

Business Operations and Partnerships Department

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Date: 1 April 2022

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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, 7 April 2022 at 2.00pm.**

The agenda of business is as listed below.

Please note this is a virtual meeting.

Yours faithfully

Louise Pringle

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DIRECTOR OF BUSINESS OPERATIONS & PARTNERSHIPS

AGENDA

1. **Report apologies for absence.**
2. **Declarations of interest.**
3. **Chair's Report.**
4. **East Renfrewshire Council - Annual Audit Plan 2021/22 - Report by External Auditor (copy attached, pages 3 - 20).**
5. **Strategic Risk Register and Risk Management Progress - Biannual Report - Report by Chief Executive (copy attached, pages 21 - 46).**
6. **Implementation of 2021/22 Work Plan, Outcome of Self-Evaluation and Work Completed since 2017 - Report by Clerk (copy attached, pages 47 - 84).**

For information on how to access the virtual meeting please email:-
linda.hutchison@eastrenfrewshire.gov.uk

A recording of the meeting will also be available following the meeting on the Council's YouTube Channel <https://www.youtube.com/user/eastrenfrewshire/videos>

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East Renfrewshire Council

Annual Audit Plan 2021/22



 AUDIT SCOTLAND

Prepared for East Renfrewshire Council

March 2022

Contents

Introduction	3
Financial statements audit planning	5
Audit dimensions and Best Value	10
Reporting arrangements, timetable, and audit fee	14
Other matters	16

Introduction

Summary of planned audit work

1. This document summarises the work plan for our 2021/22 external audit of East Renfrewshire Council. The main elements of our work include:

- evaluation of the key controls within the main accounting systems
- provision of an Independent Auditor's Report
- an audit opinion on regularity and other statutory information published within the annual report and accounts including the Management Commentary, the Annual Governance Statement and the Remuneration Report
- consideration of arrangements in relation to the audit dimensions: financial management, financial sustainability, governance and transparency and value for money that frame the wider scope of public sector audit
- consideration of Best Value arrangements
- providing assurance on the Housing Benefit Subsidy Claim, Non-Domestic Rates Return and the Whole of Government Accounts return
- review East Renfrewshire Council's arrangements for preparing and publishing statutory performance information
- review East Renfrewshire Council's participation in the National Fraud Initiative.

Impact of Covid-19

2. The coronavirus disease (Covid-19) pandemic has had a significant impact on public services and public finances, and the effects will be felt well into the future.

3. The Auditor General for Scotland, the Accounts Commission and Audit Scotland continue to assess the risks to public services and finances from Covid-19 across the full range of our audit work, including annual audits and the programme of performance audits. The well-being of audit teams and the delivery of high-quality audits remain paramount. Changes in our approach may be necessary and where this impacts on annual audits, revisions to this Annual Audit Plan may be required.

Adding value

4. We aim to add value to 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 will help East Renfrewshire Council promote improved standards of governance, better management and decision making and more effective use of resources. Additionally, we attend meetings of the Audit and Scrutiny Committee and actively participate in discussions.

Respective responsibilities of the auditor and East Renfrewshire Council

5. The [Code of Audit Practice \(2016\)](#) sets out in detail the respective responsibilities of the auditor and East Renfrewshire Council. Key responsibilities are summarised below.

Auditor responsibilities

6. Our responsibilities as independent auditors are established by the Local Government (Scotland) Act 1973 and the [Code of Audit Practice](#) (including [supplementary guidance](#)) and guided by the Financial Reporting Council's Ethical Standard.

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

East Renfrewshire Council's responsibilities

8. East Renfrewshire Council is responsible for maintaining accounting records and preparing financial statements that give a true and fair view.

9. Also, East Renfrewshire Council has 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 deliver their objectives.

Managing the transition to 2022/23 audits

10. Audit appointments are usually for five years but were extended to six years due to Covid-19. 2021/22 is the final year of the current appointment and we will work closely with our successors to ensure a well-managed transition.

Financial statements audit planning

Materiality

11. Materiality is an expression of the relative significance of a matter in the context of the financial statements as a whole. We are required to plan our audit to determine with reasonable confidence whether the financial statements are free from material misstatement. The assessment of what is material is a matter of professional judgement over both the amount and the nature of the misstatement.

Materiality levels for the 2021/22 audit

12. We assess materiality at different levels as described in [Exhibit 1](#). The materiality values for East Renfrewshire Council are set out in [Exhibit 1](#).

Exhibit 1

2021/22 Materiality levels for East Renfrewshire Council and its Group

Materiality	Council	Group
Planning materiality – This is the figure we use to assess the overall impact of audit adjustments on the financial statements. It has been set at 1.5% of gross expenditure for the year ended 31 March 2022 based on the latest budget for 2021/22 (Council) or latest audited financial statements for 2020/21 (Group).	£5.6 million	£6.1 million
Performance materiality – 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 assessed performance materiality at 60% of planning materiality.	£3.36 million	£3.67 million
Reporting threshold (i.e. clearly trivial) – We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount.	£0.25 million	£0.25 million

Source: Audit Scotland

Significant risks of material misstatement to the financial statements

13. Our risk assessment draws on our cumulative knowledge of East Renfrewshire Council, its major transaction streams, key systems of internal control and risk management processes. It is informed by our discussions with management, meetings with internal audit, attendance at committees and a review of supporting information.

14. Based on our risk assessment process, we identified the following significant risk of material misstatement to the financial statements. Significant risks of material misstatement are risks which have the greatest impact on our planned audit procedures. [Exhibit 2](#) summarises the nature of the risk, the sources of assurance from management arrangements and the further audit procedures we plan to perform to gain assurance over the risk.

Exhibit 2

2021/22 Significant risk of material misstatement to the financial statements

Significant risk of material misstatement	Sources of assurance	Planned audit response
<p>1. Risk of material misstatement due to fraud caused by the management override of controls</p> <p>As stated in International Standard on Auditing (UK) 240, management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.</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"> • Assess the design and implementation of controls over journal entry processing. • Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. • Test journals at the year-end and post-closing entries and focus on significant risk areas. • Evaluate significant transactions outside the normal course of business. • Assess the adequacy of controls in place for identifying and disclosing related party relationships and transactions in the financial statements. • Assess any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year. • Substantive testing of income and expenditure transactions around the year-end to confirm they are accounted for in the correct financial year. • Focussed testing of accounting accruals and prepayments.

15. As set out in International Standard on Auditing (UK) 240: *The auditor's responsibilities relating to fraud in an audit of financial statement*, there is a presumed risk of fraud over the recognition of revenue. There is a risk that revenue may be misstated resulting in a material misstatement in the financial statements. We have rebutted this risk for East Renfrewshire Council because a significant amount of income is from government grants, council tax and non-domestic rates, all have predictable income patterns which limits the potential for manipulation. We therefore do not incorporate specific work in this area over and above our standard audit procedures.

16. In line with Practice Note 10: *Audit of financial statements and regularity of public sector bodies in the United Kingdom*, as most public-sector bodies are net spending bodies, the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk relating to revenue recognition. We have rebutted this risk for East Renfrewshire Council because our assessment of expenditure transaction streams confirmed that many are low risk, for example staff costs, depreciation, pensions IAS 19 charges and our standard audit procedures involve focused testing on accruals in any higher risk areas.

17. Practice Note 10 also introduces the concept of external fraud risk and we have assessed the levels of fraud in the public sector per the National Fraud Initiative and this, as well as the analysis of expenditure, indicates that there is not a high risk of fraud across payment streams.

18. We have not, therefore, incorporated specific work into our audit plan in these areas over and above our standard audit procedures.

Other areas of audit focus

19. As part of our assessment of audit risks, we have identified other areas where we consider there are also risks of material misstatement to the financial statements. Based on our assessment of the likelihood and magnitude of the risk, we do not consider these to represent significant risks. We will keep these areas under review as our audit progresses. If our assessment of risk changes and we consider these risks to be significant, we will communicate this to management and those charged with governance and revise our planned audit approach accordingly.

20. The areas of specific audit focus are:

- **Valuation and measurement of land and buildings:** East Renfrewshire Council held land and buildings with a net book value of £731.566 million as at 31 March 2021, with land and buildings revalued on a five-year rolling basis. An internal valuer carries out valuations of land and buildings. There is a significant degree of subjectivity in the valuation of land and buildings. Valuations are based on specialist and management assumptions and changes in these can result in material changes to valuations.
- **Measurement and judgements applied to the valuation of pension liabilities:** East Renfrewshire Council recognised a net liability of £119.443 million relating to its share of Strathclyde Pensions Fund at 31

March 2021. 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.

Group Consideration

21. As group auditors, we are required under International Standard on Auditing (UK) 600: *Audits of group financial statements (including the work of component auditors)* to obtain sufficient appropriate audit evidence on which to base our audit opinion on the group financial statements.

22. East Renfrewshire Council has a group which comprises component entities, including subsidiaries, associates and joint ventures. The audits of the financial information of some of the components are performed by other auditors. We will obtain sufficient appropriate audit evidence in relation to the consolidation process and the financial information of the components on which to base our group audit opinion.

Audit of the trusts registered as Scottish charities

23. East Renfrewshire Council administer the Council's seven trusts registered as Scottish charities, with total assets of some £0.113 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.

24. The 2006 Regulations 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 members of the Council are sole trustees, irrespective of the size of the charity.

Materiality levels for the 2021/22 audit of trusts registered as Scottish charities

25. Materiality levels for the various trusts are set out in [Exhibit 3](#).

Exhibit 3

2021/22 Materiality levels for charitable trusts

Charitable trust	Planning Materiality (Based on 1% of audited 20/21 total assets for each trust)	Performance Materiality (Based on 75% of planning materiality)	Reporting Threshold
Lieutenants Duff Memorial Institute	£122	£91	£6

Newton Mearns Benevolent Association	£39	£30	£2
Hugh & Janet Martin Memorial Fund	£165	£124	£8
John Pattison Memorial Fund	£97	£73	£5
Janet Hamilton Memorial Fund	£530	£398	£27
Netherlee School 1937 Endowment	£170	£128	£9
Endowment for Talented Children & Young People	£6	£4	£0.30

Source: Audit Scotland

Audit risk assessment process

26. Audit risk assessment is an iterative and dynamic process. Our assessment of risks set out in this plan may change as more information and evidence becomes available during the progress of the audit. Where such changes occur, we will advise management and where relevant, report them to those charged with governance.

Audit dimensions and Best Value

Introduction

27. The [Code of Audit Practice](#) sets out the four dimensions that frame the wider scope of public sector audit. The Code of Audit Practice requires auditors to consider the adequacy of the arrangements in place for the audit dimensions in audited bodies.

Audit dimensions

28. The four dimensions that frame our audit work are shown in [Exhibit 4](#).

Exhibit 4

Audit dimensions



Source: Code of Audit Practice

29. In summary, the four dimensions cover the following:

- **Financial management** – financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively.
- **Financial sustainability** – 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).

- **Governance and transparency** – 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.
- **Value for money** – value for money refers to using resources effectively and continually improving services.

Best Value

30. 2021/22 is the final year of the extended six-year approach to auditing Best Value in councils. Best Value work is integrated within the annual audit. It is to be assessed comprehensively over the period of the audit appointment, both through ongoing annual audit work and through discrete packages of work focussing on 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 Accounts 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 over the period of the audit appointment.

31. BVARs will be considered by the Accounts Commission between February and September 2022 on the councils listed in [Exhibit 5](#).

Exhibit 5 2022 Best Value Assurance Reports



Comhairle nan Eilean Siar

Shetland Island Council

Angus Council

Moray follow-up

Source: Audit Scotland

32. The Best Value work planned this year will focus on East Renfrewshire Council's arrangements for partnership working and empowering communities. Also, we will be following-up findings reported in the BVAR in November 2017 to assess progress on the pace and depth of continuous improvement. Our findings will be reported through our Annual Audit Report.

Audit dimension risks

33. We have identified audit risks in the areas set out in [Exhibit 6](#). This exhibit sets out the risks, sources of assurance from management arrangements and the further audit procedures we plan to perform to gain assurances over the risks.

Exhibit 6

2021/22 Audit dimension risks

Description of risk	Sources of assurance	Planned audit response
<p>1. Financial Sustainability</p> <p>Councils continue to face significant financial pressures on funding and increasing demand on services.</p> <p>East Renfrewshire Council approved a one-year 2022/23 budget in March 2022. The budget shortfall was calculated at £9.5 million. The council plan to balance this through a savings target of £2.2 million, by using £5.2 million from reserves and through increasing council tax by 3.5%.</p> <p>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.</p> <p>As a result, there is a risk to financial sustainability.</p>	<ul style="list-style-type: none"> The Council has approved various long term financial planning documents including the Capital Investment Strategy (10+ years), General Fund and Housing Capital Plans (10 years each), and Financial Planning report (6+ years). All Departments contribute to these reports, ensuring that any anticipated risks are identified and mitigated. We also publish indicative departmental totals for the coming 3 years in our Outcome Delivery Plan. <p>The longer term impact of COVID-19, together with the impact of associated fiscal flexibilities and emerging inflationary and supply pressures are also being monitored and will continue to be factored into the Council's forward planning.</p> <p>The expected publication of Scottish Government multi-year spending plans in summer 2022 and the</p>	<ul style="list-style-type: none"> Assessment of the adequacy of the council's longer term financial management arrangement and plans reported to members. Review of the council's financial position through budget monitoring reports presented to members.

Description of risk	Sources of assurance	Planned audit response
	continuing improvements in our financial reporting arrangements will also assist the Council in our forward planning.	

Source: Audit Scotland

Reporting arrangements, timetable, and audit fee

Reporting arrangements

34. Audit reporting is the visible output for the annual audit. All Annual Audit Plans and the outputs, as detailed in [Exhibit 7](#), and any other outputs on matters of public interest will be published on our website: www.audit-scotland.gov.uk.

35. 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 officers to confirm factual accuracy.

36. We will provide an independent auditor's report to East Renfrewshire Council, the Scottish Parliament and the Accounts Commission setting out our opinions on the annual report and accounts. We will provide East Renfrewshire Council and the Accounts Commission with an annual report on the audit containing observations and recommendations on significant matters which have arisen during the audit.

37. [Exhibit 7](#) outlines the target dates for our audit outputs, and we aim to issue the independent auditor's report by the statutory deadline of 31 October 2022. We acknowledge this will be challenging due to the ongoing pressures and uncertainties caused by Covid-19.

38. We will continue to work in close partnership with management with clarity over timescales and the requirement for high quality unaudited accounts and supporting working papers. Progress will be discussed with management and finance officers over the course of the audit.

Exhibit 7 2020/21 Audit outputs

Audit Output	Target date	Audit and Scrutiny Committee Date
Annual Audit Plan	31.03.2022	07.04.2022
Independent Auditor's Report	31.10.2022	TBC
Annual Audit Report	31.10.2022	TBC

Source: Audit Scotland

Audit fee

39. The agreed audit fee for the 2021/22 audit of East Renfrewshire Council is £241,420 (2020/21: £236,530) and the agreed audit fee for the charitable trusts is £1,075 (2020/21: £1,050). In determining the audit fee, we have taken account of the risk exposure of East Renfrewshire Council and the planned management assurances in place.

40. Where our audit cannot proceed as planned through, for example, late receipt of unaudited annual report and accounts, the absence of adequate supporting working papers 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.

Other matters

Internal audit

41. From our initial review of the internal audit plans, we do not plan to place formal reliance on internal audit's work for our financial statements' responsibilities. We will review internal audit reports to consider what, if any, impact they have on our planned work.

Independence and objectivity

42. Auditors appointed by the Auditor General for Scotland or Accounts Commission 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.

43. The engagement lead (i.e. appointed auditor) for East Renfrewshire Council is John Cornett, Audit Director. Auditing and ethical standards require the appointed auditor 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

44. International Standard on Quality Control (UK) 1 (ISQC1) requires a system of quality control to be 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.

45. 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.

46. 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.

East Renfrewshire Council

Annual Audit Plan 2021/22

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www.audit-scotland.gov.uk/accessibility

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EAST RENFREWSHIRE COUNCIL
AUDIT AND SCRUTINY COMMITTEE

7th April 2022

Report by Chief Executive

REVIEW OF THE STRATEGIC RISK REGISTER
AND RISK MANAGEMENT PROGRESS

PURPOSE OF REPORT

1. This report provides the latest biannual update of the Council's Strategic Risk Register and a summary of risk management progress. The previous update of the Strategic Risk Register was considered by the Audit and Scrutiny Committee on 23rd September 2021.

RECOMMENDATIONS

2. The Audit and Scrutiny Committee is asked to consider and note the development of the Council's Strategic Risk Register noting that this is considered a "live" document and will be updated and amended by the Corporate Management Team (CMT) as appropriate.

BACKGROUND

3. The Strategic Risk Register (Appendix 1) sets out the key strategic risks to be considered by East Renfrewshire Council and details the actions that management has put in place to manage these risks. Each service has an operational risk register to record day to day and service specific risks.

4. The previous update of the Council's Strategic Risk Register was considered by the Audit and Scrutiny Committee on 23rd September 2021.

5. Several risks have been amended to include additional control measures and the risks have been rescored for significance. A thorough review of all risks on the register has been undertaken by the CMT. There are now 41 risks of which 11 are evaluated as high and 30 as medium. Where a risk has been evaluated as "low" it will be removed from the Strategic Risk Register and monitored within Departmental or Operational registers if appropriate.

6. The Strategic Risk Register is reviewed and updated frequently as appropriate to reflect the current "live" situation and therefore liable to change. The Strategic Risk Register in Appendix 1 to this report is therefore reported below as dated (30th March 2022).

7. Where risk numbers are not sequential within the Register this is as a result of a risk having been removed from the Strategic Risk Register.

8. Relevant significant risks which may impact on the achievement of the Council's outcomes relating to the work of the Integrated Joint Board and the Culture and Leisure Trust have been considered as part of this update.

