

Notice of Meeting and Agenda Audit, Risk and Scrutiny Board

Date	Time	Venue
Monday, 13 March 2023	15:00	Council Chambers (Renfrewshire), Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

MARK CONAGHAN
Head of Corporate Governance

Membership

Councillor Andy Doig (Convener): Councillor Kevin Montgomery (Depute Convener):

Councillor Jennifer Adam: Councillor Chris Gilmour: Councillor John Gray: Councillor Lisa-Marie Hughes: Councillor Robert Innes: Councillor James MacLaren: Councillor Janis McDonald:

Further Information

This is a meeting which is open to members of the public.

A copy of the agenda and reports for this meeting will be available for inspection prior to the meeting at the Customer Service Centre, Renfrewshire House, Cotton Street, Paisley and online at <http://renfrewshire.cmis.uk.com/renfrewshire/councilandboards.aspx>

For further information, please email democratic-services@renfrewshire.gov.uk

Members of the Press and Public

Members of the press and public wishing to attend the meeting should report to the customer service centre where they will be met and directed to the meeting.

Apologies

Apologies from members.

Declarations of Interest

Members are asked to declare an interest in any item(s) on the agenda and to provide a brief explanation of the nature of the interest.

AUDIT

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| 3 | Internal Audit Review of Compliance with the Code of Corporate Governance | 79 - 82 |
| | Report by Chief Auditor. | |

MONITORING & REVIEWING SERVICE DELIVERY PERFORMANCE POLICIES AND PRACTICE

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| | Report by Director of Finance & Resources. | |

ANNUAL PROGRAMME

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To: Audit, Risk and Scrutiny Board

On: 13 March 2023

Report by: Chief Auditor

Heading: Annual Internal Audit Plan 2023/2024

1. Summary

- 1.1 In line with the requirements of the Public Sector Internal Audit Standards, a risk based internal audit plan for 2023/24 has been developed. The audit plan takes into account the outcomes of the internal corporate and service risk identification and evaluation processes, and the current business environment. In addition to undertaking work which will provide assurance on the robustness on key internal controls, the plan seeks to reflect the key priorities and challenges for the council.
- 1.2 A number of methods have been employed to facilitate production of the risk based audit plan for 2023/24:
- Consultation with all Directors and their Senior Management Teams,
 - Consultation with Senior management from the associate bodies;
 - Benchmarking with other Local Authorities;
 - Review of strategic, corporate and service risk registers;
 - Cumulative audit knowledge and experience;
 - Review of key external audit and inspection reports.
- 1.3 The total available resource is 1184 days, the operational audit time available for 2023/24 has been identified as 940 days (79%). The remaining 244 days (21%) relates to training, service development, administration and management. Coverage of the plan is achieved through the use of in-house staff and where relevant, commissions from other providers.

- 1.5 Operational and non-operational time has been calculated in accordance with CIPFA benchmarking criteria. Non-operational time includes provision for training, performance management and service development. In addition to the internal audit assurance function the Chief Auditor has managerial responsibility for risk management, insurance and corporate counter fraud which are excluded from the calculation of available operational audit resources.
- 1.6 Delivery of the risk based annual audit plan supports effective member scrutiny of the council's internal financial and other control mechanisms.
-

2. **Recommendations**

- 2.1 Members are asked to approve the content of the risk based audit plan for 2022/24.
- 2.2 Members are asked to note that the progress of the 2023/24 annual audit plan and summaries of the findings from each audit assignment will be reported to the Board on a quarterly basis.
-

Implications of the Report

1. **Financial** - None
2. **HR & Organisational Development** - None
3. **Community Planning – Safer and Stronger** - effective internal audit is an important element of good corporate governance.
4. **Legal** - None
5. **Property/Assets** - None
6. **Information Technology** - None
7. **Equality & Human Rights** - None
8. **Health & Safety** – None
9. **Procurement** - None
10. **Risk** - The subject matter of this report is the risk based Audit Plan for 2023 –2024

11. **Privacy Impact – None**
12. **COSLA Implications - None**

Author Andrea McMahon, Chief Auditor



Annual Internal Audit Plan 2023/24



Finance & Resources Internal Audit

Date	March 2023	

Renfrewshire Council
Annual Internal Audit Plan 2023/24

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Audit Plan Overview

1. Introduction

- 1.1 In line with the requirements of the Public Sector Internal Audit Standards, a risk based internal audit plan for 2023/24 has been developed. In formulating the audit plan a risk assessment has been undertaken, giving consideration to the following sources of information:

Risk assessment	(1) Risk assessment and prioritisation of all auditable activities (audit universe).
	(2) Strategic and Corporate Risk Register.
	(3) Service Risk Registers.
Consultation	(4) The Chief Auditor has met with each member of the CMT and their senior management teams to ascertain any changes to operational practice and national policy and to determine their priorities and risks.
	(5) Senior Management from the associate bodies and One Ren have been consulted to ascertain their priorities and risks.
	(6) The Chief Executive has been consulted on what he sees as the council's priority and risk areas for the forthcoming year.
	(7) Feedback from, and the expectations of, the Audit, Risk and Scrutiny Board are identified through the regular meetings with the members of the board.
	(8) The Chief Auditor has met with Audit Scotland to ascertain their approach to the statutory audit where assurance on key internal controls could be provided to avoid any duplication of effort.
Benchmarking	(9) Other Local Authority internal audit plans.
	(10) Discussion with other Chief Auditors through the Scottish Local Authority Chief Auditors Group.
Review of key internal reports	(11) Creating a fairer Renfrewshire built on innovation, wellbeing and opportunity – Renfrewshire's Council Plan
	(12) The results of internal audit work in 2022/23 and in previous years.
Review of key external reports	(13) Audit Scotland: Renfrewshire Council - Report to Members and the Controller of Audit on the 2021/22 Audit.
	(14) Audit Scotland: Best Value reports issued during 2022/23.

- 1.2 On the basis of the above, the audit engagements planned for 2023/24 are set out in Appendix 1, 2 and 4, for the Council, Associate Bodies and the Integration Joint Board in the following categories of audit activity:
- Assurance,
 - Governance,
 - Contingency,
 - Planning and Reporting
- 1.3 It is the responsibility of management to ensure that they have good governance, risk management and internal control arrangements over the functions they are responsible for. It is internal audit's role to provide an independent, objective assurance and consulting activity. The scope of the internal audit plan encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organisation's governance, risk management, and internal control processes; as well as the quality of performance in carrying out assigned responsibilities to achieve the organisation's stated goals and objectives. Delivery of the internal audit plan supports the requirement for the Chief Auditor to provide an annual opinion which is used to inform the annual governance statement.

- 1.4 The Chief Auditor shares information and coordinates activities with other internal and external providers of assurance and consulting services, as appropriate, to ensure proper coverage and minimise duplication of effort. Internal audit may place reliance on the work of other providers of assurance and the ability to do so will be considered during each audit engagement.
- 1.5 The plan also includes provision for managing and developing the internal audit activity including audit planning, reporting, periodic quality assessments and for following up on previous recommendations and reactive investigative work. The plan includes contingency time to allow for completion of work carried forward from 2022/23 and provides for consultancy engagements to be undertaken where these can improve the council's operations, add value and improve the management of risks. Contingency time also provides for sufficient flexibility to accommodate changing risks and priorities during the course of the year. More detail on each of these elements is set out in sections 4 to 7 of this plan.
- 1.6 The internal audit service is delivered and developed in accordance with its purpose which, as set out in the Internal Audit Charter, is to provide assurance by independently reviewing the council's risk management, control and governance processes.

2. The current business environment and key risk areas

- 2.1 The audit plan detailed in Appendix 1 has been developed to support the achievement of the council's objectives and the challenges we face in achieving those objectives. The key challenges included in the planned audit work are detailed below.

(1) Financial Challenges

Our organisation faces an unprecedented financial challenge to make significant savings after many years of already delivering substantial efficiencies and reduction in our spending. Alongside this, our communities are experiencing a cost-of-living crisis and the demand for our services is higher than ever before. Therefore, the financial outlook continues to be subject to significant and regular scrutiny. The 2023/24 audit plan includes time for reviewing:

- the procurement of goods and services;
- treasury management;
- non-domestic rates;
- hardship and other discretionary payments.

(2) Supporting organisational development

The Council is fundamentally remodelling how and where we work as part of our recovery from the COVID-19 pandemic. We seek to have a skilled and well supported workforce with access to modern technologies that support our organisation and it's employees to deliver on our priorities. The 2023/24 audit plan includes time for reviewing:

- health and safety arrangements;
- recruitment processes;
- project management;
- asset management to support hybrid working; and
- ERP Utilisation.

(3) Contract management

The Council spends significant sums of money on contracts with external suppliers of goods and services. Good contract management will ensure the outcomes envisaged at the inception of the contract are delivered in practice and ensure best value for money. Poor contract management can impact reputation, contractual relationships and incur additional costs. The 2023/24 audit plan includes time for reviewing the:

- roads plant and labour contract; and
- vehicle hire contracts.

- 2.2 There are a number of significant risks, arising from the external and internal environment, which could impact on the council's ability to achieve its objectives. The most significant risks and the risk control measures to manage these risks, are identified through the council's corporate risk management process. Subject to the overall flexibility of the Audit Plan, priority will be given to audit engagements which impact on the council's strategic and corporate risks.

3. Allocation of Resources

- 3.1 In addition to the internal audit assurance function the Chief Auditor has managerial responsibility for risk management, insurance and counter fraud which are excluded from the calculation of available operational audit resources.
- 3.2 Operational and non-operational time has been calculated in accordance with CIPFA benchmarking criteria. The calculation of operational staff time has been based on 6 full time equivalent employees plus 60 days to be provided from other service providers. The internal audit team is appropriately resourced with 4 qualified and 2 non-qualified staff. Non-operational time includes provision for training, performance management and service development.
- 3.3 Resources from any unfilled elements of posts and other available audit resource will be used flexibly to ensure that the audit plan commitments are met, through the engagement of temporary staff and other audit service providers where appropriate. Where engagements are undertaken by the other audit service providers, these can provide an opportunity for benchmarking and training and development. Sufficient resources are available to engage specialist contractors where necessary to address any specific risks faced by the council.
- 3.4 The total available resource is 1184 days; the operational audit time available for 2023/24 has been identified as 940 days (79%). The remaining 244 (21%) days relates to training, service development, administration and management. Resources are assessed as being sufficient to provide an evidenced based opinion.
- 3.5 The following paragraphs provide an overview of how the audit time has been allocated to audit categories for the Council and the Associated Bodies we provide services to. A summary of the operational time by audit category is detailed in table 1 below. The analysis of non-operational audit activity is detailed in the table 2 below. The planned operational/non-operational time for 2022/23 is given for comparative purposes.

Category of audit	2022/23		2023/24	
	Planned Days	% of Operational Time	Planned Days	% of Operational Time
GOVERNANCE	112	12%	96	10%
ASSURANCE	381	40%	391	42%
CONTINGENCY ^{note 1}	314	34%	319	34%
AUDIT PLANNING / REPORTING	134	14%	134	14%
TOTAL OPERATIONAL TIME	941	100%	940	100%

Table 1

Notes

1. This category includes time for the finalisation of the previous year's audits, corporate exercises and groups, investigations, significant project consultancy activities and emerging priorities.

	2022/23		2023/24	
Activity	Planned Days	% of Non - operational Time	Planned Days	% of Non - operational Time
TRAINING	57	23%	63	26%
STRATEGIC MANAGEMENT	20	8%	16	7%
TEAM ADMINISTRATION	96	38%	96	39%
DEVELOPMENT ^{note 1}	79	31%	69	28%
TOTAL NON-OPERATIONAL TIME	252	100%	244	100%

Table 2

Notes

1. This category includes time allocated to development activities to support continuous improvement activities.

4. Governance (10% of operational time)

- 4.1 Internal Audit must evaluate the risk exposures relating to the council's and associate bodies governance arrangements. The engagements within this category form the basis for the Chief Auditor's annual audit opinions and support the annual governance statements.
- 4.2 The results of the risk assessment are detailed at Appendix 1 and 2, Part A in respect of the current year, with a total of 96 days being allocated to these engagements for 2023/24.

5. Assurance (42% of operational time)

- 5.1 A risk based assessment has been undertaken of all auditable areas taking into account the risk management framework and the expectation of senior management and the Audit, Risk and Scrutiny Board. The engagements within this category also form the basis for the Chief Auditor's annual opinions and support the annual governance statements. For each engagement internal audit will consider whether there are any available external sources of assurance can be relied upon to deliver the plan. Time is also allocated to following up on the implementation of prior year audit recommendations.
- 5.2 The results of the risk assessment are detailed at Appendix 1 and 2, Part B in respect of the current year, with a total of 391 days being allocated to these engagements for 2023/24.

6. Contingency (34% of operational time)

- 6.1 This category includes time allocations for finalisation of the 2022/23 audit plan, undertaking reactive investigations of theft, fraud or other malpractice and provides for post-report work which includes attending disciplinary or appeal hearings, employment tribunals and court, as required.
- 6.2 The council is also undergoing a significant period of change and although these changes represent significant priorities and risks for the council, the arrangements may not be sufficiently well established to be suitable for evidence based audit reviews. In recognition of this, the 2023/24 audit plan includes provision for the on-going and anticipated involvement in significant project consultancy activities, optimisation of the Business World product, participation in corporate groups, as well as smaller scale internal control reassessment by services.
- 6.3 The allocation of time for this category is an estimate based on prior experience and available resources. However, this will be monitored during the course of the year to ensure that internal audit continue to be in a position to respond to other priority areas which emerge during the course of the year, and, if necessary, revise the audit plan accordingly. Appendix 1 and 2, Part C details the indicative time of 319 days allocated across the contingency heading.

7. Audit Planning / Reporting (14% of operational time)

- 7.1 This category includes annual planning activity and reporting arrangements to the Corporate Management Team and the Audit, Risk and Scrutiny Board, the Integration Joint Board Audit, Risk and Scrutiny Board and the Boards of the other bodies we provide internal audit services to under a service level agreement. Appendix 1 and 2, Part D details the time of 134 days allocated to planning and reporting activities.

8. Analysis of Plan by Service

- 8.1 Appendix 3 shows the amount of operational audit time allocated to individual services in 2023/24 and compares it to the planned days for 2022/23.
- 8.2 The planned days allocated to all services relates to work which is cross-cutting rather than service specific as well as time which is allocated out to services as the year progresses, such as contingency and investigations.

9. Conclusion

- 9.1 The annual internal audit plan for 2023/24, based on the strategic risk assessment, reflects the current priorities and challenges for the council, and demonstrates that the internal audit service continues to deliver added value while continuing to improve the service in line with best practice.
- 9.2 The allocation of internal audit resources is sufficient to allow for flexibility to deal with emerging priorities and provide adequate coverage of governance, risk management and internal control to inform the annual assurance statement.
- 9.3 The plan may be subject to amendment during the course of the year due to the emergence of issues of greater priority, or other unforeseen circumstances. The Audit, Risk and Scrutiny Board will be requested to approve any necessary changes.

Chief Auditor
March 2023

Council Internal Audit Annual Plan 2023/24

Entity	Engagement Title	Service	Days Allocated
Part A – Governance			51
Corporate Governance	Corporate Governance Framework	Corporate - All Services	6
Policies & Procedures	Recruitment	Corporate - All Services	25
Schools Procedures	Administration of Medicines	Children's Services	20
Part B – Assurance			343
Follow Up	Follow Up	Corporate - All Services	40
Health & Safety	Health & Safety	Corporate - All Services	20
Programme Management	Project Management	Corporate - All Services	25
Procurement	Purchasing processes	Corporate - All Services	30
ICT Planning & Organisation	Asset Management (hybrid working)	Corporate - All Services	20
ICT Delivery & Support	ERP Utilisation	Corporate - All Services	20
Non Domestic Rates	Non Domestic Rates	Finance & Resources	15
Treasury Management	Treasury Management	Finance & Resources	20
Other Financial Assistance	Hardship and Discretionary Funds	Finance & Resources	20
Housing Assurance Statement	Housing Assurance Framework	Environment & Infrastructure	8
Commercial & Industrial Rents	Commercial & Industrial Rents	Chief Executive's	20
Waste Management	Waste Management	Environment & Infrastructure	25
Building Services Operations	Building Services Stores	Environment & Infrastructure	20
Contract Management	Roads Labour & Plant Contract	Environment & Infrastructure	20
Transportation & Fleet	External vehicle hire	Environment & Infrastructure	20
Criminal Justice Services	Unpaid work procedures	Children's Services	20
Part C – Contingency			311
Contingency	Contingency	Corporate - All Services	124
Contingency	Corporate Groups	Corporate - All Services	50
Contingency	Investigations	Corporate - All Services	137

Part D – Planning & Reporting			115
Planning & Reporting	Planning & Reporting	Corporate - All Services	115

Appendix 2

Other Bodies Internal Audit Annual Plan 2023/24

Entity	Engagement Title	Service	Days Allocated
Part A – Governance			45
Integration Joint Board – Governance Arrangements	Corporate Governance Framework	Integration Joint Board	5
Integration Joint Board – Governance Arrangements	Performance Management	Integration Joint Board	20
RVJB - Governance	Information Governance	Valuation Joint Board	20
Part B – Assurance			48
SE – Contract Monitoring	Implementing collaborative procurement	Scotland Excel	25
OneRen – Other Systems	Payroll Processes	OneRen	23
Part C – Contingency			8
Contingency	Contingency	All Associate Bodies	8
Part D – Planning & Reporting			19
Planning & Reporting	Planning & Reporting	All Associate Bodies	19

Appendix 3

Analysis by Service

Service	2022/23		2023/24	
	Planned Days	% of Operational Time	Planned Days	% of Operational Time
All Services ^{note 1}	512	55%	612	65%
Chief Executive's Service	60	6%	20	2%
Finance & Resources	95	10%	55	6%
Children's Services	40	4%	40	4%
Adult Services	20	2%	0	0%
Environment & Infrastructure	50	5%	93	10%
Community & Housing	28	3%	N/A	N/A
COUNCIL TOTAL	805	85%	820	87%
Scotland Excel	25	3%	30	3%
Clydeplan	10	1%	4	0%
Renfrewshire Valuation Joint Board	20	2%	25	3%
Renfrewshire Health & Social Care Integration Joint Board (Appendix 4)	55	6%	35	4%
OneRen	26	3%	26	3%
TOTAL	941	100%	940	100%

Notes

- 1 Planned time includes, Follow up Audit, Contingency, Planning and Reporting and an element of Cross cutting Assurance and Governance Audits and is allocated against services during the course of the year

Appendix 4

Annual Audit Plan 2023/24– Integration Joint Board

Audit Category	Engagement Title	No. of days	Detailed work
Governance	Local Code of Corporate Governance	5	Annual review of the adequacy and compliance with the Local Code of Corporate Governance to inform the governance statement.
Governance	Performance Management	20	The purpose of the audit is to review the arrangements in place for managing and monitoring organisational performance.
Planning & Reporting	Annual Plan, Annual Report and Audit Committee reporting & Training	7	The Chief Internal Auditor is required to prepare an annual plan and annual report for the Audit Committee, summarising the work undertaken by Internal Audit during the year and using this to form an opinion on the adequacy of the control environment of the IJB.
Contingency	Ad-hoc advice and Consultancy	3	Time for advice and consultancy on relevant priorities and risks or change related projects and following up on the implementation of internal audit recommendations.



To: Audit, Risk and Scrutiny Board

On: 13 March 2023

Report by: Director of Finance and Resources

Heading: External Audit Plan 2022/23

1. **Background**

- 1.1 The Council's appointed external auditor, Azets, has submitted an Audit Plan that outlines its approach to the audit of the 2022/23 annual accounts of the Council and the Coats Observatory Trust. The audit will assess whether the accounts provide a true and fair view of the Council and Trust's financial positions and also whether they have been prepared in accordance with proper accounting practice, i.e. the 2022 Code of Practice on Local Authority Accounting in the UK.
- 1.2 The Audit Plan also outlines the responsibilities of the Council and of Azets; its assessment of key challenges and risks and the approach and timetable for completion of the audit.
- 1.3 The statutory deadline for the approval of the audited accounts for 2022/23 is 30 September 2023 and the annual audit report is planned to be reported to the Audit, Risk and Scrutiny Board at its meeting in September.
- 1.4 On page 40 of the Audit Plan, the proposed audit fee is detailed. For the Council, this is indicated at £442,650 for the current financial year and represents an increase of 7% above the fee set by Audit Scotland for 2022/23.
- 1.5 Within the terms of the Audit Scotland appointment, local audit teams have discretion to vary the fee by up to 10% above the level set depending on the level of identified audit risk. This proposed higher fee reflects the additional work required in the first year of a new audit appointment.

- 1.6 Also on page 40 of the Audit Plan, the proposed audit fee for the Coats Observatory Trust for 2022/23 is indicated at £6,000. The fee for 2021/22 was £340 and was borne by the Council, owing to the revenue position of the Trust.
- 1.7 From Azets, Gary Devlin and Adrian Kolodziej will be in attendance to present the Audit Plan, attached here as an appendix.
-

2. **Recommendations**

- 2.1 Members are asked to note the content of the attached report, including the proposed audit fees for the Council and the Coats Observatory Trust.
-

Implications of the Report

1. **Financial** – An unqualified audit opinion demonstrates that the Council has effective systems of internal control in place. The audit fee is set by Audit Scotland, with some discretion afforded to local audit teams. The proposed audit fee for the Council for 2022/23 is £442,650 and for the Coats Observatory Trust it is £6,000.
2. **HR & Organisational Development** – None arising from this report.
3. **Community Planning** – None arising from this report.
4. **Legal** – An audit opinion free from qualification demonstrates compliance with the statutory accounting requirements set out in the Local Government (Scotland) Act 1973.
5. **Property/Assets** – None arising from this report.
6. **Information Technology** – None arising from this report.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – None arising from this report.
9. **Procurement** – None arising from this report.
10. **Risk** – the audit plan highlights audit issues and risks, and the approach Audit Scotland will adopt in seeking assurance that these risks are being managed.
11. **Privacy Impact** – None arising from this report.
12. **COSLA Policy position** – None arising from this report.
13. **Climate Risk** – None arising from this report.

Author: Christine McCourt, Head of Finance and Business Services

Renfrewshire Council

External Audit Annual Plan 2022/23

March 2023



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Introduction

Azets have been appointed by Audit Scotland as the external auditor to Renfrewshire Council (“the Council”) for the period 2022/23 to 2026/27.

This document summarises the work plan for our 2022/23 external audit of Renfrewshire Council, including the charitable trust administered by the Council.

The core elements of our work include:

- an audit of the 2022/23 annual accounts for the Council and its group and the charitable trusts;
- consideration of the wider scope areas of public audit work;
- consideration of the Council’s arrangements to secure Best Value;
- consideration of the Council’s arrangements for the collection and publication of statutory performance information in accordance with the Accounts Commission direction;
- an audit of grant claims and returns, including Whole of Government Accounts (as applicable); and
- Any other work requested by Audit Scotland.

We expect that our audit will have a similar underlying approach to that of your previous external auditor, Audit Scotland, although there are some changes to the Code of Audit Practice and auditing standards that come into effect for the first time in 2022/23, which are reflected in this document.

Adding value

All of our clients quite rightly demand of us a positive contribution to meeting their ever-changing business needs. We will add value by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way we aim to promote improved standards of governance, better management and decision making and more effective use of public money.

Any comments you may have on the service we provide would be greatly appreciated. Comments can be reported directly to any member of your audit team.

Openness and transparency

This report will be published on Audit Scotland’s website www.audit-scotland.gov.uk.

Audit scope and general approach

Responsibilities of the auditor and the Council

The [Code of Audit Practice](#) outlines the responsibilities of external auditors appointed by the Accounts Commission and it is a condition of our appointment that we follow it.

Auditor responsibilities are derived from statute, International Standards on Auditing (UK) and the Ethical Standard for auditors, other professional requirements and best practice, the Code of Audit Practice and guidance from Audit Scotland.

The Council has primary responsibility for ensuring the proper financial stewardship of public funds. This includes preparing annual accounts that are in accordance with proper accounting practices. The Council is also responsible for compliance with legislation and putting arrangements in place for governance and propriety that enable it to successfully deliver its objectives.

[Appendix 1](#) provides further detail of both our responsibilities and those of the Council.

Risk-based audit approach

We follow a risk-based approach to the audit that reflects our overall assessment of the relevant risks that apply to the Council. This ensures that our audit focuses on the areas of highest risk. Our audit planning is based on:

Discussions with senior officers	Our understanding of the sector, its key priorities and risks	Attendance & observing the Audit, Risk and Scrutiny Board
Guidance from Audit Scotland	Discussions with Audit Scotland and public sector auditors	Discussions with internal audit and review of its plans and reports
Review of the Council's corporate strategies and plans	Review of the Council's corporate risk register	Consideration of the work of other inspection bodies
Consideration of any relevant self-evaluation activity by the Council	Participation in the Local Area Network (LAN) / Shared Risk Assessment process	Outcomes of prior year audits

Planning is a continuous process and our audit plans are updated during the course of our audit to take account of developments as they arise.

Communication with those charged with governance

Auditing standards require us to make certain communications throughout the audit to those charged with governance. These communications will be through the Audit, Risk and Scrutiny Board.

Professional standards and guidance

We perform our audit of the financial statements in accordance with International Standards on Auditing UK (ISAs (UK)), Ethical Standards, and applicable Practice Notes and other guidance issued by the Financial Reporting Council (FRC).

