

Notice of Meeting and Agenda Audit, Risk and Scrutiny Board

Date	Time	Venue
Monday, 23 August 2021	10:00	Council Chambers (Renfrewshire), Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

KENNETH GRAHAM
Head of Corporate Governance

Membership

Councillor Tom Begg: Councillor Stephen Burns: Councillor Michelle Campbell:
Councillor Jim Harte: Councillor John Hood: Councillor Emma Rodden: Councillor
Jane Strang:

Councillor Bill Binks (Convener): Councillor Jim Sharkey (Depute Convener):

Webcasting of Meeting

This meeting will be filmed for live or subsequent broadcast via the Council's internet site – at the start of the meeting the Provost will confirm if all or part of the meeting is being filmed. Generally the public seating areas will not be filmed. The cameras focus on the main participants. If you have any queries regarding this please contact Committee Services on 0141 618 7112. To find the webcast please navigate to <http://renfrewshire.cmis.uk.com/renfrewshire/meetings.aspx> and select the meeting from the calendar.

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

- | | | |
|----------|---|----------------|
| 1 | Summary of Internal Audit Reports for period 1 May 2021 to 30 June 2021 | 1 - 14 |
| | Report by Chief Auditor. | |
| 2 | Internal Audit and Counter Fraud Progress and Performance for Period to 30 June 2021 | 15 - 20 |
| | Report by Chief Auditor. | |
| 3 | Internal Audit Charter | 21 - 28 |
| | Report by Chief Auditor. | |

MONITORING AND REVIEWING SERVICE DELIVERY PERFORMANCE, POLICIES & PRACTICE

- | | | |
|----------|--|----------------|
| 4 | Accounts Commission - Local Government in Scotland Overview | 29 - 84 |
| | Report by Chief Executive. | |
| 5 | Audit, Risk & Scrutiny Board Annual Report 2020/21 And Annual Programme 2021/22 | 85 - 92 |
| | Report by Director of Finance & Resources. | |
| 6 | Absence Statistics - Quarters 1 and 2 of 2021/22 | |
| | Report by Director of Finance & Resources. (Not Available - Copy to Follow). | |

AUDIT

Exempt Item

Exempt documents are no longer available in print format. You will require to log in to Audit, Risk & Scrutiny Exempt Items to access documents. Please note that access to exempt documents is now restricted.

EXCLUSION OF PRESS AND PUBLIC

The Board may by resolution exclude the press and public from the meeting during consideration of the following items of business as it is likely, in view of the nature of the business to be transacted, that if members of the press and public are present, there could be disclosure to them of exempt information as defined in paragraph 1 of Part I of Schedule 7A of the Local Government (Scotland) Act, 1973.

7 Summary of Internal Audit Investigation Reports for period 01 May to 30 June 2021

Report by Chief Auditor.



To: Audit, Risk and Scrutiny Board

On: 23 August 2021

Report by: Chief Auditor

Heading: Summary of Internal Audit Reports for period 01 May to 30 June 2021

1. Summary

1.1 In line with the Public Sector Internal Audit Standards, Internal Audit must communicate the results of each engagement to the Board. To comply with this requirement Internal Audit submits regular reports on the findings and conclusions of audit engagements to the Audit, Risk and Scrutiny Board.

1.2 Appendix 1 provides details those audit engagements completed during the period 01 May to 30 June 2021 with the overall assurance rating and the number of recommendations in each risk category. The committee summary for each report is also attached. For each audit assignment where recommendations have been made, the relevant managers have put action plans in place to address the issues raised.

1.3 In addition to the reports listed in the Appendix, Internal Audit has an ongoing commitment to:

- A range of corporate and service initiatives;
- Progressing of information security matters in partnership with ICT and Legal Services;
- The regular provision of advice to departmental officers;
- The provision of internal audit services to the associated bodies for which Renfrewshire Council is the lead authority and to Renfrewshire Leisure Ltd and Renfrewshire Health and Social Care Integrated Joint Board;

- Co-ordination of the Council's corporate risk management activity;
- Management of the counter fraud team;
- Management of the risk management and insurance team.

2. **Recommendations**

- 2.1 Members are invited to consider and note the Summary of Internal Audit Reports finalised during the period from 01 May to 30 June 2021.

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 summary reported relates to the delivery of the risk-based internal audit plan.
11. **Privacy Impact** – None
12. **COSLA Implications** – None
13. **Climate Risk** - None

Author: Karen Campbell – 07768354651

Appendix 1

Renfrewshire Council

Internal Audit Service

Update for Audit, Risk and Scrutiny Board

Final Audit Reports issued from 01 May – 30 June 2021

Category	Service	Engagement	Assurance Rating	Recommendation Ratings			
				Critical	Important	Good Practice	Service Improvement
Assurance	Chief Executive's	External Funding Arrangements - Leader	Substantial	0	0	0	0
		Events Management	Reasonable	0	3	0	0
	Finance & Resources	Payments to Care Homes	Reasonable	0	2	2	0
		Document Solution Centre - Processes	Reasonable	0	1	5	1
Investigation	Chief Executive's	Funding Claims Processes	N/A	0	3	0	1

Note 1 – No assurance rating can be given in respect of investigation assignments

Assurance Level	
Substantial Assurance	<ul style="list-style-type: none"> There is a sound system of internal control designed to achieve the objectives of the area being reviewed. The control processes tested are being consistently applied.
Reasonable Assurance	<ul style="list-style-type: none"> The internal control processes are generally satisfactory with some areas of weakness being identified that could put some objectives of the area being reviewed at risk There is evidence that the level of non-compliance with some of the control processes may put some of the objectives of the area being reviewed at risk.

Limited Assurance	<ul style="list-style-type: none"> Weaknesses in the system of internal controls are such as to put the objectives of the area being reviewed at risk. The level of non-compliance puts the objectives of the area being reviewed at risk.
No Assurance	<ul style="list-style-type: none"> Control processes are generally weak with significant risk to the achievement of the objectives of the area being reviewed. Significant non-compliance with control processes leaves the processes/systems open to error or abuse.

Recommendation Rating	
Service Improvement	Implementation will improve the efficiency / housekeeping of the area under review.
Good Practice	Implementation will contribute to the general effectiveness of control.
Important	Implementation will raise the level of assurance provided by the control system to acceptable levels.
Critical	Addresses a significant risk, impacting on the objectives of the area under review.

Internal Audit Report Chief Executives

External Funding Arrangements - Leader (A0036/2022/001)

Date: June 2021

COMMITTEE SUMMARY

Audit Objectives

The objectives of the audit were to ensure that: -

1. There is an adequate system in place which complies with European Commission (EC) guidance in terms of monitoring and control of the grants and payments of awards;
2. Applications are assessed for eligibility and value for money (reasonableness of costs and procurement);
3. There are appropriate arrangements in place to assess the progress of projects and that the outcomes are consistent with those project objectives;
4. Grant awards are properly approved, and payments made are in line with the amount awarded;
5. There is appropriate separation of duties and supervisory controls in place across the processing and payment of grant claims;
6. The necessary financial information is provided to the Scottish Government Rural Payments & Inspection Directorate (SGRPID) in a timely fashion to support draw down of grant;
7. The agreed performance targets are being met.

Audit Scope

The following work was carried out:

1. Interviewed the appropriate officers to ascertain the arrangements in place to facilitate for the award, control and monitoring of claims processing.
2. Selected a sample of 2 projects and carried out a series of tests to assess the adequacy of the controls in place across the grant process.

Key Audit Assurances

1. For the sample of projects tested, there is an adequate system in place which complies with EC guidance in terms of monitoring and control of the grants and payments of awards.
2. Applications are assessed for eligibility and value for money
3. There are appropriate arrangements in place to assess the progress of projects and the outcomes are consistent with those objectives specified at the outset.
4. Grant awards are properly approved and payments made are in line with the amount awarded.
5. There is appropriate separation of duties and supervisory controls in place across the processing and payment of grant claims.

Internal Audit Report Chief Executives

External Funding Arrangements - Leader (A0036/2022/001)

Date: June 2021

- | |
|--|
| <ol style="list-style-type: none">6. The necessary financial information is provided to the Scottish Government Rural Payments & Inspection Directorate (SGRPID) in a timely fashion to support draw down of grant.7. The agreed performance targets are being met. |
|--|

Key Audit Risks
1. There were no key risks identified during the audit.

Overall Audit Opinion
The audit identified that satisfactory arrangements are in place for issuing, monitoring and managing the External Funding Applications through the LEADER grant funding programme. As a result, there were no audit findings identified during this review.

Management Commentary
N/A as no key risks were identified.

Internal Audit Report

Finance & Resources

Payments to Care Homes (A0102/2021/001)

Date: May 2021

COMMITTEE SUMMARY

Audit Objectives

The objectives of the audit were to ensure that: -

1. There are adequate documented procedures in place for making payments to Care Homes which are available to relevant staff.
2. There are appropriate procedures for preparing accurate financial assessments prior to clients becoming Care Homes residents and that there is an adequate review process in place.
3. Payments made to Care Homes are accurate and timely.
4. Any payment amendments are processed timeously.

Audit Scope

The following work was carried out:

1. Interviewed the appropriate staff and ascertained the processes in place for administering payments to care homes.
2. Reviewed the processes and evaluated for improvements.
3. Prepared and undertook a series of tests to ensure that payments to care homes are accurate and made timeously.

Key Audit Assurances

1. There are adequate Scottish Government and internal documented procedures in place for making payments to Care Homes which are available to relevant staff.
2. The financial assessments tested were accurate.
3. The payments to care homes tested were calculated correctly and any notified payments amendments were processed timeously.

Key Audit Risks

1. If there are no follow up processes in place to ensure that care homes have returned signed payment schedules, there is a risk that payments will continue when queries have not been resolved.

Overall Audit Opinion

The audit has identified that financial assessments and payments to care homes were calculated correctly. However, it identified that signed payment schedules are not always being returned timeously by care homes and also that there was outstanding information

Internal Audit Report
Finance & Resources
Payments to Care Homes (A0102/2021/001)

Date: May 2021

which was delaying the completion of financial assessments. Management action is therefore required in these areas.

Management Commentary

The audit recommendations have been actioned including strengthening monitoring procedures to highlight any processing delays or missing documentation.

Internal Audit Report Chief Executive Service Events Management (A0113/2020/001)

Date: June 2021

COMMITTEE SUMMARY

Audit Objectives

The objectives of the audit were to ensure that: -

1. An appropriate event manual was developed to support the co-ordination, management and delivery of each event.
2. A satisfactory risk assessment incorporating health and safety is undertaken to identify potential risks and associated control measures in place.
3. The appropriate controls per the events manual have been adequately complied with.
4. Actions arising from meetings of the Executive Events Group and the Events Multi Agency Group are documented and progressed timeously.
5. The Events Team is adequately resourced to deliver events in line with the Events Strategy.

Audit Scope

The following work was carried out:

1. Interviewed the appropriate officers to ascertain the processes in place surrounding events management.
2. Prepared and carried out a programme of testing to meet the above objectives to ensure that the system in place is adequate and operating effectively.

Key Audit Assurances

1. An appropriate event manual was developed to support the co-ordination, management and delivery of each event.
2. A satisfactory risk assessment incorporating health and safety is undertaken to identify potential risks and outlines associated control measures in place.
3. Actions arising from meetings of the Executive Events Group and the Events Multi Agency Group are documented and progressed timeously.

Key Audit Risks

1. It should be noted that the sample of events reviewed relate to the events programme delivered in 2019/20 which was prior to Covid-19 restrictions which resulted in the cancellation of all events.
2. While it is common practice within the events industry to work additional hours to ensure the delivery of successful and safe events, there is a risk that going forward,

Internal Audit Report

Chief Executive Service

Events Management (A0113/2020/001)

Date: June 2021

current resources within the Events Team may not be sufficient to sustain an events programme similar to prior years.

3. In terms of the Working Time Regulations, there could be implications for the council, should any issues arise from the fact that officers within the Events Team work more than 48 hours per week on occasions to ensure that events run as expected.
4. Evidence to support that the required actions have been undertaken to mitigate risk, as detailed on individual event risk assessments is not always recorded or held centrally which may lead to reputational or pecuniary risk to the council should there be any future challenge.

Overall Audit Opinion

The events programme is adequately supported by appropriate event manuals which are based upon regulation and official published guidance. The manuals are accessible by all relevant officers enabling them to deliver events as safely as possible following individual event risk assessments. Despite receiving verbal assurance from council officers that action has been taken to mitigate the risks recorded on the individual event risk assessments, a recommendation has been made to ensure that relevant documented evidence is retained to support actions taken to implement the recorded controls. Additionally, based on the information provided and the analysis of hours worked to ensure that events are delivered safely and successfully, it is clear that employees have been working excessive extra paid and unpaid hours to fulfil the events programme and this requires to be addressed. The auditor has made a provision of reasonable assurance in relation to the area reviewed.

Management Commentary

We are redesigning the Council's event programme to ensure adequate rest time between major events and the appropriate staffing resource for the size and scale of the programme, including acquiring where necessary external resources to support delivery. In addition, the Health and Safety team are identifying a new tool to record risk assessment information and evidence of actions taken to mitigate any risks identified.

The current events executive group, chaired by the Head of Marketing and Communications, will be expanded to include representatives from environment and infrastructure and Renfrewshire Leisure, and support from risk management and environmental health. This will ensure adequate resource is available for the scale and significance of the events programme in future.

Internal Audit Report Finance & Resources

Document Solution Centre - Processes (A0115/2021/001)

Date: May 2021

COMMITTEE SUMMARY

Audit Objectives

The objectives of the audit were to ensure that: -

1. There are adequate stock control procedures in place.
2. Charges to council departments, employees and other public bodies for using the Document Solution Centre (DSC) are clear, consistent, and regularly reviewed to ensure they are cost effective.
3. Accounts/Internal Charges to departments, employees and other public bodies for work undertaken are raised timeously and are well managed to ensure balances owed are received.
4. Procedures are in place to adequately promote the use of the DSC by council departments and others and that the DSC is used, by Council Departments where possible.

Audit Scope

The following work was carried out:

1. Through discussions with appropriate staff, ascertained the systems in place for managing the Document Solution Centre.
2. Prepared a programme of testing covering the audit objectives.

Key Audit Assurances

1. Stock is held in a secure location.
2. Price Lists are clear and regularly reviewed to ensure they are cost effective.

Key Audit Risks

Where DSC staff and Finance staff responsibilities for charging for work carried out are unclear, there is a risk that the work undertaken will not be charged correctly.

Overall Audit Opinion

The audit has identified that stock is held in a secure location and that DSC staff promoted use of their services to a number of specific service areas. We have recommended that consideration should be given to wider promotion of DSC services to all areas of the Council. Furthermore, we made some recommendations for improving the charging process and in relation to the procedure for apportioning the year end under/overspend.

Internal Audit Report Finance & Resources

Document Solution Centre - Processes (A0115/2021/001)

Date: May 2021

Management Commentary
<p>The charging process has now been amended and agreed between the DSC Staff and Finance Staff. Any residual balance at the financial year end on the DSC cost centre will be apportioned as part of the Central Support Exercise undertaken during the preparation of the Council's annual accounts.</p>

Internal Audit Report
Chief Executive Service
Funding Claims Processes (C0003/2020/014)
Date: July 2021

COMMITTEE SUMMARY

Audit Objectives

Employees withing the Economic Development Service advised the Head of Economy and Development of concerns they had regarding the claims process for specific external funding. Internal Audit were asked to investigate those concerns. The matters raised by the employees related to:

- A potential conflict of interest between managing the programme and ensuring that the information submitted to support claims is compliant with the funders' requirements.
- Information being input to the management information system without the client's knowledge in order to make the client eligible within the terms of the funding arrangements.
- Dubiety over client signatures.

The objectives of the audit were to:

1. Ascertain the circumstances surrounding the employees concerns by checking appropriate records and interviewing relevant personnel;
2. Identify any control weaknesses, any areas of non-compliance, with laid down guidance and make recommendations for improvement where necessary.

