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Date: 23 April 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, 29 April 2021 at 2.00 pm.**

The agenda of business is as listed below.

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

**CAROLINE INNES**

C INNES

DEPUTY CHIEF EXECUTIVE

**AGENDA**

1. **Report apologies for absence.**
2. **Declarations of interest.**
3. **Chair's Report.**
4. **East Renfrewshire Council - Annual Audit Plan 2020/21 – Report by External Auditor (copy attached, pages 3 - 22).**
5. **National External Audit Report - Local Government in Scotland Financial Overview 2019-20 - Report by Clerk (copy attached, pages 23 - 30).**
6. **Consultancy Expenditure and Related Log – Report by Clerk (copy attached, pages 31 - 36).**

- 7. Audit and Scrutiny Committee Work Plans 2020/21 and 2021/22 – Report by Clerk)(copy attached, pages 37 - 58).**

**This document can be explained to you in other languages and can be provided in alternative formats such as large print and Braille. For further information, please contact Customer First on 0141 577 3001 or email [customerservices@eastrenfrewshire.gov.uk](mailto:customerservices@eastrenfrewshire.gov.uk)**

# East Renfrewshire Council

Annual Audit Plan 2020/21



 AUDIT SCOTLAND

Prepared for East Renfrewshire Council

March 2021

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# Risks and planned work

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**1.** This annual audit plan contains an overview of the planned scope and timing of our audit which is carried out in accordance with International Standards on Auditing (ISAs), the [Code of Audit Practice](#), and guidance on planning the audit. This plan sets out the work necessary to allow us to provide an independent auditor's report on the annual accounts and meet the wider scope requirements of public sector audit including the audit of Best Value.

**2.** The wider scope of public audit contributes to assessments and conclusions on financial management, financial sustainability, governance and transparency and value for money.

**3.** The public health crisis caused by the coronavirus disease 2019 (COVID-19) pandemic has had a significant and profound effect on every aspect of Scottish society. Public services have been drastically affected, requiring immediate changes to the way they are provided. The impact on public finances has been unprecedented, which has necessitated both the Scottish and UK governments providing substantial additional funding for public services as well as support for individuals, businesses and the economy. It is likely that further financial measures will be needed and that the effects will be felt well into the future.

**4.** Public audit has an important contribution to the recovery and renewal of public services. The Auditor General, the Accounts Commission and Audit Scotland are responding to the risks to public services and finances from COVID-19 across the full range of audit work including annual audits and the programme of performance audits. Audit Scotland views 2020/21 as a transitional year, leading in future to audit timetables which were possible before COVID-19. The well-being of audit teams and the delivery of high-quality audits remain paramount. Maintaining a pragmatic and flexible approach will enable change at short notice as new issues emerge, or current risks change in significance. Where this impacts on annual audits, an addendum to this annual audit plan may be necessary.

## Adding value


**5.** We aim to add value to the East Renfrewshire Council through our external audit work by being constructive and forward looking, by identifying areas for improvement and by recommending and encouraging good practice. In so doing, we intend to help the East Renfrewshire Council promote improved standards of governance, better management and decision making and more effective use of resources.

## Audit risks


**6.** Based on our discussions with staff, attendance at committee meetings and a review of supporting information we have identified the following significant risks for East Renfrewshire Council. We have categorised these risks into financial statements risks and wider dimension risks. The key audit risks, which require specific audit testing, are detailed in [Exhibit 1](#).


## Exhibit 1


### 2020/21 Significant audit risks

|  Audit Risk   | Source of assurance   | Planned audit work  |
|--|---|---|
| <b>Financial statements risks</b>  |   |   |
| <p><b>1 Material misstatement due to fraud caused by the management override of controls</b></p> <p>International Auditing Standards require that audits are planned to consider the risk of material misstatement in the financial statements caused by fraud, which is presumed to be a significant risk in any audit. This includes the risk of fraud due to the management override of controls.</p> | <p>Owing to the nature of this risk, assurances from management are not applicable in this instance.</p>  | <ul style="list-style-type: none"> <li>• Detailed testing of journal entries.</li> <li>• Review of accounting estimates and judgements.</li> <li>• Focused testing of accruals and prepayments.</li> <li>• Evaluation of significant transactions that are outside the scope of normal business.</li> </ul> |
| <p><b>2 New payroll system</b></p> <p>East Renfrewshire Council introduced a new payroll system during 2020/21. The payroll figures within the 2020/21 financial statements will be produced from the new system. There is an increased risk of misstatement in the figures and balances.</p>  | <p>There is a dedicated project team of experienced staff in place who are working with the HR and Payroll teams to deliver the Core Systems programme. A fulltime MHR (Midland HR) consultant who is knowledgeable and experienced in the HR and Payroll function was brought in to support the project. The core team were further supported by MHR's team of consultants and project managers. An established MHR solution has been implemented with advice on set-up provided by MHR. The core team ensured that prior to transfer there were two parallel pay runs completed to appropriately reflect the correct payments to employees on all pay runs. The data transfer was performed by MHR and on the first pay runs after transfer there were a number of double checks run across both systems by the Payroll team effectively continuing a further parallel run after go-live.</p> <p>There was strong governance in place</p> | <ul style="list-style-type: none"> <li>• Review and testing of the controls in place within the new payroll system.</li> <li>• Confirm the completeness and accuracy of balances transferred from the old to the new payroll system.</li> </ul>   |



|  | Audit Risk  | Source of assurance  | Planned audit work  |
|---|---|--|---|
|   |   | <p>around this project with all milestone information being taken to the Core Systems Board for approval. Like any new financial system it brings its challenges and there are still some issues being identified and these are currently being addressed. MHR continues to work with the council to ensure that employee pay continues to be correct and a suite of reports will be set up to provide the required confidence.</p>  |   |
| 3   | <p><b>New council tax and housing benefit system</b></p> <p>East Renfrewshire Council introduced a new council tax and housing benefit system during 2020/21. As the new system will be used for the production of council tax income account figures and benefit awards in the 2020/21 financial statements, there is an increased risk of misstatement in the figures and balances.</p> | <p>There is a dedicated project team of experienced staff in place to deliver the Council Tax &amp; Benefits system. The Senior Revenues Manager, supported by the Operations Manager and a Project Accountant, have worked with the Project Team and the Chief Internal Auditor to ensure that the processes and procedures were understood and data cleansed/tested prior to go live. Daily system reconciliations have been carried out, along with the usual checks and analytical review of the Council Tax billing prior to bills being sent to customers in March 2021. The year-end procedures and reporting will provide further assurance and confidence that the output from the system is as expected.</p> | <ul style="list-style-type: none"> <li>• Review and testing of the controls in place within the new council tax and housing benefit system.</li> <li>• Confirm the completeness and accuracy of balances transferred from the old to the new system.</li> </ul> |
| 4   | <p><b>Estimates and judgements in the valuation of property, plant and equipment</b></p> <p>At 31 March 2020, East Renfrewshire Council held property, plant and equipment (PPE) with a net book value of £729 million. There is a significant degree of subjectivity in</p>  | <p>Valuation of NonCurrent assets is undertaken by RICS members who are experienced Chartered Valuation Surveyors and Registered Valuers. Valuations are undertaken in accordance with RICS Red Book and</p>   | <ul style="list-style-type: none"> <li>• Completion of 'review of the work of an expert' for the in-house valuer.</li> <li>• Review and assess the reasonableness of revaluations performed in year.</li> </ul>   |

|  <b>Audit Risk</b>  | <b>Source of assurance</b>   | <b>Planned audit work</b>  |
|--|--|--|
| <p>the valuation of these assets as they are based on specialist and management assumptions and estimates. Any changes in assumptions and estimates made by the valuer or management can result in material changes in value.</p> <p>The Council's valuer reported a material uncertainty, caused by Covid-19, in the valuation of land and buildings in 2019/20. We understand the latest guidance issued by the Royal Institute of Surveyors (RICS) suggests this will not be required in 2020/21, but recognise this position may change in the coming months.</p>  | <p>CIPFA guidance and use valuation approaches adopted across the UK public sector. Where methodologies require comparable evidence these are also undertaken in accordance with RICS guidance. Peer reviews are also undertaken. The approach adopted reduces the degree of subjectivity and gives rise to smaller variances than would otherwise occur. In addition, following External Audit recommendations Accountancy services issue a formal instruction to Estates in advance of the year end setting out the requirements for finalising the annual accounts.</p> | <ul style="list-style-type: none"> <li>• An assessment of the underlying information the valuer is using to base valuations to ensure it is complete and accurate.</li> <li>• Examine evidence that the valuer is performing an annual impairment exercise.</li> <li>• Assess the Council's response to any changes in guidance issued by RICS.</li> </ul>   |
| <p><b>5 Estimates and judgements in the valuation of the pension liability</b></p> <p>East Renfrewshire Council recognised a net liability of £87.594 million relating to its share of Strathclyde Pension Fund at 31 March 2020. There is a significant degree of subjectivity in the measurement and valuation of the pension fund liability. The valuation is based on specialist assumptions and estimates, and changes in these can result in material changes to the valuation.</p> <p>Additionally, the triennial valuation exercise will take place for the pension fund and impact on the 2020/21 annual accounts. This exercise is more detailed than the annual valuations and will also set employer contributions rates for the next three years.</p> | <p>Pension Liabilities are calculated by independent actuaries (Hymans Robertson) who provide calculations for all Councils contributing to Strathclyde Pension Fund. Reports providing their assumptions are available for review. The impact of the McCloud judgement will form part of the triennial valuation.</p>   | <ul style="list-style-type: none"> <li>• Completion of 'review of the work of an expert' for the professional actuary.</li> <li>• Review of the estimates and assumptions made in calculating the pension fund liability</li> <li>• Assess the completeness and accuracy of information submitted by the council to Strathclyde Pension Fund to support the triennial valuation exercise.</li> </ul> |
| <p><b>6 Impact of additional funding due to Covid-19 on the financial statements</b></p> <p>The Covid-19 pandemic has resulted in significant financial pressures for the Council. The Scottish and UK governments have announced a range of additional funding streams for the Council to support frontline services and help the Council manage the financial pressures</p>  | <p>Additional reporting to Council on the financial impact of COVID-19 commenced in June 2020.</p> <p>COVID related expenditure and income has been separately identified in the Council's records and further distinction has been made</p>   | <ul style="list-style-type: none"> <li>• Assess how the council has processed and controlled the additional funding and associated expenditure,</li> <li>• Assess how the additional funding and associated expenditure impacts on the financial statements.</li> <li>• Review the Annual Report and Accounts and consider</li> </ul>  |

|  | Audit Risk   | Source of assurance   | Planned audit work   |
|---|--|---|--|
|   | caused by Covid-19. This has also resulted in an associated increase in expenditure, with some new expenditure streams. Total additional expenditure in 2020/21 is expected to be around £9 million. | <p>between funds where the Council acts as agent rather than as principal.</p> <p>Regular reporting to the Scottish Government and COSLA has been maintained on various COVID related pressures and funding streams.</p> <p>Treasury staff have overseen these movements to ensure that funds were available when required.</p> | how the additional funding and associated expenditure has been reported. |

### Wider dimension risks

#### 7 Financial sustainability

Whilst the council are projecting a year end underspend on departmental activity for 2020/21 the financial challenges going forward remain significant.

The Council approved a one year 2021/22 budget in March 2021. This had a funding gap of £8.5 million. As part of the budget process, Council approved savings of £3.5m and use of reserves of £3 million.

In the short to medium term the council will continue to face a number of uncertainties and pressures that may have a financial impact on the council. There is a risk that the council is not able to deliver its strategic objectives.

The Council approves many Long-term financial Planning documents including the Capital Investment Strategy, Capital Programmes and the Financial Planning report all of which look forward by up to 10 years. All Departments contribute to these reports ensuring that any anticipated risk is minimised. In addition we publish indicative departmental totals for the coming three years in our Outcome Delivery Plan. The longer term impact of COVID-19, together with the impact of associated fiscal flexibilities will also be factored into the Council's financial forward planning.

- Assessment of the adequacy of the council's longer term financial management arrangements and plans reported to members.
- Monitor the council's financial position through budget monitoring reports presented to members and consider the delivery of in year savings programmes and the robustness of future savings plans and targets.