Partnership working

We coordinate our work with Audit Scotland, internal audit, other external auditors and relevant scrutiny bodies, recognising the increasing integration of service delivery and partnership working within the public sector.

Our new Audit Scotland appointments include Renfrewshire Council, Renfrewshire Valuation Joint Board, Scotland Excel and Clydeplan. Where practicable and appropriate we will share knowledge to generate efficiencies in the delivery of our audits.

Audit Scotland

Although we are independent of Audit Scotland and are responsible for forming our own views and opinions, we do work closely with Audit Scotland throughout the audit. This helps identify common priorities and risks, treat issues consistently across the sector, and improve audit quality and efficiency. We share information about identified risks, good practices and barriers to improvement so that lessons to be learnt and knowledge of what works can be disseminated to all relevant bodies.

Audit Scotland undertakes national performance audits on issues affecting the public sector. We may review the Council's arrangements for taking action on any issues reported in the national performance reports which may have a local impact. We also consider the extent to which the Council uses the national performance reports as a means to help improve performance at the local level.

During the year we may also be required to provide information to Audit Scotland to support the national performance audits.

Shared risk assessment and joint scrutiny planning

The Shared Risk Assessment (SRA) process is a vehicle for scrutiny bodies to share intelligence and agree scrutiny risks at councils. A local area network (LAN) has been established for each council in Scotland which comprises representatives from the main local government scrutiny bodies. The LAN is led by external audit and meet as and when is considered appropriate.

Internal Audit

As part of our audit, we consider the scope and nature of internal audit work and look to minimise duplication of effort, to ensure the total audit resource to the Council is used as efficiently and effectively as possible.

Delivering the audit – post pandemic

Hybrid audit approach

We intend to adopt a hybrid approach to our audit which combines on-site visits with remote working; learning from the better practices developed during the pandemic.

All of our people have the equipment, technology and systems to allow them to work remotely or on-site, including secure access to all necessary data and information.

All of our staff are fully contactable by email, phone call and video-conferencing.

Meetings can be held over Skype, Microsoft Teams or by telephone.

We employ greater use of technology to examine evidence, but only where we have assessed both the sufficiency and appropriateness of the audit evidence produced.

Secure sharing of information

We use a cloud-based file sharing service that enables users to easily and securely exchange documents and provides a single repository for audit evidence.

Regular contact

During the 'fieldwork' phases of our audit, we will arrange regular catch-ups with key personnel to discuss the progress of the audit. The frequency of these meetings will be discussed and agreed with management.

Signing annual accounts

Audit Scotland recommends the electronic signing of annual accounts and uses a system called DocuSign.

Electronic signatures simplify the process of signing the accounts. Accounts can be signed using any device from any location and there is no longer a need for duplicate copies to be signed.

Approach to audit of the annual accounts

Our objective when performing an audit of the annual accounts is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement and to issue an auditor's report that includes our auditor's opinion.

As part of our general approach, we will:

- perform risk assessment procedures including updating our understanding of the entity and its environment, the financial reporting framework and system of internal control;
- review the design and implementation of key internal controls;
- identify and assess the risks of material misstatement, whether due to fraud or error, at the financial statement level and the assertion level for classes of transaction, account balances or disclosures;
- design and perform audit procedures responsive to those risks, to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion; and
- exercise professional judgment and maintain professional scepticism throughout the audit recognising that circumstances may exist that cause the financial statements to be materially misstated.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. We include an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud and respective responsibilities for prevention and detection of fraud.

Key audit developments in 2022/23

Revised auditing standards¹, which come into effect from the current year, will have a significant impact on the way we perform our audit, particularly how we assess the risk of material misstatement, our approach to the audit of fraud, and the ways we ensure our audits are performed in line with regulatory requirements and to a high standard. The in-depth nature of these additional procedures, as well as updated tools and techniques that may come into scope, will also offer additional opportunity to provide insights and constructive feedback on the way the Council manages risks. [Appendix 2](#) provides further details on the implications of these new requirements.

Materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements. In general, misstatements, including omissions, are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in the light of surrounding circumstances and are affected by our perception of the financial information needs of users of the financial statements, and by the size or nature of a misstatement, or a combination of both.

The Council maintains three common good funds, which have been deregistered as charities during 2022/23 and do not require a separate audit opinion. However, we set out separate materiality levels for these funds as these will be specifically

¹ Revisions to ISA (UK) 315 on auditors' responsibility to identify and assess the risks of material misstatement in the financial statements and ISA (UK) 240 on material misstatements caused by fraud came into effect for audits of financial statements with periods commencing on or after 15 December 2021.

covered by the Renfrewshire Council auditor's opinion and are shown as a separate statement in the Council's financial statements.

The basis for our assessment of materiality is set out in [Appendix 3](#).

Accounting systems and internal controls

The purpose of an audit is to express an opinion on the financial statements. As part of our work, we consider certain internal controls relevant to the preparation of the financial statements such that we are able to design appropriate audit procedures. However, this work is not for the purpose of expressing an opinion on the effectiveness of internal controls.

We will report to the Council, significant deficiencies in internal controls that we identify during the audit. These matters will be limited to those which we conclude are of sufficient importance to merit being reported. The scope of our work is not designed to be an extensive review of all internal controls.

Specialised skill or knowledge required to complete the audit procedures

Our intended audit approach is to consult internally with our Technology Risk team for them to support the audit team in assessing the information technology general controls (ITGC).

Going concern

The concept of going concern applies in the public sector but in a different way to the private sector. In many public sector entities (but not all), the use of going concern basis of accounting is not a significant matter because the applicable financial reporting framework envisage that the going concern basis for accounting will apply where the entity's services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist.

For many public sector entities, the financial sustainability of the entity is more likely to be of significant public interest than the application of the going concern basis. Our wider scope audit work considers the financial sustainability of the Council.

Group audit scope and risk assessment

As Group auditor under ISA (UK) 600 we are required to obtain sufficient appropriate audit evidence regarding the financial information of the components and the consolidation process to express an opinion on whether the group financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework.

The Council has disclosed the following Group entities in their 2021/22 financial statements:

Component	Significant	Level of response required
Renfrewshire Leisure Ltd	No	Analytical
Common Good Funds	No	Analytical
Paisley Museum Reimagined Ltd	No	Analytical
Park Lane Developments (Renfrewshire) LLP	No	Analytical
Coats Observatory Trust	No	Analytical
Strathclyde Partnership for Transport	No	Analytical
Strathclyde Concessionary Travel Scheme Joint Committee	No	Analytical
Renfrewshire Valuation Joint Board	No	Analytical
Renfrewshire Health and Social Care Integration Joint Board	No	Analytical

Analytical - the component is not significant to the Group and audit risks can be addressed sufficiently by applying analytical procedures at the Group level.

Risks at the component-level

We will review the appropriateness of the Group entities during our audit. At this stage of our audit cycle we have not identified any risks in each component.

Prevention and detection of fraud or error

In order to discharge our responsibilities regarding fraud and irregularity we require any fraud or irregularity issues to be reported to us as they arise. In particular we require to be notified of all frauds which:

- Involve the misappropriation of theft of assets or cash which are facilitated by weaknesses in internal control
- Are over £5,000.

We also require a historic record of instances of fraud or irregularity to be maintained and a summary to be made available to us after each year end.

National Fraud Initiative

The National Fraud Initiative (NFI) in Scotland is a biennial counter fraud exercise led by Audit Scotland working together with a range of Scottish public bodies, external auditors and overseen by the Cabinet Office for the UK as a whole to identify fraud and error. The most recent NFI exercise commenced in 2022, with matches to be received for investigation from January 2023. As part of our 2022/23 audit, we will monitor the Council's participation and progress in the NFI.

Anti-money laundering

We require the Council to notify us on a timely basis of any suspected instances of money laundering so that we can inform Audit Scotland who will determine the necessary course of action.

Correspondence

People or organisations write to Audit Scotland because they have concerns about an issue within a public body that falls under the remit of the Auditor General or the Accounts Commission. An issue of concern may be something such as a breakdown in financial management or governance arrangements.

The key factor in determining whether Audit Scotland examines an issue is the relevance of the issue to Audit Scotland's role and functions. Audit Scotland and appointed auditors will make this judgement using their professional and technical knowledge.

Wider audit scope work

The special accountabilities that attach to the conduct of public business, and the use of public money, mean that public sector audits must be planned and undertaken from a wider perspective than in the private sector. This means providing assurance, not only on the financial statements, but providing audit judgements and conclusions on the appropriateness, effectiveness and impact of corporate governance and performance management arrangements and financial sustainability. [Appendix 1](#) provides detail of the wider scope areas of public sector audit work. Our initial risk assessment and scope of work planned for 2022/23 is outlined in the '[Wider Scope](#)' section of this plan.

National risk assessment

Where particular areas of national or sectoral risk have been identified by the Accounts Commission and Auditor General, they will request auditors to consider and report on those risks as they apply at a local level. For 2022/23 the following areas have been identified:

- Climate Change
- Cyber Security

[Appendix 4](#) provides further detail as to the scope of this work.

Best Value

Appointed auditors have a duty to be satisfied that local government bodies have made proper arrangements to secure best value.

Under the new Code of Audit Practice, the audit of Best Value in councils is fully integrated within the annual audit work performed by appointed auditors. We are required to evaluate and report on the performance of councils in meeting their Best Value duties. There are four aspects to our work:

1. **Follow up and risk-based work:** our work will follow up on Accounts Commission findings, Controller of Audit recommendations and any outstanding improvement actions reported in Best Value Assurance Reports and Annual Audit Reports. Our work will reflect the Council's self-assessment against outstanding improvement actions and our findings will be based on the Council's current arrangements for delivering best value. We will pay due regard to the seven [Best Value themes](#) in evaluating the wider-scope areas.
2. **Service improvement and reporting:** the best value theme, effective use of resources, includes an expectation that councils report effectively on their performance. Councils should be able to demonstrate a trend of improvement over time in delivering their strategic priorities. We will assess annually how effectively the Council demonstrates this improvement. We will also report a summary of the information the Council reports publicly on its service performance. We will draw upon the information the council is required to report on by the Accounts Commission's Statutory Performance Information Direction.
3. **Thematic reviews:** we are required to report on Best Value or related themes prescribed by the Accounts Commission. The thematic work for 2022/23 is on the effectiveness of council leadership (officers and elected members) in developing new local strategic priorities following the elections in May 2022. We will report our conclusions in a separate management report which will be presented to those charged with governance and published on Audit Scotland's website. The key questions we will ask are detailed at [Appendix 5](#).

4. **Contributing to Controller of Audit reports:** The Controller of Audit reports to the Accounts Commission on each council's performance in meeting its Best Value duties at least once over the five year audit appointment. The programme of Controller reports will commence in October 2023. Renfrewshire Council does not feature in the first year of the programme.

Statutory performance information

The Accounts Commission has a statutory responsibility to define the performance information that councils must publish. This responsibility links with the Commission's Best Value audit responsibilities. In turn, councils have their own responsibilities, under their Best Value duty, to report performance to the public. The Accounts Commission issued a new Statutory Performance Information Direction in December 2021 (applies for the three years from 2022/23) which requires a council to report its:

- Performance in improving local public services (including those provided with its partners and communities), and progress against agreed desired outcomes (SPI 1). The Commission expects this reporting to allow comparison both over time and with other similar bodies (drawing on the Local Government Benchmarking Framework and / or other benchmarking activities)
- Own assessment and audit, scrutiny and inspection body assessments of how it is performing against its duty of Best Value, and how it has responded to these assessments (SPI 2).

As external auditors we are required to satisfy ourselves that the Council has made proper arrangements for preparing and publishing the statutory performance information in accordance with the Direction. As 2022/23 is the first year of the new Direction, we will evaluate the effectiveness and appropriateness of the arrangements at the Council, including assessing the appropriateness of the information provided to members in responding to the Direction.

Reporting our findings

We will provide judgements on the pace and depth of improvement in reporting our findings on both Best Value and wider scope areas. We will use the following grading to provide an overall assessment of the arrangements in place as part of our Annual Audit Report.



Significant and other risks of material misstatement

Significant risks are risks that require special audit consideration and include identified risks of material misstatement that:

- our risk assessment procedures have identified as being close to the upper range of the spectrum of inherent risk due to their nature and a combination of the likelihood and potential magnitude of misstatement; or
- are required to be treated as significant risks due to requirements of ISAs (UK), for example in relation to management override of internal controls.

Significant risks at the financial statement level

The table below summarises the significant risks of material misstatement identified at the financial statement level. These risks are considered to have a pervasive impact on the financial statements as a whole and potentially affect many assertions for classes of transaction, account balances and disclosures.

Identified risk of material misstatement	Audit approach
<p>Management override of controls</p> <p>Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk.</p> <p>Risk of material misstatement: Very High</p>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Documenting our understanding of the journals posting process and evaluating the design effectiveness of management controls over journals. • Analysing the journals listing and determining criteria for selecting high risk and / or unusual journals. • Testing high risk and / or unusual journals posted during the year and after the unaudited annual accounts stage back to supporting

Identified risk of material misstatement	Audit approach
	<p>documentation for appropriateness, corroboration and to ensure approval has been undertaken in line with the Council's journals policy.</p> <ul style="list-style-type: none"> • Gaining an understanding of the accounting estimates and critical judgements made by management. We will challenge assumptions and consider the reasonableness and indicators of bias which could result in material misstatement due to fraud. • Evaluating the rationale for any changes in accounting policies estimate or significant unusual transactions.

Significant risks at the assertion level for classes of transaction, account balances and disclosures

The table below summarises the significant risks of material misstatement at the assertion level for classes of transaction, account balances and disclosures.

Identified risk of material misstatement	Audit approach
<p>Fraud in revenue recognition</p> <p>Material misstatement due to fraudulent financial reporting relating to revenue recognition is a presumed risk in ISA 240 (The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements).</p> <p>The presumption is that the Council could adopt accounting policies or recognise income in such a way as to lead to a material misstatement in the reported financial position.</p> <p>Given the financial pressures facing the public sector as a whole, there is an inherent fraud risk associated with the recording of income around the year end.</p> <p>In respect of council tax income, non-domestic rates, housing rents and non-ring fenced government grants, however, we do not consider the revenue recognition risk to be significant due to a lack of incentive and opportunity to manipulate these revenue streams. The risk of fraud in relation to revenue recognition is however present in all other revenue streams.</p> <p>Inherent risk of material misstatement:</p> <ul style="list-style-type: none"> • Revenue (occurrence / completeness): High 	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Evaluation the significant income streams and review the controls in place over accounting for revenue. • Consideration of the Council's key areas of income and obtaining evidence that income is recorded in line with appropriate accounting policies and the policies have been applied consistently across the year.

Identified risk of material misstatement	Audit approach
<p>Fraud in non-pay expenditure</p> <p>As most public sector bodies are net expenditure bodies, the risk of fraud is more likely to occur in expenditure. There is a risk that expenditure may be misstated resulting in a material misstatement in the financial statements.</p> <p>Given the financial pressures facing the public sector as a whole, there is an inherent fraud risk associated with the recording of expenditure around the year end.</p> <p>Inherent risk of material misstatement:</p> <ul style="list-style-type: none"> • Non-pay expenditure (occurrence / completeness): High • Accruals (existence / completeness): High 	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Evaluating the significant non-pay expenditure streams and reviewing the controls in place over accounting for expenditure. • Consideration of the Council's key areas of expenditure and obtaining evidence that expenditure is recorded in line with appropriate accounting policies and the policies have been applied consistently across the year. • Review of accruals around the year end to consider if there is any indication of understatement of balances held through consideration of accounting estimates.
<p>Valuation of land and buildings (key accounting estimate)</p> <p>The Council carries out a rolling programme of revaluations to ensure all property, plant and equipment required to be measured at fair value is revalued at least every five years.</p> <p>Council dwellings are valued by the District Valuer using the beacon method which aggregates the vacant possession value of each unit of housing stock based on the value of a beacon or sample property. A full revaluation exercise is completed every five years. In interim years the values of beacon properties are</p>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Evaluating management processes and assumptions for the calculation of the estimates, the instructions issued to the valuation experts and the scope of their work. • Evaluating the competence, capabilities and objectivity of the valuation expert. • Considering the basis on which the valuation is carried out and

Identified risk of material misstatement	Audit approach
<p>updated to reflect key factors including changes in rental prices.</p> <p>Other land and buildings are held at fair value and revalued as part of the five-year rolling programme. In addition, indices are applied to all assets held at Depreciated Replacement Cost (DRC) to reflect market changes within the year.</p> <p>Last year the Council processed an audit adjustment of £69.5million to correct the carrying amount of property, plant and equipment in relation the valuation of assets. While the Council uses the rolling programme of valuations, this process has not been sufficient to consider the impact of the economic environment and increasing building prices on the full portfolio of the Council's assets.</p> <p>There is a significant degree of subjectivity in the measurement and valuation of property, plant and equipment. This subjectivity and the material nature of the Council's asset base represents an increased risk of misstatement in the annual accounts.</p> <p>Inherent risk of material misstatement:</p> <p>Land & Buildings (valuation): Very High</p>	<p>the challenge in the key assumptions applied.</p> <ul style="list-style-type: none"> • Testing the information used by the valuer to ensure it is complete and consistent with our understanding. If there have been any specific changes to the assets in the year, we will ensure these have been communicated to the valuer. • Ensuring revaluations made during the year have been input correctly to the fixed asset register and the accounting treatment within the financial statements is correct. • Evaluating the assumptions made by management for any assets not revalued during the year and how management are satisfied that these are not materially different to the current value.

Identified risk of material misstatement	Audit approach
<p>Pension asset / liability (key accounting estimate)</p> <p>An actuarial estimate of the pension fund asset/liability is calculated on an annual basis under IAS 19 and on a triennial funding basis by an independent firm of actuaries with specialist knowledge and experience. The estimates are based on the most up to date membership data held by the pension fund and have regard to local factors such as mortality rates and expected pay rises with other assumptions around inflation when calculating the liabilities.</p> <p>A significant level of estimation is required in order to determine the valuation of pension assets/liabilities. Small changes in the key assumptions (including discount rates, inflation, and mortality rates) can have a material impact on the pension asset/liability.</p> <p>There is a risk that the assumptions used are not appropriate.</p> <p>Inherent risk of material misstatement:</p> <p>Pensions (valuation): High</p>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Review of the controls in place to ensure that the data provided from the pension fund to the actuary is complete and accurate. • Reviewing the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data. • Agreeing the disclosures in the financial statements to information provided by the actuary. • Considering the competence, capability and objectiveness of the management expert in line with ISA (UK) 500 Audit Evidence.

Identified risk of material misstatement	Audit approach
<p>Financial instruments: fair value measurement (key accounting estimate)</p> <p>The Council maintains significant debt and investment portfolios. The Council measures its financial instruments at fair value or amortised cost or, where no reliable measurement exists, measured at cost.</p> <p>Fair values are categorised by their level in the fair value hierarchy:</p> <ul style="list-style-type: none"> • Level 1 – fair value is derived from quoted prices in active markets for identical assets or liabilities • Level 2 – fair value is calculated from inputs other than quoted prices that are observable for the asset or liability • Level 3 – fair value is determined using unobservable inputs <p>For level 1 and level 2; the Council's valuations are supported by independent expert advice. For level 3, there is the potential for management to use their judgement to influence the financial statements.</p> <p>Inherent risk of material misstatement:</p> <p>Investments and borrowings (valuation): High</p>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Evaluating and reviewing the controls in place over accounting for financial instruments. • Considering the Council's material financial instruments and obtaining evidence that these have been appropriately valued at 31 March 2023 including challenging fair value classification. • Review of management experts and external investment managers. • Review of the disclosures within the annual accounts to ensure they are consistent with supporting information.

Identified risk of material misstatement	Audit approach
<p>Provision for doubtful debts (key accounting estimate)</p> <p>The Council in its annual accounts provides for doubtful debts over sundry debtors and housing rent arrears.</p> <p>There is a significant degree of subjectivity in the measurement and valuation of provisions for doubtful debts. This subjectivity represents an increased risk of misstatement in the financial statements.</p> <p>Inherent risk of material misstatement:</p> <p>Debtors Provisions (valuation / completion): High</p>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Obtaining the breakdown of provisions and assessing the reasonableness of management's judgements as well as challenging the appropriateness of any assumptions used. • Performing substantive testing on provisions for doubtful debts where values and balances are derived by valuation and estimation.

Wider scope

Introduction

As described previously, the Code of Audit Practice frames a significant part of our wider scope responsibilities in terms of audit areas:

- Financial sustainability
- Financial management
- Vision, leadership and governance
- Use of resources to improve outcomes.

Our planned audit work against these four areas is risk based and proportionate. Our initial assessment builds upon our understanding of the Council's key priorities and risks along with discussions with management and review of board minutes and key strategy documents.

We have identified one significant risk in relation to financial sustainability as set out in the table below. At this stage, we have not identified any significant risks in relation to the other wider scope areas.

Audit planning however is a continuous process and we will report all identified significant risks, as they relate to the four wider scope areas, in our annual audit report. This section summarises our audit work in respect of each wider scope area.

Wider scope significant risk

Financial sustainability

The Council considers its medium-term financial planning through its Financial Sustainability and General Fund Financial Outlook report regularly presented to the full Council. The Council has considered a range of scenarios from optimistic to pessimistic and identified a 'central scenario' with a funding gap of £40 to £45million between 2023/24 and 2026/27. Assuming 5% council tax increases in each of those years the funding gap reduces to £25-30million and would require the Council to identify c.£10million of savings and efficiencies each year. However, such council tax increases would be subject to prior Council vote and approval.

The Council reviewed its budget planning assumptions to reflect the financial challenges impacting on the external environment which the Council operates in. In addition to the council tax, other assumptions included pay and contractual inflation cost pressures. The emerging and uncertain impact of cost pressures on the Council's finances and ability to deliver services in a sustainable manner remains a significant challenge and risk.

The key Council's transformation programme Right for Renfrewshire ("RFR") aims to transform the Council's services, create efficiencies, and generate savings over the medium term. It was paused during the last two years to focus the efforts on the emergency response to the COVID-19 pandemic. The Council recognises that as a result the savings have fallen behind the requirement to secure financial sustainability. The original RFR savings target of £25million was revised in June 2022 when the Council reinstated the programme with a target to achieve £15million of savings instead. The Council delivered £5million of savings between 2020-22 against the original RFR target. The new savings target £15million has also proven to be challenging and it is currently expected that £8million of it is going to be achieved over the period of 2023-2025.

The Council has been reviewing its medium-term sustainability workstreams noting that over the period from 2010 it achieved £170million of savings already and that the scope for further savings is therefore limited without impacting the quality of the services delivery. It concluded that that these measures will deliver less savings than planned, with the focus moving to long term planning to investigate the potential for further savings and efficiencies.

The Council's reserves include £30.4million of ringfenced reserves (in relation to COVID and inflation mitigation) and £10.8million of unallocated reserves. While the Council plans to potentially draw down between £12 to 16million of the ringfenced reserves to achieve a breakeven position short term, it has acknowledged that these cannot be utilised as a sustainable solution to close the medium-term budget

Financial sustainability

gap. The Council recognises that further changes to address the core deficit are required.

The Local Government Finance circular 10/2022 confirmed that local authorities can utilise financial flexibility whereby the capital repayment element of service concessions can be accounted for over the expected useful life of the asset instead of the contract period. The Council has approved the use of this flexibility, which will produce an in-year saving of £1.5million, with reduced cost available up to 2036/37. However, this re-profiling exercise will also generate cost, not previously present, beyond 2036/37. The Council's utilisation of the service concession financial flexibilities has been incorporated into the Financial Outlook reports during 2022.

Our audit response:

During our audit we will review whether the Council has appropriate arrangements in place to manage its financial position. Our work will include an assessment of progress made in developing financially sustainable plans which reflect the medium and longer term impact of cost pressures and that continue to support the delivery of the Council's statutory functions and strategic objectives.

Our audit approach to the wider scope audit areas



Financial sustainability

Financial sustainability looks forward to the medium and longer term to consider whether the body is planning effectively to continue to deliver its services or the way in which they should be delivered.

Consideration	Our audit approach
<p>The Council's General Fund Revenue budget for 2023/24 is due to be approved in March 2023. The budget presents a total estimated spending of £500.2million and a funding gap of £7.6million for 2023/24. The funding gap exists after applying £11million of ringfenced reserves and this position is before any decision is taken on the levels of council tax.</p> <p>The Scottish Government revenue grant allocation for the Council for 2023/24 stood at £389.8million. After adjusting for the conditional and new responsibilities funding the core grant increased by 0.1% when compared to the previous year.</p> <p>More recently the Scottish Government announced funding to all Scottish local authorities for teaching staff of £33million for 2022/23 and £123million for 2023/24. The non-teaching staff additional funding will be £100million for 2023/24. This is still to be allocated between individual local authorities therefore the impact on Renfrewshire Council finances is not yet known.</p> <p>The Council's Housing Revenue Account ('HRA') net capital spend planned for 2023/24 is £27.9million, with the total estimated spend over the next five financial years of £244.3 million.</p>	<p>During our 2022/2023 audit we will develop our assessment of the Council's financial standing. We will review and conclude on:</p> <ul style="list-style-type: none"> • The Council's arrangements in place for developing short, medium and long term financially sustainable plans that continue to support the delivery of the Council's statutory functions and strategic objectives; and • The appropriateness and effectiveness of arrangements in place to address any identified funding gaps.