Audit Scope

The following work was carried out:

1. Obtained relevant guidance documentation for reference.
2. Reviewed claim forms, client files, job descriptions and other appropriate records.
3. Interviewed relevant officers to ascertain background information relative to the concerns raised.

Key Findings

1. The employees and management differ in their views in relation to the conflict of interest in managing the teams involved in the process. The Auditor concluded that there could be potential conflict of interest if the performance of the verification function is not sufficiently independent of performance targets set for operational teams.
2. While we believe that the clients claimed for are genuine, the Auditor has been unable to definitively confirm the veracity of a some of the client signatures. There is a lack of comprehensive audit trail and we have made recommendations to strengthen the audit trail.
3. Management have provided explanations and assurances to the Auditor that the service is applying for the funding appropriately and in line with the understanding of our approach that is held by the respective organisations that provide the grant funding.

Overall Audit Opinion

Considering all the information and explanations provided, it is the Auditor's opinion that the concerns raised by employees have been made in good faith. We have made recommendations that will strengthen current practices in relation to the audit trail and the recording of decision making regarding the individual eligibility issues raised. There is a potential conflict of interest which could arise in the management of the relevant departmental sections if they are not afforded sufficient independence to undertake their duties. Assurances were sought from management in this regard.

Management Commentary

The recommended actions are being progressed including the development of a protocol to strengthen the independence of the team and providing clarity on the roles of all staff involved in the process. Procedures have been amended to strengthen the evidence held of any decisions made in order to preserve a clear audit trail over transactions.

- Management provided assurance that the Compliance Team could fulfil their verification function independently of any targets set for operational teams as both teams are separately managed and are also not co-located. Management is content that there is no conflict of interest.
- Procedures have been strengthened in terms of client signatures obtained after a client leaves the service.
- The Director of Finance and Resources was satisfied that the claimed costs were eligible and that the service were applying for grant appropriately.
- All of the files and finances examined in the internal audit were also audited by the funder. No issues were raised and the claims were paid in full.



To: Audit, Risk and Scrutiny Board

On: 23 August 2021

Report by: Chief Auditor

Heading: Internal Audit and Counter Fraud Progress and Performance for Period to 30 June 2021

1. Summary

- 1.1 The Internal Audit Annual Plan was approved by the Audit, Risk and Scrutiny Board on 22 March 2021. Internal Audit measures the progress and performance of the team on a regular basis using a range of performance indicators. This report monitors progress from 1 April 2021 to 30 June 2021, in terms of the delivery of the Audit Plan for the year and compares actual performance against targets set by the Director of Finance and Resources.
- 1.2 In terms of Counter Fraud, no formal performance targets for fraud investigation have been established for the following reasons. A major part of their work involves being the single point of contact for DWP's Single Fraud Investigation Service and the Service Level Agreement for this work contains time targets for completing this work. A great deal of effort has also been on increasing fraud awareness amongst employees to prevent fraud from occurring against the Council. The types of fraud referrals received to date are wide ranging and the team's objective is to concentrate on investigating those referrals considered to contain the greatest fraud risk.
- 1.3 As a result of the COVID-19 Pandemic, Joint working with the DWP's Single Fraud Investigation service has also temporarily ceased and we are awaiting a date for this work to recommence. All of the Counter Fraud Team are currently working at home although any necessary site/home visits have recommenced.

- 1.4 The Internal Audit team are also home working full time and are continuing to work on planned audit assignments and providing advice and support where necessary to council services.
 - 1.5 The report details progress against local and national initiatives involving Internal Audit and the Counter Fraud Team from 1 April 2021 to 30 June 2021.
-

2. Recommendations

- 2.1 Members are invited to note the Internal Audit and Counter Fraud Team progress and performance to 30 June 2021.
-

3. Background

- 3.1 The progress and performance of the Internal Audit Team is subject to regular monitoring using a number of performance measures. The Director of Finance and Resources has set annual targets for the team to demonstrate continuous improvement. In terms of the Counter Fraud team, there are time targets in place for responding to requests from the DWP's Single Fraud Investigation Service. Due to the diverse nature of fraud referrals no formal performance targets have been established and the outcomes from investigations is regularly monitored by management.
- 3.2 Internal Audit and the Counter Fraud Team support a variety of local and national initiatives through participation in professional practitioner groups and co-ordination of national initiatives such as the National Fraud Initiative.
- 3.3 This report measures the progress and performance of both the Internal Audit and Counter Fraud Team for the period from 1 April 2021 to 30 June 2021.

4. Internal Audit Team Performance

(a) Percentage of audit plan completed as at 30 June 2021

This measures the degree to which the Audit plan has been completed

Actual 2020/21	Annual Target 2021/22	Audit Plan Completion Target to 30 June 2021	Audit Plan Completion Actual to 30 June 2021
94.5%	95.0%	19%	22%

Actual performance is currently ahead of target.

(b) Percentage of assignments complete by target date

This measures the degree with which target dates for audit work have been met.

Target 2021/22	Actual to 30 June 2021
95.0%	100%

Actual performance is ahead of the target set for the year. It should be noted that target dates have been extended where necessary as it is taking longer to obtain information due to the priorities of services during the pandemic and the practicalities of home working.

(c) Percentage of audit assignments completed within time budget

This measures how well the time budget for individual assignments has been adhered to.

Target 2021/22	Actual to 30 June 2021
95.0%	100%

Actual performance is ahead of the target set for the year, although this is likely to reduce over the remainder of the year.

(d) Percentage of audit reports issued within 6 weeks of completion of audit field work

This measures how quickly draft audit reports are issued after the audit fieldwork has been completed.

Target 2021/22	Actual to 30 June 2021
95.0%	100%

Actual performance is ahead of the target set for the year, although this is likely to reduce over the remainder of the year.

5. Review of the 2021/22 Internal Audit Plan

- 5.1 All of our staff are currently home working and utilising the Council's various tools to continue to undertake audit assignments. However, where it is necessary to check paper documentation at Council

locations for any of our audits, this has been agreed and arranged with Service Managers.

- 5.2 Our 2021/22 Audit Plan is subject to regular review in light of any risks arising from COVID-19 and also to determine whether any assignments will have to be amended or cancelled as result of being unable to visit certain premises. No amendments or cancellations to our planned assignments are deemed necessary at this stage. However, it is worth noting that a substantial amount of our contingency time has been utilised in the first quarter and this may lead to future audit plan amendments being submitted for approval to this Board. There are several reasons for this. Specifically, that some of last year's assignments are taking longer than planned and had to be carried forward into this year due to the revised working arrangements and priorities of both client and our own staff and also that management have requested our involvement in a number of additional reviews which will be reported to this Board upon completion.

6 Counter Fraud Team Progress and Performance

- 6.1 In line with the Service Level Agreement, the Counter Fraud Team act as the Single Point of Contact (SPOC) to route potential housing benefit fraud referrals to the DWP, liaise with the Council's Housing Benefit Team and DWP Fraud Officers and retrieve the necessary evidence for the DWP Fraud Officers from the Housing Benefit System. In addition, we also work jointly work with DWP Fraud Officers on criminal fraud investigations which focuses on the investigation and prosecution of the LA administered Council Tax Reduction Scheme (CTRS) and Social Security benefit fraud. The joint working is still suspended by the DWP currently although we are still referring cases on to them.
- 6.2 During this quarter, we have mainly been working on investigating matches identified by the National Fraud Initiative and reviewing any potential fraudulent COVID-19 business grant claims received.
- 6.3 The financial and non-financial results for quarter 1 (April 2021 to June 2021) are noted in the table below. This includes the savings and recoveries associated with work which was undertaken, in conjunction with the Economic Development Team on potentially fraudulent business grants claims.

Financial Outcomes	Quarter 1 (£)
Cash savings directly attributable to preventative counter fraud intervention	342,500
Cash recoveries in progress directly attributable to counter fraud investigations	86,761
Housing Benefit savings directly attributable to counter fraud investigation	9,651

Notional savings identified through counter fraud investigation, (e.g. housing tenancy and future council tax)	26,298
Non-Financial Outcomes	Quarter 1
Housing properties recovered	0
Housing applications amended/cancelled	7
Blue badge misuse warning letters issued	0
Licences revoked	0

- 6.4 The documenting of all our working practices into flowcharts to enable us to have a formal procedural guide is now reaching its final stages and we are currently developing a fraud awareness i-learn package for staff.

7. Local and National Initiatives

National Fraud Initiative

- 7.1 Reviews of National Fraud Initiative matches received by the Council are being co-ordinated by a Counter Fraud Officer and this work has been split between Counter Fraud and Service Staff. Due to the suspension of the DWP joint working, the Counter Fraud staff have been able to progress this work quickly and to date the following results have been achieved as a result of this exercise:-

Financial Outcomes	Quarter 1 (£)
Cash recoveries in progress	51,020
Notional savings identified through counter fraud investigation, (e.g. housing tenancy and cancellation of Blue Badges)	1,157,865

The notional savings figure includes the cancellation of 206 Blue Badge Parking Permits as the holders are now deceased.

Scottish Local Authorities Chief Internal Auditors' Group

- 7.2 This Group ran 2 virtual conference days in June, for Internal Audit Staff with the main focus on Resilience and Business Continuity - lessons learned from the pandemic response.
- 7.3 The Local Authorities Investigation Sub-Group was also attended virtually during this quarter. Speakers from the Tenancy Fraud Forum and Scottish Government gave informative presentations at this.

External Quality Assessment

- 7.4 The Public Sector Internal Audit Standards requires that an External Assessment should be undertaken on the Internal Audit Service at

least every 5 years to ensure conformance with the definition of Internal auditing and the standards, along with an evaluation of whether internal auditors comply with the code of ethics.

- 7.5 Our second assessment is due to be undertaken in the Autumn of this year by the Chief Auditor at South Ayrshire Council and the results along with any actions will be reported to this Board

Implications of the Report

1. **Financial** - The Council has in place arrangements to recover the any overpayments identified from the work of the Counter Fraud Team and the National Fraud Initiative.
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 progress and performance reported relates to the delivery of the risk-based internal audit plan and the mitigation of the risk of fraud and error.
11. **Privacy Impact** – None
12. **COSLA Implications** – None
13. **Climate Risk** - None

Author: Karen Campbell – 07768354651



To: Audit, Risk and Scrutiny Board

On: 23 August 2021

Report by: Chief Auditor

Heading: Internal Audit Charter

1. Summary

- 1.1. The Internal Audit Charter was last updated in August 2017 to take account of the revised Public Sector Internal Audit Standards (PSIAS).
 - 1.2. This report presents the new Internal Audit Charter (Appendix 1) that has been amended to take account of the dissolution of the Clyde Muirshiel Park Authority.
 - 1.3. No other material changes are required to the Internal Audit Charter.
-

2. Recommendations

- 2.1 Members are asked to approve the revised Internal Audit Charter.
-

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** - Conformance with the PSIAS mitigates the risk of the Internal Audit Service being ineffective.
11. **Privacy Impact** – None
12. **COSLA Implications** - None

Author: Karen Campbell – 01416187016

INTERNAL AUDIT CHARTER



INTRODUCTION:

Internal Audit is an independent and objective assurance and consulting activity designed to add value and improve the operations of Renfrewshire Council. It assists Renfrewshire Council in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organisation's risk management, control, and governance processes.

MISSION:

To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

DEFINITION OF ROLES:

The Public Sector Internal Audit Standards require that the Internal Audit Charter defines the terms 'board', 'senior management' and 'Chief Audit Executive' in relation to the work of Internal Audit. For the purposes of the Internal Audit work function at Renfrewshire Council:

- the 'board' refers to the Audit, Risk and Scrutiny Board which has delegated responsibility for overseeing the work of Internal Audit;
- 'senior management' is defined as the Council's Corporate Management Team, all audit reports are issued to a member of the CMT; and
- 'Chief Audit Executive' refers to the Chief Auditor.

PROFESSIONALISM:

Renfrewshire Council's Internal Audit service will comply with the PSIAS which encompasses the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF), including the *Definition of Internal Auditing*, the *Core Principles for the Professional Practice of Internal Audit*, the *Code of Ethics*, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance constitutes the principles of the fundamental requirements for the professional practice of internal auditing in the public sector and for evaluating the effectiveness of the internal audit activity's performance.

The internal audit service will adhere to Renfrewshire Council's relevant policies and procedures and the internal audit manual which sets out the internal audit activity's standard operating procedures.

A programme of Continuous Professional Development (CPD) is maintained for all staff working on audit engagements to ensure that auditors maintain and enhance their knowledge, skills and audit competencies.

AUTHORITY:

The authority of Internal Audit is set out in the Council's Financial Regulations and Codes. Internal Audit will safeguard all information obtained in the carrying out of its duties and will only use it for the purposes of an audit, investigation, or consultancy work. Internal Audit has authorised full, free, and unrestricted access to any and all of Renfrewshire Council's records, physical properties, and personnel pertinent to carrying out any engagement. Internal Audit will make no disclosure of any information held unless this is authorised or there is a legal or professional requirement to do so. All employees are requested to assist the internal audit activity in fulfilling its roles and responsibilities. The internal audit activity will also have free and unrestricted access to the Board.

ORGANISATION:

The Chief Auditor will report functionally to the Board and administratively (i.e. day to day operations) to the Director of Finance and Resources. The Chief Auditor will communicate and interact directly with the Board, including in Board meetings and between Board meetings as appropriate. The Chief Auditor may report direct to the Chief Executive, Board members or the Council regarding any matters of concern that could place the Council in a position where the risks it faces are unacceptable or the independence of Internal Audit is under threat.

INDEPENDENCE AND OBJECTIVITY:

Internal Audit is an independent review activity. In conducting its activities, Internal Audit activity will remain free from any undue influence or other pressure affecting its actions and reporting. This includes matters of audit selection, scope, procedures, frequency, timing, or report content.

Internal Audit is not a substitute for effective control exercised by management as part of their responsibilities. It is the responsibility of the Council's managers to ensure that the management of the areas under their control is adequate and effective and that their services have a sound system of internal control which facilitates the effective exercise of the organisation's functions and which includes arrangements for the management of risk.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Where the Chief Auditor has responsibility for operational activities the periodic review of these activities will be conducted by parties independent of the Internal Audit function.

Internal auditors must exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors must make a balanced assessment of all the relevant circumstances and not be unduly influenced by their own interests or by others in forming judgments.

The Chief Auditor will confirm to the board, at least annually, the organisational independence of the internal audit activity.

RESPONSIBILITY:

The Council's Internal Audit Service adds value to the Council by providing objective and relevant assurance, and contributing to the effectiveness and efficiency of governance, risk management and control processes.

The scope of internal auditing 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. This includes:

- Independent review and appraisal of the control environment throughout the organisation.
- Providing assurance to management and the Board that the established systems ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on the organisation.
- Evaluating the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
- Evaluating the effectiveness and efficiency with which resources are employed.
- Evaluating operations or projects to ascertain whether results are consistent with established objectives and goals and whether the operations or projects are being carried out as planned.
- Evaluating the reliability and integrity of information and the means used to identify, measure, classify, and report such information.
- Supporting the Council to improve its internal control, governance and risk management processes.
- Evaluating the extent to which risks have been identified and managed to achieve the Council's objectives.
- Working in partnership with external auditors and other review bodies to coordinate activities with internal audit to avoid duplication and seek to rely on the work of these other assurance providers where professional standards and the nature and quality of the work they have undertaken would make it appropriate to do so.
- Undertaking consulting and advisory services related to governance, risk management and control as appropriate for the organisation.

- Supporting the Chief Executive (Head of Paid Services), the Director of Finance and Resources (Chief Financial Officer) and the Head of Corporate Governance (Monitoring Officer) in the discharge of their statutory duties;
- Encouraging a culture of personal and corporate responsibility and accountability through the promotion of anti-fraud and corruption and ethical values.
- Having the right of access to examine the accounts and other financial records and data of external organisations as set out in the conditions of funding or other agreement.
- Investigating any suspicion of fraud, irregularity or corrupt practice in accordance with the Council's Defalcation procedures.

