

Corporate and Community Services Department

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Date: 15 January 2021

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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, 21 January 2021 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. **East Renfrewshire Council Website – Presentation by Communications Manager.**
5. **Council's New Build Development Programme – Report by Head of Environment (Strategic Services) (copy attached, pages 3 - 10).**
6. **Update on Audit and Scrutiny Committee Work Plan 2020/21 – Report by Clerk (copy attached, pages 11 - 26).**

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EAST RENFREWSHIRE COUNCIL
AUDIT AND SCRUTINY COMMITTEE

21 January 2021

Report by Head of Environment (Strategic Services)

COUNCIL'S NEW BUILD DEVELOPMENT PROGRAMME

PURPOSE OF REPORT

1. To provide information to the committee on the Council's new build development programme.

RECOMMENDATION

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

BACKGROUND

3. In September, further to the publication of the report by Audit Scotland on [Affordable Housing - The Scottish Government's Affordable Housing Supply Target](#) the committee considered a report by the Head of Environment (Strategic Services) providing comments on the local position on this issue.

4. The report summarised the findings of the Audit Scotland report; reported on progress towards the Scottish Government's affordable housing supply target and assessed what impact it had had; compared the Council's performance in relation to the national picture; and considered what more required to be done to support the continued increase in affordable housing for those in need. Amongst other things, barriers to the ongoing delivery of affordable housing were identified, which included access to suitable land; higher development costs; and uncertainty regarding future funding arrangements. It was clarified that the Scottish Government, councils and their partners were working to address these barriers, but challenges remained. Reference was also made to limited information from the Scottish Government on funding immediately post 2021 and related issues and challenges; the development by the Scottish Government of its Housing to 2040 vision; and the current review of the Council's Strategic Housing Investment Plan (SHIP) on which a report was subsequently submitted to the Cabinet in December 2020. The report confirmed that the two distinct areas of East Renfrewshire had very different requirements in terms of the need for affordable housing.

5. Having noted the challenges associated with the delivery of affordable housing locally and that delivery of the existing programme would depend on the Scottish Government's recovery plan going forward into 2021 along with that of developers upon whom the Council is reliant for project delivery, the committee agreed that the Head of Environment (Strategic Services) submit a further report to a future meeting outlining the challenges involved in delivering social housing in East Renfrewshire.

6. A report by the Director of Environment on this issue, providing an update on progress on the Council's ambitious new build housing programme, was considered and noted by the Cabinet on 26 November 2020, a copy of which is now attached to this report. It explains that over the past 40 years approximately 50% of rented housing stock owned by

the Council has been sold through the Right to Buy scheme, the greatest proportion of properties sold having been more popular family homes in sought after areas, leaving a stock of just under 3,000 homes. The report highlights that Council housing remains highly sought after, with many people opting for the Council as a landlord rather than a private landlord or housing association, and that the Council also remains the area's most affordable housing provider.

7. The report explains that the ambition for the new build development programme has grown in the past few years, with the Cabinet in November 2016 having approved a proposal to build up to 120 council houses in two phases subject to consultation. This included approximately 80 properties at four sites in Barrhead (Phase 1), and a further 30-40 on the Eastwood side of the authority (Phase 2). Subsequently, in January 2018, the Cabinet approved a proposal for Phase 3 to increase the new build project target from 120 to 240 units. It was recognised then that the delivery of new housing could take 2-4 years, depending upon the infrastructure developments required beforehand.

8. As referred to in the attached report, there were infrastructure delays at Phase 1 sites which impacted on delivery of the project. The Maidenhill sites in Phases 2 and 3 were not owned by the Council, with development times based on the progress of the landowners/house builders. The report clarifies that subsidy funding is only available in annual tranches.

9. Further details on progress made on each phase and site and on related issues is provided in the attached report, including the number of units to be built relative to the initial target set. Reference is also made to related procurement options and financial issues. It is also confirmed that the proposals for all sites were discussed with local Tenant & Residents Associations, and that Housing Services wrote to all residents in the surrounding areas for the first 3 completed sites inviting them to comment on proposals. Although this approach will continue, online methods might need to be used for this due to COVID-19 related restrictions on public gatherings.

10. The report concludes that the ambitious council house new build programme is on track to deliver the target of 240 new council homes which, on completion, will include approximately 141 new homes in Barrhead and 101 in Newton Mearns. The programme has been designed not only to meet local housing needs, but also to make best use of the land availability in the area. Whilst ambitions remain to extend the programme further, clarity on the level and availability of Scottish Government grant funding is required to determine the feasibility of doing so.