Consideration

The Council also plans to attract £26.6million of additional government grants for the new builds and similar projects. Renfrewshire Council has been able to achieve breakeven position on the HRA account in the recent years and is planning for moderate rent increases due to effective medium and long term planning.

The Council's non-housing Capital Investment Programme Plan has a budget of £424.2million over the next five years, which includes £211.8million of projects funded by the City Deal grants and borrowing in relation to the Glasgow Airport area. The programme is prepared on the assumption of flat cash general capital grant funding from the Scottish Government over the medium term. In this context the Council recognises that the current levels of funding will cover annual rolling maintenance cost which is £12million, but will not allow for a forward looking investment programme. To mitigate this challenge the Council will consider the use of other sources of financing, including realised capital receipts, borrowing funded by recurrent revenue savings or external specific grant funding.

Our audit approach



Financial management

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

Consideration	Our audit approach
<p>The Council reported a surplus outturn position in 2021/22. As at February 2023, the Council forecasts a general fund revenue overspend of £8.2million and an underspend of £0.1million for HRA in 2022/23. There has been no specific savings target set for this financial year, although savings of £1.5million are expected from the use of the flexibilities in relation to service concession arrangements.</p> <p>The main reasons for the overspend relate to increased cost of residential accommodation placements, energy and inflationary cost increases, loss of parking income and cost of support to Renfrewshire Leisure Ltd. The general fund overspend could further increase to reflect potential additional increases resulting from the ongoing pay settlement negotiations with teaching staff. It is expected that the Council will need to utilise its ringfenced reserves to achieve a breakeven position at year end.</p> <p>The capital programme budgets for both HRA and non HRA elements have been re-profiled and decreased during the year by nearly 17% (or £27million) due to further COVID-19 related delays. The Council estimates it will achieve a small underspend on the revised capital budget.</p>	<p>During our 2022/23 audit we will review, conclude and report on the following:</p> <ul style="list-style-type: none"> • The achievement of financial targets; • Whether the Council can demonstrate the effectiveness of its budgetary control system in communicating accurate and timely performance; • Whether the Council has arrangements in place to ensure systems of internal control are operating effectively; and • Whether the Council has established appropriate and effective arrangements for the prevention and detection of fraud and corruption.



Vision, Leadership and Governance

Vision, Leadership and Governance is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision making, and transparent reporting of financial and performance information.

Consideration

The Council has adopted the principle that decisions should be made at the lowest or most local level consistent with the nature of the issues involved. Functions therefore have been delegated to Boards, the Chief Executive, Directors and Heads of Service and other officers. Following the Local Government elections in May 2022, the councillors confirmed its current Boards structure.

During 2022/23, the Council and Board meetings adopted a blended approach and meetings continue to be live streamed and available to the public in the archive. The Council has been able to maintain all aspects of board governance, including its regular schedule of Council and Board meetings, to allow for effective scrutiny, challenge and informed decision making.

The Council approved its Council Plan setting out key strategic themes and direction over the next five years. There are five strategic themes:

- Place – working together to enhance wellbeing across communities
- Economy – building an inclusive, green and resilient economy
- Fair – nurturing bright, happy and healthy futures for all
- Green – leading Renfrewshire to Net Zero

Our audit approach

As part of our 2022/23 audit we will review, conclude and report on:

- Clarity of the vision and strategy and if these are supported by a set of priorities and links to services and local communities;
- Whether the Council can demonstrate that the governance arrangements in place are appropriate and operating effectively;
- The transparency of decision-making, financial reporting and performance data; and
- Reasonableness and consistency of the governance statement in relation to other information gathered during our audit.
- Monitor progress of the investigation on the school building capacity issue and possible impact on governance arrangements and Council finances.

Consideration

- Living our values – making a difference together

The Council approved a revised management structure in December 2022 to enable organisational recovery from the pandemic and to support delivery of Council's strategic priorities. Implementation of the new structure is going to be delivered during 2023 and assumes a reduction of two full-time equivalent chief officer posts.

The Council completed the building of a primary school last year which has been found to have been built with significantly less capacity than required for the catchment area – about half the size required. Because of restriction on the site (owned by BAE systems) the Council has limited ability to immediately address the issue which seems to have been caused by an error in estimating pupil numbers at the outset of the project, which was not identified or corrected until after the school had been completed. The cost to address this error to the Council will be significant and is still being assessed. The Council has launched an independent inspection to investigate this matter.

Our audit approach



Use of resources to improve outcomes

Audited bodies need to make best use of their resources to meet stated outcomes and improvement objectives, through effective planning and working with strategic partners and communities. This includes demonstrating economy, efficiency, and effectiveness through the use of financial and other resources and reporting performance against outcomes.

Consideration

The approval of the new Council Plan 2022-27 has been followed by development of a revised Council Plan Framework to allow monitoring of the progress against the plan. The Framework includes a number of actions and indicators and progress against those will be reported to the Leadership Board biannually. Where possible, the scorecard of indicators for each Plan outcome contains quarterly and annual indicators enabling better scrutiny.

Work is also ongoing to develop more outcome focused performance measures to help the Council to demonstrate the impact of services on people and local communities.

The new framework is intended to be under the regular review of the Leadership Board to align it with the changes in council aims and in environment.

Our audit approach

During 2022/23 we will review, conclude and report on;

- Whether performance reporting in 2022/23 is timely, reliable, balanced, transparent and appropriate to user needs.
- The Council's compliance with the Accounts Commission's direction on public performance reporting.
- Whether the Council has identified improvement priorities, and how self-aware the Council is in understanding its relative performance and improvement needs.

Renfrewshire Trust Funds

Coats Observatory Trust Fund

The Charities Accounts (Scotland) Regulations 2006 outline the accounting and auditing requirements for charitable bodies. The Regulations require an auditor to prepare a report to the charity trustees where an audit is required by any other enactment.

The Council's charitable trust is covered by the requirements of section 106 of the Local Government (Scotland) Act 1973 and consequently require a full audit. Each registered charitable trust has required a full audit since 2013/14.

There is one registered charity preparing its accounts on a receipts and payments basis – Coats Observatory Trust Fund.

Significant risks at the financial statement level

The table below summarises the significant risk of material misstatement identified at the financial statement level. This risk is considered to have a pervasive impact on the financial statements as a whole and potentially affect many assertions for classes of transaction, account balances and disclosures.

Identified risk of material misstatement	Audit approach
<p>Management override of controls</p> <p>Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is</p>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> Documenting our understanding of the journals posting process and evaluating the design effectiveness of management controls over journals. Analysing the journals listing and determining criteria for selecting high risk and / or unusual journals. Testing high risk and / or unusual journals posted during the year and after the unaudited annual accounts stage back to supporting

Identified risk of material misstatement	Audit approach
<p>a risk of material misstatement due to fraud and thus a significant risk.</p> <p>Risk of material misstatement: Very High</p>	<p>documentation for appropriateness, corroboration and to ensure approval has been undertaken in line with the Trusts' journals policy.</p> <ul style="list-style-type: none"> Gaining an understanding of the accounting estimates and critical judgements made by management. We will challenge assumptions and consider the reasonableness and indicators of bias which could result in material misstatement due to fraud. Evaluating the rationale for any changes in accounting policies estimate or significant unusual transactions.

Significant risks at the assertion level for classes of transaction, account balances and disclosures

The table below summarises significant risk of material misstatement at the assertion level for classes of transaction, account balances and disclosures.

Identified risk of material misstatement	Audit approach
<p>Valuation of the Trust land and buildings</p> <p>The valuation of Coats Observatory land and buildings is based on fair value, determined as the market value that would be paid for the asset in its current use. Valuation is provided by the Council Valuer and updated as a minimum every five years. The latest valuation of the Observatory building was 31 March 2021.</p> <p>There is a significant degree of subjectivity in the measurement and</p>	<p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> Evaluating the competence, capabilities and objectivity of the valuation expert. Considering the basis on which the valuation is carried out and the challenge in the key assumptions applied. Testing the information used by the valuer to ensure it is complete

Identified risk of material misstatement	Audit approach
<p>valuation of land and buildings. This subjectivity and the material nature of the Trust's asset base represents an increased risk of misstatement in the annual accounts.</p> <p>Inherent risk of material misstatement:</p> <p>Assets (valuation): High</p>	<p>and consistent with our understanding. If there have been any specific changes to the assets in the year, we will ensure these have been communicated to the valuer.</p>

Other matter

The last year's financial statements indicate that the Trust only maintains the Observatory assets and that there are no receipts and payments in the year. The asset is leased to Renfrewshire Leisure Ltd for Nil consideration. We will evaluate these governance arrangements during the audit.

Going concern

Under the going concern principle it is assumed that an entity will continue in operation and there is neither the intention nor the need to liquidate it or cease trading.

Management is required to make and document a comprehensive assessment of whether the entity is a going concern when preparing the financial statements. The process should be proportionate in nature and depth depending upon the size and level of financial risk and the complexity of the entity and its operations. The review period should cover at least 12 months from the date of approval of the financial statements. Trustees are also required to make balanced, proportionate and clear disclosures about going concern in the financial statements where material uncertainties exist in order to give a true and fair view.

Under ISA (UK) 570, auditors are required to consider the appropriateness of management's use of the going concern assumption in the preparation of the financial statements and consider whether there are material uncertainties about the entity's ability to continue as a going concern that need to be disclosed in the financial statements.

Materiality

Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report to those charged with governance and management any uncorrected misstatements of lower value errors to the extent that our audit identifies these.

Under ISA (UK) 260 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA (UK) 260 defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.

An omission or misstatement is regarded as material if it would reasonably influence the users of the financial statements. The assessment of what is material is a matter of professional judgement and is affected by our assessment of the risk profile of the business and the needs of the users.

When planning, we make judgements about the size of misstatements which we consider to be material, and which provide a basis for determining the nature and extent of our audit procedures. Materiality is revised as our audit progresses, should we become aware of any information that would have caused us to determine a different amount had we known about it during our planning.

The table below sets out our initial assessment of materiality, performance materiality and trivial threshold:

	Overall materiality	Performance materiality	Trivial threshold
	(£)	(£)	(£)
Coats Observatory Trust Fund	£70,000	£52,500	£3,500

Overall materiality: our assessment is based on approximately 1% of net assets. We consider this benchmark to be the principal consideration for the users of the financial statements when assessing the performance of the charitable trust.

Performance materiality: Using our professional judgement we have calculated performance materiality at approximately 75% of overall materiality.

Trivial threshold: 5% of overall materiality for the financial statements.

Your Azets audit management team

Gary Devlin: Engagement Lead

gary.devlin@azets.co.uk

Gary is the partner in charge of our audit of Renfrewshire Council. Gary has over 20 years' experience in local government auditing and also leads our other public sector external audit appointments.



Adrian Kolodziej: Engagement Manager

adrian.kolodziej@azets.co.uk

Adrian will manage the delivery of the onsite work and work alongside Gary to deliver the audit engagement. Adrian has over 14 years of public sector experience performing the external audits of local authorities, central government and further education bodies.



Audit timetable

The submission date for audited annual accounts in local government is generally set to be consistent with the date specified in the accounts regulations by which the Council is required to approve its audited accounts. The Coronavirus (Scotland) Act 2000 permitted a deferral in 2019/20 and 2020/21 to 30 November, and a temporary amendment to the accounts regulations allowed a submission date of 30 November for 2021/22. However, the submission date is returning to pre-pandemic 30 September for 2022/23.

We have set out below target months which align to the schedule of Council meetings. We aim to meet these scheduled meetings however this will be monitored during the audit process and may require to be revised to reflect emerging issues.

Audit work/output	Description	Target month/s	Audit, Risk and Scrutiny Board	Deadline
Audit strategy	Onboarding and initial engagement, introductory meetings and presentation of audit strategy.	January / February	23 January 2023	N/A
Audit plan	Planning meetings, understanding the entity, risk assessment. Audit plan setting out the scope of our audit, including key audit risks, presented to the Standards, Audit & Risk Board.	February / March	13 March 2023	31 March 2023
Interim audit	Interim audit including review of accounting systems.	March - June	N/A	N/A

Audit work/ output	Description	Target month/s	Audit, Risk and Scrutiny Board	Deadline
Final audit	Accounts presented for audit and final audit visit begins	July - September	N/A	N/A
Independent Auditor's Report	This report will contain our opinion on the financial statements, the audited part of the remuneration report, annual governance statement and management commentary.	September	18 September 2023	30 September 2023
Annual Report to the Council and the Controller of Audit	At the conclusion of each year's audit we issue an annual report setting out the nature and extent of our audit work for the year and summarise our opinions, conclusions and the significant issues arising from our work. This report pulls together all of our work under the Code of Audit Practice.	September	28 September 2023	30 September 2023
Report to those charged with governance relating to the	We will issue an ISA 260 report addressed to the trustees summarising our opinions, conclusions	September	18 September 2023	30 September 2023

Audit work/ output	Description	Target month/s	Audit, Risk and Scrutiny Board	Deadline
charitable trusts	and the significant issues arising from our work.			
Grant claims and returns:	We provide assurance, by way of an audit certificate on the grant claims / returns listed.	TBC	N/A	TBC
<ul style="list-style-type: none"> Non domestic rate income return (NDRI) Whole of Government Accounts (WGA) Housing benefit subsidy claim (HB) 				

Prior to submitting our outputs, we will discuss all issues with management to confirm factual accuracy and agree a draft action plan where appropriate.

The action plans within the reports will include prioritised recommendations, responsible officers and implementation dates. We will review progress against the action plans on a regular basis.

Audit fee

For 2022/23, the new appointment process provided Audit Scotland with a fair representation of the current audit market for each individual body with the outcome of this exercise highlighting the increasing requirements, expectations and scrutiny of the audit profession.

The quality of audit work is an essential requirement in successfully delivering a fully compliant ISA and Code of Audit Practice audit. These factors have led to above inflationary increases in the cost of audit. Whilst these increases are significant these are consistent with evidence obtained from the profession and other UK audit agencies. On setting fees, Audit Scotland has ensured that efficiencies have been fully utilised to mitigate the impact.

For the local government sector, the average fee increase is 12.5%.

Audit Scotland sets an expected audit fee that assumes the body has sound governance arrangements in place, has been operating effectively throughout the year, prepares comprehensive and accurate draft accounts and meets the agreed timetable for audit. The expected fee is reviewed by Audit Scotland each year and adjusted if necessary based on auditors' experience, new requirements, or significant changes to the audited body.

As auditors we negotiate a fee with the Council during the planning process. The fee may be varied above the expected fee level to reflect the circumstances and local risks within the body.

The breakdown of the fee increases for 2022/23 is shown in the table below.

Area	Fee
Sectoral fee increases of 12.5% to reflect inflation, changes to ISA 315 auditing standard and resourcing challenges in the audit industry	£46,320
We propose setting the 2022/23 audit fee above the expected fee to reflect the following areas of work:	
Additional costs associated with this being the first year of our audit appointment and developing our understanding of the Council, increased focus on understanding the Council's IT general controls, and delivering a hybrid style audit.	£20,000

Dealing with accounting queries which arise during the financial year; including consultation and development of an approach to asset valuations (identified as a significant risk area). £7,000

	2022/23	2021/22
Auditor remuneration	£298,450	223,730
Pooled costs	-	23,320
Contribution to PABV costs	£78,110	110,340
Audit support costs	£10,290	11,940
Sectoral cap adjustment	£55,800	-
Total fee	£442,650	£369,330

We will take account of the risk exposure of the Council and the management assurances in place. We assume receipt of the draft working papers at the outset of our on-site final audit visit. If the draft accounts and papers are late, or agreed management assurances are unavailable, we reserve the right to charge an additional fee for additional audit work. An additional fee will be required in relation to any other significant exercises not within our planned audit activity.

Audit fee – Renfrewshire Council Charitable Trust (Coats Observatory)

The audit fee in the table above does not include the cost of auditing charitable trust fund. We propose setting the audit fee for the audit of the charitable trust at £6,000.

Audit independence and objectivity

International Standard on Auditing (UK) 260 "Communication with those charged with governance" requires us to communicate on a timely basis all facts and matters that may have a bearing on our independence.

In particular, FRC's Ethical Standard stipulates that where an auditor undertakes non audit work, appropriate safeguards must be applied to reduce or eliminate any threats to independence. Azets has not been appointed by the Council to provide any non-audit services during the year.

We confirm that we comply with FRC's Ethical Standard. In our professional judgement, the audit process is independent and our objectivity has not been compromised in any way. In particular there are and have been no relationships between Azets and the Council, its elected members and senior management that may reasonably be thought to bear on our objectivity and independence.

Appendix 1: Responsibilities of the Auditor and the Council

The Accounts Commission, Controller of Audit and Audit Scotland

The Accounts Commission is an independent public body. Its members are appointed by Scottish Ministers and are responsible for holding local government to account.

Under statute, the Accounts Commission appoints a Controller of Audit to consider the results of the audit of accounts, including the wider-scope responsibilities and Best Value auditing. The Controller of Audit makes reports to the Accounts Commission on matters arising from the accounts and on Best Value and acts independently of the Accounts Commission when reporting to it.

Audit Scotland is an independent statutory body that co-ordinates and supports the delivery of high-quality public sector audit in Scotland. Audit Scotland oversees the appointment and performance of auditors, provides technical support, delivers performance audit and Best Value work programmes and undertakes financial audits of public bodies.

Auditor responsibilities

Code of Audit Practice

The Code of Audit Practice (the Code) describes the high-level, principles-based purpose and scope of public audit in Scotland. The [2021 Code](#) came into effect from 2022/23.

The Code of Audit Practice outlines the responsibilities of external auditors appointed by the Accounts Commission and it is a condition of our appointment that we follow it.

Our responsibilities

Auditor responsibilities are derived from the Code, statute, International Standards on Auditing (UK) and the Ethical Standard for auditors, other professional requirements and best practice, and guidance from Audit Scotland.

We are responsible for the audit of the accounts and the wider-scope responsibilities explained below. We act independently in carrying out our role and in exercising professional judgement. We report to the Council and others, including Audit Scotland, on the results of our audit work.

Weaknesses or risks, including fraud and other irregularities, identified by auditors, are only those which come to our attention during our normal audit work in accordance with the Code and may not be all that exist.

Wider scope audit work

Reflecting the fact that public money is involved, public audit is planned and undertaken from a wider perspective than in the private sector.

The wider scope audit specified by the Code broadens the audit of the accounts to include additional aspects or risks in areas of financial management; financial sustainability; vision, leadership and governance; and use of resources to improve outcomes.

Financial management



Financial management means having sound budgetary processes. Audited bodies require to understand the financial environment and whether their internal controls are operating effectively.

Auditor considerations

Auditors consider whether the body has effective arrangements to secure sound financial management. This includes the strength of the financial management culture, accountability, and arrangements to prevent and detect fraud, error and other irregularities.

Financial sustainability



Financial sustainability means being able to meet the needs of the present without compromising the ability of future generations to meet their own needs.

Auditor considerations

Auditors consider the extent to which audited bodies show regard to financial sustainability. They look ahead to the medium term (two to five years) and longer term (over five years) to consider whether the body is planning effectively so it can continue to deliver services.

Vision, leadership and governance



Audited bodies must have a clear vision and strategy, and set priorities for improvement within this vision and strategy. They work together with partners and communities to improve outcomes and foster a culture of innovation.

Auditor considerations

Auditors consider the clarity of plans to implement the vision, strategy and priorities adopted by the leaders of the audited body. Auditors also consider the effectiveness of governance arrangements for delivery, including openness and transparency of decision-making; robustness of scrutiny and shared working arrangements; and reporting of decisions and outcomes, and financial and performance information.

Use of resources to improve outcomes



Audited bodies need to make best use of their resources to meet stated outcomes and improvement objectives, through effective planning and working with strategic partners and communities. This includes demonstrating economy, efficiency and effectiveness through the use of financial and other resources, and reporting performance against outcomes.

Auditor considerations

Auditors consider the clarity of arrangements in place to ensure that resources are deployed to improve strategic outcomes, meet the needs of service users taking account of inequalities, and deliver continuous improvement in priority services.

Best Value

Appointed auditors have a duty to be satisfied that local government bodies have made proper arrangements to secure best value.

Our work in respect of the Council's best value arrangements is integrated into our audit approach, including our work on the wider scope areas as set out in this plan.

Audit quality

The Auditor General and the Accounts Commission require assurance on the quality of public audit in Scotland through comprehensive audit quality arrangements that

apply to all audit work and providers. The audit quality arrangements recognise the importance of audit quality to the Auditor General and the Accounts Commission and provide regular reporting on audit quality and performance.

Audit Scotland maintains and delivers an [Audit Quality Framework](#).

The most recent audit quality report can be found at <https://www.audit-scotland.gov.uk/publications/quality-of-public-audit-in-scotland-annual-report-202122>

Council responsibilities

The Council has 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 enables it to successfully deliver its objectives. The features of proper financial stewardship include the following:

Area	Council responsibilities
Corporate governance	<p>The Council is responsible for establishing arrangements to ensure the proper conduct of its affairs including the legality of activities and transactions, and for monitoring the adequacy and effectiveness of these arrangements. Those charged with governance should be involved in monitoring these arrangements.</p>
Financial statements and related reports	<p>The Council has responsibility for:</p> <ul style="list-style-type: none"> • preparing financial statements which give a true and fair view of its financial position and its expenditure and income, in accordance with the applicable financial reporting framework and relevant legislation; • maintaining accounting records and working papers that have been prepared to an acceptable professional standard and that support its financial statements and related reports disclosures; • ensuring the regularity of transactions, by putting in place systems of internal control to ensure that they are in accordance with the appropriate authority; and • preparing and publishing, along with the financial statements, an annual governance statement, management commentary (or equivalent) and a remuneration report in accordance with prescribed requirements. Management commentaries should be fair, balanced and understandable. <p>Management is responsible, with the oversight of those charged with governance, for communicating relevant information to users about the entity and its financial performance, including providing adequate disclosures in accordance with the applicable financial reporting framework. The relevant information should be communicated clearly and concisely.</p>

Area	Council responsibilities
	<p>The Council is responsible for developing and implementing effective systems of internal control as well as financial, operational and compliance controls. These systems should support the achievement of its objectives and safeguard and secure value for money from the public funds at its disposal. The Council is also responsible for establishing effective and appropriate internal audit and risk-management functions.</p>
Standards of conduct for prevention and detection of fraud and error	<p>The Council is responsible for establishing arrangements to prevent and detect fraud, error and irregularities, bribery and corruption and also to ensure that its affairs are managed in accordance with proper standards of conduct by putting proper arrangements in place.</p>
Financial position	<p>The Council is responsible for putting in place proper arrangements to ensure the financial position is soundly based having regard to:</p> <ul style="list-style-type: none"> • Such financial monitoring and reporting arrangements as may be specified; • Compliance with statutory financial requirements and achievement of financial targets; • Balances and reserves, including strategies about levels and their future use; • Plans to deal with uncertainty in the medium and long term; and • The impact of planned future policies and foreseeable developments on the financial position.
Best value	<p>The Council has a specific responsibility to make arrangements to secure Best Value. Best Value is defined as continuous improvement in the performance of the body's functions. In securing Best Value, the local government body is required to maintain an appropriate balance among:</p> <ul style="list-style-type: none"> • The quality of its performance of its functions

Area	Council responsibilities
	<ul style="list-style-type: none"> • The cost to the body of that performance • The cost to persons of any service provided by it for them on a wholly or partly rechargeable basis. <p>In maintaining that balance, the Council shall have regard to:</p> <ul style="list-style-type: none"> • Efficiency • Effectiveness • Economy • The need to meet the equal opportunity requirements. <p>The Council should discharge its duties in a way which contributes to the achievement of sustainable development.</p> <p>In measuring the improvement of the performance of a local government body's functions for the purposes of this section, regard shall be had to the extent to which the outcomes of that performance have improved.</p> <p>The Scottish Government's Statutory Guidance on Best Value (2020) requires bodies to demonstrate that they are delivering Best Value in respect of seven themes:</p> <ol style="list-style-type: none"> 1. Vision and leadership 2. Governance and accountability 3. Effective use of resources 4. Partnerships and collaborative working 5. Working with communities 6. Sustainability 7. Fairness and equality. <p>The Community Empowerment (Scotland) Act 2015 is designed to help empower community bodies through the ownership or control of land and buildings, and by strengthening their voices in decisions about public services.</p> <p>Specified audited bodies are required to prepare and publish performance information in accordance with Directions issued by the Accounts Commission.</p>

Appendix 2: Potential impact on the Council and our audit approach following revisions to auditing standards

Revised auditing standards, which come into effect from the current year, will have a significant impact on the way we perform our audit, particularly how we assess the risk of material misstatement, our approach to the audit of fraud, and the ways we ensure our audits are performed in line with regulatory requirements and to a high standard. The table below provides further detail on the implications of these new requirements.