INTERNAL AUDIT PLAN:

The authority for the production and execution of the audit plan rests with the Chief Auditor. The internal audit plan will be developed based on a prioritisation of the audit universe using a risk-based methodology, including input of senior management and the Board. At least annually, the Chief Auditor will submit to senior management and the Board an internal audit plan for review and approval. The internal audit plan will consist of a work schedule as well as resource requirements for the next financial year.

The Chief Auditor will communicate the impact of any resource limitations and any significant deviation from the approved internal audit plan will be communicated to senior management and the Board through periodic performance reports.

REPORTING AND MONITORING:

A written report will be prepared and issued by the Chief Auditor or designee following the conclusion of each internal audit engagement and will be distributed as appropriate. The results of each internal audit engagement will also be communicated to senior management and the Board.

The internal audit report may include management's response and corrective action taken or to be taken in regard to the specific findings and recommendations. Management's response, whether included within the original audit report or provided thereafter by management of the audited area should include a timetable for anticipated completion of action to be taken and an explanation for any corrective action that will not be implemented.

The internal audit activity will be responsible for appropriate follow-up on engagement findings and recommendations.

PERIODIC ASSESSMENT:

The Chief Auditor will at least annually, report to senior management and the Board on the internal audit activity's purpose, authority, and responsibility, as well as performance relative to its plan. Annual reporting will also provide an annual audit opinion on the overall adequacy and effectiveness of the Council's internal control environment, and include details of any significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by senior management and the Board.

In addition, the Chief Auditor will communicate to senior management and the Board on the internal audit activity's quality assurance and improvement programme, including results of internal assessments and external assessments conducted at least every five years.

PROVISION OF SERVICES TO ASSOCIATE/OTHER BODIES:

The Chief Auditor provides internal audit services to various associate bodies and the principles of this Audit Charter apply to those associate bodies by means of a service level agreement between the Council and the body:

Associate Body	Defined 'Board'	Defined "Senior Management"
Renfrewshire Valuation Joint Board	Joint Board	Assessor and Electoral Registration Officer
Renfrewshire Leisure Ltd	Board of Directors	Chief Executive
Scotland Excel	Joint Committee	Director
Glasgow and Clyde Valley Strategic Development Planning Authority	Joint Committee	Strategic Development Plan Manager

The Chief Auditor is the appointed internal auditor for the Renfrewshire Health and Social Care Integration Joint Board. Services are provided under the Internal Audit Charter for that Board.

The Chief Auditor may provide internal audit services to other organisations, on a commercial basis, if this is in the interests of Renfrewshire Council.

APPROVAL

The Internal Audit Charter will be approved by the Board and shall be subject to regular review by the Chief Auditor in consultation with senior management.

Effective date 23 August 2021



To: Audit, Risk and Scrutiny Board

On: 23 August 2021

Report by: Chief Executive

Heading: Accounts Commission – Local Government in Scotland – Overview 2021

1. Summary

- 1.1 Each year Audit Scotland prepares a report on behalf of the Accounts Commission which provides a high level, independent view on the challenges facing councils in Scotland and how they are performing. The 2021 report was published on 27 May 2021 and is attached as Appendix 1 to this covering report. Audit Scotland intend for this report to be the first in a series of reports that reflect the impact of Covid-19 on Scottish councils, with a core priority being the extent to which inequalities have been exacerbated during the pandemic, and the response of local partners to these.
- 1.2 The Local Government in Scotland – Overview 2021 report covers the initial response phase of the pandemic from March 2020, and includes financial data correct as at the end of February 2021. It provides an analysis of the local government response to the pandemic and the wider risks that have emerged under the following themes: community and people; service delivery and partnership working; and resources and governance. Each section sets out the key messages, provides case study examples of council responses to the new challenges and includes lessons learned for the sector.
- 1.3 This report outlines the key messages and lessons learned by Audit Scotland along with the summary position for Renfrewshire.

2. Recommendations

- 2.1 It is recommended that the Audit, Risk and Scrutiny Board note:
 - the key messages contained in Audit Scotland's - 'Local Government in Scotland: Overview 2021' report which is attached as Appendix 1; and

- Renfrewshire Council's position in relation to the key messages and seven lessons learned set out in the Audit Scotland report.

3. Background

- 3.1 In May 2021, Audit Scotland published its annual 'Local Government in Scotland: Overview 2021' report, which is the first in a series of reports that reflects the impact of Covid-19 has had on Local Government. This report examines the initial response of the pandemic from councils and provides a list of lessons learned for consideration.
- 3.2 The ten key messages within the report are summarised as follows by Audit Scotland:
1. The Covid-19 pandemic is having a profound impact on all aspects of society, including the economy, jobs, and the physical and mental health of the public
 2. Relationships with communities have been vital
 3. Levels of service disruption have varied
 4. Some services were delivered virtually
 5. The workforce demonstrated the versatility to take on new roles
 6. There were significant changes in council governance structures and processes
 7. Councils continue to face significant financial challenges, and these have been exacerbated by the pandemic
 8. The Scottish Government has provided substantial additional financial support, but the nature and timing of funding has created further challenges for councils
 9. Councils have started to plan for longer term recovery from the crisis
 10. There has been some ongoing learning resulting from the emergency response to the pandemic
- 3.3 The Audit Scotland report is structured around three key themes, as set out below:
1. **Communities and people** - community wellbeing and the role of communities in responding to the crisis: differing impacts of Covid-19 on demographic groups; the impact of the pandemic on inequalities; and communities' contributions in responding to the crisis.
 2. **Service delivery and partnership working** - the adaption of service provision and working with partners: reduced service provision and prioritised services; innovation and digital delivery; and enhanced collaboration and more positive working relationships.
 3. **Resources and governance** - the financial impact of responding to Covid-19, use of resources and changes to governance arrangements: challenging financial outlook—additional spending and lost income; new funding and financial flexibilities; staff redeployed to fulfil essential roles; virtual decision-making; and changes to governance arrangements.
4. **Audit Scotland's lessons learned for 2021 and Renfrewshire Council's position**
- 4.1 For each of the three themes Audit Scotland identified wider risks and early lessons learned. These have been summarised below alongside a local update on Renfrewshire Council's current position.

4.2 For the 'communities and people' theme, the report details inequalities that have been further exacerbated by the pandemic, with initial analysis indicating that particular groups in society have been disproportionately affected. Audit Scotland notes that councils were quick to identify those most vulnerable and have been at the forefront in adapting services and providing support to communities. The report notes that the impact of the crisis will require targeted interventions to ensure that people can be supported to overcome its damaging social and economic effects. In this section two lessons learned were identified by the Auditors.

4.2.1 **Audit Scotland's first lesson learned is** – "The impact of Covid-19 has been extremely detrimental for many of Scotland's most vulnerable people and communities. The impact will be long-lasting and will significantly increase inequalities. Recovering from the pandemic will require tackling inequalities to be a priority. As councils may look to embed longer-term changes to service provision as seen during the pandemic, it is important that they are adaptable in their approach, to ensure that services are reaching communities in the right way. Councils need to understand the needs of those experiencing digital exclusion and put a strategy in place to ensure equal access to services for all citizens and communities."

Renfrewshire's Position – *The Council recognised very early on that the pandemic has impacted some people and communities disproportionately and agreed in September 2020 that a community impact assessment should be undertaken in Renfrewshire, in order to develop a much deeper understanding of the impact that Covid-19 has had on local people and communities.*

The community impact assessment process has encompassed the following activities: analysis of all available data - on service demands, national and local data and research; programme of listening events and surveys to gain a deeper insight into the issues being experienced by different demographic groups and; engagement with local groups and organisations on key issues impacting local communities.

The research findings have been used to develop a Social Renewal Plan, which sets out a range of priority actions which the Council and partners should take forward. These actions specifically relate to a number of key areas including income, poverty and financial security; community resilience and capacity; and digital exclusion. Using some of the non-recurring Covid specific funding streams, as part of the 2021/22 Scottish Government budget settlement, the Council agreed to allocate £2.7m of the budget for the Social Renewal Plan to address these actions and assist Renfrewshire's most vulnerable communities.

The Council's Digital Strategy has a key theme around the Digital Citizen which focuses on digital exclusion. This is being progressed with a range of core partners at a local and national level, building on our strength of existing digital networks and partnership working. Furthermore, the key findings for digital exclusion from the Community Impact Assessment have identified several priority actions, they are: work with partners at a local and national level to identify and secure opportunities for additional digital devices to be available locally to support those most excluded; develop a volunteering network to ensure people that are most excluded are able to use these devices safely and confidently; and engage further with those groups that have identified as being most excluded and develop new approaches at a local level to support participation. There has been an allocation of 100K from social renewal

funding to support these core areas, and progress against these actions will be provided to the Leadership Board.

- 4.2.2 **Audit Scotland's second lesson learned is** – “Action taken by communities has been vital in supporting councils and their partners to deliver an emergency response. Partnerships that were well-established before the pandemic had a smoother transition into the response phase and acted more quickly than others. The importance of strengthening relationships with communities has been apparent. Greater flexibility in decision-making structures has been an effective tool for communities, empowering them while allowing the council to operate more efficiently. Giving communities more scope to use initiatives like this will be important in the future but must be balanced with the return of robust governance arrangements and continued openness and transparency in decision-making.”

Renfrewshire's Position – *The Council has worked very closely with its partners and a range of different groups and organisations across local communities, to ensure that local people received the support they needed during the pandemic. The Council was able to build on a range of different existing partnership networks to put into place new arrangements such as the neighbourhood hubs which were established in Summer 2020. The closer partnership with local groups and organisations, Engage Renfrewshire, Renfrewshire Health and Social Care Partnership and Renfrewshire Leisure was recognised in a national report produced by the Carnegie Trust.*

Prior to the pandemic, the Council valued the importance of strengthening relationships with communities and was progressing new opportunities to support community empowerment including through the new Local Partnerships structure, participatory budgeting mechanisms such as Celebrating Renfrewshire and through the development of partnership agreements with key community partners. This work will continue to be prioritised by the Council and its partners and represents a core part of the Social Renewal Plan, which will also see the Council pilot new participatory approaches as part of a national pilot with the Corra Foundation.

Local Partnerships have continued to operate during the pandemic, with meetings held over teams and made available on the Council's website to support transparency of local decision making. All other policy board and Council meetings are also recorded and made available online for viewing by members of the public.

- 4.3 For the 'service delivery and partnership working' theme, Audit Scotland provide details and examples on those services that had experienced increased demand, a changed service delivery model or paused because of the initial lockdown. This section also highlights that many councils redeployed staff from closed or reduced services to services that faced increased demand or pressures and also reflects on the impact of the pandemic on staff wellbeing and supporting staff. Two lessons learned were identified in this section.
- 4.3.1 **Audit Scotland's third lesson learned is that** – “Councils must closely monitor the impacts of service changes and disruptions on people and communities. There are growing concerns about the effects of service disruptions on different groups, for example the impacts of moving school education into homes and online on disadvantaged and vulnerable children and young people, and of reduced or paused care services on people who rely on them and their carers. Councils must develop targeted responses to tackle both the immediate

negative impacts of the pandemic and the long-term inequalities that have been exacerbated. As councils embrace longer-term digital service provision, they must balance the efficiencies digital services bring against the needs of communities and the workforce. Citizens must be at the heart of decisions about the services they rely on”.

Renfrewshire’s Position – *Renfrewshire’s community impact assessment, included a Covid-19 impact survey issued to 1,500 local people, engagement with the Local Partnerships, and listening events with a range of different equality groups. As noted above, the research findings have been used to develop an initial Social Renewal Plan which sets out a range of priority actions which the Council and partners should take forward. At the heart of this plan, there is a focus on improving wellbeing and tackling the inequalities that exist across Renfrewshire’s communities, with the initial attention on people with a disability, women and BAME communities.*

The community impact assessment is a continuous process and further engagement is planned to assess the impact of the pandemic on mental health and wellbeing, unpaid carers, people who have been unable to access health treatment and also in terms of the impact on young people and low-income households.

In relation to Renfrewshire’s children and young people, Children’s Services undertook a Pupil Equity Audit to assess the impact that the pandemic has had on the attainment gap and those children most affected. The findings will inform the recovery work undertaken in schools including the strengthened focus on wellbeing.

Renfrewshire Children’s Services Partnership also recently completed a new three-year plan outlining what it intends to achieve for the children and young people of Renfrewshire. It is based upon what is known about the needs of children and young people of Renfrewshire, and about the impact of Covid-19, Renfrewshire Children’s Services Partnership has agreed four outcomes that it will work together to deliver.

In addition, to the digital exclusion actions in the Social Renewal Plan and the Digital Strategy, the Council has also supported the delivery of the Connecting Scotland Programme which was established by the Scottish Government and Scottish Council for Voluntary Services to provide digital connectivity to people in priority categories who did not have a device. Examples include HSCP’s Older People Services, Alcohol and Drug Recovery Services (ADRS) and Housing Services all making successful applications to Connecting Scotland to obtain iPads and devices to support vulnerable individuals within Renfrewshire communities. Whilst, the Sheltered Housing Service has also provided digital support to tenants throughout lockdown.

Digital technology has been instrumental in enabling Renfrewshire HSCP’s response to Covid-19, it has enabled service users to continue to access services where face to face interactions have not been possible - through the use of NHS Near Me for consultations with GPs in Primary Care, and within Community Mental Health and Addictions services.

Specifically, for education, the roll-out of digital learning and teaching was a necessity during lockdown periods and new resources were introduced or developed. This included daily videos with numeracy activities targeted at several age groups and the Silly Squad Summer

Reading Challenge. The service distributed thousands of pieces of ICT equipment and home learning packs with printed materials were also available in addition to digital resources, and the Family Learning team provided community-based support and practical advice. Renfrewshire Digital School was launched in October 2020 to support pupils who were self-isolating or shielding as a result of coronavirus, it provides a range of resources across the curriculum as well as direct access to teaching staff.

- 4.3.2 **Audit Scotland's fourth lesson learned is that** – "Councils and their staff have been at the centre of unprecedented efforts to protect and support people and communities through the Covid-19 pandemic. Demands on people have been intense, and both council staff and the citizens they serve will need continued targeted support through the move to recovery and renewal. Councils' recovery and renewal efforts must be informed by comprehensive understanding of the issues that affect all those who live and work in their communities, and the positive partnerships built on during their initial response should be a core element in this. The impacts of the pandemic, particularly its unequal impacts on groups in society and the awareness it has raised of issues of fairness and equality, the importance of community and the value of local services are all key to deciding future priorities for public services and what 'building back better' might mean for communities."

Renfrewshire's Position – *Across the Council, staff have shown great commitment and resilience during the pandemic delivering essential services, volunteering to support frontline services and helping others to remain safe at home. To support employees' wellbeing throughout the pandemic, regular communication on health and wellbeing matters was shared and a staff wellbeing section on our website was established, this includes useful guides on staying active, counselling services, financial advice and helpful links/contact information for other organisations.*

In addition, the communication team has carried out two staff surveys. The first survey was used to establish how staff were finding working from home, if additional support was needed and how effective they found communication channels, either directly from their line manager or corporate communication i.e. Take 5 Newsletter. In early summer, the Council's Leaders Forum and a second all staff survey took place to inform interim and future ways of working, respondents were asked on the effect of the last 16 months has had on them and their workload, the services that they deliver, their work/life balance and preferences for future working patterns.

In terms of Audit Scotland's comments on recovery and renewal efforts, Renfrewshire Council approved three recovery plans for Renfrewshire, these are: Social Renewal Plan, Economic Recovery, and Organisational Recovery. One element of the community impact assessment was a community voices campaign, in which partners worked to develop a programme of listening events over winter 2020, with the findings being used to inform the overall community impact assessment and resulting Social Renewal Plan.

- 4.4 For the 'resources and governance' theme, this section provides an overview of councils' financial costs and loss of income through the pandemic, particularly for sport and leisure facilities and ALEOs. This section outlines some of the options to help councils to deal with short-term cash-flow challenges in 2020/21, such as increases in revenue reserve balances, additional package of spending powers and financial flexibility. It also provides an overview

of virtual decision-making and changes to governance arrangements for councils. Three lessons learned were identified.