Source: Audit Scotland

7. As set out in ISA(UK) 240, there is a presumed risk of fraud in revenue recognition. There is a risk that income may be misstated resulting in a material misstatement in the financial statements. We have rebutted this presumed risk in 2020/21 because, while the possibility of fraud exists, we do not judge it to be significant risk due to the nature of East Renfrewshire Council's revenue streams

8. In line with Practise Note 10, as most public-sector bodies are net expenditure bodies, the risk of fraud is more likely to occur in expenditure. We have rebutted the risk of material misstatement caused by fraud in expenditure in 2020/21 as we do not consider this to be a significant risk for East Renfrewshire Council.

9. We have therefore not incorporated specific work into our audit plan in this area over and above our standard fraud procedures in respect of expenditure.

## Reporting arrangements

10. Audit reporting is the visible output for the annual audit. All annual audit plans and the outputs as detailed in [Exhibit 2](#), and any other outputs on matters of public interest will be published on our website: [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk).

11. Matters arising from our audit will be reported on a timely basis and will include agreed action plans. Draft management reports will be issued to the relevant officer(s) to confirm factual accuracy.

12. We will provide an independent auditor's report to East Renfrewshire council and Accounts Commission setting out our opinions on the annual accounts. We will provide the Accountable Officer, the Auditor General for Scotland and Accounts Commission with an annual report on the audit containing observations and recommendations on significant matters which have arisen during the audit.

13. As outlined in paragraph 4, Audit Scotland views 2020/21 as being another challenging year. [Exhibit 2](#) outlines the target dates for our audit outputs, and we aim to issue the independent auditor's report and Annual Audit Report by the statutory deadline of 31 October 2021, now subsequently updated to 30 November 2021. However, we acknowledge this may not be achievable due to the ongoing pressures and uncertainties caused by Covid-19. We will maintain a pragmatic and flexible approach to the audit and will continue to have discussions with management around the progress of our work and any changes that may be required to target dates.

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## Exhibit 2 2020/21 Audit outputs

| Audit Output                  | Target date                    | Committee Date |
|-------------------------------|--------------------------------|----------------|
| Annual Audit Plan             | By 30 <sup>th</sup> April 2021 | 29 April 2021  |
| Management Report (if needed) | TBA                            | TBA            |
| Grant Claims certification    | As required                    | N/A            |
| Independent Auditor's Report  | By 30 November 2021            | TBC            |
| Annual Audit Report           | By 30 November 2021            | TBC            |

Source: Audit Scotland

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## The audit of trusts registered as Scottish charities

14. Members of East Renfrewshire Council are sole trustees for 7 trusts, registered as Scottish charities, with total assets of some £0.114 million. The preparation and audit of financial statements of registered charities is regulated by the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

15. The Charities Accounts (Scotland) Regulations 2006 require charities to prepare annual accounts and require an accompanying auditor's report where any legislation requires an audit. The Local Government (Scotland) Act 1973 specifies the audit requirements for any trust fund where some or all members of a council are the sole trustees. Therefore, a full and separate audit and independent

auditor's report is required for each registered charity where officers of East Renfrewshire Council are sole trustees, irrespective of the size of the charity.

**16.** Based on our discussions with staff and initial planning work, we have identified a significant financial statements risk of material misstatement due to management override of controls for the trust and common good fund. Our planned workaround for this risk is the same as the planned work for risk one in Exhibit 1.

## Audit fee

**17.** The agreed audit fee for the 2020/21 audit of East Renfrewshire Council is £237,580 [2019/20 £231,500]. This includes a fee for the audit of the registered trusts. In determining the audit fee we have taken account of the risk exposure of East Renfrewshire Council, the planned management assurances in place and the level of reliance we plan to take from the work of internal audit. Our audit approach assumes receipt of the unaudited annual accounts, with a complete working papers package by 30 June 2021.

**18.** Where our audit cannot proceed as planned through, for example, late receipt of unaudited annual accounts or being unable to take planned reliance from the work of internal audit, a supplementary fee may be levied. An additional fee may also be required in relation to any work or other significant exercises out with our planned audit activity.

## Responsibilities

### Audit Committee and Head of Accountancy (Chief Financial Officer)

**19.** Audited bodies have the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enable them to successfully deliver their objectives.

**20.** The audit of the annual accounts does not relieve management or the Audit and Scrutiny Committee as those charged with governance, of their responsibilities.

### Appointed auditor

**21.** Our responsibilities as independent auditors are established by the 1973 Act for local government, and the Code of Audit Practice (including supplementary guidance) and guided by the Financial Reporting Council's Ethical Standard.

**22.** Auditors in the public sector give an independent opinion on the financial statements and other information within the annual accounts. We also review and report on the arrangements within the audited body to manage its performance and use of resources. In doing this, we aim to support improvement and accountability.

**23.** Our audit team membership has changed since last year. For 2020/21 we have appointed Louisa Yule as the Audit Manager for the East Renfrewshire Council audit. Louisa Yule will have overall control of the delivery and quality of the audit including audit engagement and ensuring the audit is properly planned, resourced and concluded within time.

# Audit scope and timing

## Annual accounts

**24.** The annual accounts, which include the financial statements, will be the foundation and source for most of the audit work necessary to support our judgements and conclusions. We also consider the wider environment and challenges facing the public sector. Our audit approach includes:

- understanding the business of East Renfrewshire Council and the associated risks which could impact on the financial statements
- assessing the key systems of internal control, and establishing how weaknesses in these systems could impact on the financial statements
- identifying major transaction streams, balances and areas of estimation and understanding how East Renfrewshire Council will include these in the financial statements
- assessing the risks of material misstatement in the financial statements
- determining the nature, timing and extent of audit procedures necessary to provide us with sufficient audit evidence as to whether the financial statements are free of material misstatement.

**25.** We will give an opinion on whether the financial statements:

- give a true and fair view in accordance with the applicable law and the 2020/21 Code of the state of affairs of the council and its group as at 31 March 2021 and of the income and expenditure of the council and its group for the year then ended
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2020/21 Code
- whether they have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

## Statutory other information in the annual accounts

**26.** We also review and report on statutory other information published within the annual accounts including the management commentary, annual governance statement and the remuneration report. We give an opinion on whether these have been compiled in accordance with the appropriate regulations and frameworks in our independent auditor's report.

**27.** We also review the content of the annual report for consistency with the financial statements and with our knowledge. We report any uncorrected material misstatements in statutory other information.

## Materiality

**28.** We apply the concept of materiality in planning and performing the audit. It is used in evaluating the effect of identified misstatements on the audit, and of any



characteristics



responsibilities



principal activities



risks



governance arrangements

uncorrected misstatements, on the financial statements and in forming our opinions in the independent auditor's report.

29. The materiality values for East Renfrewshire Council are set out in [Exhibit 3](#).

### Exhibit 3 Materiality values



| Materiality   | Amount        |
|---|---------------|
| <b>Planning materiality</b> – This is the figure we use to assess the overall impact of audit adjustments on the financial statements. It has been set at 1% of gross expenditure for the year ended 31 March 2021 based on the latest budget for 2020/21.  | £3.7 million  |
| <b>Performance materiality</b> – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality this would indicate that further audit procedures should be considered. Using our professional judgement, we have calculated performance materiality at 60% of planning materiality. | £2.2 million  |
| <b>Reporting threshold (i.e., clearly trivial)</b> – We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount. This has been calculated at 5% of planning materiality.   | £180 thousand |

Source: Audit Scotland

### Timetable

30. We have included a proposed annual accounts timetable at Exhibit 4 that has been discussed with management. However, as outlined in paragraph 13, the pressures caused by Covid-19 and the uncertainties presented as the situation develops could impact on the timings of our audit and lead to changes in the timetable as outlined below. As a result, the timetable will be kept under review and discussed with management and the finance team over the course of the audit.

### Exhibit 4 Annual accounts timetable

|  Key stage            |  Date |
|--|--|
| Consideration of unaudited annual report and accounts by those charged with governance                   | 24 June 2021   |
| Anticipated submission date of unaudited annual report and accounts with complete working papers package | By 30 June 2021  |
| Date for final clearance meeting with Head of Accountancy (Chief Financial Officer)                      | TBA  |
| Issue of Letter of Representation and proposed independent auditor's report                              | TBA  |
| Agreement of audited unsigned annual report and accounts   | TBA  |
| Independent auditor's report signed  | By 30 November 2021  |
| Issue of Annual Audit Report to those charged with governance  | By 30 November 2021  |
| Date for signing of WGA return   | TBC  |

## Internal audit

**31.** Internal audit is provided by East Renfrewshire Council staff overseen by the Chief Internal Auditor. As part of our planning process we carry out an annual assessment of the internal audit function to ensure that it operates in accordance with the main requirements of the Public Sector Internal Audit Standards (PSIAS). ISA (UK)610 requires an assessment on whether the work of the internal audit function can be used for the purposes of external audit. This includes:

- the extent to which the internal audit function's organisational status and relevant policies and procedures support the objectivity of the internal auditors
- the level of competence of the internal audit function
- whether the internal audit function applies a systematic and disciplined approach, including quality control.

**32.** We will report any significant findings to management and the Audit and Scrutiny Committee on a timely basis.

### Using the work of internal audit

**33.** International Auditing Standards require internal and external auditors to work closely together to make best use of available audit resources. We seek to use the work of internal audit wherever possible to avoid duplication. We plan to consider the findings of the work of internal audit as part of our planning process to minimise duplication of effort and to ensure the total resource is used efficiently or effectively.

**34.** From our initial review of internal audit plans we plan to use the work of internal audit work in the areas listed below. In addition, we will also seek to use the work of Internal Audit in relation to balances transferred to the new council tax and benefits system.

- Financial ledger and budgetary control
- Application audit Integra
- Cash income and banking
- Creditors payments
- Debtors control

## Audit dimensions

**35.** Our audit is based on four audit dimensions that frame the wider scope of public sector audit requirements as shown in [Exhibit 5](#).

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## Exhibit 5

### Audit dimensions





Source: Code of Audit Practice

**36.** In the local government sector, the appointed auditor's annual conclusions on these four dimensions will help contribute to an overall assessment and assurance on best value.

**37.** Our standard audits are based on four audit dimensions that frame the wider scope of public sector audit requirements. These are: financial sustainability, financial management, governance and accountability and value for money.

### Financial sustainability

**38.** As auditors we consider the appropriateness of the use of the going concern basis of accounting as part of the annual audit. We will also comment on financial sustainability in the longer term. We define this as medium term (two to five years) and longer term (longer than five years) sustainability. We will carry out work and conclude on:

- the effectiveness of financial planning in identifying and addressing risks to financial sustainability in the short, medium and long term
- the appropriateness and effectiveness of arrangements in place to address any identified funding gaps
- whether there are arrangements in place to demonstrate the affordability and effectiveness of funding and investment decisions. Review of the options considered for the building on the new leisure centre within Eastwood Park.

### Financial management

**39.** Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively. We will review, conclude and report on:

- whether arrangements are in place to ensure systems of internal control are operating effectively
- the effectiveness of budgetary control systems in communicating accurate and timely financial performance can be demonstrated
- how East Renfrewshire Council has assured itself that its financial capacity and skills are appropriate
- whether there are appropriate and effective arrangements in place for the prevention and detection of fraud and corruption.

40. As part of our work this year we will broaden our consideration of these matters in light of the impact of the COVID-19 pandemic.

### Governance and transparency

41. Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision – making and transparent reporting of financial and performance information. We will review, conclude and report on:

- whether East Renfrewshire Council can demonstrate that the governance arrangements in place are appropriate and operating effectively including services delivered by, or in partnership with, others such as East Renfrewshire Culture and Leisure Trust.
- whether there is effective scrutiny, challenge and transparency on the decision-making and finance and performance reports.
- the quality and timeliness of financial and performance reporting.

42. As part of our work this year we will broaden our consideration of these matters in light of the impact of the COVID-19 pandemic.

### Value for money

43. Value for money refers to using resources effectively and continually improving services. We will review, conclude and report on whether East Renfrewshire Council can demonstrate :

- value for money in the use of resources
- there is a clear link between money spent, output and outcomes delivered.
- that outcomes are improving.
- there is sufficient focus on improvement and the pace of it.

### Best Value

44. The Accounts Commission agreed the overall framework for a new approach to auditing Best Value in June 2016. The introduction of the new approach coincided with the new five-year audit appointments. Auditors started using the framework for their audit work from October 2016.