Key change	Potential impact on the Council & our approach
Enhanced risk identification and assessment, promoting more focused auditor responses to identified risks	<p>Management and those charged with governance may receive more up-front questions as we plan the audit and identify and assess risks of material misstatement.</p> <p>We may conduct planning and risk assessment procedures at a different time to ensure that our understanding is comprehensive, and that information is leveraged effectively and efficiently.</p> <p>To facilitate a more robust risk-assessment, we may request additional information to enhance our understanding of systems, processes and controls. For example, we may request:</p> <ul style="list-style-type: none"> • a better understanding of the Council's structure and operations and how it integrates information technology (IT) • more information about the Council's processes for assessing risk and monitoring its system of internal control

Key change	Potential impact on the Council & our approach
	<ul style="list-style-type: none"> • more detailed narratives about how transactions are initiated, recorded, processed and reported • policies and procedure manuals, flowcharts and other supporting documentation to validate our understanding of the information systems relevant to the preparation of the financial statements • more information to support our inherent risk assessment. <p>This information not only informs our risk assessment but also assists us in determining an appropriate response to risks identified, including any new significant risks which require a different response.</p>
Understanding and acting on risks associated with IT	<p>We will be asking tailored questions and making information requests to understand the IT environment, including:</p> <ul style="list-style-type: none"> • IT applications • supporting IT infrastructure • IT processes • personnel involved in the IT processes. <p>Combined with the controls that may be needed to address the identified and assessed risks of material misstatement, this understanding may also identify existing and new risks arising from the use of IT. Therefore, we will be asking more focused questions and requesting additional information to understand the general IT controls that address such risks. For example, we may have questions in relation to general IT controls over journal entries (e.g., segregation of duties related to preparing and posting entries) to address risks arising from the use of IT.</p> <p>Depending on our assessment of the complexity of systems and associated risks, we may also involve additional team members, such as IT specialists.</p>
Enhanced procedures in connection with fraud	<p>We will be asking targeted questions as part of an enhanced approach to fraud, including discussing with the Council:</p> <ul style="list-style-type: none"> • any allegations of fraud raised by employees or related parties

Key change	Potential impact on the Council & our approach
	<ul style="list-style-type: none"> the risks of material fraud, including those specific to the local government sector. <p>Combined with other information, and any inconsistencies in responses from those charged with governance and management, we determine implications for further audit procedures. Work in connection with fraud may also now include the use of audit data analytics, or the inclusion of specialists in our engagement team to ensure we obtain sufficient appropriate audit evidence to conclude whether the financial statements are materially misstated as a result of fraud.</p> <p>In addition to existing communication and reporting requirements relating to irregularities and fraud, there may be further matters we report in connection with management's process for identifying and responding to the risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud.</p> <p>These enhanced requirements may assist in the prevention and detection of material fraud, though do not provide absolute assurance that all fraud is detected or alter the fact that the primary responsibility for preventing and detecting fraud rests with the Council and management.</p>
Enhanced requirements for exercising professional scepticism	<p>Challenge, scepticism and the application of appropriate professional judgement are key components of our audit approach. You may receive additional inquiries if information is found that contradicts what our team has already learned in the audit or in instances where records or documents seen in the course of the audit appear to have been tampered with, or to not be authentic.</p>
Using the right resources, in the right way, at the right time	<p>One of our new strategic quality objectives sets out that we will strive to use the right resource, in the right way, at the right time. This may mean increasing the use of specialists (for example in relation to general IT controls) or changing the shape of the audit engagement team to ensure that we are able to provide appropriate challenge and feedback in specialist areas.</p> <p>This will include appropriate use of technology, including data analytics.</p>

Appendix 3: Materiality

Materiality is an expression of the relative significance of a matter in the context of the financial statements as a whole. A matter is material if its omission or misstatement would reasonably influence the decisions of an addressee of the auditor's report. The assessment of what is material is a matter of professional judgement and is affected by our assessment of the risk profile of the organisation and the needs of users. We review our assessment of materiality throughout the audit.

Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report to the Council and management any uncorrected misstatements of lower value errors to the extent that our audit identifies these.

Group and the Council materiality

	Group £million	Council £million
Overall materiality for the financial statements	8.4	8.4
Performance materiality	6.3	6.3
Trivial threshold	0.250	0.250

Materiality

Our assessment is made with reference to the Council's gross expenditure. We consider this to be the principal consideration for the users of the annual accounts when assessing financial performance.

Our assessment of materiality equates to approximately 1% of the Council's gross expenditure as disclosed in the 2021/22 audited annual accounts.

In performing our audit, we apply a lower level of materiality to the audit of the Remuneration Report. Our materiality is set at £5,000.

Performance materiality

Performance materiality is the working level of materiality used throughout the audit. We use performance materiality to determine the nature, timing and extent of audit procedures carried out. We perform audit procedures on all transactions, or groups of transactions, and balances that exceed our performance materiality. This means that we perform a greater

	<p>level of testing on the areas deemed to be at significant risk of material misstatement.</p> <p>Performance materiality is set at a value less than overall materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of the uncorrected and undetected misstatements exceed overall materiality.</p>
Trivial misstatements	<p>Trivial misstatements are matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.</p>

Common Good Funds materiality

	Overall materiality (£)	Performance materiality (£)	Trivial threshold (£)
Paisley	£140,000	£105,000	£7,000
Johnstone	£1,050	£788	£53
Renfrew	£690,000	£518,000	£35,000

Overall materiality: our assessment is based on approximately 2% of net assets. We consider this benchmark to be the principal consideration for the users of the financial statements when assessing the performance of each charitable trust.

Performance materiality: Using our professional judgement we have calculated performance materiality at approximately 75% of overall materiality.

Trivial threshold: 5% of overall materiality for the financial statements.

Appendix 4: National risk areas under scope of audit in 2022/23

Climate change

Tackling climate change is one of the greatest global challenges. The Scottish Parliament has set a legally binding target of becoming net zero by 2045, and has interim targets including a 75% reduction in greenhouse gas emissions by 2030. The public sector in Scotland has a key role to play in ensuring these targets are met and in adapting to the impacts of climate change.

There are specific legal responsibilities placed on public bodies to contribute to reducing greenhouse gas emissions, to adapt to climate change, to act sustainably and to report on progress. A number of public bodies have declared a climate emergency and set their own net zero targets, some of which are earlier than Scotland's national targets. All public bodies will need to reduce their direct and indirect emissions, and should have plans to do so. Many bodies will also have a role in reducing emissions in wider society, and in supporting activity to adapt to the current and potential future impact of climate change. For example, working with the private sector and communities to help drive forward the required changes in almost all aspects of public and private life, from transport and housing to business support.

Public audit has an important and clear role to play in:

- helping drive change and improvement in this uncertain and evolving area of work
- supporting public accountability and scrutinising performance
- helping identify and share good practice.

The Auditor General and Accounts Commission are developing a programme of work on climate change. This involves a blend of climate change-specific outputs that focus on key issues and challenges as well as moving towards integrating climate change considerations into all aspects of audit work.

For 2022/23 audits, auditors are required to provide answers to the questions set out in the following table which are intended to gather basic information on the arrangements for responding to climate change in each body:

Key questions

What targets has the body set for reducing emissions in its own organisation or in its local area?

Does the body have a climate change strategy or action plan which sets out how the body intends to achieve its targets?

How does the body monitor and report progress towards meeting its emission targets internally and publicly?

Has the body considered the impact of climate change on its financial statements?

What are the areas of the financial statements where climate change has, or is expected to have, a material impact?

Does the body include climate change in its narrative reporting which accompanies the financial statements and is it consistent with those financial statements?

Cyber security

There continues to be a significant risk of cyber-attacks to public bodies, and it is important that they have appropriate cyber security arrangements in place.

A number of recent incidents have demonstrated the significant impact that a cyber-attack can have on both the finances and operation of an organisation.

For 2022/23 audits, auditors are advised to consider risks related to cyber security at audited bodies. However, the revised ISA (UK) 315 includes enhanced requirements for auditors to understand a body's use of IT in its business, the related risks and the system of internal control addressing such risks. The Auditor General and Accounts Commission consider that meeting these additional requirements is likely to be sufficient consideration of cyber security in 2022/23.

Appendix 5: Best Value 2022/23 Thematic Review

The Best Value thematic work for 2022/23 requires auditors to carry out an overview of the effectiveness of council leadership (officers and elected members) in developing new local strategic priorities following the elections in May 2022. In carrying out the overview, we will look to answer the following questions:

Key questions

How clear is the new council vision and its priorities?

How effectively have the views of citizens and communities been reflected in the priorities and decisions taken by the council?

How effectively do the council priorities reflect the need to reduce inequalities and climate change??

How good are the delivery plans and is there alignment of financial, workforce, asset and digital plans with the council's priorities

Overall, how effective has the leadership been (political and officer) in setting clear priorities and a sustainable approach to delivering them

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To: Audit, Risk and Scrutiny Board

On: 13 March 2023

Report by: Chief Auditor

Heading: Internal Audit Review of Compliance with the Code of Corporate Governance

1. Summary

- 1.1 Corporate governance is the name given to the system by which Councils direct and control their functions. It is about ensuring that councils do the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- 1.2 The Chief Executive has responsibility for reporting annually to the Audit, Risk and Scrutiny Board on compliance with the Code and any changes to the Code that may be necessary to maintain it and ensure its effectiveness in practice. In addition, the Council's Chief Auditor has responsibility to review independently and report to the Audit, Risk and Scrutiny Board annually, to provide assurance on the adequacy and effectiveness of the Code and the extent of compliance with it.
- 1.3 Internal Audit has reviewed the adequacy and effectiveness of the revised Code which was presented to the Audit, Risk and Scrutiny Board on 21 March 2022. Based on our sample check of the evidence used to demonstrate compliance, we would confirm that the Council complies with the requirements of the Local Code of Corporate Governance. In addition, it is evident that the Local Code has been subject to review and updating in line with developments in best practice and any revised Council Policies.

- 1.4 The Chief Executive endorses the Chief Auditor's recommendation that the Local Code should continue to be subject to an annual review to ensure that it continues to reflect developments in best practice in governance.
-

2. **Recommendations**

- 2.1 Members are invited to note the contents of this report.
-

3. **Background**

- 3.1 *Delivering Good Governance in Local Government: Framework*, published by CIPFA in association with Solace in 2007, set the standard for local authority governance in the UK. CIPFA and Solace reviewed the Framework in 2015 to ensure it remains 'fit for purpose' and published a revised edition in spring 2016. The new code places greater emphasis on relationship and behaviours between elected members and senior management; performance reporting; and council and service level plans.
- 3.2 The Council's Local Code of Corporate Governance has been reviewed and updated in line with this framework and to reflect any updated Council policies.

Implications of the Report

1. **Financial** - None
2. **HR & Organisational Development** - None
3. **Community Planning – None**
4. **Legal** - None
5. **Property/Assets** - None
6. **Information Technology** - None
7. **Equality & Human Rights – None**
8. **Health & Safety – None**
9. **Procurement** - None
10. **Risk** - None
11. **Privacy Impact – None**
12. **COSLA Implications – None**
13. **Climate Risk** - None

Author: Karen Campbell, Assistant Chief Auditor



To: **Audit, Risk and Scrutiny Board**

On: **13 March 2023**

Report by: **Chief Executive**

Heading: **Annual Review of Compliance with the Local Code of Corporate Governance 2022**

1. **Summary**

- 1.1. Corporate governance is the name given to the system by which Councils direct and control their functions. It is about ensuring that Councils do the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
 - 1.2. This report reviews the Council's Local Code of Corporate Governance and provides evidence of how the Council complies with the code. *Delivering Good Governance in Local Government: Framework*, which was refreshed in 2016 by CIPFA in association with Solace, is the framework sets the standard for local authority governance in the UK.
 - 1.3. Throughout the pandemic and recovery phase, strong governance arrangements remained in place and this remains the case. Elected members and officers have adapted their ways of working to ensure that decision making processes continue to function and that the public can observe that democratic functioning.
 - 1.4. Appendix 1 provides a list of the seven overarching principles and sub-principles against which compliance is measured. Appendix 2 provides a detailed description of the evidential documents which demonstrate continued compliance, and notes which principles they relate too.
-

2. **Recommendations**

- 2.1 It is recommended that members of the Audit, Risk and Scrutiny Board note:
 - the Council's compliance with the Local Code of Corporate Governance;
 - note the evidence for compliance set out in Appendix 2:

- note that compliance with the code is also subject to planned internal audit activity.
-

3. Background

- 3.1 CIPFA published the *Delivering Good Governance in Local Government: Framework* in 2007 to set the standard for local authority governance in the UK. It reviewed and published a revised edition in 2016 to ensure it remained 'fit for purpose'. The updated code places greater emphasis on relationships and behaviours between Elected Members and senior management; performance reporting; and Council and service level plans. The Council reviews its Local Code of Corporate Governance annually.
- 3.2 The Council's Local Code of Corporate Governance covers the seven core principles which bring together the main elements of Council business. These are:
1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
 2. Ensuring openness and comprehensive stakeholder engagement.
 3. Defining outcomes in terms of sustainable economic, social, and environmental benefits.
 4. Determining the interventions necessary to optimise the achievement of the intended outcomes.
 5. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
 6. Managing risks and performance through robust internal control and strong public financial management.
 7. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.
- 3.3 The sub-principles which sit beneath these are set out in Appendix 1 to this report.
- 3.4 A summary of the evidence which demonstrates compliance is provided in Section 4 of this report. A detailed list of documents and processes presented as evidence is included as Appendix 2.
- 3.5 The framework is reviewed by Internal Audit, who assess the adequacy and effectiveness of the code and the extent to which the Council has complied with it, with findings reported to the Audit, Risk and Scrutiny Board.

4. Compliance with the Code in 2022

- 4.1 Each of the seven principles is broken down into sub-sections (see Appendix 1), and these are further broken down to cover specific functions. This section of the report will consider compliance levels against each of the seven principles. More detailed descriptions of the evidence for compliance are given in Appendix 2.

Principle 1: Integrity, ethical values and respecting the rule of law

- 4.2 The first of the seven principles has three sub-sections: behaving with integrity,

demonstrating strong commitment to ethical values, and respecting the rule of law.

- 4.3 Codes of Conduct are in place for elected members and for employees, as well as a protocol for the relationships between political groups, elected members and officers. Elected members agree to adhere to the code of conduct when they formally accept office, and staff agree adherence on commencing employment with Renfrewshire Council. Elected members are required to update their register of interests every six months, and to declare any interests appropriately at meetings. Chief Officers are required to provide a register of interests on an annual basis.
- 4.4 There are policies and procedures in place to provide a framework by which business is conducted in a fair and transparent manner. These range from standing orders for contracts and the scheme of delegation to recruitment policies and financial regulations. Policy board reports are available to the public, except where exempted within the parameters of the law.
- 4.5 The Council expects staff and elected members to demonstrate behaviours which are in line with the Council's Values – "We are fair", "We are helpful", "We are great collaborators", "We value learning".

PRINCIPLE 2: Ensuring openness and comprehensive stakeholder engagement

- 4.6 The second principle has three sub-sections: openness; engaging comprehensively with institutional stakeholders; and engaging stakeholders effectively, including individual citizens and service users.
- 4.7 As noted above in 4.4, the Council publishes all board papers and maintains an archive online, so that interested parties can access them. The Council Plan, and the service plans which sit below it, are clear expressions of the Council's priorities and strategic direction, and progress in achieving this is reported regularly.
- 4.8 Services use a range of communication channels and consultation mechanisms to engage with stakeholders. These include social media channels, the Public Services Panel and the Climate Panel, and participatory budgeting campaigns such as You Decide and the work of local partnerships

PRINCIPLE 3: Defining outcomes in terms of sustainable economic, social and environmental benefits

- 4.9 There are two sub-sections to principle 3: defining outcomes and sustainable economic, social and environmental benefits.
- 4.10 The Council's approach to service and strategic planning ensures a golden thread linking back service activity to the strategic priorities of the Council and to the Community Plan. A key element is a focus on what the intended outcome of activity is, framed in terms of the impact on citizens. As a five-year plan, the Council Plan allows for a longer-term view whilst retaining flexibility to adjust to changes in circumstances (as was demonstrated during the pandemic). This work is supported by a robust approach to risk management.
- 4.11 A recent example of how the Council considers the wider operating environment was in the development of a comprehensive needs assessment to support the development of the new Council Plan. The assessment used the most up-to-date data alongside findings from recent consultation and the pandemic-related community impact assessment to develop and balance priorities.

PRINCIPLE 4: Determining the interventions necessary to optimise the achievement of the intended outcomes

- 4.12 Principle 4 has three sub-sections: determining interventions; planning interventions; and optimising achievement of intended outcomes.
- 4.13 Decision-making processes allow for consideration of options and risks, and build in feedback from stakeholders including citizens, staff, elected members and partners. This is evidenced in informal and formal engagement processes, in the work of Local Partnerships and in reports to Boards and Council.
- 4.14 Paragraph 4.10 outlines the planning approach in Renfrewshire, and this is one way in which the Council can demonstrate compliance with principles relating to planning interventions. That approach includes a performance framework aligned to Council Plan themes. Partnership arrangements, including those within the Community Planning framework, also serve as demonstrations of how interventions are determined and planned. The Council's financial planning and monitoring framework ensures that resources are aligned with priorities and are managed appropriately and sustainably.

PRINCIPLE 5: Developing the entity's capacity, including the capability of its leadership and the individuals within it.

- 4.15 There are two sub-sections within this principle: developing the entity's capacity and developing the capability of the entity's leadership and other individuals.
- 4.16 Monitoring of plans and performance are only one way in which the Council tracks and ensures effectiveness. Benchmarking provides a useful means of identifying good practice in other councils, and partnership working can allow council services to find added value through collaboration.
- 4.17 As well as the formal protocols and codes noted in 4.3, a shared understanding of roles and priorities is fostered through regular meetings between senior managers and elected members, and through the Cross-Party Sounding Board. Briefings are also provided to elected members prior to policy boards and as required on ad-hoc issues at an authority and ward level.
- 4.18 The capabilities of individuals are developed through formal training, whether self-directed through platforms such as iLearn or the Improvement Service's CPD framework for elected members, and through an annual programme of briefings and seminars. There is also an extensive induction programme delivered after each local government election. The Council also ensures arrangements are in place to support wellbeing, including access to occupational health, mentoring opportunities, flexible working and access to employee benefits.

PRINCIPLE 6: Managing risks and performance through robust internal controls and strong public financial management

- 4.19 The sixth principle has five sub-sections: managing risk; managing performance; robust internal control; managing data; and strong public financial management.

- 4.20 The Council has an overarching risk management policy and strategy which sets the approach, and corporate and strategic risk registers which are reviewed regularly and are subject to scrutiny by senior managers and elected members. A Corporate Risk Management Group ensures there is consistency across all services and provides a mechanism for sharing learning and good practice.
- 4.21 Performance management and monitoring is a key feature of service and strategic planning, and is one of the ways that services demonstrate delivery and impact. The Council currently uses Pentana as its main tool for collating performance data.
- 4.22 There are robust financial regulations in place, and budgetary positions and financial outlooks are regularly provided to elected members. Internal Audit undertakes several in-depth audits every year, and specific protocols are in place to deal with any issues arising in relation to potential fraud.
- 4.23 The Audit, Risk and Scrutiny Board provides a further level of control and scrutiny which is independent of the administration. The Board can direct officers to undertake reviews on particular issues and is the body that considers the Council's Annual Audit Report, and oversees the management of risk.
- 4.24 Cross-council working ensures that information governance policy and processes are rigorous, and there is a regular programme of work which is focused on continuous improvement in relation to data standards, data sharing, and on using data effectively.

PRINCIPLE 7: Implementing good practices in transparency, reporting and audit to deliver effective accountability

- 4.25 There are three sub-sections to principle seven: implementing good practice in transparency; implementing good practices in reporting; assurance and effective accountability.
- 4.26 As well as publishing reports to Policy Boards, financial strategies accounts and other information of interest to stakeholders, the Council produces an annual Public Performance Report which makes use of maps, data, images and video to tell the story of how the Council is performing.
- 4.27 Reports such as this, the annual financial statements and the reports to Audit, Risk and Scrutiny Board all seek to highlight how the Council operates and what it delivers, and to provide the transparency and assurance which is at the core of the Nolan principles.

Implications of the Report

1. **Financial** – none.
2. **HR & Organisational Development** – none.
3. **Community/Council Planning** – none.

4. **Legal** – none.
5. **Property/Assets** – none.
6. **Information Technology** –
7. **Equality & Human Rights** - The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health and Safety** – none.
9. **Procurement** – none.
10. **Risk** - The Council must comply with CIPFA's Local Code of Corporate Governance.
11. **Privacy Impact** – none.
12. **COSLA Policy Position** – none.
13. **Climate** – none.

List of Background Papers

None

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Appendix 1: Principles of Good Governance in Local Government

1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	
1.1 Behaving with integrity	
1.1.1	Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation
1.1.2	Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)
1.1.3	Leading by example and using these standard operating principles or values as a framework for decision making and other actions.
1.1.4	Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.
1.2 Demonstrating strong commitment to ethical values	
1.2.1	Seeking to establish, monitor and maintain the organisation's ethical standards and performance.
1.2.2	Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation.
1.2.3	Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values.
1.2.4	Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation.
1.3 Respecting the rule of law	
1.3.1	Ensuring members and staff demonstrate a strong commitment to rule of the law as well as adhering to relevant laws and regulations.
1.3.2	Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.
1.3.3	Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders.
1.3.4	Dealing with breaches of legal and regulatory provisions effectively.
1.3.5	Ensuring corruption and misuse of power are dealt with effectively.
2. Ensuring openness and comprehensive stakeholder engagement	
2.1 Openness	
2.1.1	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness.
2.1.2	Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided.
2.1.3	Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria,

	rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear.
2.1.4	Using formal and informal consultation and engagement to determine the most appropriate and effective interventions / courses of action.
2.2 Engaging comprehensively with institutional stakeholders	
2.2.1	Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.
2.2.2	Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.
2.2.3	Ensuring that partnerships are based on: trust; a shared commitment to change; a culture that promotes and accepts challenge amongst partners; and that the added value of partnership working is explicit.
2.3 Engaging with individual citizens and service users effectively.	
2.3.1	Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievements of intended outcomes.
2.3.2	Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement.
2.3.3	Encouraging, collecting and evaluating the views and experience of communities, citizens, service users and organisations of different backgrounds including reference to future needs.
2.3.4	Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account.
2.3.5	Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.
2.3.6	Taking account of the interests of future generations of taxpayers and service users.
3. Defining outcomes in terms of sustainable economic, social and environmental benefits	
3.1 Defining outcomes	
3.1.1.	Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions.
3.1.2	Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer.
3.1.3	Delivering defined outcomes on a sustainable basis within the resources that will be available.
3.1.4	Identifying and managing risks to the achievement of outcomes.
3.1.5	Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available.
3.2 Sustainable economic, social and environmental benefits	
3.2.1	Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision.

3.2.2	Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints.
3.2.3	Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs.
3.2.4	Ensuring fair access to services.
4. Determining the interventions necessary to optimise the achievement of intended outcomes	
4.1 Determining interventions	
4.1.1	Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided.
4.1.2	Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts.
4.2 Planning interventions	
4.2.1	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets.
4.2.2	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered.
4.2.3	Considering and monitoring risks facing each partner when working collaboratively including shared risks.
4.2.4	Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances.
4.2.5	Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured.
4.2.6	Ensuring capacity exists to generate the information required to review service quality regularly.
4.2.7	Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan.
4.2.8	Informing medium and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.
4.3 Optimising achievement of intended outcomes	
4.3.1	Ensuring the medium-term financial strategy integrates and balances service priorities, affordability and other resource constraints.
4.3.2	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term.
4.3.3	Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage.
4.3.4	Ensuring the achievement of 'social value' through service planning and commissioning.

5. Developing the entity's capacity, including the capacity of its leadership and the individuals within it	
5.1 Developing the entity's capacity	
5.1.1	Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness.
5.1.2	Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently.
5.1.3	Recognising the benefits of partnerships and collaborative working where added value can be achieved.
5.1.4	Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.
5.2 Developing the capability of the entity's leadership and other individuals	
5.2.1	Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained.
5.2.2	Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decisions making of the governing body.
5.2.3	Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure, whereby the chief executive leads the authority in implementing the strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority.
5.2.4	Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by: ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged; ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis; ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from both internal and external governance weaknesses.
5.2.5	Ensuring that there are structures in place to encourage public participation.
5.2.6	Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections.
5.2.7	Holding staff to account through regular performance reviews which take account of training or development needs.
5.2.8	Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.
6. Managing risks and performance through robust internal control and strong public financial management	
6.1 Managing risk	
6.1.1	Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making.

6.1.2	Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.
6.1.3	Ensuring that responsibilities for managing individual risks are clearly allocated.
6.2 Managing performance	
6.2.1	Monitoring service delivery effectively including planning, specification, execution and independent post-implementation review.
6.2.2	Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook.
6.2.3	Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible; OR, for a committee system, encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making
6.2.4	Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.
6.2.5	Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements).
6.3 Robust internal control	
6.3.1	Aligning the risk management strategy and policies on internal control with achieving objectives.
6.3.2	Evaluating and monitoring risk management and internal control on a regular basis.
6.3.3	Ensuring effective counter fraud and anti-corruption arrangements are in place.
6.3.4	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.
6.3.5	Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment, and that its recommendations are listened to and acted upon.
6.4 Managing data	
6.4.1	Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data
6.4.2	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.
6.4.3	Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.
6.5 Strong public financial management	
6.5.1	Ensuring financial management supports both long-term achievement of outcomes and short-term financial and operational performance.
6.5.2	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.
7. Implementing good practices in transparency, reporting and audit to deliver effective accountability	

7.1 Implementing good practice in transparency	
7.1.1	Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate.
7.1.2	Striking a balance between providing the right amount of information to satisfy transparency demand and enhance public scrutiny while not being too onerous to provide and for users to understand.
7.2 Implementing good practices in reporting	
7.2.1	Reporting at least annually on performance, value for money and the stewardship of its resources.
7.2.2	Ensuring members and senior management own the results.
7.2.3	Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)
7.2.4	Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate.
7.2.5	Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations.
7.3 Assurance and effective accountability	
7.3.1	Ensuring that recommendations for corrective action made by external audit are acted upon.
7.3.2	Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon.
7.3.3	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.
7.3.4	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.
7.3.5	Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met.