- 4.4.1 **Audit Scotland's fifth lesson learned is** – “Timing and nature of funding for local government is creating pressure and uncertainty for councils beyond the current financial year. Funding is being provided incrementally and the lack of certainty regarding future budgets makes effective short- and medium-term planning very difficult for councils. Covid-19 will have long-term impacts on councils and the communities that they serve. Councils are likely to require additional support to address the challenges of remobilising services, and supporting social and economic recovery. If additional funding is provided with specific conditions or is ring-fenced for specific purposes councils will then be forced to make difficult prioritisation decisions with potential negative impacts on other services. A lack of flexibility in future funding may lead to a differential impact on service delivery and exacerbate existing financial sustainability risks. As reported in Local government in Scotland: Challenges and performance 2018, services such as planning, cultural services, environmental health and roads have borne the brunt of service cuts in recent years. The trend has been one of larger reductions to relatively smaller service areas with no change in real terms to social care and education spending. The increased financial constraints created by Covid-19 are likely to create a further risk to recovery should smaller services face further cuts. This will adversely affect councils' ability to provide importance services that people, and communities rely on improving the quality and range of workforce data to give a comprehensive profile of the current organisation-wide workforce and using the data to identify and address skills gaps and planning for the skills required to deliver services both now and in the future.”

Renfrewshire's Position – *The Council's financial outlook has changed significantly in response to the immediate and medium-term cost pressures and income losses related to Covid-19. An updated financial plan and principles for 2021/21 were agreed over the course of the year. The Director of Finance provided regular financial updates to the Emergencies Board and subsequently full Council meetings on the potential financial impact of the Covid-19 pandemic and on the financial recovery plan.*

One of these financial planning updates (at September 2020 Council meeting) was the agreement to a number of corporate financing adjustments which, along with negotiations being progressed between COSLA and the Scottish Government, would provide some financial flexibility capacity to support the Council both to manage the impact of Covid-19 as well as provide temporary support to the Council's medium term financial strategy where this was required. This has included temporary changes to allow more flexible use of capital receipts for revenue purposes and a degree of flexibility in the management of loan charge principle repayments has been agreed nationally.

A balanced budget position was agreed by the Council on 4 March 2021, this included temporary investment in measures to assist Renfrewshire's communities recover from the pandemic including a freeze in council tax.

Comprehensive workforce data was used for the new People Strategy (approved in early 2021). A key focus of the strategy will be to deliver the required skills and organisational development programmes required to drive cultural and transformational change in the Council, whilst supporting Covid-19 recovery, new service models and new ways of working.

- 4.4.2 **Audit Scotland's sixth lesson learned is that** – "Councils have reacted well to the changing environment and have acted quickly to implement new governance arrangements that are safe and flexible. Although delegation to officers and emergency committees was undertaken at some councils in the early stages, it is welcome that all 32 councils now have arrangements in place to support remote meetings. It is likely that the requirement for remote meetings will continue for some time, therefore all councils should ensure that public participation is facilitated as soon as possible to provide openness and transparency in decision-making."

Renfrewshire's Position – Since the start of the Covid-19 pandemic in March 2020, the Council has had in place emergency governance arrangements to enable oversight of its functions and services in circumstances where it has not been possible for meetings of the Council's Boards to take place safely in Renfrewshire House. These arrangements initially involved weekly meetings of the Emergencies Board, held remotely and extended emergency delegations to the Chief Executive. The Board cycles restarted in August 2020 and have been conducted online via Microsoft Teams. Recordings of the meetings have then been made available online.

Proposed arrangements for the phased return to Renfrewshire House include the use of the Public-i system to hold hybrid Board meetings, this will allow some elected members to attend at Board meetings in the Council Chamber. Where the Public-i system is used, the meetings will be webcast live, this will enable the Council to meet its commitment prior to the pandemic for all Council and Board meetings to be broadcast live. Subject to confirmation of Scottish Government levels the return of members of the public and the press to Board meetings in Renfrewshire House will be planned should requirements for physical distancing be further relaxed.

A specific example of providing transparency in decision-making during the pandemic, was completing another round of 'Celebrating Renfrewshire'. The youth-led participatory budgeting exercise was successfully completed in December 2020, in partnership with Youth Services and Renfrewshire Youth Voice. Over 1,700 young people voted on the 80 project ideas which were submitted, and £124,437 was awarded to youth projects across Renfrewshire, with 68 projects receiving funding across the seven Local Partnership areas. Renfrewshire was one of the few local authorities in Scotland to carry out Participatory Budgeting exercises in 2020/21.

- 4.4.3 **Audit Scotland's seventh lesson learned is that** – "Councils' medium-term financial plans will need to be updated to reflect the significant financial impact of the Covid-19 pandemic. Although considerable challenge and uncertainty still exists, it is important that councils have a plan in place that identifies medium-term impacts so that steps can be taken to manage risk and plan effectively. Good medium-term financial planning, based on modelling various future scenarios and focusing on clear priorities, is more important now than ever. Audit Scotland also advocate that the above recommendations are considered on how they relate to individual services. The Audit Scotland report, case study and the specific recommendations has been circulated to the Corporate Management Team for consideration".

Renfrewshire's Position – The Covid-19 pandemic has represented the most challenging and unique financial year in the history of the Council. The ongoing direct impact from the

pandemic and the public health response on Renfrewshire, longer lasting legacy impacts on both service costs, service demands and income streams, and the lasting impact of the significant disruption to transformation plans, means that the medium term outlook for the Council continues to remain highly uncertain.

For several years the Council's medium-term financial outlooks have applied modelling various future scenarios for budget deficits and savings required. On 4 March 2021, Council was provided with a scenario-based approach varying on two elements (pay and grants) of the projections under a lower, medium and upper scenario for the three year period beyond 2021/22, derives a forecast budget deficit of broadly £5 million - £20 million over this period, on the assumption of a 3% increase each year in Council Tax levels.

Work is now focused on recovery; however, the full impact of the pandemic is still to be determined but is expected to have significant financial, economic and social consequences for Renfrewshire. Covid-19 has had a significant impact on the Council and will continue to affect operations and budgets going forward. In line with previous years, an updated medium term financial plan will be presented to the September Council meeting which will incorporate the maturing understanding of the potential scale of the pandemic on the Council's financial position, both in the short term but also medium to longer term and will make appropriate recommendation for any further adjustments to the Council's medium term financial strategy.

5. Conclusion

- 5.1 Renfrewshire Council's position statements demonstrate that Audit Scotland's identified lessons learned, are already being addressed within current and planned activities across the Council, for example how we are developing our understanding of the impact that Covid-19 has had on our communities; the approach to medium term financial planning; the commitment to community empowerment; digital expansion and workforce development. Elected members will continue to be informed of the progress of these programmes through the relevant Board, as well as any changes to national priorities, demand-led pressures and any new challenges that the Council might be faced with.

Implications of the Report

1. **Financial** – Local Government approach to financial sustainability is highlighted in Audit Scotland's report.
2. **HR & Organisational Development** – Local Government approach to workforce planning and organisation development are highlighted in Audit Scotland's report.
3. **Community/Council Planning** – Recommendation in Audit Scotland's report.
4. **Legal** – none
5. **Property/Assets** – none

6. **Information Technology** – none
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 & Safety** – none
9. **Procurement** – none
10. **Risk** – none
11. **Privacy Impact** – none
12. **Cosla Policy Position** – none
13. **Climate Change** – none

List of Background Papers: [Accounts Commission – Local Government in Scotland – Overview 2021](#)

Author: *Nicola Irvine-Brown, Chief Executive's Service*

Local government in Scotland

Overview 2021



ACCOUNTS COMMISSION 

Prepared by Audit Scotland
May 2021

Who we are

The Accounts Commission

The Accounts Commission is the public spending watchdog for local government. We hold councils in Scotland to account and help them improve. We operate impartially and independently of councils and of the Scottish Government, and we meet and report in public.

We expect councils to achieve the highest standards of governance and financial stewardship, and value for money in how they use their resources and provide their services. Our work includes:

- securing and acting upon the external audit of Scotland's councils and various joint boards and committees
- assessing the performance of councils in relation to Best Value and community planning
- carrying out national performance audits to help councils improve their services
- requiring councils to publish information to help the public assess their performance.

You can find out more about the work of the Accounts Commission on our website:

www.audit-scotland.gov.uk/about-us/accounts-commission

Chair's introduction

In 2020, Covid-19 changed the world and will have a profound impact on our lives in the years ahead. The public services we all receive and many of us depend on each and every day have adapted, in some cases transformed and will certainly continue to change.

Covid-19 has laid bare and exacerbated existing **inequalities** such as health, work, income, housing and education across Scotland's communities. The multiple impacts of these inequalities have affected the most vulnerable, minority groups and women.

Reporting on how inequalities are being tackled is, and will be, a core priority for the Accounts Commission in our future reporting. The recovery from Covid-19 isn't going to be quick, again exacerbating the impact on the lives of those already most affected. The recovery plans and priorities need to recognise this.

Councils must put robust and realistic plans in place and work alongside partner organisations best placed to help. They must work with and for their communities, focusing on the needs of local people.

This will have to be achieved against an increasingly challenging **financial outlook**. There is rarely financial certainty for councils beyond the current financial year. For many years the Commission has reported on the importance of long-term financial planning for our councils and they need the certainty of a multi-year financial settlement to do this. Without this Scotland is faced with a clear risk to the financial sustainability of our councils. During the last few years we have seen increasing amounts of funding provided by the Scottish Government being ring-fenced for specific purposes and this limit on local flexibility

has also emerged through the funding arrangements for Covid-19. Councils have also been impacted by the significant loss of income and additional costs caused by Covid-19 which will have a consequential impact in the coming years. Support for councils will be needed to allow them to take a comprehensive and holistic approach as they look to stimulate economic recovery, address inequalities and build back communities.

Of course, this complex and difficult set of circumstances will, inevitably, mean that councils must make difficult decisions about the services they deliver, and indeed how these services are delivered.

A key issue will therefore be reaching agreement between the Scottish Government and COSLA to achieve a funding model for local government that targets and supports those most in need.

Throughout 2020 and beyond, the ways in which councils and communities have worked together to deliver services and support the most vulnerable has been incredible. Many communities and individuals continue to step in to provide crucial local services, empowered to do so by councils. Those local areas where partnership working was already strong and embedded were able to respond and react more quickly to the developing needs caused by Covid-19. This brought into focus the value and importance of **partnership working** and empowering communities to deliver services that meet very local needs.

Chair's introduction continued

The Accounts Commission will look to ensure that the significant amounts of funding given to councils to deliver and provide support to mitigate the impact of Covid-19 achieved value for money. ***Following the 'pandemic pound'*** will be central to our future work.

Our audit work has already seen so much positive work in councils, not least the swift and vital move to delivering services remotely and digitally. This new way of working needs to be harnessed and consolidated, with ***lessons learned, shared and improved upon***. It is vital that councils do not default to previous ways of working in areas where new approaches are having positive outcomes.

This latest Local Government Overview is the first in a series of reports that will reflect on the evolving and long-term nature of the impact of Covid-19. Here we consider the initial response of councils. And our future reporting will give a more detailed analysis of the impact and lessons learned from the pandemic, including an assessment of progress being made in early phases of recovery in 2022 before looking ahead to how councils have supported their local communities to begin recovering.

Elma Murray

Interim Chair of the Accounts Commission

Key messages



**Communities
and people**



**Service delivery
and partnership
working**



**Resources and
governance**



1. The Covid-19 pandemic is having a profound impact on all aspects of society, including the economy, jobs, and the physical and mental health of the public

The negative impacts have been greater for those already experiencing socio-economic disadvantage, and existing inequalities have intensified. Councils have been at the centre of the response to the pandemic, supporting communities through these difficult times. They responded quickly and put their initial focus on maintaining service delivery and protecting communities.



2. Relationships with communities have been vital

Councils and communities have worked well together to manage local responses to Covid-19. These included supporting initiatives to promote wellbeing and support people who were shielding and facilitating community support hubs. Existing partnerships that were stronger before the pandemic made a smoother transition into the response phase, as there were fewer barriers. Moreover, some communities were able to offer a faster and more targeted response and deliver some vital services as a result of having fewer formal decision-making structures. In some cases, Community Planning structures have been strengthened and community groups have been able to work more flexibly, demonstrating the value of community empowerment.



3. Levels of service disruption have varied

Services such as education, social care and culture and leisure were badly affected, while other core services continued on a reduced basis. Services that could be delivered by people working from home were most resilient. The disruption to services had significant negative impacts on vital areas and on some client groups. These included carers who lacked access to respite care, people with learning disabilities who lacked access to important services and wider support, and school children, who experienced significant disruption to their education. Communities experienced significant service disruptions alongside the wider impact of the pandemic. This created further challenges including job losses and increased economic uncertainty, the impact on people's mental health, and increased child protection risks during lockdown.

Key messages continued



4. Some services were delivered virtually

For example, education continued where students were able to access learning materials online. Councils worked fast to enable homeworking for staff and to provide innovative IT (information technology) solutions. There were challenges for some councils in the early days of the move to homeworking, including limited internet connectivity and insufficient supplies of IT equipment to enable the required numbers of staff to work remotely.



5. The workforce demonstrated the versatility to take on new roles

Staff were redeployed from services that were closed or reduced into services facing increased pressure while working at pace under challenging circumstances. There will be an increased need in future for staff to be agile as services continue to evolve in line with the pandemic and the recovery phases. Councils must also manage the pressures on staff to ensure their people are not put at risk of burnout as the pandemic continues.



6. There were significant changes in council governance structures and processes

At the onset of the crisis, councils suspended or revised their meeting schedules, and adopted different approaches to decision-making. Virtual meetings were established in growing numbers of councils, and all councils now hold remote meetings. There is now less reliance on delegation to officers or emergency committees than in the early stage of the pandemic, but councils must continue to balance the need for urgent decision-making with transparency.

Key messages continued



7. Councils continue to face significant financial challenges, and these have been exacerbated by the pandemic

The Convention of Scottish Local Authorities (COSLA) estimated that the total net financial impact of Covid-19 in 2020/21 would be £767 million. This includes forecast financial pressures of £855 million, with loss of income accounting for around £400 million of this total. The financial pressures have been offset slightly by estimated cost reductions of £88 million from a range of areas such as lower property costs and reduced school meal costs.



8. The Scottish Government has provided substantial additional financial support, but the nature and timing of funding has created further challenges for councils

Funding announced by the Scottish Government by February 2021 is likely to support councils in covering the net financial impact of the pandemic for 2020/21. This additional funding includes a significant element of one-off grant funding, therefore this may present financial sustainability risks for some councils in future years. Furthermore, funding announcements have been frequent but not regular, and in some cases specific conditions are attached. This has created an additional administrative burden for the Scottish Government and councils arising from awarding and accepting grants and completing the related reporting requirements.

Key messages continued



9. Councils have started to plan for longer term recovery from the crisis

While restarting services is led largely by national guidance, and the response to a second wave of Covid-19, councils are beginning to think about how to rebuild local economies and support communities in the long term. Councils will play a pivotal role in this, and as they progress through the recovery phases, there must be recognition that a return to 'business as usual' will not be possible and that the negative impacts of the pandemic will be felt for years to come. Councils' recovery plans have signalled this kind of thinking, focusing on areas that were already priorities before the pandemic, such as digital, tackling inequalities and climate change. We are still learning about the significant long-term challenges, and councils' recovery and renewal plans should address the longer-term implications of the pandemic for local economies, communities and individuals. Recovery plans must also recognise the longstanding issues of inequality that exist and set out actions to address the differential impact of Covid-19 on different groups.