RECOMMENDATION

11. It is recommended that the committee considers the report.

Local Government Access to Information Act 1985

Report Author: Phil Daws, Head of Environment (Strategic Services)(Ext 3186)
(e-mail: phil.daws@eastrenfrewshire.gov.uk)

Background Papers:- Audit Scotland Report – *Affordable Housing – The Scottish Government's Affordable Housing Supply Target and related report submitted to Audit and Scrutiny Committee in September 2020*

EAST RENFREWSHIRE COUNCILCABINET26 November 2020Report by Director of EnvironmentCOUNCIL NEW BUILD DEVELOPMENT PROGRAMME**PURPOSE OF REPORT**

1. To update the Cabinet on the progress of the Council's ambitious new build housing programme.

RECOMMENDATIONS

2. The Cabinet is asked to:
- a) Note progress made to date; and
 - b) Note proposals for future developments.

BACKGROUND

3. Over the past 40 years, approximately 50% of Council owned rented housing stock has been sold through Right to Buy. This has left a remaining stock of just under 3,000 homes. As might be expected, the greatest proportion of homes sold were more popular family homes in sought after areas.

4. Council housing remains highly sought after with many people opting for the Council as a landlord rather than a private landlord or housing association. The Council also remains the most affordable housing provider in the area.

5. The ambition for the programme has grown in the last few years. In November 2016, the Cabinet approved a proposal to build up to 120 Council houses in two phases subject to consultation. This included around 80 properties at four sites in Barrhead (phase 1) and a further 30-40 on the Eastwood side of the authority (phase 2). In January 2018, the Cabinet approved a proposal for a phase 3 to increase the Council new build project from 120 to a target of up to 240 units.

6. It was recognised at the time that the delivery of new housing can take 2-4 years depending upon what infrastructure developments may be required beforehand. The sites in phase 1 all have had infrastructure delays that have impacted on delivery times. It should also be noted that the sites at Maidenhill in phases 2 & 3 are not owned by the Council and development times are based on the development progress of the landowners/housebuilders. Also subsidy funding is only available in annual tranches.

REPORT

Phase 1

7. For Phase 1 following a procurement options appraisal, CCG (Scotland) Ltd was appointed in May 2017 to design and construct the first phase of ERC's new build programme.

8. Three sites have been completed to date which includes:

- Robertson Street/Cross Arthurlie Street –13 new properties (4 x 3 bedroom houses and 9 x 1 bedroom amenity flats for residents over 60. One ground floor property is adapted for wheelchair use).
- Fenwick Drive/Oakbank Drive –10 new properties (4 x 3 bedroom houses and 6 x 1 bedroom own door flats).
- Blackbyres Court/Corsemill Avenue – 22 new properties (16 x 3 bed terraced houses and 6 x 1 bed own door flats).

From these first three sites a total of 45 new homes were delivered.

9. There is a 4th site included as part of Phase 1. This site is part of the wider Barrhead South master plan area, known as Balgraystone Road. In order to begin the construction, key infrastructure elements such as water & drainage supplies and the construction of a new road had to be addressed. Unfortunately, there were unforeseen delays and considerable challenges with these infrastructure elements which delayed the commencement of this site.

10. The site at Balgraystone Road commenced September 2020 with estimated completion in Summer/Autumn 2021. The site comprises 47 new homes:

- 2 x 1 bedroom wheelchair adaptable flats
- 4 x 2 bedroom wheelchair adaptable flats
- 12 x 2 bedroom cottage flats
- 26 x 3 bedroom houses
- 3 x 4 bedroom houses

11. At the end of phase 1 a total of 92 new build units will be complete. This is 12 more units than anticipated due to better use of land space available.

Phase 2

12. The next phases of the Council house new build programme will primarily concentrate on the Eastwood side of the Council due to the significant need and demand and limited availability of affordable housing stock in that area. However, opportunities for development will continue to be considered across the authority. It should be noted that most of the sites in Eastwood are not owned by the Council and therefore delivery times are entirely dependent upon the development progress of the landowners/housebuilders.

13. As part of phase 2 Housing Services are currently developing 2 sites for new Council homes in the Eastwood area.

Maidenhill, Newton Mearns

14. As part of the CALA and Taylor Wimpey site at Maidenhill, 6 affordable housing areas have been agreed and secured through the planning process.

15. The first areas to be ready for development are sites A5 and A6. Both sites are currently owned by Taylor Wimpey. East Renfrewshire Council have agreed, in accordance with the Section 75 legal agreement, to purchase Council house properties direct from Taylor Wimpey.

16. The first affordable housing site known as A6 has commenced construction and will provide 39 new homes. Handovers to new Council tenants is expected to begin in March 2021 and end in August of the same year. The housing mix consists of:

- 12 x 1 bed cottage flats
- 8 x 2 bedroom cottage flats,
- 2 x 2 bedroom houses
- 16 x 3 bedroom houses
- 1 x 4 bed house.

Once this site is complete the total overall number of Council new build homes will be 131 since the programme started.

17. Housing Services are currently finalising the legal requirements to commence with the affordable housing site known as A5. This site was initially due to be developed in phase 3. However, Taylor Wimpey were able to develop this site sooner than planned. Construction is due to commence in Autumn 2020 with the handover to new Council tenants anticipated in summer and autumn 2021. The housing mix consists of:

- 12 x 1 bedroom cottage flats
- 4 x 1 bedroom cottage flats
- 13 x 3 bedroom houses
- 1 x 4 bed house

Once this site is complete the total number of Council new build homes will be 161. This is 41 more than the original target.

