	10	15	Complete
	Travelling and subsistence	11	12	Deferred 20/21
	Education	Building cleaning	12	15
Schools Cluster		13	32	Complete
Operation of Trust		14	15	Deleted
Environment	Contract – Implementation of Cole Report	15	15	Complete
	City Deal	16	15	Complete
	Grant Certification	17	15	Complete
	Grounds maintenance	18	15	Complete
	Highways maintenance	19	20	Complete
	Parks and other outdoor income	20	8	Complete
	Stores (Note 1)	21	20	SUSPENDED
	Trade Refuse Income and special uplifts	22	12	Complete
	Climate Change Report	23	5	Complete
	Year-end Stocktake	24	5	Complete
Housing	Housing Rent Accounting	25	20	Complete
	Housing – voids, garage allocations etc (Note 1)	26	14	SUSPENDED
HSCP	Bonnyton House	27	10	Complete
	Payments to care providers (Note 1)	28	25	SUSPENDED
	Carers Legislation (Note 1)	29	15	SUSPENDED
	IJB Strategic Risk Register	30	20	Complete
Trust	Culture and Leisure Limited Trust	31	20	Complete
Other	NFI	32	12	Deleted
Various	Environmental Controls - general	33	10	Complete
	Contract 2 – Audit Scotland Procurement Red Flags	34	25	Complete
	Fraud Contingency	35	66	Complete
	General Contingency	36	30	Complete
	LG Benchmarking Framework	37	10	Complete
	Follow up (Note 1)	38	50	SUSPENDED
	Previous year audits	39	20	Complete
<b>Total</b>			<b>720</b>	

**Note 1** Marked as suspended as approved by the Audit and Scrutiny Committee meeting on 25 June 2020 due to COVID19 lockdown restrictions. Only one of the follow up audits relating to HSCP audits was suspended, all others had been issued during the year.

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EAST RENFREWSHIRE COUNCIL  
AUDIT AND SCRUTINY COMMITTEE

13 August 2020

Report by Clerk

COMMITTEE'S SPECIALISATION ARRANGEMENTS FOR DEALING WITH  
INTERNAL AND EXTERNAL AUDIT REPORTS AND INSPECTION REPORTS

**PURPOSE OF REPORT**

1. To propose changes to the Committee's specialisation arrangements for dealing with internal and external audit reports and inspection reports.

**RECOMMENDATION**

2. It is recommended that Councillor Convery lead, in terms of the Committee's specialisation arrangements for dealing with both inspection reports and external and internal audit reports, in partnership with Councillor Ireland and Councillor Gilbert on issues relating to the Chief Executive's Office and Health and Social Care Partnership respectively.

**BACKGROUND**

3. In June 2019, following discussion and taking account of the distribution of various aspects of the Committee's workload during the previous 2 years, and also views expressed by members of the Committee themselves, the most recent changes proposed to its specialisation arrangements for dealing with both inspection reports and external and internal audit reports, including those of a corporate nature or with a Council-wide focus, were approved. Under those arrangements, all members of the Committee receive copies of various reports and are able to raise issues about them, but various Members working in pairs lead on various issues on behalf of the Committee. A copy of the arrangements that were put in place at that time is attached to this report (see Appendix).

4. Arising from Provost Fletcher's resignation from the Committee, and the appointment of Councillor Convery to it, some changes to the specialisation remits need to be considered. Following discussion with the Chair, it is proposed that Councillor Convery take over the remits the Provost had for leading with Councillor Ireland on issues relating to the Chief Executive's Office; and Councillor Gilbert on leading on issues concerning the Health and Social Care Partnership. In view of the fact that a detailed analysis and review of the workload of various Members of the Committee associated with such reports was concluded as recently as June 2019, no further changes are proposed or considered necessary at present.

**RECOMMENDATION**

5 It is recommended that Councillor Convery lead, in terms of the Committee's specialisation arrangements for dealing with both inspection reports and external and internal audit reports, in partnership with Councillor Ireland and Councillor Gilbert on issues relating to the Chief Executive's Office and Health and Social Care Partnership respectively.

Local Government Access to Information Act 1985

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Background Papers

Report on Committee's Specialisation Arrangements for Dealing with Internal and External Audit Reports and Inspection Reports (June 2019)



**AUDIT & SCRUTINY COMMITTEE****SPECIALISATION ARRANGEMENTS APPROVED ON 20 JUNE 2019**

For the purposes of considering external audit, internal audit and external inspection reports, on 20 June 2019 the Committee agreed the most recent changes to its specialisation arrangements, agreeing that the following Members would specialise and lead on issues as follows:-

**Reports with Council-Wide Focus**

Reports are sent to Councillor Miller (Chair) and Councillor Grant (Vice-Chair) to lead on in liaison with other Members of the Committee as they consider appropriate.

**Departmental Issues****Chief Executive's Office**

Provost J Fletcher  
Councillor A Ireland

**Corporate & Community Services Department**

Councillor J McLean  
Councillor J Swift

**Education Department**

Councillor J McLean  
Councillor J Swift

**Environment Department**

Councillor S Miller (Chair)  
Councillor B Grant (Vice-Chair)

**Health & Social Care Partnership**

Provost J Fletcher  
Councillor C Gilbert

**Reports Relating to Corporate Responsibilities Cutting Across More Than One Department (*Resting with Specific Director*)**

These reports are sent to the Members who deal with the department with which corporate responsibility for the issue concerned rests.

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