Notice of Meeting and Agenda
Audit, Risk and Scrutiny Board

Date	Time	Venue
Monday, 21 March 2022	10:00	Remotely via Microsoft Teams,

MARK CONAGHAN
Head of Corporate Governance

Membership

Councillor Tom Begg: Councillor Stephen Burns: Councillor Michelle Campbell:
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 Convener will confirm if all or part of the meeting is being filmed. To find the webcast please navigate to

https://renfrewshire.public-i.tv/core/portal/home

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

MONITORING AND REVIEWING SERVICE DELIVERY PERFORMANCE, POLICIES & PRACTICES

ANNUAL PROGRAMME

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

On: **21 March 2022**

Report by: **Chief Auditor**

Heading: **Internal Audit and Counter Fraud Progress and Performance for Period to 31 December 2021**

1.   **Summary**

1.1   The Internal Audit Annual Plan was approved by the Audit, Scrutiny and Petitions 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 31 December 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 spent 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 had ceased, however during this quarter some of their fraud investigators have now recommenced fraud duties and have been in contact re ongoing cases. In the main, the

Counter Fraud Team are still currently working at home and only any essential site/home visits are being undertaken.

1.4   The Internal Audit team are also working from home for the majority of the time and going into the office when required. Any site visits which are required to fulfil audit reviews are also now being undertaken. The team are also providing advice and support where necessary to council services

1.5   The report details progress against local and national initiatives, including the National Fraud Initiative for 2021/2022, involving Internal Audit and the Counter Fraud Team from 1 April 2021 to 31 December 2021.

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2.   **Recommendations**

2.1   Members are invited to note the Internal Audit and Counter Fraud Team progress and performance to 31 December 2021.

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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 and reported to this Board.

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.

4.   **Internal Audit Team Performance**

(a)   **Percentage of audit plan completed as at 31 December 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 31 Dec 2021	Audit Plan Completion Actual to 31 Dec 2021
94.5%	95.0%	66.5%	64.1%

Actual performance is currently slightly below target. The main reason for this is the team have had a higher than normal absence rate. One member of staff is currently on long term absence which commenced during this quarter.

(b)   **Percentage of assignments complete by target date**

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

Target 2020/21	Actual to 31 December 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. 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 2020/21	Actual to 31 December 2021
95.0%	97.3%

Actual performance is ahead of the target set for the year, although this is likely to reduce over the remainder of the year. Our performance against this indicator is liable to change throughout the remainder of the year as additional resource is required to complete audit assignments throughout this year. It should be noted that some of this additional time has been drawn down from our contingency budget

(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 2020/21	Actual to 31 December 2021
95.0%	94.6%

Actual performance is just below target.

5.   **Review of the 2021/22 Internal Audit Plan**

5.1   All of our staff are continuing to home work and utilising the Council's various tools and techniques to continue to undertake audit assignments.

5.2   We continue to liaise and advise services on proposed amendments to internal controls and new procedures as and when required

5.3   All of this work will enable us to deliver our annual audit opinion on the Council's governance, internal control and risk management, at the end of the year.

5.4   There is an ongoing continuous review of our 2021/22 Audit Plan in light of the pandemic and the reduction in available audit resource to identify whether any further amendments or cancellations to the Audit Plan should be undertaken. We are hopeful that in quarter 4 we will be able to undertake those audit reviews which require us visiting locations for a period of time.   Although at this point in time no amendments have been proposed, this is dependent on the volume of our contingency and investigative work which usually take priority over planned audits These budgets for the year have nearly all been utilised and therefore if more work of this nature materialises, together with the likelihood that staff absence levels are likely to be higher than planned for, it may result in one or two reviews not commencing until the first quarter of 2021/22

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. This work is just starting to re-commence as some of the DWP's local fraud officers have now returned to their fraud duties from secondment during the pandemic. We continue to refer cases worthy of investigation to them for their consideration.

6.2   Our working practices were revised in order to protect the health of residents and staff during the pandemic, including contacting individuals, where possible, by telephone or e-mail rather than face to face visits.   This has enabled us to resume undertaking fraud investigation work. We are about to review our working practices to

determine which revisions have worked well and should therefore continue to be our normal working practices.

6.3   During this quarter we have continued to investigate further matches identified by the national fraud initiatives as well as investigating referrals from various other sources. The financial and non-financial results for the period up to quarter 3 (April 2021 to December 2021) are noted in the table below:-

Financial Outcomes	As at End of Quarter 3 (£)
Cash savings directly attributable to preventative counter fraud intervention	426,600
Cash recoveries in progress directly attributable to counter fraud investigations	163,040
Housing Benefit savings directly attributable to counter fraud investigation	37,241
Notional savings identified through counter fraud investigation, (e.g. housing tenancy and future council tax,)	238,545
Non-Financial Outcomes	As at End of Quarter 3 (£)
Housing properties recovered	2
Housing applications amended/cancelled	10
Blue badge misuse warning letters issued	6
Licences revoked	0

6.5   The cash savings identified are largely in connection with the work we undertook in conjunction with the Council's Economic Development Team on suspected fraudulent applications which were received in respect of the Small Business and Retail, Hospitality & Tourism Covid-19 Grant Schemes and where payment was refused.   These applications have been reported to Police Scotland.

6.6   We are continuing to take cognisance of reports being published by various organisations on the emerging fraud risks, arising during the pandemic and this will be used to amend our work plan where necessary to focus on the greatest fraud risk areas.

6.7   The latest virtual meeting of the Scottish Local Authorities Investigators Group took place this month and included a presentation from UK Competition and Markets Authority and an update from the Cabinet Office on the National Fraud Initiative.

7.   Scottish Local Authorities Chief Internal Auditors' Group

7.1   This group met virtually this month and a useful presentation was received on Cyber Risks.

7.2   The Local Authorities Computer Audit Sub-Group was also attended virtually during this quarter. The main discussion topic at this meeting was Cyber Security.

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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

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Author: Karen Campbell – 07768354651

![Renfrewshire Council logo]

To: Audit, Risk and Scrutiny Board

On: 21 March 2022

Report by: Director of Finance and Resources

Heading: Audit Scotland Annual Audit Plan 2021/22

1.   **Summary**

1.1   Based on its analysis of the risks facing the Council, Audit Scotland has
            submitted an Audit Plan, as appended, that outlines its approach to the
            audit of the 2021/22 financial statements of the Council and the
            charities that the Council controls, in order to assess whether these
            statements provide a true and fair view of their respective financial
            positions, and also whether they have been prepared in accordance
            with proper accounting practice, i.e. the 2021 Code of Practice on Local
            Authority Accounting in the UK.

1.2   The Plan outlines the responsibilities of the Council and Audit Scotland;
            its assessment of key challenges and risks and the approach and
            timetable for completion of the 2021/22 audit.

2.   **Recommendations**

2.1   Members are asked to note the content of the attached report.

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Implications of the Report

1.   **Financial** – An unqualified audit opinion demonstrates that the Council has effective systems of internal control in place.

2.   **HR & Organisational Development** – None arising from this report.

3.   **Community Planning** – None arising from this report.

4.   **Legal** – An audit opinion free from qualification demonstrates compliance with the statutory accounting requirements set out in the Local Government (Scotland) Act 1973.

5.   **Property/Assets** – None arising from this report.

6.   **Information Technology** – None arising from this report.

7.   **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8.   **Health & Safety** – None arising from this report.

9.   **Procurement** – None arising from this report.

10.   **Risk** - the audit plan highlights audit issues and risks, and the approach Audit Scotland will adopt in seeking assurance that these risks are being managed.

11.   **Privacy Impact** – None arising from this report.

12.   **COSLA Policy position** – None arising from this report.

13.   **Climate Risk** – None arising from this report.

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Author: Christine McCourt, Acting Head of Finance and Business Services

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Renfrewshire Council

Annual Audit Plan 2021/22

AUDIT SCOTLAND

Prepared for Renfrewshire Council
21 March 2022

Contents

Introduction

Summary of planned audit work

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

- evaluation of the key controls within the main accounting systems

- an audit of, and provision of an Independent Auditor's Report

- an audit opinion on regularity and other statutory information published within the annual accounts including the Management Commentary, the Remuneration Report and Annual Governance Statement

- consideration of arrangements in relation to the audit dimensions: financial management, financial sustainability, governance and transparency and value for money that frame the wider scope of public sector audit

- consideration of Best Value arrangements

- providing assurance on the Housing Benefit Subsidy Claim, Non-Domestic Rates Return and the Whole of Government Accounts (WGA) return

- review Renfrewshire Council's arrangements for preparing and publishing statutory performance information

- review Renfrewshire Council's participation in the National Fraud Initiative.

Impact of Covid-19

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

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

Adding value

4. We aim to add value to Renfrewshire Council through our external audit work by being constructive and forward looking, by identifying areas for improvement and by recommending and encouraging good practice. In so doing, we will help Renfrewshire Council promote improved standards of governance, better management and decision making and more effective use of resources. Additionally,

we attend meetings of the Audit, Risk and Scrutiny Board and actively participate in discussions.

Respective responsibilities of the auditor and Renfrewshire Council

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

Auditor responsibilities

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

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

Renfrewshire Council responsibilities

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

9. Also, Renfrewshire Council has the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enable them to deliver their objectives.

Managing the transition to 2022/23 audits

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

Financial statements audit planning

Materiality

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

Materiality levels for the 2021/22 audit

12. We assess materiality at different levels as described in Exhibit 1. The materiality values for Renfrewshire Council are set out in Exhibit 1.

Exhibit 1
2021/22 Materiality levels for Renfrewshire Council

Materiality	Council/Group
Planning materiality – This is the figure we use to assess the overall impact of audit adjustments on the financial statements. It has been set at 1.25 per cent of gross expenditure for the year ended 31 March 2022 based on the latest audited financial statements for 2020/21.	£8.3 million
Performance materiality – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality, this would indicate that further audit procedures should be considered. Using our professional judgement, we have assessed performance materiality at 65% of planning materiality.	£5.4 million
Reporting threshold (i.e. clearly trivial) – We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount.	£0.250 million

Source: Audit Scotland

Significant risks of material misstatement to the financial statements

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

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

Exhibit 2
2021/22 Significant risks of material misstatement to the financial statements

Significant risk of material misstatement	Sources of assurance	Planned audit response
1. Risk of material misstatement due to fraud caused by the management override of controls As stated in International Standard on Auditing (UK) 240, management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.	Owing to the nature of this risk, assurances from management are not applicable in this instance	• Assess the design and implementation of controls over journal entry processing. • Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. • Test journals at the year-end and post-closing entries and focus on significant risk areas. • Evaluate significant transactions outside the normal course of business. • Assess the adequacy of controls in place for identifying and disclosing related party relationship and transactions in the financial statements. • We will assess any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year. • Substantive testing of income and expenditure transactions around the year-end to confirm they are accounted for in the correct financial year. • Focussed testing of accounting accruals and prepayments.