10. There has been some ongoing learning resulting from the emergency response to the pandemic

Councils' service delivery arrangements and working practices changed at an unprecedented pace and on a scale that would have been considered impossible in the past. The need to respond quickly with simplified procedures has allowed councils to operate more flexibly and achieve outcomes that would previously have taken much longer. For example, the use of digital technology, to support changes to service delivery and councils' governance arrangements, has accelerated at a greater pace than many councils had planned for or thought achievable. It is important that councils now consolidate and build on the factors that allowed this level of change and innovation to take place so quickly. Councils should also identify the positive developments to take forward into renewal planning to maintain this momentum. It is also important for councils to avoid the risk of reverting to 'business as usual' in areas where new ways of working are having positive outcomes, for example flexible working and an increase in digitally enabled services. We will consider further lessons learned in more detail in future local government overview reports.

About this report

Our local government overview this year is taking place amidst the Covid-19 pandemic, which has created an unprecedented set of issues and challenges for councils, their partners and for communities. The shape of the recovery and renewal curve is not yet clear, nor are many of the longer-term impacts on the economy, communities, and public services.

This report

- is the first in a series of reports that reflects the evolving and long-term nature of the impact of Covid-19
- considers the initial response phase of the pandemic from March 2020, and includes financial data correct as at the end of February 2021
- provides case study examples of council responses to new challenges.

Future reporting

- will give a more detailed analysis of the impact of the pandemic and lessons learned from it, including an assessment of progress being made in early phases of recovery in 2022
- will cover further progress, with renewal and recovery reported on in 2023.

Timeline of key events

18th - £350m funding announced for councils, the third sector, and community groups

20th - Closure of schools

24th - Scotland goes into 'lockdown'

30th - The Scottish Gov. announce that local authorities' August 2020 deadline to deliver 1140 funded hours of Early Learning and Childcare will be removed

6th - Coronavirus (Scotland) Act receives royal assent

20th - Covid-19 deaths peak in Scotland

5th - Scottish Gov. announce that £155m in Barnett Consequentials will be passed to Local Government

7th - Announcement of the 'Connecting Scotland' Initiative

29th - Scotland enters phase 1 of Scottish Gov. route map

16th - Summer provision of free school meals announced

19th - Phase 2 of Scottish Gov. route map begins

23rd - £257.6 million of additional funding for councils to help tackle Covid-19 is approved (includes £155m consequentials)

10th - Phase 3 of Scottish Gov. route map begins

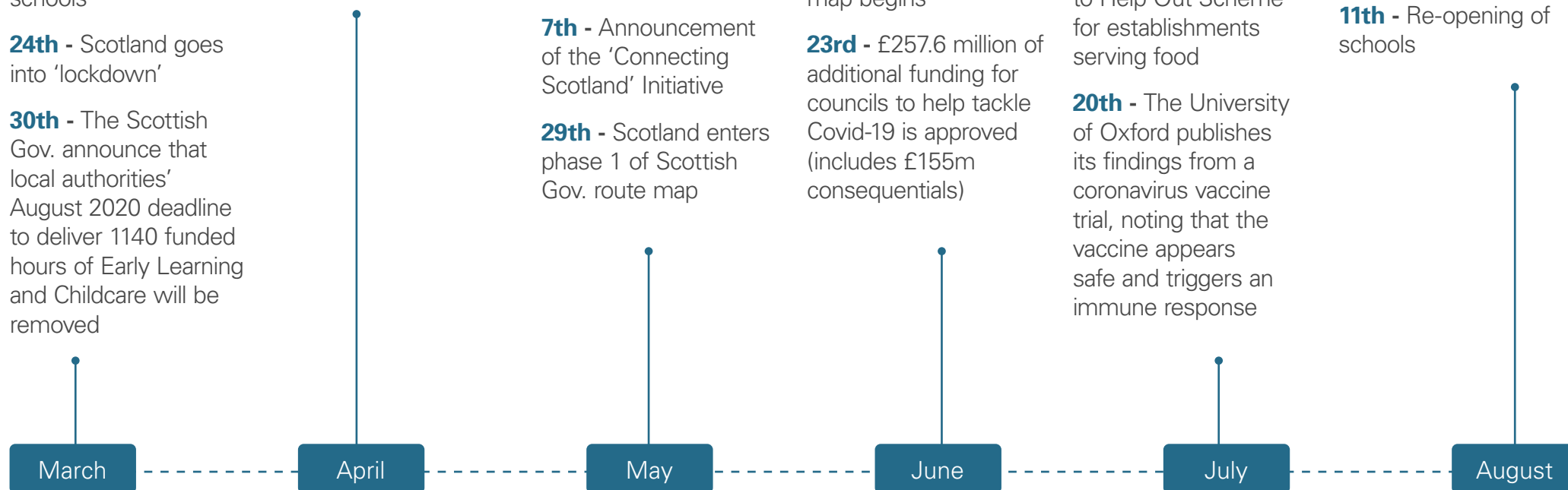
13th - UK Government announce the Eat Out to Help Out Scheme for establishments serving food

20th - The University of Oxford publishes its findings from a coronavirus vaccine trial, noting that the vaccine appears safe and triggers an immune response

5th - Local restrictions in Aberdeen following rise in infections

4th - Scottish pupils receive SQA results

11th - Re-opening of schools



Initial response phase, March to August 2020

Timeline of key events

1st - New restrictions introduced in the West of Scotland

22nd - New national restrictions and hospitality curfews introduced

24th - Scottish Gov. publish 2020/21 Autumn Budget revision. Covid-19 guaranteed consequential reach £6.5bn

7th - Further temporary restrictive measures for hospitality, particularly in the central belt

20th - Further funding announced for free school meals and additional flexibility for councils to use the £20 million welfare fund

2nd - Local Authority protection levels take effect

5th - UK Gov. announce furlough extended to March

20th - 11 local authorities move into Level 4

24th - UK wide relaxation of restrictions over Christmas announced

8th - Covid-19 vaccination programme commences

14th - It is confirmed that the ELC expansion deadline has moved to August 2021

19th - The Scottish Gov. announce tightening of festive period restrictions

26th - National lockdown in Scotland begins

5th - Mainland Scotland goes into lockdown with a new legal requirement forbidding anyone from leaving their home except for essential purposes.

11th - The rollout of the Oxford/Astrazeneca coronavirus vaccine begins

29th - Scottish Gov. announce the Western Isles will move to Level 4 due to rise in cases

22nd - Children in early learning and childcare and primaries 1 to 3 return full-time to classrooms

25th - Scottish Gov. announce Scotland's vaccination programme has delivered first doses of the Covid-19 vaccine to a third of those eligible

28th - Scottish Gov. announce three cases of a Covid-19 Variant of Concern first identified in Brazil, have been identified in Scotland



Initial response phase, September 2020 to February 2021

Key facts/Context

About local government

Councils in Scotland operate in a complex and challenging landscape. The scale of Covid-19 has created an unprecedented set of issues and challenges for councils, their partners, and communities. These include unprecedented economic and social impacts, additional financial pressures and increased service demand, the need for new service delivery models and negative impacts across communities and groups, particularly those who were already vulnerable. For several years, councils have been dealing with increasing challenges and uncertainty while continuing to address the needs of local people and national priorities. The Covid-19 pandemic has put into clear focus the pivotal role of councils in delivering not only the day-to-day services that communities rely on, but also in responding to risks. It emphasises the essential importance of effective leadership, good governance and good financial management for all councils.

Additional Covid-19 actions and responsibilities

- support to communities
- business support grant administration and distribution
- infrastructure amendments
- advice services
- staff redeployment
- virtual service delivery

32 councils



£12.6bn net expenditure budget in 2019/20



Workforce of **206,000** local government staff



Providing services to **5,463,300** people in Scotland

431,000

claims for the Self-employment Income Support schemes

£0.8bn

estimated additional Covid-19 costs in 2020/21

180,000

people shielding in Scotland

£0.4bn

estimated loss of income in 2020/21

9,000

households receiving kit through 'Connecting Scotland'

£1.02bn

administered in business support grants

[Our Local government in Scotland: Financial overview 2019/20](#) and [Digital in Local Government](#) reports explore some of these issues in more detail.

Key characteristics of the response

We have organised our analysis of the local government response to the pandemic and the wider risks that have emerged under the following themes. Early lessons learned relating to each theme are highlighted in the following sections of the report.

Each characteristic can be navigated to by the tabs at the top of the pages.



Communities and people

Community wellbeing and the role of communities in responding to the crisis

- differing impacts of Covid-19 on demographic groups
- the impact of the pandemic on inequalities
- communities' contributions in responding to the crisis



Service delivery and partnership working

The adaption of service provision and working with partners

- reduced service provision and prioritised services
- innovation and digital delivery
- enhanced collaboration and more positive working relationships



Resources and governance

The financial impact of responding to Covid-19, use of resources and changes to governance arrangements

- challenging financial outlook– additional spending and lost income
- new funding and financial flexibilities
- staff redeployed to fulfil essential roles
- virtual decision-making
- changes to governance arrangements



Communities and people

The adverse effects of the Covid-19 pandemic on different communities will last for years to come. Some people have faced greater hardship than others, and inequalities have increased in areas such as health, deprivation, employment and digital access. Communities have been integral in supporting councils and their partners' responses to the pandemic. Covid-19 recovery planning needs a sustained focus on addressing inequalities with community empowerment at its heart.

Covid-19 has had a profound impact on society and the economy

- The impact of Covid-19 on society has been hugely disruptive. Social distancing measures have markedly changed people's daily lives and, for many, have had a detrimental impact on mental health and wellbeing.
- Covid-19 has created significant uncertainty for many sectors of the economy. The national restrictions have forced many industries to shut down completely, resulting in substantial job losses and reliance on the national furlough scheme. At November 2020 the unemployment rate was 4.4 per cent, compared with 3.8 per cent for the same period in 2019.¹ The Improvement Service has created a Covid-19 economic impact dashboard² which shows the current uptake of government support at a Scottish local authority level. This uses publicly available data and includes details of the types of employment furloughed, the Self-Employment Income Support Scheme, unemployment benefit claims, and the Covid-19 Business Support Fund Grant Scheme.
- Covid-19 will also bring longer-term impacts on the economy and labour market, potentially leading to structural changes and the risk of long-term scarring for those exposed to extended periods of unemployment. The pandemic has created unequal effects on the economy so far, with digital and tech industries thriving whereas retail, hospitality, tourism, and creative industries have been the worst affected. Many of the workers within these worst affected industries are among the lowest paid and include groups such as young people, women, those with disabilities, and minority groups. This creates a risk that existing social and economic inequalities will be exacerbated. There is also the potential for some areas to be disproportionately affected, for example in economies surrounding city centres relying on footfall and in rural economies relying on tourism. The Improvement Service comments on these issues in more detail in its Covid-19 Supplement to the Scottish Local Authorities Economic Development Group (SLAED) Indicators Report 2019-20.³

1. [Labour marker in the regions of the UK](#): Office for National Statistics, March 2021

2. [COVID Economic Impact dashboard \(shinyapps.io\)](#)

3. [Covid-19 Supplement to SLAED Indicators Report 2019-20](#)

Covid-19 had a significant impact on children and young people

- Significant disruption to education has had an adverse effect on children and young people. The move to home learning has been challenging for many families and has led to loss of learning and loss of school experiences. Our report [Improving outcomes for young people through school education](#) looks at these issues in more detail and notes that the negative impacts of the pandemic may affect children and young people across a range of outcomes, and has had a detrimental effect on mental health and wellbeing.
- Covid-19 has also had a significant impact on young carers, many of whom have had to take on additional caring responsibilities during lockdown. These young people provide essential care for their families, often 24 hours a day, and this can lead to challenges in maintaining their social, educational, and economic wellbeing, as well as their physical and mental health. The pandemic and associated lockdown restrictions and social distancing measures have had far-reaching implications for young carers. These include increases in the complexity of the care provided, the withdrawal of some aspects of external support, difficulties associated with home learning and increased stress and anxiety levels as care loads grow.

Covid-19 has had a disproportionate impact on some communities and groups in society

- Covid-19 has had disproportionate effects on peoples' health, particularly those with existing health conditions, but the pandemic and society's response to it is also having an unequal impact on disadvantaged and vulnerable people and communities.
- Those living in areas of high deprivation in Scotland are twice as likely to die from Covid-19,⁴ and structural inequalities, for example poor access to good-quality education, employment, health and housing, place black and minority ethnic groups at much higher risk of becoming severely ill with Covid-19.⁵
- One-third of 18-24-year-olds have been furloughed or lost their job, in contrast to just over one-sixth of working-age adults overall. A cause for concern is prompted by further analysis by the Resolution Foundation which suggests that those currently on furlough have an increased risk of later unemployment when the job retention scheme ends.⁶
- The financial impact of Covid-19 has been substantial for many individuals and families. Over half of families in receipt of Universal Credit or Child Tax Credit in Scotland have had to borrow money since the start of the crisis.⁷ The economic impact has also affected some groups to a greater degree than others, for example young people and women in low-paid job sectors that have faced service closures. Women have historically been exposed to labour market inequality, through comprising more underpaid and undervalued work and are also more likely to have caring responsibilities, making it harder to balance work and care commitments. These issues have been heightened through the response to Covid-19, as women have been disproportionately affected by job disruption and the need for more unpaid care.⁸
- In addition, digital exclusion has been exacerbated, resulting in reduced access to information, goods, and services for some. In the 20 per cent most deprived areas in Scotland, 82 per cent of households have access to the internet, in comparison with 96 per cent in the 20 per cent least deprived areas.⁹

4. [Deaths involving Coronavirus \(COVID-19\) in Scotland, National Records of Scotland, December 2020](#)

5. [Supporting community recovery and resilience in response to the COVID-19 pandemic: a rapid review of evidence, Glasgow Centre for Population Health, May 2020](#)

6. [Getting Britain working \(safely\) again, The next phase of the Coronavirus Job Retention Scheme, May 2020](#)

7. [A stronger Scottish lifeline in the economic storm, Joseph Rountree Foundation, July 2020](#)

8. [The impact of COVID-19 on women's labour market equality, Close the gap: Disproportionate disruption May 2020](#)

9. [Scottish Household Survey 2019: annual report](#)

New vulnerabilities have also emerged as a result of Covid-19

- Covid-19 has created new vulnerabilities and exacerbated existing inequalities and exposure to risk factors.¹⁰ The response to the pandemic has had a huge impact on vulnerable adults and children, for example through care services being removed from people with disabilities and elderly people, children with additional support needs having reduced educational support, and increased child protection risks as a result of children being less visible to support services.
- These services provide important streams of both practical and social support for those in need. The reduction or cessation of services has had a significant impact. For example, the Care Inspectorate found that children and young people, whose school education and building-based social activities had been suspended, were particularly adversely affected.¹¹ Similarly, parents in some situations became quickly exhausted. The Care Inspectorate also note the risk of hidden harm being a concern.
- The disproportionate impact has also been reflected in the challenges for those with caring responsibilities, including carers who have faced reduced access to support services and respite care.

Case study 1

East Renfrewshire Council



East Renfrewshire Council's multi-layered approach to shielding.

The council contacted those on the shielding list to assist with essential tasks such as delivering food and medicine. Further support was provided to other groups by cross matching the shielding list with the lists of those accessing other services, such as homecare, telecare, housing, learning disability, food hubs and young mums' services. This allowed the council to co-ordinate various elements of support and contact people who had not used services before. It also helped to identify wider issues that were emerging during the pandemic, such as communities being at risk of food poverty.

10. [A brief summary of some issues and potential impact on those living in socio-economic disadvantage, The Improvement Service: Poverty, Inequality and Covid-19](#)

11. [Delivering care at home and housing support services during the COVID-19 pandemic, September 2020](#)

Councils were innovative and worked at pace to provide support to those most at risk

- In the initial phases of the pandemic, councils identified vulnerable people using sources such as databases of those accessing food banks, households receiving free school meals and people on the shielding list. This allowed for a targeted response to those at greatest risk.
- Councils have been at the forefront in adapting services and providing support to communities. Diverse approaches were taken to respond to the changing circumstances and to support the most vulnerable. For example, innovative solutions to provide accommodation for homeless people were established. The rapid response to housing the homeless, through additional funding and using private sector resources, is unprecedented.
- Councils are also contributing to national efforts to minimise the negative effect of digital exclusion on vulnerable communities, working with the Scottish Government and third sector to distribute digital devices through the 'Connecting Scotland' initiative.

