

Business Operations and Partnerships Department

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Date: 5 August 2022

When calling please ask for: Linda Hutchison (Tel. No 0141 577 8388)

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TO: Councillor Andrew Morrison (Chair), Tony Buchanan (Vice-Chair), Provost Mary Montague and Councillors Paul Edlin, Annette Ireland, David Macdonald and Gordon Wallace.

AUDIT AND SCRUTINY COMMITTEE

A meeting of the Audit and Scrutiny Committee will be held in the Council Chamber, Council Headquarters, Eastwood Park, Giffnock, on **Thursday, 11 August 2022 at 2.00pm.**

The agenda of business is as listed below.

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. **Clarification Received on Queries Raised at Previous Meeting – Report by Clerk (copy attached, pages 3 - 6).**
5. **Annual Treasury Management Report 2021/22 – Report by Head of Accountancy (Chief Financial Officer)(copy attached, pages 7 - 26).**
6. **Internal Audit Annual Report 2021/22 – Report by Chief Auditor (copy attached, pages 27 - 44).**

7. **Internal Audit Plan 2022/23 – Implementation Progress – April to June 2022 – Report by Chief Auditor (copy attached, pages 45 - 54).**

8. **Committee’s Specialisation Arrangements for Dealing with Internal and External Audit Reports and Inspection Reports – Report by Clerk (copy attached, pages 55 - 56).**

9. **Integration Joint Board Performance and Audit Committee – Invitation to Co-Opt Member of Audit and Scrutiny Committee – Report by Clerk (copy attached, pages 57 - 58).**

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**AUDIT AND SCRUTINY COMMITTEE****11 August 2022****Report by Clerk****CLARIFICATION RECEIVED ON QUERIES RAISED AT PREVIOUS MEETING****PURPOSE OF REPORT**

1. To summarise the clarification received and circulated on queries raised at the meeting of the committee held on 23 June.

RECOMMENDATION

2. It is recommended that the committee notes the position.

REPORT

3. In June, the committee endorsed the final observations and recommendations made by the committee in April 2022 arising from its self-evaluation, agreeing to implement recommendations made as appropriate.

4. One of the self-evaluation observations made was that when queries on reports are raised at meetings, it is not always possible for answers to be provided at the meeting itself. Although the provision of clarification or assurances subsequently was considered acceptable, it was agreed, in the interests of transparency, that the Clerk should submit a summary of clarification received and circulated to the next meeting.

5. A related observation endorsed by the committee in June was that it is useful, where possible, for Members to alert the Clerk or Chair in advance to issues they wish to raise at meetings. This is with a view to helping to ensure that answers can be requested, prepared and made available to the committee where possible at its meetings, also in the interests of transparency. Members of the committee are therefore encouraged to alert the Clerk or Chair to issues in advance to the extent possible.

6. The clarification provided on queries raised at the meeting on 23 June, which has already been circulated through correspondence, is itemised in Appendix 1 to this report.

RECOMMENDATION

7. It is recommended that the committee notes the position.

Local Government Access to Information Act 1985

Report Author: Linda Hutchison, Clerk to the Committee (Tel.No.0141 577 8388)
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Background Papers:-

1. Audit and Scrutiny Committee Agenda – 23 June 2022 (Items 5 and 6)

CLARIFICATION SOUGHT AND CIRCULATED FOLLOWING MEETING ON 23 JUNE 2022

DATE OF MEETING AND ITEM	ITEM AND ISSUE(S) RAISED	CLARIFICATION
23 June (Item 5)	<p><u>UNAUDITED ANNUAL ACCOUNTS 2021/22</u></p> <p>It was agreed that the Clerk seek clarification on when the Climate Community Partnership would be convened.</p>	<p>It has been confirmed that this will be commencing as soon as possible, now that the Elections are over; and that the Get to Zero Manager and Climate Change Officer have been asked to proceed with work on this.</p>
23 June (Item 6)	<p><u>CONSULTANCY EXPENDITURE AND RELATED LOG</u></p> <p>It was agreed that the Clerk seek confirmation on whether or not:-</p> <p>(a) the active travel measures referred to in the Consultancy Log would ultimately be funded by Sustrans; and</p> <p>(b) the costs of the independent assessment of proposed building costs in relation to Caldwell House related to a live planning application and, if so, if the applicant, rather than the Council, should ultimately meet the costs.</p>	<p>(a) All the active travel measures referred to in the Log were funded by Sustrans, apart from the project at Row 47 (A77 Cycle Lane: Phase 2: M77 Bridge to Hunter's Roundabout: Design & Tender Preparation), which was funded by SPT; and</p> <p>(b) A Major planning application has been received by the Council for determination. Major applications can be complex to deal with and, as the Council is a small one, it does not employ specialist staff to assist it in relation to a wide range of issues such as trees, ecology, noise from wind turbines, archaeology and financial assessments to name a few. As such, the Council procures specialists to assist as and when necessary. The applicant pays a fairly significant planning fee to have a Major planning application determined and, if specialist advice is needed, that is paid for out of the planning fee.</p>

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EAST RENFREWSHIRE COUNCILAUDIT & SCRUTINY COMMITTEE11 August 2022Report by Head of Accountancy (Chief Financial Officer)ANNUAL TREASURY MANAGEMENT REPORT FOR 2021/22**PURPOSE OF REPORT**

1. To advise the Audit & Scrutiny Committee on the Treasury Management activities for the year ending 31 March 2022.

RECOMMENDATION

2. It is recommended that the Committee: -
 - a) note the Treasury Management Annual Report for 2021/22; and
 - b) recommend to the Council that the attached organisations for investment of surplus funds be approved.

BACKGROUND

3. In line with the CIPFA Code of Practice on Treasury Management, the Audit & Scrutiny Committee is responsible for ensuring effective inspection of treasury management activities and this report is submitted in accordance with this requirement.

SUMMARY

4. Overall the report demonstrates a well-managed treasury function within the Council. The average interest rate on long-term borrowing has decreased slightly over the previous year, reflecting the scheduled maturity of existing borrowing with higher interest rates along with borrowing at historically low interest rates. The Council continues to adopt a prudent approach to treasury management and in particular the percentage of loans held as at 31 March 2022 that had variable interest rates was 7.32% which is well below the Council's approved upper limit of 30%. The resulting stability in borrowing assists the Council in responding to the current national economic pressures.

5. The detail in this report is subject to change during the audit process which is expected to be completed in October 2022.

RECOMMENDATION

6. It is recommended that the Committee: -
 - a) note the Treasury Management Annual Report for 2021/22; and
 - b) recommend to the Council that the attached organisations for investment of surplus funds be approved.

REPORT AUTHOR

Head of Accountancy (Chief Financial Officer): Margaret McCrossan

Chief Accountant: Barbara Clark

Telephone Number: 0141 577 3068

E-mail: barbara.clark@eastrenfrewshire.gov.uk

Report Date: July 2022

ANNUAL TREASURY MANAGEMENT REPORT 2021/22

1. Actual External Debt

	Borrowing 01/04/21 £M	Average Interest %	Borrowing 31/03/22 £M	Average Interest %	Change in year £M
<u>Long Term Borrowing</u>					
Public Works Loan Board	99.03	3.49	103.67	3.39	4.64
Local Authority Bonds	14.40	4.60	14.40	4.60	-
PFI / PPP Finance Leases	83.80	7.16	78.71	7.17	(5.09)
SALIX Energy Efficiency Loan	0.01	-	0.00	-	(0.01)
Total Long Term	197.24	5.13	196.78	4.99	(0.46)
<u>Short Term Investments</u>					
Temporary Investments	(71.93)	0.11	(78.43)	0.47	(6.50)

NOTES

- (i) For purposes of this report long-term borrowing means loans taken on a long-term basis. This differs from the Annual Accounts, which have to categorise long-term loans with less than a year until repayment as short-term loans. Loans above totalling £0.817million come into this category.
- (ii) The Treasury Strategy approved by the Council on 15th March 2021, ratified external borrowing of £30m from the Public Works Loan Board to be undertaken during the year, however due to the deferral of capital expenditure to future years new borrowing from Public Works Loan Board during the year was £5m. In addition loans totalling £0.36m matured.
- (iii) The average interest rate on long-term borrowing has decreased by 0.14%.
- (iv) The Council's net external borrowing position has decreased in total by £6.96 million during the year.
- (v) The Council's activity in the temporary investments market is shown along with the corresponding interest rate movements in Appendices 2 - 5. All sums invested were for periods of less than 1 year. In response to difficulties in the financial markets and as part of a risk managed process designed to protect the principal of the sums invested, during the course of the year the maximum period of investment was restricted to 6 months, with the exception of those investments with the Bank of Scotland which are set at maximum of 1 year.
- (vi) At 31 March 2022, the Council had 7.32% of its total debt outstanding in variable rate loans. For the Council to gain a high level of stability in overall borrowing costs the Council's Treasury Policy Statement requires the exposure to variable rate loans to be less than 30% of the total debt outstanding.