Source: Audit Scotland

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

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

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

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

Other areas of audit focus

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

* **Valuation and measurement of Non-Current Assets**: At 31 March 2021, the Council held non-current assets with a value of £1,484.243 million. This included Land and Buildings with a net book value of £876.278 million. There is a significant degree of subjectivity in the valuation of land and buildings. Valuations are based on specialist and management assumptions and estimates, and changes in these can result in material changes to valuations.

* **Measurement and judgements applied to the valuation of pension liabilities**: As at 31 March 2021, the Council recognised a net liability of £221.534 million relating to its share of the Strathclyde Pension Fund liability. There is a significant degree of subjectivity in the measurement and valuation of the pension fund liability. The valuation is based on specialist assumptions and estimates.

Group Consideration

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

21. Renfrewshire Council has a group which is comprised of subsidiaries, associates and joint ventures. The audits of the financial statements of some of the components are performed by other auditors. We will obtain sufficient appropriate audit evidence in relation to the consolidation process.

Audit of the trusts registered as Scottish charities

22. Members of Renfrewshire Council are sole trustees for one trust and three common good funds, registered as Scottish charities, with total net assets of some £40.550 million. The preparation and audit of financial statements of registered charities is regulated by the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

23. The 2006 Regulations require charities to prepare annual accounts and require an accompanying auditor's report where any legislation requires an audit. The Local Government (Scotland) Act 1973 specifies the audit requirements for any trust fund where some or all members of a council are the sole trustees. Therefore, a full and separate audit and independent auditor's report is required for each registered charity where members of the Council are sole trustees, irrespective of the size of the charity.

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

24. Materiality levels for the various trusts are set out in Exhibit 3.

Exhibit 3
2021/22 Materiality levels for charitable trusts
Planning materiality has been assessed on 2% of net assets (based on the audited financial statements for 2020/21), whilst performance materiality has been calculated at 75% of Planning Materiality. The reporting threshold has been calculated at 5% of Planning materiality.

Charitable trust	Planning Materiality	Performance Materiality	Reporting Threshold
Coats' Observatory Charitable Trust	£15,405	£11,553	£770
Common Good Funds	£795,600	£596,700	£39,780

Source: Audit Scotland

25. Based on our discussions with staff and initial planning work, we have identified a significant financial statements risk of material misstatement due to

management override of controls for the trust and three common good funds. Our planned work around this risk is the same as the planned work for risk one in Exhibit 1.

Audit risk assessment process

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

Audit dimensions and Best Value

Introduction

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

Audit dimensions

28. The four dimensions that frame our audit work are shown in Exhibit 4.

Exhibit 4
Audit dimensions

Source: Code of Audit Practice

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

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

Financial sustainability – as auditors, we consider the appropriateness of the use of the going concern basis of accounting as part of the annual audit. We will

also comment on financial sustainability in the longer term. We define this as medium term (two to five years) and longer term (longer than five years).

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

Value for money – value for money refers to using resources effectively and continually improving services.

Best Value

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

- the Annual Audit Report for each council that will provide a rounded picture of the council overall.

- an Annual Assurance and Risks Report that the Controller of Audit will provide to the Accounts Commission that will highlight issues from across all 32 council annual audit reports.

- a Best Value Assurance Report (BVAR) for each council that will be considered by the Accounts Commission at least once over the period of the audit appointment.

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

Exhibit 5
2022 Best Value Assurance Reports

Comhairle nan Eilean Siar

Shetland Island Council

Angus Council

Moray follow-up

Source: Audit Scotland

32. The Best Value work planned this year will focus on Renfrewshire Council's arrangements for community empowerment and equalities. Our findings will be reported through our Annual Audit Report.

Audit dimension risks

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

Exhibit 6

2021/22 Audit dimension risks

Description of risk	Sources of assurance	Planned audit response
1.Financial Sustainability While the Council's financial stability remains secure in the short-term, the Council has reported an unaddressed structural budget deficit estimated to be between £4 - £5 million as it moves into the 2022/23 financial year. The Council forecasts that in the period to 2025, in gross terms, before any adjustment for council tax rises, a saving of approximately £25 million will be required to address the forecast structural budget deficit and therefore providing no capacity for reinvestment in service or capital investment priorities. Building in an indicative council tax rise each year of three per cent would reduce the saving requirement to approximately £17 million.	• As part of the budget planning for 2022/23, the Council intends to take advantage of the financial flexibility arrangements approved by the Council in September 2020 to secure financial stability in the short-term and help address the forecast medium-term structural budget deficit. • On 3 March 2022, the Council agreed a 3% rise in Council Tax in the 2022/23 budget, which addresses the immediate budget deficit. • The medium to long-term financial outlook will be updated in line with current economic forecasts later in the year.	• Review of the Council's annual budget setting arrangements. • Assessment of the council's medium to long term financial strategy. • Review and assessment of budget monitoring arrangements with a focus on reports to senior officers and members on financial position. • On-going review of the Council's financial position and delivery of planned savings.

Source: Audit Scotland

Reporting arrangements, timetable, and audit fee

Reporting arrangements

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

35. Matters arising from our audit will be reported on a timely basis and will include agreed action plans. Draft management reports will be issued to the relevant officers to confirm factual accuracy.

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

37. Covid-19 has had a considerable impact on the conduct and timeliness of the audit. We recognise that it is in the best interests of public accountability to get the reporting of audited accounts back to pre-pandemic timelines. To this end, 2021/22 is a transition year with the reporting deadline brought forward by one month relative to the two prior years. We are identifying ways to work more efficiently to expedite the 2021/22 audits whilst at the same time maintaining high standards of quality.

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

Exhibit 7
2020/21 Audit outputs

Audit Output	Target date	Audit, Risk and Scrutiny Board date
Annual Audit Plan	14 March 2022	21 March 2022
Independent Auditor's Report	31 October 2022	TBC
Annual Audit Report	31 October 2022	TBC

Source: Audit Scotland

Audit fee

39. The agreed audit fee for the 2021/22 audit of Renfrewshire Council is £374,330 (2020/21: £367,010) and is inclusive of the fee for the audit of the Charitable Trusts. The fee included in this figure for the 2021/22 audit of the Charitable Trusts is £5,000 (2020/21: £5,000).

40. In determining the audit fee, we have taken account of the risk exposure of Renfrewshire Council and the planned management assurances in place.

41. Where our audit cannot proceed as planned through, for example, late receipt of unaudited annual report and accounts or the absence of adequate supporting working papers, a supplementary fee may be levied. An additional fee may also be required in relation to any work or other significant exercises out with our planned audit activity.

Other matters

Internal audit

42. From our initial review of the internal audit plans, we do not plan to place formal reliance on internal audit's work for our financial statements' responsibilities. We do plan to consider the findings of Internal Audit work undertaken during the year.

Independence and objectivity

43. Auditors appointed by the Auditor General for Scotland or Accounts Commission must comply with the Code of Audit Practice and relevant supporting guidance. When auditing the financial statements, auditors must also comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors. Audit Scotland has robust arrangements in place to ensure compliance with these standards including an annual *'fit and proper'* declaration for all members of staff. The arrangements are overseen by the Director of Audit Services, who serves as Audit Scotland's Ethics Partner.

44. The engagement lead (i.e. appointed auditor) for Renfrewshire Council is John Cornett, Audit Director. Auditing and ethical standards require the appointed auditor to communicate any relationships that may affect the independence and objectivity of audit staff. We are not aware of any such relationships pertaining to the audit of Renfrewshire Council.

Quality control

45. International Standard on Quality Control (UK) 1 (ISQC1) requires a system of quality control to be established, as part of financial audit procedures, to provide reasonable assurance that professional standards and regulatory and legal requirements are being complied with and that the independent auditor's report or opinion is appropriate in the circumstances.

46. The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the Code of Audit Practice (and supporting guidance) issued by Audit Scotland and approved by the Auditor General for Scotland. To ensure that we achieve the required quality standards, Audit Scotland conducts peer reviews and internal quality reviews. Additionally, the Institute of Chartered Accountants of Scotland (ICAS) have been commissioned to carry out external quality reviews.

47. As part of our commitment to quality and continuous improvement, Audit Scotland will periodically seek your views on the quality of our service provision.

We welcome feedback at any time, and this may be directed to the engagement lead.

Renfrewshire Council
Annual Audit Plan 2021/22

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✓AUDIT SCOTLAND

To: Audit, Risk and Scrutiny Board

On: 21 March 2022

Report by: Director of Finance and Resources

Heading: Local government in Scotland: Financial Overview 2020/21

1. **Summary**

1.1 Audit Scotland published its report "Local government in Scotland: Financial Overview 2020/21" on 10 March 2022. A copy of the report is attached at Appendix 2.

1.2 The report provides a high-level independent analysis of the financial performance of councils during 2020/21 and their financial position at the end of that year. It also looks ahead and comments on the financial outlook for councils in the medium and longer terms.

1.3 The report outlines 11 key messages, which are attached at Appendix 1 along with the associated Renfrewshire Council position for information. Further detail on the findings of the report is provided in three main sections in the document, covering:

- Councils' income in 2020/21

- Councils' financial position in 2020/21; and

- Councils' financial outlook

2. **Recommendations**

2.1 Members are asked to note the content of the attached report.

Implications of the Report

1.   **Financial** – The Audit Scotland report highlights financial challenges faced by local authorities in the wake of the COVID-19 pandemic and the impact on income, expenditure and reserve balances in 2020/21. It also emphasises the need to update long-term financial planning.

2.   **HR & Organisational Development** – None arising from this report.

3.   **Community Planning** – None arising from this report.

4.   **Legal** – None arising from this report.

5.   **Property/Assets** – None arising from this report.

6.   **Information Technology** – None arising from this report.

7.   **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8.   **Health & Safety** – None arising from this report.

9.   **Procurement** – None arising from this report.