Appendix 2: Description of Evidence for Compliance

Evidence	Description	Principles
Code of Conduct for Employees	<p>The various codes of conduct determine how officers and members work within partnerships, and the shared values that they will demonstrate.</p> <p>The Code of Conduct for Employees is available on the intranet and is also issued to new employees when they join Renfrewshire Council. The council's disciplinary procedures are in place to deal with any alleged misconduct.</p>	<p>1.1.1 1.1.3 1.1.4</p>
Code of Conduct for Elected Members	<p>The Councillors' Code, which was introduced by the Ethical Standards in Public Life etc. (Scotland) Act 2000, sets out a protocol for relations between Councillors and employees. All Elected Members, following their election in May 2022, have signed their declaration of acceptance of office whereby they undertook to meet the requirements of the Councillors' code issued under the Ethical Standards in Public Life etc. (Scotland) Act 2000 in the performance of their functions as a Councillor. The Code of Conduct was updated by the Scottish Government in December 2021 and a paper outlining this was approved at Council in December 2021.</p> <p>Any alleged contraventions of the Ethical Standards in Public Life etc (Scotland) Act 2000 would be referred for investigation to the Commissioner for Ethical Standards in Public Life. And thereafter for consideration by the Standards Commission appointed by Scottish Ministers. Where a hearing involving a member of Renfrewshire Council has taken place, the outcome of this is reported to the Council. Since August 2009 all Council and Board agendas include an item in relation to declarations of interest</p> <p>Briefings for Elected Members on their responsibilities under the Code of Conduct for Councillors are held regularly every year, conducted by the Head of Corporate Governance. The induction programme for members elected in 2022 included sessions on the roles and responsibilities of officers and members.</p> <p>The Council's protocol for relationships between political groups, Elected Members and officers sets out the rights and responsibilities of Councillors and political groups in the course of conducting Council business and provide good practice guidelines in relation to the multi-member ward issues.</p>	<p>1.1.1 1.1.2 1.1.3 1.1.4 1.2.1 1.2.2 5.2.1</p>

	Councillors are advised of and can attend sessions delivered by the Standards Commission.	
Protocol for Relationships between Political Groups, Elected Members and Officers	<p>The Council's elected member and inter-party protocols and protocol for member/officer relations were reviewed and combined into one composite protocol which was approved by the Finance and Resources Policy Board on 12th November 2014.</p> <p>Any alleged contraventions of the Ethical Standards in Public Life etc (Scotland) Act 2000 would be referred for investigation to the Commissioner for Ethical Standards in Public Life. And thereafter for consideration by the Standards Commission appointed by Scottish Ministers. Where a hearing involving a member of Renfrewshire Council has taken place, the outcome of this is reported to the Council. Since August 2009 all Council and Board agendas include an item in relation to declarations of interest.</p>	1.1.1 1.1.2 1.2.1 5.2.1
Code of Corporate Governance	The Council complies with this requirement through the agreement of the Code of Corporate Governance which details the organisation's governance arrangements. This is in line with national guidance and is updated on an annual basis	1.1.1 6.3.4
Scheme of delegated functions	The Council's scheme of delegation ensures that decisions are made at the lowest or most local level consistent with the nature of the issues involved, with the exception of those powers which cannot be delegated or have been reserved to the Council. These functions have been delegated to Boards and committees, the Chief Executive, Directors and Heads of Service and other officers, including through statutory appointments of officers. The Scheme is changed to reflect any restructuring of Council services and transfer of functions between services.	1.1.1 1.3.1 1.3.2 1.3.4 2.1.2 5.2.2
Our Values	The Council's new values were launched in 2020. They will be embedded across the organisation through reviewing people policies and with managers to develop role model behaviours and manage staff according to these values. Training on Our Values is available on the council's iLearn platform.	1.1.3 1.2.2 2.1.1
Council Plan	The Council Plan sets out the strategic priorities for the organisation. The current plan for 2022-2027 was approved by Council in September 2022 and the accompanying performance scorecard was approved by Leadership Board in November 2022. Progress on delivering on the priorities in the Council Plan will be reported to the Leadership Board on a six-monthly basis	1.1.3 2.1.1 3.1.1 3.1.2 3.1.3 4.2.4

	The Council Plan has five strategic outcomes with an additional overarching aim to improve outcomes for children and families. Services align their own service planning to these outcomes, providing clear linkages between operational activities and strategic goals.	
Community Plan (Local Outcomes Improvement Plan)	<p>Renfrewshire's Community Plan acts as the Local Outcomes Improvement Plan and was refreshed in 2022.</p> <p>It is informed by a strategic needs assessment and by findings from consultations undertaken with our communities. It sets out a clear vision for partnerships and for Renfrewshire and its people, as well as the key areas of priority and actions to be undertaken.</p> <p>An annual report on the Community Plan/Local Outcomes Improvement Plan is published each year and reported to Leadership Board</p>	1.1.3 2.1.1 2.2.2 3.1.2 5.1.3
Senior Officers' Register of Interests	<p>The Council has a register of interests for Senior Officers. Information contained on the register is subject to Freedom of Information legislation. Chief Officers are contacted on an annual basis to update the register.</p> <p>Information from the register of senior officers' interests was published for the first time in October 2016 on the Council's website. Renfrewshire was the first Council in Scotland to publish information on the interests of its senior officers online.</p>	1.1.4 1.2.1
Whistleblowing policy	The organisation recently revised its Whistleblowing Policy and it was approved by the Finance, Resources and Customer Services Policy Board on 9 February 2023. It provides a mechanism for staff to raise concerns about any potential malpractice, illegality, wrongdoing or serious failures of standard of work.	1.1.4
Complaints Handling Procedure	<p>The organisation refreshed its complaints handling procedure in April 2019, which continues to follow the two-stage process of the Scottish Public Service Ombudsman (SPSO). The refreshed procedure makes it easier to understand for the customer and staff and was approved by Finance, Resources and Customers Policy Board on 27 March 2019. The SPSO also updated their policy in 2021 and the Council's policy has been updated to reflect these changes</p> <p>An Annual Complaints Report is presented to each year to the Audit Risk and Scrutiny Board. This includes a breakdown on number of complaints, how</p>	1.1.4 6.2.4

	timeously we have responded to complainants and improvements made to complaints handling.	
Elected Member Register of Interests	<p>Councillors hold public office under the law and must observe the rules of conduct stemming from the law, the Code of Conduct for Councillors and any guidance from the Standards Commission and the rules, standing orders and regulations of the Council. In addition, the Council has developed an inter-party protocol which highlights that Political Groups have the responsibility not to require individual Councillors to vote on party lines in respect of decisions where group decision-making would be unlawful, contrary to the Councillors' Code of Conduct or against any Council approved guidance; in particular on planning applications, specific regulatory matters, employment issues affecting individuals, all matters coming before the Audit, Risk and Scrutiny Board or any matter which requires to be determined on the basis of evidence given to or the findings of a forum on which Councillors serve.</p> <p>Members are required to register their interests in terms of the Code of Conduct for Councillors' and declare these interests at meetings. Declarations of interest are minuted and are available for public view on each member's online profile page on the website. Elected Members are formally asked to regularly update their register of interests every six months.</p>	1.1.4 1.2.1
Provision of ethical awareness training	The elected member induction programme includes a session which covers the code of conduct, protocols, roles and responsibilities, and the role of the Standards Commission.	1.2.2
Appraisal processes	<p>A People, Performance and Talent Policy, Guidance and Competency Frameworks for all levels across the Council has replaced the former frameworks of MTIPD and MDP. The competency framework has been designed to align with the Council's values and behaviours. This enables services and individuals to identify areas for development and engage in effective workforce capability building and job ready activities to foster the organisations performance culture.</p> <p>All HR processes are currently under review and new policies are being brought forward regularly.</p>	1.2.3 5.2.7

Recruitment	The Council has robust recruitment procedures in place to ensure the fair selection of candidates. There is an appointment panel for Chief Officer level appointments. The Council's recruitment and selection processes are designed in accordance with best practice principles, legislation and COSLA recruitment and selection guidance. A revised Recruitment Policy was approved by the Finance, Resources and Customer Services Policy Board in November 2022.	1.2.3
Standing Orders relating to contracts	<p>The Council has a statutory obligation to have standing orders in place relating to contracts, the main purpose of which is to provide open and transparent procedures for tenderers; to achieve value for money for the Council; and to provide guidelines for officers. These standing orders are reviewed regularly as a matter of good practice.</p> <p>Organisations bidding for Renfrewshire Council contracts are required to complete a questionnaire response as a self-declaration that they have not breached any of the mandatory and discretionary exclusion grounds set out in the Procurement Regulations. Bidders are also required to complete and submit an Equalities Questionnaire, setting out their Equalities policies and to confirm that they fully comply with their statutory duties under the Equalities Act 2010. To help support small businesses, bidders must also sign an undertaking to pay their sub-contractors within 30 days of receipt of a valid invoice</p> <p>To protect the workforce, bidders are required to respond to a number of scored and evaluated questions which assess the organisations approach to Fair Work practices with consideration given to the Fair Work First criteria. Construction Contracts include a statement in relation to the procurement of construction contracts which links directly to the Council's Construction Charter.</p> <p>All of these measures seek to ensure that the appointed contractor is a fit and proper organisation, that their workforce is protected and that the use of exploitative labour is forbidden.</p>	1.2.3 1.2.4 1.3.1 1.3.2 1.3.4
Procedural Standing Orders	The Council's Procedural Standing Orders govern the conduct of meetings of the Council and its Boards. The Standing Orders provide for such matters including voting, motions and amendments and the power of the Provost/Chair.	1.3.1 1.3.2 1.3.4
Policy Board Reports	<p>Reports to the Council and all Board meetings provide members with sufficient information on which they are able to take reasoned decisions and provide clear recommendations. Decisions made during meetings are recorded in the minutes. Report templates include mandatory sections where the implications of reports must be noted. Pre-agenda meetings are held with Convenors and Depute</p>	1.3.1 1.3.2 1.3.4 2.1.3 3.2.2

	<p>Convenors at which any issues can be addressed prior to the finalised agenda being issued.</p> <p>In addition, each of the Council Boards has a dedicated solicitor who reviews reports in order that the vires of proposed actions can be checked. Each report has a section on legal implications. The frontispieces to reports require that community planning partners are consulted in the preparation of reports where appropriate and reports must outline community/ Council plan implications.</p>	<p>4.1.1 6.2.2</p>
Statutory Officers Role	<p>The Council has nominated officers fulfilling statutory roles:</p> <ul style="list-style-type: none"> • Head of Paid Service • Chief Finance Officer (CFO) • Monitoring Officer (1.3.4) • Senior Information Risk Owner • Chief Social Work Officer • Data Protection Officer (6.4.1) <p>The Chief Executive is the Head of Paid Service.</p> <p>The Director of Finance is the CFO and the SIRO.</p> <p>The Head of Corporate Governance acts as Monitoring Officer in terms of the Local Government and Housing Act 1989 and as detailed in the job description, is responsible for advising the Council on the legality of its decisions and providing guidance to Councillors and officers on the Council's powers.</p> <p>The Head of Child Care and Criminal Justice is the Chief Social Work Officer, and fulfils that role for the Council and for Renfrewshire Health and Social Care Partnership.</p> <p>The Managing Solicitor (DPO) is the statutory Data Protection Officer whose remit includes overseeing the Council's implementation of GDPR, other data protection laws and the relevant Council policies and to ensure compliance with those.</p>	<p>1.3.1 1.3.4 6.4.1</p>
Record of legal advice provided by officers/	<p>The Council has approved reports on its arrangements for dealing with community empowerment as the various parts of the Community Empowerment (Scotland) 2015 Act have been enacted. The Council initially published details of the legal</p>	<p>1.3.3</p>

Community Empowerment Act Council Approval.	<p>and procedural framework in relation to Community Asset Transfer in February 2017 and revised the policy and procedures in 2022.</p> <p>The Council has promoted awareness of the powers and potential use of the Community Empowerment Act through engagement with statutory and non-statutory community organisations and with third sector partners. A Community Empowerment Fund was established in 2018 to support groups and organisations with the community asset transfer process.</p>	
Right for Renfrewshire – Developing Communities	One of the service redesigns of the Right for Renfrewshire transformation programme is the Developing Communities workstream. This workstream seeks to strengthen the relationship between the Council and communities, with a focus on locality working and the provision of integrated advice and support.	1.3.3
Community Planning structure – Renfrewshire Forum for Empowering Communities Review of Community Planning Partners was approved by full Council in December 2016	The Renfrewshire Forum for Empowering Communities is taking a lead role in giving local communities a voice in Renfrewshire. It provides meaningful, sustained and effective engagement with communities and citizens. It values the knowledge, skills, capacity and potential that communities have and seeks to build on the commitment and confidence evident in local groups and organisations. The aim is to localise decision making and accountability as far as possible and work co-operatively with communities. The Empowering Communities Board is led by Engage Renfrewshire, the Third Sector Interface organisation. The forum acts as a sounding board of the Community Planning Partnership in the development of community capacity building, consultation and communication.	2.1.4 2.3.3 4.2.2
Social Renewal Plan Community Impact Assessment	As part of the development of the Social Renewal Plan for Renfrewshire, an initial community impact assessment was carried out to develop a deeper understanding of the impact of COVID-19 on Renfrewshire's people and communities. The assessment has since formed part of the evidence base for the new Council Plan and the refreshed Community Plan.	2.1.4 2.2.1 2.3.3 2.3.6 4.2.2
Strategic Partnership Agreements	<p>Renfrewshire Council has developed Strategic Partnership Agreements with local partner organisations as required, including most recently with Active Communities</p> <p>Clear, shared terms of reference are in place for other partnership arrangements such as those in public protection.</p>	2.2.3 5.1.3

Petitions Board	<p>The Petitions Board provides an opportunity for individual members of the public to raise issues of concern with the Council, either as individuals or on behalf of an organisation.</p> <p>The Council introduced a public petitions procedure in 2007 which strengthens the connection between the Council and the community to raise issues of concern in relation to services provided by the Council or other bodies such as the police and health board, recognising that the Council has limited influence over other bodies. Details of petitions received and their outcomes are included in the annual report to the Board and on the Council's website.</p> <p>Petitions previously were considered by the Audit, Scrutiny and Petitions Board but as of June 2017, a separate Petitions Board has been established to consider petitions only.</p>	2.3.1 4.1.2
Local Partnerships	<p>Following on from extensive consultation in 2018, the previous Local Area Committees (LACs) have been replaced by Local Partnerships.</p> <p>These partnerships adopt a more informal and inclusive approach as part of a drive to ensure community voices are heard on local issues. Community Representatives now sit alongside Elected Members and Community Councils for the seven Local Partnerships.</p> <p>During 2019 local Partnerships discussed and agreed initial Local Priorities. These Local Priorities have informed the work plan for the Partnerships and support Partnerships to make decisions about the award of grants.</p>	2.3.3
Processes for dealing with competing demands within the community/CPP process	<p>The Renfrewshire Community Planning Partnership Executive Group considers each year an Annual Report setting out performance against these indicators, providing an opportunity for the Executive Group to assess success in meeting priorities and any further need for mitigation and prioritisation. A refreshed plan was produced in 2022, to reflect the significant changes which arose during and following the pandemic.</p> <p>In order to balance and reflect competing demands, a range of engagement activity takes place through local partnerships, through the boards/forums which report in to the CPP Executive, and through other work undertaken such as public surveys, consultation exercises and participatory budgeting.</p>	2.3.5

Strategic Needs Assessment	As part of the development of the new Council Plan and refreshed Community Plan, a detailed strategic needs assessment was carried out in the first half of 2022. It drew on local and national data as well as the findings of consultations with citizens, including a survey undertaken with the Public Services Panel in early 2022. The work undertaken in 2022 built on previous work which was undertaken as a Covid-19 impact assessment.	2.3.6
Service Improvement Plans	Each service prepares annual service plans which set out priority actions for the forthcoming three-year period, and provide performance measures and actions to demonstrate improved outcomes. These plans align to the Council Plan. Plans are approved by the relevant Policy Board and those boards receive updates on progress twice a year.	3.1.1 3.1.2 3.1.3 3.1.5 4.2.1 4.2.5 4.3.4 6.2.1 6.2.4 6.4.3
Covid-19 Recovery Plans: Social Renewal Plan and Economic Recovery Plan	<p>The Council, in partnership with other Renfrewshire organisations, has developed two plans which set out the recovery from the COVID-19 pandemic: Social Renewal Plan and the Economic Recovery Plan.</p> <p>The Economic Recovery Plan, which was approved by Council in December 2020, sets out the priority actions for the Renfrewshire economy whilst the Social Renewal Plan (approved by Council in March 2021) set out how the Council will work with partners to improve wellbeing and tackle inequality across Renfrewshire, with a number of specific priorities identified. The work on social renewal now forms the basis of the work of the Fairer Renfrewshire programme.</p>	3.1.1 3.1.2 3.1.5 4.2.4 4.3.4 5.1.3
Capital Programme/Capital Investment Strategy	The Council capital spending plans are policy-led and therefore reflect the main strategic intent of the Council and comply with the Prudential Framework for Capital Investment. Full Council approves the five-year rolling programme as part of the annual revenue and capital budget-setting process each year. Updates on	3.2.1

	the progress of capital investment plans are reported on a routine basis to each individual Policy Board.	
Annual Governance Statement	<p>The Council complies with this requirement through its Annual Governance statement which details the organisation's governance arrangements. This is in line with national guidance and is updated on an annual basis. The statement is published in the Council's Annual Accounts and submitted to the Audit, Risk and Scrutiny Board, most recently in November 2022.</p> <p>Any key risks identified through the annual self-assessment process, which is undertaken by the Directors of each Service, would be reflected in the governance statement.</p>	6.3.4 7.2.3 7.2.4 7.3.4
Protocols ensure fair access and statutory guidance is followed	Members of the public can access services via a number of methods for example, online through the MyAccount online customer portal, telephone the Customer Service Unit, and email via the Council website.	3.2.4
Community Planning Boards/Integrated Joint Board/One Ren	<p>Arrangements are in place between Renfrewshire Council and its Community Planning partners, the IJB and OneRen.</p> <p>Governance arrangements, such as systems for managing, monitoring and scrutinising the IJB's business and finances have been developed. Effective arrangements are in place for sharing information between partners that can lead to improving how services are provided, such as the Community Safety Partnership.</p> <p>The Head of Policy and Partnerships is the One Ren Monitoring Officer and undertakes quarterly meetings to review performance of OneRen (formerly Renfrewshire Leisure). In addition, six-monthly updates and an Annual Business Plan is reported to and agreed by the Leadership Board.</p>	7.3.5
Self-assessment	Any key risks identified through the annual self-assessment process which is undertaken by the Directors of each Service would be reflected in the Annual Governance Statement. A new approach to corporate self-assessment is being developed and will be implemented in 2023.	7.3.4
Minutes of Agreement	Minutes of Agreement set out the rights, duties, powers, liabilities and obligations of parties to the Agreement e.g. the Council and partner organisations. Appointments of members to outside bodies are not taken up until the Director of	4.2.3

	Finance and Resources confirms that the organisation has appropriate insurance policies in place.	
Benchmarking / peer review	<p>Services across the Council are involved in both formal and informal benchmarking arrangements through for example, the Association for Public Sector Excellence. Communities and Housing participate in the Scottish Housing Best Value Network (SHBVN) annual benchmarking process.</p> <p>The Council has also been heavily involved in the development of the Local Government Benchmarking Framework and the subsequent benchmarking groups. This provides national benchmarking information on a range of indicators covering service delivery, cost and customer satisfaction. The Council's performance in terms of Local Government Benchmarking Framework indicators is reported to and reviewed by the Audit, Risk and Scrutiny Board each year. This includes information on service levels, service costs and customer satisfaction.</p>	4.2.6 5.1.2 7.3.3
Audit, Risk and Scrutiny Board	<p>The Audit, Risk and Scrutiny Board functions as the Council's audit committee and has an overview of the internal audit role to ensure that resources are being targeted effectively. The Board reviews the Council's internal control mechanisms, approves action where appropriate, considers reports by external auditors and submits recommendations to the Council where this is considered appropriate. Recommendations made by external audit and/or national external audit reports along with management's response and/or Renfrewshire Council's position are reported to the Audit, Risk and Scrutiny Board. The Audit, Risk and Scrutiny Board's remit includes audit scrutiny, monitoring and review of service delivery, performance, policies and practice, community leadership through monitoring of other public bodies, and standards and ethics.</p> <p>In terms of the Public Sector Internal Audit Standards, the Council's Chief Auditor submits quarterly reports on internal audit performance and an annual report to the Audit, Risk and Scrutiny Board on the activities of internal audit to demonstrate performance and containing a view on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. Again, in terms of the above standards, regular reports are submitted to the Audit, Risk and Scrutiny Board in relation to the findings of the Council's internal and external auditors which details the main issues arising.</p> <p>The Council's performance in terms of Local Government Benchmarking Framework Indicators is reported to and reviewed by the Audit, Risk and Scrutiny Board each year. This includes information on service levels, service costs and</p>	5.1.1 5.2.7 6.2.3 6.2.4 6.3.1 6.3.5 6.4.3 7.2.1 7.3.1 7.3.2

	<p>customer satisfaction. In addition, the Annual Complaints Report is presented to Board annually. This includes a breakdown on number of complaints, how timeously we have responded to complainants and improvements made to complaints handling.</p> <p>The Audit, Risk and Scrutiny Board prepare an annual programme, including areas for specific review. Members suggesting an area for review must identify the purpose and objectives of the review and the intended outcome. The Board takes a common sense approach to reviewing decisions and policies and the process provides the opportunity for Elected Members to examine the various functions of the Council, to ask questions on how decisions have been made, to consider whether service improvements can be put in place and makes recommendations as appropriate. For each review, the Chief Executive appoints a lead officer to assist members of the Board to identify potential issues and questions to be asked of witnesses. Following each review, a report is prepared by the lead officers for approval by the Board and thereafter the Council. If appropriate, minority of dissenting views are recorded in the minutes of the meeting.</p>	
The Sustainable Procurement Duty, the Procurement Strategy and the Community Benefits Strategy	<p>Section 9 of the Procurement Reform (Scotland) Act 2014 places a duty on public sector contracting authorities to consider how their procurement activities can:</p> <ul style="list-style-type: none"> i. improve the economic, social, and environmental wellbeing of the authority's area, ii. facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process, and iii. promote innovation <p>In accordance with the requirements of the Act, the Council has set out how we will ensure delivery of these ambitions in our Procurement Strategy. The Procurement Strategy provides a commitment to the inclusion of community benefits in all contracts with a value of £50,000 and above. The Strategy sets out our goals to work closely with Economic Development to support the Council's Community Wealth Building ambitions and to help tackle poverty and inequality, promoting Fair Work practices aligned to the 7 elements of Fair Work. Where appropriate and relevant businesses bidding for Council contracts are asked to commit to adopting the following:</p>	4.3.4

	<ul style="list-style-type: none"> • appropriate channels for effective voice, such as trade union recognition • investment in workforce development • no inappropriate use of zero hours contracts • action to tackle the gender pay gap and create a more diverse and inclusive workplace • providing fair pay for workers (for example, payment of the real Living Wage) • offer flexible and family friendly working practices for all workers from day one of employment • oppose the use of fire and rehire practices. <p>The Procurement Strategy also commits to supporting the Council's ambitions to work towards being Carbon net zero by 2030.</p>	
Corporate Asset Strategy	The Corporate Asset Strategy It sets out a high-level framework for the management of all the Council's assets.	5.1.1
Community Asset Transfer Policy	The Council's Community Asset Transfer was revised in 2022. The policy, guidance and documents relating to asset transfers can all be found on the Council's website.	5.1.1
Meetings between Chief Executive and Leader	The Chief Executive holds weekly meetings with the Leader.	5.2.1
Cross Party Sounding Board	The Council at its statutory meeting in May 2017 established a Cross Party Sounding Board. as part of its decision-making structure. The remit of which is to act as a sounding board and discussion forum, with no decision-making powers: to provide an opportunity to discuss matters of common interest or of Council wide relevance. Members include 2 administration and 4 opposition members.	5.2.1
Conditions of Employment, scheme of delegation, statutory provisions and job descriptions/person specification	The Chief Executive has responsibility as head of the paid service for all aspects of operational management.	5.2.3
OD Strategy – health and wellbeing	The current Corporate Health and Safety Policy was approved by the Finance, Resources and Customer Services Policy Board in February 2022. Each service	5.2.8

