

# **East Renfrewshire Council**

## **Audit and Scrutiny Committee**

### **Completed Work Plan**

**April 2020 – March 2021**

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

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

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

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
24 September 2020	2019/20 Annual Accounts for Council's Charitable Trusts and External Audit International Standard on Auditing 260 Report <b>(See Note 1 Below)</b>	Head of Accountancy (Chief Financial Officer) and External Auditor	26/11/20
	2019/20 Annual Accounts and Draft Annual Audit Report for East Renfrewshire Council <b>(See Note 1 Below)</b>	Head of Accountancy (Chief Financial Officer) and External Auditor	26/11/20
	Strategic Risk Register and Risk Management Progress – Biannual Report	Chief Executive	24/9/20
	National Fraud Initiative	Head of Communities, Revenues and Change	24/9/20
	East Renfrewshire Council Annual Fraud Statement 2019/20	Chief Executive	24/9/20
	Managing Absence – 2019/20 Annual Report	Deputy Chief Executive	24/9/20
	Summary of Early Retirement/ Redundancy Costs to 31 March 2020		24/9/20
	National External Audit Report - Impact of September 2017 Audit on Equal Pay in Scottish Councils	Clerk in liaison with Deputy Chief Executive	24/9/20
	National External Audit Report - National Performance Audit on Affordable Housing <b>(See Note 7 Below)</b>	Clerk in liaison with Director of Environment	24/9/20
	National External Audit Report - Local Government Overview Report for 2019/20 <b>(See Note 8 Below)</b>	Clerk in liaison with Deputy Chief Executive	Revised Approach Adopted
Update on Audit and Scrutiny Committee Work Plan 2020/21	Clerk to the Committee	21/1/21	

Planned Report Date	Report Subject	Report by	Date Considered by Audit & Scrutiny Committee
26 November 2020	Interim Treasury Management Report 2020/21	Head of Accountancy (Chief Financial Officer)	26/11/20
	Internal Audit Plan 2020/21 – Implementation Progress – July to September 2020	Chief Auditor	26/11/20
	Withdrawal from European Union – Update <b>(See Note 4 Below)</b>	Director of Corporate & Community Services and Director of Environment	26/11/20
	Audit Scotland COVID-19 Guide for Audit and Risk Committees and Related Comments <b>(See Note 9 Below)</b>	Clerk to the Committee	26/11/20
	Cabinet Responses to Audit and Scrutiny Committee Investigations on <i>Income Generation and Commercialisation</i> ; and <i>Climate Change</i> <b>(See Note 10 Below)</b>	Clerk to the Committee	26/11/20
21 January 2021	Council's New Build Development Programme <b>(See Note 7 Below)</b>	Head of Environment (Strategic Services)	21/1/21
	East Renfrewshire Council Website – Presentation by Communications Manager <b>(See Note 11 Below)</b>	Communications Manager	21/1/21
	Internal Audit Plan 2020/21 – Implementation Progress October to December 2020 and Revised Internal Audit Strategic Plan <b>(See Note 12 Below)</b>	Chief Auditor	18/2/21
18 February 2021	Treasury Management Strategy 2020/21 <b>(See Note 1 Below)</b>	Head of Accountancy (Chief Financial Officer)	11/3/21 ( <i>Special Meeting</i> )

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

## **NOTES ON WORK PLAN**

### **Note 1 (Meeting Schedule and Related Issues)**

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

The meeting on 19 November was rescheduled to 26 November to allow reports on the 2019/20 Annual Accounts for the Council's Charitable Trusts and External Audit International Standard on Auditing 260 Report; and the 2019/20 Annual Accounts and Draft Annual Audit Report for East Renfrewshire Council to be considered then, following which they were submitted to the full Council later on the same date. This was later than the usual time of late September for considering these reports, and met the External Auditor's revised requirements regarding the signing of the Annual Accounts by the end of November 2020.

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

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

On 21 November 2019, the committee noted the scope and timeline of the Best Value Review of East Renfrewshire Culture and Leisure Trust, which it considered a high priority for review, and that the findings would be reported to the committee in due course. The report remained to be finalised at the time of the committee's meeting in March 2020, and was instead submitted on 25 June 2020.

At that meeting the committee agreed to note the current recommendations made, and that the Director of Education, in consultation with the Chief Executive of the Trust, would review the recommendations within the report in light of the COVID-19 pandemic and advise which were still valid in a further report to be submitted to a future meeting. The Director of Education submitted that report to the committee on 18 March 2021 as reflected in the updated Work Plan.

### **Note 3 (Consultancy Expenditure and Related Log)**

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

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

#### **Note 4 (Withdrawal from European Union)**

In February 2019 the committee considered feedback on a National External Audit Report on *Withdrawal from the European Union (EU) - Key Audit Issues for the Public Sector*. A report on the Council's *Treasury Management Strategy for 2019/20*, and the implications which Brexit might have for interest rates, Council borrowing, return on investments etc., was also considered. Audit Scotland indicated that the scope, timing and any performance audit work relating to a further report it proposed to prepare on the *Withdrawal from the EU* would depend on developments.