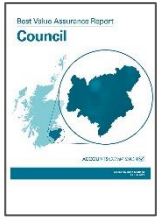
45. A key feature of the new approach is that it integrates Best Value into the wider scope annual audit, which will influence audit planning and reporting. Best Value will be assessed comprehensively over the five-year audit appointment, both through the ongoing annual audit work, and through discrete packages of work to look at specific issues. Conclusions and judgements on Best Value will be reported through:

- The Annual Audit Report for each council that will provide a rounded picture of the council overall.
- An annual assurance and risks report that the Controller of Audit will provide to the Commission that will highlight issues from across all 32 council annual audit reports.
- A Best Value Assurance Report (BVAR) for each council that will be considered by the Accounts Commission at least once in a five-year period.

46. The councils on which a BVAR will be published during the fifth year of the new approach are listed in [Exhibit 6](#). Reports will be considered by the Accounts Commission in the period between March and November 2021.

## Exhibit 6

### 2020/21 Best Value Assurance Reports

|   |                             |                 |
|---|-----------------------------|-----------------|
|  | Aberdeen City Council       | Falkirk Council |
|   | South Ayrshire Council      |                 |
|   | East Dunbartonshire Council |                 |
|   |                             |                 |

Source: Audit Scotland

**47.** The work planned in the East Renfrewshire Council this year will focus on follow up of recommendations made previously in the areas of financial planning and financial governance and resource management and equalities. The work will be integrated with work described in the audit dimension areas and will be reported in the annual audit report.

### Independence and objectivity

**48.** Auditors appointed by the Accounts Commission or Auditor General must comply with the Code of Audit Practice and relevant supporting guidance. When auditing the financial statements auditors must also comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors. Audit Scotland has robust arrangements in place to ensure compliance with these standards including an annual “fit and proper” declaration for all members of staff. The arrangements are overseen by the Director of Audit Services, who serves as Audit Scotland’s Ethics Partner.

**49.** The engagement lead (i.e. appointed auditor) for East Renfrewshire Council is John Cornett, Audit Director. Auditing and ethical standards require the appointed auditor John Cornett to communicate any relationships that may affect the independence and objectivity of audit staff. We are not aware of any such relationships pertaining to the audit of East Renfrewshire Council.

### Quality control

**50.** International Standard on Quality Control 1 (ISQC1) requires that a system of quality control is established, as part of financial audit procedures, to provide reasonable assurance that professional standards and regulatory and legal requirements are being complied with and that the independent auditor’s report or opinion is appropriate in the circumstances.

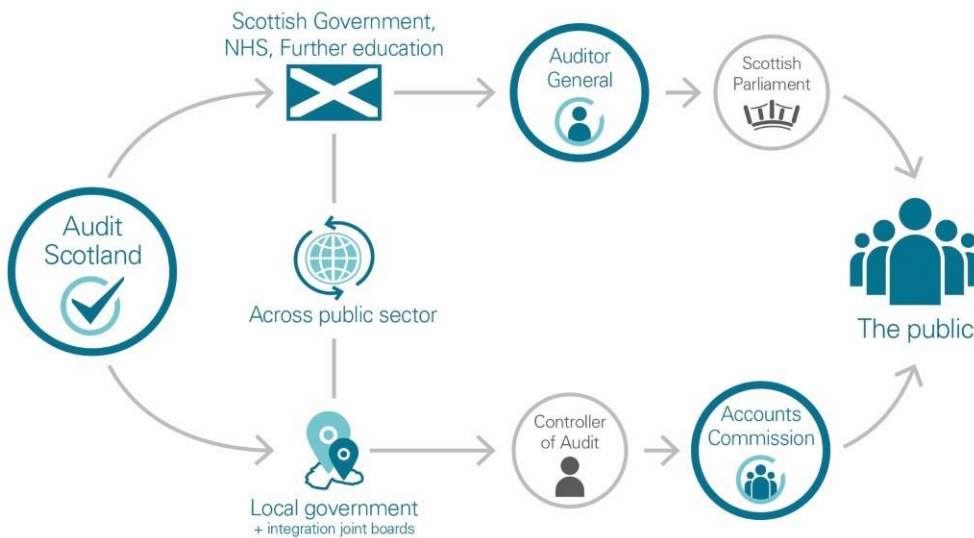
**51.** The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the Code of Audit Practice (and supporting guidance) issued by Audit Scotland and approved by the Auditor General for Scotland. To ensure that we achieve the required quality standards Audit Scotland conducts peer reviews and internal quality reviews. Additionally, the Institute of Chartered Accountants of Scotland (ICAS) have been commissioned to carry out external quality reviews.

**52.** As part of our commitment to quality and continuous improvement, Audit Scotland will periodically seek your views on the quality of our service provision. We welcome feedback at any time and this may be directed to the engagement lead.

# Appendix 1: Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- The Auditor General is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
- The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
- Audit Scotland is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.



## About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money
- reporting our findings and conclusions in public
- identifying risks, making clear and relevant recommendations.

# East Renfrewshire Council

## Annual Audit Plan 2020/21

If you require this publication in an alternative format and/or language, please contact us to discuss your needs: 0131 625 1500 or [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk)

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EAST RENFREWSHIRE COUNCIL  
AUDIT AND SCRUTINY COMMITTEE

29 April 2021

Report by Clerk

NATIONAL EXTERNAL AUDIT REPORT – LOCAL GOVERNMENT IN SCOTLAND  
FINANCIAL OVERVIEW 2019-20

**PURPOSE OF REPORT**

1. To provide information on the Audit Scotland report *Local Government in Scotland Financial Overview 2019-20*.

**RECOMMENDATION**

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

**BACKGROUND**

3. A copy of the Audit Scotland report [Local Government in Scotland Financial Overview 2019-20](#), published in January 2021, 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 Convery and Councillor Ireland. The Head of Accountancy (Chief Financial Officer) has provided comments on that 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

Report Author: Linda Hutchison, Clerk to the Committee (Tel.No.0141 577 8388)  
e-mail: [linda.hutchison@eastrenfrewshire.gov.uk](mailto:linda.hutchison@eastrenfrewshire.gov.uk)

Background Papers:-

1. Audit Scotland Report – Local Government in Scotland Financial Overview 2019-20.

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EAST RENFREWSHIRE COUNCILAUDIT and SCRUTINY COMMITTEE29 April 2021LOCAL GOVERNMENT IN SCOTLAND: FINANCIAL OVERVIEW 2019/20

## INTRODUCTION

1. In January 2021 Audit Scotland prepared a financial overview report of local government in Scotland. This report advises members on the Council's position in relation to the findings from the report.

## COUNCILS' INCOME IN 2019/20

2. Part 1 of the report considered Councils' Income in 2019/20 and found that total revenue income rose by 5% in cash terms between 2018/19 and 2019/20. The largest element of this income is Scottish Government revenue funding, which increased by 5.4% (3.4% in real terms) in 2019/20. As in recent years, a growing proportion of this funding was committed to national policy initiatives and almost half of the increase in 2019/20 related to the introduction of 1140 hours of early learning and childcare.

3. Scottish Government revenue funding for local government has fallen by 4.7% in real terms since 2013/14, whilst funding for other Scottish Government funded sectors fell by only 0.8% over the same period. This has resulted in Councils having to raise more funding themselves through Council Tax and charges or to identify additional savings. The maximum permissible Council Tax increase for Scottish Councils was set at 4.8% in 2019/20.

4. Taking account of the above factors, together with the national local government pay settlement of 3%, in setting its budget for 2019/20 East Renfrewshire Council identified savings of £9.332m, agreed to draw down £4.312m from reserves and increased Council Tax by 3%. 12 Scottish Councils applied the maximum 4.8% increase.

5. The Scottish Government distributes around 2/3 of its funding to Councils using the Grant Aided Expenditure methodology, which takes account of factors such as population, deprivation, crime and rurality. In recent years East Renfrewshire has increased its share of the national grant funding as our population was rising faster than most other authorities. This trend has now changed as Council areas in the east are experiencing significant increases in house building at the same time as grant allocations are taking more cognisance of deprivation, crime and rurality factors which are not prevalent in East Renfrewshire. The remainder of funding is distributed using a variety of other methodologies agreed by the Scottish Government and COSLA. These are now published in the annual Green Book document to improve transparency.

6. The increasing commitment of funding to national policy initiatives is reducing local flexibility for Councils. COSLA estimates that around 60% of Council operations (e.g. teachers, adult social care, PFI/PPP etc.) is effectively ring fenced or protected in 2019/20. This increases pressure for savings on other Council services.

7. In comparison to other Councils, East Renfrewshire receives a relatively low level of income from grants and NHS funding. This is likely to reflect the relatively low levels of deprivation in this area.

**COUNCILS' FINANCIAL POSITION IN 2019/20**

8. Overall, Scottish Councils faced a 2019/20 funding gap of over 3%. East Renfrewshire's gap was higher at just over 6%. This reflects increasing demands coupled with a smaller share of grant and the use in previous years of reserves to address budget gaps.

9. The Council planned to make some £9.332 million savings in 2019/20 and managed to achieve this target. We expect £3m of savings each year to be achieved from efficiencies or as a result of our transformation programmes which modernise processes, systems and structures across all Council services.

10. COVID-19 did not have a material impact on the Council in 2019/20 but significant financial impacts are being felt during 2020/21. These largely relate to lost income, mobilising support and protective services for the area and being unable to implement some planned savings, particularly in IJB and in facilities management. Capital works were also temporarily suspended during 2020/21. This is a similar position to other Councils.

11. We expect the 2020/21 COVID financial pressures to be covered by Government grants and the use of fiscal flexibilities, although the latter will have a longer term impact on revenue budgets as higher loan repayments are incurred in future. Details of the impact on 2021/22 are still emerging and will be carefully monitored.

12. In common with many other Councils, East Renfrewshire also drew on reserves to balance the budget in 2019/20. As our unallocated general reserve was at a healthy level (4% of revenue budget) we agreed to utilise £4.3 million to assist with the budget gap in 2019/20. This represented 28% of the budget gap. In 2020/21 utilisation of £3.5 million of reserves was also budgeted (21% of the budget gap, with a further £3.465m agreed for 2021/22). It is estimated that this would still leave an unallocated general reserve level at 31 March 2022 of at least 2.2%, so still within the acceptable 2-4% range.

13. In closing the 2019/20 accounts most Scottish Councils reported an increase in their overall level of usable reserves. East Renfrewshire slightly increased the level of these reserves during the year, but expects to reduce them in the coming years. In addition to the planned draw on the unallocated general reserve, the Council also utilises over £1m each year from the Modernisation Fund.

14. East Renfrewshire Council sets out its plans for each reserve in its Revenue Estimates report to Council each year at the Council Tax setting meeting. In addition, the Council's Reserve Policy is reviewed every three years.

15. Reserves cannot be used indefinitely to avoid taking savings. The Council recognises that permanent savings plans must be identified to address savings gaps in the long term.

16. In terms of capital expenditure, the report notes that in 2019/20 Councils recorded the highest level of capital expenditure over the last five years. In East Renfrewshire new investment focussed mainly on early learning and childcare, City Deal, roads and new housing stock.

17. In recent years the Council has reviewed our capital programme and project management arrangements so as to minimise slippage and improve forecasting. Some slippage is, however, outwith Council control as some schemes can only proceed once utility company or Scottish government processes are complete. In 2020/21 the position has been further impacted by COVID-19 lockdown requirements.

18. Whilst some funding for capital projects comes from government grants, developers' contributions and capital receipts from selling assets, the majority of capital expenditure in East Renfrewshire is funded by borrowing. In East Renfrewshire we have less scope for capital receipts and developers' contributions than in many other Councils. This has to be carefully monitored as the debt repayments from increased borrowing impact on the revenue budget.

19. Audit Scotland report that net debt is typically rising across Councils by over 4%. In 2019/20 the Council is shown to be second lowest in Scotland in terms of debt as a percentage of annual revenue budget, however the increase for East Renfrewshire for 2019/20 was 14% and this will continue to rise in future, given our ambitious capital plans. Debt repayment charges are reviewed annually and action taken to ensure these are kept as low as possible. Interest rates are currently at historically low levels and are expected to remain so for the next year or two.

20. The report comments on Glasgow City Council's plans to address its outstanding equal pay claims. East Renfrewshire has settled all such claims and has no outstanding liabilities in this respect.

21. The auditors drew attention to the impact of COVID in terms of causing material uncertainty in the valuations of properties. In common with most other Councils, this was flagged in our auditors' comments on the East Renfrewshire Council accounts for 2019/20.

22. COVID-19 also impacted negatively on pension fund valuations. The Strathclyde fund recorded a 4.5% reduction in returns, which was close to average for the Scottish Council funds. This is not expected to result in any increase in contributions in the next 3 years.