REPORT

9. The following risks remain as **high risks**:

- Increase in the number of children and adults with additional support requirements leading to a rise in demand on services. (*Risks 2.2 - High*)

- Ensuring sufficient catchment places for East Renfrewshire children and young people across all sectors in light of impact of new residential developments – in particular the Local Development Plan. *(Risk 2.3 - High)*
 - Closure of facilities (related to Trust) as a result of unforeseen failure or management practices resulting in loss of attendance, revenue, damage to reputation and increased management fee. *(Risk 2.4 - High)*
 - Risk of failure of a key care provider, including care home, care at home and other care provider due to financial instability, staff recruitment and selection difficulties or significant care concerns. Consequences could include: disruption to service delivery, requirement to implement contingency plans, impact on individuals and families with potential disruption to care arrangements. *(Risk 5.2 – High)*
 - Significant pressures and lack of service capacity (vacancies and absence) impacts on service delivery and quality standards. *(Risk 5.3 - High)*
 - Interruption to service or total inability to provide ICT services, resulting in impact to Council business, due to the loss of the Barrhead Data Centre and/or other critical infrastructure components due to fire, vandalism, equipment malfunction (including environmental controls). *(Risk 6.7 - High)*
 - The re-emergence, escalation or further waves of Covid-19 (or any other emerging pandemic) result in increased controls and restrictions being implemented within East Renfrewshire. This may impact on provision of services through: staff availability, supply chain issues, increased service demand, financial and service planning upheaval. *(Risk 6.18 – High)*
 - Supporting the mass vaccination, testing programmes and other key Covid-19 response work streams within East Renfrewshire leads to other key work being delayed or postponed resulting in longer timescales for projects or work not being undertaken and outcomes for residents being reduced. *(Risk 6.20- High)*
 - High workloads with additional work as a result of the Covid-19 pandemic coupled with business as usual may impact on employee absence and poor wellbeing and also may impact on project delivery resulting in delayed deadlines which could damage the Council's reputation. *(Risk 6.23 – High)*
 - The COVID-19 Pandemic reduces community activity and diverts staff resources away from being able to identify, plan and deliver Participatory Budgeting (PB) opportunities resulting in the Council failing to meet its goal of 1% of spend being via Participatory Budgeting. *(Risk 6.25 – High)*
10. The following risk were rescored down from **high to medium**:
- Covid-19 pandemic leads to customer anxiety, affects demand, attendances and revenues, impedes full recovery and results in an increased management fee. Combined with a requirement for rescheduling and reprogramming throughout the year affecting venue availability and high rates of staff absence, the national trend of loss of staff to the sector following lockdown and an inability to recruit, all continue to impact the ability to provide high quality service across all venues. *(Risk 2.8 – Medium)*
 - Signification rates of positive Covid-19 testing within an East Renfrewshire community necessitates enhance local Community testing, particularly for Asymptomatic residents. Residents unable to access prompt PCR testing with subsequent impact on

23

requirements to self-isolate and access to services and education. (*Risk 2.10 - Medium*)

- Scottish Child Abuse Inquiry - Children accommodated by East Renfrewshire Council and legacy areas from 1930 may have been the victims of historical abuse whilst in foster care. Capacity to meet potential increase in demand in relation to access to records and potential claims against the Council as Inquiry work progresses. (*Risk 4.4 - Medium*)
- Increase in older people, particularly very old, due to demographic changes leads to an over demand on certain services and failure to meet legislation, overspend and negative publicity. (*Risk 5.1 - Medium*)
- Failure to pay invoices, Covid-19 related payments and specific Educational Benefits Payments, within a specified timeframe (Local Government Benchmarking Framework indicator/Government requirements) or failure to pay said types of payments correctly (either through fraud or error), which could lead to cessation of supplies; risks to delivery of critical services; inappropriate payments; loss of funds to the Council; reputational damage to Council; issues with insurers; detrimental business/personal financial impact and possibly, legal action. (*Risk 6.8 - Medium*)
- Failure to achieve anticipated benefits and savings from the Finance/HR/Payroll System would lead services short of capacity and risk service delivery. (*Risk 6.14 - Medium*)

11. The following risk was rescored up from **medium to high**:

- Our major works capital programmes face significant pressures as a result of raw material costs, supplier costs, supply chain or contractor difficulties as a result of Covid, Brexit and the war in Ukraine. This will have a detrimental impact on the costs and/or timescales related to the delivery of projects. (*Risk 6.22 – High*)

12. The following risks **were added to** the register:

- Continued disruption in schools and potential changes in SQA certification processes in 2022/23 detrimentally impacts upon exam results of young people in the 2022/23 exam diet with a subsequent negative impact on the Council's reputation. (*Risk 2.7 - Medium*) (*NB – This risk was previously removed from the Strategic Risk Register and has be re-added*)
- Lack of Government funding to address climate changes leads to East Renfrewshire Council being unable to achieve targets at the same time as maintaining core services with resulting public criticism/reputational damage. (*Risk 3.8 – Medium*)

13. The following risks have been **removed** from the Strategic Risk Register since this was last considered by the Audit and Scrutiny Committee in September 2021.

- Brexit leads to economic uncertainty and detrimental impact on the Council budget, operations and services. (*Risk 6.9*)
 - *Reason risk removed: Risk combined in revised wording of Risk 6.22 to reflect the wider risks rather than a focus on Brexit specifically*

- Following implementation of the new Council Tax and Benefits system, residual risks and issues remain which require to be worked through over a further period including
 - (i) critical activities must be undertaken including annual billing, year-end activity and Housing Benefit subsidy
 - (ii) limited recovery (both system and Covid) has taken place which may result in reduction of expected income levels to the council and
 - (iii) consolidation of Education Benefits functionality on the new system
 - (iv) Citizens Access customer portal still to be implemented (noting Phase 2 to be delivered) and
 - v) recovery of service backlogs, particularly in Benefits service;
 - vi) impact of service backlogs on national performance indicators which will affect rankings and may cause reputational damage. (*Risk 6.19*)
- Reason risk removed: Council Tax and Benefits System has been in place for a period of time with a wide range of mitigation activities and will be managed at an operational level.

14. The following risks retained the same score as before but the risk descriptions were amended to **reflect the current position or provide further clarity** (additions in bold, removed text with line through and revised risk included below for clarity).

- **As a result of current events that impact the UK politically - there is a disruption to Council operations and the services we provide, including frontline and support services. EU Exit related changes**, including: trade, legislation and enforcement arising from the UK no longer being within the EU may lead to significant disruption to services in understanding the new regulatory landscape and / or presents potential for a two tiered system (with European and Scottish / UK standards). This includes changes that may arise through the Internal Market Act. **The conflict in Ukraine may lead to significant volumes of displaced individuals residing in East Renfrewshire, requiring support and potentially facing complex needs. Additionally, the conflict in Ukraine may lead to disruptions in key supply areas - with Russia and Ukraine making up significant amounts of global exports in wheat & gas, for example.** (*Risk 6.16*)
 - As a result of current events that impact the UK politically - there is a disruption to Council operations and the services we provide, including frontline and support services. EU Exit related changes, including: trade, legislation and enforcement arising from the UK no longer being within the EU may lead to significant disruption to services in understanding the new regulatory landscape and / or presents potential for a two tiered system (with European and Scottish / UK standards). This includes changes that may arise through the Internal Market Act. The conflict in Ukraine may lead to significant volumes of displaced individuals residing in East Renfrewshire, requiring support and potentially facing complex needs. Additionally, the conflict in Ukraine may lead to disruptions in key supply areas - with Russia and Ukraine making up significant amounts of global exports in wheat and gas, for example. (*Risk 6.16*)
- Supporting the mass vaccination ~~and asymptomatic~~ **testing programmes and other key Covid-19 response work streams** within East Renfrewshire leads to other key work being delayed or postponed resulting in longer timescales for projects or work not being undertaken and outcomes for residents being reduced. (*Risk 6.20*)
 - Supporting the mass vaccination, testing programmes and other key Covid-19 response work streams within East Renfrewshire leads to other

25

key work being delayed or postponed resulting in longer timescales for projects or work not being undertaken and outcomes for residents being reduced. *(Risk 6.20)*

- Our major works capital programmes face significant pressures as a result of raw material costs, supplier costs, supply chain or contractor difficulties **as a result of Covid, Brexit and the war in Ukraine**. This will have a detrimental impact on the costs and/or timescales related to the delivery of projects. *(Risk 6.22)*
 - Our major works capital programmes face significant pressures as a result of raw material costs, supplier costs, supply chain or contractor difficulties as a result of Covid, Brexit and the war in Ukraine. This will have a detrimental impact on the costs and/or timescales related to the delivery of projects. *(Risk 6.22)*

RISK TOLERANCE

15. Map of strategic risks in East Renfrewshire Council

Likelihood	4			2.2; 5.2; 6.7; 6.20; 6.22; 6.24	
	3		1.3	1.2; 2.8; 4.4; 5.1; 6.1; 6.4; 6.12; 6.14; 6.18; 6.25	2.3; 2.4; 5.3; 6.23
	2			1.4; 2.6; 2.7; 2.9; 2.11; 2.12; 3.1; 3.2; 3.3; 6.3; 6.6; 6.16	1.1; 2.10; 3.5; 3.7; 3.8; 4.1; 4.2; 6.8; 6.15
	1				
		1	2	3	4
Impact					

Risk Score	Overall Rating
11 to 16	High – RED
5 to 10	Medium – Orange
1 to 4	Low – Green

Outcome	Low Risk	Medium Risk	High Risk	Total
1. All children in East Renfrewshire experience a stable and secure childhood and succeed	-	4	-	4
2. East Renfrewshire residents are healthy and active and have the skills for learning, life and work	-	6	3	9
3. East Renfrewshire is a thriving, attractive and sustainable place for residents and businesses	-	6	-	6
4. East Renfrewshire residents are safe and live in supportive communities	-	2	1	3
5. Older people and people with long term conditions in East Renfrewshire are valued; their voices are heard and they enjoy full and positive lives	-	1	2	3
6. Our Strategic Outcomes: Customer, Efficiency and People	-	11	5	16
Total Strategic Risks	-	30	11	41

RISK PROGRESS

16. The Corporate Management Team continues to discuss and reviewed the Strategic Risk Register on a regular basis and it remains a standing item on the CMT agenda. A number of updates have been made to both the risk control measures currently in place and the proposed risk control measures to ensure the information reflects the most up to date position.

FINANCE AND EFFICIENCY

17. The review of the Strategic Risk Register forms a fundamental role in ensuring that the Council meets the objectives detailed in Fairer East Ren, the Modern Ambitious Programme (MAP) and the Outcome Delivery Plan.

CONSULTATION

18. The Corporate Management Team, Heads of Service and all Corporate Risk Representatives were invited to provide updates to the Strategic Risk Register. In addition at this time all operational risk registers were scrutinised and high risks examined to determine if they should be escalated to the Strategic Risk Register. Risks associated with East Renfrewshire Culture and Leisure Trust (ERCLT) and the Integrated Joint Board were also considered by the relevant Departments and escalated to the Council's Strategic Risk Register where appropriate.

CONCLUSION

19. As part of the review of the register 2 new risks was added, 2 risks were removed and 3 risk descriptions were amended to reflect the current position. There are now 41 risks on the register of which 11 are classified as "high" risk.

20. The risks captured in the Strategic Risk Register continue to be monitored and evaluated by the Corporate Management Team on a regular basis. The Appendix to this report therefore contains the most up to date position at the time of this report (30th March 2022).

21. The Strategic Risk Register is reported every 6 months to the Audit and Scrutiny Committee and annually to the Cabinet.

RECOMMENDATIONS

22. The Cabinet is asked to consider and note the development of the Council's Strategic Risk Register noting that this is considered a "live" document and will be updated and amended by the Corporate Management Team (CMT) as appropriate.

Lorraine McMillan, Chief Executive

March 2022

Report Author: Gill Darbyshire, Chief Executive's Business Manager
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Appendix 1 East Renfrewshire Council Strategic Risk Register_V4.0_Updated 30.03.2022

KEY WORDS

This report provides the Audit and Scrutiny Committee with the latest annual update of the Council's Strategic Risk Register.

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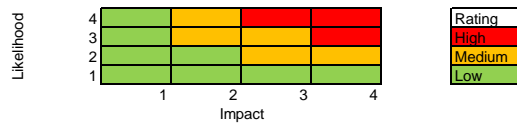
Classification	Official Sensitive
Name	East Renfrewshire Council Strategic Risk Register
Version	V4.0
Date	30/03/2022
Updated by:	Gill Darbyshire, Chief Executive's Business Manager

The risks highlighted within this document are based upon the professional judgement of East Renfrewshire Council Corporate Management Team and officers in East Renfrewshire Council.

The Strategic Risk Register is the property of the Council's Corporate Management Team who will regularly review its contents and scoring.

All risks are currently scored on what is known and based upon information available. Risk scores and controls will be evaluated on an ongoing basis and reflective of developing knowledge.

Risk Scoring is presented based on the risk matrix below



Outcome 1: All children in East Renfrewshire experience a stable and secure childhood and succeed.												
Risk Status S/C/N (Same, Changed, New)	Risk Number	Risk (Threat / Opportunity to achievement of business objectives)	Risk Control Measures (Mitigations) current in place	Likelihood (Probability)	Impact (Severity)	Risk Score	Proposed Risk Control Measures (Mitigations)	Date for completion	Re-scored Likelihood (Probability)	Re-scored Impact (Severity)	Re-scored Risk Score	Risk Owner
S (17/02/2021)	1.1	Inability to continue to deliver East Renfrewshire Council's preferred (or at least an acceptable) model of 1,140 hours of free early learning and childcare (ELC) which locally addresses the principles of quality, flexibility, accessibility and affordability.	<p>ERC's ongoing revenue funding shortfall from the first full year (2021/22) of implementation of 1140hours has been well documented since 2018 and officers and elected members have petitioned SG/COSLA. In anticipation officers have sought to maximise the carry forward of specific ELC grant funding released on a phased basis in advance of full implementation. Such actions help delay the full financial impact of the funding gap until 2022/23.</p> <p>Continue to monitor provision and regularly review delivery models, following initial review for 2021/22, based on affordability, preferences of parents and taking account of any changes in policy/ legislation making bids as appropriate for funding.</p> <p>Maintain tight control of revenue spend, including scrutiny of requests to recruit to ensure all recruitment is on a needs (ratio) basis and that staffing levels in ELC settings are operating at maximum efficiency.</p> <p>Increase in local authority provision with all capital work now completed. Funded provider places ERC is in partnership with have also been increased.</p> <p>Continue to support the development and engagement of funded providers, including childminders, to increase ELC places.</p> <p>Implement Early Learning and Childcare Strategy including continuing to work with all providers to ensure quality early learning and childcare.</p>	2	4	8	<p>Following the national funding review (currently underway as of March 2022), assess the impact on ERC's delivery models and report to elected members as appropriate.</p> <p>Wider roll-out of the Department's 'add on' hours, enabling families to purchase additional hours where capacity allows, both to increase the attractiveness of LA provision and increase income.</p>	Subject to outcome of National Review. Aug 2022	1	4	4	Director of Education
S (24/08/2021)	1.2	New Scottish Government Funding Follows the child guidance in relation to parents accessing Early Learning and Childcare (ELC) in their choice of provider will have a significant financial impact on budget.	<p>High quality, flexible accessible childcare available within East Renfrewshire Local Authority settings.</p> <p>Rigorous scrutiny process to determine partnership status for ERC Funded Providers.</p> <p>Promote the quality and affordability aspects of all ELC settings with parents and carers.</p> <p>As new facilities become operational, flexibility and choice is available for parents.</p> <p>Forecasting of the current demand and cost of children accessing non-LA settings.</p> <p>West Partnership cross-boundary protocol developed for August 2020 in response to Funding Follows the Child guidance.</p> <p>Revised ELC admissions policy reflecting the enhanced 1140 provision and the allocation of places.</p> <p>Operation of application window to ensure allocation to nurseries can be undertaken to provide financial oversight. Funding request window notified to all funded providers.</p> <p>Introduction of funded providers through the existing Council application process, reducing the 'dual offers' made to families.</p>	3	3	9	<p>Review and implement the West Partnership (WP) Cross Boundary Protocol for next round of applications within current financial and space capacity.</p> <p>Implementation of new streamlined process of additional flexible hours for families in local authority provision. Pilot from January 2022 with wider implementation to follow where space is available.</p>	01/05/2022 01/06/2022	1	3	3	Director of Education

C (24/08/2020)	1.3	An increase in the number of requests from parents and carers for children to defer their entry to school, ahead of the required 2023 policy implementation date, leads to insufficient places being available and increased costs to ensure provision can be made.	<p>Adherence to the Department's Deferred Entry to School Policy.</p> <p>Implementation of the new ELC Admission Policy (updated November 2020).</p> <p>ELC settings to continue to engage with parents, outlining the progress and achievements of children.</p> <p>Playful pedagogy approach in Early Years of Primary School including high quality remote provision during times of restrictions.</p> <p>Closely monitor applications and ensure adherence to robust processes for administration.</p> <p>Departmental officer sitting on national Scottish Government working group.</p> <p>Deferral mapping system in place to support service planning.</p>	3	2	6	<p>Review of the administration and delivery of the deferred entry policy ensuring accuracy and effectiveness ahead of subsequent school admission process for summer 2022 entry.</p>	30/6/2022	3	1	3	Director of Education
S (25/8/2020)	1.4	<p>Ongoing threat of Covid-19 impacts on the Council's ability to provide education to children and young people, either through significant rates of absence or school/class closures in schools across the authority.</p> <p>Higher rates of staff absence due to impact of Covid-19 cases and the need for self isolation.</p> <p>Ongoing impact of school closures on attainment of young people.</p>	<p>Department guidance and individual school recovery plans in place to ensure continuing provision of education in the event of a localised or widespread lockdown/closure. Ongoing review to ensure continued relevance and deliverability.</p> <p>Additional resources from the Scottish Government to continue to address loss of learning caused by Covid 19, in addition to effective practice guidance to Head Teachers from the department.</p> <p>QI team continue to provide support and challenge to schools.</p> <p>Revised Test & Protect measures in place across all establishments to lessen impact of self-isolation and contact tracing requirements.</p> <p>Ongoing communication with parents and families as part of the Council's approach.</p> <p>Ongoing support from Educational Psychological Services to support wellbeing amongst pupils including the launch of HealthiER Minds.</p> <p>Robust adherence to health and safety measures across all settings to reduce transmission rates.</p> <p>Regular review of risk and control measures in places across establishments.</p> <p>Mass testing programme for all staff and senior pupils in place to minimise impacts of positive cases.</p> <p>Continued promotion of vaccination programme for all staff and eligible pupils.</p> <p>Ongoing engagement with West OS as part of the wider work on the West Partnership to ensure continued access to high quality remote learning provision.</p>	2	3	6	<p>Relaxation of Scottish Government guidance resulting in greater flexibility within schools and nurseries and a wider return to 'normality' across Education.</p> <p>Effective use of further additional resources being made available by the Scottish Government including additional funds for staffing to address learning loss above and beyond existing additional resources.</p> <p>Wider Scottish Government commitment for significant device provision across schools, with promise of a device and connectivity for every pupil.</p>	<p>19/4/2022</p> <p>30/06/2022</p> <p>To be confirmed</p>	3	2	6	Director of Education

Outcome 2: East Renfrewshire residents are healthy and active and have the skills for learning, life and work.