2. PWLB

The primary source of medium/long term borrowing is from the UK Government through the Public Works Loan Board (PWLB). The PWLB provides loans to local authorities at rates, which are in general more attractive than loans available from other sources.

3. DEBT MATURITY PROFILE

The Council's debt maturity profile at 31 March 2022 is shown both below and in Graph format at Appendix 6.

It is a requirement of the Council's Treasury Policy Statement that the maximum amount of long-term debt maturing in any one year should be no more than 15% of the Council's long-term debt outstanding, at the time of borrowing.

The Council's debt Maturity Profile as at 31 March 2022 was within the agreed limits.

Long Term Debt Maturity Profile as at 31 March 2022

	PWLB £M	Local Authority Bond £M	Total £M	%
22/23	0.82	0.00	0.82	0.69
23/24	0.36	0.00	0.36	0.30
24/25	0.00	0.00	0.00	0.00
25/26	0.00	0.00	0.00	0.00
26/27	5.01	0.00	5.01	4.24
27/28	2.01	0.00	2.01	1.70
28/29	0.00	0.00	0.00	0.00
29/30	0.00	0.00	0.00	0.00
30/31	0.00	0.00	0.00	0.00
31/32	0.00	0.00	0.00	0.00
After 2032/33	95.47	14.40	109.87	93.07
Total	103.67	14.40	118.07	100.00

4. PRUDENTIAL INDICATORS

In line with the agreed monitoring arrangements for the Prudential Indicators, listed below there is a table showing all the prudential indicators comparing the approved indicator, as reported to the Council on 15 March 2021 along with the actual figures recorded at 31 March 2022, demonstrating that the Council is operating well within the limits set.

Prudential Indicator	Approved indicator	Actual	COMMENT
1. Capital Expenditure	£59,785,000	£36,786,000	Movement is due to revised planning of capital projects to future years, resulting in a commensurate movement of capital expenditure.

2. Capital Financing Requirement	£243,099,000	£207,856,000	Movement is due to a reduction in net capital expenditure in both the previous and current years.
3. Operational Boundary for External Debt	£247,783,000	£207,082,000	Movement is due to a reduction in borrowing from that approved due to a reduction in capital spend in both the previous and the current years and the in-year repayment of existing debt during the year.
4. Authorised Limit For External Debt	£272,375,000	£207,082,000	In addition to the variance explanation for the Operational Boundary for External Debt above, the Authorised Limit for External Debt also includes a further 15% allowance to cover any unexpected temporary movements of £24,592m which was not required.
5. Gross Debt	£222,594,000	£197,554,000	Movement is because only £5m of the approved £30m new long term borrowing was undertaken. There was also a small change to the financial model of the Clyde Valley Waste Plant by North Lanarkshire Council.
6. Code of Practice For Treasury Management	The Council has adopted the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes	All of the approved activities within the Council Treasury Management Policy Statement have been complied with.	

The movement between the Capital Financing Requirement and the Gross Debt indicates the amount of internal borrowing required. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded by external loan debt as the cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy remains both prudent and cost effective as investment returns are low and counterparty risk is relatively high. The average interest rate on internal borrowing incurred during the year was 0.12%.

	Approved Indicator	Actual
Capital Financing Requirement	£243,099,000	£207,856,000
Gross Debt	£222,594,000	£197,554,000
Internal Borrowing Required	£20,505,000	£10,302,000

5. DEBT PERFORMANCE INDICATOR

The Treasury Strategy sets out the following two debt performance indicators

- **Average “pool rate” compared to Scottish average:**
 - Average “Pool Rate” charged by the Loans Fund in 2020/21 was 3.67%
 - Average Scottish Local Authority “Pool Rate” in 2020/21 was 3.55%
 - Average “Pool Rate” charged by the Loans Fund in 2021/22 was 3.52%

The average “pool rate” charged by the Loans Fund in 2020/21 is slightly higher than Scottish Local Authority average and there are several factors that contribute to this. The increased rate is due to the Council not taking full advantage of new borrowing at historically low interest rates, due to slippage in the capital plan, only a small amount of loan debt with high interest rates maturing and having a very low appetite for risk when investing surplus funds.

The average Scottish Local Authority “Pool Rate” for 2021/22 is not currently available.

- **Average borrowing rate movement year on year:**
 - Average borrowing rate in 2020/21 was 5.13%
 - Average borrowing rate in 2021/22 was 4.99%

This is a decrease of 0.14% which is an improvement on the target set in the Treasury Strategy to maintain or reduce rates year on year.

6. APPROVED ORGANISATIONS FOR INVESTMENT

In line with normal practice the status of all Banks and Building Societies has been reviewed in order to amend the current list of approved organisations for investment (see appendix 7). All lending is in line with the permitted methods of investment which were approved by Council on 15 March 2021 as part of the Treasury Management Strategy report.

As a result of the banking crisis and in line with prudent financial management, investment has been restricted to UK organisations with high credit ratings. Also, the maximum period of investment was restricted to 6 months, with the exception of loans to the Bank of Scotland which were restricted to 1 year, in line with advice from our Treasury Advisers, Link Asset Services. These measures have been taken as part of a risk managed process designed to protect the principal of the sums invested.

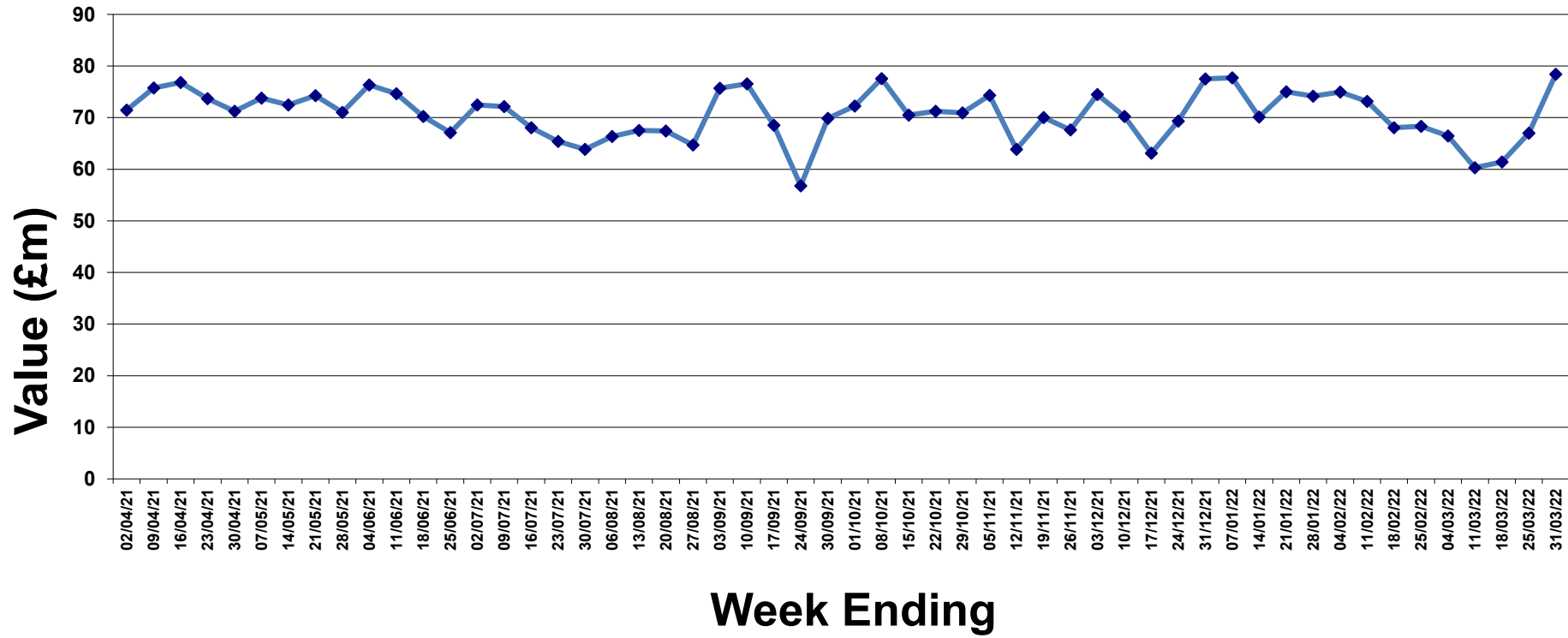
Credit ratings of organisations on the counter-party list are subject to continuous monitoring and review to ensure that subject to available professional advice, approved organisations remain sound for investment purposes.