## COUNCILS' FINANCIAL OUTLOOK

23. Prior to COVID-19, total revenue funding to Councils in 2020/21 increased by 1.4% in real terms (3.4% cash terms), however the increase was largely ringfenced for national education and IJB commitments. Councils therefore once again faced an average funding gap of 3% and had to identify significant savings to balance their budgets.

24. In setting budgets for 2020/21 the average 3% budget gap facing Councils reflected the impact of the above inflation pay award and the continuing demographic pressures, largely related to an ageing population. In East Renfrewshire the position was more severe with a 6% funding gap. This higher gap reflects a number of factors including our reducing share of government grant, the decision to use reserves rather than identify savings to address the full gap the previous year and costs associated with opening new school and nursery facilities.

25. The report notes how Councils use a mix of different means to close their funding gaps. Nationally Councils addressed 55% of their 2020/21 funding gap through savings, 22% from use of reserves and 23% by increasing Council Tax. For East Renfrewshire the respective proportions were 63%, 21% and 16%. East Renfrewshire was one of 18 Councils who increased Council Tax by the maximum permissible 4.84%.

26. East Renfrewshire follows good practice in planning its detailed revenue budgets on a 3 year cycle, with the first year fixed and the following years set on an indicative basis. 2020/21 was the final year in the current three year cycle. In recent years multi-year budget setting has been rendered more difficult as UK and Scottish Government settlement figures have been provided only on a single year basis and the position has been exacerbated by the impact of COVID-19 on national budget planning. Accordingly, in June 2020 the council

agreed to set only a single year budget for 2021/22. It is hoped that national multi-year settlements will be published from 2022/23 onwards, allowing the Council to resume its preferred 3 year budget setting approach.

27. Departmental planning figures for Outcome Delivery Plan purposes continue to be produced by the Council on a 3 yearly rolling basis to enable medium term planning. These include forecasts of government grant levels, loan charges, inflation and any departmental expenditure pressures. The Council also publishes its updated higher level financial plans, including consideration of possible scenarios for the coming 6 years, as part of the Council budget process each year. These plan takes into account economic forecasts and any medium/long term plans published by the Scottish Government.

28. During 2020/21 all Councils' finances have been heavily affected by the COVID-19 pandemic. The report notes that in July 2020 net additional pressures of £767m were forecast, excluding impact on IJB services, and estimates that up to 70% of this sum would be covered by Government funding announced by November 2020. These pressures mainly relate to loss of income from Council and leisure trust services and to additional costs for service adaptation and recovery. East Renfrewshire has been closely monitoring the position as information on both pressures and funding streams has emerged throughout the year. Latest estimates are that these pressures amount to close to £9m excluding IJB services. Further funding has been announced in recent months and the Council now believes that we will have enough funding to cover COVID pressures in 2020/21.

29. In addition to financial pressures faced by the Council itself, our staff have been heavily involved in passing over £13m of government grant support to local businesses.

30. The report recognises that COVID-19 will continue to have financial impacts in the medium to long term and that Councils will have to review their financial plans accordingly. Whilst additional fiscal flexibilities have been granted to Councils for 2020/21 and 2021/22, these may increase costs in the longer term through higher loan charge payments. Councils may also face ongoing financial pressures as the economic and social impacts of the pandemic unwind, producing increased hardship and inequalities and prolonging the detrimental impact on income recovery in many services. East Renfrewshire has already earmarked £2m of capital receipts to help address COVID pressures and will keep the position under review in developing our next 3 year revenue and 10 year capital budget plans.

31. In terms of capital funding, the report flags up that capital grant has fallen by 30% in real terms between 2013/14 and 2020/21. In addition, the Council's capital grant has not increased for 2021/22. Together with the COVID pressures outlined above, this will constrain our ability to further invest in local infrastructure. However interest rates remain at a historic low and we continue to work with regional partners to maximise the impact of our capital projects. Details are also starting to emerge of several new government infrastructure funding sources, so these too will be factored into the Council's capital planning wherever relevant.

#### INTEGRATION JOINT BOARDS OVERVIEW 2019/20

32. The report also provides an overview of Integration Joint Boards for 2019/20 and the key messages along with East Renfrewshire's Health and Social Care Integration Joint Board (IJB) position are set out below:

33. The report shows that 22 IJBs struggled to break even in 2019/20 and our IJB is one of the 16 who reported a deficit. The IJB ended the year with a modest deficit of £0.065m however this was after utilising £0.519m reserves to meet unachieved savings. The total

savings challenge in 2019/20 was £3.686m (£3.097m within social care and £0.585m within health).

34. In line with the national position our IJB reserves balance decreased at the end of 2019/20 by £0.611m as a result of £1.643m planned use, including phasing in of savings, supporting the Bonnyton House decant and care at home. We also added £1.032m from a combination of Scottish Government ring-fenced funds as well as earmarked reserves for specific initiatives such as school counselling, health visitors and augmentative and alternative communication.

35. The IJB set its budget for 2020/21 on 18 March 2020 at the beginning of the pandemic and the unachieved savings from 2020/21 were addressed within the budget with a savings target in 2020/21 of £2.522m (£2.394m social care and £0.128m health). At that stage the implications from the Covid-19 pandemic were unclear and as the year progressed the costs to East Renfrewshire IJB are c£9m and will be fully funded and the main costs are summarised; additional services £2.7m, infrastructure and PPE £0.4m, social care sustainability £3.5m and unachieved savings of £2.4m.

36. The report states that overall funding to IJBs in 2019/20 increased by 6% and that most of the increase is in the health board contributions to the IJB. This is reflected in the IJB accounts for 2019/20 where the health revenue funding increased by £4.2m or 6%, the council funding increased £0.97m or 2%. The funding for large hospital services was restated during 2019/20 to £31.2m for actual activity from the previous notional funding of £16.6m.

37. The IJB set its budget for 2021/22 on 17 March 2021 taking into account the many unknowns we are still facing as part of the pandemic response, the post Covid landscape and understanding the implications to our population's health, the demand for services and how this informs our recovery. This will be an iterative process throughout 2021/22 and will support and inform our transformation and strategic plans as the year progresses. We will revise our medium term financial planning and there will be more of a focus on the short to medium term.

38. The Chief Officer and Chief Financial Officer remain unchanged since the IJB was established and this puts us in a stronger leadership and governance position than some other IJBs as outlined in the report.

39. Significant work was undertaken pre the pandemic to review our Integration Scheme in line with the legislative requirement for a five year review. Like others this was paused due to Covid and this work will recommence in 2021/22.

## **CONCLUSION**

40. The report outlines the main issues facing Scottish Councils in 2019/20. Overall East Renfrewshire is well placed in terms of addressing these but will continue to face substantial financial challenges in future.

## **RECOMMENDATION**

41. The Committee is asked to consider and note the contents of this report.

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EAST RENFREWSHIRE COUNCIL  
AUDIT AND SCRUTINY COMMITTEE

29 April 2021

Report by Clerk

CONSULTANCY EXPENDITURE AND RELATED LOG

**PURPOSE OF REPORT**

1. This report provides feedback on consultancy expenditure following the end of the 2020/21 financial year as referred to in the log created for this.

**RECOMMENDATION**

2. It is recommended that the committee:-
- (a) considers the feedback provided and discusses if any further action is to be taken regarding that; and
  - (b) otherwise, notes that a further report on such expenditure will be submitted to the committee after the end of the 2021/22 financial year.

**REPORT**

3. Reflecting the interest the Audit and Scrutiny Committee has taken over a number of years in the extent to which consultants have been used within the Council, 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 agreed to establish in relation to the appointment of consultants and related issues. A report on that issue, which included a summary of the discussions on consultancy expenditure by the committee thus far, was submitted to the committee in June 2020 [Consultancy Expenditure and Related Log](#).

4. Amongst other things, that report referred to concerns the Chair expressed at the Council meeting in October 2018 and subsequent Audit and Scrutiny Committee meeting on the extent to which external consultants were being used by the authority, following which the committee agreed to look at the level of and reasons for such expenditure; and which consultants had been used. The report also explained that in December 2018 the Council had decided to reduce the threshold for allowing directors to appoint consultants under Contract Standing Orders from £50k to £10k, and to approve related logging arrangements.

5. Reference was also made in the June 2020 report to work the committee had progressed during the previous Administration on consultancy expenditure during 2013/14 and 2014/15, related discussions then, why the committee had progressed that work, and the outcome of it.

6. Specifically, the report considered by the committee in June 2020 referred to feedback on the consultancy log for 2019/20 provided by the Chief Officer - Legal and Procurement, and confirmed that the log was also published on the corporate procurement section of the Council's website and updated on a 6-monthly basis.

7. When the committee considered the report in June 2020, in addition to noting the content of the log, it agreed that a report on such expenditure should be submitted to the committee annually after the end of each financial year. The updated log, which includes feedback on the 2020/21 log, has been provided by the Chief Officer - Legal and Procurement, a copy of which is appended.

## **RECOMMENDATIONS**

8. It is recommended that the committee:-
- (a) consider the feedback provided and discuss if any further action is to be taken regarding that; and
  - (b) otherwise, note that a further report on such expenditure will be submitted to the committee after the end of the 2021/22 financial year.

### Local Government Access to Information Act 1985

Report Author: Linda Hutchison, Clerk to the Committee (Tel No. 0141 577 8388)  
e-mail: [linda.hutchison@eastrenfrewshire.gov.uk](mailto:linda.hutchison@eastrenfrewshire.gov.uk)

### Background Papers:-

1. Information provided by departments on the use and costs of consultants in 2013/14 and 2014/15 in accordance with the definition agreed by the committee
2. Reports submitted to the Committee on its previous work on consultants, including the meetings of the Committee held on March 2016, January 2019 and June 2020
3. Consultancy Log on Council Website



**Contract Standing Orders**  
**Clause 19 Contracts for the appointment of consultants**

It is a requirement of Clause 19 that this log is completed within 14 days of the consultant being appointed. Please remember to update with the outstanding details required in Column F, actual spend incurred.