Phase 3

Barrhead Road

18. Barrhead Road, Newton Mearns is a site within Council ownership, located across from The Avenue Shopping Centre. Plans are being developed for 18 Council owned new build flats designed specifically for tenants over 60. These properties would not be sheltered accommodation but built to a specification to meet the needs of this age group. In order to develop this site, there will be significant infrastructure costs to provide additional drainage and traffic management systems. Housing Services are currently assessing additional funding streams to support these additional costs. Construction is unlikely to commence until at least Autumn 2021 and construction times are approximately 10-12 months.

Once complete this will bring the total number of Council new build homes to 179.

Commercial Road

19. Commercial Road is a site within Council ownership in Barrhead adjacent to St John's Primary School. The site is currently designated as protected urban greenspace in the Adopted and Proposed Local Development Plans, therefore any proposals would need to satisfy the requirements of Policy D5 of the adopted Plan and demonstrate no loss of access, amenity, recreation or landscape function and provide an appropriate level of mitigation. Initial site investigations are underway. Housing Services are currently at the early stages of

developing plans for the site which would provide up to 49 new Council homes and upgrade the existing Multi Use Games Area for the school. The construction is unlikely to commence until at least Summer 2021 and construction times are approximately 10-12 months.

Once complete these units would bring the total number of Council new build homes to 228 units.

Malletsheugh, Maidenhill

20. Robertson Homes are building new homes at a site referred to as Malletsheugh, which lies within the wider Maidenhill master plan area in Newton Mearns. 14 properties are being considered for new Council homes. The construction will not commence until at least Winter 2020/21. Housing Services are currently in discussion with Robertson Homes and await a full construction timetable.

Once completed these units would bring the total number of Council new homes 242 units.

Future Sites

21. The table below details the plans for the remaining 4 sites allocated for affordable housing at the CALA / Taylor Wimpey site at Maidenhill (A1-A4). As the land is not owned by the Council, estimated release dates are based on the development plans of CALA / Taylor Wimpey. It is the intention for Council homes to be delivered on these sites. This is subject to the availability of Scottish Government grant funding, the affordability of the 30 year Housing Service Business Plan and future Cabinet approval.

Site	Developer	Estimated New Units	Estimated Delivery of Affordable Housing
A1	CALA	48	April 2023
A2	CALA	34	June 2023
A3	CALA	18	March 2024
A4	Taylor Wimpey	13	June 2023
Total Units		113	

Procurement Options

22. When considering the procurement options Housing Services must consider value for money. However, value for money must address not only the final unit price but also the delivery methods.

23. For phase 1 & 2 the developer CCG was appointed through the Scottish Procurement Alliance (SPA) framework for a full design and build approach. To undertake a full tender exercise would have been a lengthy process and delayed significantly the delivery of the new Council homes.

24. For phase 3 the approach is site dependent. For Maidenhill, the properties are provided by Taylor Wimpey as part of their obligations under the section 75 agreement.

25. For the remaining sites at Barrhead Road & Commercial Road a contractor will be appointed using the Scotland Excel Framework.

FINANCE AND EFFICIENCY

26. Funding for all new build projects is provided by the Scottish Government Resource Planning Assumptions with funds supplied to the Council through the Affordable Housing Supply Programme. Funding from East Renfrewshire's Affordable Housing 'Pot' - i.e. commuted sums and Council tax discounts has also been identified to support the local SHIP programme.
27. For the completed sites in phase 1, Housing Services secured £2,723m of Scottish Government Grant funding based on the standard grant of £59k per unit. For the site at Fenwick Drive, Barrhead, Housing Services requested additional funding from the Scottish Government to cover abnormal costs associated with utilities and retaining walls. The grant award was increased to £72k per unit to cover these costs.
28. The final site at Balgraystone Road will have significant abnormal costs due to the particular infrastructure requirements involved at this location.
29. The grant levels from the Scottish Government remain unchanged at £59k per unit as compared to at least £79k per unit for Housing Associations. For all future sites Housing Services will seek additional Scottish Government funding where possible.
30. Affordable housing commuted sums and 2nd home Council Tax discounts have contributed towards development costs at Robertson St, Fenwick Dr and Blackbyres Road. Affordable housing commuted sums and 2nd home Council Tax discounts will continue to be utilised for all future development sites.
31. The Scottish Government has set a target to deliver 50,000 affordable homes including 35,000 for social rent by March 2021. Following the completion of all sites noted in this report, Housing Services will have met its target of delivering 240 new build Council homes.
32. The Housing Services 30 Year Business Plan is regularly reviewed to ensure that the existing programme of 240 units is affordable. The Business Plan is currently under review with the ambition of a revised target of 360 units. However, the lack of certainty on Scottish Government funding plans post - 2021 poses a risk to any future development. A paper will be submitted to Cabinet at a later date.