7. TREASURY MANAGEMENT RISK

Within the Operational Risk Register for Accountancy Services there is a risk listed that highlights the difficulty in obtaining sufficient institutions, that meet the Council's criteria, to invest surplus funds with. To minimise this risk the Council has seven Money Market Funds which provide highly diversified investments.

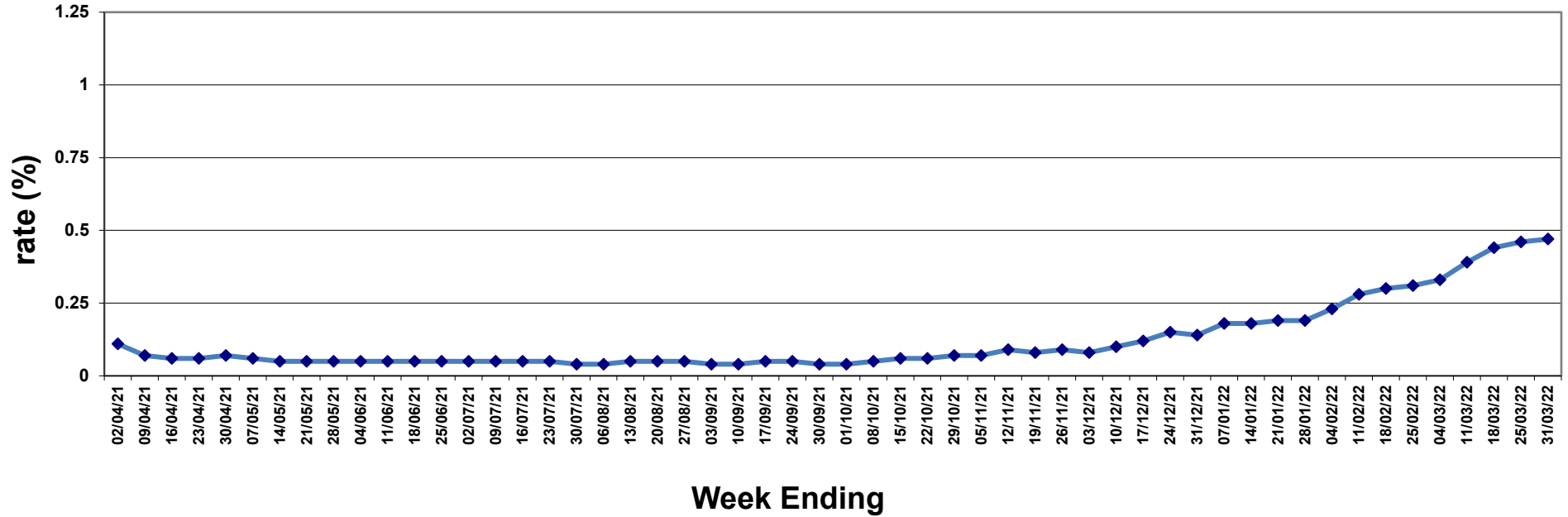
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Temporary Deposits Weekly Movement (April 2021 - March 2022)



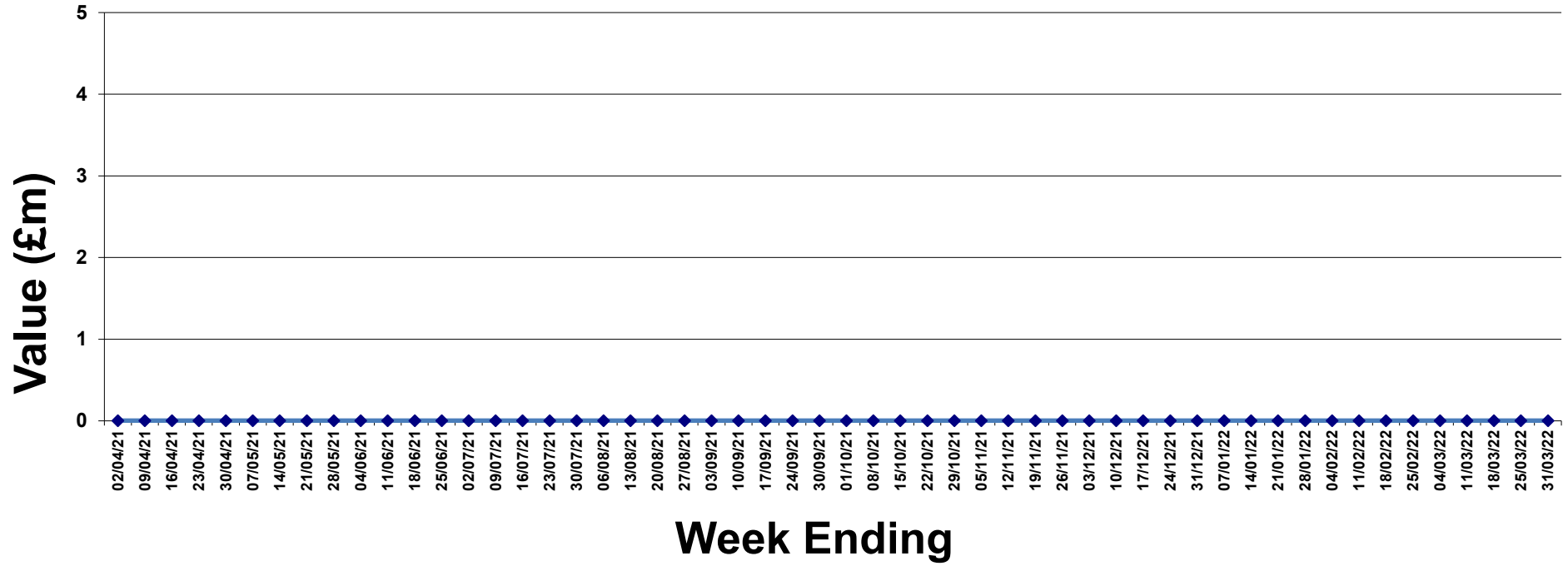
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**Temporary Deposit
Interest Rate Movements
(April 2021 - March 2022)**



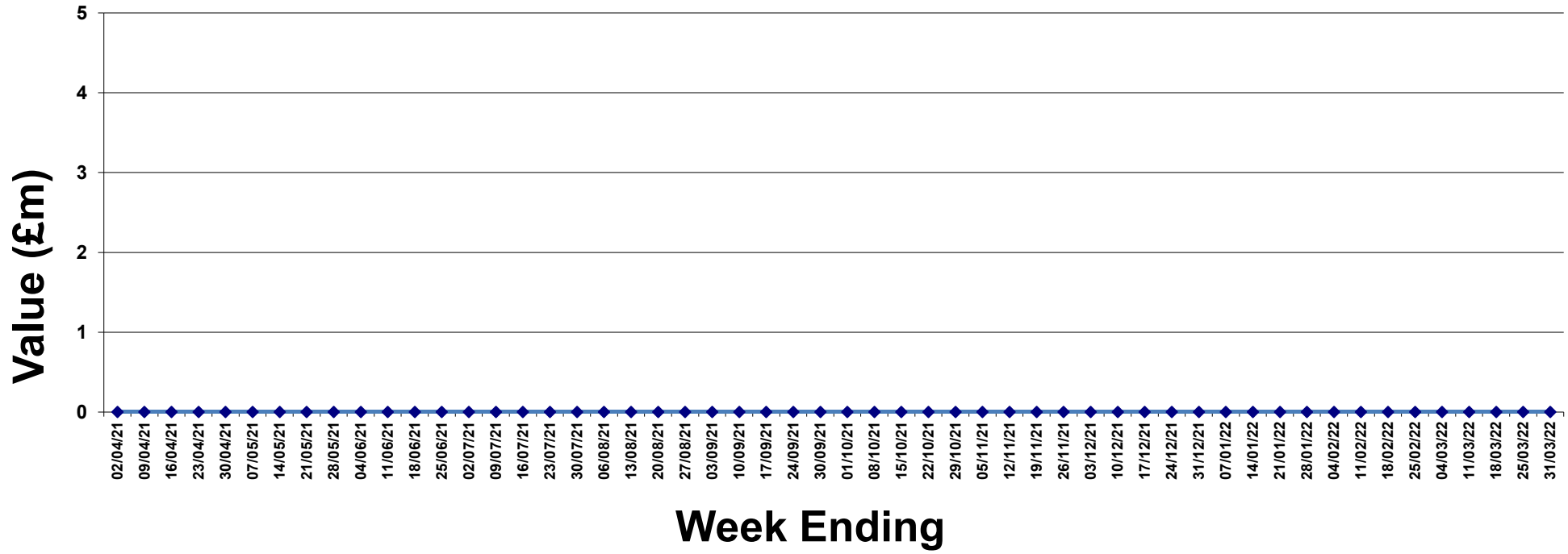
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Temporary Borrowing Weekly Movement (April 2021 - March 2022)