Health and Safety Plans for each service	has its own Health and Safety Plan and working group. Health and Safety reports for each service are presented to policy boards annually.	
SPI Direction	The SPI Direction from Audit Scotland sets out the requirements of monitoring and reporting on performance indicators by Councils. The current direction was published in December 2021 and applies for three years.	6.4.3
Council's Approach to Performance Management and Reporting	<p>The Council's approach to performance management and reporting, both internally and externally, demonstrate compliance with multiple elements of the code of corporate governance. Our approach can be split into the following elements:</p> <ul style="list-style-type: none"> • Scrutiny by elected members • Scrutiny by Corporate Management Team • Scrutiny by senior managers in each service • Public performance reporting • Scrutiny by external bodies • Performance management systems <p>The Council Plan and its associated action plan and performance scorecard are one of the ways in which elected members can scrutinise performance against the strategic priorities of the Council (4.2.5; 5.1.1; 5.2.4). Progress reports are presented to the Leadership Board twice a year. Members also receive progress updates on the Community Plan.</p> <p>The Corporate Management Team (CMT) scrutinise the Council Plan scorecard and a CMT scorecard which is focused on priority areas and reviewed regularly (4.2.5; 4.2.6; 5.2.7). Following the development of the new Council Plan, the content of the scorecard is being refreshed to reflect changing priorities as well as the ongoing pandemic recovery.</p> <p>Each council service produces a Service Improvement Plan (4.2.5; 5.1.1; 5.2.4) which sets out how they will contribute to the delivery of the Council Plan and how they will measure their contribution and performance. As well as allowing senior managers to track the performance of their service, this approach allows for elected member scrutiny; progress on service improvement plans is reported</p>	2.1.1 4.2.5 4.2.6 5.1.1 5.2.4 5.2.7 6.2.4 6.4.3 7.1.1 7.1.2 7.2.1 7.2.2

	<p>through policy boards every six months. The approach to service planning is currently being reviewed.</p> <p>Members also receive reports on operational performance, on corporate performance on complaints and on the Local Government Benchmarking Framework. (5.1.1; 6.4.3; 7.2.2).</p> <p>Public performance reporting (2.1.1; 7.1.1;7.1.2;7.2.1) is undertaken in the interests of transparency; it allows local residents, businesses and partner organisations to track the Council's performance over time. Service- and Council-level performance reports are available online through the agendas and minutes of public meetings but the Council also produces an annual report 'It's All About You' which is available as a storymap on the Council's website. This format allows for comparison with other councils on measures included in the Local Government Benchmarking Framework. Performance data is accompanied by case studies which demonstrate the difference services are making to Renfrewshire.</p> <p>To ensure consistency and provide an audit trail, all performance indicators are collected, recorded and tracked using the Pentana performance management system (5.1.1).</p>	
Council's approach to risk management	<p>The Council has a well-established and robust approach to risk management which includes 'Risk Matters – the next level', the Council's combined risk management policy and strategy. (3.1.4; 6.1.1; 6.3.1) It is refreshed every two years; the latest version was prepared in March 2021. Risk Matters is explicit regarding the Council's risk management philosophy and regarding members' and managers' responsibility for risk management. The Strategic Risk Management Development Plan (6.1.1) underpins Risk Matters. It reflects the development work required to fulfil the objectives in Risk Matters, and is refreshed every two years.</p> <p>The Council maintains, monitors and reviews its corporate and strategic risk registers in line with the strategy (6.1.2; 6.3.2), and presents these every six months to the Audit, Risk & Scrutiny Board along with an annual report on health of the Council's risk management arrangements.</p> <p>The Council is now piloting a new approach to support services with regular reviewing of business-as-usual risk on a thematic basis. This is a major</p>	3.1.4 6.1.1 6.1.2 6.3.1 6.3.2 6.5.2

	<p>development, shifting focus from risk assessment to risk assurance for these risks, further embedding and adding more value to risk management in the organisation.</p> <p>The Council's Risk Manager is supported by the Corporate Risk Management Group (CRMG) (6.1.2), which comprises representatives from each council service as well as specialists on particular areas of risk. This group meets regularly to discuss matters of common interest, to share learning and to review risks and reporting. The CRMG oversees the ongoing development, monitoring and review of the corporate risk register and facilitates an escalation process whereby risk can be moved between corporate, business as usual or service level.</p> <p>Financial risk is included as part of the Corporate Risk Register to ensure financial management is managed and reviewed on a regular basis. (6.5.2)</p>	
Council's approach to information governance	<p>The corporate approach to information governance provides assurance in relation to how sensitive data is managed and stored across the organisation. Key elements are:</p> <ul style="list-style-type: none"> • Information Governance Strategy and Framework • Council Data-Sharing Code and individual data-sharing and data-processing agreements • Information Governance Team • Data protection policies and procedures • Information Governance Learning and Development Strategy • Internal and external audits <p>The Council has a Data Sharing Code, based on the ICO Code, which was updated in December 2021. (6.4.2). Where data is being shared, appropriate data-sharing and/or data-processing agreements are in place and these are held in a central repository (6.4.2). These agreements specify security requirements.</p> <p>The Managing Solicitor (DPO) reports monitoring figures to the Senior Information Risk Owner (SIRO) on a monthly basis, and to CMT at least twice a year (6.4.1). The Council is subject to routine external audit by the Information Commissioner's Office (ICO) as well as internal audit. (6.4.1)</p>	<p>1.2.4 6.4.1 6.4.2</p>

	There are clear procedures in place for reporting any data breach, however minor, and mandatory training is in place for any staff who work with data. Such staff are required to undertake refresher training on an annual basis.	
Elected Member Training and Development	<p>The CPD framework for Councillors was developed by the Improvement Service and all members have access to it. Members are encouraged to assess their own development needs and develop a personal development plan. Using the Improvement Service CPD framework, Councillors can opt to undertake a 360° peer review of their performance as an Elected Member. (5.2.6)</p> <p>In Renfrewshire, focused development for elected members takes place regularly through a programme of development events and opportunities is issued to members on a monthly basis. As 2022 was an election year, a comprehensive induction package was delivered for newly-elected and returning members.</p> <p>The members' development programme provides members with briefings as soon as practicable when new legislation is introduced, e.g. the General Data Protection Regulation.</p> <p>Members who are involved in taking quasi-judicial decisions, e.g. planning, licensing, are briefed regularly on their responsibilities. Members who sit on the Licensing Board must undertake and pass a mandatory training course. There is a training programme in place for members of the Audit, Risk and Scrutiny Board and the Chief Auditor provides a regular briefing programme for Board members, to assist them in fulfilling the audit committee role.</p> <p>To reduce the reporting of routine operational matters to policy boards and to allow Boards to focus on policy issues, a range of matters including the exercise of delegated authority by officers are reported to members by means of a regular bulletin rather than a formal report to a Policy Board (2.1.2). Members have also been provided with briefings specifically focused on the Council's response to the pandemic as required.</p> <p>An annual record of elected member training is available online after the end of each financial year.</p>	1.2.2 2.1.2 5.2.1 5.2.4 5.2.6 5.2.7
Transparency of Council meetings	Meetings of the full Council, of Policy Boards, Policy Board sub-committees and the Audit, Risk and Scrutiny Board are all open to the public, unless there is a valid	2.1.1 2.1.2

	<p>reason under the terms of the Local Government (Scotland) Act 1973 to exclude the press and public from all or part of the meeting. Where a recommendation is made for a matter to be held in private, the reason for this will be identified in the agenda and in the minutes of the meeting.</p> <p>These meetings are also webcast live and the recordings retained and made available via the Council's website for anyone who wishes to view them. Meetings can be conducted fully in-person, fully online or as a hybrid.</p> <p>The timetable for these meetings is published well in advance (meetings are currently timetabled until the end of 2023) and the agenda and papers are available online several days' prior to the meeting taking place. Only those items which contain exempt or confidential information will not be shared publicly.</p>	<p>2.1.3 3.2.3 4.1.1 4.2.1 6.2.2</p>
Staff Training and Development	<p>Staff are able to access professional training courses if required to enable them to carry out specific roles (1.3.2).</p> <p>The 'Our People Our Future 2021-26' strategy (5.1.4) was approved by the Finance, Resources and Customer Services Policy Board in March 2021 and replaces the Organisational Development Strategy and Workforce Plans. It makes a commitment to investing in the workforce to ensure people are supported and equipped with the right skills to deliver on the council's ambitious outcomes for Renfrewshire. The Strategy offers a more flexible approach and will be owned by and embedded within services and is fully aligned with their needs.</p> <p>The People, Performance and Talent Policy and Competency Framework will recognise good performance, support under performance at an early stage and promote the behaviours required by the Council (5.2.4)</p> <p>The Council's online learning platform, iLearn, has a wide range of e-learning modules available to employees to support their learning and development. It includes an induction programme for new employees and a number of mandatory courses on areas such as data protection/information security. It also includes a range of courses suitable for aspiring and current managers. (5.2.4)</p> <p>The Council's management development programme, Lead to Succeed, was launched in 2020 and has three levels (Inspire, Influence, Impact) which provide</p>	<p>1.3.2 5.1.4 5.2.4</p>

	<p>training for aspiring and current managers at all levels of the organisation. The training is linked to a CMI qualification.</p> <p>Renfrewshire Council participates in a cross-organisational mentoring scheme alongside other public sector organisations. (5.2.4)</p>	
Internal Audit function	<p>The Council's Internal Audit Charter sets out the authority, responsibility independence and reporting lines for internal audit activities (1.3.4; 6.3.4).</p> <p>The outcomes of internal audit reviews (5.1.1) are reported to Audit, Risk and Scrutiny, providing overall assurance rating and the number of recommendations in each risk category for these reviews. The committee summary for each report is also provided. For each audit assignment where recommendations have been made, an action plan is put in place to address these.</p> <p>In terms of the Public Sector Internal Audit Standards (6.3.1; 7.3.2), the Council's Chief Auditor submits quarterly reports on internal audit performance and an annual report to the Audit, Risk and Scrutiny Board on the activities of internal audit to demonstrate performance and containing a view on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. Again, in terms of the above standards, regular reports are submitted to the Audit, Risk and Scrutiny Board in relation to the findings of the Council's internal and external auditors which details the main issues arising.</p> <p>The findings of any internal audit investigations are reported to the Audit, Risk and Scrutiny Board as they arise. For security reasons, these reports are marked exempt and not publicly available.</p>	<p>1.3.4 1.3.5 5.1.1 6.3.1 6.3.3 6.3.4 7.3.2</p>
Consultation and engagement mechanisms	<p>Council services engage and consult with communities in a number of ways including: Public Services Panel, Focus Groups, Tenants and Residents Forums, service user groups, Community Planning process, Local Partnerships, Complaints procedure and Community Councils. Members of the public are also able to contact the Council through the website and are able to take part in consultations or complete complaints forms. The Council publishes consultations on the Have Your Say section of the website.</p>	<p>2.1.4 2.3.1 2.3.3 2.3.4 3.2.3 4.1.2 5.2.5</p>

	<p>The Public Services Panel (PSP) is used as a mechanism for gaining the views of Renfrewshire residents on a number of issues / topics (2.1.4). The PSP was refreshed in 2020 and recent surveys have been focused on the impact of the pandemic on communities. The latest survey was issued in March 2022.</p> <p>The Council recruited a Climate Panel in 2021 and this group continues to meet regularly to receive updates on the Plan for Net Zero and to inform decision-making.</p> <p>In late 2022, the Council established a Lived Experience Panel to inform policy and practice in relation to anti-poverty work.</p>	
Counter-fraud measures	<p>The Council has a strategy for the prevention and detection of fraud and corruption, which was introduced in 2019. Any matters coming to light are investigated by Internal Audit or Counter-Fraud. The Audit, Risk and Scrutiny Board receives regular reports detailing such investigations (these reports are exempt under the terms of the Local Government (Scotland) Act 1973).</p> <p>An Anti-Money Laundering Policy was introduced in June 2017.</p>	1.3.5 6.3.3
External scrutiny	<p>The Council is independently evaluated by bodies such as the Care Inspectorate, Education Scotland, Audit Scotland and the Scottish Public Services Ombudsman (who considers complaints against the Council). These bodies publish scrutiny reports etc on their websites.</p> <p>External scrutiny includes Best Value Audits. Renfrewshire Council was last subject to a Best Value Assurance Audit in 2017. Audit Scotland have adopted a new approach in 2023 and will prepare annual thematic reports which consider all councils, as well as undertake BV audits with selected councils. Those councils have been confirmed for 2023 and Renfrewshire will not be included this year.</p>	7.3.3
Communications	<p>The Council communicates with members of the community and its stakeholders (and vice versa) through several mechanisms including:</p> <ul style="list-style-type: none"> • Tenant Forums • Community Planning Groups • Community Councils 	2.2.1 2.3.2 4.2.2

	<ul style="list-style-type: none"> • Local Partnerships • Council Website • Complaints procedure • Public Performance reports • Customer Service Channels <p>An internal communications and engagement strategy was developed and approved by the Corporate Management Team in June 2020. The strategy outlines a number of methods to improve internal communications across the Council.</p> <p>Communication is <i>everyone's</i> responsibility and a fundamental aspect of this is empowering leaders and managers to communicate well. Effective communications help to make the vision and values a reality by supporting Council services, encouraging cultural and behavioural change and enabling new levels of engagement.</p> <p>Our Values were launched in June 2020 and work is underway to embed these values in everything we do including working with HR & OD to weave these into the full employee lifecycle/journey. Initial training on this is already available on the council's iLearn platform.</p> <p>An internal communications and engagement strategy was developed on the approach the Council will use to engage with staff.</p> <p>Various internal communication channels are used, this includes:</p> <ul style="list-style-type: none"> • 'Staff News - Take 5' - weekly staff update; • staff monthly newsletter; • fortnightly - Chief Executive's Blog; • regular Team Briefs for managers to inform and update staff on key issues; • use of text messaging and posters to reach frontline workers; • new 'Staff information' section on website including staff news and a dedicated 'Staff advice on Coronavirus' with latest Government advice, coronavirus absence protocols, working safely during coronavirus guides and staff wellbeing guides; • use of Microsoft Yammer for news and staff updates; • Pulse survey on internal comms during the pandemic; and 	
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	<ul style="list-style-type: none"> a working from home survey to gain understanding of staff viewpoints and supports required. 	
Participatory Budgeting	The Council has delivered participatory budgeting through the Celebrating Renfrewshire (for children and young people) and You Decide (currently focused on Environment and Infrastructure). Celebrating Renfrewshire allowed young people to decide how to distribute funding to community groups to deliver projects. In 2022, the public voted on the shortlisted projects in the You Decide programme and the winning projects will share the funding.	2.3.3
Financial governance framework	<p>The Council has in place financial regulations, which set out the responsibilities of the Director of Finance and Resources, along with the responsibilities of other authorised individuals in relation to the financial affairs of the Council. The regulations also set out the responsibility of Boards for financial affairs. (1.3.1; 1.3.2; 1.3.4; 6.2.5).</p> <p>Financial reports detailing revenue expenditure and income are made to Policy Boards throughout the year and are based on the total cost of the main divisions of service and the total cost based on the key expenditure headings such as employee costs, etc. Capital expenditure and income reports also follow this same process with each capital project showing the previous year's cumulative spend.</p> <p>Through the regular submission of budget reports to Policy Boards, the publication of the Annual Accounts, submission of the annual audit report and other audit reports to the Council and/or Audit, Risk and Scrutiny Board as appropriate and by publishing performance information on the Council's website, the Council demonstrates transparency and compliance with statutory reporting requirements.</p> <p>The medium-term financial strategy is presented to Council each year and sets out the current financial position and the significant financial challenges to be faced in the forthcoming years, together with likely indications of grant and spending levels. Overall, the Council's medium-term financial position takes into consideration all known influencing factors.</p> <p>Regular financial monitoring reports detailing the current financial position together with the projected outturns for each main service area (and its appropriate divisions) are reported on a routine basis to Policy Boards. These reports also</p>	1.3.1 1.3.2 1.3.4 4.2.7 4.2.8 4.3.1 4.3.2 4.3.3 6.2.5 6.5.1 7.2.1 7.2.5

	advise members of any management action that is being taken or is planned for the future to alleviate any current or projected deviations from budgets.	
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To: Audit, Risk and Scrutiny Board

On: 13 March 2023

Report by: Director of Finance & Resources

**Heading: Audit Scotland report – Local Government in Scotland – Financial Bulletin
2021/22**

1. Summary

- 1.1 Audit Scotland published a [Local Government in Scotland Financial Bulletin 2021/22](#) on 12 January 2023, providing a high-level independent analysis of the financial performance of Councils during 2021/22 and their financial position at the end of the year.
- 1.2 The report sets out some of the longer-term financial challenges facing councils in the context of the Scottish Government's Resource Spending Review and the cost-of-living crisis. The Accounts Commission's wider local government overview report will be published in May 2023 and will include further analysis.
- 1.3 The report notes that councils are dealing with several significant financial challenges and will need to make some difficult decisions with their spending priorities. At a time when councils and their communities are still feeling the impact of the pandemic, councils are now faced with the cost-of-living crisis and inflationary pressures.
- 1.4 Councils consistently identified short and long-term cost pressure in their initial 2022/23 budget papers, including:
 - Pay inflation and living wage costs
 - Costs associated with Covid-19 recovery
 - Energy inflation
 - Inflation of costs of materials, construction, and contracts
 - Demand for and price of chargeable services and the related impact on income from charges.

- 1.5 Common themes across management commentaries from councils' unaudited accounts for 2021/22 are that they continue to face significant financial challenges going forward and will need to deliver consistent recurring savings and use reserves to deal with the immediate and on-going financial impacts. They also note that elected members will need to make increasingly difficult choices, which could include having to consider service reductions as the use of reserves is not sustainable in the medium to long term.
- 1.6 Renfrewshire Council's financial position was outlined in a report to Council on 15 December 2022, which reports that inflation, fuel and food price rises, construction costs and supply chain shortages, as well as an increased demand in services is projected to result in a £10-12 million overspend in 2022/23. This does not account for additional unconfirmed costs, such as teachers pay and changes to service demands.

2. Recommendations

- 2.1 It is recommended that the Audit, Risk and Scrutiny Board:
- Note the contents of this report;
 - Note that a report on the Local Government Overview will be brought to this board in due course.

3. Background

- 3.1 Audit Scotland states that Scottish Councils faced significant challenges during the 2021/22 financial year and that they are now entering one of the most difficult budget setting environments for many years. It is their view that choices regarding spending priorities will be exceedingly difficult in the current economic climate.
- 3.2 The report is based on Scottish Councils' 2021/22 audited accounts and 2021/22 external annual audit reports. The Commission also made a separate data request to local auditors in October 2022. The analysis in the report is based on 27 audited accounts and 5 unaudited accounts which had not yet be certified up to 20 December 2022.

4. Councils' Income and Funding

- 4.1. Total revenue funding and income to Councils was £20.3 billion in 2021/22, which was a 1% increase in cash terms, but a 1% decrease in real terms from the previous year. When excluding funding associated with Covid-19, total funding and income increased by 3% in real terms, from £19.3 billion to £19.8 billion.
- 4.2. Council tax collection rates are now more in line with pre-pandemic levels from an average of 94.8% in 2020/21 to 95.7% in 2021/22 (pre-pandemic 2019/20 was 95.8%). All councils reported an increase in collection rates between 2020/21 and 2021/22 with the exception of Orkney where it fell 2.5%, and Midlothian which remained the same.

Scottish Government Funding

- 4.3. In 2021/22 Councils received General Revenue Grant funding of £8.7 billion, Non-Domestic Rates distribution of £2.1 billion, specific grants of £0.8 billion, and Covid funding of £0.5 billion from the Scottish Government. This brings total revenue funding from the Scottish Government to £12.1 billion which was a 1.1% increase in cash terms, but a 1.6% decrease in real terms from 2020/21.
- 4.4. Within this £12.1 billion revenue funding, there are specific ring-fenced funds, for example Early Learning and Childcare expansion and Pupil Equity Fund, but also some funding directed for national policy initiatives, so although not ring-fenced there is an expectation it is for specific services. Collectively, ring-fenced and directed funding totalled £2.7 billion in 2021/22, or 23% of total revenue funding, compared to 18.2% in 2020/21.
- 4.5. Revenue funding from the Scottish Government increased by 6.1% in real terms between 2013/14 and 2021/22. However, the increase was only seen in the last 2 years and these figures include Covid-19 funding. When excluding Covid-19 funding, local government funding from the Scottish Government increased by 1.6%. The report notes that, due mainly to a policy of protecting NHS budgets, funding to other parts of the Scottish Government budget increased by 27.2%.

2022/23 Funding Settlement

- 4.6. The initial local government revenue settlement from the Scottish Government for 2022/23 was a decrease of 0.1% in real terms, excluding additional Covid-19 funding. The Covid-19 funding in 2021/22 was the last of its kind and added £0.5 billion to the local government settlement. The 2022/23 allocation therefore did not include a Covid-19 uplift, but did include £0.25 billion to reduce council tax bills, bringing the total revenue funding to £12.3 billion – a 2.4% reduction from the previous year in real terms.
- 4.7. Scottish Government funding for 2022/23 does not include Covid-19 allocations from the UK government, but there will be an increase in the overall Scottish Budget. With Covid-19 funding omitted in 2021/22 the Scottish Government budget is set to increase by 7% in real terms, as opposed to a real-terms cut in local government funding of 0.1%. However, including the Covid-19 funding in 2022/23 it falls in real terms by 10%, a bigger fall than local government.

5. Council Finances and Budgets

- 5.1. In 2021/22, Scottish Councils budgeted a net expenditure of £15.2 billion and identified budget gaps totalling £0.4 billion, or 3%, which was about the same gap as the previous two years. At a local level the budget gap as a proportion of net cost of services varied between 1% in Argyll & Bute and 22% in Shetland. Renfrewshire had the third lowest.
- 5.2. Councils set themselves savings targets totalling £0.2 billion in 2021/22. From these targets, 94% of savings were achieved compared to 84% the previous year, with 76% on a recurring basis. Fourteen councils achieved their savings targets in full on a recurring basis, whereas five councils had over half of their savings being delivered on a non-recurring basis. According to the report, four councils had no savings targets in place for 2021/22 – East Dunbartonshire, Midlothian, Shetland and Renfrewshire. However, while Renfrewshire had no 'new' savings incorporated in to budgets, there were full year savings of £1.7 million

delivered as a consequence of action taken under the Right for Renfrewshire transformation programme in previous years.

- 5.3. In 2021/22, 23 councils reported an increase in useable reserves (including Renfrewshire), compared to the previous year when all Councils reported an increase. Although General Fund reserves (excluding Housing Revenue Account) increased, uncommitted reserves decreased by £0.1 billion between 2020/21 and 2021/22. Carried forward Covid-19 funding accounts for 23% of the reserve balance, but this ranges locally from 49% in Moray and West Lothian, to 8% in Dumfries and Galloway. Audit Scotland notes a variance in the way councils report their Covid-19 reserves are disclosed with 9 councils only providing a single line narrative in their accounts.

Budgets for 2022/23

- 5.4. Councils have identified budget gaps totalling £0.4 billion in real terms, which is around 3% of the 2021/22 net cost of services, and consistent with the gap identified in previous years. The budget gap locally for 22/23 varies from a gap of 23% in Shetland (more than double the next highest gap in Orkney) to an estimated temporary surplus of 0.2% in Renfrewshire.. (Since publication of the reports on which Audit Scotland based this data, the Council's budget position has moved and an overspend is projected for 2022/23 – outlined in section 7.) Most of the estimated budget gap for 2022/23 was planned to be funded through agreed recurring savings (36%), use of reserves (32%), and increases in Council Tax (16%).

6. Capital Projects and Investment

- 6.1 Capital expenditure increased in 2021/22 with 26 councils reporting higher capital expenditure than 2021/22 but was still lower than 2019/20. Only 6 councils spent less in 2021/22 than the previous year. Auditors account slippage to Covid-19, inflationary costs, and shortages in construction materials.
- 6.2 Fifteen councils increased their net debt in 2021/22 compared to eight the previous year, increasing by a total of £0.2 billion. This may be related to the increased need to borrow to fund capital expenditure, with 19 out of 32 councils having increased long-term borrowing from the previous year.
- 6.3 The local government capital settlement increased by £36 million between 2021/22 and 2022/23, an increase of 1.4% in real terms. Funding had reduced in 2020/21 and 2021/22, so real terms capital funding has now returned to levels closer to 2016/17. Audit Scotland believe that higher interest rates and inflationary costs will present risks to councils' capital programmes going forward and the affordability of capital spend will be significantly impacted. They report that some councils have anticipated costs will double, which has meant they will need to consider the affordability of their capital programmes going forward.
- 6.4 Local Government Pension Fund investment returns in 2021/22 were positive, though 64% lower than the previous year in cash terms. Ten of the eleven main pensions funds had positive returns, with only the Orkney Islands Pension Fund recording a loss.