Risk Status S/C/N (Same, Changed, New)	Risk Number	Risk (Threat / Opportunity to achievement of business objectives)	Risk Control Measures (Mitigations) current in place	Likelihood (Probability)	Impact (Severity)	Risk Score	Proposed Risk Control Measures (Mitigations)	Date for completion	Re-scored Likelihood (Probability)	Re-scored Impact (Severity)	Re-scored Risk Score	Risk Owner
C (28/03/2022)	2.2	Increase in the number of children and adults with additional support requirements leading to a rise in demand on services.	<p>Advanced Practitioner post to improve practice across adult and children services in preparing young people with additional support needs for adulthood.</p> <p>Analysis of demographic changes and increased financial forecasting.</p> <p>Education Resource Group manage specialist resources and admission to specialist provision.</p> <p>Resource Allocation Group (RAG) strengthened membership to include educational psychologist and occupational therapist.</p> <p>Concluded work to review transitions and new strategy developed</p>	4	3	12	<p>Present Transitions Strategy to Children Services Partnership Group for sign off</p> <p>Implement Transitions Strategy - transition team to be developed to lead delivery of strategy</p> <p>Continued monitoring and Covid support to partly offset increased demand.</p>	31/03/2022 Ongoing (review Mar 22)	4	2	8	Chief Officer HSCP
C (17/03/2022)	2.3	Ensuring sufficient catchment places for East Renfrewshire children and young people across all sectors in light of inward migration including the impact of new residential developments- in particular the Local Development Plan.	<p>Regular review of places and demand; and implementation of admission arrangements policy.</p> <p>Current capital plan reflects new build educational estate supplemented as appropriate by developer contributions, according to timescales and extent of provision noted in LDP (1), approved June 2015.</p> <p>On an ongoing basis, Education/Environment continue to review the release of housing and infrastructure requirements. This will also take cognisance of inward migration to existing housing along with ongoing residential development under the adopted LDP1 and any windfall sites as reflected in the Housing Land Supply register.</p> <p>Revised Pupil Product Ratios (PPRs) for ELC, primary, secondary and ASN (Additional Support Needs) reflecting current build costs published summer 2019 and PPRs refreshed.</p> <p>Council approved in June 2019 that the Proposed LDP2 go out to consultation in Autumn 2019 adopting a strategy of consolidation and regeneration with no further new housing sites released. Proposed LDP2 at Examination Reporter Stage. Respond to the requests for clarification/information as part of the Examination/ Reporter stage of LDP2.</p>	3	4	12	<p>Council's Capital Investment Strategy and the associated future 10-year Capital Plan updated to reflect education estate requirements for all school sectors taking account of operational requirements/timescales.</p> <p>As appropriate education statutory consultation to be undertaken in advance and within required timeframes.</p> <p>Education and Environment to collaborate closely about any potential further residential development as LDP3 progresses to ensure sufficiency of places across the education estate and that any new provision is included in future Capital Investment Strategies.</p>	Annual update (next due 28/02/2023) In line with relevant timescales In line with relevant timescales	2	4	8	Director of Education
S (30/08/2019)	2.4	Closure of facilities (related to Trust) as a result of unforeseen failure or management practices resulting in loss of attendance, revenue, damage to reputation and increased management fee.	<p>Current capital plan reflects major new replacement for Eastwood Leisure Centre and provision for repair and maintenance of Culture & Leisure facilities to improve the customer environment. In addition the capital plan includes the intent to renew sports and library facilities for the village of Neilston as part of campus approach to replace outdated local educational provision.</p> <p>Quarterly meetings take place between the Trust and Property and Technical Services to monitor performance.</p> <p>Business Continuity Plans in place for services.</p> <p>SLA in place between ERC & ERCL.</p> <p>Responded to the Main Issues Report and contributed to the new LDP (2) highlighting any impact in terms of the culture and leisure estate.</p> <p>Additional capital maintenance budget agreed for Trust properties in February 2019.</p>	3	4	12	<p>Capital Plan reviewed annually and updated to reflect operational requirements of facilities operated by the Trust. This will be ongoing.</p> <p>Progress new facilities planned for Eastwood Park and Neilston Leisure Centres in line with timescales set out in the Capital Plan.</p> <p>ERCL to take advantage of any opportunities offered by development of LDP3 taking account of due process such as planning and consultation in partnership with East Renfrewshire Council and in line with relevant timescales.</p>	Annual update (next due 23/02/2023) In line with timescales set out in Capital Plan In line with timescales set out in Capital Plan.	2	3	6	Director of Education/Head of Accountancy

S (18/08/2021)	2.6	An increase in the number of children and young people disengaging with learning as a consequence of ongoing Covid-19 impacts and subsequently requiring specialist support.	Curricular focus on health and wellbeing to negate impact of Covid-19 Resources and plans in place for high quality remote learning in all schools and early learning provision. All establishments have been provided with Building Back Better & Fairer plans and continue to be supported by the QI team to ensure continuing high quality. Effective multi-agency planning around the child. HealthIER Minds Service to support pupils and staff. Education Resource Group Inter-agency recovery group A review of specialist supports and services across the Education Department. Tracking of attendance figures by ELT with follow up by QI team. Specific focus on those individuals with significant rates of absence from school.	2	3	6	Implementation of the findings of the ASN review. Effective use of further resources expected from the Scottish Government to address potential learning loss and support curriculum recovery across all schools and ELC settings in the coming months. Campaign to support attendance at school as part of wider efforts to re-engage children and young people in learning. Scottish Attainment Challenge funding from Scottish Government to support wider efforts across schools.	30/06/2023 30/06/2022 31/12/2022 31/12/2022	2	1	2	Director of Education
C (13/01/2022)	2.7	Continued disruption in schools and potential changes in SQA certification processes in 2022/23 detrimentally impacts upon exam results of young people in the 2022/23 exam diet with a subsequent negative impact on the Council's reputation.	Re-establishment of working group to support the implementation of any potential changes in ERC schools. Range of support provided to ensure consistent implementation of SQA Scenario 2. ERC contributes through ADES networks to working with the SG and SQA on potential amended assessment arrangements for 2022-23. Provide Easter School Study Sessions for senior phase pupils, with a particular targeted focus for key equity groups.	2	3	6	Regular communication with pupils and parents to ensure understanding of any Alternative Certification Model. Review, update and implement ERC appeals policy based on national guidance. Education Department monitors the completion of validation and moderation activity to ensure consistency and confidence in the professional judgements made by our schools. Undertake and share EQIA for new policy and procedures to ensure all candidates are treated fairly, equitably and without bias. Share provisional results with learners before finalisation with SQA to provide opportunities to identify errors or anomalies in the results.	In line with SQA timescales	1	2	2	Director of Education
C (28/03/2022)	2.8	Covid-19 pandemic leads to customer anxiety, affects demand, attendances and revenues, impedes full recovery and results in an increased management fee. Combined with a requirement for rescheduling and reprogramming throughout the year affecting venue availability and high rates of staff absence, the national trend of loss of staff to the sector following lockdown and an inability to recruit, all continue to impact the ability to provide high quality service across all venues.	Council Resilience Management Team oversight of Business Continuity and contingency planning lead on the tactical response to the ongoing pandemic. Monitor up to date Government guidance Sharing of key Health / Government advice with the public. Effective Trust and Council governance arrangements. Effective measures to ensure non staff costs are controlled are in place. Consultation and on-going engagement with customers via online channels to build demand, confidence and allay fears.	3	3	9	Trust staff training to identify new products, solutions and operating procedures. Close financial modelling and management Local management of opening/closures supported by multi-channel customer communications (website, sms, app, social media) Workforce Planning Group established	31/08/2022 1/4/2023 In line with SG guidance	3	2	6	Director of Education
S (24/08/2021)	2.9	Lack of appropriately skilled teacher workforce due to a combination of students and newly qualified teachers having experienced interrupted placements in school as a result of Covid. This leads to a reduction in the ability to adequately fill teacher vacancies and a reduction in quality of teaching and learning which in turn places an increased pressure on existing experienced teaching staff workload. Lack of appropriately skilled CDOs to support high quality learning provision in ELC settings	Re-establishment of working group to support the implementation of the new model in ERC schools.	2	3	6	Increased in school provision of mentoring and support for students and probationers. Actively support schools with failing probationers and students through the correct procedures for GTCS/University referral. In response to the developing picture on the Omicron variant, bespoke focussed Education discussions to take place on staffing solutions for key areas facing shortages. Any significant concerns and solutions will be escalated to the ELT, including possible exemptions, where appropriate. Revisit the ELC staffing strategies to consider actions required to support potential future expansion.	30/06/2022 30/06/2022 30/06/2022 31/12/2022	1	2	2	Director of Education

<p>C (04/03/2022)</p>	<p>2.10</p>	<p>Supporting the mass vaccination and asymptomatic testing programmes within East Renfrewshire leads to other key work being delayed or postponed resulting in longer timescales for projects or work not being undertaken and outcomes for residents being reduced. Challenges to the programmes may delay our citizens in receiving test results or their vaccinations.</p>	<p>The Council has determined that support to the Vaccination Programme is the Corporate priority.</p> <p>Both the Mass Vaccination and Asymptomatic testing programmes have a dedicated Lead Officer, supported by Project Leads in dedicated areas (e.g. HR, Property, Procurement). The CRMT and CMT structure is well established to deal with reporting and early escalation of issues, where the need arises and monitors levels of recovery.</p> <p>All Departments maintain Business Continuity Plans, which should identify acceptable levels of staffing/resource to maintain critical services.</p> <p>Regular engagement with partners - particularly NHS Greater Glasgow & Clyde.</p> <p>Regular briefings / updates are provided to the Corporate Management Team (CMT) and Elected Members on the progress of the Mass Vaccination Centres.</p> <p>Key messaging is appropriately shared with the community.</p> <p>Agreement is in place with the NHS on the staffing of Testing programmes across East Renfrewshire, providing longer term stability.</p> <p>Joint working has taken place between HR, East Renfrewshire Culture & Leisure Trust and Voluntary Action East Renfrewshire to identify volunteer resourcing to support longer term staffing of Vaccination Centres.</p> <p>Volunteer staffing resource is in place to support delivery of the vaccination programme, with Culture & Leisure Trust staff also utilised.</p> <p>The Council has a Lead Officer assigned to this area of working, along with identified Project Leads for avenues of working associated with it.</p> <p>Key officers regularly review Covid figures across East Renfrewshire - with a view to identifying which areas may require particular targeting.</p> <p>Experience of the May 2021 surge in cases has provided learning and identification of solutions to enhance testing locally - including community group engagement, enhanced communications, additional Mobile Testing Unit placements and testing kit collection.</p>	<p>2</p>	<p>4</p>	<p>8</p>	<p>Level of volunteer staffing or re-deployment of existing staff to be regularly reviewed and considered with escalation to CRMT if insufficient staff numbers identified.</p> <p>Need for additional testing solutions will be considered as appropriate in response to rising numbers of Covid cases or identification of areas of concern.</p>	<p>31/03/2022</p> <p>31/03/2022</p>	<p>2</p>	<p>4</p>	<p>8</p> <p>Chief Executive</p>
<p>S (03/06/2021)</p>	<p>2.11</p>	<p>The Covid-19 Pandemic results in additional deaths, which stretch the capacity of existing mortuary storage. This impacts on the NHS requiring the Council to provide additional facilities</p>	<p>The learning and processes of the previously used Hillington Additional Death facility can be utilised with support across the NHS Greater Glasgow & Clyde Health Board Councils (East Renfrewshire, Glasgow City, Inverclyde, West Dunbartonshire, East Dunbartonshire, Renfrewshire)</p>	<p>2</p>	<p>3</p>	<p>6</p>	<p>Continued review & engagement with appropriate agencies through the regular multi agency group meetings.</p> <p>Utilising volunteers and training staff to support key functions where possible.</p>	<p>31/03/2022</p> <p>31/03/2022</p>	<p>2</p>	<p>2</p>	<p>4</p> <p>Director of Environment</p>

Outcome 3: East Renfrewshire is a thriving, attractive and sustainable place for residents and businesses.

Risk Status S/C/N (Same, Changed, New)	Risk Number	Risk (Threat / Opportunity to achievement of business objectives)	Risk Control Measures (Mitigations) current in place	Likelihood (Probability)	Impact (Severity)	Risk Score	Proposed Risk Control Measures (Mitigations)	Date for completion	Re-scored Likelihood (Probability)	Re-scored Impact (Severity)	Re-scored Risk Score	Risk Owner
C (21/08/2021)	3.1	Glasgow and City Region City Deal infrastructure projects (including those projects outwith East Renfrewshire) do not proceed on schedule and/or do not produce the anticipated economic benefits resulting in a gap in funding provided by the UK and Scottish Government.	<p>City Deal projects are delivered within the governance, procedures & project management requirements set out in the City Deal Assurance Framework. Regular reporting on City Deal projects is provided for Governance meetings that are held every 2 months. Additionally, there are frequent project & team meetings, with issues raised with the Programme Management Office (PMO).</p> <p>There are rigorous checks of all business cases - initially through checks by the Governance Board, prior to going to the PMO. There is a further check by the PMO prior to expenditure approval and project implementation.</p> <p>Reproofing projects in terms of scope, timescales and cost to ensure the projects remain value for money, can be achieved within current budgets and still provide the required GVA with the Finance Business Partner.</p> <p>The City Deal Governance Group within the Environment Department is chaired by the Director of Environment and meets monthly, enabling monitoring of progress and issues relating to City Deal Projects.</p> <p>A Cabinet report updating on key City Deal elements has been compiled and was discussed at 3 June meeting.</p> <p>All existing & new employees receive regular training to ensure their project management knowledge is up to date. This includes all City Deal project managers being trained in NEC3 contracts and financial standing orders.</p>	2	3	6			2	3	6	Director of Environment
C (17/08/2021)	3.2	Increase in construction inflation costs may negatively impact on the planned capital plan and City Deal GVA (Gross Value Add).	<p>Major capital projects have been reviewed for inflationary impact in preparing the 2020/2021 to 2029/2030 Capital Plan. Reassessment of capital plan to ensure budget can be met.</p> <p>There is prudent budgeting and ongoing monitoring of reserves - including monitoring the effects of Brexit, Covid-19 and construction inflation on costs, availability of labour and changes to safe working practices.</p> <p>Building Cost Information Service (BCIS) is updated annually and the mid construction point is used to inflate projects, and notified to the Finance Service.</p> <p>Regular review of Government budgets and subsequent Council budgets takes place, to consider impacts on major projects.</p>	3	3	9	<p>Consider measures arising from impacts of any 2022/23 Scottish Government and subsequent Council budget on major projects.</p> <p>Re-profiling of 10 Year Capital Plan should significant variations occur or are likely to occur in a single financial year.</p>	31/05/2022 Long Term Consideration	3	2	6	Director of Environment

C (04/03/2022)	3.3	<p>Potential breaches of State Aid compliance leads to lengthy investigations, suspension of works leading to costly delays and financial penalties. This risk is complicated by the potential changes to UK State Aid guidance and procedures as a result Brexit and the EU-UK Trade Agreement in December 2020.</p>	<p>Close monitoring of capital expenditure/income against budget throughout year.</p> <p>State Aid references is made within appropriate Cabinet/Council reports, where relevant.</p> <p>A member of the Environment Department attends 2 meetings per year at the Scottish State Aid Local Authority Network, to keep up to date with any changes to State Aid compliance.</p> <p>Staff from Environment Department, Legal Services, Finance and Procurement have received training through the Scottish Government's State Aid Unit. Further training can be requested from the Scottish Government State Aid Unit. Council training is carried out every 2 years.</p> <p>There is an explicit inclusion of State Aid in East Renfrewshire Council's Financial Regulations and/or Standing Orders. Further information including examples of what constitutes State Aid is provided in the relevant links on the intranet (Home/Chief Executive's Office/State Aid Guidance)</p> <p>UK Government guidance has been published and is being updated. The current assumption highlighted by CoSLA is that authorities should continue using the EU rules as reference points which the new UK regime is being fully developed and consultation completed. UK Government Guidance is available at: https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities</p> <p>An annual State Aid return is provided to the Scottish Government each June.</p>	2	3	6	<p>Continued & enhanced Scottish State Aid Local Authority Network communications are taking place in light of UK changes to the State Aid regime (arising from EU Exit), with Environment Department staff engaged.</p> <p>In light of potential UK changes to the State Aid regime, review the requirement for updated training in light of any changes to the State Aid regime: considering opportunities for more officers to undertake this training. This will also encompass the two yearly knowledge update.</p> <p>There will be regular review of any UK Government guidance and position on the changes to State Aid that may result from EU Exit. Engagement will take place through the Scottish State Aid Local Authority Network and with the Scottish Government / COSLA to ensure that any changes the Council is required to make are compliant.</p>	31/01/2023 31/01/2023 31/01/2023	2	2	4	Director of Environment
C (28/01/2021)	3.5	<p>There is a risk of an internal structural collapse at Braidbar Quarry which could result in the ground surface opening up possibly leading to fatalities if restrictions on access are not maintained. Several residential properties are blighted by this site.</p>	<p>Full fencing of the site completed November 2019. Warning signs erected around the perimeter. Regular inspections are undertaken, with fencing repaired when the Council is notified of breaches. The Council documents its repair regime.</p> <p>Digitised record inspection records are retained and regularly updated.</p> <p>No mitigation factors are presently in place for an internal structural collapse other than protection of the public through restricted access.</p>	2	4	8	<p>Remediation of the affected land is the only measure which will completely remove this risk. Achieving this however would be a multi-million pound exercise and would require significant collaboration with land remediation specialists.</p>	Long Term Project	2	2	4	Director of Environment
S (14/04/2019)	3.7	<p>Impact of severe weather (caused by climate change) disrupting the functioning of the Council and its ability to deliver services.</p>	<p>Business Impact Assessments and Business Continuity Plans consider implications of sudden and severe weather events.</p> <p>The Council participates in Climate Ready Clyde (CRC) project to evidence the impacts of climate change on the area and its assets and develop a climate change risk and opportunity assessment, adaptation strategy and action plan.</p> <p>Continue to construct and maintain all buildings and infrastructure to the best possible standard to reduce likelihood of structural failure.</p> <p>Participate in Clyde And Loch Lomond Flood Risk Management Group (CALL)</p>	2	4	8	<p>Develop a Climate Change & Sustainability Strategy</p> <p>Adaptation Strategy being developed at Glasgow City Region level</p> <p>Implement the Climate Change and Sustainability Strategy</p>	To be determined 30/11/2022 To be determined	2	3	6	Director of Environment
S (21/12/2021)	3.8	<p>Lack of Government funding to address climate change leads to East Renfrewshire Council being unable to achieve targets at the same time as maintaining core services with resulting public criticism/reputational damage.</p>	<p>Regular petitioning of Scottish Government via COSLA takes place for adequate funding.</p> <p>The Council works closely with regional partners to ensure sharing of best practice.</p>	2	4	8			2	4	8	Director of Environment

Outcome 4: East Renfrewshire residents are safe and live in supportive communities