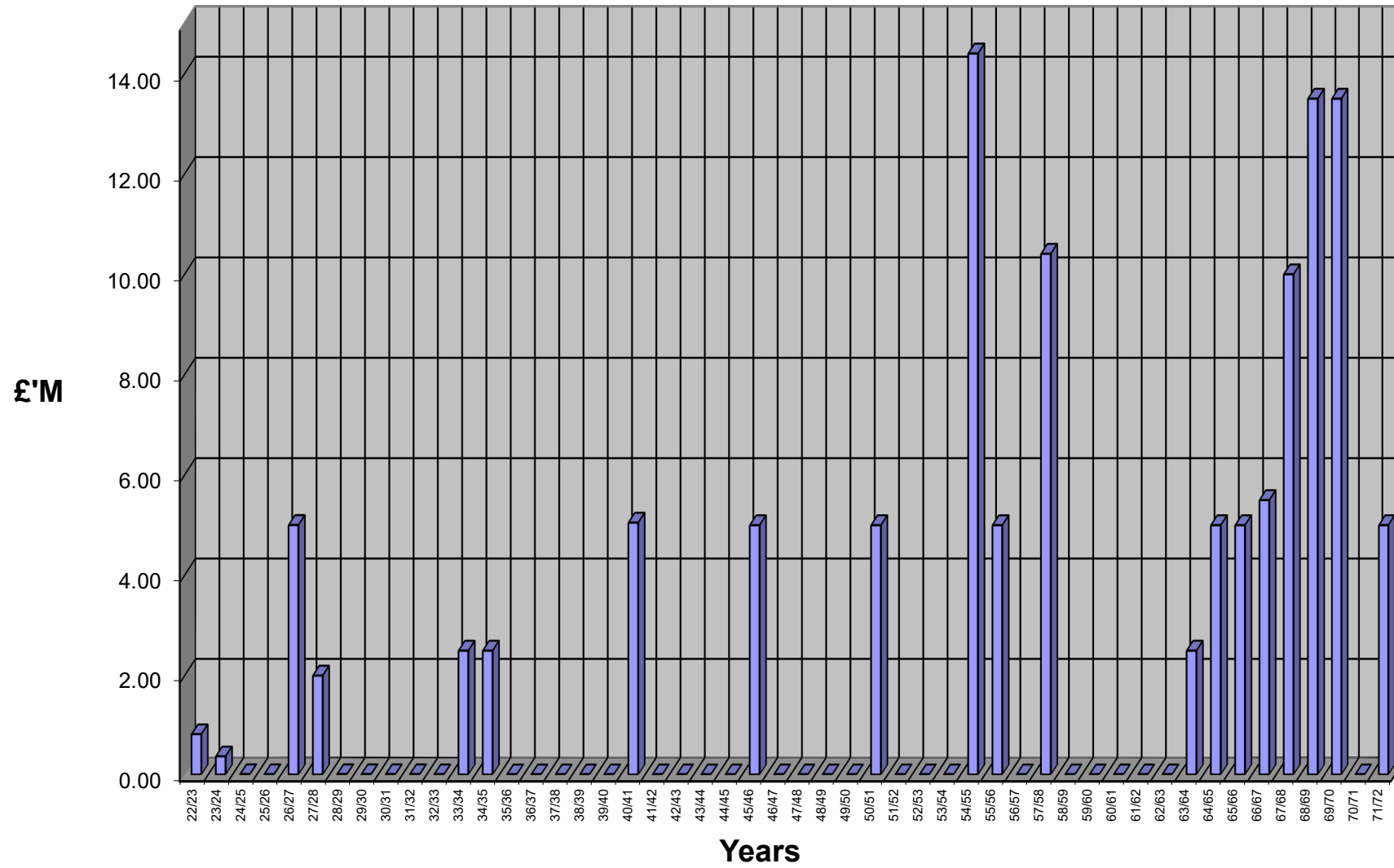
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Temporary Borrowing Weekly Movement (April 2021 - March 2022)



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Long Term Debt Maturity Profile as at 31/03/22



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EAST RENFREWSHIRE COUNCIL

ORGANISATIONS APPROVED FOR THE INVESTMENT OF SURPLUS FUNDS
Limits

Banking Group	Individual Counterparty	Deposit	Transaction
Bank of England	Debt Management Office	£30m	£10m
	UK Treasury Bills	£5m	£5m
Barclays Banking Group	Barclays Bank plc	£5m	£5m
Goldman Sachs International Bank		£10m	£10m
Lloyds Banking Group:	Bank of Scotland plc	£12.5m	£10m
Royal Bank of Scotland Group:	Royal Bank of Scotland plc	} £5m	£5m
	National Westminster Bank		
Standard Chartered Bank		£5m	£5m
Santander Group	Santander UK plc	£10m	£10m
Clydesdale Bank		£5m	£5m
Building Societies			
Nationwide		£10m	£10m
Local Authorities			
All Local Authorities including Police & Fire		£5m	£5m
Money Market Funds			
Maximum limit of £10m per fund,		£10m	£10m

Credit Ratings

	Fitch		Moody's		S&P	
	LT	ST	LT	ST	LT	ST
Minimum Criteria (unless Government backed) (please note credit ratings are not the sole method of selecting counterparty)	A-	F1	A3	P-1/P-2	A	A-1/A-2

Limit

Investment of surplus funds is permitted in each of the above organisations, limits can only be exceeded or another organisation approved with written permission of the Chief Financial Officer.

Deposit Periods

The maximum period for any deposit is based on the Link Asset Services suggested Duration matrix with a maximum of 6 months. The exception to this is deposits with the Bank of Scotland which is set at 1 year. These limits can only be exceeded with the written permission of the Chief Financial Officer.

Hub scheme deposit periods are dependent on the lifetime of the associated scheme.

EAST RENFREWSHIRE COUNCIL**AUDIT AND SCRUTINY COMMITTEE****11 August 2022****Report by Chief Auditor****INTERNAL AUDIT ANNUAL REPORT 2021/22****PURPOSE OF REPORT**

1. To submit to Members an annual report on the activities of internal audit during 2021/22 and to provide an independent audit opinion on the adequacy and effectiveness of the Council's governance, risk management and internal control systems based on work undertaken in 2021/22.

BACKGROUND

2. The internal audit service is an autonomous unit within the Chief Executive's Office. The service objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper economic, efficient and effective use of the council's resources. Independence is achieved through the organisational status of internal audit and the objectivity of internal auditors. The council's financial regulations require that an annual report containing an assurance statement and summarising internal audit's activities during the year is submitted to the Audit and Scrutiny Committee.

ANNUAL REPORT 2021/22

3. The 2021/22 strategic audit plan was approved by the Audit and Scrutiny Committee in June 2021. Due to reduced staff resources and some continuing restrictions due to Covid, some audits in the plan were not completed but priority was given to the audits which would give most assurance that internal controls continued to operate satisfactorily. The attached annual report (Appendix 1) summarises the audit work carried out during the year. The internal audit annual statement of assurance is contained within appendix A of the report. This concludes that reasonable assurance can be placed upon the adequacy and effectiveness of the council's governance, risk management and internal control systems in the year to 31 March 2022 except for one area. This is the area still under investigation by Police Scotland, though it is noted that the periods under investigation were prior to 2021/22.

RECOMMENDATION

4. The Committee is asked to note the annual statement of assurance on the adequacy of governance, risk management and internal control systems and submit it to the Council.

5. The Committee is asked to note the contents of internal audit's annual report 2021/22.

Further information is available from Michelle Blair, Chief Auditor, telephone 0141 577 3067.