| Description of the services to be provided  | Rationale for appointment  | Supplier Name                  | Town/City     | Contract Award Sum | Actual spend incurred | Start date | End Date   | Department  | Section                | Dept Contact Name |
|---|--|--------------------------------|---------------|--------------------|-----------------------|------------|------------|-------------|------------------------|-------------------|
| Provision of consultancy and community engagement services  | Consultant's expertise to support Auchenback Local Outcome Improvement Plan  | Pidgin Perfect                 | Glasgow       | £12,000.00         | £12,000.00            | 20/12/2018 | 03/31/19   | 31/03/2019  | Strategic Services     |                   |
| Early Years Projects - Archaeological Surveys to Overlee Nursery  | Specialist skills required that were not available in house  | Guard Archaeology Ltd          | Glasgow       | £2,275.00          | £2,275.00             | 01/01/19   |            | Environment | Technical Services     | Alan Hook         |
| 1 – Budget Challenge – line by line Departmental challenge – Environment Department plus Housing Services   | Recognised experts in Public Finance were engaged to offer bespoke review and advice   | CIPFA                          | London        | up to 20,000       | £19,500.00            | 10/01/19   | 13/06/2019 | Environment | Housing                |                   |
| Barrhead Park & Ride Redesign   | Consultant's previous experience with project made their direct appointment, following a quotation from them, the rational way to proceed. All with the agreement of Procurement.                                      | WSP UK Ltd                     | Edinburgh     | £15,653.00         | £15,762.00            | 11/01/19   | 01/06/19   | Environment | Roads                  |                   |
| GPRS Survey Consultancy Service   | Early Years Projects - Specialist ground penetrating radar surveys (GPRS) - Various Locations  | Phase Site Investigations      | County Durham | up to 50,000       | £10,780.00            | 01/02/19   |            | Environment | Technical Services     |                   |
| Early Years Projects - Tree condition Survey at Glenwood FC   | Specialist skills required that were not available in house  | Ayrshire Tree Surgeons Ltd     | Kilmarnock    | £2,100.00          | £2,100.00             | 01/02/19   |            | Environment | Technical Services     | Alan Hook         |
| Structural & Civil Engineering Consultancy Services   | Early Years Projects - Specialist skills required that were not available in house   | Harley Haddow (Glasgow) Ltd.   | Glasgow       | up to 50,000       | £24,815.00            | 01/02/19   | 01/08/19   | Environment | Technical Services     |                   |
| Strategic Support Partnership Services re Eastwood Park Campus  | Contract was awarded to HubWest and subsequently managed by them through the Strategic Support Partnership to provide Specialist Services required not available in house  | HubWest Scotland               | Glasgow       | £50,207.00         | £50,207.00            | 01/02/19   | 01/09/19   | Environment | Director               |                   |
| Coal Tar Testing - Aurs Road  | No in house experience for Coal Tar testing as this is not a service that requires permanent in house resource   | MAT Test Site Services Limited | Glasgow       | £7,880.00          | £7,880.00             | 17/02/19   | 01/04/19   | Environment | Major Capital Projects |                   |
| Topographical Survey - Aurs Road  | No in house experience for Topographical Surveys as this is not a service that requires permanent in house resource  | Malcolm Hughes Land Surveys    | Livingstone   | £3,600.00          | £3,600.00             | 17/02/19   | 01/04/19   | Environment | Major Capital Projects |                   |
| City Deal - Aurs Road and Boardwalk traffic management for Aurs Road closure  | No in house resource available   | Coneworx                       | Glasgow       | £1,058.00          | £1,058.00             | 17/02/19   | 01/04/19   | Environment | Major Capital Projects |                   |
| Quantity Surveying Consultancy Services   | Additional temporary QS Services required to deliver Barnes Street due to additional staff requirements from this project. Procurement was chosen through 3 quotations   | Storrier & Donaldson           | Glasgow       | £4,960.00          | £3,480.00             | 27/02/19   |            | Environment | Technical Services     |                   |
| Civil Engineering Consultancy services  | Early Years projects - Specialist topographical surveys for Glenwood Nursery   | Loy Surveys                    | Renfrew       | £650.00            | £650.00               | 01/03/19   |            | Environment | Technical Services     |                   |
| ELC 1140 Expansion update to Filemaker Database   | Specialist knowledge of ERC policy and software used   | Robert Tennent                 | Dunoon        | £1,411.96          | £1,411.96             | 04/03/19   |            | Education   | Central Admin          |                   |
| To carry out audit of Adult Support and Protection work within East Renfrewshire HSCP   | Independent Audit  | Peter Jennow                   | Glasgow       | £300.00            | £300.00               | 20/02/2019 | 18/03/2020 | HSCP        | ASP                    |                   |
| Cost for STEM Working   | Specialist knowledge of ERC schools and subject matter   | Stuart Allison                 | Linlithgow    | £3,600.00          | £3,600.00             | 20/02/2019 |            | Education   | Central Admin          |                   |
| To carry out audit of Adult Support and Protection work within East Renfrewshire HSCP   | Independent Audit  | Peter Jennow                   | Glasgow       | £4,700.00          | £4,375.00             | 21/01/2019 | 20/02/2019 | HSCP        | ASP                    |                   |
| Prep of Curriculum structures and timetabling. Software development. Prep of Training materials.  | Specialist knowledge of ERC schools and timetabling  | Robert Tennent                 | Dunoon        | £15,840.00         | £6,734.55             | 28/03/2019 |            | Education   | EMIS Unit              |                   |
| Creating timetables for 7 schools. Software development. Training for EMIS staff in timetabling   | Specialist knowledge of ERC schools and timetabling  | Robert Tennent                 | Dunoon        | £15,840.00         | £5,555.88             | 28/03/2019 |            | Education   | EMIS Unit              |                   |
|   |  |                                |               |                    |                       |            |            |             |                        |                   |
|   |  |                                |               |                    |                       |            |            |             |                        |                   |
| <b>RECORD FROM THIS POINT FORWARD APRIL 2019 - 31 MARCH 2020</b>  |  |                                |               |                    |                       |            |            |             |                        |                   |
| Homecare review   | Homecare consultancy   | Dennis O'Donnell               | Glasgow       | £9,350.00          | £9,350.00             | 01/04/19   | 01/11/19   | HSCP        | Homecare               | Gayle Smart       |
| Engagement activity in support of strategy development  | To support engagement activity in support of strategy development  | Thrive Associates Ltd          | Edinburgh     | £49,999.00         | £38,749.37            | 01/07/19   | 01/07/19   | HSCP        | Commissioning          | Kevin Beveridge   |
| Consultant in Community Alarms, Home Care, Telecare and Telehealth  | Support Improvement Activity in relation to TSA Quality Standards Framework (KPI's)  | Doreen Watson                  | Newton Mearns | £3,000.00          | £2,125.00             | 04/11/19   | 24/12/2019 | HSCP        | Homecare               | Gayle Smart       |
| Research and strategic development  | Strategic Review   | Matter of Focus                | Edinburgh     | £52,550.00         | £52,550.00            |            | 28/02/2020 | HSCP        | Commissioning          | Kevin Beveridge   |
| Bluerock Consultancy  | Specialist Service Support for Information Governance and Security   | NVT                            | Glasgow       | £2,375.00          | £2,375.00             | 10.11.19   | 01.12.19   | C & CS      | ICT                    | Paul Lucas        |
| Assistance is sought from an experienced individual/supplier to work with East Renfrewshire Council to review and refresh our Digital Strategy, ensuring it is fit for the future, taking account of new and emerging technology, and has ambitious targets and actions which will deliver on our significant ambitions across the next 5 years and beyond. | Required short term expertise of Digital strategy work and Digital expertise to cover the vacant Digital Programme Manager post  | Gunn Stewart Solutions         | Glasgow       | £30,520.00         | £24,979.00            | 01.11.19   | 31.03.20   | C & CS      | PMO                    | Lesley Anne Neil  |
| Structural survey and repair solution for weighbridge at Greenhags waste transfer station   | A full building survey indicated there may be excess corrosion to structural beams which may have significant Health & Safety implications – DBA are well known in this field and were able to assist within 24 hours. | Dougall Baillie Associates     | East Kilbride | £10,000.00         | £8,835.70             | 01.11.19   | 01.03.20   | Environment | Neighbourhood Services | John Buchanan     |
| Examination analysis and Timetabling preparation.   | Specialist knowledge of ERC Schools and timetabling.   | Robert Tennant                 | Dunoon        | £15,840.00         | £16,224.12            | 18.09.19   | 31.03.20   | Education   | Schools                | Mark Ratter       |
| 7 2hr Learning and Teaching sessions for Sciences   | Specialist knowledge of ERC schools and subject matter.  | Stuart Allison                 | Linlithgow    | £2,100.00          | £2,100.00             | 16.10.19   | 31.03.20   | Education   | Schools                | Mark Ratter       |

|   |   |  |                 |            |                               |            |   |             |                          |                 |
|---|---|--|-----------------|------------|-------------------------------|------------|---|-------------|--------------------------|-----------------|
| Structural Engineer Consultancy - Hub West Scotland Framework Agreement   | ERC has no in-house capacity but regularly requires structural advice   | Cowal Design Consultants Ltd via sub-consultancy agreement with HubWest Scotland | Glasgow         | £55,000.00 | £22,950.00                    | 11.12.19   | 9-12 months   | Environment | Strategic Services       | Alan Hook       |
| Partnering Services in connection with Eastwood Park Campus Agreement: Framework Agreement - Hub West NQ71-ERC-01   | Ongoing resource to an existing Hub West project including move from masterplan level area assessments and diagrams for buildings and open spaces to development of schedules of accommodation and plan diagrams which establish key briefing considerations.   | Stallan Brand  | Glasgow         | £41,350.00 |                               |            | 21.11.20  | Environment | Strategic Services       | Andy Cahill     |
| Planning application consent for quarrying works at Floak Quarry  | ERC have no experience in carrying out these works  | Ironside Farrar  | Bellshill       | £1,200.00  |                               |            |   | Environment | Planning                 | Ian Walker      |
| Advice and Analysis of Compensation Events on the Balgraystone Road Project.  | Assistance required to assess Compensation Events that had arisen on site. Advice and analysis required by NEC Contract specialist.   | GLEEDS   | Glasgow         | £5,500.00  | £5,500.00                     | 20/01/2020 | 31/07/2020  | Environment | Economy & Infrastructure | James Mullen    |
| Due to project contract being extended, continue with on-site support for Ecology at Balgraystone Road.   | Supplier was appointed to supervise Ecology on site during works. Project faced delay and Contract Completion date was pushed out so supervision being provided required to be extended to cover new completion date.   | Mott MacDonald   | Surrey          | £5,000.00  | £5,000.00                     | 01/04/20   | 01/06/20  | Environment | Economy & Infrastructure | James Mullen    |
| Options Analysis for roundabout position on Aurs Road.  | Debate existed as to the best position of a new roundabout on Aurs Road in relation to potential development of adjacent land. Peter Brett Associates are the designers of Aurs Road so they were asked to consider various location options and report back on findings. Appointment made through Scotland Excel Engineering and Technical Consultancy Framework - Direct Award.   | Peter Brett Associates   | Glasgow         | £7,857.00  | £7,857.00                     | 05/04/19   | 05/06/19  | Environment | Economy & Infrastructure | James Mullen    |
| Update Ardochrig SUDS Design, Flood Risk Assessment, independent certification and B of Q.  | Update previous work completed 2016/17 to take account of proposed design changes.  | Dougal Baillie Associates  | East Kilbride   | £4,050.00  | £0.00                         | 22/01/2020 | TBC (work substantially complete)   | Environment | Strategic Services       | Nick Prower     |
| Consultancy Services associated with Balgray Reservoir water safety audit.  | To support the development of recreation and infrastructure proposals associated with Aurs Road and Balgray Reservoir.  | RoSPA  | Birmingham      | £3,020.00  | £3,020.00                     | 11/10/19   | 12/02/19  | Environment | Strategic Services       | Stephen McHenry |
| Consultancy services for commercial and economic viability for proposals at Dams to Darnley Country Park.   | Another supplier had previously prepared study so wanted a fresh look and sense check of project undertaken (concerns that previous study was out of date and heavily caveated). EKOS were familiar with project due to background work on SBC and OBC's for City Deal M77 Corridor Programme.  | EKOS Limited   | Glasgow         | £6,050.00  | £6,050.00                     | 12/07/19   | 08/11/19  | Environment | Economy & Infrastructure | Marie Mullen    |
| Holmes Miller to revisit masterplan sketch from the Balgray Wake Park Feasibility report dated October 2017. To provide updated scheme proposals and costs.   | Supplier had previously won tender competition to design new Wake Park. Wake Park was now being relocated to opposite side of reservoir to sit alongside proposed Visitor Centre. Work was being undertaken to scope and assess Visitor Centre project and masterplan sketch was required to consider options. Holmes Miller were knowledgeable of both projects.   | Holmes Miller Architects   | Glasgow         | £9,600.00  | £9,600.00                     | 25/09/2019 | 02/10/19  | Environment | Economy & Infrastructure | Marie Mullen    |
| Landscape design at Fairweather Park, Project Initiation, Surveys and Concept Design (RIBA 1 & 2), Detailed and Technical Design (RIBA 3 & 4), Implementation & Close out ( RIBA 5-7)                           | Project funded through the Town Centre Regeneration Fund with contract to be awarded by the 31st March 20. Permission to proceed given at the end of November 19. AMEY, who were ranked first on the South Lanarkshire Consultancy Framework were approached but confirmed that they were unable to meet our timescales. Ironside Farrar, who were ranked second, were then approached and confirmed that they could meet the timescales. | Ironside Farrar  | Edinburgh       | £9,750.00  | £0.00<br>Still to be invoiced | 01/12/19   | Design works have been completed but End date at present unknown until lockdown is lifted and contractor can be appointed | Environment | Economy & Infrastructure | Jeanne Black    |
| Road safety and active travel study at Glasgow Road, Eaglesham, Project Initiation, Surveys and Concept Design (RIBA 1 & 2), Detailed and Technical Design (RIBA 3 & 4), Implementation & Close out ( RIBA 5-7) | Project funded through the Town Centre Regeneration Fund with contract to be awarded by the 31st March 20. Permission to proceed given at the end of November 19. T,P & E had previously provided work of a similar nature at another location and confirmed that they could meet the very tight timescales.  | T, P & E   | Glasgow         | £9,065.00  | £6,185.00<br>paid to date     | 01/12/19   | Design works have been completed but End date at present unknown until lockdown is lifted and contractor can be appointed | Environment | Economy & Infrastructure | Jeanne Black    |
| Design works have been completed but End date at present unknown until lockdown is lifted and contractor can be appointed   | Continuity of work - AECOM are the consultant for the STAG 1 Transportation appraisal for Barrhead South  | AECOM  | Glasgow         | £4,950.00  | £4,950.00                     | 05/01/20   | 31/03/2020  | Environment | Economy & Infrastructure | Jeanne Black    |
| Creation of a brand for Greenlaw (The Greenlaw Works), layout and furniture selection   | Expertise in business centre interior design for Greenlaw. Recommendation for similar services obtained from Clyde Gateway.   | Graven Images  | Glasgow         | £9,900.00  | £9,900.00                     | 01/10/19   | 31/01/2020  | Environment | Economy & Infrastructure | Catherine McKay |
| Cartography   | Update Site Maps  | Peel Land Surveys  | Sheffield       | £1,000.00  | £950.00                       | 01/11/19   | 31/03/2020  | Environment | Economy & Infrastructure | Nick Prower     |
| Advice on service charges for Greenlaw Business Centre  | Property agent practice familiar with the building  | Savills  | Glasgow         | £200.00    | £200.00                       | 01/05/19   | 31/08/2019  | Environment | Economy & Infrastructure | Alan Robertson  |
| City Deal Business Boost Business Plan update   | Provided previous Business Plan advice  | EKOS Limited   | Glasgow         | £9,500.00  | £8,500.00                     | 01/07/19   | 31/08/2019  | Environment | Economy & Infrastructure | Alan Robertson  |
| Advice on operating costs and income for Greenlaw Business Centre   | Experience of business centre finances  | CIM Accountancy  | Kilmarnock      | £9,500.00  | £2,625.00                     | 01/03/19   | 31/07/2019  | Environment | Economy & Infrastructure | Alan Robertson  |
| Preparation of fire strategy plan for Greenlaw Business Centre  | Recommendation of Greenlaw building surveyor  | BB7 Fire & Security Consulting   | Glasgow         | £5,000.00  | £1,850.00                     | 01/06/19   | 31/08/2019  | Environment | Economy & Infrastructure | Alan Robertson  |
| Design work & CDM plan for new pedestrian crossing, Capelrig Road, Newton Mearns  | Consultant familiar project/locale  | Ian Routledge Consultants  | Upper Poppleton | £4,600.00  | £4,300.00                     | 01/12/19   | 31/08/2019  | Environment | Economy & Infrastructure | Alan Robertson  |
| Design work & CDM for new signalised junction, Barrhead Road, Newton Mearns   | Consultant familiar with project/locale   | Ian Routledge Consultants  | Upper Poppleton | £8,800.00  | £8,500.00                     | 01/12/19   | 31/08/2019  | Environment | Economy & Infrastructure | Alan Robertson  |
| Audit of the BRP guidance and its implementation. Analysis of compliance with the document and any measures for improvement required  | Head of Service request – this consultant experienced in the nature of the work   | Turner and Townsend  | Edinburgh       | £9980      | £9840 (incl VAT)              | 30/11/19   | 01/06/20  | Environment | CHSU                     | Alison Drummond |