Risk Status S/C/N (Same, Changed, New)	Risk Number	Risk (Threat / Opportunity to achievement of business objectives)	Risk Control Measures (Mitigations) current in place	Likelihood (Probability)	Impact (Severity)	Risk Score	Proposed Risk Control Measures (Mitigations)	Date for Completion	Re-scored Likelihood (Probability)	Re-scored Impact (Severity)	Re-scored Risk Score	Risk Owner
C (28/03/2022)	4.1	inconsistent assessment and application of the public protection agenda (Child Protection, Adult protection and Multi-Agency Public Protection Arrangements- MAPPA) may result in risk of children or vulnerable adults being harmed and lead to non-compliance with legislative standards.	The operation of Child Protection Committee (CPC), Adult Protection Committee (APC) and MAPPA meetings deal with strategic and practice issues. "Safe Together" model implemented in HSCP. Regular reporting to COPP in place for adult, children and high risk offenders.	2	4	8	Introduce rolling review of PVGs on 3 yearly basis. Consistent with Care Inspectorate regulations. Strengthen reporting arrangements around SSSC registrations. (Short-life working group established Mar-22) Roll out "Safe Together" across Council	30/06/2022 30/06/2022 31/12/2022	1	4	4	Chief Officer HSCP
C (20/12/2021)	4.2	Acts of harassment, violence or intimidation, directed at particular religious or minority groups, impact on individuals and communities, resulting in harm and reduced confidence in being able to live safely and without fear within East Renfrewshire.	Local authorities have a duty under the Counter Terrorism and Security Act (2015) to have "due regard to the need to prevent people from being drawn into terrorism". The Council participates in multi-agency "Prevent" and "CONTEST" working groups, alongside other local authorities, Police Scotland and the Scottish Government, and has designated the Head of Digital and Community Safety as the Single Point of Contact (SPOC) for Prevent. The Council CRMT and the Civil Contingencies Service (CCS) ensure that appropriate business continuity and civil contingencies procedures are developed and maintained, to co-ordinate an effective response in the event of an incident impacting people, infrastructure or services. Where an individual has been identified as being at risk of being drawn into terrorism, there are well-established procedures for multi-agency case conferences (chaired by the Head of Adult Support and Protection) using the Prevent Multi Agency Panel (PMAP) referral process, with appropriate information sharing between the Council and Police to deliver targeted intervention activities. The establishment of a cross-departmental working group to develop actions to raise awareness amongst Council and Trust staff of the Prevent duty and identifying signs and risk factors of potential radicalisation.	2	4	8	Deliver work plan agreed by Prevent operational group to ensure education and awareness is received by the relevant staff groups.	31/03/2023	1	4	4	Director of Business Operations & Partnerships
C (28/03/2022)	4.4	Scottish Child Abuse Inquiry - Children accommodated by East Renfrewshire Council and legacy areas from 1930 may have been the victims of historical abuse whilst in foster care. Capacity to meet potential increase in demand in relation to access to records and potential claims against the Council as Inquiry work progresses	Adult Protection Committee and Child Protection Committee have been sighted on these issues. Final s21 submission made to the Inquiry in July 2020 in relation to the foster care case study. The Inquiry requested further information which was submitted in Jan-22. The Inquiry will begin to take evidence from Jun-22 onwards – it is unclear at this point whether ER will be cited to court Key learning from S21 work shared with managers Identified leads in HSCP working alongside legal services to manage the progress of any allegations/claims made.	3	3	9			3	3	9	Chief Officer HSCP

Outcome 5: Older people and people with long term conditions in East Renfrewshire are valued; their voices are heard and they enjoy full and positive lives												
Risk Status S/C/N (Same, Changed, New)	Risk Number	Risk (Threat / Opportunity to achievement of business objectives)	Risk Control Measures (Mitigations) current in place	Likelihood (Probability)	Impact (Severity)	Risk Score	Proposed Risk Control Measures (Mitigations)	Date for completion	Re-scored Likelihood (Probability)	Re-scored Impact (Severity)	Re-scored Risk Score	Risk Owner
C (28/03/2022)	5.1	Increase in older people, particularly very old, due to demographic changes leads to an over demand on certain services and failure to meet legislation, overspend and negative publicity.	<p>Scottish Government providing additional resources (winter planning) for Health and Social Care with emphasis on managing demographic pressures.</p> <p>Outcome Delivery Plan (ODP) and HSCP strategic plans build on foundation of wider council prevention and early intervention strategy for older people.</p> <p>UCC Delivery Plan approved by IJB in March-22.</p> <p>Concluded redesign work focusing on rehabilitation</p> <p>Annual budget setting takes account of demographic projections.</p>	3	3	9	<p>Reopen and further rollout of Talking Points as part of Community Led Support programme diverting people to community resources and building own assets. (Reviewed Mar-22)</p> <p>Reviewed front door arrangements to ensure fit for purpose in terms of recovery – new model launching Summer</p>	<p>Ongoing (review Aug 22)</p> <p>31/07/2022</p>	3	2	6	Chief Officer HSCP
C (28/03/2022)	5.2	Risk of failure of a key care provider, including care home, care at home and other care providers due to financial instability, staff recruitment and selection difficulties or significant care concerns. Consequences could include: - disruption to service delivery - requirement to implement contingency plans - impact on individuals and families with potential disruption to care arrangements	<p>We work with the Care Inspectorate to ensure robust action plans for improvement are in place.</p> <p>We work with providers at risk to agree phased and managed approach to closure if required. Escalation process in place.</p> <p>Work with Scottish Government, Scotland Excel and CoSLA on care home market.</p> <p>Scotland Excel framework provides larger provider base to mitigate risk.</p> <p>Care Home assurance group established May 2020 (meets twice weekly).</p> <p>Care homes reporting key information which is reviewed by the care home assurance group to allow management of risk and support.</p> <p>Two community hubs established to provide range of support to care homes within Greater Glasgow and Clyde e.g. nursing, infection control support.</p>	4	3	12	Reshape strategic commissioning plan based on outcome of the work exploring models of service delivery. Annual progress will inform our longer term approach.	30/09/2022	3	3	9	Chief Officer HSCP
C (28/03/2022)	5.3	Significant pressures and lack of service capacity (vacancies and absence) impacts on service delivery and quality standards. Impact on service users and carers.	<p>Increased resource to support robust absence management.</p> <p>Single base operating for Care at Home</p> <p>Embedded full time Pharmacy resource within the service (Jul-20).</p> <p>Ongoing quality assurance and monitoring activity in place.</p> <p>Significant recruitment progressing</p> <p>Increased OT resource to maximise outcomes and reduce supports required</p> <p>Payment of carried over annual leave made to increase staff availability</p>	3	4	12	<p>Re-mobilise the service redesign activity.</p> <p>Appoint Senior Manager – Interviews scheduled end March</p> <p>Conclude work to realign staff work patters in order to maximise resource</p> <p>Complete current phase of frontline staff recruitment and on boarding and induction</p> <p>Enhance data availability and reporting capability of hospital referrals</p>	<p>30/04/2022</p> <p>30/04/2022</p> <p>30/04/2022</p> <p>31/05/2022</p> <p>31/03/2022</p>	2	3	6	Chief Officer HSCP

Our Strategic Outcomes: Customer, Efficiency and People												
Risk Status S/C/N (Same, Changed, New)	Risk Number	Risk (Threat / Opportunity to achievement of business objectives)	Risk Control Measures (Mitigations) current in place	Likelihood (Probability)	Impact (Severity)	Risk Score	Proposed Risk Control Measures (Mitigations)	Date for completion	Re-scored Likelihood (Probability)	Re-scored Impact (Severity)	Re-scored Risk Score	Risk Owner
S (05/03/2021)	6.1	Reduced central government funding leading to failure to support the current level of service provision leading to public discontent and negative effect on the Council's reputation and increased pressure to draw down council reserves on future years' budgets.	<p>Budget Strategy Group</p> <p>Corporate Ownership</p> <p>Treasury Management Strategy</p> <p>Ongoing monitoring of Council reserves</p> <p>3 Year budget arrangements</p> <p>Change to financial planning timetable to allow earlier budget deliberations and a realignment of budget with council outcomes.</p> <p>Close monitoring of expenditure/income against budget throughout the year.</p> <p>Prioritisation of Digital Transformation Programme and continual review of projects to ensure effective progress and business cases.</p> <p>Budget aligns with conditions set out in Scottish Government settlement letter.</p> <p>Updated settlement figures received from Scottish Government.</p> <p>Long term budget and scenario planning. Outline Financial Plan, reserves and Council Tax level reviewed annually by Council.</p> <p>Education resources reviewed in context of school empowerment and carry forward limit agreed.</p>	3	3	9	<p>Review reserves and consider options for future years' utilisation/reclassification to assist with meeting budget pressures if required.</p> <p>Reintroduction of 3 year national settlements from 2023/24.</p>	<p>31/10/2022</p> <p>31/12/2022</p>	2	3	6	Head of Accountancy
C (22/03/2022)	6.3	Lack of appropriately skilled workforce due to the combination of loss of experience from redundancy / retirement, difficulties recruiting due to temporary contracts and shortage of skills in market place leads to a reduction in service levels damaging council reputation.	<p>Leadership Competencies (which are linked to Quality Conversation) and the Leaders of the Future Development Programme.</p> <p>Head of Service/Senior Manager lead in each department on workforce planning with an active corporate workforce planning group.</p> <p>Review of organisational and financial business case when considering redundancies/ early retireals.</p> <p>Workforce planning strategy in place.</p> <p>Succession planning toolkit available for managers.</p> <p>Actively support CoSLA working groups to benchmark best practices in workforce planning.</p> <p>Digital Transformation Programme launched with key programmes on Customer Experience; Business Systems & Processes and Workforce Productivity, supported by Organisational Development (OD) and a shared resourcing model including updated staffing structures.</p> <p>Strategic programme reporting for transformation programmes and investment reporting in place.</p> <p>Workforce plan updated detailing department actions and demonstrating alignment with financial plan.</p> <p>Digital champions in place to support O365 training.</p>	2	3	6	<p>Implement the actions from the Workforce Action Plan and start review of overall plan.</p> <p>Launch new governance for Digital Transformation from 1 April 2022 for delivery across 2022/23.</p>	<p>31/05/2022</p> <p>31/03/2023</p>	2	2	4	Director of Business Operations & Partnerships

<p>C (22/03/2022)</p>	<p>6.4</p>	<p>The drive to deliver our ambitious change programme has an adverse impact on our employees as they strive to balance a relentless pace and scale of change with day to day responsibilities, leading to slower delivery of benefits and/or lower performance as services go through change.</p>	<p>Modern Ambitious Programme in place since 2015. New Digital Transformation programme approved as part of Digital Strategy in June 2021, with launch 1 April 2022. Key programmes on Customer Experience; Business Systems & Processes; and Workforce Productivity. New governance in place to oversee progress, capacity, performance and delivery of benefits. Shared resources for digital transformation in plan via mix of revenue and Capital funding and use of Modernisation Fund to ensure projects are adequately resourced, including use of additional employees on temporary contracts where required. Skills development in support of change includes accredited Project Management Courses, agile courses, management training, training to assist with service redesign and new courses on user research, Service Design, following the Scottish Approach to Service Design Capital Bids required to demonstrate alignment to 5 capabilities and key outcomes. Consideration of flexible external assistance and skills when change projects require. Greater use of "agile" project methodology to chunk projects into smaller, more manageable iterations, with lower risk. Agile training delivered to Leadership cohort in March 2022. Review of Council's Values with Organisational Development (OD) Board to support delivery of change.</p>	<p>3</p>	<p>3</p>	<p>9</p>	<p>Implement first year of new approach to digital transformation project prioritisation, working with new programme governance to ensure a joint strategic approach to decisions on projects including assessments of benefits realisation, skills and capacity.</p>	<p>31/03/2023</p>	<p>2</p>	<p>3</p>	<p>6</p>	<p>Director of Business Operations & Partnerships</p>
<p>S (16/02/2021)</p>	<p>6.6</p>	<p>Failure to effectively manage the Council's information assets may lead to a risk of inadequate data handling, not adequately preventing loss of data and unlawful sharing of data may result in non-compliance with legislation in particular Data Protection Act 2018 (GDPR), Freedom of Information Scotland Act(2002) and Records Management Public Services Act 2011 Failure to incorporate information governance elements through a privacy by design approach into procurement, project management, process and technologies Inability to recognise the value of our information assets may result in lost opportunities to use data to inform decision making, transform services, support increased performance, enhance customer service and promote transparency and information quality assurance</p>	<p>Review of processes and procedures to ensure compliance with the General Data Protection Regulations and the Data Protection Act 2018 completed. Records Management Plan updated in line with Audit review and through ongoing revision. Retention schedule under ongoing review and revision. Review of policies and procedures is now complete and work is ongoing to ensure that policy and guidance is update to date and reflective of good practice. New guidance has been created and published in respect of Redaction which will ensure that personal data is not inadvertently published. Data Protection Policy has been revised to reflect the role of a dedicated Data Protection Officer (DPO). Service Privacy Notice Template updated and exercise in place to ensure that these are regularly reviewed. Annual Data Protection reporting mechanism to CMT established DPIA training course has been developed and delivered to nominated employee across the Council. Scheduled dates have been delivered for this year and will be scheduled on the corporate training calendar on future years. New breach reporting procedures have been created and are published. These have been delayed as a result of the regulator Code of Practice on SAR being published at the end of 2021. New guidance for those involved in the process will be available by June 2021. Self-assessment update on the Council's Records Management Plan which has been refreshed and updated was submitted to The Keeper of the Records of Scotland.</p>	<p>2</p>	<p>3</p>	<p>6</p>	<p>Establish a cross departmental group responsible for coordinating the implementation of information governance related statutory duties, organisational policies and progress a work plan to take forward the development and promotion of a positive information governance culture through targeted activities, technical controls, training and communications that supports a pragmatic and risk based approach to ensuring the confidentiality, integrity and availability of information assets whilst focusing on citizen and employee safety, business transparency, and legislative compliance. Assessment of requirements for storage of hard-copy records to be considered.</p>	<p>31/03/2023 31/03/2023</p>	<p>1</p>	<p>3</p>	<p>3</p>	<p>Director of Business Operations & Partnerships Chief Executive</p>

<p>C (20/12/2021)</p>	<p>6.7</p>	<p>Interruption to service or total inability to provide ICT services, resulting in impact to Council business, due to the loss of the Barrhead Data Centre and/or other critical infrastructure components due to fire, vandalism, equipment malfunction (including environmental controls).</p>	<p>Ensure that a robust data back-up and protection schedule for data is in place. Perform complete review of all current back-up arrangements to optimise resilience.</p> <p>Ensure that the Council reviews Business Continuity Plans at least annually.</p> <p>Ensure that equipment is regularly maintained and replaced as required.</p> <p>Ensure supplier(s) contracts support recovery activities.</p> <p>Undertake independent review of core infrastructure design and architecture to gain validation and assurance of both security and operational capability</p> <p>Improve monitoring and alerting of hardware and environmental systems to provide a proactive response.</p> <p>Secure a co-located Data Centre or equivalent geographically different Disaster Recovery capability at a commercial or partner location to increase resilience and provide necessary service continuity.</p> <p>The CMT agreed that Information Security training should be mandatory to raise employee awareness of cyber threats and handling information securely. A policy and awareness of this is being developed.</p>	<p>4</p>	<p>3</p>	<p>12</p>	<p>Undertake Critical Impact Assessments across all ICT delivered services to define priority for availability/recovery. Target updated from 31/03/22 to 31/08/22 to reflect delays incurred from email critical incident.</p> <p>Plan and perform regular audited disaster recovery tests and rehearsals. Target updated from 31/03/22 to 31/08/22 to reflect delays incurred from email critical incident.</p> <p>Develop an approach to adding out-of-hours monitoring and response for critical infrastructure to the ICT Service.</p>	<p>30/09/2022</p> <p>30/08/2022</p> <p>30/09/2022</p>	<p>2</p>	<p>2</p>	<p>4</p> <p>Director of Business Operations & Partnerships</p>
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<p>S (15/02/2021)</p>	<p>6.8</p>	<p>Failure to pay invoices, Covid-19 related payments and specific Educational Benefits Payments, within a specified timeframe (Local Government Benchmarking Framework indicator/Government requirements) or failure to pay said types of payments correctly (either through fraud or error), which could lead to cessation of supplies; risks to delivery of critical services; inappropriate payments; loss of funds to the Council; reputational damage to Council; issues with insurers; detrimental business/personal financial impact and possibly, legal action.</p>	<p>Clear segregation of duties across the payment process, including system across controls.</p> <p>Standard Operating Procedures (SOPs) and guides in place for teams, providing instruction other Policy and Procedures which must be adhered to.</p> <p>Full restructure of Accounts Payable Team now implemented, providing enhanced resilience.</p> <p>Range of controls in place which must be completed prior to and as part of the Payment Run. These include over/under £20,000 checks based on both value and sampling commensurate with risk.</p> <p>Use of AP Forensics system to identify potential duplicate payments prior to each payment run.</p> <p>Integra Financial system has a number of inherent controls relative to functionality, authorisation and checks.</p> <p>Monitoring and reporting mechanisms in place to provide for ongoing review of performance, errors, training needs etc.</p> <p>Use of external networks to share information on potential frauds.</p>	<p>2</p>	<p>4</p>	<p>8</p>	<p>Monitoring and controls have been reviewed and enhanced across general invoice, Covid-19 and Educational Benefit payment processing. Risk of overreliance on key managerial resource will be mitigated when Hardship Payment Team Leader joins in April 2022 (Temp appointment for 15 months). Given ongoing changing environment, the risk is subject to ongoing review with formal assessment to be undertaken Dec 2022</p> <p>Ongoing challenge to resource processing of Self-Isolation Support Grant in particular where spikes arise in Covid levels. This is being mitigated through support from other teams within ERC and external support.</p>	<p>31/12/2022</p> <p>31/10/2022</p>	<p>2</p>	<p>3</p>	<p>6</p>	<p>Director of Business Operations and Partnerships</p>
<p>C (21/03/2022)</p>	<p>6.12</p>	<p>Loss of data or interruption to service due to cyber attack from internal or external malicious actors, or indiscriminate malicious programmes, deriving from both Council operations and those of its supply chain.</p>	<p>ISO27001 range of technology, policy, procedures, standards and training exists across the council which is reviewed regularly to ensure it remains consistent with changes in technology, working practices and emerging threats.</p> <p>The CMT agreed that Information Security training should be mandatory to raise employee awareness of cyber threats and handling information securely. A policy and awareness of this is being developed.</p> <p>Security standards are reviewed and revised using a risk management approach.</p> <p>The Council is a member of several Information / Cyber Security groups to monitor emerging threats and risk and share security alerts.</p> <p>Ensure the security architecture follows layered approach as defined by best practice.</p> <p>Adopt and implement Scottish Government Cyber Resilience Action Plan which will result in Cyber Essentials Plus Accreditation.</p> <p>Information Security Schedule included within all procurement exercises establishing minimum security requirements supported by operational Data Sharing and Processing Agreements.</p>	<p>3</p>	<p>3</p>	<p>9</p>	<p>Due to heightened tensions as a result of the conflict in Ukraine, the Information Security Officer will liaise with Scottish Local Authority Information Security Group, CISP and other national bodies to ensure the Council defences are updated timeously on receipt of specific threat intelligence.</p>	<p>30/09/2022</p>	<p>3</p>	<p>2</p>	<p>6</p>	<p>Director of Business Operations & Partnerships</p>