M Blair, Chief Auditor
26 July 2022

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APPENDIX 1

INTERNAL AUDIT ANNUAL REPORT 2021/22

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Chief Auditor
26 July 2022



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INTERNAL AUDIT ANNUAL REPORT 2021/22**1. INTRODUCTION**

- 1.1 The responsibilities and duties of Internal Audit are summarised in the Council's Financial Regulations which state:
- 'The primary role of Internal Audit is to provide assurance to the Council on the adequacy of its control environment. Internal Audit will carry out independent examinations of financial and related systems of the Council to ensure the interests of the Council are protected.'*
- 1.2 Internal Audit's purpose, authority and responsibilities are set out in more detail in the Audit Charter.
- 1.3 Internal Audit activity during the year was based on the planned work contained in the Annual Audit Plan initially approved by the Audit and Scrutiny Committee in June 21. The Annual Plan was initially derived from the 5 year rolling Strategic Audit Plan which is compiled following a risk based internal audit needs assessment and following consultation with members of the Corporate Management Team, External Audit and elected members.
- 1.4 There are five established posts within the audit service (4.7FTE) of which four employees (3.7 FTE) will hold a relevant professional qualification. There was one vacant post at the year end.
- 1.5 The service operates in compliance with the Public Sector Internal Audit Standards (PSIAS) which came into effect on 1 April 2013.
- 1.6 The assistance afforded by council staff to Audit during the course of work carried out in 2021/22 is gratefully acknowledged and senior management and elected members are thanked for the due regard given to the work of internal audit.

2. INTERNAL CONTROL FRAMEWORK

- 2.1 In order to ensure the proper conduct of its business, the Council has a responsibility to develop and implement systems of internal control. The presence of an effective internal audit function contributes towards, but is not a substitute for, effective controls and it remains primarily the responsibility of line management to ensure that internal controls are in place and are operating effectively. A sound control system will help safeguard assets, ensure records are reliable, promote operational efficiency and ensure adherence to Council policy and procedures. Such systems of internal control can provide only reasonable and not absolute assurance against loss.
- 2.2 As part of its Standing Orders and in order for the business of the council to be dealt with in an efficient manner, the council has in place both a Scheme of Administration and Scheme of Delegated Functions. The former indicates the business to be dealt with by the various bodies of the council, whilst the latter gives details of the authority delegated to officers by the council. In addition to this, a comprehensive set of approved Financial Regulations (last reviewed March 2022) are in place, which ensure that the financial administration of the council is dealt with in a proper manner. The council's Financial Regulations incorporate the requirement that an Annual Audit Report showing the activity of the Internal Audit service and progress achieved against the plan shall be presented to the Audit and Scrutiny Committee each year. Contained within this report shall be an assurance statement to the Council on the adequacy of controls. Whilst audit work is also carried out on behalf of the Integration Joint Board and the East Renfrewshire Culture and Leisure Trust, fundamental responsibility is to the management of the Council should there be any potential conflict.

- 2.3 The Audit and Scrutiny Committee's terms of reference require it to evaluate the internal control environment and provide an annual statement to the Council. To assist with this evaluation, Internal Audit is required to provide the Audit and Scrutiny Committee with an annual statement on the adequacy and effectiveness of internal control.

3. ACHIEVEMENT OF ANNUAL AUDIT PLAN

- 3.1 Internal audit activity during the year was severely impacted due to reduced staff resources. Several audits in the plan were unable to be completed during the year and most of these will now be undertaken in 2022/23. The results of internal audit's progress against the annual plan has been reported to Audit and Scrutiny Committee quarterly and is summarised in Appendix D.

The original 2021/22 plan provided 661 (733 2020/21) direct audit days (i.e. excluding 251 days for planning, reporting, administration, training, consultancy work, seminars, secondments and meetings) spread across various audit activities and council departments. The actual number of audit days achieved was only 536. Details of audit work carried out analysed by type of audit is shown in table 1 below.

Table 1 – Audit Work by Type of Audit

Type of Audit	Original Planned Days 2021/22	Actual Days 2021/22	Variance in days (Planned to actual)
Systems and Regularity	403	398	(5)
Contract	20	0	(20)
Computer	28	9	(19)
General and Fraud Contingency	100	76	(24)
Performance Indicators	10	15	5
Follow up of previous year	50	15	(35)
Grant Certification	15	0	(15)
Trust	20	21	1
IJB	15	2	(13)
Total	661	536	125

- 3.2 Despite a significant reduction of planned audits being completed, internal audit issued 18 reports and memos relating to 2021/22 audit work which contained in excess of 150 recommendations in total. Details of all reports issued were included in the quarterly progress reports during the year. Nine of the reports were issued after the year end. Satisfactory responses have now been received for all audit reports relating to 2021/22 which were issued apart from two (debtors and housing benefits) where the due date for responses has not yet passed.
- 3.3 Subject to the responses from the two audits where responses are still outstanding, there was one report (Environmental Controls – Education) where management did not accept all of the recommendations contained in the report. In total, two recommendations were not accepted but reasonable explanations were provided to support the response and therefore responses were considered satisfactory. The recommendations were both classified as medium risk and related to the siting of servers at two primary school locations. The departmental response indicated that a review of servers is currently being undertaken by ICT and the proposal is to move

servers to high schools. Full details of these responses were included in the quarterly progress report to June 2022.

- 3.4 Internal audit's approach always attempts to be constructive and this appears to have been welcomed by departments. A good working relationship exists between internal audit and Audit Scotland, the council's appointed external auditors. Information on audit planning and the progress of audit work is regularly exchanged on an informal basis which helps avoid duplication of effort and maximises audit resources.

4. SUMMARY OF AUDIT ACTIVITIES 2021/22

- 4.1 Internal Audit carried out a range of activities throughout the year, however systems and regularity based reviews continue to represent two of the main elements of planned activity. Systems reviews focus on identifying, assessing and testing the adequacy and effectiveness of controls in place to ensure the underlying objectives of the system are met whereas regularity focuses more on compliance testing. The key systems and regularity audits carried out were as follows:

- | | |
|--------------------|--|
| • Debtors | • Council Tax – reductions and liabilities |
| • Payroll | • Cash Income and Banking |
| • Housing Benefits | • Gas servicing |
| • Housing Repairs | |

- 4.2 Overall, the audit findings suggested that whilst some weaknesses were identified and some elements of control were only partially in place, when taken with other findings they did not significantly impair the overall systems of internal control in the areas reviewed.

- 4.3 Some other types of audit were also carried out such as regularity and performance indicators. Following each audit, a report detailing appropriate recommendations to address weaknesses in systems and procedures was issued. In general, audit results suggested that although errors and weaknesses were often noted they were not considered to be generally indicative of absent or inadequate controls and that broadly, the level of compliance was satisfactory.

- 4.4 **Follow-up audits:** An ongoing programme of follow-up audits is normally carried out to ensure that recommendations previously made by Internal Audit and accepted by management have been implemented. Only two follow up audits were carried out during the year covering the Environment Department and the IJB. No responses are outstanding in relation to follow-up audit reports issued during the year. A full copy of the Environment follow up report and the associated departmental responses have previously been circulated to Audit and Scrutiny Committee members.

- 4.5 **General contingency:** Five specific requests for assistance/consultancy or guidance on queries/anomalies were received during the year, none of which resulted in actual financial loss to the council. Contingency time was also used to assist the core systems and other teams in relation to new systems being implemented.

- 4.6 **Fraud contingency:** Internal Audit also has responsibility for investigating as appropriate all alleged frauds and irregularities which have been brought to audit's attention in accordance with the Council's Anti-Fraud, Bribery and Theft Strategy. The number of frauds and irregularities and the level of resources required to investigate them are always difficult to estimate. Three potentially fraudulent matters brought to Audit's attention were investigated during the year using budgeted fraud contingency

time. The first two cases did not warrant further action after the initial investigation and neither involved financial loss to the Council. The third case related to theft of council property from council premises valued at an estimated £300 and was reported to Police Scotland.

- 4.7 In addition, there was a potentially fraudulent case which was primarily investigated during 2021/22 but was started at the end of 2020/21. This case was therefore not counted within the three fraudulent matters mentioned above but used a large portion of fraud contingency time in 2021/22. This case involved significant potential cost or loss to the Council and has previously been brought to the attention of Audit and Scrutiny Committee members. This case is still under investigation by Police Scotland and therefore the current position is still that no further information can be provided at this time.
- 4.8 Frauds and irregularities included in Audit Scotland's quarterly Fraud Digests were also considered in relation to practices within the Council, to proactively try and identify potential weaknesses and ensure that appropriate measures have been taken or are in place to prevent these happening within East Renfrewshire.