RECORD FROM THIS POINT FORWARD 1 APRIL 2020 - 31 MARCH 2021

|  |  |   |                              |               |  |               |                      |                                |                          |                                   |
|--|--|---|------------------------------|---------------|--|---------------|----------------------|--------------------------------|--------------------------|-----------------------------------|
| Draft up a potential and suitable project specification for ERC - Better Points initiative.  | At the moment no other known consultancy that can deliver Better Points or a similar project in Scotland (Ansons currently have a contract with Better Points). For any potential project ERC require council wide consultation on a project scope which Ansons are doing as part of this project. | Ansons                                  | East Renfrewshire as a whole | £4,750 (+VAT) | £5,000.00                                    | 1st June      | Around the 10th July | Environment                    | Traffic & Lighting       | Richard Hughes / Malcolm Matheson |
| Pre and post contract engineering consultancy services for the Maidenhill Safe Route to School   | Blyth and Blyth was the engineering consultant on the Maidenhill Primary School and has been involved with an earlier feasibility study for the upgrading of this Path. This is a direct award under £10,000   | Blyth and Blyth                         | Glasgow                      | £9,999        | TBC  | 20-Jun        | 21-Oct               | Environment                    | Strategic Services       | Jeanne Black                      |
| Topographical Survey at Maidenhill Path  | Direct award under Lot 4, Scotland Excel Engineering and Consultancy Framework   | RPS Environmental Management Ltd.       | Edinburgh                    | £2,600        | £2,600.00                                    | 20-Jun        | 20-Jul               | Environment                    | Strategic Services       | Jeanne Black                      |
| Assistance is sought from an experienced individual/supplier to work with East Renfrewshire Council to review and refresh our Digital Strategy, ensuring it is fit for the future, taking account of new and emerging technology, and has ambitious targets and actions which will deliver on our significant ambitions across the next 5 years and beyond. Support on our Digital Programme and Projects. | Required short term expertise of Digital strategy work within the authority.   | Gunn Stewart Solutions                  | Glasgow                      | £8,750        | £8,750.00                                    | 01-Apr-20     | 03-Aug-20            | C & CS                         | PMO                      | Lesley Anne Neil                  |
| Examination analysis and Timetabling preparation.  | Specialist knowledge of ERC Schools and timetabling.   | Robert Tennant                          | Dunoon                       | £15,510.00    | £15,510.00                                   | 18/09/20      | 31/03/21             | Education                      | Schools                  | Mark Ratter                       |
| Assistance is sought from an experienced individual/supplier to work with East Renfrewshire Council to review and refresh our Digital Strategy, ensuring it is fit for the future, taking account of new and emerging technology, and has ambitious targets and actions which will deliver on our significant ambitions across the next 5 years and beyond. Support on our Digital Programme and Projects. | Required short term expertise of Digital strategy work within the authority.   | Gunn Stewart Solutions                  | Glasgow                      | £30,644       | For October to December £10,060              | 01/04/2020    | 31/03/2021           | Corporate & Community Services | PMO                      | Lesley Anne Neill                 |
| IT Technical partner to support development and further implementation of M365 and to work with records management consultancy and internal staff to deliver both a technical and organisational framework to support ERC's record management strategic direction and roll out. All reports or documentation provided as part of the contract will be fully owned by ERC.                                  | Required short term expertise of technical experience in the implementation of M365 to help ICT gap in skills  | Company Net                             | Edinburgh                    | £44,840       | For October to December £12908.80            | 24/08/2020    | 31/03/2021           | Corporate & Community Services | PMO                      | Lesley Anne Neill                 |
| To provide support for the development of a records management plan which can be used to engage services developing business rules, processes and procedures implementing Microsoft 365.   | Required short term expertise in developing a records management plan fit for Digital records  | HJBS Ltd                                | Glasgow                      | £30,000       | For October to December £11,424              | 24/08/2020    | 30/06/2021           | Corporate & Community Services | PMO                      | Lesley Anne Neill                 |
| To ensure new file maker (ELC Database) is secure prior to their use on web.   | Specialist knowledge of ERC schools and ELC Database.  | Tim Anderson Group                      | Larbert                      | £900          | £900   | 12/01/2021    | 15/01/2021           | Education                      | Schools                  | James Murphy                      |
| Project management and Multi Disciplinary Team to deliver Eastwood Leisure project upto RIBA stage 4   | Previous understanding / Involvement of the project and owning rights to original RIBA Stage   | Turner and Townsend                     | Glasgow                      | £2,614,500.00 |  | 14/12/2020    | 14/12/2023           | Environment                    | Economy & Infrastructure | Andrew Cahill                     |
| Pre and post contract engineering consultancy services Newton Mearns Capelrig Road: new pedestrian crossing  | This is a direct award under £10,000. The consultant has experience of this type of civil engineering commission and is registered with Scotland Excel and on South Ayrshire Council's Framework   | Charles Scott & Partners                | Glasgow                      | £8,815        | £5,000.00                                    | Dec-20        | Apr-22               | Environment                    | Economic Development     | Alan Robertson                    |
| Provision of Consultancy Services for the Barrhead South Transportation Accessibility Appraisal STAG II and New Rail Station Work Packages   | AECOM was the Transport Consultant on the STAG I report. This appointment is a direct award through the South Lanarkshire Professional Services Consultancy Framework.   | AECOM Ltd                               | Glasgow                      | £120,900      | £18,000.00                                   | Jan-21        | Jul-21               | Environment                    | Strategic Services       | Jeanne Black                      |
| Project Management and other Professional Services in Connection with Options appraisal – St Marks PS  | Hub West were engaged to provide an options appraisal for the demolition of the former Auchenback Nursery located in the grounds of St Mark's Primary School, Barrhead   | hub West Territory Partnering Agreement | Glasgow                      | £13,117.00    | £13,117.00                                   | Oct-20        | Dec-20               | Environment                    | Strategic Services       | Alan Hook                         |
| Homecare review  | Homecare consultancy   | Dennis O'Donnell                        | Glasgow                      | £687.50       | £687.50                                      | April 2020    | April 2020           | HSCP                           | Homecare                 | Gayle Smart                       |
| Strategic planning and partnership support   | To support engagement activity in support of strategy development  | Thrive Associates Ltd                   | Edinburgh                    | £10,416.46    | £10,416.46                                   | November 2020 | November 2020        | HSCP                           | Commissioning            | Lesley Bairden                    |
| Independent social work consultant   | Providing independent chairing of looked after reviews which were significantly impacted due to Covid-19. Providing coaching and mentoring to new team leaders.  | CGCC 'Celia Gray Cares Consultancy'     | Strathaven                   | £9,000.00     | £5,590.00                                    | 27/11/2020    | 17/03/2021           | HSCP                           | Children & Families      | Kate Rocks                        |
| Carers Information Strategy  | Tailored support for carers team and partners and developing outcome map for co-production strategy. 'OutNav' outcome monitoring and evaluation analysis sessions.   | Matter of Focus                         | Edinburgh                    | £2,950.00     | £2,950.00                                    | 22/02/2021    | 22/02/2021           | HSCP                           | Finance & Resources      | Lesley Bairden                    |
| Consulting fees for development of Peer Research Programme - Alcohol & Drugs.  | Recruitment of and support to peer researchers, preparation and delivery of training programme and scoping work with local team for OST study.   | Figure 8 Consultancy Services Ltd       | Dundee                       | £8,900.00     | £8,900.00                                    | March 2021    | March 2021           | HSCP                           | Recovery Services        | Tracy Butler                      |
| Assistance is sought from an experienced individual/supplier to work with East Renfrewshire Council to review and refresh our Digital Strategy, ensuring it is fit for the future, taking account of new and emerging technology, and has ambitious targets and actions which will deliver on our significant ambitions across the next 5 years and beyond. Support on our Digital Programme and Projects. | Required short term expertise of Digital strategy work within the authority. Quick Quote: QQ 19 20 032   | Gunn Stewart Solutions                  | Glasgow                      | £34,330       | For October 2020 to December 2021 £12,000    | 01/04/2020    | 31/03/2021           | Corporate & Community Services | PMO                      | Lesley Anne Neill                 |
| East Renfrewshire Council is inviting quotes from suitably qualified consultant to provide to support its Customer Experience vision including implementation of its Customer Experience Management system   | Required short term expertise and support to assist in developing our Customer Experience and management system within the authority. Quick Quote: QQ 20 21 021  | Gunn Stewart Solutions                  | Glasgow                      | £49,999       | For October 2020 to December 2021 £11,262    | 01/11/2021    | 30/09/2021           | Corporate & Community Services | PMO                      | Lesley Anne Neill                 |
| IT Technical partner to support development and further implementation of M365 and to work with records management consultancy and internal staff to deliver both a technical and organisational framework to support ERC's record management strategic direction and roll out.  | Required short term expertise of technical experience in the implementation of M365 to help ICT gap in skills. Quick Quote QQ 20 21 010  | Company Net                             | Edinburgh                    | £44,840       | For October 2020 to December 2021 £25,538.80 | 24/08/2020    | 30/06/2021           | Corporate & Community Services | PMO                      | Lesley Anne Neill                 |
| To provide support for the development of a records management plan which can be used to engage services developing business rules, processes and procedures implementing Microsoft 365.   | Required short term expertise in developing a records management plan fit for Digital records. Quick Quote QQ 20 21 009  | HJBS Ltd                                | Glasgow                      | £30,000       | For October 2020 to December 2021 £24,640    | 24/08/2020    | 30/06/2021           | Corporate & Community Services | PMO                      | Lesley Anne Neill                 |

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EAST RENFREWSHIRE COUNCIL  
AUDIT AND SCRUTINY COMMITTEE

29 April 2021

Report by Clerk

AUDIT AND SCRUTINY COMMITTEE WORK PLANS 2020/21 AND 2021/22

**PURPOSE OF REPORT**

1. To provide an update on the 2020/21 Audit and Scrutiny Committee Work Plan; consider related performance; and seek approval of the 2021/22 Work Plan to the extent it has been developed thus far.