In August 2019 the committee agreed to carry out a review regarding Brexit and the related financial implications as a medium priority issue, subject to further consideration of the timing of its commencement, having regard to the future outcome of the UK Government's discussions with the EU. It was also agreed then that, in the first instance following the appointment of the Council's Brexit Coordinator, arrangements should be made for the post holder to meet with the committee to allow Members to take evidence/gather information on Brexit issues. The post was to help coordinate and monitor progress on all aspects of Brexit, including internal preparedness and external liaison with appropriate bodies (including the Scottish Government and Police Scotland), and involved reporting to Elected Members, the Corporate Management Team (CMT) and Council officials.

A report on the UK's withdrawal from the EU was to have been submitted to the committee in April 2020. However, in liaison with the Chair and taking account of the impact of the COVID-19 emergency and related issues, a report was considered on 13 August 2020 instead. The Brexit Coordinator provided further feedback then on some issues raised during discussion which was circulated. In terms of the way forward, the committee asked him to submit a further update following the deadline of 31 October 2020 by which time an Agreement had been required between the EU and the UK subject to formal ratification. In November, 2020 the committee noted that further update, although the UK/EU Agreement still remained to be reached at that time. Further information requested by the committee at that meeting, on the EU Settlement Scheme in respect of East Renfrewshire and the outcome of a concurrent risks workshop, was provided and circulated.

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

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

Due to the COVID-19 emergency, the External Auditor could not complete and submit the 2019/20 East Renfrewshire Council Management Report to the committee in August as planned, but did provide an update on its preparation at that meeting, in advance of the submission of the report in September 2020.

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

As a follow up to considering a report on the *National External Audit Report on Self-Directed Support (SDS) – 2017 Progress Report Impact Report* in September 2020, the committee agreed that an update on future SDS development activity should be submitted in due course after self-evaluation work on that had been completed.



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

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

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

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

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

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

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

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

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

A report on feedback on these issues and related comments was submitted to the committee in November 2020, which agreed then that a further update be provided in due course, around March or April 2021, and that the Clerk should liaise with members of the committee to ascertain the specific issues on which feedback and further assurances were to be sought by

exception. The committee noted that the Performance and Audit Committee of the IJB had also been considering issues raised within the Guide.

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

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

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

Following submission of the report on the committee's investigation on *Income Generation and Commercialisation* to the Cabinet on 5 December 2019, and a slight delay due to the impact of COVID-19, a response to the report was approved by the Cabinet on 24 September 2020. It reflected that all 12 of the committee's recommendations had been agreed, and that despite the challenges of dealing with COVID-19 related issues, work had been started in many of the areas, with future work planned in due course.

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

In November 2020, the committee noted the responses approved by the Cabinet to the investigations, including the extent to which the recommendations had been accepted. It was agreed then that reports be submitted to the committee in November 2021 on progress on implementation of the recommendations accepted by the Cabinet in relation to both investigations, reference to which is included in the Committee's 2021/22 Work Plan.

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

#### **Note 11 (Council Website/Communications with the Public)**

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

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

In consultation with the Chair, taking into consideration when a range of issues were scheduled to be considered by the committee, it was agreed that a presentation on the Website should be made to the committee on 21 January 2021. Other Members of the Council were advised that the presentation was being made, with arrangements made to enable them to view it if they wish. The committee noted the presentation and that any further comments or feedback on the website could be sent to the Communications Manager for consideration. It remains to be discussed if any more detailed work is to be progressed this year on the Council website/communications with the public.

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

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

#### **Note 13 (Graffiti Removal and Fly-tipping)**

In August 2019 the committee agreed to review (1) graffiti removal; and (2) fly-tipping as medium priority issues. In the first instance it was agreed to undertake site visit(s) in the latter half of 2019/20 to gather information on the latest procedures and equipment being used for this by the Environment Department. However, subsequently, it was suggested that seeking briefings on these issues could be sufficient, at least at this stage.

Taking account of issues relating to COVID-19 and to allow the Environment Department to prioritise matters relating to that, briefings were not requested from the Head of Environment (Operations) until the end of July 2020. They were circulated on receipt in September at which time Members were invited to advise the Clerk if they wished to pursue any issues at that stage. No issues were identified at that time. It remains to be discussed if any more detailed work is to be progressed this year on this issue.

#### **Note 14 (Schools Admission Policy and Education Appeals System)**

As agreed in August 2019, the former Director of Education was advised then of the committee's concerns on the potential implications of the proposal under consideration by the Scottish Government to transfer administration of the education appeals system from local authority control to the Scottish Tribunals System. This was to allow her to consider the views expressed when formulating responses to any related consultation. She was also advised of concerns expressed at the meeting on the current criteria for approving school placing requests,

specifically the impact the approach had on some East Renfrewshire resident families in terms of siblings not necessarily being able to access the same school when catchment areas are altered.

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

In the interim, it was agreed as part of the committee's 2019/20 Work Plan that a presentation be made to it on the admission policy and the appeals system. That presentation was made and noted by the committee in November 2019. It remains to be discussed if any more detailed work is to be progressed this year on this issue.

#### **Note 15 (Early Years Provision Policy)**

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