CONSULTATION

33. All sites proposals are discussed with local Tenant & Residents Associations and Housing Services wrote to all residents in the surrounding areas for the first 3 complete sites and invited them to comment on proposals.
34. This approach will continue. However, use of online methods may have to be used due to COVID 19 related restrictions on public gatherings.

PARTNERSHIP WORKING

35. The Council house new build programme is supported by colleagues from Accountancy Services, Planning and Roads, Legal and Procurement Services.

IMPLICATIONS OF THE PROPOSALS

36. This report does not have any implications in terms of property, legal, equalities, IT or sustainability. The financial implications are noted at paragraphs 26 to 33 above.

CONCLUSIONS

37. The ambitious Council house new build programme is on track to deliver the target of 240 new council homes. On completion this will include approximately 141 new homes in Barrhead and 101 in Newton Mearns.

38. The programme has been designed to meet local housing needs but also make best use of the land availability in the area.

39. Whilst ambitions remain to extend this programme further; clarity on the level and availability of Scottish Government grant funding is required to determine the feasibility of extending the new build programme.

RECOMMENDATIONS

40. The Cabinet is asked to:

- a) Note progress made to date; and
- b) Note proposals for future developments

Director of Environment

Further details can be obtained from Phil Daws, Head of Environment (Strategic Services), 0141 577 3186.

Convener contact details

Councillor Danny Devlin
(Convener for Housing and Maintenance Services)

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October 2020

EAST RENFREWSHIRE COUNCILAUDIT AND SCRUTINY COMMITTEE21 January 2021Report by ClerkAUDIT AND SCRUTINY COMMITTEE 2020/21 WORK PLAN UPDATE

1. To provide an update on the 2020/21 Audit and Scrutiny Committee Work Plan.

RECOMMENDATIONS

2. It is recommended that the committee:-
 - (a) notes and considers performance against the committee's 2020/21 Annual Work Plan thus far; and
 - (b) agrees that development of the 2020/21 Work Plan continue, and that a further report on performance against it and on the 2021/22 Work Plan be submitted to a future meeting.

AUDIT AND SCRUTINY WORK PLAN

3. In June 2019 the committee agreed to recommend to the Council that a draft *Guide to Scrutiny and Review* which had been prepared be approved and made 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, to help the committee schedule and prioritise its 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.
5. In June 2020 the committee noted performance against its first Annual Work Plan for 2019/20, and approved its 2020/21 Work Plan to the extent it had been developed thus far. It was agreed then that development of the 2020/21 Plan should continue, and noted that progress on delivering it would be reviewed in due course, with a progress report submitted to a future meeting. As for the 2019/20 Work Plan, the 2020/21 Plan included reference to recurring reports considered every year, such as on treasury management, Internal Audit work and risk management.
6. As for 2019/20, it was highlighted in June that the 2020/21 Work Plan would effectively be a 'live' document and that, moving forward, it and future Plans would include reference to specific areas of investigation identified and agreed by the committee and related timescales to progress these, taking account of selection and rejection criteria for reviews within the new Guide to Scrutiny and Review, enhanced by a priority rating scale developed to help determine further what work was considered a high, medium or low priority to progress, and if work should be pursued on some suggested issues at all.

PROGRESS MADE ON 2020/21 WORK PLAN

7. The 2020/21 Work Plan reflected that, as for some other formal Council related meetings, some scheduled meetings of the Audit and Scrutiny Committee had to be either cancelled or rescheduled linked to the current COVID-19 emergency. This impacted on when some matters would be considered.

8. As for 2019/20, the 2020/21 Work Plan approved took account of national and local external audit reports which had been or were to be published, to the extent the position was known in June 2020, to allow for comments on the local position on issues to be sought from officers for consideration under the committee's specialisation arrangements. However, it was also highlighted in June that the Chair of the Accounts Commission had written to local authorities on its current approach to fulfilling its responsibilities on reporting to the public on local government performance in the context of the COVID-19 emergency. That correspondence acknowledged that the environment in which local government was operating was changing due to the emergency, clarified that the Commission was therefore considering what this meant for its own strategy, and explained that scheduling of its work was to be reviewed to recognise the new reality in which local government found itself. It was reported that this would affect all of the Commission's 5 year work programme, which in turn impacts on when the committee seeks reports on some issues. The updated 2020/21 Work Plan reflects reports which have been published thus far on which comments have been or are being sought.

9. An updated version of the 2020/21 Work Plan, referring to progress thus far on various issues and related matters is attached (see Appendix 1). Amongst other things, it includes reference to the current position on the in-depth investigations the committee completed on income generation and commercialisation, then climate change, with support from the Scrutiny and Evaluation Officer who was in post from April 2019 to March 2020. Reference is also made to the current position on some other potential review areas identified thus far, on which there are plans to pursue some work in future, and some new issues pursued, such as the report the committee requested and considered in November on Audit Scotland's COVID-19 Scrutiny Guide for Audit and Risk Committees which was published in August.