7. Renfrewshire Council's Position

- 7.1 The Council is affected by the financial pressures mentioned in the Audit Scotland report. Inflation is forecast to reduce from the current level of 10% over the first half of 2023 contributing to the cost-of-living crisis affecting Renfrewshire households and family, particularly due to the surge in fuel and food prices. The Council is seeing supply costs soar, not only because of food and fuel, but also vehicle parts and building and construction costs pressures and supply constraints. The Council is also experiencing higher service demands in some areas, mostly in children and families social care following the pandemic; there has been an increase in the level of risk for some children and young adults resulting in them being placed in kinship care, accommodated in foster care or residential accommodation. Covid-19 funding offset some of this pressure in 2021/22 but the service is forecasting an overspend of £4-5 million for 2022/23.
- 7.2 The Council has a projected overspend of £8.2 million in 2022/23, excluding a number of other challenges facing the Council, including:
- In setting the 2022/23 base budget, Council agreed a provision for pay awards based on the Scottish public sector pay policy, which broadly equates to a 2% level of provision. The agreement has been a core pay increase of 5% or £2,000 for the lowest paid (with some other provisions/ conditions) and while the Scottish Government will provide additional funding, the Council will be required to fund an estimated £3 million. Teachers pay settlement has not yet been agreed, which could add more on top of this.
 - While the Council made provision for increased costs in 2022/23, it is clear that this will not now be sufficient to meet the anticipated costs given spiralling gas prices. It is estimated that an additional £2m cost will be incurred in 2022/23 over existing energy budgets.
 - There are a range of other cost pressures the Council is facing in relation to reduced parking income, increased streetlighting maintenance costs, higher levels of overtime due to annual leave which was accrued over the pandemic period now being taken and under-recovery of planning fees. While much of these cost pressures are incorporated into the forecast outturn figure above, there is a risk that other pressures may emerge over the winter period.
- 7.3 The sum of these pressures balanced with savings, could result in the Council delivering a £10-12 million overspend, or 2.5% of total spend. Council has held a number of reserve balances and made additional provision at the close of the 2021/22 to support what was forecast to be an extremely challenging medium-term outlook. This included ringfencing funding related to the pandemic, anticipating longer term costs, and recognising that there was likely to be long term behavioural change by residents and communities which would have a financial impact on the Council (Full details of Council's financial positions in background paper linked below).

Implications of the Report

1. **Financial** – Recommendations to improve transparency and monitoring Covid-19 funding are included in Audit Scotland’s report.
2. **HR & Organisational Development** –Rising costs associated with pay and service costs are outlined, which contributes to the need for service redesign which may impact possible staffing levels.
3. **Community/Council Planning** – Recommendations for service redesign for long-term financial sustainability include a continued focus on service reform, based on strong engagement with communities.
4. **Legal** – none
5. **Property/Assets** – none
6. **Information Technology** – none
7. **Equality & Human Rights** – This report is for noting only and therefore an impact assessment is not necessary.
8. **Health & Safety** – none
9. **Procurement** – The report notes the rising costs of contracts, construction and materials due to inflation and shortages, which has major implications for the council’s ability to procure capital projects and services.
10. **Risk** – none
11. **Privacy Impact** – none
12. **COSLA Policy Position** – Audit Scotland’s report references the position of COSLA regarding proposed flat cash funding to local government in the Scottish Government’s first Resource Spending Review. It expressed concerns that such a settlement will result in fewer jobs and cuts to services.
13. **Climate Change** – none

List of Background Papers: [Financial Sustainability and General Fund Financial Outlook](#), Council meeting, 15 December 2022

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To: Audit, Risk & Scrutiny Board

On: 13 March 2023

Report by: Lead Officer

Heading: Charges for Bulk Items Uplift for the Elderly

1. Summary

- 1.1. At its meeting on 22 August 2022, members of the Audit, Risk and Scrutiny Board agreed an annual programme of activity for the Board for 2022/23. This included a review of charges for bulk items uplifts for the elderly as part of the programme of activity.

2. Recommendations

The Board is asked to:

- 2.1. Approve 65 as the age for the term 'elderly' within the context of this review;
- 2.2. Note the progress contained within the report.

3. Background

- 3.1. Residents of Renfrewshire can request special uplifts if they need any bulky general waste collected from their home. This can be for between 1 and 20 items but cannot include hazardous, clinical, or toxic waste. Loose waste must be bagged or tied in manageable bundles where necessary. In addition, appliances such as washing machines, freezers, cookers etc are all charged individually and cannot form part of the 1 to 20 items.
- 3.2. Ground clearances are when residents have more than 20 items and the charge quoted is for a maximum of one hour's work. However, if officers visit and assess that it will take longer than this, they will contact the resident about the additional costs before commencing any work. Again, domestic appliances are charged individually and do not form part of a ground clearance.

- 3.3. Renfrewshire Council aims to collect item(s) as soon as possible within 14 days. Residents must ensure any white goods have their doors removed or place in a position where no one can access it. Special uplift requests for white goods and general goods can be made at the same time, however white goods are charged separately.
- 3.4. The charges for 2022/23 are £35.35 for a domestic uplift (1-20 items) and £35.35 for each domestic white good. The ground clearance charges are £83.80 covering a driver, a waste collector, and a vehicle, for a maximum of one hour's work.
- 3.5. Residents who are council tenants are entitled to two special uplifts per year as part of their rent charge, this is paid for from within the overall Housing Revenue Account (HRA). This is achieved by providing their rent reference number when making their booking.
- 3.6. The current scheme provides no free, discounted or exemptions for this service for any other residents.

4. Purpose of the Review

- 4.1. The key purpose of this review will be to:
 - 1. Set out the current position in relation to bulk uplifts within Renfrewshire Council;
 - 2. Consider the impact of offering a free bulk uplift service for the elderly; and
 - 3. Identify any other mitigations that could be recommended for the elderly that the council could pursue within available resources.

5. Scope of the Review and Timescales

- 5.1. In relation to 4.1(1) above, the focus of the review will be on research into demographics within Renfrewshire; in particular, the elderly population and current trends for existing service demand.
- 5.2. In relation to 4.1(2) above, the focus of the review will be on assessing the financial and non-financial implications in relation to the provision of free bulk uplifts for the elderly.
- 5.3. In relation to 4.1(3) above, the focus on the review will be exploring existing or potential options available to the elderly within Renfrewshire through partner organisations such as the third sector.
- 5.4. In relation to 4.1(3) above, consideration will be given to the existing services provided within neighbouring local authorities in relation to free bulk uplifts for the elderly to consider any benefits for Renfrewshire.
- 5.5. For clarity, the level of charges applied to bulk uplifts within Renfrewshire is outwith the scope of this review.

- 5.6. It is proposed that the review commences following this meeting of the Audit, Risk and Scrutiny Board and is progressed through subsequent board meetings, with a report being submitted for approval 18 September 2023 and a final report to Council 14 December 2023. The table below provides an outline of the proposed timetable.

Timetable for Bulk Uplift for the Elderly Review

Date of Board Meeting	Stage of Review
23 January 2023 - Complete	Commencement of review
18 March 2023 - Current	Continuation of review
22 May 2023	Continuation of review
21 August 2023	Continuation of review
18 September 2023	Report to Board
14 December 2023	Final Report to Council

6. Progress Update

- 6.1. The review has been progressing well and research has commenced across all areas within scope. This section will provide an update on the findings so far which have reached a conclusion or a relevant point of interest to the review. This update particularly focuses on the objectives within 5.1 and 5.4.
- 6.2. To continue with the review a definition is required on the age to be used in relation to the term 'elderly' solely within the context of this review. It is proposed in relation to this review that we utilise the age of 65 for both men and women as being the most common age historically utilised for defining services for 'elderly' people. Therefore, the age of 65 will be assumed in relation to the term elderly for the duration of this review where this is practical. If an exception to this age is used, it will be clearly noted within the review.
- 6.3. Here we explore the demographics in relation to Renfrewshire, in particular the elderly population and likely service trends based on this data; this is in relation to scope objective 5.1.
- 6.3.1 Appendix 1, includes population projections developed by National Records of Scotland (NRS), utilising the most up to date published records at the time of preparation. This data forecasts the expected population across Renfrewshire for all ages from birth to 90+ between 2018 and 2043. This information has been used to provide analysis on the likely trends for the elderly based on the demographics for Renfrewshire.

6.3.2 The appendix 1 includes an analysis of the number and percentage of 65+ residents across Renfrewshire and forecast for each year. This starts at 18.7% and 33,288 of our residents in 2018 and rises to a high of 24.9% and 45,976 residents by 2040.

6.3.3 In the table below I have provided an extract from Appendix 1, analysing the proportion of tenants 65+ across the period 2023-2028. This clearly shows an upwards trend in the volume and percentage of the Renfrewshire population within the 65+ range across this period.

Renfrewshire Population Extract 2023-2028

Category	2023	2024	2025	2026	2027	2028
Overall Population	180,266	180,689	181,091	181,502	181,870	182,256
65 Plus	36,144	36,877	37,586	38,496	39,350	40,125
% 65 Plus	20.05%	20.41%	20.76%	21.21%	21.64%	22.02%

6.3.4 In order to consider this in the context of Scotland, information, again from the NRS population estimates, has been used to compare Renfrewshire nationally in relation to our elderly residents. Detailed analysis is contained in Appendix 2.

6.3.5 This shows that Renfrewshire had the eighth lowest as a percentage of population classified as elderly, at 19.2%. While this is close to the Scottish average of 19.6%, there is a wide variation from a low of 13.6%, in Glasgow to a high of 26.6%, in Dumfries and Galloway. The table below is a summary comparison with Scotland and our bordering authorities.

Scottish Context Mid-2021

Organisation	Population	65 Plus	% 65 Plus
Scotland	5,479,900	1,073,861	19.60%
North Ayrshire	134,220	31,294	23.32%
Inverclyde	76,700	16,721	21.80%
East Renfrewshire	96,580	19,846	20.55%
West Dunbartonshire	87,790	17,142	19.53%
<i>Renfrewshire</i>	<i>179,940</i>	<i>34,585</i>	<i>19.22%</i>
Glasgow City	635,130	86,604	13.64%

6.4. Here we explore our neighbouring local authorities in relation to bulk uplifts service provided. We also look nationally to see whether any free or reduced services are available, for either the elderly specifically, or for any other service users; this is in relation to scope objective 5.4.

6.4.1 A comparison of the charges and policies of our neighbouring authorities has been provided for context. It can be noted that none of our neighbouring authorities are currently providing any exemptions for these charges to the elderly or for any other demographic. The table below provides a summary of the common charges for comparison.

Local Context 2022/23

Organisation	Standard Charge	Additional Context
Renfrewshire	£35.35	1 to 20 items with a cost of £35.35 for white goods (per item)
North Ayrshire	£25.20	Up to five items with an additional £5.04 for each additional item.
Inverclyde	£26.10	1-5 Items £26.10 (Minimum Charge), 6-10 Items £52.25.
East Renfrewshire	£51.85	Items should be manageable for a 2-person crew to collect within a 15-minute time slot.
West Dunbartonshire	£24.36	1 to 9 items with over ten items will result in a time charge rate.
Glasgow City	£5.00	1 item per £5, this covers standard items and large electrical items.

6.4.2 A review of the services provided by all 32 local authorities, has highlighted only Stirling Council currently offers an exemption for the elderly, in this case 60+ residents. If all members of a household are over 60 years old, they will collect up to two special uplifts free of charge each year. The standard charge is £45.60 for up to five items.

6.4.3 Two authorities currently operate a discount scheme for residents who are on Housing benefit or Council Tax Reduction. At the time of request the resident inputs their benefit number to obtain the discount. At present no other examples of any discounted bulk uplift services have been identified across Scotland.

Organisation	Standard Charge	Additional Context
Aberdeen City	£30.00	Fifty percent reduction if a resident is entitled to Housing or Council Tax Reduction.
Aberdeenshire Council	£29.72	Sixty percent reduction if a resident is entitled to Housing or Council Tax Reduction.

6.5. The next report will focus on reviewing internally in relation to Scope 5.2 above, assessing the financial and non-financial implications in relation to the provision of free bulk uplifts for the elderly in Renfrewshire.

Implications of this report

1. **Financial** - The outcome of this review could result in additional costs, or loss of income to Renfrewshire Council.
2. **HR and Organisational Development** - None directly arising from this report.

3. **Community/Council Planning** - None directly arising from this report.
4. **Legal** - None directly arising from this report.
5. **Property/Assets** - None directly arising from this report.
6. **Information Technology** - None directly arising from this report.
7. **Equality and Human Rights** - The Recommendations contained within this report have not yet been assessed in relation to their impact on equalities and human rights because the paper sets out the scope for a review process rather than proposing any changes to services. Impact assessments will be undertaken as part of the review, and the results of the assessment will be published on the Council's website. Any policy changes arising from the review will also be fully assessed.
8. **Health and Safety** - None directly arising from this report.
9. **Procurement** - None directly arising from this report.
10. **Risk** - The potential risk that the Council will overspend its approved budgets for the year will be managed at a Council-wide level by the Chief Executive and Directors.
11. **Privacy Impact** - None directly arising from this report.
12. **Cosla Policy Position** - Not applicable.
13. **Climate Risk** - None directly arising from this report.

List of Background Papers

Audit, Risk and Scrutiny Board Annual Programme approved 22 August 2022.
Audit, Risk and Scrutiny Board Charges for Bulk Items Uplift for the Elderly 23 January 2023.

The foregoing background papers will be retained within Finance and Resources for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is Finance Business Partner John Kilpatrick who can be contacted at john.kilpatrick@renfrewshire.gov.uk

Author: John Kilpatrick, Finance Business Partner

2018-based principal population projections by sex, single year of age and year (2018-2030)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
All ages	177,790	178,294	178,766	179,276	179,761	180,266	180,689	181,091	181,502	181,870	182,256	182,597	182,930
0	1,754	1,640	1,667	1,670	1,671	1,675	1,679	1,681	1,685	1,676	1,675	1,671	1,660
1	1,773	1,751	1,648	1,675	1,678	1,676	1,682	1,685	1,687	1,691	1,682	1,681	1,677
2	1,815	1,797	1,775	1,673	1,701	1,704	1,702	1,709	1,712	1,714	1,718	1,709	1,708
3	1,786	1,826	1,811	1,785	1,682	1,709	1,714	1,711	1,718	1,721	1,723	1,727	1,718
4	1,894	1,790	1,832	1,816	1,791	1,690	1,714	1,720	1,718	1,725	1,728	1,730	1,734
5	1,976	1,900	1,797	1,836	1,820	1,794	1,695	1,718	1,723	1,721	1,728	1,731	1,733
6	1,983	1,991	1,915	1,812	1,851	1,831	1,805	1,707	1,731	1,736	1,734	1,741	1,744
7	2,001	1,996	2,001	1,923	1,825	1,860	1,840	1,813	1,715	1,739	1,744	1,742	1,749
8	1,898	2,016	2,013	2,016	1,935	1,841	1,875	1,854	1,825	1,727	1,751	1,756	1,754
9	1,909	1,894	2,017	2,011	2,013	1,932	1,838	1,873	1,851	1,822	1,723	1,748	1,752
10	2,009	1,923	1,908	2,030	2,024	2,027	1,945	1,852	1,887	1,864	1,836	1,736	1,761
11	1,879	2,020	1,931	1,917	2,039	2,037	2,038	1,955	1,863	1,898	1,874	1,845	1,746
12	1,937	1,883	2,025	1,936	1,923	2,047	2,042	2,043	1,960	1,868	1,903	1,879	1,849
13	1,906	1,949	1,896	2,033	1,946	1,933	2,058	2,052	2,053	1,970	1,878	1,913	1,888
14	1,854	1,924	1,969	1,919	2,057	1,969	1,953	2,080	2,074	2,075	1,992	1,901	1,935
15	1,797	1,865	1,933	1,977	1,929	2,068	1,981	1,963	2,092	2,085	2,085	2,003	1,912
16	1,815	1,802	1,870	1,938	1,978	1,935	2,072	1,985	1,967	2,096	2,088	2,088	2,006
17	1,918	1,805	1,794	1,860	1,928	1,969	1,926	2,063	1,976	1,958	2,089	2,082	2,078
18	1,902	1,869	1,759	1,753	1,817	1,885	1,922	1,880	2,015	1,931	1,913	2,041	2,034
19	1,893	1,835	1,797	1,687	1,685	1,747	1,815	1,846	1,809	1,937	1,859	1,838	1,964
20	2,017	1,933	1,867	1,833	1,717	1,726	1,779	1,846	1,879	1,843	1,973	1,894	1,874
21	2,156	2,084	2,002	1,931	1,896	1,778	1,790	1,844	1,910	1,943	1,909	2,038	1,961
22	2,112	2,207	2,131	2,053	1,981	1,942	1,827	1,836	1,891	1,957	1,989	1,957	2,088
23	2,147	2,132	2,218	2,144	2,070	1,998	1,955	1,839	1,849	1,904	1,970	2,002	1,972
24	2,256	2,167	2,150	2,240	2,168	2,091	2,018	1,975	1,858	1,868	1,921	1,986	2,020
25	2,303	2,267	2,177	2,161	2,250	2,178	2,099	2,027	1,983	1,867	1,877	1,929	1,994
26	2,471	2,334	2,296	2,211	2,200	2,283	2,210	2,132	2,060	2,014	1,898	1,912	1,963
27	2,361	2,482	2,340	2,307	2,221	2,212	2,292	2,217	2,141	2,069	2,022	1,907	1,922
28	2,349	2,396	2,514	2,369	2,335	2,245	2,235	2,316	2,240	2,164	2,090	2,042	1,926
29	2,241	2,359	2,403	2,527	2,370	2,335	2,250	2,239	2,317	2,243	2,166	2,092	2,044
30	2,408	2,292	2,405	2,463	2,586	2,427	2,381	2,298	2,290	2,364	2,291	2,214	2,137
31	2,442	2,443	2,343	2,450	2,518	2,638	2,474	2,426	2,346	2,338	2,411	2,337	2,260
32	2,194	2,461	2,481	2,386	2,490	2,561	2,677	2,513	2,462	2,381	2,462	2,448	2,374
33	2,258	2,249	2,514	2,543	2,452	2,550	2,629	2,744	2,576	2,520	2,440	2,435	2,504
34	2,213	2,288	2,285	2,544	2,577	2,491	2,586	2,668	2,781	2,609	2,554	2,475	2,469
35	2,412	2,231	2,310	2,308	2,563	2,597	2,513	2,609	2,695	2,806	2,632	2,575	2,496
36	2,239	2,429	2,248	2,333	2,332	2,577	2,616	2,535	2,630	2,719	2,830	2,652	2,593
37	2,414	2,265	2,456	2,285	2,372	2,373	2,609	2,655	2,575	2,671	2,762	2,871	2,689
38	2,181	2,420	2,274	2,454	2,292	2,382	2,381	2,611	2,658	2,581	2,677	2,770	2,877
39	2,102	2,190	2,414	2,276	2,452	2,294	2,386	2,384	2,609	2,659	2,583	2,678	2,773
40	1,947	2,117	2,208	2,422	2,287	2,466	2,308	2,401	2,399	2,620	2,597	2,597	2,692
41	1,872	1,963	2,136	2,228	2,433	2,304	2,481	2,322	2,418	2,414	2,635	2,690	2,614
42	1,961	1,890	1,978	2,148	2,238	2,441	2,316	2,491	2,333	2,431	2,428	2,645	2,703
43	2,101	1,967	1,895	1,984	2,154	2,244	2,441	2,320	2,494	2,337	2,436	2,432	2,648
44	2,126	2,099	1,969	1,900	1,987	2,156	2,244	2,439	2,321	2,493	2,337	2,437	2,433
45	2,231	2,123	2,098	1,970	1,900	1,988	2,158	2,247	2,436	2,322	2,491	2,338	2,439
46	2,397	2,233	2,124	2,101	1,975	1,904	1,992	2,164	2,254	2,437	2,330	2,494	2,342
47	2,563	2,399	2,239	2,130	2,108	1,983	1,912	2,000	2,174	2,264	2,444	2,339	2,502
48	2,705	2,569	2,404	2,243	2,134	2,113	1,988	1,916	2,007	2,180	2,272	2,448	2,346
49	2,668	2,701	2,566	2,400	2,239	2,131	2,112	1,987	1,915	2,006	2,179	2,273	2,446
50	2,812	2,666	2,699	2,565	2,398	2,236	2,130	2,113	1,988	1,915	2,007	2,181	2,276
51	2,810	2,808	2,664	2,700	2,566	2,402	2,237	2,132	2,114	1,991	1,919	2,009	2,184
52	2,819	2,798	2,796	2,653	2,688	2,555	2,394	2,230	2,123	2,106	1,985	1,911	2,003
53	2,917	2,810	2,791	2,789	2,648	2,684	2,552	2,391	2,229	2,121	2,104	1,984	1,910
54	2,811	2,899	2,797	2,778	2,773	2,635	2,671	2,540	2,379	2,220	2,113	2,095	1,974
55	2,733	2,807	2,896	2,795	2,774	2,770	2,633	2,667	2,537	2,377	2,218	2,110	2,094
56	2,800	2,720	2,794	2,883	2,782	2,761	2,759	2,622	2,655	2,529	2,370	2,211	2,103
57	2,815	2,782	2,699	2,774	2,860	2,762	2,742	2,738	2,603	2,636	2,512	2,354	2,194
58	2,576	2,796	2,767	2,686	2,758	2,845	2,746	2,729	2,724	2,590	2,623	2,501	2,345
59	2,575	2,559	2,776	2,747	2,669	2,743	2,826	2,726	2,711	2,707	2,573	2,606	2,486
60	2,528	2,549	2,535	2,749	2,719	2,646	2,719	2,800	2,701	2,688	2,682	2,550	2,584
61	2,338	2,508	2,530	2,518	2,732	2,702	2,630	2,703	2,783	2,684	2,673	2,667	2,536
62	2,222	2,322	2,486	2,511	2,499	2,711	2,682	2,611	2,683	2,761	2,664	2,653	2,648
63	2,130	2,200	2,297	2,458	2,482	2,476	2,683	2,654	2,584	2,657	2,734	2,638	2,628
64	2,070	2,108	2,179	2,275	2,433	2,457	2,453	2,658	2,630	2,560	2,634	2,710	2,615
65	1,980	2,051	2,090	2,161	2,255	2,410	2,434	2,430	2,633	2,607	2,538	2,612	2,686
66	1,862	1,957	2,027	2,064	2,135	2,228	2,383	2,407	2,403	2,606	2,580	2,513	2,585
67	1,999	1,835	1,928	2,001	2,036	2,106	2,199	2,353	2,378	2,374	2,575	2,551	2,484
68	1,871	1,967	1,805	1,897	1,969	2,004	2,074	2,165	2,318	2,343	2,339	2,538	2,515
69	1,951	1,837	1,932	1,772	1,864	1,935	1,970	2,039	2,129	2,281	2,305	2,301	2,499
70	1,913	1,917	1,809	1,903	1,745	1,837	1,907	1,940	2,011	2,098	2,250	2,272	2,271
71	2,173	1,875	1,878	1,772	1,864	1,711	1,800	1,870	1,903	1,973	2,059	2,209	2,232
72	1,565	2,125	1,834	1,839	1,735	1,826	1,676	1,764	1,833	1,865	1,936	2,019	2,167
73	1,560	1,522	2,068	1,783	1,788	1,687	1,779	1,633	1,719	1,787	1,819	1,889	1,970
74	1,572	1,524	1,486	2,015	1,739	1,745	1,648	1,738	1,596	1,681	1,748	1,780	1,850
75	1,375	1,521	1,476	1,440	1,951	1,684	1,691	1,597	1,686	1,548	1,631	1,697	1,730
76	1,283	1,325	1,468	1,423	1,389	1,884	1,625	1,633	1,544	1,630	1,497	1,578	1,643
77	1,238	1,236	1,276	1,413	1,370	1,337	1,819	1,568	1,578	1,490	1,575	1,447	1,525
78	1,136	1,192	1,190	1,228	1,360	1,319	1,288	1,753	1,512	1,523	1,439	1,522	1,398
79	1,158	1,083	1,135	1,134	1,170	1,298	1,258	1,230	1,675	1,445	1,456	1,376	1,456
80	1,090	1,104	1,031	1,079	1,079	1,113	1,235	1,197	1,172	1,597	1,377	1,388	1,313
81	1,025	1,027	1,037	971	1,015	1,017	1,049	1,164	1,129	1,105	1,510	1,301	1,313
82	947	966	965	976	914	956	959	989	1,097	1,065	1,043	1,426	1,229
83	887	878	894	893	903	848	885	890	917	1,018	989	969	1,329
84	780	820	809	827	824	835	786	818	825	850	943		

2018-based principal population projections by sex, single year of age and year (2031-2043)