5. COMPLIANCE WITH PUBLIC SECTOR INTERNAL AUDIT STANDARDS (PSIAS)

- 5.1 In 2017/18, an external assessment of PSIAS was carried out and submitted to the Audit and Scrutiny Committee in June 2018. The results of that review confirmed that the Internal Audit function has sound documentation standards and reporting procedures in place and complies with the main requirements of PSIAS.
- 5.2 An internal self-assessment of compliance with PSIAS was subsequently carried out and the results presented to the Audit and Scrutiny Committee in June 2019. The self-assessment concluded that the internal audit service were fully compliant with 95% of the standards and partially compliant with a further 4%. This is broadly in line with the findings of the external assessment. The self-assessment was reviewed in July 2020 and August 2021 which confirmed the levels of compliance previously reported.
- 5.3 A revised Quality Assurance and Improvement Plan (QAIP) was prepared as part of the most recent self-assessment review and is included in Appendix C. All actions are now fully implemented.
- 5.4 One of the requirements of the PSIAS is that the internal audit service must be free from interference in determining the scope of internal auditing, performing work and communicating results. I can confirm that during 2021/22, the internal audit service has operated without any such interference.

6. INTERNAL AUDIT PERFORMANCE INDICATORS

- 6.1 A range of key performance indicators are used to measure Internal Audit's performance. Some of these indicators have been reported to the Audit and Scrutiny Committee on a quarterly basis, whereas it is only appropriate to report others on an annual basis.
- 6.2 A summary of all the indicators is given in Appendix B with the targets and actual achievement for the full year. Three of the targets were not met;
- 2.1 which measures actual direct audit days compared to planned days,
 - 4.1 which measures percentage of planned audits that are completed and
 - 5.2 which measures the time to complete an audit.

A number of factors impacted Internal Audit's ability to meet its performance targets including:

- accessibility issues to both buildings and officers within services being audited impacting on the ability to conduct audits in a timeous manner.
- slow responses from departments for some audits to allow reports to be cleared.
- reduced internal audit staff resources due to long term illnesses.
- several new key systems being implemented.

7. ANNUAL INTERNAL AUDIT OPINION

- 7.1 There is a formal requirement for the Chief Auditor to prepare an annual report which contains an assurance statement on the adequacy of governance, risk management and internal control systems. Such systems need to be monitored so that management and Members may be sure that they continue to be effective. Monitoring of controls is done at a number of levels, for example, assessment by line management, internal audit and external audit review and subsequent reporting to management of identified weaknesses and recommendations, and monitoring by the Audit and Scrutiny Committee. If monitoring of control is to be effective, then senior management must foster an environment where internal control is the responsibility of all staff.
- 7.2 The Internal Audit Annual Statement of Assurance is included in Appendix A. The evaluation of the control environment is informed by a number of sources as detailed in the appendix.
- 7.3 In reviewing these different sources of evidence, consideration has to be given as to whether any key controls are absent or ineffective and when taken together with other findings, would lead to the conclusion that the overall system of control has been significantly impaired as a result.
- 7.4 Based on the information available, the formal annual statement of assurance did not lead me to conclude that the Council's overall systems of governance, risk management and internal control were significantly or materially impaired during 2021/22 except for the area still under investigation by Police Scotland.

8. CONCLUSION

- 8.1 The 2021/22 audit year was particularly challenging for Internal Audit as the audit plan was substantially impacted by reduced staffing levels due to long term illnesses, and to a lesser extent, remaining covid restrictions which impacted on the ability to carry out audits in some areas. Despite this, sufficient audits were able to be completed to allow an opinion to be given in the annual statement of assurance. The level of performance achieved against the indicator targets set given the restrictions that were in place were largely outwith the control of the service.

APPENDIX A

INTERNAL AUDIT ANNUAL STATEMENT OF ASSURANCE FOR 2021/22

As Chief Auditor of East Renfrewshire Council, and in line with the Public Sector Internal Audit Standards (PSIAS), I am pleased to present my annual statement on the overall adequacy and effectiveness of the governance, risk management and control systems of the Council for the year ended 31 March 2022.

Respective Responsibilities of Management and Internal Audit in relation to Governance, Risk Management and Internal Control

It is the responsibility of the Council's senior management to establish appropriate and sound systems of governance, risk management and internal control and to monitor the continuing effectiveness of these systems. It is the responsibility of the Chief Auditor to provide an annual overall assessment of the robustness of governance, risk management and internal control.

The Council's Framework of Governance, Risk Management and Internal Controls

The main objectives of the Council's framework of governance, risk management and internal control are:

- To ensure adherence to management policies and directives in order to achieve the organisation's objectives;
- To safeguard assets;
- To ensure the relevance, reliability and integrity of information, so ensuring as far as possible the completeness and accuracy of records; and
- To ensure compliance with statutory requirements.

Any system of control can only ever provide reasonable and not absolute assurance that control weaknesses or irregularities do not exist or that there is no risk of material errors, losses, fraud, or breaches of laws or regulations. Accordingly, the Council is continually seeking to improve the effectiveness of its systems of governance, risk management and internal control.

The work of Internal Audit

Internal Audit is an independent appraisal function established by the Council for the review of the internal control system as a service to the organisation. It objectively examines, evaluates and reports on the adequacy of internal control in all service areas as a contribution to the proper, economic, efficient and effective use of the Council's resources.

During 2021/22, the internal audit service operated in accordance with the Public Sector Internal Audit Standards (PSIAS). In particular, the service operated free from interference in determining the scope of internal audit, performing work and communicating results. A self-assessment was carried out and submitted to the Audit and Scrutiny Committee in August 2021. This review concluded that the internal audit service continues to operate in compliance with the Public Sector Internal Audit Standards. A quality assurance improvement plan was developed to further enhance compliance and is included within the appendices. All actions are now fully implemented.

The service undertakes an annual programme of work approved by the Audit Committee based on a five year strategic plan. The strategic plan is based on a formal risk based audit needs assessment which is revised on an ongoing basis to reflect evolving risks and changes within the Council.

All internal audit reports identifying system weaknesses and/or non-compliance with expected controls are brought to the attention of management and include appropriate recommendations. It is management's responsibility to ensure that proper consideration is given to internal audit reports and that an appropriate action plan is provided in response to audit recommendations. Internal Audit is required to ensure that appropriate arrangements are made to determine whether action has been taken on internal audit recommendations or that management has understood and assumed the risk of not taking action. Key matters arising from internal audit work are reported to the Chief Executive and the Council's Audit and Scrutiny Committee. Follow up work is carried out by Internal Audit to ensure that recommendations previously accepted by management have been implemented. Copies of these reports are circulated to members of the Audit and Scrutiny Committee.

Basis of Opinion

My evaluation of the control environment is informed by a number of sources:

- The audit work undertaken by Internal Audit during the year to 31 March 2022 and material findings since the year end
- The audit work undertaken by Internal Audit in previous years and follow up work to assess implementation of agreed actions
- The assessment of risk completed during the preparation of the strategic audit plan
- Assessments of the general control environment within individual departments as completed by each director
- Reports issued by the Council's external auditors and other review and inspection agencies
- Knowledge of the Council's governance, risk management and performance monitoring arrangements
- Any other items brought to the attention of internal audit staff by whatever means which may warrant further investigation.

Opinion

Completing audits from the 2021/22 audit plan was particularly challenging for the audit team due to severely reduced staff resources and the continuing challenges of completing audits remotely and obtaining information from departments. Eight audits were deleted from the plan as indicated in appendix D, all other audits have now been completed and issued. It is therefore my opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's framework of governance, risk management and internal control for the year ended 31 March 2022 except for one area. This area is still under investigation by Police Scotland. It is noted that the periods under investigation are all prior to 2021/22.