10.   **Risk** - the report highlights financial risks faced by all local authorities in Scotland in the wake of the COVID-19 pandemic and outlines the outlook for the medium and long term local government finances.

11.   **Privacy Impact** – None arising from this report.

12.   **COSLA Policy position** – None arising from this report.

13.   **Climate Risk** – None arising from this report.

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Author: Christine McCourt, Acting Head of Finance and Business Services

Appendix 1

Key Message	Renfrewshire Council Position
Local government finances 2020/21	
1 The COVID-19 pandemic persisted throughout 2020/21, with the Scottish Government increasing funding to councils by £1.5 billion to support them in dealing with the impacts of the pandemic.	As reported in the Annual Accounts 2020/21, additional funding of £41.5m was received from the Scottish Government to address service pressures and support communities arising from the pandemic.
2 When COVID-19 funding is excluded, there has been a real-terms underlying reduction of 4.2 per cent in local government funding since 2013/14.	The Financial Outlook 2022-2025 reported to Council in September 2021 noted that prior to the COVID-19 pandemic, the Council's financial strategy was based on a central financial planning scenario of the Council likely to experience further reduction in government revenue grant over the period through 2023 and potentially beyond.
3 The underlying increase in Scottish Government funding of £358 million in 2020/21 was 1.1 per cent in real terms. But, over half of this increase is due to specific grants. Ring-fenced funding helps support delivery of key Scottish Government policies but constrains a proportion of the total funding and resources and removes any local discretion over how councils can use these funds.	Renfrewshire Council received £26.5m of specific revenue grants in 2020/21 relating to the Pupil Equity Fund, Criminal Justice Social work and to address the expansion of Early Years provision.
4 Councils' income from customers and clients was affected by COVID-19 restrictions and fell by £0.5 billion.	The Council experienced a significant impact on certain income streams during 2020/21, including trade waste, licensing and registration income, as well as off-street parking charges. Partner organisations such as OneRen also experienced significant income loss which resulted in additional financial support from the Council being required.

Appendix 1

Key Message	Renfrewshire Council Position
5 In 2020/21, all councils reported surpluses and increased their usable reserves. The total increase in reserves was £1.2 billion (46 per cent). This increase was mainly due to late COVID-19 funding, which was unspent at 31 March 2021.	The Council's General Fund balance increased by £33.6m during 2020/21, to was £88.4m at 31 March 2021. Of this, £77.6m is committed for specific activities, including over £17m earmarked for recovery from the pandemic.
6 Councils administered a further £1.4 billion of COVID-19 grants on behalf of the Scottish Government in 2020/21, putting additional pressure on finance staff across councils.	Renfrewshire Council paid out over £48m to individuals and businesses on behalf of the Scottish Government in 2020/21 in relation to pandemic assistance, such as business grants, hardship payments and self-isolation grants.
7 Capital expenditure reduced by more than 20 per cent in 2020/21 because of COVID-19.	The Council's capital investment programmes were significantly affected by the pandemic in 2020/21, mainly related to lengthy construction lockdown periods and subsequent requirements to maintain social distancing on building sites. The Council approved a Housing Capital Investment Programme for 2020/21 worth £30.2m and spent £8.2m; for General Services £102m was planned and £46m was spent. Projects have been reprofiled into future years where appropriate.
8 COVID-19 pressures contributed to greater and more frequent errors in councils' unaudited accounts.	A late assessment of the accounting treatment for PPE and testing kits provided to the Council resulted in an adjustment to the audited accounts, along with three other adjustments. There were three adjustments during the 2019/20 audit.
Medium- and longer-term outlook for local government finances	
9 Scottish Government capital funding to councils is expected to fall again in 2021/22.	The final general Capital Grant received in 2020/21 was £12.7m and for 2022/23 is indicated at £12.2m.

Appendix 1

Key Message	Renfrewshire Council Position
10 Uncertainty over the amount of funding available for COVID-19 recovery at the end of 2020/21 led to difficulties in setting budgets, and many councils established updated COVID-19 budgets in autumn 2021.	The Financial Outlook 2022-2025 was reported to Council in September 2021 and provided an updated medium-term view of funding challenges arising in part from the COVID-19 pandemic. Recovery from the pandemic will take time and the longer-term impacts on the community and, subsequently, on Council services is continually monitored and reported to relevant policy boards.
11 COVID-19 resulted in revised medium-term financial plans, but longer-term planning will need to be updated as COVID-19 uncertainty diminishes.	As reported to Council on 3 March 2022, the Council is likely to experience significant financial challenges over the medium term related both to COVID-19 legacy costs, but also other fundamental spend and income pressures.

Appendix 2

Financial overview 2020/21

ACCOUNTS COMMISSION

Contents

You can find more information on our website:

Exhibits data
Data files are available for Exhibit 5.

Supplement
Covid-19 funding to Local Government – 2020/21

Audit team

The core audit team consisted of: Blyth Deans, Lynne Templeton, Martin Allan, Christopher Holgate under the direction of Brian Howarth.

Chair's introduction

Our independent overview of council finances 2020/21 covers the first full year that makes clear the impacts of Covid-19. We also look ahead to the medium- to longer-term financial outlook for councils.

That all councils have increased their reserves, boosted by late funding from the Scottish Government to help mitigate the impacts of Covid-19, distracts from the underlying pressures and continued uncertainty on council finances.

The long-term funding position for councils remains uncertain, with significant challenges ahead. This ongoing financial uncertainty for councils is exacerbated by: Scottish Government budget settlements for councils that don't go beyond one year; impacts of an ageing population; shifting and increasing demand for many council services and, alongside this, greater uncertainty over inflationary and other price pressures.

Excluding additional Covid-19 funding, councils have seen a real terms reduction in funding from the Scottish Government of 4.2 per cent since 2013/14. This is a larger reduction than the rest of the Scottish Government budget over the same period.

With increasing amounts of money ring-fenced to meet Scottish Government priorities, it means councils must focus on specific policy areas, rather than the urgent, local priorities they have identified. And while councils have rightly shifted their focus to address the immediate impacts of Covid-19, plans to transform services have slowed.

The absence of a multi-year funding settlement, alongside the ongoing impacts of Covid-19, makes it challenging for councils to plan and budget effectively for the medium and longer term. Robust forward looking financial plans, however, will be key to maintaining financial sustainability, alongside accelerating progress with transformation programmes that have stalled, addressing issues in delivering recurring savings and bringing forward proposals to reduce costs. As Covid-19 uncertainty diminishes, councils should review longer-term planning arrangements.

The pressures on councils that existed before March 2020 continue, yet now with greater intensity. As we reported in our 2021 Local government overview inequalities have been exacerbated and deepened by Covid-19. At the same time, the financial and service demands and stresses on councils have also increased.

Dr William Moyes
Chair of the Accounts Commission

Councils must manage the ongoing impacts of Covid-19, while looking ahead to local service and economic recovery and transformation, as well as delivering on Scottish Government priorities. This includes ambitions for Early Learning and Childcare, climate change and plans for a National Care Service.

Simply rewinding and trying to return services to pre-March 2020 models and levels of service isn't good enough. How to restart services, deliver differently, save money and empower communities to help redesign and reshape core services, is a massive challenge for all councils. Councils need to undertake this work, involve the communities they serve and partner organisations.

This report, alongside our second overview report (due to be published in May) which will focus on the wider performance and challenges facing local government will, we hope, be a useful analysis and support for both new and returning councillors, and senior officers, as they make difficult decisions over how best to allocate money and resource.

The Accounts Commission will continue to publish outputs focusing on key issues impacting local councils and communities.

Our ambition is for our independent reporting to support challenge and change across council services.

Key messages

Local government finances 2020/21

1 The Covid-19 pandemic persisted throughout 2020/21, with the Scottish Government increasing funding to councils by £1.5 billion to support them in dealing with the impacts of the pandemic.

2 When Covid-19 funding is excluded, there has been a real terms underlying reduction of 4.2 per cent in local government funding since 2013/14.

3 The underlying increase in Scottish Government funding of £358 million in 2020/21 was 1.1 per cent in real terms. But, over half of this increase is due to specific grants. Ring-fenced funding helps support delivery of key Scottish Government policies but constrains a proportion of the total funding and resources and removes any local discretion over how councils can use these funds.

4 Councils' income from customers and clients was affected by Covid-19 restrictions and fell by £0.5 billion.

5 In 2020/21, all councils reported surpluses and increased their usable reserves. The total increase in reserves was £1.2 billion (46 per cent). This increase was mainly due to late Covid-19 funding, which was unspent at 31 March 2021.

6 Councils administered a further £1.4 billion of Covid-19 grants on behalf of the Scottish Government in 2020/21, putting additional pressure on finance staff across councils.

7 Capital expenditure reduced by more than 20 per cent in 2020/21 because of Covid-19.

8 Covid-19 pressures contributed to greater and more frequent errors in councils' unaudited accounts.

Medium- and longer-term outlook for local government finances

9 Scottish Government capital funding to councils is expected to fall again in 2021/22.

10 Uncertainty over the amount of funding available for Covid-19 recovery at the end of 2020/21 led to difficulties in setting budgets, and many councils established updated Covid-19 budgets in autumn 2021.

11 Covid-19 resulted in revised medium-term financial plans, but longer-term planning will need to be updated as Covid-19 uncertainty diminishes.

About this report

1. This report provides a high-level independent analysis of the financial performance of councils during 2020/21 and their financial position at the end of that year. It also looks ahead and comments on the financial outlook for councils in the medium and longer terms. It is one of two overview reports that the Accounts Commission publishes each year. The second report, commenting on councils' response to and recovery from the Covid-19 pandemic, will be published in May 2022.

2. Our primary sources of information for the financial overview are councils' 2020/21 audited accounts, including management commentaries and the 2020/21 external annual audit reports, where available. We have supplemented this with data collected as part of a data set request issued to local auditors in April 2021. We received 22 returns by the deadline in late May 2021, and therefore some of the analysis included in this report is based on the available returns, which are only a sample of the total. The response rate from auditors (69 per cent) was lower than in previous years.

3. The Covid-19 pandemic has again created challenges that have affected the preparation of this report. The rescheduling of audit timetables meant that audited accounts did not require certification until 30 November 2021. Twenty-three sets of accounts were certified by the revised deadline, with a further seven signed off thereafter. As at 1 February 2022, two councils' accounts are still to be certified; therefore, analysis in this report is based on 30 sets of audited accounts and two sets of unaudited accounts.