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
All ages	183,199	183,460	183,720	183,922	184,111	184,306	184,472	184,662	184,817	184,976	185,098	185,239	185,360
0	1,652	1,646	1,648	1,637	1,635	1,633	1,632	1,641	1,645	1,649	1,651	1,654	1,657
1	1,666	1,658	1,652	1,654	1,643	1,641	1,639	1,638	1,647	1,651	1,655	1,657	1,660
2	1,704	1,693	1,685	1,679	1,681	1,670	1,668	1,666	1,665	1,674	1,678	1,682	1,684
3	1,717	1,713	1,702	1,694	1,688	1,690	1,679	1,677	1,675	1,674	1,683	1,687	1,691
4	1,725	1,724	1,720	1,709	1,701	1,695	1,697	1,686	1,684	1,682	1,681	1,690	1,694
5	1,737	1,728	1,727	1,723	1,712	1,704	1,698	1,700	1,689	1,687	1,685	1,684	1,693
6	1,746	1,750	1,741	1,740	1,736	1,725	1,717	1,711	1,713	1,702	1,700	1,698	1,697
7	1,752	1,754	1,758	1,749	1,748	1,744	1,733	1,725	1,719	1,721	1,710	1,708	1,706
8	1,762	1,764	1,766	1,771	1,762	1,761	1,757	1,746	1,738	1,732	1,734	1,723	1,721
9	1,750	1,759	1,760	1,762	1,767	1,759	1,758	1,753	1,742	1,734	1,728	1,730	1,719
10	1,765	1,763	1,772	1,773	1,775	1,780	1,772	1,771	1,766	1,755	1,747	1,741	1,743
11	1,771	1,775	1,773	1,782	1,783	1,785	1,790	1,782	1,781	1,776	1,765	1,757	1,751
12	1,750	1,775	1,779	1,777	1,786	1,787	1,789	1,794	1,786	1,785	1,780	1,769	1,761
13	1,858	1,759	1,784	1,788	1,786	1,795	1,796	1,798	1,803	1,795	1,794	1,789	1,778
14	1,911	1,879	1,781	1,806	1,810	1,808	1,817	1,818	1,820	1,825	1,817	1,816	1,811
15	1,946	1,922	1,889	1,791	1,816	1,820	1,818	1,827	1,828	1,830	1,835	1,827	1,826
16	1,916	1,949	1,926	1,892	1,795	1,820	1,824	1,822	1,831	1,832	1,834	1,839	1,831
17	1,997	1,907	1,940	1,917	1,882	1,785	1,810	1,814	1,812	1,821	1,822	1,824	1,829
18	2,029	1,952	1,862	1,895	1,871	1,834	1,741	1,765	1,769	1,767	1,776	1,777	1,779
19	1,955	1,949	1,876	1,792	1,823	1,796	1,762	1,673	1,697	1,702	1,700	1,708	1,709
20	2,000	1,991	1,984	1,910	1,828	1,859	1,830	1,796	1,706	1,732	1,737	1,734	1,742
21	1,940	2,066	2,058	2,050	1,975	1,896	1,926	1,895	1,861	1,771	1,797	1,802	1,799
22	2,013	1,993	2,119	2,112	2,102	2,027	1,948	1,979	1,946	1,912	1,821	1,848	1,853
23	2,102	2,030	2,010	2,134	2,126	2,115	2,042	1,964	1,994	1,962	1,925	1,836	1,864
24	1,991	2,117	2,052	2,030	2,154	2,145	2,133	2,065	1,986	2,012	1,983	1,944	1,860
25	2,026	2,002	2,125	2,064	2,041	2,162	2,154	2,142	2,073	1,997	2,022	1,993	1,953
26	2,026	2,057	2,036	2,157	2,097	2,074	2,197	2,185	2,174	2,107	2,034	2,057	2,027
27	1,972	2,035	2,064	2,047	2,166	2,109	2,087	2,207	2,196	2,183	2,118	2,046	2,068
28	1,943	1,994	2,054	2,084	2,070	2,190	2,135	2,113	2,232	2,220	2,206	2,142	2,072
29	1,927	1,944	1,995	2,055	2,085	2,074	2,193	2,139	2,115	2,237	2,223	2,208	2,147
30	2,086	1,969	1,986	2,040	2,100	2,128	2,119	2,240	2,189	2,163	2,287	2,270	2,254
31	2,179	2,127	2,012	2,028	2,083	2,140	2,171	2,162	2,285	2,236	2,210	2,335	2,316
32	2,297	2,213	2,159	2,044	2,061	2,116	2,174	2,205	2,198	2,321	2,273	2,246	2,374
33	2,432	2,353	2,267	2,211	2,095	2,113	2,168	2,227	2,258	2,252	2,376	2,331	2,303
34	2,537	2,464	2,386	2,295	2,240	2,125	2,144	2,198	2,256	2,288	2,283	2,408	2,364
35	2,490	2,557	2,485	2,406	2,312	2,257	2,141	2,161	2,214	2,273	2,306	2,303	2,427
36	2,515	2,508	2,573	2,501	2,423	2,327	2,270	2,156	2,175	2,228	2,288	2,321	2,321
37	2,629	2,554	2,547	2,610	2,539	2,461	2,363	2,306	2,191	2,210	2,264	2,326	2,359
38	2,693	2,632	2,558	2,551	2,614	2,543	2,466	2,367	2,312	2,196	2,216	2,270	2,332
39	2,878	2,692	2,630	2,557	2,550	2,612	2,542	2,465	2,365	2,311	2,196	2,217	2,270
40	2,789	2,892	2,704	2,644	2,570	2,564	2,625	2,554	2,477	2,375	2,322	2,207	2,229
41	2,709	2,807	2,909	2,720	2,659	2,585	2,578	2,639	2,568	2,491	2,388	2,337	2,220
42	2,628	2,722	2,822	2,922	2,734	2,671	2,597	2,589	2,650	2,579	2,503	2,398	2,346
43	2,705	2,633	2,726	2,826	2,925	2,737	2,674	2,601	2,593	2,654	2,583	2,508	2,401
44	2,646	2,704	2,632	2,726	2,825	2,923	2,736	2,671	2,599	2,592	2,651	2,581	2,506
45	2,434	2,645	2,704	2,633	2,726	2,827	2,921	2,735	2,671	2,598	2,592	2,651	2,580
46	2,446	2,439	2,646	2,709	2,639	2,733	2,835	2,926	2,739	2,676	2,603	2,596	2,655
47	2,350	2,454	2,449	2,654	2,719	2,648	2,742	2,845	2,936	2,748	2,685	2,611	2,605
48	2,507	2,460	2,460	2,456	2,659	2,726	2,655	2,749	2,853	2,943	2,754	2,690	2,617
49	2,347	2,505	2,355	2,459	2,456	2,658	2,725	2,655	2,749	2,853	2,942	2,752	2,689
50	2,445	2,347	2,504	2,355	2,459	2,456	2,656	2,725	2,655	2,749	2,854	2,943	2,752
51	2,281	2,447	2,349	2,505	2,357	2,461	2,459	2,658	2,728	2,660	2,754	2,859	2,945
52	2,178	2,276	2,441	2,344	2,499	2,352	2,455	2,454	2,652	2,722	2,657	2,750	2,855
53	2,002	2,177	2,274	2,437	2,342	2,496	2,349	2,452	2,453	2,647	2,718	2,653	2,746
54	1,900	1,994	2,168	2,265	2,425	2,332	2,485	2,339	2,442	2,442	2,634	2,707	2,642
55	1,973	1,898	1,993	2,168	2,266	2,425	2,333	2,483	2,340	2,443	2,443	2,633	2,708
56	2,088	1,969	1,894	1,988	2,164	2,261	2,418	2,329	2,476	2,336	2,439	2,438	2,627
57	2,090	2,076	1,959	1,884	1,978	2,154	2,250	2,405	2,316	2,463	2,323	2,426	2,425
58	2,183	2,080	2,067	1,948	1,874	1,969	2,145	2,242	2,395	2,309	2,454	2,316	2,418
59	2,330	2,167	2,065	2,053	1,935	1,861	1,956	2,132	2,230	2,380	2,296	2,438	2,303
60	2,464	2,311	2,150	2,048	2,036	1,919	1,846	1,941	2,118	2,215	2,363	2,280	2,420
61	2,569	2,451	2,298	2,138	2,039	2,027	1,912	1,839	1,933	2,111	2,206	2,353	2,273
62	2,517	2,552	2,435	2,282	2,124	2,026	2,016	1,901	1,828	1,923	2,101	2,196	2,341
63	2,623	2,494	2,529	2,412	2,261	2,106	2,010	2,000	1,887	1,814	1,909	2,087	2,180
64	2,605	2,602	2,474	2,508	2,392	2,244	2,089	1,995	1,984	1,872	1,800	1,895	2,070
65	2,593	2,583	2,582	2,455	2,489	2,374	2,228	2,074	1,982	1,972	1,861	1,789	1,885
66	2,660	2,568	2,558	2,557	2,431	2,467	2,353	2,208	2,055	1,964	1,955	1,844	1,774
67	2,556	2,631	2,540	2,531	2,530	2,405	2,441	2,329	2,186	2,034	1,944	1,935	1,824
68	2,450	2,522	2,595	2,506	2,497	2,497	2,374	2,411	2,300	2,159	2,009	1,920	1,912
69	2,476	2,412	2,484	2,557	2,470	2,462	2,462	2,340	2,377	2,269	2,129	1,981	1,893
70	2,465	2,442	2,381	2,454	2,525	2,439	2,433	2,432	2,314	2,350	2,244	2,107	1,960
71	2,232	2,423	2,402	2,342	2,414	2,486	2,401	2,396	2,395	2,278	2,314	2,210	2,076
72	2,192	2,193	2,380	2,361	2,302	2,374	2,446	2,363	2,359	2,359	2,243	2,280	2,177
73	2,116	2,140	2,143	2,326	2,309	2,251	2,323	2,393	2,314	2,309	2,310	2,197	2,235
74	1,930	2,074	2,097	2,102	2,281	2,265	2,209	2,281	2,350	2,273	2,270	2,270	2,162
75	1,798	1,877	2,017	2,040	2,048	2,222	2,206	2,152	2,224	2,291	2,216	2,215	2,217
76	1,676	1,743	1,819	1,957	1,980	1,988	2,157	2,144	2,091	2,163	2,228	2,156	2,156
77	1,589	1,623	1,688	1,762	1,897	1,920	1,928	2,093	2,081	2,030	2,102	2,165	2,096
78	1,474	1,537	1,571	1,634	1,706	1,840	1,861	1,871	2,030	2,020	1,972	2,043	2,105
79	1,338	1,411	1,473	1,507	1,568	1,636	1,767	1,788	1,799	1,954	1,944	1,899	1,969
80	1,390	1,279	1,348	1,409	1,443	1,503	1,568	1,695	1,716	1,728	1,878	1,869	1,827
81	1,242	1,316	1,211	1,278	1,338	1,370	1,428	1,491	1,613	1,634	1,645	1,791	1,783
82	1,241	1,175	1,246	1,147	1,211	1,269	1,300	1,356	1,416	1,533	1,554	1,566	1,705
83	1,144	1,156	1,096	1,162	1,071	1,133	1,187	1,217	1,272	1,328	1,440	1,460	1,472

Area name	All ages	Aged 65+	% 65+
Dumfries and Galloway	148,790	39,562	26.6%
Na h-Eileanan Siar	26,640	7,072	26.5%
Argyll and Bute	86,220	22,777	26.4%
South Ayrshire	112,450	29,362	26.1%
Scottish Borders	116,020	29,655	25.6%
Orkney Islands	22,540	5,540	24.6%
Angus	116,120	28,464	24.5%
Perth and Kinross	153,810	36,998	24.1%
North Ayrshire	134,220	31,294	23.3%
Highland	238,060	55,224	23.2%
East Dunbartonshire	108,900	25,065	23.0%
Moray	96,410	21,534	22.3%
Inverclyde	76,700	16,721	21.8%
Shetland Islands	22,940	4,924	21.5%
Fife	374,730	79,415	21.2%
East Ayrshire	122,020	25,574	21.0%
East Lothian	109,580	22,865	20.9%
Clackmannanshire	51,540	10,718	20.8%
East Renfrewshire	96,580	19,846	20.5%
Aberdeenshire	262,690	53,617	20.4%
Stirling	93,470	18,791	20.1%
South Lanarkshire	322,630	64,500	20.0%
Scotland	5,479,900	1,073,861	19.6%
West Dunbartonshire	87,790	17,142	19.5%
Falkirk	160,700	31,115	19.4%
Renfrewshire	179,940	34,585	19.2%
Midlothian	94,680	17,867	18.9%
Dundee City	147,720	26,243	17.8%
North Lanarkshire	341,400	60,616	17.8%
West Lothian	185,580	31,553	17.0%
Aberdeen City	227,430	37,341	16.4%
City of Edinburgh	526,470	81,277	15.4%
Glasgow City	635,130	86,604	13.6%



To: Audit Risk and Scrutiny Board

On: 13th March 2023

Report by: Lead Officer

Heading: Neighbour Disputes

1. **Summary**

1.1 This paper will attempt to set out the scope and scale of neighbour disputes in Renfrewshire, the first aim of this investigation, set out in the initial report to the Audit Risk and Scrutiny Board on 23rd January 2023.

A number of sources of evidence and data have been drawn on to help illustrate the extent of neighbour disputes in Renfrewshire, and, where possible the different types of dispute.

1.2 The paper also addresses the specific issue raised at the meeting of the Audit Risk and Scrutiny Board on 23rd January 2023 regarding the use of domestic CCTV and the responsibility for regulating and enforcing the use of these systems in Scotland.

2. **Recommendations**

2.1 The Board is asked to:

- Note the content of the report

- Agree to move to the next stage of the review, to consider the current arrangements and approaches the Council and other stakeholders have for responding to neighbour disputes.

3. **Background**

3.1 One of the four stated aims of this investigation into neighbour disputes was to identify, as clearly as possible the scale of the problem in Renfrewshire. This report will attempt to clarify, for the Board, the extent of neighbour disputes from the data sources that are available.

3.2 It should be noted from the outset that there is no “single source of truth” to fully illustrate the number and type of neighbour disputes in Renfrewshire over time. This investigation has identified data from a number of sources which will give the Board an indication of the scale of neighbour disputes in Renfrewshire. The sources that the review draws on are:

- Renfrewshire Citizen’s Advice Bureau
- Renfrewshire Council Community Safety team
- Renfrewshire Housing Services
- Police Scotland reporting
- Renfrewshire Council mediation service

3.3 This report will also cover a specific issue raised at the previous meeting of the Board on 23rd January 2023, specifically the installation and use of domestic CCTV by individuals in Renfrewshire and the responsibility for the oversight and enforcement of its use.

4. **Scale of Neighbour Disputes in Renfrewshire**

4.1 The following section sets out data relating to neighbour disputes from a number of sources, identified in section 3.2 of the report, above. As noted, there is no “single source of truth” in relation to the total number of neighbour disputes in Renfrewshire. The data presented here is drawn from public and voluntary sector services who have a responsibility relating to neighbour disputes.

4.2 It is also worth noting that current recording of neighbour disputes does not provide any real detail as to the nature of those disputes. For example, the Police record and report on “neighbour disputes” but there is no further information available as to the cause of the dispute, be it over noise, anti-social behaviour and so on.

Renfrewshire Citizen's Advice Bureau

- 4.3 Renfrewshire Citizens Advice Bureau (CAB) is a local, independent charity which provides free, impartial and confidential advice and information about a range of issues and problems including debt, money and benefits, work, family issues, consumer problems and housing.
- 4.4 The CAB records its work via two processes, the initial "contact sheet", when an individual makes first contact seeking advice from the CAB and cases recorded onto the CASTLE system, where the CAB has provided, advice, support, representation and so on.
- 4.5 Neighbour disputes feature significantly in the workload of Renfrewshire CAB. Table 1, below, shows the data for the initial contact sheets where neighbour disputes/ problems were mentioned. Renfrewshire refer to these as "neighbour issues", which is the terminology used in the tables below.

Table 1: Renfrewshire CAB Neighbour issues Contact Sheet data

Year ending	No. of neighbour issues
2022	169
2021	154
2020	104

- 4.6 The data from the contact sheets shows a significant increase over the three year period illustrated in Table 1, above. The number of contacts involving neighbour issues increased from 104 in 2020 to 169 in 2022. This is an increase of 38.5% over a three year period, with a significant jump between 2020 and 2021. Anecdotally, the view is that the impact of Covid and the lockdowns played a significant role in this sharp increase in the number of initial contacts.
- 4.7 Table 2 below illustrates the number of neighbour dispute cases where Renfrewshire CAB provided advice, support or acted for the person making the complaint.

Table 2: Renfrewshire CAB Neighbour Disputes recorded on the CASTLE case recording system

Year ending	No. of Neighbour issues cases
2022	74
2021	98
2020	66
2019	54

- 4.8 The data shows a significant increase over time in the number of neighbour issue cases being dealt with by Renfrewshire CAB. The number of cases increased from 54 in 2019 to 74 in 2022, a 28% increase in cases. It should be noted that there was a “spike” in neighbour issue cases to 98 in 2021, before falling to 74 cases in 2022. The most probable cause of this spike is, again, the impact of Covid and lockdown, with many more people spending most of their time at home.

Renfrewshire Council Community Safety team

- 4.9 The Council's community safety team sits within the Communities and Housing Department. It leads on the Council's work on promoting community safety and tackling anti-social behaviour, principally through the Community Safety partnership and delivering the Anti-Social Behaviour strategy 2022-25.
- 4.10 The service records a range of anti-social behaviour complaints on the Flare data management system, ranging from fly-tipping to underage drinking, rowdy behaviour, abandoned vehicles and so on. Further details are contained in the Anti-Social Behaviour Strategy. For the purposes of this report, the reporting of domestic noise complaints is a clear proxy for neighbour disputes as set out in table 3 below.

Table 3: Domestic Noise Complaints

Year	No. of Complaints
2021/2022	546
2020/2021	576
2019/2020	1058
2018/2019	1285

- 4.11 The data contained in Table 3 shows a significant and sustained fall in the number of complaints over the 4 years from 2018/19 to 2021/22. The number of domestic noise complaints fell from 1285 in 2018/19 to 546 in 2021/22. This represents a reduction of 57.5% in the number of domestic noise complaints over the 4 year period. It should be noted that this fall started prior to the onset of Covid and the associated lockdowns from March 2020. This meant that Council officers could not attend noise complaints in person, which is likely to have reduced the number of complaints over time. There was a very substantial fall between 2019/20 and 2020/21 from 1058 complaints to 576.

Renfrewshire Council Housing Services

- 4.12 The Council's housing services deals with a range of complaints from Council tenants, including complaints about repairs, rents, allocations and Housing Benefit. The housing service also deals with neighbour complaints, most frequently relating to anti-social behaviour, as outlined in Table 4, below.

Table 4: Anti-social behaviour complaints received by the Council's housing service

Year	No. of Complaints
2021/2022	713
2020/2021	514
2019/2020	690

- 4.13 The number of complaints to housing services has remained around the same level, approximately 700 complaints a year, however there was a significant drop in the number of complaints on 2020/21, from 690 in 2019/20 to 514 in 2020/21.

Police Scotland

- 4.14 Police Scotland play a key role in Renfrewshire's Community Safety Partnership and respond to incidents of disorder and anti-social behaviour, including neighbour disputes. Table 5 sets out the data for incidents of neighbourhood disputes recorded by the Police over the last 4 years.

Table 5: Incidents of neighbour disputes recorded by Police Scotland

Year	No. of incidents
2021/2022	1109
2020/2021	1103
2019/2020	952
2018/2019	891

- 4.15 There has been a sustained and gradual increase in the number of neighbour dispute incidents that the Police responded to over a four year period between 2018/19 and 2021/22. The number of neighbour dispute incidents rose from 891 in 2018/19 to 2021/22. This represents a near 20% increase in neighbour disputes over the period.

Renfrewshire Council mediation service

- 4.16 Renfrewshire Council provides a mediation service. Mediation is a flexible process that can be used to settle disputes in a range of situations. Mediation involves an independent third party, the mediator, in this case provided by the Council, who helps people to agree a solution when there is a disagreement. The mediator helps parties work out what their issues and options are, then use those options to work out an agreement.
- 4.17 With the help of the mediator, the parties with the dispute decide whether they can resolve things and what the solution should be. The mediator does not take sides or make judgements. The mediator will ensure that both parties get a chance to state their case, hear the other side, work through the issues that are important to them and make an agreement. Mediation is a key way of helping to resolve neighbour disputes. There has been an increase in the number of referrals to the mediation service for neighbour disputes between 2021 to 2022. The number of referrals has increased from 130 to 143, a 9% increase.

5. Summary of findings

- 5.1 Section 4. of this report provides a significant amount of data from a number of services and sources to try and illustrate the scale of neighbour disputes in Renfrewshire over time. As noted earlier, there is no “single source of truth” which captures the full extent of neighbour disputes in Renfrewshire. Clearly, the data illustrated in section 4. record neighbour disputes which have come to the attention of public and voluntary services. There will be other neighbour disputes which do not come to the attention of these services. For example, Tenants and Residents Associations may be aware of neighbour disputes which services remain unaware of.
- 5.2 It is also the case that there will be overlap between across the data sets presented in this report. For example, specific incidents of neighbour disputes which the Police respond to may become cases that the community safety or housing services investigate more fully and record.
- 5.3 Similarly it is not possible, from the current data, to identify the cause of the neighbour dispute. It would be possible in most cases to drill down into the relevant data management system to look at individual cases, but reporting systems are not currently set up to do this. Outwith this investigation, it is not clear that there would be a rationale for reporting in such a detailed manner, although such information may help to inform operational decision making.

- 5.4 What does emerge from across the different data sets is that, except for the number of domestic noise complaints reported to the Council, there has been a sustained increase in the number of incidents/ complaints of neighbour disputes in Renfrewshire over the last 3-4 years. The reason services have seen these increases requires further investigation.
- 5.5 It should be noted that the impact of Covid and the associated lockdowns has had an impact on the incidence and reporting of neighbour disputes, particularly for noise complaints reported to the Council during 2020 and 2021. The extent of this impact needs to be further explored with services.
6. **Domestic CCTV**
- 6.1 At the previous meeting of the Audit, Risk and Scrutiny Board on 23rd January, the Board noted a particular interest in the use of “domestic” CCTV, which is CCTV systems fitted by individuals in their homes. One of the key questions relating to the installation and use of domestic CCTV systems was in relation to the responsibility for enforcing the rules on domestic CCTV use.
- 6.2 The Council’s powers in relation to domestic CCTV are limited to its installation by Council tenants. Under the tenancy agreement, tenants should not make any changes to fixtures and fittings in and around their home until they have received written permission from the Council. This means that although permission may be needed for the erection of CCTV cameras, the Council’s remit does not extend to approving or policing the processing of personal data by private individuals.
- 6.3 The data protection regulator is the Information Commissioner. As such, whilst the Council has a role in approving the erection of fixtures such as cameras, it does not have enforcement powers in relation to privacy infringement. Any privacy concerns about the use of devices need to be raised with the Information Commissioner’s Office(“ICO”).
- 6.4 The ICO provides information on their website specifically about the use of domestic CCTV. This states, “The use of recording equipment, such as CCTV or smart doorbells, to capture video or sound recordings outside the user’s property boundary is not a breach of data protection law. People should try to point their CCTV cameras away from their neighbours’ homes and gardens, shared spaces or public streets. But this is not always possible”.
- 6.5 The ICO’s advice continues, “When people capture images and audio recordings outside of their property boundary, they should consider how intrusive this activity is. They should consider whether they can point their cameras elsewhere or, if possible, apply filters or privacy

blocks. In these circumstances, data protection law requires them to follow certain rules, although these are difficult to enforce". It is the ICO's responsibility to enforce these rules. The rules are:

1. Tell people that they are using recording equipment.
2. In most circumstances, provide some of the recording if asked by a person whose images have been captured.
3. Regularly or automatically delete footage.
4. In most circumstances, delete recordings of people if they ask; and
5. Stop recording a person if they object to being recorded, but only if it is possible to do so. For example, if they can point the camera in a different direction but still use it for the same purposes, e.g., keeping their property safe.

6.6 The ICO notes that "It is difficult to enforce these rules, as it is not easy to find out if the person acts on a request to delete footage. We would not find it a fair or balanced action to go into a person's home to find out if they were complying with the law or take other enforcement action. Further, the ICO make clear that they cannot retrieve CCTV footage from domestic users to get cameras or recording equipment removed from an individual's home, to quote "it is highly unlikely that the ICO will consider it fair or balanced to take enforcement action against a domestic CCTV user".

6.7 Individuals who are involved in a neighbour dispute over domestic CCTV, when they think the rules for use are being broken can complain to ICO. The ICO can send a letter asking the CCTV owner to resolve matters in the dispute, e.g. by putting up the appropriate signage or respond to data protection requests from their neighbour.

6.8 The ICO's position is that there is a limited amount of action they can take after this point to make the person comply. It is highly unlikely the ICO will "consider it fair or balanced" to take enforcement action against a domestic CCTV user. This is because there is an exemption in data protection legislation for processing of personal data for private, household and domestic purposes which is of relevance to processing of personal data, including domestic CCTV images, by private individuals.

7. **Next Steps**

7.1 The next stage of the review will consider two of the original aims

1. current arrangements and approaches the Council and other stakeholders have for responding to neighbour disputes.

2. Review the current disposals/actions that are available to the Council and others to resolve neighbour disputes.

7.2 Evidence will be sought from Council services including Housing, Community Safety and other key stakeholders such as Police Scotland and Tenants and Residents associations.

Implications of the Report

1. **Financial** - None
2. **HR & Organisational Development** - None
3. **Community/Council Planning –**
 - Our Renfrewshire is thriving – None
 - Our Renfrewshire is well - None
 - Our Renfrewshire is fair - None
 - Our Renfrewshire is safe - None
 - Reshaping our place, our economy and our future - None
 - Building strong, safe and resilient communities - None
 - Tackling inequality, ensuring opportunities for all - None
 - Creating a sustainable Renfrewshire for all to enjoy - None
 - Working together to improve outcomes - None
4. **Legal** – The paper clarifies the legal powers of the Council and the ICO in relation to the domestic use of CCTV cameras.
5. **Property/Assets** – None
6. **Information Technology** - None
7. **Equality & Human Rights** - None
 - (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for initiating an investigation on behalf of the Board. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed

and monitored, and the results of the assessment will be published on the Council's website.

- 8. **Health & Safety** - None
- 9. **Procurement** – None
- 10. **Risk** - None
- 11. **Privacy Impact** - None
- 12. **Cosla Policy Position** – None

List of Background Papers

- (a) Background Paper 1: Anti-Social Behaviour Strategy 2022-2025
- (b) Citizen's Advice Bureau report from CASTLE system.
- (c) Information Commissioner's Office for Scotland website
<https://ico.org.uk/for-the-public/domestic-cctv-systems/>

The foregoing background papers will be retained within Renfrewshire Health and Social Care Partnership for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is Andrew Noble, Renfrewshire Health and Social Care Partnership,
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