**RECOMMENDATIONS**

2. It is recommended that the committee:-
- (a) notes and considers performance against the committee's 2020/21 Annual Work Plan;
  - (b) approves the draft 2021/22 Annual Work Plan, to the extent it has been developed thus far;
  - (c) agrees that, in due course, a short, focussed report on key aspects of work undertaken by the committee since 2017 be prepared, and that a further self-evaluation exercise be completed as part of the 2021/22 Work Plan;
  - (d) agrees that the development of the 2021/22 Work Plan continue, with an update submitted to a future meeting; and
  - (e) notes that progress made delivering the 2021/22 Work Plan will be reviewed in due course, with a progress report 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* that 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 and distributed.

4. Amongst other things, the guide proposed that the committee develop and agree an annual Work Plan to help it schedule and prioritise its work over the course of each year. 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 approved its 2020/21 Work Plan to the extent it had been developed, agreeing that its development continue. It was noted that progress made

on delivering the Plan would be reviewed in due course, with a progress report submitted to a future meeting. The Plan included reference to recurring reports considered by the committee each year, such as on treasury management, Internal Audit work and risk.

6. As for the first Work Plan developed for 2019/20, it was highlighted in June 2020 that the 2020/21 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 approved in June 2020 and updated subsequently 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 COVID-19 emergency. This and other issues relating to the pandemic impacted on when some matters were considered by the committee over the course of the past year.

8. The 2020/21 Work Plan also took account of national and local external audit reports which had been or were to be published, to allow for comments on the local position on issues to be sought from officers for consideration under the committee's specialisation arrangements. It was highlighted in June 2020 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 would impact, as it continues to do, on when the committee seeks reports on some issues.

9. An updated version of the 2020/21 Work Plan, referring to progress made on various issues and related matters, was submitted and noted by the committee in January 2021. As this report does, the report included reference to the current position on the outcome of 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 was also made to the current position on some other potential review areas identified thus far, and some new issues it was decided during the year to pursue, such as feedback on issues raised in Audit Scotland's *COVID-19 Scrutiny Guide for Audit and Risk Committees* published in August.

10. The final update on the 2020/21 Work Plan, referring to progress made on various issues and related matters is attached (Appendix 1 refers). The committee is invited to note and consider performance against the Work Plan.

### **2021/22 WORK PLAN**

11. This report also presents a draft Work Plan for 2021/22, to the extent it has been possible to develop it thus far (Appendix 2 refers). As for 2020/21, the Work Plan includes reference to various recurring reports that are routinely submitted throughout the year.

12. The 2021/22 Work Plan also takes account of national and local external audit reports which have been or are being published, to the extent the position on this is known at present, regarding which comments will be sought from officers for consideration under the committee's specialisation arrangements. The East Renfrewshire Council External Audit Plan for 2020/21 refers to the important contribution public audit will make to the recovery and renewal of public services, highlighting that the Auditor General, the Accounts Commission and Audit Scotland are responding to the risks to public services and finances from COVID-19 across the full range of audit work, including annual audits and the performance audit programme. That Plan also highlights that Audit Scotland views 2020/21 as a transitional year, leading in future to audit timetables which were possible before COVID-19, and that it is maintaining a pragmatic and flexible approach which will enable change at short notice as new issues emerge, or current risks change in significance. The External Auditor has confirmed that there have been some changes to planned reports for the next year with some dates still to be finalised. The committee's 2021/22 Work Plan will be updated further, in due course, when the position regarding other external audit work and reports and the timescale for their publication is clarified further.

13. Since an audit committee was first established by the Council in 1999, periodically reports have been prepared overviewing work it has undertaken, including prior to the local government elections in 2007, 2012 and 2017. On each occasion this was one of the final issues the committee wished to progress to enable associated information prepared to be made available, for example, to those elected to the new Council. Such reports have included reference to key aspects of the committee's work, including those driven by the committee itself and interest taken in various issues. Taking account that it would be useful to reflect again on what the committee has progressed and achieved during the 5-year period 2017-2022, it is proposed that in consultation with Members of the committee a short, focussed report is again prepared on key aspects of work undertaken since 2017.

14. Reports on such reviews have also summarised the outcome of self-evaluation exercises progressed during the months preceding the local government elections. It is recommended that audit committees review their effectiveness as often as annually. The view of the committee in both 2012 and 2017 was that periodic self-evaluations were useful, such as for analysing performance, enhancing practices and identifying how the committee can support the work of the Internal Audit service for example, but that doing this as frequently as annually was neither necessary nor an efficient use of its limited time and resources. When such self-evaluations have been done in the past, a self-assessment tool developed by the Audit Committee Institute to help such committees assess their own effectiveness had been used by the committee following its adaptation for local use.

15. In August 2017, the committee endorsed the view that periodic self-evaluations were useful to help analyse performance and allow improvements to be considered, and agreed that a self-evaluation be carried out at least once during the life of this Council. It is proposed that this work is progressed prior to the local government elections in May 2022, with a report on the outcome and what is prepared summarising key aspects of its work since 2017 submitted in March or April 2022.

16. It is proposed that the committee approves the draft 2021/22 Annual Work Plan, to the extent it has been possible to develop it thus far. It is also proposed that the committee agrees that its development be kept under review, taking account amongst other things 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. Taking account of this and other issues such as the impact of COVID-19 related work across council services, it remains to be discussed if any more detailed work is to be progressed this year on the Council website/communications with the public (Note 11, Appendix 1 refers); graffiti removal and fly-tipping (Note 13, Appendix 1 refers); or the schools admission policy and education appeals system (Note 14, Appendix 1 refers).

## CONCLUSION

17. 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 during 2020/21. The Work Plan provided the committee with greater oversight regarding the scheduling of work and consideration of issues, including scrutiny and review investigations. The committee's annual 2021/22 Work Plan, which is subject to further development, is also referred to in this report and will be considered a live document and refreshed periodically.

## RECOMMENDATIONS

18. It is recommended that the committee:-
- (a) notes and considers performance against the committee's 2020/21 Annual Work Plan;
  - (b) approves the draft 2021/22 Annual Work Plan, to the extent it has been developed thus far;
  - (c) agrees that, in due course, a short, focussed report on key aspects of work undertaken by the committee since 2017 be prepared, and that a further self-evaluation exercise be completed as part of the 2021/22 Work Plan;
  - (d) agrees that the development of the 2021/22 Work Plan continue, with an update submitted to a future meeting; and
  - (e) notes that progress made delivering the 2021/22 Work Plan will be reviewed in due course, with a progress report 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](mailto: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 - Reports by Clerk (*Jun 2020 and January 2021*)



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

| <b>Planned Report Date</b>                | <b>Report Subject</b>   | <b>Report by</b>   | <b>Date Considered by Audit &amp; Scrutiny Committee</b> |
|---|---|--|--|
| 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<br><b>(See Note 1 Below)</b> | Unaudited Annual Accounts 2019/20   | Head of Accountancy (Chief Financial Officer)                              | 25/6/20  |
|   | East Renfrewshire Culture and Leisure Trust – Best Value Review <b>(See Note 2 Below)</b> | 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 <b>(See Note 3 Below)</b>                         | Clerk to the Committee in liaison with Chief Officer Legal and Procurement | 25/6/20  |
|   | Audit and Scrutiny Committee Work Plans 2019/20 and 2020/21                               | Clerk to the Committee   | 25/6/20  |

| Planned Report Date | Report Subject  | Report by   | Date Considered by Audit & Scrutiny Committee |
|---------------------|---|---|---|
| 13 August 2020      | Code of Corporate Governance 2020/21  | Deputy Chief Executive  | 13/8/20                                       |
|                     | Annual Treasury Management Report 2019/20   | Head of Accountancy (Chief Financial Officer)                           | 13/8/20                                       |
|                     | Withdrawal from European Union and Related External Audit Report <b>(See Note 4 Below)</b>                                      | Director of Corporate & Community Services and Director of Environment  | 13/8/20                                       |
|                     | East Renfrewshire Council Management Report 2019/20 <b>(See Note 5 Below)</b>   | 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 <b>(See Note 6 Below)</b>         | 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                                       |

| Planned Report Date                                      | Report Subject   | Report by  | Date Considered by Audit & Scrutiny Committee |
|--|--|--|---|
| 24 September 2020  | 2019/20 Annual Accounts for Council's Charitable Trusts and External Audit International Standard on Auditing 260 Report <b>(See Note 1 Below)</b> | Head of Accountancy (Chief Financial Officer) and External Auditor | 26/11/20                                      |
|  | 2019/20 Annual Accounts and Draft Annual Audit Report for East Renfrewshire Council <b>(See Note 1 Below)</b>                                      | Head of Accountancy (Chief Financial Officer) 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 <b>(See Note 7 Below)</b>  | Clerk in liaison with Director of Environment                      | 24/9/20                                       |
|  | National External Audit Report - Local Government Overview Report for 2019/20 <b>(See Note 8 Below)</b>  | 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 (Chief Financial Officer)                          | 26/11/20                                      |
|                     | Internal Audit Plan 2020/21 – Implementation Progress – July to September 2020  | Chief Auditor  | 26/11/20                                      |
|                     | Withdrawal from European Union – Update <b>(See Note 4 Below)</b>   | 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 <b>(See Note 9 Below)</b>  | Clerk to the Committee   | 26/11/20                                      |
|                     | Cabinet Responses to Audit and Scrutiny Committee Investigations on <i>Income Generation and Commercialisation</i> ; and <i>Climate Change</i> <b>(See Note 10 Below)</b> | Clerk to the Committee   | 26/11/20                                      |
| 21 January 2021     | Council's New Build Development Programme <b>(See Note 7 Below)</b>   | Head of Environment (Strategic Services)                               | 21/1/21                                       |
|                     | East Renfrewshire Council Website – Presentation by Communications Manager <b>(See Note 11 Below)</b>   | Communications Manager   | 21/1/21                                       |
|                     | Internal Audit Plan 2020/21 – Implementation Progress October to December 2020 and Revised Internal Audit Strategic Plan <b>(See Note 12 Below)</b>                       | Chief Auditor  | 18/2/21                                       |
| 18 February 2021    | Treasury Management Strategy 2020/21 <b>(See Note 1 Below)</b>  | Head of Accountancy (Chief Financial Officer)                          | 11/3/21 ( <i>Special Meeting</i> )            |

| Planned Report Date | Report Subject  | Report by  | Date Considered by Audit & Scrutiny Committee  |
|---------------------|---|--|--|
| 18 March 2021       | Strategic Risk Register and Risk Management Progress - Biannual Report  | Chief Executive  | 18/3/21  |
|                     | Audit and Scrutiny Work Plan 2019-20 Progress and 2020/21 Work Plan   | Clerk to the Committee   | Now 24/6/21<br>(2021/22 Work Plan refers)  |
|                     | Internal Audit Strategic Plan 2021/22 – 2025/26   | Chief Auditor  | Now 24/6/21<br>(2021/22 Work Plan refers)  |
|                     | East Renfrewshire Council – Annual External Audit Plan 2020/21  | External Auditor   | Now 29/4/21<br>(2021/22 Work Plan refers)  |
|                     | East Renfrewshire Culture and Leisure Trust – Best Value Review – Update on Recommendations ( <b>See Note 2 Below</b> ) | Director of Education  | 18/3/21  |
|                     | Withdrawal from European Union – Update ( <b>See Note 4 Below</b> )   | Director of Corporate & Community Services and Director of Environment | 18/3/21  |
|                     | External Audit Report – Housing Benefit Performance Audit: Annual Update 2020   | Clerk in liaison with Head of Communities, Revenues and Change         | 18/3/21  |
|                     | Audit Scotland COVID-19 Guide for Audit and Risk Committees and Related Comments ( <b>See Note 9 Below</b> )            | Clerk to the Committee   | Not deemed necessary at 18/3/21 (Chair's Report of that date; and 2021/22 Work Plan refer) |

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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 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 then, following which they were submitted to the full Council later on the same date. This was later than the usual time of late September for considering these reports, and met the External Auditor's revised requirements regarding the signing of the Annual Accounts by the end of November 2020.

