

EAST RENFREWSHIRE COUNCILAUDIT AND SCRUTINY COMMITTEE26 September 2019Report by ClerkAUDIT AND SCRUTINY COMMITTEE WORK PLAN

1. To provide an update on the 2019/20 Audit and Scrutiny Committee Work Plan and propose an issue to be the subject of the committee's next scrutiny and review investigation.

RECOMMENDATION

2. It is recommended that the committee:-
- (a) considers the updated position on its Annual Work Plan for 2019/20 in light of discussions on related issues; and
 - (b) agrees, taking account of the selection/rejection criteria for investigations approved as part of the new Guide to Scrutiny and Review:-
 - (i) that climate change be the next high priority issue to be the subject of a scrutiny and evaluation review by the committee as outlined in Appendix 2; and
 - (ii) that further details of the scope of the review and the proposed timeline be submitted to the next meeting, following further discussion with the Environment Department.

AUDIT AND SCRUTINY WORK PLAN

3. On 20 June, the committee agreed to recommend to the Council that a draft *Guide to Scrutiny and Review* that had been prepared be approved, making it available to all committees and Members of the Council for their use. The guide was subsequently approved by the Council on 26 June and distributed.

4. Amongst other things and to help the Audit and Scrutiny Committee schedule and prioritise its scrutiny and evaluation review work over the course of each year, the guide proposed that an annual work plan be developed and agreed. This was to help provide transparency, openness and evidence of the Council's ongoing commitment to demonstrating Best Value and continuous improvement in the interests of local residents, customers and service users in accordance with the strategic priorities and outcomes of the Community Plan; Vision for the Future (Corporate Plan); and the Outcome Delivery Plan 2019-22.

5. In June the committee approved the 2019/20 Annual Work Plan to the extent it had been developed by that stage. It included reference to recurring cyclical reports it considers such as on treasury management, Internal Audit work and risk, as well as national External Audit reports scheduled for publication on various subjects on which local feedback is requested for consideration. It was also highlighted that the plan would effectively be a 'live' document and include reference to specific areas of investigation identified and agreed by the committee on which detailed scrutiny and evaluation work was to be progressed.

6. It was noted in August that a further update on the Plan would be submitted to this meeting taking account, for example, of the indicative timetable the committee approved for the detailed investigative work it agreed to pursue on income generation and commercialisation and other developments, such as the outcome of discussions the committee had at its meeting in August on various potential areas for scrutiny and review. A copy of the updated Plan is appended to this report (Appendix 1 refers) for consideration.

NEW PROPOSAL FOR DETAILED SCRUTINY AND EVALUATION WORK

7. In August 2019 the committee agreed that the Scrutiny and Evaluation Officer liaise further with members of the committee with a view to other potential priority 1 (high priority) issues for immediate review being identified and the committee determining what its next detailed piece of review work would be. Following discussion and as outlined in Appendix 2 to this report, it has been proposed that climate change be the next priority 1 issue the committee investigates following the conclusion of its current investigation on income generation and commercialisation opportunities; and that further details of the scope of the review and the proposed timeline be submitted to the next meeting, following further discussion with the Environment Department.

CONCLUSION

8. The Audit and Scrutiny Committee's annual work plan will be refreshed periodically to allow the committee to have greater oversight of the timing of reports and consideration of issues, and will include updates on scrutiny and review investigations.

RECOMMENDATION

9. It is recommended that the committee:-
- (a) considers the updated position on its Annual Work Plan for 2019/20 in light of discussions on related issues; and
 - (b) agrees, taking account of the selection/rejection criteria for investigations approved as part of the new Guide to Scrutiny and Review:-
 - (i) that climate change be the next high priority issue to be the subject of a scrutiny and evaluation review by the committee as outlined in Appendix 2; and
 - (ii) that further details of the scope of the review and the proposed timeline be submitted to the next meeting, following further discussion with the Environment Department.