<p>C (21/03/2022)</p>	<p>6.14</p>	<p>Failure to achieve anticipated benefits and savings from the Finance/HR/Payroll System would lead services short of capacity and risk service delivery.</p>	<p>Strong and robust Core Systems Programme and associated Project governance and risk and issues registers backed by appropriate level of resources.</p> <p>At least monthly meetings of the Core Systems Programme Board where Programme level risks and issues are discussed.</p> <p>Core Systems Programme Team using lessons learned from other public sector organisations who have implemented an integrated core corporate system.</p> <p>Regular engagement with a wide range of stakeholders across the Programme and Projects.</p> <p>Working closely with ICT, the Core Systems Team use enterprise architecture to ensure that the potential impact of each Project release is co-ordinated and accounted for.</p> <p>Identification and recruitment of employees with key skills and expertise to form the appropriate Programme Team and associated Project Teams in place.</p> <p>Business readiness reviews in place prior to "go live" for all workstreams and Departments.</p> <p>Phase 1 Finance system successfully implemented August 2019</p> <p>Phase 1 HR/Payroll system successfully implemented December 2020</p> <p>Identify set-up improvements to increase robustness of system.</p> <p>Staffing reviewed for transition from Core Systems Programme to new Business Systems & Processes programme for implementation from 1 April 2022.</p> <p>New governance for Business Systems & Processes Programme in place from 1 April 2022, with transitional handover meeting from Core Systems Board on 30/3/22.</p>	<p>3</p>	<p>3</p>	<p>9</p>	<p>Regular review of ongoing releases and project prioritisation with Business Systems & Processes Board & Corporate Management Team throughout 2022/23.</p>	<p>31/03/2023</p>	<p>2</p>	<p>3</p>	<p>6</p>	<p>Chief Executive</p>
<p>S (15/02/2021)</p>	<p>6.15</p>	<p>Failure to ensure adequate insurance cover is in place which cover includes (i) Cyber, Employer, Engineering, Motor, Property, Public Liability & Travel and (ii) potential Covid-19 (or similar pandemic) impacts where changes to Councils services are required, normal business is disrupted which may result in the Council incurring financial loss (additional expenditure) and reputational damage.</p>	<p>At time of renewal, Insurance Policies are reviewed to ensure the type and level of cover is adequate for the Council. This in conjunction with relevant departments.</p> <p>When reviewing content of the Strategic Risk Register, departments are now advised to consider potential insurance implications of risks and take advice.</p> <p>Quarterly meeting held with Insurance Providers to review Insurance arrangements (split between Renewals and Broker). This includes pricing and cover.</p> <p>Quarterly communication issued to department contacts to remind any changes which may impact upon Insurance Cover arrangements must be notified to Revenues.</p> <p>Revenues Operations Manager and Insurance Officer review of both claims experience and wider environment which may impact upon level and type of cover</p> <p>A review the Strategic Risk Register to ensure that adequate consideration has been given to insurance implications of existing risks has been undertaken.</p>	<p>2</p>	<p>4</p>	<p>8</p>	<p>Insurers are to be further engaged, with specific focus upon Covid -19 related impacts upon East Renfrewshire Council services and requisite necessary insurance arrangements, also taking cognisance of Industry wider Public sector practices</p>	<p>30/09/2022</p>	<p>2</p>	<p>3</p>	<p>6</p>	<p>Director of Business Operations and Partnerships</p>

<p>C (21/03/2022)</p>	<p>6.16</p>	<p>As a result of current events that impact the UK politically - there is a disruption to Council operations and the services we provide, including frontline and support services.</p> <p>EU Exit related changes, including: trade, legislation and enforcement arising from the UK no longer being within the EU may lead to significant disruption to services in understanding the new regulatory landscape and / or presents potential for a two tiered system (with European and Scottish / UK standards). This includes changes that may arise through the Internal Market Act.</p> <p>The conflict in Ukraine may lead to significant volumes of displaced individuals residing in East Renfrewshire, requiring support and potentially facing complex needs. Additionally, the conflict in Ukraine may lead to disruptions in key supply areas - with Russia and Ukraine making up significant amounts of global exports in wheat and gas, for example.</p>	<p><u>EU Exit</u> For EU Exit, a cross-Departmental Working Group is in place to regularly engage and review the situation - ensuring appropriate action is undertaken. Regular reporting takes place as appropriate to groups including the Council Resilience Management Team, Corporate Management Team and Audit & Scrutiny - highlighting key EU Exit issues.</p> <p>Engagement with COSLA on longer term EU Exit risk identification and mitigation took place on 27 May 2021 and is supported by regular updates.</p> <p>Environmental Health collective engagement with other Local Authorities, COSLA and the Scottish Government - to ensure that Export Health Certificates and associated concerns are considered and addressed.</p> <p><u>Ukrainian Situation</u> In the event of displaced person support being required; learning and best practice from previous instances will be applied.</p> <p><u>Broader Mitigations</u> The Council Resilience Management Team (CRMT) framework is flexible enough to allow stand up if events escalate and cause concern to service delivery - reporting as required and maintaining oversight of key issues.</p> <p>The Council has good links to key local, regional and national organisations that will ensure appropriate information is shared - along with the ability to seek support and follow best practice.</p> <p>Service specific mitigation in place where identified as appropriate.</p> <p>Specific services maintain up to date policies and procedures; reflective of their duties and obligations.</p>	<p>2</p>	<p>3</p>	<p>6</p>	<p>Work in collaboration with COSLA - who are scoping a full impact assessment that will look to untangle Covid and EU Exit impacts.</p> <p>Continued monitoring of any developments, including the changing legal landscape, with a view to identifying any significant known changes. This will enable relevant departments to consider training and updating of procedures where required.</p>	<p>31/12/2022 31/12/2022</p>	<p>2</p>	<p>3</p>	<p>6</p>	<p>Directors of Business Operations & Partnerships and Environment</p>
<p>C (04/03/2022)</p>	<p>6.18</p>	<p>The re-emergence, escalation or further waves of Covid-19 (or any other emerging pandemic) result in increased controls and restrictions being implemented within East Renfrewshire.</p> <p>This may impact on provision of services through: staff availability, supply chain issues, increased service demand, financial and service planning upheaval.</p>	<p>Council Resilience Management Team oversight of Business Continuity & contingency planning and would lead on the tactical response to any pandemic. This will include monitoring Government & Health Guidance, ensuring up to date and consistent staff & public messaging - which will include Managers Guidance.</p> <p>Bespoke Council Resilience Management Team Sub Groups have been established during the response for Covid-19 and can be utilised for further waves / pandemics. The need for dedicated Sub Groups will be continually monitored, to reflect the situation.</p> <p>Up to date Contingency Planning arrangements: including Pandemic Guidelines for the Council and HSCP; Business Continuity and Incident Response Procedures.</p> <p>Established links to NHS Public Health and appropriate Multi Agency partners (included through Local and Regional Resilience Partnerships).</p> <p>Lobbying Scottish & UK Government for funding / flexibilities to address the additional financial pressures relating to Covid-19.</p> <p>CRMT meeting schedule has been variable throughout the pandemic - allowing response to developing pictures. Meeting frequency has flexed and enhanced in response to elements of concern, e.g. Omicron Variant..</p>	<p>3</p>	<p>3</p>	<p>9</p>			<p>3</p>	<p>3</p>	<p>9</p>	<p>Chief Executive</p>

<p>C (04/03/2022)</p>	<p>6.20</p>	<p>Supporting the mass vaccination, testing programmes and other key Covid-19 response work streams within East Renfrewshire leads to other key work being delayed or postponed resulting in longer timescales for projects or work not being undertaken and outcomes for residents being reduced.</p>	<p>The Council has determined that support to the Vaccination Programme is the Corporate priority.</p> <p>Both the Mass Vaccination and Asymptomatic testing programmes have a dedicated Lead Officer, supported by Project Leads in dedicated areas (e.g. HR, Property, Procurement). The CRMT and CMT structure is well established to deal with reporting and early escalation of issues, where the need arises and monitors levels of recovery.</p> <p>All Departments maintain Business Continuity Plans, which should identify acceptable levels of staffing/resource to maintain critical services.</p> <p>Regularly review of membership of each work stream, ensuring that it is up to date and reflective of the prevailing circumstances.</p> <p>Regular engagement with partners - particularly NHS Greater Glasgow & Clyde.</p> <p>Regular briefings / updates are provided to the Corporate Management Team (CMT) and Elected Members on the progress of the Mass Vaccination Centres.</p> <p>Key messaging is appropriately shared with the community.</p> <p>Agreement is in place with the NHS on the staffing of Testing programmes across East Renfrewshire, providing longer term stability.</p> <p>Joint working has taken place between HR, East Renfrewshire Culture & Leisure Trust and Voluntary Action East Renfrewshire to identify, train and establish volunteer resourcing to support longer term staffing of Vaccination Centres.</p> <p>Vaccination centres to support seasonal flu and ongoing Covid-19 immunisations will take place at Barrhead Health & Social Care Centre (weekends) and Carmichael Hall.</p> <p>CRMT is regularly capturing Service backlog information - which will regularly be reported to CMT and Members as appropriate. This includes if any Critical Functions are at risk - with the CRMT considering and suggesting strategies to protect these services during key periods (e.g. winter weather, new variants, etc.).</p> <p>Enhancement of vaccine centre offerings has been agreed for December 2022 in conjunction between the Council, HSCP, Trust and NHS. This is in response to concerns arising from the emergence of the Omicron variant.</p>	<p>4</p>	<p>3</p>	<p>12</p>	<p>31/12/2022 30/04/2022</p>	<p>4</p>	<p>3</p>	<p>12</p>	<p>Chief Executive</p>
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<p>C (29/03/2022)</p>	<p>6.22</p>	<p>Our major works capital programmes face significant pressures as a result of raw material costs, supplier costs, supply chain or contractor difficulties as a result of Covid, Brexit and the war in Ukraine. This will have a detrimental impact on the costs and/or timescales related to the delivery of projects.</p>	<p>EU Exit pressures are highlighted through the Brexit Working Group and shared appropriately.</p> <p>The Capital Asset Management Group regularly meets, allowing projects to be tracked - with concerns reported and appropriate interventions considered.</p> <p>Members approval would be sought through the budget monitoring reports of any minor changes to the approved plan and that a separate report would be submitted to Cabinet for approval should there be any substantial changes.</p> <p>Economic situation monitored via Directors of Finance network/ Liaison with Scottish Government via COSLA to keep up to date with likely developments on UK/Scottish settlements.</p> <p>Corporate Management Team consider possible implications for services and take action as appropriate.</p> <p>The price of goods / services is reviewed by appropriate officers within Departments, with concerns raised at an early stage against significant increases. Business Continuity planning considers alternative suppliers to ensure key service continuity.</p>	<p>4</p>	<p>3</p>	<p>12</p>	<p>Value engineering of current and future projects to remain within budget.</p> <p>Virement from other projects.</p> <p>Rescheduling of projects into future financial years.</p> <p>Re-profiling of 10 Year Capital Plan should significant variations occur or are likely to occur in a single financial year.</p>	<p>31/03/2022</p> <p>Long Term Consideration</p> <p>Long Term Consideration</p> <p>Long Term Consideration</p>	<p>3</p>	<p>3</p>	<p>9</p>	<p>Director of Environment</p>
<p>C (21/03/2022)</p>	<p>6.23</p>	<p>High workloads with additional work as a result of the Covid-19 pandemic coupled with business as usual may impact on employee absence and poor wellbeing and also may impact on project delivery resulting in delayed deadlines which could damage the Council's reputation.</p>	<p>Counselling support accessible via manager or self referral is available for all of our officers.</p> <p>An array of corporate wellbeing advice is provided including signposting to different types of support.</p> <p>Promotion of temporary flexible working options and taking annual leave to prevent fatigue.</p> <p>Governance in place via CRMT and project boards for escalation of resource and timescale issues. Appropriate communications developed if wider messaging required.</p> <p>Regular Council reports to update on impact of Covid within the organisation.</p> <p>Review approach to mental health and understand by benchmarking if there are other supports that could be provided.</p>	<p>3</p>	<p>4</p>	<p>12</p>	<p>Continue to review approach to mental health and understand by benchmarking if there are other supports that could be provided.</p> <p>Introduction of health and wellbeing strategy and associated action plan to support employee health and wellbeing.</p>	<p>31/03/2023</p> <p>30/06/2022</p>	<p>2</p>	<p>4</p>	<p>8</p>	<p>Director of Business Operations and Partnerships</p>
<p>S (14/9/2021)</p>	<p>6.24</p>	<p>The COVID-19 Pandemic reduces community activity and diverts staff resources away from being able to identify, plan and deliver Participatory Budgeting (PB) opportunities resulting in the Council failing to meet its goal of 1% of spend being via Participatory Budgeting.</p>	<p>Participatory Budgeting training and briefings being delivered refresh staff awareness and understanding as required.</p> <p>Regular updates to Corporate Management Team on progress.</p> <p>Support being given to Departments to develop PB proposals.</p> <p>Examples of good practice from other authorities being identified and shared with services.</p>	<p>4</p>	<p>3</p>	<p>12</p>	<p>Develop multi-year PB project pipeline beyond 22/23 to build on current activity, provide sufficient advanced planning time to services and reduce the risk of not meeting the 1% goal in future years.</p>	<p>31/03/2023</p>	<p>2</p>	<p>3</p>	<p>6</p>	<p>Director of Business Operations and Partnerships</p>
<p>C (04/03/2022)</p>	<p>6.25</p>	<p>COVID-19 developments lead to more stringent isolation requirements. This impacts on the number of staff available - which may limit the delivery of key COVID-19 workstreams (Vaccination Centres, Testing, Isolation Support, etc.) and potentially limits our ability to offer key services / service as normal. As well as the risk to normal Council & Trust business at present more stringent isolation requirements may arise through variants of concern, worry about NHS impacts, symptoms caused, etc.</p>	<p>Business continuity plans are in place and regularly updated with a view to identifying critical services and the resources needed to deliver these.</p> <p>CMT and CRMT maintain regular oversight of concerns within Departments, allowing interventions or support to be considered.</p> <p>Regular COVID reporting is provided to Elected Members, identifying issues, backlogs, etc.</p> <p>Critical Functions oversight has restarted through the CRMT, with escalation to CMT where required.</p> <p>Internal volunteer processes have restarted - with particular emphasis on the Festive period 2021/22</p>	<p>3</p>	<p>3</p>	<p>9</p>			<p>3</p>	<p>3</p>	<p>9</p>	<p>Chief Executive</p>

EAST RENFREWSHIRE COUNCILAUDIT AND SCRUTINY COMMITTEE7 April 2022Report by ClerkIMPLEMENTATION OF 2021/22 WORK PLAN, OUTCOME OF SELF-EVALUATION
AND WORK COMPLETED SINCE 2017

1. To provide an update on the implementation of the 2021/22 Audit and Scrutiny Committee Work Plan and related issues; seek approval of the observations and recommendations made by the committee arising from its self-evaluation; and consider the draft report prepared reviewing the committee's activities from 2017 to 2022.

RECOMMENDATIONS

2. It is recommended that the committee:-
- (a) notes and considers performance against the committee's 2021/22 Annual Work Plan;
 - (b) approves the summary of observations and recommendations made arising from its self-evaluation;
 - (c) considers if any amendments should be made to the draft report prepared reviewing the committee's activities from 2017 to 2022;
 - (d) agrees to authorise the Clerk, in liaison with the Chair, to fine-tune and finalise the report reviewing its activities from 2012 to 2017 during the forthcoming weeks prior to the local government Elections; and
 - (e) notes that reports on the committee's 2022/23 Work Plan will be submitted to future meetings of the committee following the forthcoming local government Elections.

PROGRESS MADE ON COMMITTEE'S 2021/22 WORK PLAN

3. In June 2019, as recommended by the committee, the Council approved a *Guide to Scrutiny and Review* which was distributed to all committees and Members of the Council for their use.

4. Amongst other things, to help the Audit and Scrutiny Committee schedule and prioritise its work over the course of each year, the guide proposed that an annual Work Plan be developed and agreed. This was to help provide transparency, openness and evidence of the Council's ongoing commitment to demonstrating Best Value and continuous improvement in the interests of local residents, customers and service users in accordance with the strategic priorities and outcomes of the Community Plan; Vision for the Future (Corporate Plan); and the Outcome Delivery Plan. As appropriate, the Work Plans prepared 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 *Guide to Scrutiny and Review*, enhanced by a priority rating scale that

was developed to help determine further what work is considered a high, medium or low priority to progress, and if work should be pursued on some suggested issues at all.

5. In April 2021 the committee noted performance against its Annual Work Plan for 2020/21, and approved its 2021/22 Work Plan to the extent it had been developed. It was highlighted that the 2021/22 Work Plan would effectively be a 'live' document, agreed that development of the Plan should continue, and noted that progress on delivering it would be reviewed in due course. As for the 2020/21 Work Plan, the 2021/22 Plan included reference to recurring reports considered every year, such as on treasury management, Internal Audit work and risk management.

6. Further to the progress report submitted to the committee in January 2022 on implementation of the 2021/22 Work Plan by that stage, an updated version of the Plan and related notes is attached (see Appendix 1) which refers to progress on various issues and related matters.

7. It was highlighted last April that the 2021/22 Work Plan took account of national and local external audit reports which had been or were to be published during that financial year, to the extent the position on this was known at that point, to allow comments on the local position on issues to be sought from officers for consideration under the committee's specialisation arrangements. It was also highlighted that the Auditor General, the Accounts Commission and Audit Scotland were responding to the risks to public services and finances from COVID-19 across the full range of its audit work, including annual audits and the performance audit programme; and that in view of the position on COVID-19, Audit Scotland was maintaining a pragmatic and flexible approach which would enable changes to be made to its approach at short notice as new issues emerged or risks changed in significance.

8. Further to the above it was reported, in April 2021 and January 2022, that the External Auditor had confirmed that there had been some changes to planned reports for the year and that some dates remained to be finalised. The committee's 2021/22 Work Plan has been updated since April as the position on the publication of reports was clarified. The External Auditor confirmed which further reports could be published in the first few months of 2022. Although some have been published, taking account of the need to allow sufficient time for feedback to be sought and prepared for submission to the committee, feedback on these will be submitted following the forthcoming local government Elections as part of the committee's 2022/23 Work Plan.

9. Reference has been included in the update to potential review areas, as identified by the current committee, on which there were plans to pursue some work in due course but on which it has not been agreed to progress any further work thus far. Amongst other things, reference is also included to the Audit Scotland *COVID-19 Scrutiny Guide for Audit and Risk Committees* published in August 2019 on which the committee received comments at one point. As highlighted previously, taking account of other updates Elected Members are receiving on COVID-19 such as submitted to the Council, it remains an option for Members to request an update on issues raised in that Guide by exception, should they wish to do so.

10. As highlighted in January, in view of the forthcoming local government Elections and as the committee's meeting on 7 April is the final one during the current Administration, reference has been included in the update to items to be considered at this meeting. Reference will be made to these in the 2022/23 Work Plan also.

11. The committee is invited to note and consider performance against the 2021/22 Work Plan, which includes reference to some new issues that were added to the Plan since it was approved in April 2021, and the issues scheduled to be considered at this meeting.