10. The committee is invited to note and consider performance thus far against the 2020/21 Work Plan. It is also proposed that the committee agrees that the development of the Plan, and future ones, including the position on more detailed work be kept under review, taking account that the Scrutiny and Evaluation Officer who supported the delivery of in-depth work which formed part of the committee's 2019/20 Work Plan is a resource that is no longer available.

CONCLUSION

11. In the interests of transparency, openness and to provide evidence of the Council's ongoing commitment to demonstrating Best Value and continuous improvement, this report reflects the range of work progressed by the committee thus far during 2020/21. The 2020/21 Work Plan and the first Plan for 2019/20 have provided the committee with greater oversight regarding the scheduling of its work and consideration of issues. The 2020/21 Work Plan continues to be considered a live document and will be refreshed as required.

RECOMMENDATIONS

12. It is recommended that the committee:-
- (a) notes and considers performance against the committee's 2020/21 Annual Work Plan thus far; and
 - (b) agrees that development of the 2020/21 Work Plan continue, and that a further report on performance against it and on the 2021/22 Work Plan be submitted to a future meeting.

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

Proposed Guide to Scrutiny and Review - Report by Chief Executive (*Jun 2019*);
Potential Areas for Scrutiny & Review Investigations - Report by Chief Executive (*Aug 2019*)
Audit & Scrutiny Committee Work Plan - Report by Clerk (*Sept 2019*)
Audit & Scrutiny Committee Work Plans 2019/20 and 2020/21 - Report by Clerk (*Jun 2020*)

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Audit and Scrutiny Committee**Updated 2020/21 Work Plan**

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
30 April 2020	Meeting Cancelled due to Position on Covid-19	Not Applicable	Not Applicable
18 June 2020	Meeting Cancelled due to Position on Covid-19	Not Applicable	Not Applicable
25 June 2020 (See Note 1 Below)	Unaudited Annual Accounts 2019/20	Head of Accountancy	25/6/20
	East Renfrewshire Culture and Leisure Trust – Best Value Review (See Note 2 Below)	Chief Executive	25/6/20
	National External Audit Report - NHS in Scotland	Clerk in liaison with Chief Officer, Health and Social Care Partnership	25/6/20
	National External Audit Report - Housing Benefit Performance Audit: Annual Update 2019	Clerk in liaison with Head of Communities, Revenues and Change	25/6/20
	Internal Audit Plan 2019/20 - Implementation Progress – January to March 2020	Chief Auditor	25/6/20
	Consultancy Expenditure and Related Log (See Note 3 Below)	Clerk to the Committee	25/6/20
	Audit and Scrutiny Committee Work Plans 2019/20 and 2020/21		25/6/20
13 August 2020	Code of Corporate Governance 2020/21	Deputy Chief Executive	13/8/20
	Annual Treasury Management Report 2019/20	Head of Accountancy	13/8/20

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
13 August 2020 (cont'd)	Withdrawal from European Union and Related External Audit Report (<i>See Note 4 Below</i>)	Director of Corporate & Community Services and Director of Environment	13/8/20
	East Renfrewshire Council Management Report 2019/20 (<i>See Note 5 Below</i>)	External Auditor	24/9/20
	National External Audit Report - Privately Financed Infrastructure Investment: The Non-Profit Distributing (NPD) and Hub Models	Clerk in liaison with Director of Environment	24/9/20
	National External Audit Report - Early Learning and Childcare Follow-Up	Clerk in liaison with Director of Education	13/8/20
	National External Audit Report - Self-Directed Support - 2017 Progress Report - Impact Report (<i>See Note 6 Below</i>)	Clerk in liaison with Chief Officer, Health and Social Care Partnership	24/9/20
	Public Sector Internal Audit Standards (PSIAS) Internal Self-Assessment	Chief Auditor	13/8/20
	Internal Audit Annual Report 2019/20		13/8/20
	Internal Audit Plan 2020/21 - Implementation Progress April to June 2020 and Revised Internal Audit Plan		13/8/20
	Committee's Specialisation Arrangements for Dealing with Internal and External Audit Reports & Inspection Reports	Clerk to the Committee	13/8/20
24 September 2020	2019/20 Annual Accounts for Council's Charitable Trusts and External Audit International Standard on Auditing 260 Report (<i>See Note 1 Below</i>)	Head of Accountancy and External Auditor	26/11/20

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
24 September 2020 (cont'd)	2019/20 Annual Accounts and Draft Annual Audit Report for East Renfrewshire Council (See <i>Note 1 Below</i>)	Head of Accountancy and External Auditor	26/11/20
	Strategic Risk Register and Risk Management Progress – Biannual Report	Chief Executive	24/9/20
	National Fraud Initiative	Head of Communities, Revenues and Change	24/9/20
	East Renfrewshire Council Annual Fraud Statement 2019/20	Chief Executive	24/9/20
	Managing Absence – 2019/20 Annual Report	Deputy Chief Executive	24/9/20
	Summary of Early Retirement/ Redundancy Costs to 31 March 2020		24/9/20
	National External Audit Report - Impact of September 2017 Audit on Equal Pay in Scottish Councils	Clerk in liaison with Deputy Chief Executive	24/9/20
	National External Audit Report - National Performance Audit on Affordable Housing (See <i>Note 7 Below</i>)	Clerk in liaison with Director of Environment	24/9/20
	National External Audit Report - Local Government Overview Report for 2019/20 (See <i>Note 8 Below</i>)	Clerk in liaison with Deputy Chief Executive	Revised Approach Adopted
Update on Audit and Scrutiny Committee Work Plan 2020/21	Clerk to the Committee	21/1/21	