Michelle Blair FCA
Chief Auditor

26 July 2022

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Internal Audit Performance Indicators 2021/22

Indicator	Definitions (where required)	Target (where applicable)	Actual 2021/22	Actual 2020/21	Actual 2019/20
1. Cost					
1.1 Cost of Internal Audit per productive day.	Productive days are those spent on direct audit activities.	-	£499	£647	£435
2. Audit Coverage					
2.1 Actual direct audit days as a % of planned direct audit days per the plan.	Planned direct audit days as detailed in the strategic audit plan.	100%	81%	49%	84%
2.2 Actual direct audit days as a percentage of total days available.	Days available exclude public holidays, annual leave and sickness absence.	75%	76%	50%	75%
2.3 Number of requests for assistance/ queries raised by departments outwith planned audit work.	This will generally include most items met from general and fraud contingency. This is contextual information only.	-	8	8	12
2.4 Percentage of planned contingency time used.	Actual contingency time used as a percentage of total planned contingency time. This is mainly for contextual information.	<100%	76%	58%	48%
3. Quality					
3.1 Number of questionnaires issued during the year. (Note: questionnaire sent electronically so this now records the number of responses)			0	27	0
3.2 Percentage of customer questionnaires with overall rating of satisfactory or better.		90%	n/a	93%	n/a
3.3 Percentage of established audit posts (FTE) at year end filled by staff with relevant professional qualification.		45%	57%	57%	57%
4. Achievement of Plan	Total number of audits defined as number per strategic annual plan. Number achieved defined as number of audits from plan which were started during the year.				
4.1 No of audits achieved as a percentage of all audits planned during the year.		90%	70%	44%	86%
5. Issue of Reports					
5.1 Number of audit reports issued		-	18	14	33
5.2 Average time in weeks from start of fieldwork to issue of report.	Start of fieldwork defined as when auditor starts gathering information or preparing file. Initial phone call to set up the audit would not be counted as start of fieldwork.	12 weeks	20.0 weeks	26.2 weeks	14.9 weeks
5.3 Average time taken to issue report (working days).	Speed of issue of report is measured from date file is handed to Chief Auditor for review to date of issue of report. GENERAL Average weeks calculated as working days divided by 5. Working days exclude weekends, public holidays, annual leave, training and sickness absence.	10 working days	10.0 working days	22.8 working days	15.0 working days

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QUALITY ASSURANCE IMPROVEMENT PLAN (QAIP) AS AT JULY 2022

Ref	Source (SA – Self Assessment EA – External Assessment)	Finding	Proposed action/recommendation	Progress	Target Date
1	SA 2019	Standard 2430 Use of “Conducted in Conformance with the PSIAS” only if the results of the QAIP support such a statement	Include a statement in all audit reports that the audit has been conducted in conformance with PSIAS.	Implemented Included in all audit reports issued after 1 April 2020 and some prior to this.	N/A
2	SA 2020	Standard 2410 Criteria for Communicating – if assurance is to be provided to other partnership organisations, it should be demonstrated that fundamental responsibility is to the management of the Council.	A statement to reflect this will be included in the Annual Report.	Implemented Comment was first included in the 2019/20 Annual Report	N/A
3	SA 2021	Standard 1000 Purpose Authority and Responsibility Internal audit assisted other services with operational and/or non-audit duties during 2020/21, namely processing of Covid grants.	The Chief Auditor should ensure that auditors involved in processing Covid grants are not involved in auditing this area.	Implemented. The planned audit of covid grants has been completed and it is confirmed that this was done by an auditor not previously involved in the processing of grants.	31 March 2022

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EAST RENFREWSHIRE COUNCIL
Internal Audit Section
ACHIEVEMENT OF ANNUAL AUDIT PLAN FOR 2021/22

Department	Title	Audit Number	Original No. of days	Status
Chief Executives	Corporate Procurement Cards	1	15	Complete
Corporate & Community	Payroll	2	28	Complete
	Creditor interfaces, e-invoicing	3	18	Deleted
	Debtors	4	24	Complete
	Housing Benefits/Universal Credit	5	30	Complete
	Clothing grants, free school meals	6	12	Complete
	Council tax – reductions and liability	7	24	Complete
Education	Environmental controls – Education	8	10	Complete
	Schools cluster	9	32	Complete
Environment	Clyde Valley Contract Group	10	13	Deleted
	Grant certification	11	15	Deleted
	Gas Servicing	12	15	Complete
	City Deal	13	15	Complete
	Climate Change Report	14	5	Complete
	COVID business grants	15	25	Complete
	Energy and Fuel	16	15	Deleted
Housing	Housing Repairs	17	20	Complete
	New Council Houses	18	24	Deleted
HSCP	Care First Finance System	19	20	Deleted
	Kinship, fostering and adoption	20	16	Complete
	IJB	21	15	Complete
Trust	Culture and Leisure Limited Trust	22	20	Complete
Various	Contract 1 TBA	23	20	Deleted
	Application Audit	24	18	Deleted
	Fraud contingency	25	70	Complete
	General Contingency	26	30	Complete
	LG Benchmarking Framework	27	10	Complete
	Follow up	28	50	Complete
	Previous year audits	29	52	Complete
Total			661	

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EAST RENFREWSHIRE COUNCILAUDIT & SCRUTINY COMMITTEE11 AUGUST 2022Report by Chief AuditorINTERNAL AUDIT PLAN PROGRESS REPORT 2022/23 QUARTER 1**PURPOSE OF REPORT**

1. To inform members of progress on Internal Audit's annual plan for 2022/23 as approved in June 2022.

BACKGROUND

2. The work performed by Internal Audit is based on a rolling 5-year strategic plan, which is revised annually to take into account changes in circumstances. This report is provided to allow members to monitor the activities of Internal Audit and to oversee actions taken by management in response to audit recommendations.

AUDIT PLAN 2022/23 - PROGRESS REPORT QUARTER 1

3. A copy of the annual audit plan for 2022/23 is shown in appendix 1. Two audits relating to planned 2022/23 audit work were completed in quarter 1 as shown in appendix 2. Appendix 3 gives detail of reports which were carried out as part of the 2021/22 plan or the 2022/23 plan where the responses were received since the last progress report. Responses are deemed to be satisfactory if all recommendations are accepted for implementation by management or where any recommendation is not accepted but a satisfactory reason is given. The quarterly performance indicators for the section are shown in appendix 4 and are currently meeting targets.

4. Three new requests for assistance were dealt with using contingency time during the quarter. None of these resulted in financial loss to the council.

5. All audits relating to planned 2021/22 audit work have now been issued.

RECOMMENDATION

6. The Committee is asked to:

- (a) note Internal Audit's progress report for quarter 1 of 2022/23 and
- (b) confirm whether they wish any of the reports detailed in appendix 3 to be circulated to audit and scrutiny committee members or submitted to a future meeting for more detailed consideration.

Further information is available from Michelle Blair, Chief Auditor, telephone 0141 577 3067.

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EAST RENFREWSHIRE COUNCIL
Internal Audit Section
ANNUAL AUDIT PLAN FOR 2022/23 PROGRESS REPORT QUARTER 1

Department	Title	Audit Number	Original No. of days	Status
Chief Executives	Treasury Management	1	18	
	Ordering and Certification	2	20	
	VAT	3	12	
Business Operations & Partnerships	Barrhead Payment Centre	4	11	
	Creditor	5	24	
	Debtors	6	10	
	Housing Benefits/Universal Credit	7	30	
	IT Asset Management	8	20	
	Scottish Welfare Fund	9	15	
	Council tax – recovery and enforcement	10	18	
Education	Early Learning and Childcare Payments	11	15	
	Schools cluster	12	32	
Environment	Clyde Valley Contract Group	13	13	In progress
	Grant certification	14	15	
	Stores	15	20	In progress
	City Deal	16	15	
	Climate Change Report	17	5	
	Energy and Fuel	18	20	
Housing	New Council Houses	19	24	In progress
HSCP	Direct Payments	20	20	
	Barrhead Resource Centre	21	10	In progress
	IJB	22	15	
Trust	Culture and Leisure Limited Trust	23	20	In progress
Various	Contract 1 TBA	24	20	
	File Controls	25	12	In progress
	Fraud contingency	26	70	In progress
	General Contingency	27	30	In progress
	LG Benchmarking Framework	28	5	Complete
	Follow up	29	55	In progress
	Previous year audits	30	45	Complete
			639	

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1. MB/1164/NS Environmental Controls - Education

The audit covered the following control objectives:

- Responsibilities for controlling the physical security of computing facilities are clearly defined;
- IT equipment is securely located;
- Adequate precautions exist to protect IT equipment;
- Only authorised persons have access to IT equipment;
- Adequate insurance cover exists for IT equipment;
- The transfer of data and IT facilities to and from the Council is fully secure;
- IT processing undertaken at external centres is fully secure;
- Third party access to IT facilities is fully protected.

Three of the five schools visited as part of the audit checks could be classed as older buildings and as such are experiencing infrastructure issues that have resulted in ICT equipment being placed in less than ideal positions within the building. For the other two locations (one a new build and the other a new extension), the ICT equipment has been placed in a designated room with air conditioning units and are considered to be the ideal environment for storing the ICT equipment.

Seven recommendations were made, four were classified as medium risk, and three as low risk. Two recommendations were not accepted by management but satisfactory reasons were provided. The medium risk recommendations are reproduced below with the departmental responses which include the recommendations not accepted.