REVIEW OF COMMITTEE'S WORK SINCE 2017

12. 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 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 past 5 years, in April 2021 it was proposed that a short, focussed report be prepared again on key aspects of work undertaken since 2017.

13. A copy of the draft is attached for consideration (see Appendix 2). Members are invited to comment on any amendments they wish to propose at this stage and to note that work will be progressed with the Communications Team on the final formatting of the document. It is also proposed that the Clerk, in liaison with the Chair, be authorised to fine-tune and finalise the report prior to the local government Elections.

SELF-EVALUATION

14. Both the 2021/22 Work Plan and 2017-2022 review report makes reference to a self-evaluation exercise progressed by the committee. It is recommended that Audit Committees review their effectiveness as often as annually, the committee's view in 2017 being that periodic self-evaluations are useful, such as for analysing performance, enhancing practices, and identifying how it can support the work of the Internal Audit service for example. However it was felt by the committee then, and still is, that doing this as frequently as annually is neither a necessary nor efficient use of its limited time and resources. In August 2017, the committee agreed that a self-evaluation be carried out at least once during the life of this Council. It was subsequently agreed that this work would be progressed prior to the local government Elections in May 2022, with a report on the outcome submitted at this time.

15. In 2012 and 2017 a self-assessment tool developed by the Audit Committee Institute (ACI) to help such committees assess their own effectiveness was used following its adaptation for local authority use. This time, further to various discussions, including with the Chair, the External Auditor and the Head of Accountancy (Chief Financial Officer), it was agreed to use tools made available by the Chartered Institute of Public Finance and Accountancy (CIPFA) for the review on what is accepted as best practice for local authority audit committees.

16. More specifically, 3 documents within the CIPFA *Practical Guidance on Audit Committees for Local Authorities and Police* (2018) were used and the focus of discussions:-

- **A Knowledge and Skills framework**, which focussed on core areas of knowledge; specialist areas of knowledge; and core skills, including:-
 - Organisational issues
 - The roles and functions of the committee
 - Governance matters
 - Internal and External Audit
 - Financial management and accounting
 - Risk management
 - Treasury management
 - Strategic thinking and understanding of materiality
 - Questioning, constructive challenge and objectivity

- The focus on improvement
 - Communication and the needs of users
 - Meeting management skills
- **A Good Practice Self-Assessment**, which focussed on the extent to which there is compliance with principles set out in the CIPFA Guidance, including on the:-
 - Committee's purpose and related governance issues (e.g. if there is a dedicated audit committee, its terms of reference and acceptance of its role)
 - Membership of the committee and support (e.g. its separation from the Executive, availability of training to support its membership, its relationships with key people, and secretariat and administrative support)
 - Effectiveness of the committee (e.g. of its meetings, engagement with leaders and managers, how it adds value, and plans to address its weaknesses)
 - **An Evaluation of Effectiveness Checklist**, which focussed on helping Members consider where the committee is most effective and where there is scope to do things differently such as, for example, on:-
 - Promoting good governance principles and their application to decision making
 - Contributing to the development of an effective control environment
 - Advising on the adequacy of the assurance framework and considering if assurance is deployed efficiently and effectively
 - Supporting the quality of the Internal Audit activity
 - Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks

17. Discussions were pursued during 3 informal meetings on 20 January and 4 and 17 February, in advance of which copies of the templates were made available to the committee to help them prepare, as well as the Head of Accountancy (Chief Financial Officer) and a representative of the Internal Audit team. At the meetings, based on discussions, ratings, related comments and views and, observations and recommendations to pass on to those serving on the committee following the forthcoming Elections were recorded by the Clerk. Following the meetings, the final templates were prepared based on views expressed, copies of which are available from the Clerk, and related observations and recommendations were summarised. All were circulated to the committee and others involved in the discussions for review to allow any final comments to be made.

18. On the basis of the outcome of the committee's self-evaluation, a list of observations and also recommendations on matters where room for some improvement is considered to exist in its view, listed under various categories, has been prepared (see Appendix 3) to pass on to those appointed to the new committee established after the election in May and others as considered appropriate. The committee are invited to consider if they wish any further changes made to the issues listed.

CONCLUSION

19. 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 2021/22 and also the work it has progressed between 2017 and 2022. Following completion of the committee's self-evaluation, related observations and recommendations to pass on are provided for approval.

RECOMMENDATIONS

20. It is recommended that the committee:-
- (a) notes and considers performance against the committee's 2021/22 Annual Work Plan;
 - (b) approves the summary of observations and recommendations made arising from its self-evaluation;
 - (c) considers if any amendments should be made to the draft report prepared reviewing the committee's activities from 2017 to 2022;
 - (d) agrees to authorise the Clerk, in liaison with the Chair, to fine-tune and finalise the report reviewing its activities from 2012 to 2017 during the forthcoming weeks prior to the local government Elections; and
 - (e) notes that reports on the committee's 2022/23 Work Plan will be submitted to future meetings of the committee following the forthcoming local government Elections.

Report Author: Linda Hutchison, Clerk to the Committee (0141 577 8788)
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Background Papers

CIPFA Practical Guidance on Audit Committees for Local Authorities and Police (2018)
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 & Scrutiny Committee Work Plans 2020/21 and 2021/22 - Reports by Clerk (April 2021 and January 2022)

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Audit and Scrutiny CommitteeUpdate on Implementation of 2021/22 Work Plan

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
29 April 2021	Consultancy Expenditure and Related Log (See Note 1 below)	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)	24/6/21
	Code of Corporate Governance 2021/22	Deputy Chief Executive	24/6/21
	Internal Audit Plan 2020/21 - Implementation Progress – January to March 2021	Chief Auditor	24/6/21
	Internal Audit Strategic Plan 2021/22 – 2025/26		24/6/21
	National External Audit Report - Improving Outcomes for Young People Through School Education	Clerk in liaison with Director of Education	24/6/21
	National External Audit Report - Digital Progress in Local Government	Clerk in liaison with Deputy Chief Executive and Chief Executive	24/6/21

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
24 June 2021 (Cont'd)	National External Audit Report - Self-Directed Support (SDS) - 2017 Progress Report - Impact Report - Future SDS Development Activity	Clerk in liaison with Chief Officer, Health and Social Care Partnership	24/6/21
12 August 2021	Annual Treasury Management Report 2020/21	Head of Accountancy (Chief Financial Officer)	12/8/21
	Internal Audit Annual Report 2020/21	Chief Auditor	23/9/21
	Internal Audit Plan 2021/22 - Implementation Progress - April to June 2021		12/8/21
23 September 2021	Public Sector Internal Audit Standards (PSIAS) Internal Self-Assessment	Chief Auditor	12/8/21
	Strategic Risk Register and Risk Management Progress – Biannual Report	Chief Executive	23/9/21
	Managing the Risk of Fraud and Corruption - East Renfrewshire Council Annual Fraud Statement 2020/21 (Including Audit Scotland Fraud and Irregularity Report 2020/21)		23/9/21
	National Fraud Initiative – Update	Report by Head of Communities, Revenues & Change	23/9/21
	Managing Absence – 2020/21 Annual Report	Deputy Chief Executive	23/9/21
	Summary of Early Retirement/ Redundancy Costs to 31 March 2021		23/9/21
	Withdrawal from European Union – Update (See Note 2 below)	Director of Corporate & Community Services and Director of Environment	23/9/21

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 Wished to Pursue Further Feedback</i>) (See Note 3 below)	Clerk to the Committee	25/11/21 (<i>See Chair's Report</i>)
	National External Audit Report - Local Government Overview (Challenges and Performance)	Clerk in liaison with Deputy Chief Executive	12/8/21
25 November 2021 (See Note 4 Below)	2020/21 Annual Accounts and Draft Annual Audit Report for East Renfrewshire Council	Head of Accountancy (Chief Financial Officer) and External Auditor	25/11/21
	2020/21 Annual Accounts for Council's Charitable Trusts and External Audit International Standard on Auditing 260 Report		25/11/21
	Interim Treasury Management Report 2021/22	Head of Accountancy (Chief Financial Officer)	25/11/21
	Internal Audit Plan 2021/22 – Implementation Progress – July to September 2021	Chief Auditor	25/11/21
	Update on Implementation of Recommendations Accepted Regarding Audit and Scrutiny Committee's Investigations on:- (i) Income Generation and Commercialisation; and (ii) Climate Change. (See Note 5 Below)	Chief Executive Director of Environment	20/1/22
	National External Audit Report - Impact of COVID-19 on Scottish Councils' Benefit Services	Clerk in liaison with Head of Communities, Revenues and Change	20/1/22
	Update on Audit and Scrutiny Committee Work Plan 2021/22	Clerk to the Committee	20/1/22

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
20 January 2022 (See Note 4 Below)	<i>As of April 2021, when the Work Plan was approved, no items were scheduled to be considered in January 2022 but, as reflected above, various issues originally scheduled for November are now being considered in January 2022</i>	N/A	N/A
17 February 2022 (See Note 4 Below)	Internal Audit Plan 2021/22 – Implementation Progress October to December 2021	Chief Auditor	17/2/22
	Treasury Management Strategy 2022/23	Head of Accountancy (Chief Financial Officer)	17/2/22
	Withdrawal from European Union – Update (See Note 2 below)	Director of Corporate & Community Services and Director of Environment	17/2/22
7 April 2022 (See Note 4 Below)	East Renfrewshire Council - Annual Audit Plan 2021/22	External Auditor	7/4/22
	Strategic Risk Register and Risk Management Progress - Biannual Report	Chief Executive	7/4/22
	Work Progressed by Committee Since 2017; Performance Against 2021/22 Work Plan; and Self-Evaluation (See Note 6 Below)	Clerk to the Committee	7/4/22

NOTES ON WORK PLAN

Note 1 (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 established on the appointment of consultants and related issues. The committee noted a report on this issue in June 2020, and agreed that further reports on consultancy expenditure, as referred to in the log created for this by the Chief Officer (Legal and Procurement), be submitted annually after the end of each financial year. Reference to this was included in the 2021/22 Work Plan and will be included in future Work Plans. The next report is scheduled to be submitted in June 2022.

Note 2 (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., had also been considered. Audit Scotland had also 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 the committee to allow its 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 other Council officials.

A report on the UK's withdrawal from the EU was to have been submitted 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. Since then, at the request of the committee, the Brexit Coordinator (now the Resilience Coordinator) has provided further updates in November 2020, March and September 2021 and February 2022. Subsequent to various meetings, at the request of the committee, he has provided clarification on a range of issues which has been circulated, including on the EU Settlement Scheme, funding issues and State Aid.

When the most recent report was submitted in February 2022, the committee agreed that the Resilience Coordinator should provide further information to the Clerk for circulation to Members on telephone charges, the length of time the temporary Fuel Poverty Worker had been appointed for, and to what extent the Shared Prosperity Fund would replace EU structural funding. Otherwise the report and related comments made were noted.

Note 3 (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.

When feedback and comments on these issues were submitted in November 2020, the committee agreed that a further update be provided 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. It was noted that the Performance and Audit Committee of the Integration Joint Board (IJB) had also been considering issues raised within the Guide.

On 18 March 2021, the Chair reported he had sought and received confirmation that the feedback dated 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, it was noted that no other issues had been identified by members of the Committee that they wished followed up at that stage; noted that it remained an option to seek further updates on specific issues at any point; and agreed that it might be useful to review the position later in 2021, 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.

Thus far no issues have been identified by members of the Committee that they wish followed up further, taking account of other information available to them, such as the reports being submitted to the Council on COVID-19 issues. On 25 November 2021 the Chair highlighted, and it was noted, that it remains an option to seek further updates on specific issues at any point through either the Chair or Clerk.

Note 4 (Meeting Dates)

The dates of some meetings of the Committee were subject to approval of the calendar of meetings by the Council in June 2021 and the position on other issues. The meeting on 18 November was rescheduled to 25 November to allow reports on 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 to be considered then, following which they were submitted to the full Council. This met the External Auditor's revised requirements regarding the signing of the 2020/21 Annual Accounts by the end of November 2021.

When the 2022 calendar of meetings was approved, it was agreed that meetings of the Committee prior to the local government Elections in May 2022 would take place on 20 January, 17 February and 7 April 2022. The Work Plan now reflects the final dates of meetings approved by the Council.

Note 5 (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. 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 made by the Committee.

In November 2020, having noted the responses approved by the Cabinet to both investigations, including the extent to which the recommendations had been accepted, the committee agreed that reports be submitted on progress on implementation of the recommendations accepted by the Cabinet as part of the committee's 2021/22 Work Plan.

As scheduled, the updates were considered by the committee on 20 January 2022. Regarding the *Income Generation and Commercialisation* investigation, the committee agreed that further clarification be sought, for circulation by the Clerk, on issues raised at the meeting regarding Recommendations 1, 2, 3, 4, 6, 7, 10 and 11 of the report, and otherwise noted the report and related comments made. Regarding the *Climate Change* investigation, the committee agreed that the Head of Environment (Strategic Services) seek and provide further clarification to the Clerk for circulation to members of the Committee on issues raised at the meeting on public transport and the environmental measures to be installed in the new Eastwood Leisure Complex and what its carbon dioxide emissions would be compared to the current facility. Otherwise, the report and related comments made were noted.

Note 6 (Audit and Scrutiny Committee Self-Evaluation and Summary of Work Undertaken Since 2017)

In April 2021 the committee agreed, as has been the case in the past, that prior to the local government Elections in 2022 a short, focussed report be prepared overviewing work the Committee has undertaken during the current Administration; and that a further self-evaluation exercise be completed. As scheduled, drafts have been submitted to the committee for consideration on 7 April 2022. Self-evaluations are considered 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 the committee's view remains that progressing these as frequently as annually is neither necessary nor an efficient use of its limited time and resources.

Note 7 (External Audit Reports)

The External Auditor confirmed that a number of reports, briefings etc. were due to be published in the first few months of 2022, such as the financial overview of local government 2021/22. It was highlighted in January that, subject to when they were published and the content, they might be circulated if there was sufficient time for feedback to be sought for submission to the committee prior to the local government Elections. The most recent reports published will be the subject of reports to the committee following the Elections as part of its 2022/23 Work Plan.

Note 8 (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 at its meeting on 21 January 2021. Arrangements were made to enable other Members of the Council to view it if they wished. The committee noted the presentation and that any further comments or feedback on the website could be sent to the Communications Manager for consideration. Discussions on progressing any more detailed work are outstanding as of April 2022.

Note 9 (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 that 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 2020, 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. Discussions on any more detailed work to be progressed are outstanding as of April 2022.

Note 10 (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 in November 2019. Discussions on any more detailed work to be progressed are outstanding as of April 2022.

Note 11 (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 may be considered as part of the committee's 2022/23 Work Plan.

East Renfrewshire Council
Audit and Scrutiny Committee

Report on activity 2017-22 (*Draft*)

Foreword by Chair

Text to be finalised

Clr Stewart Miller
Chair of Audit and Scrutiny Committee
March 2022

Photo of Chair/signature to be added

Contents	Page
1. Committee's Overall Remit and Work Programme - Overview	3
2. Corporate Governance	5
3. Risk Management	5
4. External Audit and Annual Accounts	6
5. External Inspection Reports	7
6. Internal Audit	7
7. Anti-Fraud Activity	8
8. In-depth Work by the Committee	8
9. Maximising Attendance and Early Retirement/Redundancy Costs	9
10. Other Specific Issues	9
11. Call In and Related Issues	11
12. Training	11
13. Committee Self-Evaluation and Review	12
14. COVID-19	12
15. Conclusion	13
Annex 1 Committee Members	14

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1. The Committee's Remit and Work Programme - Overview

Good internal scrutiny plays an important role in demonstrating good governance and ensuring public confidence in Scotland's councils. An essential part of Elected Member scrutiny at East Renfrewshire Council is seen in the work of the Audit and Scrutiny Committee. In line with good practice, it is chaired by a member of the Opposition and its membership, which comprises 7 Members, is cross-party in nature. The Vice-Chair is also an Opposition Member.

The Audit and Scrutiny Committee was established in 1999 (originally as the Audit Committee) to examine the Council's performance across a wide range of activities with the ultimate aim of improving service delivery to its citizens. The Committee has a wide remit which includes helping to ensure the Council's governance arrangements are operating effectively, scrutiny and promotion of internal controls and discussing internal and external audit issues, as well as considering more traditional 'audit' functions, through all of which it focuses on both financial and non-financial issues and performance. The Committee may also investigate processes by which policy decisions have been taken, the substance of any particular policy and how it fits in with the overall objectives of the Council, and effectiveness of policy implementation.

The Committee also acts as a counterbalance in respect of some executive decisions made by the Cabinet which have been "called in". Calling in is a formal procedure which is invoked when five Councillors request a review of a Cabinet decision, usually one that has been considered contentious in some way, prior to it being implemented. Some called in decisions are referred to the full Council, but those referred to the Committee are then considered by it at an early date and a course of action recommended. This can be to proceed as planned by the Cabinet or to recommend a different approach.

To a significant extent, the Committee determines its own workload, but there are various externally and internally generated issues to which the Committee must attend. As for the other aspects of its work, these are detailed in the Committee's Terms of Reference which can be viewed in the Council's [Scheme of Administration](#).

The Committee has exercised more detailed scrutiny over a wide range of topics since 2017 including the use of external consultants, payment of invoices, income generation and commercialisation, climate change, absence management, risk matters and the implications for the Council of the UK leaving the European Union, on some of which it has received regular reports. Full Minutes of the proceedings of the Committee are publicly available on the Council's website ([Search for Meeting Papers and Minutes](#)) and summaries of issues discussed by the Committee since May 2017 are also available there ([link to be added](#)).

In order to build expertise and manage workload effectively, the Committee operates 'specialisation' arrangements whereby its Members, working in pairs, focus on specific service areas, reviewing External and some Internal Audit reports and related action plans in detail for example, in discussion with officers as appropriate.

The service portfolios were reviewed in 2018, the current ones held by members of the Committee being as set out below:

Service specialism	Members
Reports with Council-Wide Focus	Cllr Stewart Miller Cllr Barbara Grant
Chief Executive's Office	Cllr Angela Convery Cllr Annette Ireland
Business Operations and Partnerships Issues (formerly <i>Corporate and Community Services</i>)	Cllr J McLean Cllr J Swift
Education Issues	Cllr J McLean Cllr J Swift
Environment Issues	Cllr Stewart Miller Cllr Barbara Grant
Health and Social Care Partnership Issues (previously <i>Community Health and Care Partnership</i>)	Cllr Angela Convery Cllr Charlie Gilbert

Reports on corporate responsibilities cutting across more than one department are dealt with under the service with lead responsibility for it.

An Audit of Best Value in East Renfrewshire Council took place in 2017, the overall outcome of which was very positive. One recommendation made was that Elected Members should take a more transparent and active role in scrutiny. Progress made on this subsequently included the delivery of a new programme of essential scrutiny skills training for Elected Members, including members of the Committee, which is commented on further later. A Scrutiny and Evaluation Officer was also appointed in 2019 who was in post for one year whose remit included supporting the Committee to undertake reviews of issues it agreed to pursue itself.