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
26 November 2020	Interim Treasury Management Report 2020/21	Head of Accountancy	26/11/20
	Internal Audit Plan 2020/21 – Implementation Progress – July to September 2020	Chief Auditor	26/11/20
	Withdrawal from European Union – Update (<i>See Note 4 Below</i>)	Director of Corporate & Community Services and Director of Environment	26/11/20
	Audit Scotland COVID-19 Guide for Audit and Risk Committees and Related Comments (<i>See Note 9 Below</i>)	Clerk to the Committee	26/11/20
	Cabinet Responses to Audit and Scrutiny Committee Investigations on Income Generation and Commercialisation; and Climate Change (<i>See Note 10 Below</i>)	Clerk to the Committee	26/11/20
21 January 2020	Council's New Build Development Programme (<i>See Note 7 Below</i>)	Head of Environment (Strategic Services)	
	East Renfrewshire Council Website – Presentation by Communications Manager (<i>See Note 11 Below</i>)	Communications Manager	
	Internal Audit Plan 2020/21 – Implementation Progress October to December 2020 and Revised Internal Audit Strategic Plan (<i>See Note 12 Below</i>)	Chief Auditor	
18 February 2021	Treasury Management Strategy 2020/21	Head of Accountancy	
18 March 2021	Strategic Risk Register and Risk Management Progress - Biannual Report	Chief Executive	

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
18 March 2021 (cont'd)	Audit and Scrutiny Work Plan 2019-20 Progress and 2020/21 Work Plan	Clerk to the Committee	
	Internal Audit Strategic Plan 2021/22 – 2025/26	Chief Auditor	
	East Renfrewshire Council - Annual Audit Plan 2020/21	External Auditor	
	East Renfrewshire Culture and Leisure Trust – Best Value Review – Update on Recommendations (<i>See Note 2 Below</i>)	Director of Education	
	Withdrawal from European Union – Update (<i>See Note 4 Below</i>)	Director of Corporate & Community Services and Director of Environment	
	External Audit Report – Housing Benefit Performance Audit: Annual Update 2020	Clerk in liaison with Head of Communities, Revenues and Change	
	Audit Scotland COVID-19 Guide for Audit and Risk Committees – Further Feedback on Specific Issues Requested by Committee (<i>See Note 9 Below</i>)(<i>May instead be submitted to Committee at a slightly later date as part of its 2021/22 Work Plan</i>)	Clerk to the Committee	

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NOTES ON WORK PLAN

Note 1 (Meeting Schedule and Related Issues)

As was the case for other committees, it was not possible to proceed with the Audit and Scrutiny Committee meetings scheduled to take place on 30 April or 18 June 2020 due to the COVID-19 emergency. However a meeting of the committee was convened on 25 June, this being one of a small number of meetings held virtually for the first time prior to the summer recess. This enabled various substantive issues, including the draft Annual Accounts, to be considered.

The meeting on 19 November was rescheduled to 26 November to allow reports on the 2019/20 Annual Accounts for the Council's Charitable Trusts and External Audit International Standard on Auditing 260 Report; and the 2019/20 Annual Accounts and Draft Annual Audit Report for East Renfrewshire Council to be considered at the meeting. This met the External Auditor's revised requirements regarding the signing of the Annual Accounts by the end of November, following their submission to the Council on the same date as the committee.

Note 2 (Best Value Review - East Renfrewshire Culture and Leisure Trust)

On 21 November 2019, the committee noted the scope and timeline of the Best Value Review of East Renfrewshire Culture and Leisure Trust, which it considered a high priority for review, and that the findings would be reported to the committee in due course. The report remained to be finalised at the time of the committee's meeting in March, and was instead submitted on 25 June 2020. At that meeting the committee agreed to note the current recommendations made, and that the Director of Education, in consultation with the Chief Executive of the Trust, would review the recommendations within the report in light of the COVID-19 pandemic and advise which were still valid in a further report to be submitted to a future meeting. The Director of Education has confirmed his intention to submit that report on 18 March 2021 as reflected in the updated Work Plan.

Note 3 (Consultancy Expenditure and Related Log)

In January 2019 the committee agreed, at the end of the 2019/20 financial year, to review the content of the log the Council had established in relation to the appointment of consultants and related issues. The committee considered and noted a report by the Clerk on this issue in June 2020.

It was agreed then that further reports on consultancy expenditure, as referred to in the log created for this by the Chief Officer - Legal and Procurement, should be submitted to the committee annually after the end of each financial year. Reference to this will be included in the 2021/22 Work Plan and future ones.