4. We refer to 'real terms' changes in this report. This means that we are showing financial information from past and future years at 2020/21 prices, adjusted for inflation so that they are comparable. Similarly, where comparisons with 2021/22 are made, we have adjusted for inflation to 2020/21 prices. We use gross domestic product (GDP) deflators to adjust for inflation, which are published quarterly by HM Treasury. GDP deflators are the standard approach adopted by both the UK and Scottish Governments when analysing public expenditure. As a result of the way that GDP is calculated, the increased public spending related to Covid-19 means that (in the short term) annual GDP growth rates are forecast to be volatile. To allow us to continue to provide meaningful comparisons between years, we have changed how we use GDP deflators this year. To compensate for the increased volatility, we have used an average GDP growth rate across 2020/21 and 2021/22 to separate inflation from the changes largely attributable to Covid-19 spending and changes in outputs.

5. We also refer to figures in 'cash terms'. This means that we are showing the actual cash or money paid or received.

1. Councils' income in 2020/21

Key messages

1 The Covid-19 pandemic persisted throughout 2020/21, with the Scottish Government increasing funding to councils by £1.5 billion to support them in dealing with the impacts of the pandemic.

2 The underlying increase in Scottish Government funding to councils of £358 million in 2020/21 was 1.1 per cent in real terms. But, over half of this increase is due to specific grants, which are now £710 million. Ring-fenced funding helps support delivery of key Scottish Government policies, such as expanding early learning and childcare services, but constrains a proportion of the total funding and resources and removes any local discretion over how these funds can be used by councils.

3 When Covid-19 funding is excluded, there has been a real terms underlying reduction in local government funding of 4.2 per cent since 2013/14.

Total revenue funding and income

Covid-19 had an impact on the whole of 2020/21

6. The global pandemic and consequent restrictions emerged at the end of March 2020 and persisted throughout the 2020/21 financial year. This report is the first Local Government Overview to capture the full-year impact of Covid-19 on local government finances.

Councils' total funding and income increased by £1.8 billion (10 per cent) in 2020/21, mainly as a result of additional Covid-19 funding of £1.5 billion

7. Councils' total revenue funding and income was £20.3 billion in 2020/21, an increase of £1.8 billion (or 10 per cent) on the previous year. Comparing 2020/21 with 2019/20 (Exhibit 1, page 10) shows that most funding comes from the Scottish Government in both years and illustrates the impact of Covid-19 additional funding on the overall funding of councils (7 per cent of funding received).

8. Additional Covid-19 funding included as part of the General Revenue Grant was £1.3 billion, and additional Covid-19-specific grant funding was £0.2 billion in 2020/21. When this is excluded, total revenue and income increased by £0.3 billion, or 1.6 per cent, compared with the previous year.

Councils' income from customer and client receipts reduced by an average of 25 per cent

9. Scotland wide, the reduction in income from customer and client receipts is estimated at £0.5 billion. Significant income streams were affected by Covid-19 restrictions and measures. Glasgow City and Fife Councils both suffered significant reductions in cultural and community income and car parking income. Orkney and Argyll and Bute Councils identified reductions in pier and harbour income as a direct consequence of Covid-19 travel restrictions. Councils have also experienced reductions in income from school meals, building warrants and trade waste disposal.

Council tax rates increased by 4.5 per cent in 2020/21

10. All councils raised council tax levels in 2020/21. The average rate increase across Scotland was 4.5 per cent. The lowest increase was 3 per cent in Clackmannanshire, Inverclyde and South Lanarkshire Councils. Twenty councils increased council tax by 4.8 per cent in line with the Scottish Government cap on council tax rate increases.

Exhibit 1.
Sources of funding and income, 2019/20 and 2020/21
Councils' total funding and income increased by £1.8 billion (10 per cent) in 2020/21, mainly as a result of additional Covid-19 funding of £1.5 billion.

£18.5 bn

£20.3 bn

Additional Covid-19 funding represented **7%** of total funding and income received by councils in 2020/21

2019/20	2020/21	
10.7%	7.4%	Customer and client receipts
6.7%	6.5%	Housing Revenue Account rents
13.5%	12.7%	Council tax
16.2%	17.1%	Grants including Scottish Government and other sources
0.0%	1.2%	Covid-19-specific grants
0.0%	6.2%	General revenue Covid-19 funding
52.9%	52.9%	General revenue funding and non-domestic rates
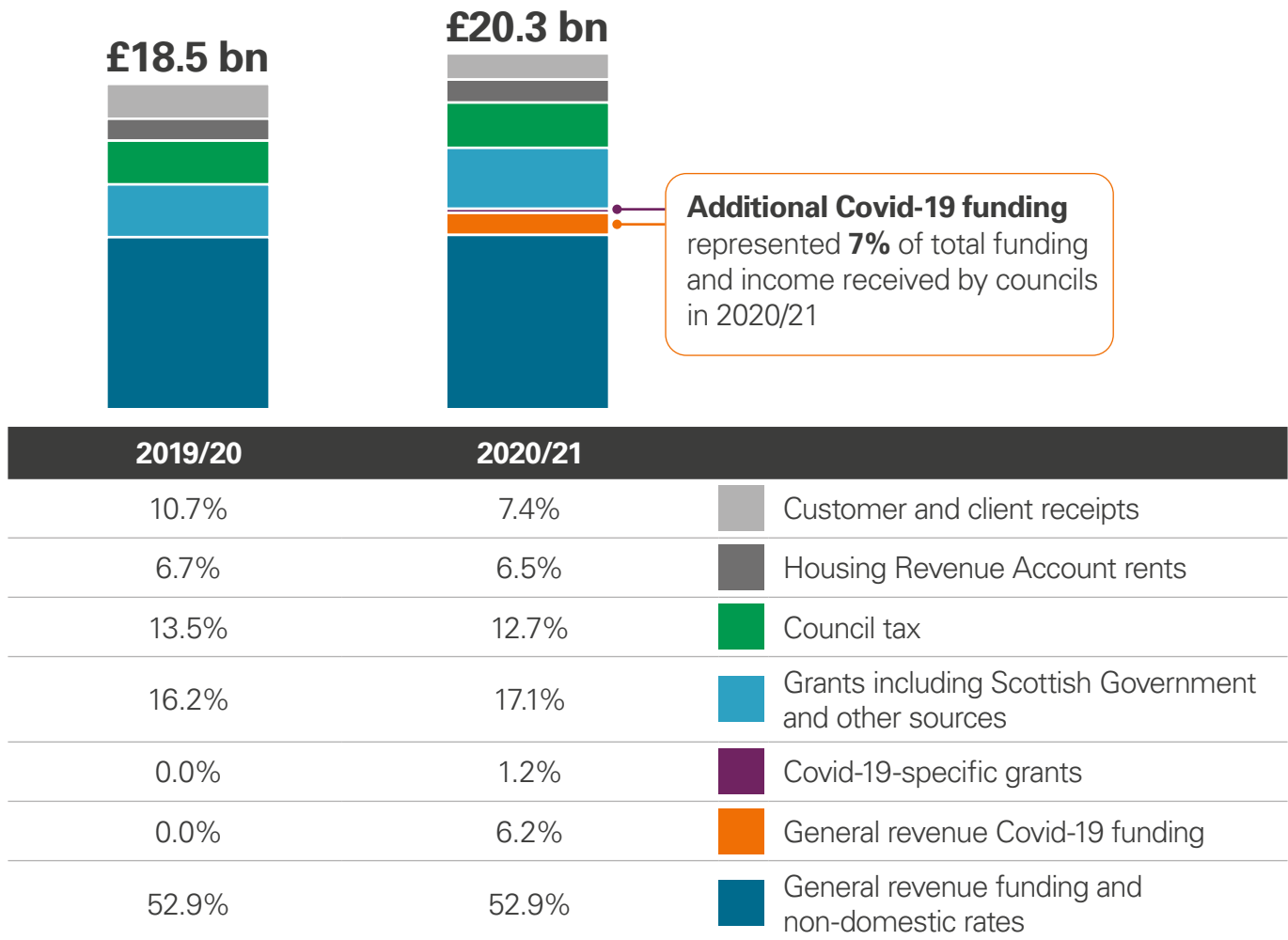
Source: Audited financial statements 2019/20 and 2020/21

Council tax collection rates across Scotland fell by 1 per cent

11. Council tax debts accumulate over many years. The in-year collection rate (for 2020/21 charges) fell from an average of 95.8 per cent to 94.8 per cent. The 1 per cent fall in collection rate contributed to a reduction in income of £30 million. The total amount of council tax billed, taking account of council tax reductions, was £2.7 billion. Of this total, £2.5 billion was collected by 31 March 2021. Collection rates fell across all councils (Exhibit 2, page 11), with Glasgow City Council experiencing the largest reduction. Some councils chose to defer or reschedule debt recovery as part of their Covid-19 responses.

Exhibit 2.
Council Tax collection rates
The average Council Tax collection rate across Scotland fell by 1 per cent in 2020/21.

Percentage   -2.5   -2.0   -1.5   -1.0   -0.5   0.0

Glasgow
North Ayrshire
Aberdeen
Orkney
East Lothian
Edinburgh
Moray
East Renfrewshire
Clackmannanshire
Inverclyde
Renfrewshire
Fife
Midlothian
West Dunbartonshire
Aberdeenshire
East Ayrshire
Eilean Siar
North Lanarkshire
South Ayrshire
Stirling
Scottish Borders
Angus
Dumfries and Galloway
Dundee
Falkirk
Highland
Perth and Kinross
Argyll and Bute
East Dunbartonshire
South Lanarkshire
West Lothian
Shetland

1% fall in average collection rate contributed to a **£30 million reduction** in income across Scotland

Source: Scottish Government Council Tax Collection Statistics 2020-21, Audited financial statements 2020/21

Scottish Government funding

Scottish Government revenue funding increased by 13 per cent in real terms in 2020/21. This was mainly due to Covid-19 funding of £1.5 billion

12. As noted in paragraph 7, Scottish Government funding forms a significant proportion of the total funding available to local government. The proportion increased from 55.7 per cent in 2019/20 to 58.6 per cent in 2020/21.

13. In 2020/21, total revenue funding from the Scottish Government increased by 15.6 per cent in cash terms and by 13.0 per cent in real terms (Exhibit 3). Most of this increase was due to additional Covid-19 funding of £1.5 billion, including £1.3 billion of general revenue funding and £0.2 billion of specific grants.