Linked to when information on the local government financial settlement was received and reviewed, and when the Council approved the Revenue Estimates in March 2021, the report on the Treasury Management Strategy 2020/21 was submitted to a special meeting of the committee on 11 March, rather than 18 February 2021 as originally planned.

### **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 2020, 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 submitted that report to the committee 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 UK's 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 then on some issues raised during discussion which was circulated. In terms of the way forward, the committee asked him to submit a further update following the deadline of 31 October 2020 by which time an Agreement had been required between the EU and the UK subject to formal ratification. In November, 2020 the committee noted that further update, although the UK/EU Agreement still remained to be reached at that time. Further information requested by the committee at that meeting, on the EU Settlement Scheme in respect of East Renfrewshire and the outcome of a concurrent risks workshop, was provided and circulated.

In terms of how it wished to proceed, the committee agreed in November 2020 that a further update be provided at a future meeting, which the Brexit Coordinator submitted in March 2021. As well as noting the report, the committee asked the Brexit Coordinator for further information on funding issues and State Aid which was received and circulated; and to provide a further update following the 2021 summer recess prior to the end of September. Reference to this is included in the committee's 2021/22 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 2020.

**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 agreed that an update on future SDS development activity should be submitted in due course after self-evaluation work on that had been completed.



That update is scheduled to be submitted to the Committee in June 2021, taking account of when a report on this issue is scheduled to be submitted to the Performance and Audit Committee of the Integration Joint Board (IJB). Reference to this is included in the committee's 2021/22 Work Plan.

**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 report was considered by the committee on 21 January 2021.

**Note 8 (National External Audit Report - Local Government Overview Report)**

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 impacted 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 in 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.

A report on feedback on these issues and related comments was submitted to the committee in November 2020, which agreed then that a further update be provided in due course, around March or April 2021, and that the Clerk should liaise with members of the committee to ascertain the specific issues on which feedback and further assurances were to be sought by exception. The committee noted that the Performance and Audit Committee of the IJB had also been considering issues raised within the Guide.

On 18 March 2021, as part of his report, the Chair reported that he had sought confirmation recently, which had been provided, that the feedback received in November 2020 on changes to internal controls required due to COVID-19 remained current. Taking account of this and other information the committee already had access to, including reports on risk and Internal Audit's work, no issues were identified by members of the Committee that they wished followed up at that stage, but the committee noted that it remained an option to seek further updates on specific issues at any point through either the Chair or Clerk.

In March 2021, the committee also agreed that it might be useful to review the position later in 2021 on issues raised in the Guide, perhaps in late summer, to pick up any issues that may be raised from the year end Accounts process or transition to the "new normal" working arrangements which it was hoped would start to be introduced by then. The Clerk will liaise with Members regarding this in due course, and reference to this issue is made in the committee's 2021/22 Work Plan.

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

Following 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.

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 was agreed then 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, reference to which is included in the Committee's 2021/22 Work Plan.

Since November, the Director of Environment has submitted an update on developments regarding the Climate Change Strategy and Action Plan to the Cabinet on 4 March 2021. Furthermore, in accordance with one of the recommendations made and accepted in relation to the *Income Generation and Commercialisation* review, an invitation was extended from the Chair of the Committee to the Chair of the Performance and Audit Committee of the IJB to share information and discuss good practices arising from review. That meeting took place on 15 March, with reference made to it on 18 March 2021, as part of the Chair's report.

**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 were advised that the presentation was being made, with arrangements made to enable them to view it if they wish. The committee noted the presentation and that any further comments or feedback on the website could be sent to the Communications Manager for consideration. It remains to be discussed if any more detailed work is to be progressed this year on the Council website/communications with the public.

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

To allow time for a required review of the Internal Audit Strategic Plan to be completed, the report on both implementation progress from October to December 2020 and the Revised Plan was submitted to the committee on 18 February 2021, rather than the progress report being considered in January 2021.

**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. No issues were identified at that time. It remains to be discussed if any more detailed work is to be progressed this year on this issue.

**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. It was noted that this issue would be revisited in due course such as when the committee's 2021/22 Work Plan was 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. It remains to be discussed if any more detailed work is to be progressed this year on this issue.

**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.

**Audit and Scrutiny Committee****Proposed 2021/22 Work Plan**

| <b>Planned Report Date</b> | <b>Report Subject</b>   | <b>Report by</b>   | <b>Date Considered by Audit &amp; Scrutiny Committee</b> |
|----------------------------|---|--|--|
| 29 April 2021              | Consultancy Expenditure and Related Log ( <i>Note 3 of 2020/21 Work Plan above refers</i> )   | Clerk to the Committee in liaison with Chief Officer - Legal and Procurement | 29/4/21  |
|                            | East Renfrewshire Council – Annual External Audit Plan 2020/21                                | External Auditor   | 29/4/21  |
|                            | National External Audit Report - Local Government in Scotland Financial Overview 2019-20      | Clerk in liaison with Head of Accountancy (Chief Financial Officer)          | 29/4/21  |
|                            | Audit and Scrutiny Committee Work Plans 2020/21 and 2021/22                                   | Clerk to the Committee   | 29/4/21  |
| 24 June 2021               | Unaudited Annual Accounts 2020/21   | Head of Accountancy (Chief Financial Officer)                                |  |
|                            | Code of Corporate Governance 2021/22  | Deputy Chief Executive   |  |
|                            | Internal Audit Plan 2020/21 - Implementation Progress – January to March 2021                 | Chief Auditor  |  |
|                            | Internal Audit Strategic Plan 2021/22 – 2025/26   |  |  |
|                            | National External Audit Report - Improving Outcomes for Young People Through School Education | Clerk in liaison with Director of Education                                  |  |
|                            | National External Audit Report - Digital Progress in Local Government                         | Clerk in liaison with Deputy Chief Executive and Chief Executive             |  |

| Planned Report Date      | Report Subject  | Report by   | Date Considered by Audit & Scrutiny Committee |
|--------------------------|---|---|---|
| 24 June 2021<br>(Cont'd) | National External Audit Report - Self-Directed Support (SDS) - 2017 Progress Report - Impact Report - Future SDS Development Activity ( <b>Note 6 of 2020/21 Work Plan above refers</b> ) | Clerk in liaison with Chief Officer, Health and Social Care Partnership |   |
| 12 August 2021           | Annual Treasury Management Report 2020/21   | Head of Accountancy (Chief Financial Officer)                           |   |
|                          | Internal Audit Annual Report 2020/21  | Chief Auditor   |   |
|                          | Internal Audit Plan 2021/22 - Implementation Progress - April to June 2021  |   |   |
| 23 September 2021        | Public Sector Internal Audit Standards (PSIAS) Internal Self-Assessment   | Chief Auditor   |   |
|                          | Strategic Risk Register and Risk Management Progress – Biannual Report  | Chief Executive   |   |
|                          | East Renfrewshire Council Annual Fraud Statement 2020/21  |   |   |
|                          | Managing Absence – 2020/21 Annual Report  | Deputy Chief Executive  |   |
|                          | Summary of Early Retirement/ Redundancy Costs to 31 March 2021  |   |   |
|                          | Withdrawal from European Union – Update ( <b>Note 4 of 2020/21 Work Plan above refers</b> )   | Director of Corporate & Community Services and Director of Environment  |   |

| Planned Report Date        | Report Subject  | Report by  | Date Considered by Audit & Scrutiny Committee |
|----------------------------|---|--|---|
| 23 September 2021 (Cont'd) | Audit Scotland COVID-19 Guide for Audit and Risk Committees and Related Comments ( <i>If Members Wish to Pursue Further Feedback at that Stage</i> ) ( <b>Note 9 of 2020/21 Work Plan above refers</b> )  | Clerk to the Committee   |   |
|                            | National External Audit Report - Local Government Overview (Challenges and Performance)   | Clerk in liaison with Deputy Chief Executive                                     |   |
| 18 November 2021           | 2020/21 Annual Accounts and Draft Annual Audit Report for East Renfrewshire Council ( <b>See Note B Below</b> )   | Head of Accountancy (Chief Financial Officer) and External Auditor               |   |
|                            | 2020/21 Annual Accounts for Council's Charitable Trusts and External Audit International Standard on Auditing 260 Report ( <b>See Note B Below</b> )  | Head of Accountancy (Chief Financial Officer) and External Auditor               |   |
|                            | Interim Treasury Management Report 2021/22  | Head of Accountancy (Chief Financial Officer)                                    |   |
|                            | Internal Audit Plan 2021/22 – Implementation Progress – July to September 2021  | Chief Auditor  |   |
|                            | Update on Implementation of Recommendations Accepted Regarding Audit and Scrutiny Committee's Investigations on <i>Income Generation and Commercialisation</i> ; and <i>Climate Change</i> ( <b>Note 10 of 2020/21 Work Plan above refers</b> ) | Clerk to the Committee in Liaison with CMT and other Senior Officers as Required |   |
|                            | National External Audit Report - Impact of COVID-19 on Scottish Councils' Benefit Services  | Clerk in liaison with Head of Communities, Revenues and Change                   |   |

| <b>Planned Report Date</b>          | <b>Report Subject</b>  | <b>Report by</b>                              | <b>Date Considered by Audit &amp; Scrutiny Committee</b> |
|-------------------------------------|--|---|--|
| 18 November 2021 (Cont'd)           | Update on Audit and Scrutiny Committee Work Plan 2021/22   | Clerk to the Committee                        |  |
| 20 January 2022 (See Note C Below)  | <i>No Items Identified at Present</i>  | N/A   |  |
| 17 February 2022 (See Note C Below) | Internal Audit Plan 2021/22 – Implementation Progress October to December 2021                                   | Chief Auditor                                 |  |
|                                     | Treasury Management Strategy 2021/22   | Head of Accountancy (Chief Financial Officer) |  |
| 17 March 2022 (See Note C Below)    | Strategic Risk Register and Risk Management Progress - Biannual Report   | Chief Executive                               |  |
|                                     | Internal Audit Strategic Plan 2022/23 – 2026/27  | Chief Auditor                                 |  |
|                                     | East Renfrewshire Council - Annual Audit Plan 2021/22  | External Auditor                              |  |
|                                     | Work Progressed by Committee since 2017 and Self-Evaluation (May be Considered in April, Rather than March 2022) | Clerk to the Committee                        |  |



**NOTES ON 2021/22 WORK PLAN**

**Note A (External Audit Reports (Both Local and National))**

As referred to in the covering report, there remains a lack of certainty regarding the publication of some audit reports, not only national reports but also some local ones published regarding the Council. The East Renfrewshire Council External Audit Plan for 2020/21 (Item 4 on Agenda refers) outlines target dates for audit outputs, referring to the aim of issuing the independent auditor's report and Annual Audit Report by the statutory deadline of 31 October 2021, now subsequently updated to 30 November 2021. However, it is acknowledged that target dates may not be achievable due to ongoing pressures and uncertainties caused by COVID-19. A pragmatic and flexible approach to the audit is being adopted, with discussions with management taking place on progress regarding External Audit work and any changes that may be required to target dates.

At present, Exhibit 2 of the External Audit Plan reflects the following:-

| <b><u>2020/21 Audit Outputs</u></b>    | <b><u>Target Date</u></b> | <b><u>Audit and Scrutiny Committee Date</u></b> |
|--|---------------------------|---|
| Annual Audit Plan                      | By 30th April 2021        | 29 April 2021                                   |
| Management Report ( <i>If Needed</i> ) | To Be Advised             | To be Advised                                   |
| Independent Auditor's Report           | By 30 November 2021       | To Be Confirmed                                 |
| Annual Audit Report                    | By 30 November 2021       | To Be Confirmed                                 |

The committee's 2021/22 Work Plan reflects dates when some reports to be published on various issues could be considered, as far as it is possible to do so at present. The Plan will be updated further as required in due course when there is further clarity on various issues.

**Note B (Annual Accounts for the Council's Charitable Trusts and External Audit International Standard on Auditing 260 Report; and Annual Accounts and Draft Annual Audit Report for East Renfrewshire Council)**

Following on from Note A above, it remains to be determined exactly when the 2020/21 Annual Accounts for the Council's Charitable Trusts and External Audit International Standard on Auditing 260 Report; and the 2020/21 Annual Accounts and Draft Annual Audit Report for East Renfrewshire Council will be considered. Pending confirmation of the position, these are listed for submission on 18 November. The Plan will be update in due course as appropriate.

**Note C (Meeting Dates in 2022)**

The dates of meetings of the committee to be held in 2022 are subject to approval of the Calendar of Meetings for that year by the full Council on 30 June 2021

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