Note 4 (Withdrawal from European Union)

In February 2019 the committee considered feedback on a National External Audit Report on *Withdrawal from the European Union (EU) - 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., was also considered. Audit Scotland indicated that the scope, timing and any performance audit work relating to a further report it proposed to prepare on the *Withdrawal from the EU* would depend on developments.

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 the UK Government's discussions with the EU. It was also agreed then that, in the first instance following the appointment of the Council's Brexit Coordinator, arrangements should be made for the post holder to meet with the committee to allow Members to take evidence/gather information on Brexit issues. The post was to help coordinate and monitor progress on all aspects of Brexit, including internal preparedness and external liaison with appropriate bodies (including the Scottish Government and Police Scotland), and involved reporting to Elected Members, the Corporate Management Team (CMT) and Council officials.

A report on the withdrawal from the EU was to have been submitted to the committee in April 2020. However, in liaison with the Chair and taking account of the impact of the COVID-19 emergency and related issues, a report was considered on 13 August 2020 instead. The Brexit Coordinator provided further feedback on some issues raised during discussion which was circulated, and was asked to submit a further update following the deadline of 31 October 2020 by which an agreement had been required between the EU and the UK subject to formal ratification. In November, the committee noted a further update, although the agreement still remained to be reached at that time. Further information requested at that meeting on the EU Settlement Scheme regarding East Renfrewshire, and the outcome of a concurrent risks workshop was provided and circulated. It was also agreed then that a further update be provided to a future meeting, which the Brexit Coordinator intends to submit in March 2021, as reflected in the updated 2020/21 Work Plan.

Note 5 (Local External Audit Report – ERC Council Management Report 2019/20)

Due to the COVID-19 emergency, the External Auditor could not complete and submit the 2019/20 East Renfrewshire Council Management Report to the committee in August as planned, but did provide an update on its preparation at that meeting, in advance of the submission of the report in September.

Note 6 (National External Audit Report – Self-Directed Support – 2017 Progress Report Impact Report)

As a follow up to considering a report on the *National External Audit Report on Self-Directed Support (SDS) – 2017 Progress Report Impact Report* in September 2020, the committee has requested that an update on future SDS development activity is submitted in due course after self-evaluation work on that had been completed. That report is likely to be submitted in April or June 2021, with reference to this to be made in the 2021/22 Work Plan in due course.

Note 7 (National External Audit Report - National Performance Audit on Affordable Housing)

In September 2020, the committee considered feedback provided by the Head of Environment (Strategic Services) on the Audit Scotland report *Affordable Housing – The Scottish Government's Affordable Housing Supply Target*. The committee noted the challenges associated with the delivery of affordable housing locally; and that the delivery of the existing programme would depend on the Scottish Government's recovery plan going forward into 2021 as well as that of developers upon whom the Council is reliant for project delivery.

It was agreed at the meeting that the Head of Environment (Strategic Services) should submit a further report to a future meeting outlining the challenges involved in delivering social housing in East Renfrewshire. That is scheduled to be considered by the committee on 21 January 2021.

Note 8 (National External Audit Report - Local Government Overview Report 2019/20)

The Chair of the Accounts Commission wrote to authorities clarifying that the Commission was not publishing its review of local government services (based on the past year's audit work) in the normal way in 2020. Having referred to the unprecedented nature of these times, and the significant and enduring impact of COVID-19 on councils' business and priorities, the letter clarified that the Commission had decided that the report (prepared before the COVID-19 pandemic hit but which it was hoped contained messages considered useful in the recovery process) would not be made available on its website as usual, but it was circulated. It was hoped this would allow organisations to continue to dedicate efforts to helping to tackle the COVID-19 health crisis.

Following discussion and with the Chair's agreement, Members of the committee were made aware of the content of the report and the comments referred to above, rather than detailed feedback being sought from officers for submission to the committee formally. It was felt this recognised and was in keeping with the Commission's different approach this year. An issue taken into consideration in reaching this decision was that feedback sought from officers largely repeats a lot of information that has already been made available to the committee in other reports throughout the year. Members of the committee were invited to advise the Clerk if there was anything specific regarding the report they would like her to raise or pursue on their behalf.

Note 9 (Audit Scotland COVID-19 Guide for Audit and Risk Committees)

In September 2020, the committee agreed that a report on issues raised within the new *COVID-19 Guide for Audit and Risk Committees* published by Audit Scotland in August 2020 be prepared for its meeting in November 2020. The Guide posed questions to assist auditors and public bodies effectively scrutinise and provide challenge in key areas requiring additional focus at present, categorising these under the headings of internal control and assurance; financial management and reporting; governance; and risk management.

The committee noted the feedback provided on these issues in a report submitted to the committee in November 2020 and related comments made. It was also agreed that a further update be provided in due course, around March or April 2021, regarding which the Clerk is to liaise with members of the committee to ascertain the specific issues on which feedback and further assurances are to be sought. The committee has noted that the Performance and Audit Committee of the Integration Joint Board has also been considering issues raised within the Guide. In the updated Work Plan, reference is made to the potential submission of the further report requested in March 2021. However, subject to further consultation, it may be the case that it is submitted to the Committee at a slightly later date and reflected in its 2021/22 Work Plan instead.