Exhibit 3.

Changes in Scottish Government revenue funding in 2020/21

Scottish Government revenue funding increased by 13 per cent in real terms in 2020/21, although the increase largely relates to additional specific revenue grants and non-recurring Covid-19 funding.

	2019/20 £ million	2020/21 £ million	Cash change %	Real terms change %
General revenue grant and non-domestic rate income	9,811.4	9,967.5	1.6	-0.7
Specific revenue grants[1]	507.7	709.8	39.8	36.6
Non-recurring Covid-19 funding		1,253.5		
Total revenue funding	**10,319.1**	**11,930.7**	**15.6**	**13**
GRG + NDRI + SRG	10,319.1	10,677.2	3.5	1.1

Note: 1. Includes specific revenue grants for Covid-19.

Source: Finance Circulars 2/2020 and 5/2021 and Scottish Government budget documents.

14. Total revenue funding of £11.9 billion consisted of general resource grant (GRG) funding of £8.1 billion, non-domestic rates (NDR) distribution of £1.8 billion, specific grants of £0.7 billion and non-recurring Covid-19 funding of £1.3 billion.

15. The Scottish Government NDR relief, which was announced in March 2020 to help businesses deal with the impact of Covid-19, resulted in a significant change in the expected income collected from NDR, and this was reflected in the funding given to councils. NDR funding reduced from £2.8 billion in 2019/20 to £1.8 billion in 2020/21. A compensatory increase was given to councils as GRG, as part of a guarantee by the Scottish Government to ensure total funding.

Specific Scottish Government grants contributed to over half of the underlying increase in funding of 1.1 per cent in real terms

16. When non-recurring Covid-19 funding is excluded, the increase in funding from the Scottish Government is 3.5 per cent in cash terms and 1.1 per cent in real terms. The increase in underlying revenue funding was £358 million.

17. In previous overview reports, we identified that increasing amounts of the Scottish Government's total funding to councils is for specific purposes. This trend continued in 2020/21. Over half of the increase was accounted for by specific revenue grants, including an additional £201 million to fund expanding early learning and childcare services. However, the Scottish Government gave councils flexibility in 2020/21 to use the funding for early learning and childcare to support their responses to Covid-19.

18. Specific revenue grants made up 6.7 per cent of recurring revenue funding in 2020/21, up from 4.9 per cent the previous year.

There was a 7 per cent real terms increase in funding to councils in 2020/21, due to Covid-19. However, the underlying decrease is 4.2 per cent since 2013/14

19. Funding from the Scottish Government to local government between 2013/14 and 2020/21 increased by 7.0 per cent in real terms. The Scottish Government received Scottish budget increases for Covid-19 **Barnett consequentials** of £9.5 billion and £1.3 billion was given to councils to support services and Covid-19 responses.

20. Excluding the effect of Covid-19 funding, the underlying cumulative funding position for councils has fallen by 4.2 per cent in real terms since 2013/14 (Exhibit 4, page 14). This demonstrates that local government funding has been reduced by proportionately more than the rest of the Scottish Government budget over this period. The Scottish Government is committed to protecting the Health Budget which has a direct impact on all other areas of the Scottish Budget, including local government.

Barnett consequentials

Throughout 2020/21, the UK Government introduced various spending measures to support households, businesses, and public services in recovering from the impact of Covid-19. Some of these spending measures resulted in Barnett consequentials. The Barnett formula is the way the UK Government ensures that a share of additional funding – allocated only to England – is provided fairly to Scotland, Wales, and Northern Ireland.

The formula delivers a fixed percentage of additional funding allocated in England to services which are devolved, but there is no requirement for this additional funding to be spent in the devolved administrations on the services which generated the additional funding. Each devolved administration can allocate these funds as it believes appropriate.

Exhibit 4.

A comparison of real-terms changes in revenue funding in local government and other Scottish Government areas (including and excluding Covid-19 funding)

The second graph shows that, funding from the Scottish Government to local government between 2013/14 and 2020/21 decreased by 4.2 per cent in real terms once Covid-19 funding is removed.
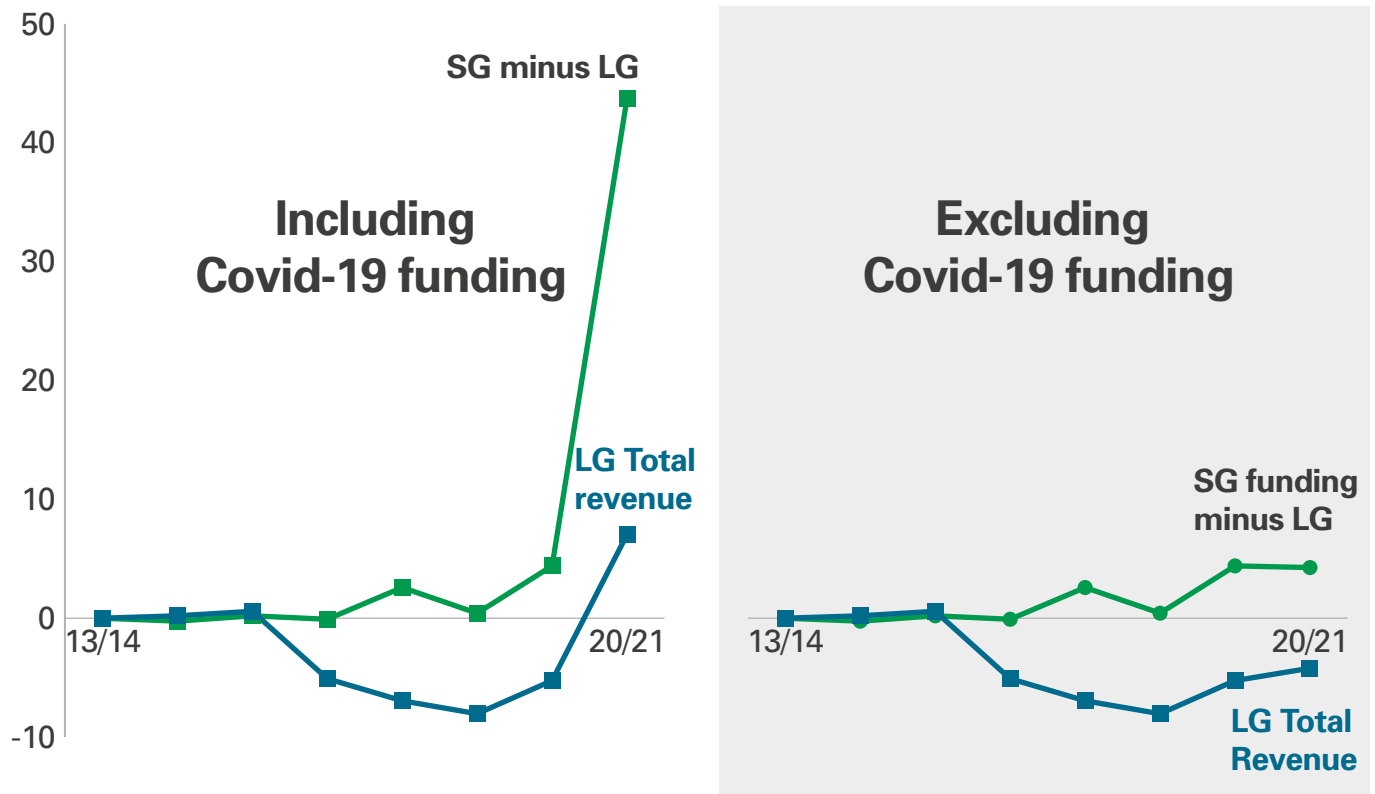
Source: Finance Circular 5/2021 and Scottish Government budget documents

2. Councils' financial position in 2020/21

Key messages

1 Savings plans were mostly delivered across councils, but with significant variation.

2 All councils increased their usable revenue reserves, mainly due to late Covid-19 funding which was unspent at 31 March 2021. The total increase was £1.2 billion.

3 Capital expenditure reduced by more than 20 per cent in 2020/21 due to Covid-19.

4 Councils administered a further £1.4 billion of Covid-19 grants on behalf of the Scottish Government. The need to administer payment of these grants quickly to support the local economy put additional pressure on finance staff across councils.

5 Covid-19 pressures contributed to greater and more frequent errors in councils' unaudited accounts. Auditors also reported wider issues relating to Covid-19, including the slowing of progress in some councils' transformation plans, the impact of reduced income on arm's-length external organisations (ALEOs) and what that means for their financial sustainability, identified weaknesses in internal control systems, and adverse impacts on long-term planning and capacity.

6 In line with the recovery in global stock markets, pension fund investments performed well. In addition, the triennial funding position improved.

Council budgets and outturn 2020/21

In 2020/21, initial budget gaps were consistent with previous years

21. In 2020/21, councils identified net expenditure of £13.5 billion in initial budgets. These were budgets that were set before the Covid-19 lockdown in late March 2020. The budget gap at the time was £0.5 billion (1.7 per cent), which was consistent with the gap identified in the previous year.

22. Planned savings were the most common way of addressing expected budget gaps in 2020/21, although plans also included reference to income generating activities and reprofiling loan fund repayments to make savings.

Savings plans were mostly delivered across councils, but with significant variation

23. An analysis of a sample of 14 councils identified that, on average, 83 per cent of the planned savings were achieved. However, there was significant variation in how individual councils performed against their savings targets:

- **East Lothian Council** achieved savings of £3.1 million (99 per cent of those budgeted) in 2020/21. However, of this total, only £1 million (35 per cent) of savings were on a recurring basis. Council officers have recognised the risk of not achieving these savings annually and the council is reviewing its budgeted savings.

- **Angus Council** set a Change Programme saving target for 2020/21 of £9 million. The council achieved actual savings of £8.5million (95 per cent).

- **Comhairle nan Eilean Siar**, which planned to make £2.6 million of savings in 2020/21, achieved savings of £1.6 million or 62 per cent. The auditors note that service redesign savings of £1.0 million were not achieved, as resources were reallocated to the council's Covid-19 response.

- **Fife Council** planned to achieve efficiency savings of £13 million and achieved actual savings of £8 million (65 per cent). The shortfall was dealt with by in-year alternative savings, such as alternative cost reductions, unused contingency funding and a change in accounting treatment of loan charges.

24. Non-recurrent savings can include savings made as a result of delays in recruitment due to Covid-19; savings in budget provisions for energy and NDR costs; reduced operational costs arising from the Covid-19 impact on service delivery; and reductions in borrowing costs resulting from lower than anticipated capital spending.