Case study 2

The City of Edinburgh Council



The City of Edinburgh Council private sector leasing scheme to tackle homelessness.

The council increased its provision to homeless people by using private sector resources, such as hotels, B&Bs and rented accommodation through the private sector leasing scheme. Working with Link Housing, the council is looking to enhance the scheme in the longer-term, where landlords can lease their properties to the council for up to ten years at guaranteed rents. The council began a new contract for the scheme in April 2020 and, despite the challenges of Covid-19, the scheme has increased by 89 properties, and 321 new tenancies were established between 1 April and 6 November 2020.

Councils were innovative and worked at pace to provide support to those most at risk

Case study 3

Scottish Borders Council



Scottish Borders Council's 'Inspire Learning' programme:

'Inspire Learning' is an ambitious digital learning programme developed in July 2019, through which all secondary pupils and teachers received their own iPad. A range of partners have contributed to the programme's success by adopting a 'one vision' approach. The initial phase was completed six months ahead of schedule in March 2020, providing an invaluable tool for remote learning in response to Covid-19. In the first week of home learning, over 90 per cent of secondary pupils were using their iPads at home. The programme has also now been extended to all primary pupils in P4 and above and primary teaching staff. It also aims to aid collaboration between schools, enhance delivery of the curriculum, and address future employment challenges, by teaching young people digital skills such as coding, working with Apple's education initiative.

Councils will continue to play a significant role in addressing future inequalities

- The Convention of Scottish Local Authorities (COSLA) has recently prepared a [Blueprint](#), based on the empowerment of people and communities, that outlines the steps local government needs to take to overcome inequalities which increase the chances of contracting Covid-19, and longer-term impacts of the virus. However, it is too early to assess councils' progress in applying the blueprint or to understand the full impact of the pandemic on inequalities.
- Councils will play an integral role in Scotland's recovery from Covid-19 and putting communities at the centre of recovery will be vital. As well as managing the specific impacts of the pandemic, councils will also need to address the challenges that existed before the pandemic, many of which have been heightened.
- The impact of the crisis will require targeted interventions to ensure that people can be supported to overcome its damaging social and economic effects. Councils have demonstrated early signs of this kind of thinking, for example by developing virtual skills programmes for young people, and job-matching websites to help people find employment.

Case study 4

Falkirk Council



[Falkirk Council's Employment and Training Unit.](#)

The council's Employment and Training Unit has ensured that more than 800 people could continue to develop employability skills during Covid-19 by providing virtual support, replacing typical face-to-face learning. The team supports young people in Falkirk who wish to develop skills outwith traditional higher or further education settings. The service offers a range of support, from specific training and qualifications to wider life skills in wellbeing, health, and finance. The team has signposted people to other services to help with challenges arising from Covid-19. It has been successful in securing jobs for some despite the fragile employment market, in areas such as health and social care, retail, food and administration.

Lessons learned

The impact of Covid-19 has been extremely detrimental for many of Scotland's most vulnerable people and communities. The impact will be long-lasting and will significantly increase inequalities. Recovering from the pandemic will require tackling inequalities to be a priority.

As councils may look to embed longer-term changes to service provision as seen during the pandemic, it is important that they are adaptable in their approach, to ensure that services are reaching communities in the right way. Councils need to understand the needs of those experiencing digital exclusion and put

a strategy in place to ensure equal access to services for all citizens and communities.

Communities were an asset in councils' response to the pandemic

- As councils worked at pace to adapt service provision and provide additional support to vulnerable people, community groups made significant contributions, for example local people helping to coordinate the shielding response.
- Community-led responses were delivered through initiatives such as Community Planning Partnerships and third sector volunteering. Communities made important contributions to delivering these support systems.
- The establishment of community hubs was a common approach to coordinating local support by providing emotional support and services such as deliveries of food and medicines.

Case study 5

North Ayrshire Council



North Ayrshire Council's 'Three Towns' Community Hub.

The council established community hubs around its localities, one being the three towns of Saltcoats, Stevenston, and Ardrossan. Existing community engagement work provided a robust base for developing a collective response from different services, and from community groups that acted as volunteers.

The hub linked together expertise from the community, health, social work, libraries, community development and voluntary organisations. The hubs provided a local telephone point of contact for community need arising as a result of Covid-19, also helping to distribute food, medicine, mental health support, and books. Holistic working provided an efficient response to serving communities with various services 'under one roof'.

Communities experienced increased levels of activity and collaboration

- As a result of reduced levels of governance and decision-making protocols, communities embraced the opportunity to take charge in responding to the crisis. For example, communities quickly organised themselves to help councils to provide essential supplies to vulnerable people, often in a matter of days.
- Before the pandemic, this type of innovation and activity from local people faced barriers, including limited opportunities to influence or take control of decision-making processes, poor relationships and a lack of trust between communities and the public sector, continued financial pressures and austerity measures, and leadership and cultural challenges. However, the need for more streamlined processes allowed communities to make significant contributions in response to the pandemic. Our report [Principles for community empowerment](#) outlines the benefits of community empowerment in more detail.
- Collaboration was more effective where pre-existing relationships with communities were strong. Shared values and trust were important in helping councils to target support and achieve buy-in from community groups.

Case study 6

East Lothian Council



[East Lothian Council](#) **Connected Communities Resilience Bases.**

The council established six bases (one in each ward) across the local authority area to support vulnerable people or those who are self-isolating and have no other local support. Staff coordinated the despatch of essential goods including food, sanitary products, and hearing aid batteries. They proactively contacted those on the shielding list and worked with community groups to tackle concerns over wellbeing and isolation.

Lessons learned

Action taken by communities has been vital in supporting councils and their partners to deliver an emergency response. Partnerships that were well-established before the pandemic had a smoother transition into the response phase and acted more quickly than others.

The importance of strengthening relationships with communities has been apparent. Greater flexibility in decision-making structures has been an effective tool for communities, empowering them while allowing the council to operate more efficiently. Giving communities

more scope to use initiatives like this will be important in the future but must be balanced with the return of robust governance arrangements and continued openness and transparency in decision-making.



Service delivery and partnership working

Councils were central to the national Covid-19 pandemic response to supporting communities and vulnerable groups, alongside partners in health and social care and voluntary sectors. They responded quickly to the pandemic, placing their initial focus on maintaining essential services and protecting communities. Levels of service disruption varied during the early stages of the spring 2020 lockdown. Some councils worked well with their communities to respond to the challenges.

Councils proved agile in adapting service provision, by redirecting resources and using digital technology

- In their initial response to the national lockdown in March 2020, councils had to take quick decisions on their priorities to maintain key services while changing the way they delivered services and pausing some altogether.
- Generally, the most resilient services were those that were able to embrace home working, particularly administrative, support and processing functions.
- The impact of the pandemic and disruption to services varied. Services such as education, social care, culture and leisure, and housing repairs were significantly disrupted, and it is likely that these impacts will have longer-term consequences for communities and councils.
- Our report [Improving outcomes for young people through school education](#) found that those involved in planning and delivering school education and their partners had developed a strong foundation of working together before the pandemic. That foundation helped them deliver a quick response to the crisis. However, the move to home learning was less effective for children and young people living in already challenging home circumstances. This has exacerbated learning and development inequalities among pupils.

Case study 7

Aberdeen City and East Dunbartonshire



Councils including [Aberdeen City](#) and [East Dunbartonshire](#) distributed digital equipment to school pupils.

Aberdeen City Council's Education Service provided laptops and internet access for children and young people to support their access to the curriculum and continuing their studies at home. Teachers came up with interactive ways to provide more engaging learning for students. Guidance on delivering a digital curriculum was also issued to parents and staff.

- The pandemic impacted on councils' ability to carry out their social care functions, and the Coronavirus (Scotland) Act 2020 temporarily relaxed many of the usual statutory requirements on councils. These changes had significant negative impacts on some vulnerable groups and communities. In its review of care at home services, the [Care Inspectorate](#) found that health and social care partnerships effectively prioritised support for people with critical needs; but the impacts of this prioritisation on other people using services was very variable across the country.
- The suspension of day care and respite services had a particular impact on children and young people with additional support needs, learning disabilities or challenging behaviours. Children and young people whose school education and social activities had been suspended were particularly adversely affected.
- The Care Inspectorate also found that social isolation, disruption of daily activities, limitations on physical activity and the suspension of reablement services had an adverse impact on the health and wellbeing of people who experience care and carers.
- All councils and partner providers closed their leisure centres, libraries, museums, and cultural centres to the public.
- Councils initially restricted housing repairs to emergencies and essential repairs only, and the right to repair timescales were suspended in cases where landlords and contractors could not meet them because of the disruption caused by Covid-19.

Case study 8

Midlothian Council



[Midlothian Council's Registrations service](#) moved to a seven-day service, to make sure that deaths would be registered on time, and in line with social distancing requirements.

The service adapted to enable remote digital registrations, coordinating the early stages of each registration before completing it in the office. The council's library support team provided administrative assistance to the registrations team.

- Other services such as waste collection and administration functions continued on a reduced basis in the early stages of the spring 2020 lockdown. For example, in waste management, most councils continued kerbside bin collections, but recycling centres were temporarily closed. Most planning services were moved online with site visits suspended and a focus on responding to urgent matters.
- Councils made creative use of digital technology, responding to challenges across services. For example, school pupils were given access to learning materials online while learning at home (the 2021 report [Improving outcomes for young people through school education](#) looks at councils' responses to the pandemic and their impacts in detail). In addition, fitness classes and library collections moved online; some care homes provided virtual visiting for residents; and some councils live-streamed funeral services privately for family and friends.
- The [Digital progress in local government report](#) found that the pandemic has had a huge impact on council workforces, resulting in a large-scale shift to homeworking and remote working. Getting the right technology, skills, and support in place to give staff the confidence to use new cloud-based tools has been a key challenge. Councils' digital and information communication technology (ICT) teams have responded with unprecedented speed, agility, and resilience.

Case study 9

Perth and Kinross Council



[Perth and Kinross Council live streamed funeral services from Perth Crematorium, to allow families to say goodbye to their loved ones safely while following social distancing guidelines.](#)

The webcam service was made available privately to relatives, and the feedback received from families has been overwhelmingly positive.

Councils rapidly changed service delivery arrangements

- Councils reacted quickly to take on new responsibilities brought about by the pandemic, including distribution of business support grants ([see Resources and governance section](#)) and involvement in the shielding response.
- Councils have also experienced an impetus for digital change from the challenges of the pandemic, with some taking the opportunity to accelerate their digital transformation plans by, for example, adopting online meetings and reducing staff travel. [The Digital progress in local government report](#) provides more details on how councils met these challenges.
- Data sharing between councils and partners enabled resources to be directed to those in need. [The Digital progress in local government report](#) highlighted the example of the Helping Hands platform which councils and third sector partners jointly developed to coordinate support for citizens who were shielding or otherwise vulnerable. This allowed councils and partners to identify and support those at greatest risk. However, the Improvement Service found that a lack of data sharing in some cases created challenges, for example relating to councils and Public Health Scotland sharing Test and Protect data from households required to isolate.
- Our review of the 32 council websites found that councils took similar approaches to communicating with the public and staff through their websites by providing periodic updates on most services. But some councils' websites had gaps in information on key services such as homelessness and social care in the early stages, creating the risk of people not being kept fully informed about the services they needed.

Case study 10

Perth and Kinross Council



[Perth and Kinross Council staff such as parking attendants worked with NHS Tayside to collect and deliver prescriptions and other medical equipment to patients.](#)

This followed the suspension of parking charges, to allow key workers to get to their places of work more easily. The council's Public Transport Unit also worked with businesses that normally take pupils to school to instead take key workers to and from work back home.

Council workforces demonstrated versatility by adapting quickly, taking on new roles and working under pressure to maintain key services

- Councils redeployed staff from closed or reduced services to services that faced increased demand or pressures. Staff have had to work at pace and under significant pressure.
- Homeworking and staff redeployment have created challenges for council workforces. The additional pressures created by new and changed ways of working reinforce the need for the workforce to be versatile now and in the future.
- The impact of the pandemic on staff wellbeing and mental health means that there is an increased need for leaders to be aware of staff wellbeing and their role in supporting staff, as well as ensuring the effectiveness and accuracy of councils' workforce data and planning. These challenges have been highlighted by the [Improvement Service Organisational Development Local Authority Network \(ODLA\)](#).
- There is an increasing and ongoing need for council workforces to be agile as services continue to adapt to the impact of Covid-19, and as recovery moves into renewal. But councils must also manage the pressures on their staff to ensure their people are not at risk of burnout as the pandemic continues.

Case study 11

North Ayrshire Council



[North Ayrshire Council redeployed staff to its community support hub network to work with volunteers in supporting local communities.](#)

The hub network was established in March 2020 providing services including support to vulnerable residents and people in isolation to access emergency food supplies, and connecting with people struggling with money worries, social isolation, and poor mental health. The links to a wide range of disciplines allowed the hub to respond quickly in the initial phases of lockdown by taking a multi-agency approach. In one week, the hubs answered over 2,200 calls, carried out 2,153 food deliveries and 746 prescription drop-offs, and provided advice and signposting to over 400 residents to key statutory services.

Lessons learned

Councils must closely monitor the impacts of service changes and disruptions on people and communities. There are growing concerns about the effects of service disruptions on different groups, for example the impacts of moving school education into homes and online on disadvantaged and vulnerable children

and young people, and of reduced or paused care services on people who rely on them and their carers. Councils must develop targeted responses to tackle both the immediate negative impacts of the pandemic and the long-term inequalities that have been exacerbated.

As councils embrace longer-term digital service provision, they must balance the efficiencies digital services bring against the needs of communities and the workforce. Citizens must be at the heart of decisions about the services they rely on.

Councils have worked effectively with community partners to respond to the impacts of Covid-19. Partnerships between councils and community partners have developed and strengthened in some areas

- Councils play a key role in leading and coordinating partnerships focused on supporting and improving the lives of people in their communities. This role has been crucial as councils have coordinated and managed local responses to the pandemic. There have been many positive examples of these partnerships - including in mandatory Local Resilience Partnerships, through data-sharing responses to support shielding - and community resilience responses.
- During the early stages of the spring 2020 lockdown, it was not always clear how councils identified those in need of additional support. Some councils outlined their approaches on their websites, for example in providing additional support to individuals and families by coordinating data on those accessing other support such as food banks, households receiving free school meals, and those on the shielding list. Not all councils detailed their approaches publicly. This created a risk that people were not fully informed about the services they could access and were entitled to, particularly those in vulnerable groups, or about the council's response to Covid-19 in their local area.
- Partnerships with the third sector and communities have been particularly important in protecting people's wellbeing and supporting community hubs. As noted in the [Communities and people](#) section, partnerships that were well established before the pandemic had a smoother transition in the response phase. Many councils set up community hubs, and some communities were able to offer a faster and more targeted response to deliver vital services as a result of having fewer formal decision-making structures.

- Councils played an active role in national initiatives such as [Connecting Scotland](#), working with the Scottish Government and third sector to distribute digital devices to people in need.
- Collective action from Community Planning Partnerships (CPPs) had a significant positive impact. CPPs provided a much-needed way of coordinating local support activities and communications. Work carried out by the Improvement Service highlighted how CPPs have added value, through emergency resilience planning and by providing an immediate response involving key partners and communities.
- CPPs' impacts highlighted the value of Community Planning, in coordinating local and national responses, mobilising communities to take charge of supporting vulnerable people, developing existing relationships within Community Planning, and marshalling third sector resources. Following this initial reactive phase, there is evidence of CPPs now looking to join councils' efforts in recovery planning.

Case study 12

East Renfrewshire Council



[East Renfrewshire Council](#) contacted the 2,500 people on the shielding list to check whether they needed any assistance, for example in obtaining food and medicine provision, digital support, or financial help.

The council also carried out a social care needs assessment at that point to determine what support was already in place, for example district nursing or home care, and then worked with Voluntary Action East Renfrewshire to meet the additional needs.