In advance of supporting two such reviews, that officer supported the preparation of a *Guide to Scrutiny and Review*, within the overall context of Best Value. It included advice on good practice, what could be within and outwith 'scope' for scrutiny reviews, questioning techniques, and selection and rejection criteria for reviews. Following approval by the Committee and subsequently the full Council, the *Guide* was distributed widely, including to all committees and Elected Members.

The *Guide* proposed the development of annual work plans for the Committee which have been prepared since 2019/20. These documents, which include reference to recurring reports and on which progress is reviewed, can evolve further over time. Importantly, they assist the Committee to schedule and prioritise work, and 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.

A further recent development is that, since January 2019, the Head of Accountancy (Chief Financial Officer) has attended meetings of the Committee as an advisor, which has also provided a useful link to the Corporate Management Team.

The remainder of this report provides a further summary of work the Committee has progressed since 2017 and a flavour of the wide ranging activity it has been involved in since then.

2. Corporate Governance

A key aspect of the Committee's work is considering the Council's corporate governance arrangements. Each year, the Committee has continued to consider and approve the Council's Code of Corporate Governance annual updates in line with the national framework for *Delivering Good Governance in Local Government* and its seven principles of good governance and related requirements. When scrutinising these reports, the Committee raised and discussed a range of related issues including stakeholder engagement, fraud and integrity issues and the timescale for the production of the Climate Change Strategy and Action Plan.

Other governance related issues the Committee has continued to discuss regularly, providing assurances and in support of the Annual Governance Statement, include reports on treasury management, the Strategic Risk Register and risk progress, the Annual Audit Report and Accounts, and various Internal and External Audit Reports, some of which are explored further later in this report.

The local government landscape continues to be complex, such as due to partnerships and the use of Arm's Length External Organisations (ALEOs). Regarding the latter, the Committee approved the deletion of an audit of the operation of the East Renfrewshire Culture and Leisure Trust from the 2019/20 Internal Audit Plan, as a Best Value review of the Trust was to be progressed. Between 2019 and 2021 the Committee received reports on the scope and timeline of that work, the recommendations made and also a related update which referred to the impact of the COVID-19 pandemic on their implementation.

The Vice-Chair of the Committee has continued to be a co-opted member of the Health and Social Care Partnership Integration Joint Board Audit and Performance Committee.

3. Risk Management

Another key function of the Committee is to scrutinise and support effective risk management arrangements across the Council. Biannually the Committee has continued to review reports on the Council's Strategic Risk Register (SRR) and general progress on risk management. The Committee's recommendations and decisions on these have included:

- seeking further clarification on the risk added to the SRR on poor environmental performance in implementing climate change mitigation adaptation measures (August 2018);
- agreeing that comments made by its Members on various issues, including the risk of failing to deliver 1,140 hours of free early learning and childcare by August 2020, be fed back to appropriate senior officers (March 2019);
- raising concerns regarding the risk score on reduced central government funding which had been lowered to medium (September 2019);
- seeking further information on why a risk on charging for the instrumental music service had been removed from the SRR (September 2020); and
- requesting that the wording of a risk on key care providers be reviewed in the interests of clarity (September 2021).

The Committee is also made aware of risk related matters through some other items it considers, such as by External Audit of the risk analysis it undertakes to help determine its Annual Audit Plan and that such an approach is also taken regarding the Internal Audit Plan.

4. External Audit and Annual Accounts

External Audit has continued to support the Council and the work of the Committee during the past 5 years. Each spring the Committee has considered the External Auditor's Annual Plan which summarises planned audit activity at the Council. The Council's Annual Accounts are also considered by the Committee every autumn, together with the associated Annual Report to the Council prepared by External Audit (prior to their submission to the Council). It is established practice for the External Auditor to discuss with the Committee issues relating to the Accounts prior to their certification based on International Standard on Auditing 260 (ISA 260). Due to COVID-19 these issues were considered in November in 2020 and 2021, rather than September, in line with a revised timetable set by the External Auditor.

The opportunity to review all local and various national External Audit reports and, in particular, to receive and discuss the feedback the Committee proactively requests from management on how well placed the Council is regarding the recommendations in them and how issues raised are being addressed locally, continues to be highly valued by the Committee. A good example is the Accounts Commission's annual *Overview of Local Government in Scotland* which the Committee reviews annually in conjunction with a report collating comments from across the Council and HSCP on the findings.

The Committee always seeks non-ambiguous, clear and transparent feedback from management on reports, including External Audit ones, which help it consider performance issues for example which is regarded essential to effective scrutiny. Although all members of the Committee see the reports and management feedback, under its 'specialisation' arrangements, different Members focus on specific service areas, reviewing relevant reports and related action plans in detail and in discussion with officers as appropriate.

Candid and important reports considered by the Committee each year include one prepared by the local External Auditor on the findings of its review of internal controls in key financial systems tests. An example of a report, considered in 2017, on which further action was taken, was the 2016/17 Local Interim Audit Report which referred to an issue on invoice payments. The Committee sought updates over time on how the issue was addressed and improvements delivered.

The wide range of important External Audit reports and related management feedback considered by the Committee between 2017 and 2022 has included those on:

- Equal Pay in Scottish Councils (November 2017), on which further information was sought on the gender balance of the Council's workforce and any equal pay issues that remained to be resolved;
- Self-Directed Support (SDS)(January 2018), on which further statistical information was requested, as was a further report on future SDS development activity which the Committee considered in 2021;

- The UK's Withdrawal from the European Union (February 2019), in relation to which a series of reports were requested over time and considered up to and including February 2022 and on which a range of discussions took place and clarification was sought such as on the EU Settlement Scheme, costs and contract issues; and
- The Scottish Government's Affordable Housing Supply Target (September 2020), on which a further report was requested and submitted subsequently in 2021 regarding the challenges involved in delivering social housing in East Renfrewshire.

5. External Inspection Reports

In line with its work on External Audit issues, the Committee has continued to request updates on various inspection reports prepared by external organisations about Council Services (e.g. the Care Inspectorate). These are dealt with outwith its formal meetings, but generally under its specialisation arrangements. Members have the option to raise matters, by exception, including at formal meetings if necessary.

6. Internal Audit

The Audit and Scrutiny Committee values and has commended the high quality work of the Council's Internal Audit team. The performance of Internal Audit has also been commented on by External Audit, such as through their annual reports considering internal audit arrangements. The Committee has received several reports since 2017 on the section's compliance with *Public Sector Internal Audit Standards (PSIAS)*, which is very high, and approved the latest version of the *Internal Audit Charter* (required under PSIAS) in June 2018, which defines the Council's internal audit activities in the context of purpose, authority and responsibility and the scope of activities undertaken.

The Committee values considering the Internal Audit Annual Plan each spring followed by related progress reports submitted throughout the year. Through these, it can discuss and request further clarification on topics as required. Additional detail provided in these reports since 2018, on the findings of individual audits and on acceptance of related recommendations, has been welcomed. As was the case for External Audit, the pandemic impacted significantly on the Internal Audit work that could be carried out and consequently the Committee approved changes to Internal Audit Plans as required. A further important annual task is to consider the Internal Audit Annual Report in late summer, following which the Committee submits a report to the Council seeking approval of the Internal Audit Annual Statement on the Adequacy and Effectiveness of the Governance, Risk Management and Internal Control Systems of the Council.

Arising from discussions on the findings of Internal Audit work, examples of issues pursued by the Committee since 2017 include:

- Reviewing a report on Creditors and the associated management plan (June 2017); and

- Seeking confirmation on processes to demonstrate that all purchases of £50,000 and above had been certified by procurement in advance to comply with the Council's Contract Standing Orders (September 2021)

7. Anti-Fraud Activity

The Committee has continued to consider various reports on fraud, including ones on the National Fraud Initiative and External Audit reports focussing on fraud and irregularity and related issues. Further action taken has included requesting examples of the types of fraud that can occur regarding civic and taxi licensing. The Chief Auditor also alerts the Committee to fraud and potential fraud issues, some of which have been reported through the Council whistleblowing hotline, such as when presenting her regular Internal Audit progress reports.

Arising from a review of the Code of Corporate Governance, it was identified that an annual fraud statement should be prepared and submitted to the Committee. The Committee has received such reports since 2019, starting with the East Renfrewshire Council Annual Fraud Statement 2019/20. Such reports have provided the Committee with an overview of measures in place across the Council to address anti-fraud, bribery and theft; refer to the management of the risk of fraud and corruption; provide updates on action taken where appropriate; and comment on the Committee's scrutiny role in relation to the application of the Anti-Fraud, Bribery and Theft Strategy. One issue raised during discussion was a few cases of suspected fraud examined in relation to the business grants made available linked to the COVID-19 pandemic.

8. In-depth Work by the Committee

Periodically topics are identified by the Committee which it considers require further exploration by its own members. Typically this more in-depth, analytical and time-consuming work results in the Committee producing detailed reports on the topics, including comments and/or recommendations to be considered and taken forward by the Cabinet or CMT as considered appropriate. The appointment of the Scrutiny and Evaluation Officer, referred to previously, provided more scope to schedule such work than would have been the case otherwise. The Committee's Work Plans also include reference to these and the timescales to progress them. Two such pieces of work undertaken in 2019 and 2020 are referred to below:

Income Generation and Commercialisation

In December 2019 the Cabinet considered the Committee's report on its [Investigation on Income Generation and Commercialisation](#) which was progressed between July and October 2019 and finalised that November. The Committee considered this work to have potential to generate new income streams; contribute to achieving savings targets; help meet the strategic priority areas of the Community Plan; and help deliver the Council's corporate plan 'Vision for the Future'. Other potential benefits were considered to include demonstrating financial responsibility; helping to deliver Best Value; and sustaining/improving service levels.

In total, 12 recommendations were made by the Committee, a key one being that a new policy on commercialisation be established, supported by a cross-departmental team with expertise

to implement the key recommendations of the policy and an associated action plan. Having agreed to support the recommendations in principle, the Cabinet approved a formal response in September 2020 which reflected that all 12 recommendations had been agreed. Despite the challenges of dealing with COVID-19, work had been started in many areas, with future work planned. The Committee noted progress at that stage and a subsequent [Update on the Implementation of the Recommendations](#) in January 2022, agreeing then also to seek further clarification on several issues, including discussions on the new policy on commercialisation and strengthening links with Young Enterprise Scotland based in Rouken Glen Park.

Climate Change

Following a delay due to COVID-19, in August 2020 the Cabinet considered the Committee's report on its [Investigation on Climate Change](#) undertaken between November 2019 and February 2020. This was in support of the refreshed Environmental Sustainability Strategy and Action Plan. In total, the Committee made 24 recommendations, including that the Council's strategy on climate change be renewed, setting out the Council's future priorities with clear actions, to replace the former Climate Change Strategy and Sustainability Action Plan, and to include the involvement of children and young people in the development of the new strategy. As the Committee's findings had been known for some time due to the delay referred to above, at the same meeting the Cabinet considered a report by the Director of Environment in response. The Committee noted a detailed [Update on the Implementation of Recommendations](#) in January 2022 and agreed also to seek further clarification on some transport issues and carbon dioxide emissions from the new Eastwood Leisure Complex.

9. Maximising Attendance and Early Retirement/Redundancy Costs

The Committee has scrutinised the Council's approach to maximising staff attendance over an extended period of time, recognising the importance of this issue to the organisation, including in terms of cost and service delivery to local residents. Many years ago the Committee specifically requested, and has since considered, a detailed Annual Report on this. The report includes comparative absence figures, benchmarking East Renfrewshire's performance against other councils, and comments on a wide range of related issues including support and wellness programmes offered to staff. The Committee considers these reports valuable, discussions recently having included ones on stress issues associated with COVID-19. It supports the range of approaches being taken to reduce absence levels across the Council.

Annually, the Committee also considers a report summarising the position on early retirement/redundancy costs for the previous financial year and related issues, including the total costs incurred and projected savings associated with these.

10. Other Specific issues

Periodically the Committee seeks clarification or pursues further discussions and reports on specific issues, examples of which are provided in this section of the report.

Glasgow City Deal

In January 2018, the Committee sought a report on issues relating to the allocation of responsibilities to staff, adherence to related procedures and associated pay issues in East Renfrewshire Council in relation to the Glasgow City Region City Deal. The report prepared was submitted and discussed in April that year. Subsequently in 2020, following the publication of a National External Audit Report on *Scotland's City Region and Growth Deals*, the local position on the City Deal at that stage was also discussed.

Assessment of Winter Maintenance Arrangements

Later in 2018, the Committee sought and received a report on road gritting and the future delivery of the service. Issues discussed included how the Council had coped well during particularly adverse weather conditions earlier that year, public expectations regarding winter maintenance arrangements, and proposals to review the regime as areas for potential improvement were to be explored. The receipt of both compliments and complaints on the service were amongst issues discussed, during which some suggestions were made by members of the Committee, such as on grit bins and accessing good, long-range weather forecast models. Members were invited to submit any further comments they had to the Head of Environment (Strategic Services) during the on-going review.

Rationalisation of Council Properties

The Committee sought and received a report on the rationalisation of Council property and buildings, including work being undertaken on this, the value of some significant properties, and the adoption of a corporate landlord approach. The report also referred to work undertaken to develop options regarding the development of an accommodation strategy on the retention, disposal and use of some properties on which the Director of Environment had submitted a report to the Council in October 2018. During discussion, members of the Committee commented and made suggestions to the Head of Environment (Strategic Services) on Capelrig House, the Lygates building, the Dickie Building and Clarkston Social Work Office amongst others which he undertook to consider further.

Consultancy Costs

Arising from the discussions above, the Director of Environment was invited to attend a meeting in 2019 to discuss issues regarding consultation reports commissioned and prepared on accommodation issues, specifically in relation to the leisure centre consultation but also related matters regarding such reports raised by the Committee. More generally, the Committee also opted to consider expenditure on external consultants and feasibility studies across departments, the reasons for doing so, and which consultants had been used, in the first instance reviewing work carried out on this by the Committee during the previous Administration. Ultimately the Committee agreed in June 2020 to review annually the Consultancy Log established by the Council, after the end of each financial year, to allow it to raise and seek clarification on issues as required.

Schools Admission Policy and Education Appeals System

In August 2019, the Director of Education was advised 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. The committee agreed this was a low priority issue for review, to monitor the position and to consider in 2021/22 any modifications to the process that may be required to improve the focus on customers, including if there was felt to be a need for representations to be made at a national level. In the interim, it requested and received a presentation on the admission policy and appeals system in 2019. As reflected in the 2021/22 Work Plan, the Committee did not have time to revisit the issue.

11. Call-in and Related Issues

As already highlighted, a key scrutiny function of the Committee is considering decisions taken by the Council's Cabinet that have been "called in" and referred to it for review.

Only one call in issue was dealt with by the Committee between 2017 and 2022, when a decision made by the Cabinet on Woodfarm Educational Trust was discussed in January 2019. The Cabinet had agreed to bring forward the date when ownership of Woodfarm Educational Centre reverted to the Trust in exchange for a payment and a standard security to secure the future use of the premises as a multicultural centre, and to secure an uplift in value which would be payable to the Council in the event of a future change of use. The matter was referred for further scrutiny on the grounds the proposal did not represent Best Value, the alternative proposal being to retain the existing arrangements.

The Committee agreed to accept the Cabinet decision, but various issues were discussed and assurances sought first, including on the statutory duty that falls to Councils to secure Best Value when disposing and letting property, the valuation of the property, and the benefits of the Trust having ownership of rather than leasing the property.

12. Training

During 2017/18 a range of training and development opportunities were made available to all Members as part of the induction programme arranged for all those elected to the Council in 2017. Linked to that and the Best Value Assurance Review recommendation that Elected Members should take a more transparent and active role in scrutiny, a programme of essential scrutiny skills training was also offered and promoted, including to those serving on the Committee. This included training on essential scrutiny skills, risk management and treasury management. A session was also arranged on the roles of Internal and External Audit. Arising from a recent self-assessment, the current Committee encourages those serving on it in future to take full advantage of such opportunities to help the Committee work effectively.

13. Committee Self-Evaluation and Review

The Committee aims to ensure it performs a valuable scrutiny function within the Council and has therefore completed a self-evaluation periodically, including in late 2021/early 2022. It also welcomed the opportunity to reflect on and summarise the work it has undertaken during the current Administration in this report for the benefit of people both within and outwith the Council, including those to be appointed to the Committee following the 2022 local government Elections.

For the most recent review, instead of using a self-assessment tool developed by the Audit Committee Institute (ACI) as had been done in 2012 and 2017, tools made available by the Chartered Institute of Public Finance and Accountancy (CIPFA) were used on what is accepted as best practice for local authority audit committees. More specifically, 3 templates within the *CIPFA Practical Guidance on Audit Committees for Local Authorities and Police* (2018) were used and the focus of discussions as listed below:

- *Knowledge and Skills framework*, which focussed on core areas of knowledge; specialist areas of knowledge; and core skills;
- *Good Practice Self-Assessment*, which focussed on the extent to which there is compliance with principles set out in the CIPFA Guidance; and
- *Evaluation of Effectiveness Checklist*, to help the committee determine where it is most effective or scope exists to do things differently.

Discussions were pursued during January and February 2022. On the basis of the outcome of the self-evaluation, a list of observations and recommendations on matters where room for some improvement is considered to exist in the Committee's view, listed under various headings, has been prepared to pass on to those appointed to the new Committee and others as considered appropriate. The committee approved the final list on 7 April 2022.

14. COVID-19

Finally, reference has already been made to how COVID-19 impacted on various aspects of the Committee's work. Following the start of the COVID related lock down in March 2020 which led to the cancellation of various formal meetings, the Committee was amongst the first to be reconvened virtually using Teams prior to the summer recess that year. It continued to meet virtually after that, with some meeting dates rescheduled as required. Recordings of those meetings are available on the Council's YouTube Channel.

Following the publication by Audit Scotland in August 2019 of its *COVID-19 Scrutiny Guide for Audit and Risk Committees*, the Committee requested and received various comments on issues raised in the Guide from the Corporate Management Team on how the Council responded to the pandemic. Taking account of other updates Elected Members receive on COVID-19, such as at Council meetings and otherwise, a formal update was not requested, but it always remained an option for the Committee to request feedback on any issue by exception.

15. Conclusion

The pandemic was amongst issues that impacted on the Committee being able to review everything it might have wished to review prior to the forthcoming Elections. However, although some issues remained outstanding at the time of its final meeting on 7 April, overall a lot is considered to have been achieved in the past five years.

The Committee thanks all officers within the Council and the External Auditor who have contributed to its work over the past 5 years.