All councils reported surpluses and increased their usable reserves in 2020/21. The total increase was £1.2 billion (46 per cent). This increase was mainly due to late Covid-19 funding, which is earmarked to be spent on Covid-19 recovery activity over the next two financial years

25. All councils increased their total usable reserves at 31 March 2021 to £3.8 billion. This represents an increase of £1.2 billion (46 per cent) on the previous year and includes revenue and capital reserves. Exhibit 5 (page 18) shows increases in councils' usable reserves during 2020/21.

26. Most of the increase in 2020/21 is in general fund reserves (including Housing Revenue Account, HRA) of £1.1 billion. This is predominantly due to a significant element of Covid-19 funding that was issued to councils very late in the financial year. This contributed to about a 70 per cent increase in reserves held by councils at the end of 2020/21. However, the view of the Convention of Scottish Local Authorities (COSLA) is that this funding is fully committed and most will be spent in 2021/22, with an element carried forward to be spent in 2022/23.

27. The timeline of funding announcements made by the Scottish Government during 2020/21 (Supplement: Covid-19 funding to Local Government – 2020/21) illustrates the challenges faced by councils in receiving and spending this additional money.

Reductions in expenditure and savings achieved contributed to about 30 per cent of the increase in councils' reserves in 2020/21

28. COSLA notes that, during 2020/21, councils faced challenges arising from a combination of loss of income and additional expenditure and had to manage financial projections without any guarantee of any additional financial support from either the UK or Scottish Governments. As a result, councils took steps to reduce expenditure and achieve budgeted savings where possible to mitigate the impact of the pandemic. As financial support was announced later in 2020/21 some of the short-term measures taken during the year by councils, to manage their budgets, resulted in increases in council reserves due to service underspends. Around 30 per cent of the increase in reserves is attributed to service underspends.

29. Over the same period, it was not possible to progress spending in some policy areas, such as expanding early years services and employability programmes, adding to a short-term increase in the level of reserves held.

Supplement:
Covid-19 funding to Local Government – 2020/21
Accounts Commission
March 2021

Exhibit 5.
Increases in councils' usable reserves during 2020/21
All councils increased their usable reserves.

Council	£ million
Edinburgh	
Shetland	
Glasgow	
North Lanarkshire	
Fife	
Highland	
Orkney	
South Lanarkshire	
Aberdeen	
Renfrewshire	
North Ayrshire	
Aberdeenshire	
Argyll and Bute	
Dundee	
East Ayrshire	
Dumfries and Galloway	
Falkirk	
Moray	
South Ayrshire	
Perth and Kinross	
Midlothian	
Angus	
Scottish Borders	
Stirling	
East Renfrewshire	
East Dunbartonshire	
East Lothian	
Clackmannanshire	
Eilean Siar	
West Lothian	
West Dunbartonshire	
Inverclyde	

£ million 0 30 60 90 120 150

£1.2 billion increase (46%) on the previous year

Note: Exhibit 5 data available to download on our website.

Source: Audited financial statements 2020/21

Reserves

Most of the increase in the general fund is committed to Covid-19 recovery

30. Exhibit 6 (page 20) shows the nature and value of usable reserves in 2020/21. Within the committed element of the general fund, councils' accounts have not always clearly identified the element arising from Covid-19 funding, but at least £650 million of the increased balance is identified for Covid-19 recovery, and we believe that the actual amount is much higher.

Recommendation

Elements of Covid-19 funding that are being carried forward in general earmarked and unearmarked reserves in the accounts should be clearly identified.

Exhibit 6.

The relative size and nature of councils' usable reserves
In 2020/21, usable reserves held by councils totalled £3.8 billion.

Councils' usable reserves
£3.8 billion

Capital
£0.6 billion

Used for future capital expenditure or to repay borrowing

Revenue
£3.2 billion

General fund
£2.6 billion

Other statutory reserves
£0.6 billion

Committed
£1.9 billion

Surpluses with identified future uses

Uncommitted
£0.5 billion

Surpluses with identified future uses – a contingency balance

HRA
£0.2 billion

Balance of housing surpluses, strictly part of general fund, but used to offset future HRA deficits or enable NRA investment

Repairs and renewals
£0.2 billion

Used to fund future maintenance and repair of assets

Insurance
£0.1 billion

Manages self-insured losses by charges to services

Other usable reserves
£0.3 billion

Includes harbour funds at Orkney and Shetland

Source: Audited financial statements 2020/21

Capital

In 2020/21 underlying capital expenditure was reduced by more than 20 per cent due to Covid-19

31. Capital spending across Scotland fell by £1.2 billion in 2020/21, from £3.6 billion in 2019/20 to £2.4 billion. Glasgow City Council's **sale and leaseback transactions** in 2019/20, as part of its equal pay funding strategy, account for £0.5 billion of this reduction. The overall reduction in capital expenditure in 2020/21, net of Glasgow City Council, was still £0.7 billion (22 per cent, based on £3.1 billion underlying spending last year).

32. Auditors reported that Covid-19 restrictions had a significant adverse impact on the cost and delivery of capital projects in 2020/21. In many cases, capital plans were revised to reflect lockdown and the impact of social distancing and other suppression measures that contributed to delays in construction for a large part of 2020/21.

33. Twenty-six councils (81 per cent) reported reduced capital expenditure. Only six councils spent more on their capital programmes in 2020/21 than in 2019/20. The average decrease was 31 per cent. Significant slippage against capital programmes was also noted at some councils in 2020/21:

- **Dundee City Council:** Capital works of £47 million were completed during 2020/21, against an approved capital programme of £107 million (£75 million general fund projects and £32 million HRA projects). This represents slippage against the original plan of 56 per cent, but this is largely attributable to the impact of Covid-19 in the early part of the year. Multiple projects contribute to the significant slippage recorded and span all services areas, including housing, education, cultural and related services and environmental services.

- **East Lothian Council:** Total capital expenditure in 2020/21 was £56.9 million, relative to a budget of £98.1 million, of which £35.7 million related to general fund projects and £21.2 million to the HRA. This represents slippage against budget of 42 per cent. The underspend is almost entirely due to delays caused by Covid-19 lockdown periods and suspended construction projects.

The number of new houses completed fell by 92 per cent in the first quarter of 2020/21, because of Covid-19, but recovered over the year

34. Local authority housing completions fell by 92 per cent in the first quarter of 2020/21 to 34 from 446 in the first quarter of 2019/20. This was a direct result of the first lockdown and restrictions in response to the Covid-19 pandemic. This significant level of reduction was mirrored across all housing sectors in Scotland. Completions returned to pre-lockdown levels in the second quarter, once initial lockdown restrictions were removed, and continued to recover in the third quarter. In total, 537 completions were reported in 2020/21, an increase of 57 per cent on 2019/20 .

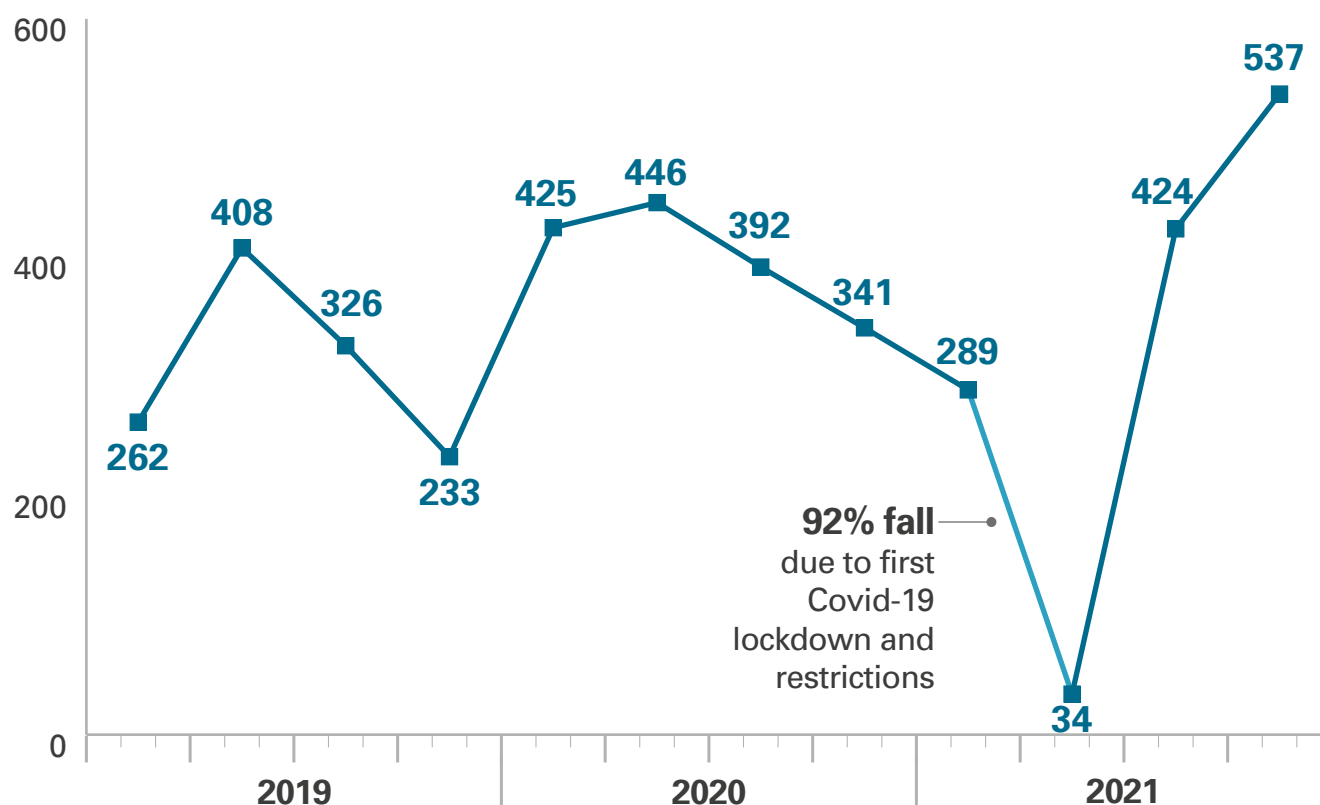**Sale and leaseback transactions**

Glasgow City Council included a provision for equal pay costs in 2018/19 and during 2019/20 settled the majority of outstanding equal pay claims. The £500 million cost of settlement was met by a sale and leaseback funding strategy that raised £549 million. Our analysis in 2020/21 has been adjusted to reflect this artificial inflation of capital expenditure in 2019/20.