Case study 13

Fife Council



[Fife Council worked with Fife Voluntary Action to deliver the Helping Hands initiative.](#)

This aims to support local communities across Fife, providing a range of essential services, including delivery of shopping and prescriptions, and providing transport and befriending services. There are eight active community resilience groups in Fife, six of which were established before the pandemic. These linked directly with the Emergency Resilience Team which provides advice on and support for developing local resilience arrangements and community-led responses. The groups have been key to providing a foundation for building capacity and additional resources to respond to the impacts of Covid-19 and support communities.

- The Improvement Service has worked with COSLA and the Society of Local Authority Chief Executives (SOLACE) to develop a local government Covid-19 dashboard, to help councils to coordinate and draw insights from the significant volume of Covid-19 data they hold. The dashboard has been created to put greater focus on evidence-based service arrangements and to help councils use timely data to inform their decision-making. It is too early to assess the overall effectiveness of the dashboard, but the early signs are positive, and councils now have access to current data on key figures and emerging trends analysed nationally and at family grouping level. Further consideration will be given to the dashboard in future local government overview reports.
- More broadly the Improvement Service has played a key role in sharing good practice examples of effective ways of working by councils during the pandemic, preparing a paper on the role of Community Planning in the response to the crisis and producing economic dashboard outputs on its website to show differences in councils' uptake of the furlough schemes. COSLA's Recovery Special Interest Group is currently reviewing lessons learned and developing policy on the national recovery from Covid-19. The group is chaired by the COSLA vice-president and includes COSLA's president and five policy spokespersons. Its aim is to develop political direction from local government to shape the medium- to longer-term recovery work.

Councils' approaches to restarting paused services have varied, but they have been guided by the Scottish Government's national guidance

- As well as recovery planning, early action has already been taken in some councils to address the profound and immediate economic and social consequences of the pandemic. Some councils are working with partners to develop skills programmes to tackle future employment issues and using place-based approaches to address wider economic challenges.
- Councils have also maintained their focus on key challenges that they faced before the pandemic, and progress has been made in some areas despite the unprecedented pressures that emerged. For example, in March 2021, the Improvement Service¹² noted that data returned by local authorities indicated that 114,222 children were accessing funded early learning and childcare services as at the end of February 2021. Of these, 98,474 children (86 per cent) were accessing more than the statutory entitlement of 600 hours, and 74,096 children (65 per cent) were accessing 1,140 hours, despite the legal obligation to do so being suspended for a further 12 months.
- But there are significant challenges facing councils as they move from the response to recovery from the pandemic. As we highlighted earlier in this report, there are longstanding and wide-ranging inequalities in children's and young people's education outcomes that have been exacerbated by the impacts of and actions taken in response to Covid-19. The impacts of reduced services for pupils and for care service users for example, may not be known for some time and will require long-term efforts to address them.
- Services that were paused or reduced during Covid-19 restrictions will have built up backlogs of demand that may take some time to become clear. Councils' responses to these backlogs and the restarting of services will need to be effectively resourced and managed.
- Looking to the medium and longer term, councils recognise the challenges of repairing the damage to communities caused by Covid-19. Recovery planning began in many councils early in the pandemic, primarily focusing on recovery and renewal. The priorities that demanded councils' attention before the pandemic have become even more pressing, such as tackling inequalities, improving outcomes for young people, and tackling climate change.

12. [Early Learning and Childcare Expansion Delivery Progress Report, March 2021](#)

Case study 14

Glasgow City Council

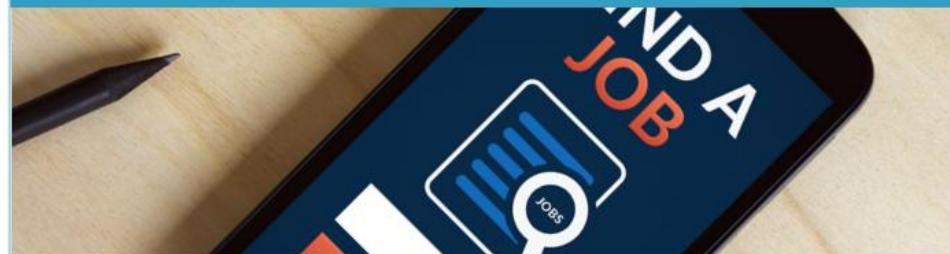


Glasgow City Council acted promptly in establishing its Covid-19 Recovery Group to tackle the economic and social consequences of the pandemic by looking at economic impact data.

At the end of this process, the group will publish a report containing recommendations on the actions that will guide the economic recovery of the city and city region. The group consists of members of the Glasgow Economic Leadership, the Glasgow Partnership for Economic Growth, the Glasgow Economic Commission, and some external advisers. Members include representatives from the public sector, academia, the voluntary sector, and the tourism, retail, financial services, and energy sectors.

Case study 15

Edinburgh and South East Scotland



Edinburgh and South East Scotland City Region Deal partners, through the Integrated Employer Engagement workstream of the Integrated Regional Employability and Skills programme, launched a new job matching website, c19jobs, as a rapid response to promote key worker roles and to help reduce unemployment caused by the pandemic impacts.

The site offers vacancies in key sectors such as the NHS, supermarkets, and take-away services. The site also provides information and guidance for both employers and employees.

Case study 16

North Ayrshire Council



[North Ayrshire Council launched its Community Wealth Building Strategy in May 2020 which is the first of its kind in Scotland.](#)

The strategy underlines how the council and other 'anchor' organisations – including NHS Ayrshire and Arran, Ayrshire College, and wider partners - will support more local business to bid for public sector contracts. The council seek to continue to enhance its strategy, recognising that Covid-19 has had a negative impact on inequalities to ensure that the recovery is strong, resilient, and fair. It aims to 'keep wealth local' and provide more sustainable solutions to tackle Climate Change.

Lessons learned

Councils and their staff have been at the centre of unprecedented efforts to protect and support people and communities through the Covid-19 pandemic. Demands on people have been intense, and both council staff and the citizens they serve will need continued targeted support through the move to recovery and renewal. Councils' recovery and renewal efforts must be informed by comprehensive understanding of the issues that affect all those who live and work in their communities, and the positive partnerships built on during their initial response should be a core element in this.

The impacts of the pandemic, particularly its unequal impacts on groups in society and the awareness it has raised of issues of fairness and equality, the importance of community and the value of local services are all key to deciding future priorities for public services and what 'building back better' might mean for communities.



Resources and governance

Councils have been dealing with the unprecedented economic and fiscal consequences of the Covid-19 pandemic alongside other challenges. Significant changes were also required to governance arrangements in the early stages of the pandemic.

Councils face significant financial challenges as a result of the pandemic

- Our [Local government in Scotland: financial overview 2019/20](#) report explains how the Covid-19 pandemic and associated lockdown has affected many aspects of councils' finances and created significant financial challenges and uncertainty.
- As part of COSLA's cost collection exercise carried out in July 2020, councils estimated that the total 2020/21 net financial impact of Covid-19 would be £767 million. This includes financial pressures totalling £855 million, offset by cost reductions of £88 million from a range of areas such as lower property costs and reduced school meal costs. Loss of income accounted for around £400 million of the forecast financial pressures. Other areas forecast to come under increased pressure include the costs associated with delaying capital projects, underachievement of savings and the additional costs associated with delays in the redesign and reconfiguration of services.
- The closure of sport and leisure facilities is likely to result in a significant loss of income for councils. In summer 2020, COSLA estimated that this could be around £75 million for 2020/21, however this was based on assumptions in line with the Scottish Government's route map out of lockdown at that time. It is likely that the further lockdown restrictions implemented in December 2020 will exacerbate this challenge, resulting in a greater loss of income than first anticipated. This also applies to other areas of lost income for councils, including from the closure of other buildings and services, reductions in fees and charges and the impact of school closures on income from food and drink. In addition, the council tax reduction scheme and loss of council tax revenue continues to put significant pressure on revenues, alongside similar challenges faced by councils in collecting housing rent payments. Councils also projected that they will miss out on over £50 million in savings as a result of opportunities forgone and the pressures faced in response to Covid-19.
- Councils' auditors also reported wider financial consequences of Covid-19 in the 2019/20 annual audit reports. These include the suspension of capital programmes, delays in bad debt collection and the uncertainty of capital receipts.

Case study 17

Projected loss of income – ALEOs

Several large urban councils have arm's-length external organisations (ALEOs) that were set up to manage commercial activities and provide income back to councils. These include conference facilities and transport services.

Councils' projected loss of income from these organisations in 2020/21 is £39 million. This includes Lothian Buses, Edinburgh Trams, the Scottish Exhibition and Conference Centre and the Aberdeen Exhibition and Conference Centre.

The UK and Scottish governments have provided substantial additional funding to support the pandemic response

- Scotland has had guaranteed additional funding from the UK Government of £8.6 billion. As at February 2021, over £2 billion of Scottish Government Covid-19 support for councils had been either allocated or announced. This includes the following:
 - £800 million of non-ringfenced revenue support, including £200 million (estimated) of dedicated funding to compensate councils for loss of income
 - £267 million to support education recovery
 - £255 million to support individuals, families and communities
 - £434 million of NHS funding to be passed on to health and social care partnerships
 - £63 million of capital support for Regeneration Capital Grant Fund, Town Centres Capital Fund, School transport support and Digital Inclusion funding.
- As part of their new responsibilities resulting from the impact of the pandemic, councils have administered funding of over £1 billion under the Covid-19 Business Support Fund Grant Scheme. These grants are administered by councils on behalf of the Scottish Government, and funding is made available to councils to finance the costs incurred. Councils reported that over 106,000 applications were received for the Small Business Grant Scheme and the Retail, Hospitality and Leisure Business Grant Scheme across Scotland. Of the applications received, over 90,000 were successful with grants of over £1 billion awarded by December 2020.¹³

Covid-19 Business Support Fund Grant Scheme (December 2020)

- Total number of applications: **106,662**
- Number of grants awarded: **91,258**
- Value of grants awarded: **£1,019,526,016**

13. [Coronavirus \(COVID-19\): business support fund grant statistics - gov.scot \(www.gov.scot\)](https://www.gov.scot/coronavirus/business-support-fund-grant-statistics)

More councils added to their revenue reserves in 2019/20. Further increases may occur in 2020/21 as a result of carry-forward of late grant funding and allocations of cash from the Scottish Government

- In 2019/20, 22 councils reported increases in their revenue reserves balance (13 in 2018/19), with a net increase of £65 million (or three per cent) across all councils. Reserves play an important role in effective financial management. They provide a working balance to smooth out uneven cashflows, protect against the financial impact of unexpected events, and enable funds to be built up for known future commitments. With continued uncertainty around available funding and additional costs resulting from Covid-19, increases in revenue reserve balances may help councils to deal with short-term cash-flow challenges in 2020/21.
- Some elements of funding announced by the Scottish Government in late 2020/21 may need to be carried forward by some councils. This, along with late allocations of cash that are unlikely to be spent before the year-end, is likely to have an impact on councils' year-end reserves. Although an increase in revenue reserves would provide some additional flexibility for councils at a time of significant financial challenges, this is more likely to reflect the timing and nature of funding allocated rather than favourable financial positions resulting from strategic decisions made by councils. Late funding carried forward from 2020/21 is also likely to be earmarked for specific purposes rather than being available for general use. It is important that councils continue to recognise the sustainability challenges of using reserves to fund recurring expenditure, particularly as the impact and challenges of Covid-19 continue to develop.

COSLA is working closely with the Scottish Government to obtain additional financial support for councils

- Discussions continue around an additional package of spending powers and financial flexibility that the Scottish Government claims could be worth up to £600 million for councils. This figure would apply if all councils were able to use all the new flexibilities, but COSLA does not consider this to be a likely scenario. Councils will need to consider the increased costs that may arise in future years and the impact that Covid-19 may have on some areas, for example expected capital receipts. The additional spending powers being discussed apply to Covid-19-related pressures only and to the years 2020/21 and 2021/22 and include:
 - enabling the use of capital receipts to meet one-off revenue funding pressures, including Covid-19 related costs
 - extending debt repayment periods over the life of the asset rather than the contract period
 - allowing councils to take a repayment holiday in either 2020/21 or 2021/22 to defer internal loan fund repayments.
- The Scottish Government has also provided flexibility in its guidance on how councils use specific education and early learning and childcare funding. This includes Pupil Equity Funding and deploying early learning and childcare funding flexibly to deliver critical services for children and families. The extent of how these individual flexibilities may be used by each council is as yet unclear. Each council will need to consider the flexibilities available and decide how funding is used. This may depend on the extent of unavoidable commitments already made, for example in early learning contract commitments to parents.

The total net cost of Covid-19 in 2020/21 will be challenging for councils but is likely to be managed through savings, use of reserves and additional funding provided by the Scottish Government. Nevertheless, significant uncertainty remains around future financial planning and support

- The report [Local government in Scotland: Financial overview 2019/20](#) estimated that funding announced by the Scottish Government by November 2020 would meet 60-70 per cent of the revenue cost pressures identified by councils, with total costs and funding still uncertain. Councils have taken steps to manage this position in-year through delivery of savings and use of reserves. Subsequent announcements of additional funding by the Scottish Government at the end of February 2021 indicate that the total net cost of Covid-19 in 2020/21 may now be fully covered. However, a significant element of this additional funding is non-recurring and ringfenced for specific purposes. Councils may still have cost pressures in other separate areas, including in core services, which may not be met by this specific funding. This therefore puts increased pressure on councils to identify ways to close remaining budget gaps with limited flexibility in some of the funding allocated.
- Funding of councils beyond 2021/22 remains uncertain. Currently, funding is being provided incrementally, and this presents challenges for councils in planning effectively. Significant levels of grant support have been provided by the Scottish Government in 2020/21, but it is not yet clear whether this will continue in future years as the impact of the pandemic develops. COSLA anticipates that the impact on council finances will be felt for years to come, particularly in relation to recovery of income streams and collection of council tax debt. Furthermore, the flow of funding in late 2020/21 has created an additional administrative burden for the Scottish Government and councils in awarding and accepting grants and completing the related reporting requirements. This may have an adverse impact on councils' ability to respond to local needs should a large proportion of future funding come with similar conditions.

Lessons learned

The timing and nature of funding for local government is creating pressure and uncertainty for councils beyond the current financial year. Funding is being provided incrementally and the lack of certainty regarding future budgets makes effective short- and medium-term planning very difficult for councils. Covid-19 will have long-term impacts on councils and the communities that they serve. Councils are likely to require additional support to address the challenges of remobilising services, and supporting social and economic recovery. If additional funding is provided with specific conditions or is ring-fenced for specific purposes councils will then be forced to make difficult prioritisation decisions with potential negative impacts on other services. A lack of flexibility in future funding may lead to a differential impact on service delivery and exacerbate existing financial sustainability risks.

As reported in Local government in Scotland: Challenges and performance 2018, services such as planning, cultural services, environmental health and roads have borne the brunt of service cuts in recent years. The trend has been one of larger reductions to relatively smaller service areas with no change in real terms to social care and education spending. The increased financial constraints created by Covid-19 are likely to create a further risk to recovery should smaller services face further cuts. This will adversely affect councils' ability to provide importance services that people and communities rely on.

Councils made swift changes to governance arrangements

- Councils moved quickly to a revised/suspended schedule of meetings. Many councils held only meetings dealing with urgent business, while some councils maintained other committees. Several councils established a Covid-19 committee, which was helpful in providing key information and updates in relation to council business during the pandemic.
- Some councils have since moved to virtual committee meetings, while others have operated blended or socially distanced meetings. There was some initial inconsistency in how councils made decisions, with some establishing 'emergency' or 'special' committees to take key decisions that would otherwise have been taken by other committees, and others delegating key decisions to senior officers. All 32 councils now have arrangements in place for remote meetings and are not relying on delegation to officers or emergency committees to the extent seen early in the pandemic.
- The Improvement Service notes in its November 2020 paper ['Transitioning to the new normal: Political Governance'](#) that around half of councils are now livestreaming meetings or allowing members of the public to participate. Many of the councils that do not currently livestream or allow the public to participate are exploring options for doing so. Microsoft Teams is the most popular platform, and some councils are using it in conjunction with other technology. Although not in breach of the provisions in the Coronavirus (Scotland) Act 2020, a lack of public participation restricts the openness and transparency of decision-making.
- The new governance arrangements introduced by councils have created greater flexibility and safer conditions for officers, elected members, and the public. However, councils will be required to decide on the longer-term sustainability of these arrangements. Some feedback gathered by the Improvement Service notes that remote meetings are taking longer and need additional support staff to facilitate them, placing greater strain on resources. Councils will face difficult decisions in resourcing governance arrangements that are flexible and safe but that also enable effective scrutiny and decision-making.