Note 10 (Cabinet Responses to Audit and Scrutiny Committee Investigations on Income Generation and Commercialisation; and Climate Change)

Following the submission of the report on the committee's investigation on Income Generation and Commercialisation to the Cabinet on 5 December 2019, and a slight delay due to the impact of COVID-19, a response to the report was approved by the Cabinet on 24

September 2020. It reflected that all 12 of the committee's recommendations had been agreed, and that despite the challenges of dealing with COVID-19 related issues, work had been started in many of the areas, with future work planned in due course.

The final report on the committee's investigation on Climate Change was completed early in 2020 but, also due to COVID-19, its submission to the Cabinet was delayed to 13 August 2020. The committee had made 24 recommendations, a key one being that the Council's strategy on climate change be renewed. As the recommendations had been known for some time, the Cabinet considered a report, in response, by the Director of Environment at the same meeting outlining a proposed approach for the development of a Climate Change Strategy and Action Plan, particularly in view of the recommendations arising from the Audit and Scrutiny Committee's work. The Head Environment (Strategic Services) has indicated he intends to submit a further report to the Cabinet early in 2021 on developments.

In November 2020, the committee noted the responses approved by the Cabinet to the investigations, including the extent to which the recommendations had been accepted. It has agreed that reports be submitted to the committee in November 2021 on progress on implementation of the recommendations accepted by the Cabinet in relation to both investigations.

In accordance with one of the recommendations made and accepted, an invitation is being extended from the Chair of the Committee to the Chair of the Performance and Audit Committee of the Integration Joint Board to share information and discuss good practices arising from the Income Generation and Commercialisation review.

Note 11 (Council Website/Communications with the Public)

In August 2019 the committee agreed to review the issue of the Council Website/Communications with the Public once the Council's new website, which was at that time in the latter stages of development, had been operational for a given period of time. The matter was considered to be a low priority for review.

It was also agreed, prior to considering further when such a review may be appropriate, that in the interim a demonstration of the new website be organised for Elected Members to provide an opportunity for questions to be asked about it and its capabilities. The situation regarding COVID-19 resulted in the launch of the new website being postponed until 7 July 2020, with further improvements having been made to it since then.

In consultation with the Chair, taking into consideration when a range of issues were scheduled to be considered by the committee, it was agreed that a presentation on the Website should be made to the committee on 21 January 2021. Other Members of the Council are to be advised that the presentation is being made, with arrangements to be made to enable them to view it if they wish.

Note 12 (Internal Audit Plan 2020/21 – Implementation Progress October to December 2020 and Revised Internal Audit Strategic Plan)

To allow time for a review that is required of the Internal Audit Strategic Plan to be completed, the report on both implementation progress from October to December 2020 and the Revised Internal Audit Strategic Plan will be submitted to the committee on 18 February.

Note 13 (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 for this by the Environment Department. However, subsequently, it was suggested that seeking briefings on these issues could be sufficient, at least at this stage.

Taking account of issues relating to COVID-19 and to allow the Environment Department to prioritise matters relating to that, briefings were not requested from the Head of Environment (Operations) until the end of July 2020. They were circulated on receipt in September at which time Members were invited to advise the Clerk if they wished to pursue any issues at that stage. The committee will be invited to consider when any further work may be deemed appropriate in due course.

Note 14 (Schools Admission Policy and Education Appeals System)

As agreed in August 2019, the former Director of Education was advised then of the committee's concerns on the potential implications of the proposal under consideration by the Scottish Government to transfer administration of the education appeals system from local authority control to the Scottish Tribunals System. This was to allow her to consider the views expressed when formulating responses to any related consultation. She was also advised of concerns expressed at the meeting on the current criteria for approving school placing requests, specifically the impact the approach had on some East Renfrewshire resident families in terms of siblings not necessarily being able to access the same school when catchment areas are altered.

At the same meeting, the committee agreed that the Education Appeals System was a low priority issue for review, but that the appeals process would continue to be monitored over the next two academic years to ascertain the impact of implementing any changes made to the national education appeals system, and that the committee would consider in 2021/22 any modifications to the appeals process that may be required to improve the focus on customers, including if there was considered to be a need for any representations to be made at a national level. This issue will be revisited in due course such as when the committee's 2021/22 Work Plan is considered.

In the interim, it was agreed as part of the committee's 2019/20 Work Plan that a presentation be made to it on the admission policy and the appeals system. That presentation was made and noted by the committee in November 2019.

Note 15 (Early Years Provision Policy)

In August 2019 the committee agreed that the new Early Years Provision policy was a low priority for review and that it, including the financial implications of it, be considered for review in the 2022/23 financial year, following completion of the current roll-out of the provision. This review can be considered as part of the committee's 2022/23 Work Plan.

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