Exhibit 7.
Quarterly Local Authority Housing Completions
Local authority completions fell by 92 per cent in the first quarter of 2020/21.

Number of new houses completed by local authorities

262
408
326
233
425
446
392
341
289
34
424
537

92% fall due to first Covid-19 lockdown and restrictions

2019
2020
2021

Source: Scottish Government housing statistics quarterly update: December 2021

Capital costs increased in 2020/21, largely as a result of Covid-19

35. Fourteen of the 20 councils that we reviewed noted increased capital project costs in 2020/21, largely because of the impact of the Covid-19 pandemic. The key factors included increases in the cost of raw materials, supply chain delays and inflation associated with delayed contracts.

The main sources of capital financing are still government grants, but internal loan fund repayments from council services have reduced

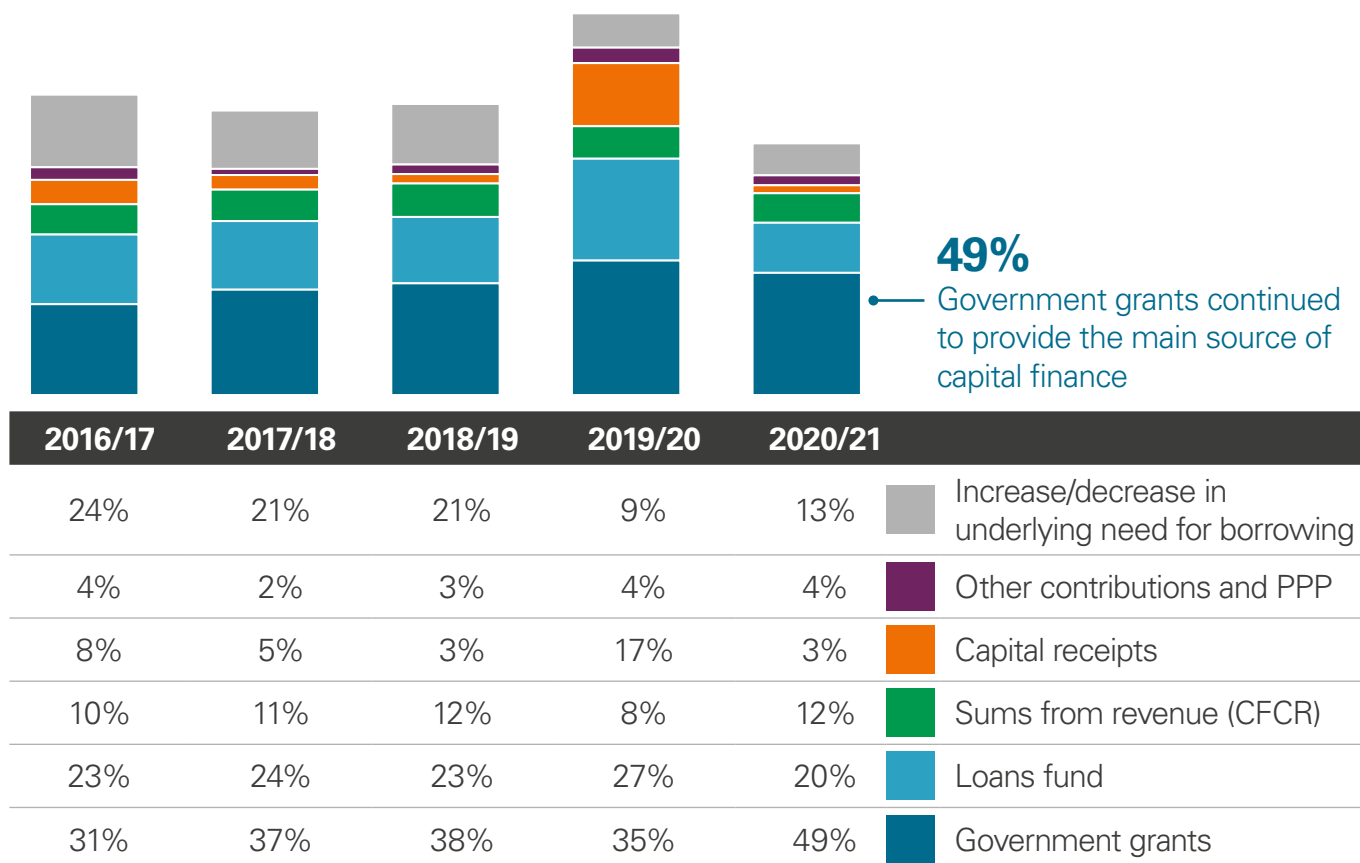**36.** Government grants continued to provide the main source of capital finance (49 per cent). The amounts financed from internal loan fund repayments reduced from 27 per cent in 2019/20 to 20 per cent in 2020/21 (Exhibit 8, page 23).

37. The reduction in this internal source of capital finance might be the result of rescheduling loan fund repayments, reducing the amount available to reinvest in capital.

Exhibit 8.
Capital expenditure analysed by source of finance 2016/17 to 2020/21
Total capital expenditure fell and 49 per cent was financed by government grants.

49%
Government grants continued to provide the main source of capital finance

2016/17	2017/18	2018/19	2019/20	2020/21		
24%	21%	21%	9%	13%	⬜	Increase/decrease in underlying need for borrowing
4%	2%	3%	4%	4%	🟪	Other contributions and PPP
8%	5%	3%	17%	3%	🟧	Capital receipts
10%	11%	12%	8%	12%	🟩	Sums from revenue (CFCR)
23%	24%	23%	27%	20%	🟦	Loans fund
31%	37%	38%	35%	49%	🟦	Government grants

Source: Audited financial statements 2016/17 – 2020/21

Net debt has fallen by £1 billion

38. Total net debt (total debt less cash and investments) fell across councils by £1 billion, or 5.7 per cent, between 2019/20 and 2020/21, to £16 billion. Only seven councils' net debt increased in 2020/21.

39. The most significant element of this change is the increase in cash and investment balances: unspent Covid-19 funding received late in 2020/21 contributed £720 million to the decrease in net debt.

The wider impacts of Covid-19

Councils did not use the additional financial flexibilities granted to respond to Covid-19

40. Councils were given an additional package of spending powers and financial flexibility to respond to Covid-19 in 2020/21. However, of a sample of 22 councils, none used them in 2020/21.

41. Ten of the councils in the sample intend to use funding flexibilities in 2021/22. Some councils intend to use multiple flexibilities. Our analysis indicates that nine councils plan to defer internal loan fund repayments, five councils intend to extend debt repayment periods and two councils plan to use capital receipts to meet one-off revenue pressures arising from Covid-19.

Councils administered a further £1.4 billion of Covid-19 grants on behalf of the Scottish Government in 2020/21

42. Councils administered a further £1.4 billion of Covid-19 grants on behalf of the Scottish Government in 2020/21 and acted as agents in administering and disbursing these grants to businesses and individuals. The income and expenditure relating to these grants was not included as income or expenditure in the accounts reflecting the councils' position as paying agents.

43. Some council auditors reported that the additional administrative burden put additional pressure on council finance staff. The auditors of Orkney Islands Council noted that managing the volume and complexity of the various Covid-19 support schemes was challenging for finance staff. Furthermore, the auditors of North Lanarkshire Council found that the council's second officer checks of council tax and NDR discounts and reliefs were paused for a period during 2020/21, as staff were diverted to process Covid-19-related business grants.

44. Across Scotland, councils were under pressure to administer payment of these grants within a very short period of time to support the local economy. Our report Scotland's economy: Supporting businesses through the Covid-19 pandemic, due to publish in March 2022, considers the work undertaken by the Scottish Government and councils to minimise fraud risk involved in making these payments. This included placing reliance on councils' existing internal control environments to ensure eligibility of applications. Council auditors did not report any weaknesses in control in relation to these payments in 2020/21 annual audit reports.

Supporting local government recovery
Scottish Government
October 2020

Covid-19 contributed to greater and more frequent errors in councils' unaudited accounts

45. The Local Authority (Scotland) Accounts Advisory Committee (LASAAC) issued guidance on the accounting treatment and disclosure requirements expected for grants and for the accounting of personal protective equipment. This guidance was issued to councils in June, after unaudited accounts had already been prepared.

46. The majority of council auditors reported errors in the accounting treatment of these unusual transactions in the unaudited annual accounts, but councils made appropriate adjustments to reflect Scottish Government and LASAAC guidance.

47. Auditors also noted some wider issues including errors in asset valuations and the consolidation of group accounts. An increase in the number of errors identified may be linked to the challenges faced by council finance teams working remotely and faced with the additional responsibilities that arose during the Covid-19 pandemic.

Auditors reported issues with transformation plans, support for ALEOs, weaknesses in internal controls, and impacts on long-term planning and capacity due to Covid-19

- **Progress with transformation plans:** Covid-19 slowed progress in transformation and savings plans at some councils in 2020/21. For example, service redesign savings of £1 million were not achieved at Comhairle nan Eilean Siar because resources were reprioritised in response to Covid-19. Similarly, East Dunbartonshire Council's auditor noted that planned efficiency and transformation savings were not fully achieved in 2020/21, due to Covid-19, but that the shortfall was met by budget underspending. Fife Council's transformation programme has also been adversely affected by Covid-19.

- **Funding of leisure ALEOs:** East Dunbartonshire Council supported the East Dunbartonshire Leisure and Culture Trust (EDLCT) through its Covid-19 challenges to ensure the sustainability of its services. EDLCT experienced a significant drop in its income because its facilities were closed in response to Covid-19 and reported a loss of £4.7 million for 2020/21. The council provided additional funding to EDLCT in 2020/21 for vaccination costs (£0.3 million) and loss of income (£0.7 million), as well as letters of comfort to ensure the trust's financial sustainability. Other auditors reported similar support for leisure trusts.

- **Improvements required in internal controls:** The auditors of Glasgow City Council highlighted areas where improvements in internal controls are needed. These were in relation to journal authorisation, checks on discounts on council tax and NDR and on housing benefits, and key system user access. Changes in business operations and working circumstances because of Covid-19 are

likely to have contributed to the weaknesses identified. Covid-19 also had a significant impact on staff capacity and the control environment at Clackmannanshire Council. Auditors concluded that introducing remote working and additional duties and reprioritising tasks had a significant impact on staff capacity to undertake routine tasks on time. This affected the control environment, with several control weaknesses identified that needed a change in the audit approach. Substantive testing was increased to enable the auditors to obtain the required audit assurances.