Ref.	Recommendation	Risk Rating	Accepted Yes/No	Comments (if appropriate)	Officer Responsible	Timescale for completion
4.1.1	A review of the servers within Netherlee and St Cadoc's Primary should be carried out to determine if they could be relocated to a more secure location within the school.	Medium	No	Recommendation has been overtaken. Requirement for all servers within primary schools to be reviewed as part of member server review being undertaken by ICT. Proposed move to cluster approach for servers, to be based in high school buildings.	Murray Husband (Head of Digital & Community Safety)	Dec 2022
4.1.2	If the servers cannot be relocated then appropriate measures should be taken to secure the equipment and protect it from damage.	Medium	No	Recommendation has been overtaken. Requirement for all servers within primary schools to be reviewed as part of member server review being undertaken by ICT. Proposed move to cluster approach for servers, to be based in high school buildings.	Murray Husband (Head of Digital & Community Safety)	Dec 2022
4.1.3	A review of all cabinets holding servers and switches should be carried out to ensure that they are secure, doors attached and where possible working locks in operation.	Medium	Yes	Review of all existing server security measures within high schools to be undertaken as part of the member server review.	Murray Husband (Head of Digital & Community Safety)	Dec 2022

Ref.	Recommendation	Risk Rating	Accepted Yes/No	Comments (if appropriate)	Officer Responsible	Timescale for completion
4.3.1	A review of the location of fire-fighting equipment should be carried out in all educational establishments to ensure there is a clear line of sight from ICT equipment.	Medium	Yes	Education Department to liaise with Corporate Health & Safety and Property & Technical Services regarding this recommendation	Graeme Hay (Education Senior Manager Leading Change) Joanne Flannigan (Education Health & Safety Advisor)	Sept 22

2. MB/1170/MB Payment of Invoices Indicator 2021/22

The objectives of the audit were to ensure that the reported performance indicator which measures the percentage of invoices paid within 30 days was materially correct. The original figure submitted for audit for 2021/22 of 86.6% was deemed to be materially accurate.

One recommendation was made. It was classified as low risk and was accepted by management.

Risk Ratings for Recommendations	
High	<ul style="list-style-type: none"> Key controls absent, not being operated as designed or could be improved and could impact on the organisation as a whole. Corrective action must be taken and should start immediately.
Medium	<ul style="list-style-type: none"> There are areas of control weakness which may be individually significant controls but unlikely to affect the organisation as a whole. Corrective action should be taken within a reasonable timescale.
Low	<ul style="list-style-type: none"> Area is generally well controlled or minor control improvements needed. Lower level controls absent, not being operated as designed or could be improved

EAST RENFREWSHIRE COUNCIL
Internal Audit Section

QUARTERLY PERFORMANCE INDICATORS

<u>Internal Audit Indicators reported Quarterly</u>	Target (where applicable)	Quarter 1 Actual 2022/23
2. Audit Coverage.		
2.2 Actual direct audit days as a percentage of total days available	75%	76%
2.3 Number of requests for assistance/queries raised by departments outwith planned audit work.	-	3
2.4 Percentage of planned contingency time used. (Days available exclude public holidays, annual leave and sickness absence)	<100%	4%
5. Issue of Reports.		
5.1 Number of audit reports issued per quarter. (Note 3)	-	2
5.2 Ave. time in weeks from start of fieldwork to issue of report. (Note 1)	12 weeks	7.2 wks
5.3 Ave. time taken to issue report (working days). (Note 2)	10 working days	6.5 wks

Notes

1. Average weeks calculated as working days divided by 5.
2. Working days excludes weekends, public holidays, annual leave and sickness absence.

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EAST RENFREWSHIRE COUNCIL
AUDIT AND SCRUTINY COMMITTEE

11 August 2022

Report by Clerk

COMMITTEE'S SPECIALISATION ARRANGEMENTS FOR DEALING WITH
INTERNAL AND EXTERNAL AUDIT REPORTS AND INSPECTION REPORTS

PURPOSE OF REPORT

1. To seek approval of proposals regarding the committee's specialisation arrangements for dealing with internal and external audit reports and inspection reports.

RECOMMENDATION

2. It is recommended that the committee approves the proposals as set out in Table 1 in Paragraph 6 of the report.

BACKGROUND

3. In June the committee considered a report on its [Work Plan, Self-Evaluation and Related Issues](#), paragraphs 23 to 34 of which referred to the committee's specialisation arrangements for dealing with external, internal and inspection reports. As reported previously, under these arrangements, all members of the committee see all such reports and can contribute to any related discussions. However, for a number of years and taking account of the need to manage aspects of the committee's workload, members of the committee, working in pairs, have led on different issues.

4. Further to the committee's self-evaluation, as referred to in the report submitted in June, Recommendation/Observation 41 suggested it may be worth considering specialisation responsibilities resting with individual members of the committee, rather than pairs, to help ensure no dubiety exists about who is responsible for leading the review of a report or providing feedback. In June the committee accepted this recommendation in principle, and agreed that I consult with Members on which remits they would be interested in pursuing, with a view to final arrangements being agreed at a future meeting.

5. As indicated in related correspondence, the Chair has suggested that he and the Vice-Chair split the responsibility for reports with a Council wide focus, and that the other members of the committee each lead on one of the following areas:-

- Business Operations and Partnerships Department
- Chief Executive's Office
- Education Department
- Environment Department
- Health and Social Care Partnership

6. Taking account of the feedback received from some Members, it is proposed that specialisation arrangements be approved as set out in Table 1 below:-

Table 1: PROPOSED SPECIALISATION ARRANGEMENTS

	Reports with Council-Wide Focus	Business Partnerships and Operations Dept.	Chief Exec's Office	Environ't Dept.	HSCP	Educ'n Dept.
Chair	√ (Shared with Vice-Chair)					
Vice-Chair	√ (Shared with Chair)					
Provost Montague			√			
Cllr Edlin					√	
Cllr Ireland				√		
Cllr Macdonald		√				
Cllr Wallace						√

RECOMMENDATION

7. It is recommended that the committee approves the proposals as set out in Table 1 in Paragraph 6 of the report.

Local Government Access to Information Act 1985

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

Background Papers

Report on Committee's Work Plan, Self-Evaluation and Related Issues (Audit and Scrutiny Committee 23 June 2022)

EAST RENFREWSHIRE COUNCIL
AUDIT AND SCRUTINY COMMITTEE

11 August 2022

Report by Clerk

INTEGRATION JOINT BOARD PERFORMANCE AND AUDIT COMMITTEE
INVITATION TO CO-OPT MEMBER OF AUDIT AND SCRUTINY COMMITTEE

PURPOSE OF REPORT

1. To seek the nomination of a Member of the Audit and Scrutiny Committee to serve as a co-opted member on the East Renfrewshire Integration Joint Board (IJB) Performance and Audit Committee and the nomination of a substitute.

RECOMMENDATION

2. It is recommended that the Committee:-
- (a) consider the nomination of a Member of the Committee to serve as a co-opted member on the IJB Performance and Audit Committee and the nomination of a substitute; and
 - (b) recommends to the Council that the nominations be approved.

REPORT

3. In September 2016 the Committee noted that the Integration Joint Board (IJB) Performance and Audit Committee was exploring the option of co-opting a member of the Council's Audit and Scrutiny Committee. Subsequently in November that year it was confirmed that the IJB had agreed to pursue this and clarified to the Committee that any related recommendation required to be submitted to the full Council for approval.

4. During the previous Administration, the Committee agreed that former Councillor Grant be appointed as the co-optee and that it be requested that Councillor Ireland be appointed as substitute. This was subsequently approved by the Council and the IJB.

5. Further to the Elections and the appointment of Members to the Audit and Scrutiny Committee, in June the committee was invited to consider the nomination of one of its Members to serve as the co-opted member on the IJB Performance and Audit Committee and the nomination of a substitute. At the meeting, it was agreed that the item be continued until the full membership of the committee was determined, and also pending some discussion on the way forward on the committee's specialisation arrangements. The committee is now invited to reconsider the position.

RECOMMENDATION

6. It is recommended that the Committee:-
- (a) considers the nomination of a Member of the Committee to serve as a co-opted member on the IJB Performance and Audit Committee and the nomination of a substitute; and
 - (b) recommends to the Council that the nominations be approved.

Local Government (Access to Information) Act 1985

Report Author:- Linda Hutchison, Senior Committee Services Officer (577 8388)
e-mail:- linda.hutchison@eastrenfrewshire.gov.uk

Background papers:-

- Reports on Invitation to Co-opt Member of Audit and Scrutiny Committee onto Integration Joint Board Performance and Audit Committee (August 2017 and June 2022)