Case study 18

Aberdeenshire Council

[Aberdeenshire Council](#) was able to ensure minimal disruption to democratic processes from the beginning of the pandemic as it already had the technology in place.

This enabled a smooth transition to virtual meetings by Skype and remote working – ahead of other councils. One committee meeting was postponed, but otherwise all council meetings continued as scheduled. The council produced guidance for elected members, chairs, committee officers and board members to ensure proceedings ran as smoothly as possible. Guidance was also available to help the public understand how meetings would be conducted and recorded, and how they could participate in meetings and access those recordings.

Lessons learned

Councils have reacted well to the changing environment and have acted quickly to implement new governance arrangements that are safe and flexible. Although delegation to officers and emergency committees was undertaken at some councils in the early stages, it is welcome that all 32 councils now have arrangements in place to support remote meetings. It is likely that the requirement for remote meetings will continue for some time, therefore all councils should ensure that public participation is facilitated as soon as possible to provide openness and transparency in decision-making.

The pandemic created significant challenges for councils in financial planning and reporting

- There was inconsistency in the pace at which councils prepared financial updates during the initial response phase of the pandemic. Early monitoring of councils' websites found limited reporting of financial considerations. A few councils prepared detailed financial analysis papers in the early months of the pandemic, but most were slower to make this information available to the public. There has since been an improvement in the pace at which councils are providing financial updates, but the cost projections and assumptions included remain uncertain as the situation continues to develop.
- Councils will need to revise their medium-term financial plans. The wide range of financial and service demand pressures councils faced before the pandemic still exist, alongside a new set of future challenges created by the pandemic. These include restarting services and dealing with backlogs, developing new services and strategies to address the long-term harm caused to communities by the pandemic. In 2019/20, auditors reported greater uncertainty in current financial planning arrangements at councils due to Covid-19. Medium-term financial plans will now need to be revised by all councils to consider additional financial pressures and updated funding arrangements, as well as updated savings requirements and financial assumptions.
- The strategic uncertainties around Scotland's public finances and fiscal plans may also create challenges for councils in updating their own financial plans. Prioritising services such as the NHS may have an adverse impact on local government funding levels. In the [Local government in Scotland: Financial overview 2019/20](#), we reported that between 2013/14 and 2019/20, local government funding underwent a larger reduction than the rest of the Scottish Government budget over the same period. The Scottish Government will have to make difficult fiscal decisions in response to the pandemic and this may exacerbate the financial uncertainty challenge for councils.
- The differential impact of Covid-19 on some groups and communities has implications for the Scottish Government's approach to the distribution of funding. It needs to be targeted to those most in need. As reported in the [Local government in Scotland: Financial overview 2017/18](#), we recognise that a review of funding distribution is difficult in times of reduced budgets and financial challenges, as there will inevitably be some councils that end up with smaller allocations of funding, putting further strain on already tight budgets. Nevertheless, as the effects of the Covid-19 pandemic develop it is increasingly important that the Scottish Government and COSLA assure themselves that the funding formula remains fit for purpose.

Case study 19

Inverclyde Council

Inverclyde Council prepared a 'Covid-19 Financial Considerations' paper in late March 2020.

This paper was used to highlight the financial pressures and supports relating to Covid-19 and to seek delegated powers where required to release funding. All councils are now preparing regular Covid-19 related financial updates for elected members and the public.

Lessons learned

Councils' medium-term financial plans will need to be updated to reflect the significant financial impact of the Covid-19 pandemic. Although considerable challenge and uncertainty still exists, it is important that councils have a plan in place that identifies medium-term impacts so that steps can be taken to manage risk and plan effectively. Good medium-term financial planning, based on modelling various future scenarios and focusing on clear priorities, is more important now than ever.

Local government in Scotland: Overview 2021

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

On: **23 August 2021**

Report by: Director of Finance & Resources

Heading: **AUDIT, RISK & SCRUTINY BOARD ANNUAL REPORT
2020/21 AND ANNUAL PROGRAMME 2021/22**

1 Summary

- 1.1 The annual report highlights the issues considered by the Board during the period August 2020 to May 2021 when the Audit, Risk & Scrutiny Board met six times. Due to the pandemic all meetings were held remotely via Microsoft Teams. The report is submitted to the Board in terms of the Council's Code of Corporate Governance.

 - 1.2 During the course of the year members looked at various subjects, including annual reports from other bodies and considered reports from the Chief Auditor and other audit-related matters.

 - 1.3 Scrutiny enables members to review decisions, policies and performance that affect the Council and helps to ensure that the services and policies meet the Council's aims and standards. The scrutiny process not only provides a means of reviewing the Council's own services but enables examination of services provided by other organisations on issues causing public concern.

 - 1.4 The Audit, Risk & Scrutiny Board prepares an annual programme which may include consideration of routine reports, as well as areas of specific investigation. This report highlights the issues encountered this year in terms of Covid-19 and updates Members on the progress of the Annual Programme for 2020/21.
-

2 Recommendation

- (a) That the Audit, Risk & Scrutiny Board annual report 2020/21 be noted; and
 - (b) That the Audit, Risk & Scrutiny Board Annual Programme be noted.
-

3 Annual Programme of Reviews

- 3.1 The guidelines for the Board's operation suggest that in relation to (a) scrutiny of service delivery and performance and (b) monitoring and reviewing service delivery, performance, policies and practices, the Board may select particular areas for investigation as part of its annual programme, thereafter making recommendations to the Council. In relation to the Council's role in community leadership, the guidelines recognise that this is not clear cut and requires to be considered carefully to ensure that the respective functions and responsibilities of other public bodies are not compromised but that the Board allows the Council to provide a forum for an informed public debate on these issues.
- 3.2 With the agreement of the Convener, an invitation to submit suggestions for areas of investigation was sent to Members of the Board on 12 April 2021 with a closing date of 11 June 2021 given. A reminder was sent out on 15 May 2021 and no suggestions were received by the closing date.

Progress of Annual Programme 2020/21

- 3.3 At the Audit, Risk & Scrutiny Board meeting held on 24 August 2020 the following reviews were agreed to be included in the 2020/21 programme:
 - (i) Conversion of grass areas to parking; and
 - (ii) Bus deregulation and its effect on transport services in Renfrewshire;
- 3.4 The conversion of grass areas to parking review was completed and submitted to Council on 17 December 2020.
- 3.5 The final report on de-regulation of buses was presented to the Board on 16 March 2020 but was continued for further information. However, given the situation with Covid-19, it was agreed that the review be paused to allow future consideration of the impact of the pandemic on bus services within Renfrewshire.
- 3.6 It is anticipated that the final report for the de-regulation of buses will be presented to this Board at a future meeting.

Issues considered by the Board during 2020/21

4 Audit and Related Matters

- 4.1 Audit of Accounts - The Board at the meeting held on 23 November 2020 considered a report relative to the audit of the Council's 2019/20 accounts. The report intimated that the 2019/20 unaudited Annual Accounts were approved at the meeting of the Council held on 25 June 2020. Each year the Council's appointed external auditors (Audit Scotland) carry out an audit of the Council's financial statements and provided an opinion as to whether those statements provided a true and fair view of the financial position of the Council and its income and expenditure for the year; and also whether they had been prepared in accordance with the relevant regulations.

The report advised that there were three changes made to the annual accounts over the course of the audit in relation to the valuation of the pension liability, the valuation of plant, property and equipment and creditors. Other reclassification and presentational changes had also been agreed.

- 4.2 Annual Internal Audit Plan 2021/22 – The Board at the meeting held on 22 March 2021 agreed a risk-based internal audit plan for 2021/22. The plan considered the outcomes of the internal corporate and service risk identification and evaluation processes, and the current business environment. In addition to undertaking work which would provide assurance on the robustness of key internal controls, the plan sought to reflect the key priorities and challenges for the Council. Progress on the 2020/21 annual audit plan and summaries on the findings and conclusions of each audit assignment were reported to the Board on a quarterly basis.

It should be noted that at the meeting on 23 November 2020, members approved revisions to the audit plan for the remainder of the year. Due to Covid-19 some audits could not be progressed as establishments were closed and resources were diverted to other higher risk areas

- 4.3 Audit Scotland Annual Audit Plan 2020/21 – The Board at the meeting held on 22 March 2021 considered a report which outlined Audit Scotland's approach to the audit of the 2020/21 financial statements of the Council and the charities it controlled to assess whether they provided a true and fair view of the financial position of the Council, and whether they had been prepared in accordance with proper accounting practice. The plan outlined the responsibilities of Audit Scotland and the Council, their assessment of key challenges and risks and the approach and timetable for completion of the audit.
- 4.4 Strategic, Corporate and Service Risks – The Board at the meeting held on 23 November 2020 considered the Strategic and Corporate Risk Registers for each service of the Council. The report advised that the corporate risk registers were usually refreshed on an annual basis, however, rather than have separate risks relating to Covid-19, it was agreed to review all existing risks for Covid-19 impact, and further, reconsider the Council's full risk profile as viewed through the Covid-19

experience. It was noted that the Council had five very high (red) risks which were being driven by external factors outwith the Council's control and it was agreed to continue to carefully manage and monitor these.

4.5 Accounts Commission and Audit Scotland Reports – during the period covered by this report, the Board considered reports concerning findings from the audit of the 2019/20 Council statements, annual accounts, Common Goods and Charities and other audit activity; Accounts Commission – Local Government in Scotland – Overview 2020; Local Government in Scotland – Financial Overview 2019/20; National Fraud Initiative; Covid-19 Guide for Audit and Risk Committees and Covid-19 Emergency Fraud Risks. . Each report highlighted key points and the Council position where available.

4.6 Annual Complaints 2019/20 – The Board at the meeting held on 25 January 2021 considered a report which detailed complaints received by the Council during 2019/20 and how this information had been used to ensure that the Council delivered high quality, efficient and responsive services. A summary was included of the numbers and types of complaints received; responded to within timescales; customer satisfaction monitoring; and key complaint areas including what was being done to address the issues raised. The report advised that there had been a decrease in the number of complaints the Council had received from 8200 for 2018/19 to 7924 in 2019/20 and advised of performance on key indicators, as well as highlighting improvements made to the complaints handling process over the past year to ensure that complaints were handled well.

The report noted that Covid-19 and subsequent national lockdown had not impacted on the figures reported as the report covered up to the end of March 2020.

4.7 Corporate Governance – The Board, at meetings held on 21 September 2021 and 22 March 2021 respectively, considered reports which reviewed the Council's Local Code of Corporate Governance and provided evidence of how the Council complied with the code. The reports advised that the code placed emphasis on relationships and behaviours between elected members and senior management; performance reporting; and council and service level plans. The review of compliance with the Local Code of Corporate Governance formed part of the assurance framework for the annual governance statement.

4.8 Internal Audit Annual Report - The Board at its meeting held on 24 August 2020 considered the annual report which covered 2019/20 and the meeting held on 24 May 2021 considered the annual report which covered 2020/21. Both reports focused on the activities of the Council's Internal Audit section, which detailed internal audit activity, purpose, authority and responsibility as well as performance relative to its plan. The annual reports also provided an annual audit opinion of the overall

adequacy and effectiveness of the Council's internal control environment and included details of any significant risk exposures, control issues and other matters that could be used to inform the governance statement.

- 4.9 Local Government Benchmarking Framework Indicator Profile 2019/20 – The Board at the meeting held on 22 March 2021 considered a report which provided an overview of Renfrewshire's performance for 2019/20, as well as outlining the wider context and trends for local authorities across Scotland. The purpose of the Framework was to support evidence-based comparisons and encourage shared learning and improvement.

The report set out the mechanisms by which the monitoring of Council services was undertaken and provided a picture of performance prior to the Covid-19 pandemic. Councils were now operating in a different environment and context, with many service areas being significantly impacted, some service areas were paused, not fully resumed, and others delivered a range of new responsibilities, which would need to be considered going forward.

The report detailed an overview of Renfrewshire's performance for the 97 indicators and detailed information relating to the performance of similar councils which had been placed into 'family groups' with Renfrewshire and provided further context on performance across the broad service areas for elected members' scrutiny.

- 4.10 Internal Audit Findings – The Board considered quarterly reports on the findings of internal audit in terms of national guidance produced by CIPFA on the implementation of audit committee principles in Scottish local authorities, in line with which internal audit submitted regular reports on the findings of audit work to the Board based on the work of internal audit and detailing the key issues arising.

- 4.11 Internal Audit and Counter Fraud Progress and Performance – The Board considered regular reports which detailed progress and performance in terms of delivery of the audit plans for the internal audit and counter fraud teams. The Director of Finance & Resources had set annual targets to demonstrate continuous improvement. In terms of counter fraud, due to the diverse nature of fraud referrals, no formal performance targets had been established and the outcomes from investigations were monitored and reported on a regular basis by management.

- 4.12 Absence Statistics - The Board considered reports on absence returns with the statistics broken down by service and category of staff, including information relative to absence targets and how services had performed against them. Information was also provided on supporting attendance activity and the costs of sick pay.

- 4.13 Records Management Plan Update – the Board at the meeting held on

22 March 2021 considered a report which detailed the annual review of the Council's Records Management Plan (RMP) to guide continual improvement of its record keeping. The report noted that the Council achieved green status for 13 of the 14 elements assessed through the RMP.

5 Annual Reports by other Bodies

- 5.1 Scottish Public Services Ombudsman (SPSO) – Annual Report 2019/20 – The Board at the meeting held on 23 November 2020 considered a report which highlighted that the health sector was the sector about which the SPSO received most complaints being 36% of the SPSO's total caseload for 2019/20 with a decrease in local authority cases receiving the second highest number 31% which was the same percentage as last year. The report advised that information received separately from the SPSO indicated that the number of complaints received relative to Renfrewshire was 47 which was the same percentage as 2018/19. Of the 47 complaints determined by the SPSO during 2019/20 none went to investigation stage.

- 5.2 Commission for Ethical Standards in Public Life in Scotland: Annual Report 2019/20 - The Board at the meeting held on 23 November 2020 considered a report which detailed the work of the Commissioner during the year, provided details of the investigation of complaints about the conduct of councillors, members of devolved public bodies, MSPs and scrutiny of Scotland's ministerial public appointments process.

The report advised that nationally the Commission experienced an increase in the number of complaints received. Nationally, during 2019/20 the Commissioner received a total of 284 complaints, compared with 173 in 2018/19. The largest category of complaints related to quasi-judicial or regulatory applications.

On 1 April 2019 Caroline Anderson commenced her term as Ethical Standards Commissioner. The annual report indicated that the restructure had proved incredibly challenging but had delivered significant benefits. However, in anticipation of lockdown, business continuity procedures had been put into place and despite the significant challenges of remote working in an emergency context, the doubling in the volume of incoming complaints and staff vacancies throughout 2019 of up to 70% meant that the inherited backlog had been cleared and investigations in progress were all current.

- 5.3 Scottish Information Commissioner Annual Report 2019/20 – The Board at its meeting held on 23 November 2020 considered a report which intimated that the Freedom of Information (Scotland) Act 2002 (FOISA) created a general right to obtain information from any designated Scottish public authority subject to limited exemptions. The annual report explored the performance of the Office of the Scottish Information Commissioner across the year and how FOISA could 'add demonstrable value to public

services' within Scotland. It was noted that there had been a total of 494 appeals to the Commissioner, compared to 560 in 2018/19. In the 2019/20 period covered by the report, Renfrewshire Council had no appeals.

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

(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. 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 – not applicable
13. Climate Risk - none

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