Report Author: Linda Hutchison, Clerk to the Committee (0141 577 8788) in liaison with Scrutiny and Evaluation Officer E-mail address: linda.hutchison@eastrenfrewshire.gov.uk

Background Papers

Reports by Chief Executive to Audit and Scrutiny Committee:
Proposed Guide to Scrutiny and Review (June 2019); and
Potential Areas for Scrutiny and Review Investigations (August 2019)

Audit and Scrutiny Committee
Updated Work Plan 2019-2020 and Related Progress

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
20 June 2019	Guide to Scrutiny and Review, including Audit and Scrutiny Committee Work Plan 2019/20	Chief Executive	20/6/19
	Code of Corporate Governance	Deputy Chief Executive	20/6/19
	Arboricultural Framework	Director of Environment	20/6/19
	Unaudited Annual Accounts 2019/20	Head of Accountancy	20/6/19
	Local External Audit Report – East Renfrewshire Council Management Report 2018/19	External Auditor	20/6/19
	National External Audit Report - Local Government in Scotland: Challenges and Performance 2019	Clerk in liaison with Deputy Chief Executive	20/6/19
	National External Audit Report - Health and Social Care Integration – Update on Progress	Clerk in liaison with Director, HSCP	20/6/19
	Public Sector Internal Audit Standards (PSIAS) Internal Self-Assessment	Chief Auditor	20/6/19
	Audit Charter		20/6/19
	Internal Audit Plan 2018/19 - Implementation Progress – January to March 2019		20/6/19
	Internal Audit Annual Report 2018/19		20/6/19
	Committee's Specialisation Arrangements for Dealing with Internal and External Audit Reports & Inspection Reports		Clerk

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
27 June 2019	Meeting Cancelled as no Longer Required	Not Applicable	Not Applicable
15 August 2019	Update on Audit and Scrutiny Committee Work Plan 2019/20	Clerk to the Committee	Deferred to 26/9/19
	National External Audit Report – How Councils Work – Safeguarding Public Money: Are You Getting it Right?	Clerk in liaison with Head of Accountancy	15/8/19
	Annual Treasury Management Report 2018/19	Head of Accountancy	15/8/19
	Internal Audit Plan 2019/20 - Implementation Progress – March to June 2019	Chief Auditor	15/8/19
	Progress Report on Investigation on Income Generation and Commercialisation	Chief Executive (Scrutiny and Evaluation Officer)	15/8/19
26 September 2019	Strategic Risk Register and Risk Management Progress – Biannual Report	Chief Executive	26/9/19
	National Fraud Initiative - Update (Incorporates Reference to Audit Scotland's Fraud and Irregularity 2018/19 Update)	Head of Communities, Revenues and Change	26/9/19
	2018/19 Annual Accounts for Council's Charitable Trusts and External Audit International Standard on Auditing 260 Report	Head of Accountancy and External Auditor	26/9/19
	2018/19 Annual Accounts and Draft Annual Audit Report for East Renfrewshire Council		26/9/19
	Managing Absence – 2018/19 Annual Report	Deputy Chief Executive	26/9/19
	Summary of Early Retirement/ Redundancy Costs to 31 March 2019		26/9/19

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
26 September 2019 (cont'd)	Further Progress Report on Investigation on Income Generation and Commercialisation	Chief Executive (Scrutiny and Evaluation Officer)	26/9/19
	Update on Audit and Scrutiny Committee Work Plan 2019/20	Clerk to the Committee	26/9/19
21 November 2019	Interim Treasury Management Report 2019/20	Head of Accountancy	
	Internal Audit Plan 2019/20 – Implementation Progress – July to September 2019	Chief Auditor	
	Housing Benefit Performance Audit: Annual Update (TBC)	Clerk in liaison with Head of Communities, Revenues and Change	
	National External Audit Report: Revenue Financing of Assets (Non-Profit Distributing and Hub Models)(TBC)(<i>Anticipated Publication Date: August 2019</i>)	Clerk in liaison with Head of Accountancy	
	Final Draft Report, Conclusions and Recommendations on Investigation on Income Generation and Commercialisation for Consideration	Chief Executive (Scrutiny and Evaluation Officer)	
	Schools Admission Policy and Education Appeals System – Presentation (See Note 5 Below)	Clerk in liaison with Director of Education and Director of Corporate and Community Services	

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
23 January 2020	National External Audit Report: NHS in Scotland (TBC) <i>(Anticipated Publication Date: October 2019)</i>	Clerk in liaison with Director, HSCP	
	Internal Audit Plan 2019/20 – Implementation Progress – October to December 2019	Chief Auditor	
20 February 2020	Treasury Management Strategy 2020/21	Head of Accountancy	
12 March 2020	Strategic Risk Register and Risk Management Progress - Biannual Report	Chief Executive	
	Audit and Scrutiny Work Plan 2019-20 Progress and 2020/21 Work Plan (TBC)	Clerk to the Committee	
	Internal Audit Strategic Plan 2020/21 – 2024/25	Chief Auditor	
	East Renfrewshire Council - Annual Audit Plan 2019/20	External Auditor	
	National External Audit Report: Scotland's City Region and Growth Deals (TBC) <i>(Anticipated Publication Date: November 2019)</i>	Clerk in liaison with Director of Environment	
	National External Audit Report: Local Government in Scotland – Financial Overview <i>(Anticipated Publication Date: October - December 2019)</i>	Clerk in liaison with Head of Accountancy	
	Operation of East Renfrewshire Culture and Leisure Trust – Outcome of Review (TBC)	Chief Executive (Scrutiny and Evaluation Officer)	

See also related notes on next page.