Current Audit and Scrutiny Committee Members

Cllr Stewart Miller (Chair)
Cllr Barbara Grant (Vice Chair)
Cllr Angela Convery
Cllr Charlie Gilbert
Cllr Annette Ireland
Cllr Jim McLean
Cllr Jim Swift

AUDIT AND SCRUTINY COMMITTEE'S OBSERVATIONS AND RECOMMENDATIONS
ARISING FROM 2022 SELF-EVALUATION

GENERAL ISSUES, COMMITTEE'S TERMS OF REFERENCE AND RELATED MATTERS, INCLUDING ITS APPROACH AND UNDERSTANDING OF ITS ROLE IN THE COUNCIL

- (1) In 2012/13, the Committee welcomed a change of name from the Audit to Audit and Scrutiny Committee which it felt better portrayed the extent of its role and its focus on both financial and non-financial matters. The Committee, meetings of which are generally well attended, still holds the view that its membership should not be extended to include an independent person. It is always an option to invite others, including other Members, to contribute to its work.
- (2) The Committee continues to value very highly its Terms of Reference, which cover a range of governance issues amongst other things. The current Committee wish to emphasise to those appointed to it following the forthcoming Elections that, although the Committee has few decision making powers other than as specified (e.g. to agree the Internal Audit Strategy and Plan), its extensive remit continues to provide scope to look at a wide range of issues of its own choosing; it does not need to be bound by what others consider appropriate; and it can speak to any appropriate officers and Members when doing so.
- (3) As the Terms of Reference have not been reviewed for many years however, it is recommended that they are to:-
 - (i) Compare them with those of similar committees in other authorities;
 - (ii) Ascertain if any issues referred to in the Chartered Institute of Public Finance and Accountancy (CIPFA) Practical Guidance for Audit Committees (LAs and Police) 2018, including the CIPFA Position Statement within it, should be referenced further or more clearly; and
 - (iii) Determine if reference should be added to reports now considered routinely (e.g. Annual Code of Corporate Governance and Annual Fraud Response Statement).

It is suggested that those appointed to the Committee in May are made aware of the 2018 Guidance referred to above.

- (4) It is considered important to stress, regarding the work of the Committee, that all of its members (whether Administration or Opposition) should **always** act in an apolitical manner; scrutinise issues objectively, independently and in a non-confrontational manner; focus on improvement; and adopt a 'critical friend' approach, in the interests of the Council as a whole.
- (5) The Committee's Terms of Reference are accessible on both the intranet and internet. The Corporate Management Team (CMT) and senior managers are regarded by the Committee as having a full understanding and acceptance of its role. However, as the extent to which the role and purpose is understood and accepted by **all** officers is not fully known, it is suggested that it could be useful to consider a survey at some stage to determine this and if any related action is required.
- (6) During the next Administration, once the new Chair has settled into the role, publishing an article on the Committee's role, as has been done in the past, could be valuable to help heighten awareness of it.

- (7) It would be useful to ensure, at the start of the Administration, that all members of the Committee are fully aware, and become familiar with, the Scheme of Administration and Scheme of Delegated Functions and, therefore, how decisions are made and by whom. Both are widely available.
- (8) In the interests of clarity, it is important to ensure that the locus of the Audit and Scrutiny Committee versus that of the Performance and Audit Committee of the Integration Joint Board (IJB) is clearly understood, especially by new Members.

CALL-IN ARRANGEMENTS

- (9) It is important to ensure, very shortly after the Elections in advance of Cabinet meetings resuming, that all new Members fully understand how the call-in arrangements operate and that issues may be referred to the Audit and Scrutiny Committee or full Council.

LEARNING AND DEVELOPMENT AND RELATED ISSUES

- (10) Addressing the learning and development (L&D) needs of the Committee can be challenging. The important responsibilities the Committee has underlines the importance of its Members being willing to and taking advantage of relevant training offered and other L&D development opportunities, to gain the knowledge and expertise they require. Training will be made available on a range of issues as part of the Elected Members Induction Programme and can be arranged subsequently, including in response to need or requests, on an on-line, group or individual basis as appropriate.
- (11) Regarding the extent to which detailed financial/technical expertise amongst the membership exists or is essential (which depends to an extent on who is appointed to the Committee in any case), what is felt to be most important is having access to such expertise through officers for example, which already exists.
- (12) Various issues are being identified on which induction training and briefings will be useful. Sessions of relevance to scrutiny which the Committee's membership, and other Members also, are strongly encouraged to attend include sessions on:-
 - (i) Various key issues to be led by the CMT shortly following the Elections, parts of which will, for example, focus on governance issues and provide a broad overview of financial issues, including the role of the Chief Financial Officer, funding sources and plans, and the importance of plans being prudent and affordable;
 - (ii) Effective scrutiny, which amongst other things should encourage questioning as other scrutiny training sessions are likely to do also;
 - (iii) The roles of Internal Audit and External Audit, the full scope of which may not be fully clear to new Members (the Committee suggests this should include reference to the Public Sector Internal Audit Standards (PSIAS) which members of the Committee could also be alerted to by the Clerk or Chief Auditor at an early stage);
 - (iv) Risk management; and
 - (v) Treasury management (the Committee recommends that training on this quite technical issue is organised twice during the Administration).

- (13) In view of the importance of the Committee's role, and scrutiny generally, the delivery of scrutiny training earlier than provided following the 2017 Elections is supported. Doing so, and attendance at such training, would also help raise the profile of such work and its importance amongst Members at an early stage.
- (14) It is emphasised that the attendance of all Members at the training referred to above is useful, not only because scrutiny is the responsibility of all Members, committees and the full Council, but also because the Committee's membership can change during an Administration as it did various times after the May 2017 Elections.
- (15) A knowledge and skills analysis formed part of the Committee's self-assessment which was both retrospective and forward looking. It is recommended that, in due course, members of the new Committee make use of the *Knowledge and Skills Framework* in the 2018 CIPFA Guidance referred to above, to help them evaluate their own knowledge and skills and assess if any relevant L&D needs remain to be addressed.

GUIDE TO SCRUTINY AND REVIEW

- (16) To complement the above, it is recommended that the *Guide to Scrutiny and Review*, prepared in 2019 with the assistance of the Audit and Scrutiny Committee Members and approved by the Council in June that year, which was distributed widely then, should be shared with Elected Members following the Elections, including those appointed to the Committee, and be referred to and used as required.
- (17) It is suggested that promotion of the *Guide* during the effective scrutiny training session (Section 12 refers) would be valuable.

COMMITTEE'S ANNUAL WORK PLANS AND ANNUAL REPORT

- (18) Although recommended by CIPFA, no Annual Report is prepared by the Committee or submitted to the Council. This has not been requested by the Council and is not considered crucial because the Committee's Minutes and Agendas are widely available (which since 2019 have included reports on its Annual Work Plan) and in view of the pressure on resources supporting the Committee.
- (19) The Committee's workload can be challenging for its Members, with the current Committee having had realistic expectations about what can be achieved with the resources at its disposal, as the new Committee should do also. Having an annual Work Plan has confirmed what has been achieved, is planned and is outstanding at any given point in time; helped the Committee prioritise its workload; and enhanced transparency on both. However, to further raise awareness of the Committee's work, it is recommended that each year a copy of the Work Plan, on its completion, should be put on the internet where the Committee's Agendas and Minutes etc. are available.
- (20) To complement the above, a copy of the report it has already been agreed to prepare, summarising the Committee's work over the past 5 years, should be shared with new members of the Committee, other Elected Members and made available on the internet.

DETAILED INVESTIGATIONS UNDERTAKEN BY COMMITTEE

- (21) Some detailed review work, which the Committee itself decided to pursue, has been done, but not to a great extent taking account of the limited resources available to the Committee which need to be considered regarding the implementation of its Work Plans.

- (22) When the Committee makes recommendations following a detailed investigation (most work on which is done out with formal meetings), the Cabinet response is submitted for noting. The Committee then actively seeks feedback after a period of time on the actual implementation of the recommendations accepted by the Cabinet. It is recommended that this is always done to help the Committee monitor and assess the impact of its work.
- (23) When undertaking such investigations, but otherwise also as appropriate, the Committee could consider making better use of the Local Government Benchmarking Framework data available. This is one way of comparing performance locally with that elsewhere.

GOVERNANCE AND CONTROL

- (24) To the extent the Committee is made aware of issues, it considers the adequacy of the control environment and related assurances; and assesses the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks. This is achieved such as through its consideration of risk managements reports, and other reports on corporate governance for example. The new Committee should note that it is always an option to ask further questions or make recommendations on governance issues.
- (25) The most recent External Audit Annual Audit Report (November 2021) considered by the Committee, then the full Council, confirmed that overall the Council has appropriate governance arrangements in place, therefore no concerns are held on this by the current Committee at present. Current members of the Committee are familiar with the governance arrangements, but they should be highlighted to new Members, such as through induction.
- (26) The Committee's Work Plans now help confirm timescales for considering a range of governance issues each year, including the Local Code of Corporate Governance, the Annual Governance Statement (when the Annual Accounts are considered), risk management reports and ones on treasury management to name a few examples. Although the Committee considers a range of reports on governance, risk and control, it does not tend to make many recommendations on these issues, which could be useful to consider further, but it does query some issues and seek related assurances.
- (27) The Committee receives assurances on risk issues and some such issues are taken forward by the Council in partnership or collaboration with other bodies, but there is no specific reference to partnership or other collaborative arrangements in the Committee's Terms of Reference, such as on seeking assurances that they are working effectively and that the related governance arrangements are appropriate. There has been considered to be an increase in partnership working since the Terms of Reference were first prepared and subsequently reviewed, which may be useful to reflect better in them in an appropriate way.
- (28) It is appropriate for the Committee to consider risk management as an integral part of its work. Where comments are fed back (e.g. on risk scores or related issues) from the Committee, it is not always actively checked if and exactly how they are acted upon which could be useful to pursue, possibly by seeking confirmation on this in the biannual reports submitted to the Committee on the Strategic Risk Register and Risk Management Progress.

- (29) A report on the Local Code of Corporate Governance is submitted to the Committee annually and is likely to be one of the first reports considered (probably in June 2022) prior to consideration of the Annual Governance Statement later in the year when the Annual Accounts are also considered. This will provide a useful overview of the arrangements in place. The Committee reviews the self-assessment of governance arrangements when the Code is considered, but is not actively involved in the self-assessment exercise otherwise. It is acknowledged that doing so might not necessarily alter the outcome, but it could be useful to suggest benchmarking to see what approach is taken in other areas.
- (30) There is considered to be free access to the External Auditor. However, taking account of the 2018 CIPFA Guidance, it would be useful to seek clarification if the External Auditor would value an annual meeting with the Chair and/or other Members to discuss issues of mutual interest, including corporate governance matters, and any advice the External Auditor may have for the Committee on how it discharges its responsibilities.

ROLE OF CHAIR AND RELATED KNOWLEDGE AND SKILLS

- (31) It is considered useful to refer to the key role the Chair plays in driving forward the Committee's work and ensuring the effective management of its meetings. For the Audit and Scrutiny Committee, this role includes ensuring an objective and apolitical approach and focus on improvement is taken as referred to earlier; encouraging constructive discussion and questions to be posed such as to seek assurances; and encouraging Members to contribute to the formulation of its Work Plans.
- (32) It has been commented that chairing a major committee can be very challenging, especially for new Members. If the new Chair has little experience of this, it is recommended that advantage is taken of any training available.
- (33) It is useful, in the interests of clarity when, at the end of items considered by the Committee, the decisions taken are summarised by the Chair.

SOURCES OF GUIDANCE AND SUPPORT

- (34) The Committee interacts regularly with various officers, including the Head of Accountancy (Chief Financial Officer) who provides a useful and important point of contact for the CMT, the Chief Auditor and the Clerk.
- (35) A range of senior officers readily attend meetings (some regularly), and it is very important that all are treated respectfully when they do. They, and others, contribute to reports and respond to related queries and have been found to be very willing to do so.
- (36) It is important to note that, out with meetings, it is always an option for members of the Committee to seek clarity on issues from officers, which is encouraged, either directly or via the Clerk.
- (37) As well as encouraging Members to seek further clarification from officers on issues out with meetings, it would also be useful to encourage Members to alert the Clerk or Chair in advance to issues they wish to raise at meetings where possible. This would help ensure that answers could be requested and made available at Committee meetings in the interests of transparency.

- (38) Inviting some officers, with whom the Committee interacts regularly, to a short informal session immediately after the first meeting, simply to introduce themselves briefly and to provide an opportunity for questions/ clarification may be useful.
- (39) Previous members of the Committee could be a useful source of guidance for new members of it, if they were willing to provide this.

COMMITTEE'S SPECIALISATION ARRANGEMENTS – AUDIT REPORTS ETC.

- (40) The Committee considers various external audit reports, internal audit ones and external inspection reports; related risk and performance issues; and management feedback under its own specialisation arrangements, which helps enable them to be considered in more detail than might otherwise be the case.
- (41) Under these arrangements, all members of the Committee see the External Audit reports and Inspection reports the Clerk has been alerted to. However, currently working in pairs, they specialise in leading the review of various ones depending on the subject matter. It may be worth considering responsibilities resting with individual members of the Committee, rather than pairs, to help ensure no dubiety exists about who is responsible for leading a review of a report or providing feedback. It is suggested that the Committee be invited to consider the general position on this at its first meeting and, subject to the outcome, specific remits at its second one.
- (42) Regarding potential questions itemised in some National External Audit reports, where these are provided it would be useful for the Clerk to highlight these further to members of the Committee when the reports are circulated. It is recommended that greater use of them is encouraged, although it remains the case that Members are always free to formulate their own questions and ask officers to attend to respond to these.
- (43) It is also recommended that the new Committee considers if they wish to invite appropriate senior officers to attend more meetings of the Committee to answer questions on External Audit issues etc. when local feedback on these is considered, at least more than at present. It has been observed that more issues tend to be raised when officers attend than is the case otherwise, and it could provide valuable opportunities for further clarification to be sought on the implementation of actions that are on-going and the timescales for doing so.
- (44) For several years the Committee has welcomed reviewing some external inspection reports prepared on Council services, considering this a welcome development and improvement. These are also considered under its specialisation arrangements and would be the subject of a report to the Committee, by exception, if felt necessary by its Members. However as receipt can be sporadic, it is not fully clear if the Clerk has been alerted to the publication of all such reports. To address this, it is suggested that it would be useful for the Clerk to send an email to departments, on a 6-monthly basis, requesting notification of all inspection reports published in the previous 6 months. This would help ensure they are all received and allow them to be reviewed more timeously.
- (45) The Committee continues to have high confidence in the Chief Auditor and her team, and has continued to adopt a risk managed approach on internal audit issues which are reported on regularly to the Committee, progressing matters by exception when it wishes to pursue specific issues. Some issues are dealt with under the Committee's specialisation arrangements. This is considered the most effective use of the Committee's limited time and resources.

- (46) It would be useful to encourage members of the Committee to return the pro-formas they are requested to complete on various reports (under its specialisation arrangements) to the Clerk sooner than they are returned at present. This would make it clearer, earlier, what further action if any is suggested by Members.

ETHICAL ISSUES

- (47) Reference to the Ethical Framework is not specified in the Terms of Reference and the Council does not have a Standards and Ethics Committees to support ethical values with which to work, but some ethical issues are considered, such as when the Local Code of Governance is considered annually, or when reports on fraud and corruption are discussed, providing opportunities for assurances to be provided or sought. It is not suggested that there is a need to change the Committee's Terms of Reference on such issues, unless considered appropriate following a wider review of the Terms of Reference as suggested at (3) above.
- (48) It would be useful to ensure that members of the Committee, and others, are aware of the range of approaches taken by the Council on countering fraud and corruption at an early stage, such as through the induction programme (possibly as part of the session on Internal and External Audit if possible) or to ensure that Members of the Committee know, at an early stage, where to access the most recent Fraud Response Statement.
- (49) On a specific issue, it has been some time since the Committee actively promoted whistle blowing. It is felt important that people feel safe about raising concerns in this way. The new Committee may wish to consider if some further work in relation to this issue is merited, such as pursuing further related publicity (e.g. an article involving the Chair) to help raise awareness of the importance attached to addressing fraud and irregularity and promote confidence in and champion the whistle-blowing arrangements in place.
- (50) It should be noted that when information is submitted anonymously, those submitting it cannot be advised of the outcome in person, but some feedback on work taken forward may be available, including in reports prepared by the Internal Auditor.

SCRUTINY EFFECTIVENESS

- (51) As reflected in the *Guide to Scrutiny and Review*, it is important generally for those involved in scrutiny, including members of the Committee, to ask questions and seek assurances on issues such as the implementation of action plans and the completion of such plans, and focus on how improvement can be achieved. Members do ask questions, at times more than at others, are invited to do so by the Chair when items are being considered, and are comfortable doing so, but encouraging more (framed appropriately to challenge and elicit detail), taking advantage of guidance and training available, was discussed and could be valuable.
- (52) It was acknowledged that it might not always be possible for all answers to be provided at meetings, with the provision of clarification, other feedback and assurances later considered acceptable, where necessary. During discussion, it was suggested that it might be useful, in the interests of transparency, if the Clerk submits a summary of clarification provided on issues after meetings, to the next meeting. The extent to which this might be of interest to those observing meetings is unknown.

- (53) Regarding a range of issues, including matters raised in audit reports, inspection reports and reports on risk management for example, the Committee should be encouraged to focus particularly on and seek assurances on higher risk issues. This could include seeking clarification and assurances on actions taken, and how risk scores have changed or will change as a result of actions taken for example.

PERFORMANCE OF COMMITTEE - SELF-ASSESSMENT AND HOLDING COMMITTEE TO ACCOUNT ETC.

- (54) Completing a further self-evaluation exercise recently was considered worthwhile. As in 2017, the Committee's view remains that periodic self-evaluations are useful to help analyse its own performance and allow areas for improvement to be considered. It is recommended, in the interests of good governance, that further periodic self-assessments of the Committee's own operations are undertaken, but not as frequently as annually due to its limited time and resources available for this. However, rather than only doing one review during the Administration, it is suggested that it could also be valuable to do a further one, mid-way through it.
- (55) CIPFA's views is that the Committee should be held to account regularly by the full Council as part of its governance role, with a range of issues reviewed (e.g. adherence to Terms of Reference, good practice adopted and self-assessment work done), such as if an Annual Report is submitted to the Council. No such arrangements have been established locally. It would be for the Council to determine what is appropriate, should it choose to.
- (56) Further to the comments above, irrespective of any view that might be taken by the Council, there could be merit in suggesting that some form of appropriate external perspective on the Committee's performance is considered (perhaps as part of a mid-term self-assessment). This could include seeking views from the CMT, or a peer review by a Chair of a Committee in another local authority. It is commented in Section 30 above, that a meeting with the External Auditor could be useful periodically.
- (57) Learning how Audit and Scrutiny Committees operate elsewhere, as has been done in the past (but not for some time) such as through visits from or to other areas could be useful too.

COMMUNICATION

- (58) The Committee supports the use of plain English in reports, receiving information in a format that is easy to understand and meets its needs, and definitions of all acronyms being provided.
- (59) Given its importance, communication was on a list of issues the Committee considered reviewing, but there was insufficient time and resource to do so prior to the Elections.
- (60) A view was expressed that finding Councillors' contact details, including those serving on the Committee, could be a little better presented on the Councillors' pages on the website to assist with contact. It would be useful to see if this could be addressed.