Note 1 (External Audit Reports)

Audit Scotland has indicated that the following reports will be published in 2019/20, but their publication dates remains to be confirmed, as does the date on which related reports will be considered by the committee:-

- National External Audit Report: Self-Directed Support
- National External Audit Report: Equal Pay in Scottish Councils

Note 2 (Withdrawal from European Union)

In February 2019 the Committee considered a report in response to a National External Audit Report on '*Withdrawal from the European Union - Key Audit Issues for the Public Sector*'. A report on the Council's Treasury Management Strategy for 2019/20, and the implications which Brexit might have for interest rates, Council borrowing, return on investments etc. has also been considered.

Audit Scotland has indicated that the scope, timing and any performance audit work relating to a further report it proposes to prepare on the 'Withdrawal from the European Union' will be dependent upon developments. On publication of that report, the Clerk, in liaison with the Chief Executive, will prepare a report for the committee.

In August 2019 the committee agreed to carry out a review regarding Brexit and the related financial implications as a medium priority issue, subject to further consideration of the timing of its commencement, having regard to the future outcome of UK Government discussions with the European Union (EU). It was also agreed that, in the first instance following the appointment of the Council's Brexit Coordinator, arrangements should be made for the postholder to meet with the committee to allow Members to take evidence/gather information on Brexit issues. That post, which was advertised by the Environment Department, is to help co-ordinate and monitor progress on all aspects of Brexit, including internal preparedness and external liaison with appropriate bodies (including Scottish Government and Police Scotland) and also involves reporting to Elected Members, the Corporate Management Team (CMT) and Council officials. The date of the meeting referred to above remains to be and will be arranged in due course by the Clerk.

Note 3 (Graffiti Removal and Fly-tipping)

In August 2019 the committee agreed to review (1) graffiti removal and (2) fly-tipping as medium priority issues. In the first instance it was agreed to undertake site visit(s) in the latter half of 2019/20 to gather information on the latest procedures and equipment being used by the Environment Department for addressing both issues. These visits will be arranged by the Clerk in liaison with appropriate officers and members of the committee.

Note 4 (Early Years Provision Policy)

In August 2019 the committee agreed that the new Early Years Provision policy, including the financial implications, be considered for review in the 2022/23 financial year, following completion of the current roll-out of the provision. This review will be referred to in the appropriate future work plan.

Note 5 (Council Website/Communications with the Public)

In August 2019 the committee agreed to review the issue of the Council Website/Communications with the Public as a medium priority issue once the new website, which was already at the latter stages of development, had been operational for a given period.

It was also agreed, prior to considering further when that review may be appropriate, that in the interim a demonstration of the new website be organised in due course for Elected Members to provide an opportunity for questions to be asked by them about it and its capabilities. The demonstration remains to be scheduled early in the new year, once the website is operational and will be organised in due course.

Climate Change

Potential Review Area	Comments	Proposal
Climate Change	<p>By November 2019, the Audit and Scrutiny Committee will have completed the current scrutiny and review investigation on income generation and commercialisation opportunities within East Renfrewshire Council. The Chair of the committee has proposed that climate change should be the next Priority 1 area for the committee to investigate.</p> <p>Although climate change affects all areas of the Council's activities, preliminary discussions have taken place with the Director of Environment, whose department has lead responsibility on this subject. The Director of Environment has prepared some preliminary proposals for a refreshed climate change strategy and action plan for the council. The existing Environmental Sustainability Strategy and Action Plan were approved in 2015.</p>	<p>Accept: Priority 1 – High</p> <p><i>It is proposed that climate change be accepted as the next area for the Audit and Scrutiny Committee to undertake a scrutiny and review investigation. Work on a refreshed climate change strategy and action plan meets the criteria for investigations, as set out in the new Guide to Scrutiny and Review, which was approved by East Renfrewshire Council on 26 June 2019. Work on the review would commence as the current investigation on income generation approaches completion, and could involve, for example, working with young people to listen to their views.</i></p> <p><i>Further details on the scope of the review, and the proposed timeline, will be presented to the meeting of the committee to be held on 21 November 2019, following further discussion with the Environment Department.</i></p>

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