- **Long-term financial planning:** Some councils have updated their long-term financial plans to reflect the ongoing impact of the Covid-19 pandemic. These plans cover a 10-year period and are in place at Argyll and Bute Council, Comhairle nan Eilean Siar, Inverclyde Council, North Ayrshire Council and West Dunbartonshire Council. The auditors of Dundee City Council note that, although a long-term financial strategy was approved in August 2019, this will now need to be revised to reflect the longer-term financial impact of Covid-19. Auditors note similar findings at Glasgow City Council, Orkney Islands Council and South Lanarkshire Council.

- **Workforce capacity challenges:** Auditors at nine councils reported issues relating to workforce capacity in 2020/21. For example, Angus Council's payroll team faced additional pressures because of staff absences; Comhairle nan Eilean Siar has faced challenges in recruiting a new director for assets, finance and resources; and Dundee City Council faced additional workload challenges caused by a number of changes in key finance staff, administrative problems presented by the Covid-19 support schemes, sickness absence and the impact of remote working.

Local government pension funds

Pension fund investment returns improved in 2020/21 following initial market reactions to Covid-19 in the last quarter of 2019/20

48. The 11 main Scottish local government pension funds experienced positive investment returns in 2020/21. The annual return was between 15.6 per cent and 38.3 per cent in individual funds, based on the average assets position (Exhibit 9). The improvement in asset valuations during 2020/21 followed the global impact on investment values due to Covid-19 in the last quarter to 31 March 2020.

Exhibit 9.

Investment returns based on average assets in Scottish Pension Funds 2020/21
2020/21 investment returns were positive for all funds.
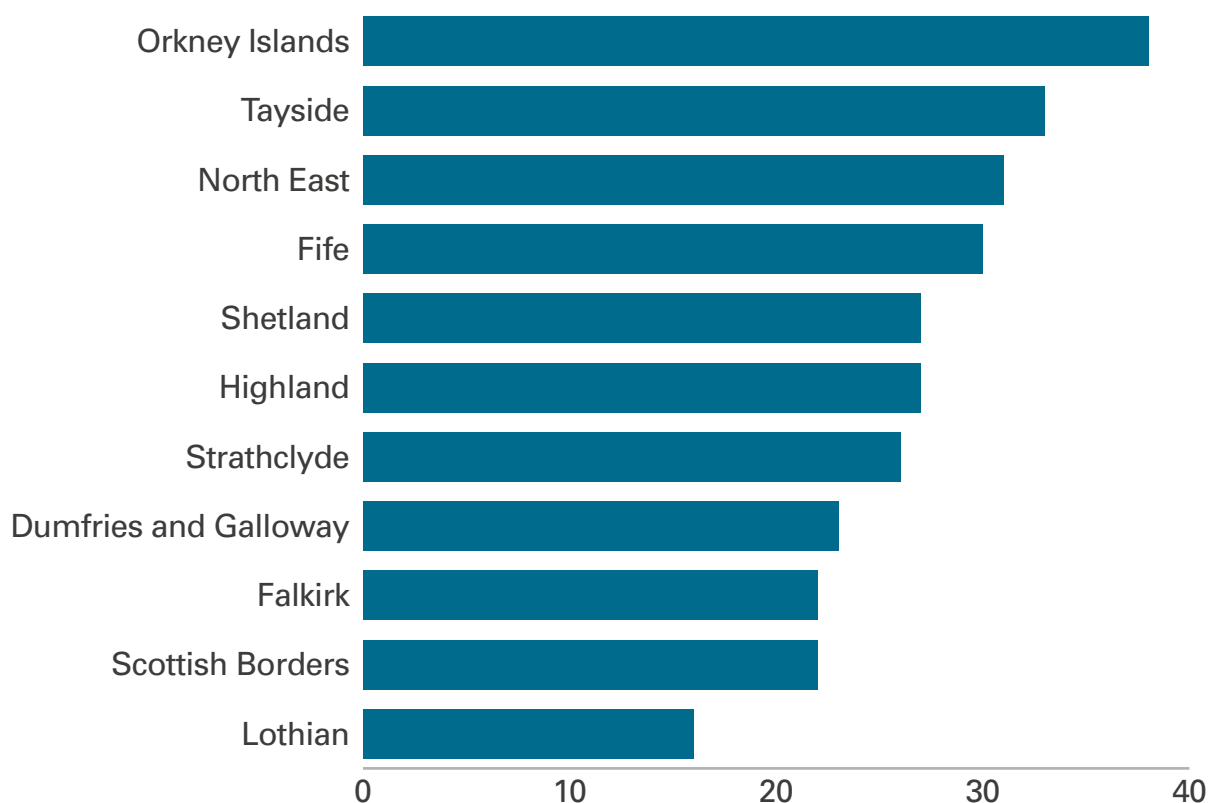
Source: Audited accounts of the Pension Funds 2020/21

Funds tended to outperform their benchmarks

49. In the majority of funds, the overall investment returns outperformed their individual annual benchmarks to 31 March 2021. Fund benchmarks and annual returns reflect the investment strategy of each fund. Funds' investment strategies and exposure to market volatility and risk will differ.

The triennial funding valuation at 31 March 2020 showed improved funding positions for most funds with a number showing funding levels of more than 100 per cent

50. The triennial funding valuation took place across Local Government Pension Scheme pension funds on 31 March 2020. The main purpose of the valuation is to review the financial position of each fund and to set appropriate contribution rates for each employer for the upcoming three-year period.

51. Overall, the funding position has improved across Scotland. Nine of the 11 pension funds showed an improved funding position compared with 2017, with the biggest increase noted at Lothian Pension Fund (98 per cent funded in 2017; 106 per cent funded in 2020).

52. Seven funds show funding levels of more than 100 per cent. These range from 118 per cent in Orkney Islands Council Pension Fund to 100 per cent at Highland Pension Fund. Not all pension funds were fully funded, however. Funding levels of 92 per cent were noted at Dumfries and Galloway Pension Fund and at Shetland Islands Council Pension Fund.

Financial management and transparency

Management commentaries in councils accounts have improved, but many are still not complying with previous recommendations on transparency

53. In previous Local government in Scotland: Financial overview reports we highlighted three key aspects in assessing whether financial reporting is transparent in the management commentaries:

- Is the outturn against budget position for the year clearly shown, and are the reasons for significant variances obvious?

- Is the outturn reported in the narrative reconciled to the movement in the general fund contained in the financial statements, and are major differences explained?

- Is progress against agreed savings reported?

54. Our review of 2020/21 management commentaries found that:

- Argyll and Bute Council, City of Edinburgh Council, Comhairle nan Eilean Siar, Fife Council, South Lanarkshire Council, Stirling Council and West Dunbartonshire Council included these key aspects of transparency in their management commentaries.

- Nearly all councils reported their year-end outturn, but six councils did not explain significant variances from budget.

- Only nine councils reported progress against agreed savings.

Recommendation

We recommend again that councils review and improve how they comply with these key expectations of transparency

Most councils identified the financial impact of Covid-19 in their management commentaries

55. We also considered the extent to which management commentaries for 2020/21 included detail of the impact of Covid-19 on councils' financial positions and governance arrangements. Most councils included good coverage of this in the management commentary, particularly on the total cost of Covid-19, additional funding provided and the distribution of business support grants on behalf of the Scottish Government.

3. Councils' financial outlook

Key messages

1 Uncertainty over the amount of funding available for Covid-19 recovery at the end of 2020/21 led to difficulties in setting budgets, and many councils established updated Covid-19 budgets in autumn 2021.

2 Initial Scottish Government revenue funding in 2021/22 has increased by 1.1 per cent in real terms.

3 Covid-19 resulted in revised medium-term financial plans, but longer-term planning will need to be updated as Covid-19 uncertainty diminishes.

4 Scottish Government capital funding in 2021/22 is expected to fall again. This may have a significant adverse impact on councils' investment plans.

5 The long-term funding position for councils remains uncertain, with significant challenges ahead as councils continue to manage and respond to the impact of Covid-19 on their services, finances and communities.

6 In the longer term, uncertainty creates challenges for councils as they seek to address cost and demand pressures that existed before the impact of Covid-19, as well as develop long-term plans with their partners to address complex issues such as child poverty and inequalities, to improve economic growth and to deliver Scotland's net zero ambitions.

Budgets for 2021/22

The uncertainty over the funding position for Covid-19 at the end of 2020/21 led to issues in budget setting and many councils established Covid-19 budgets in autumn 2021

56. Councils approved net expenditure budgets of £13.8 billion for 2021/22, including a budget gap of £0.2 billion (or 1.5 per cent). Many budgets were set before the full impact of Covid-19 funding was known in 2020/21, and some councils set their budget over more than one meeting due to changing financial position on funding.

57. As Covid-19 funding was not incorporated into initial council budgets for 2021/22, many councils presented additional 'Covid-19 budgets' in autumn 2021. Of a sample of 22 councils, only five (or 23 per cent) reported that they have updated their reserves policy because of changes resulting from Covid-19.

Recommendation

We expect councils to agree spending plans and timescales for Covid-19 recovery reserves with the relevant decision-making committee.

All councils froze council tax for 2021/22

58. The Scottish Government made a grant offer conditional on all councils agreeing to freeze their council tax at 2020/21 levels. All councils agreed to accept this offer and froze council tax for 2021/22.

Many councils continue to present multi-year indicative budgets

59. Sixteen councils presented multi-year indicative budgets in 2021/22. In four councils (Aberdeen City, Aberdeenshire, Scottish Borders and Stirling) budgets cover the next five years, and the others cover two or three years.

Financial pressures in 2021/22 budgets

The 2021/22 budget papers contained some common themes in the pressures that councils identified

60. Councils consistently identified short- and long-term cost pressures in their initial 2021/22 budget papers, including:

- costs associated with restarting services after restrictions have ended

- inflation

- increased pay awards

- demand pressures, particularly population and demographic changes

- pressure on capital budgets

- financial sustainability challenges for ALEOs.

61. Further commentary on the future funding position of councils and the associated challenges is included at paragraphs 70 to 73.

2021/22 funding settlement

Excluding Covid-19 funding, initial Scottish Government revenue funding in 2021/22 has increased by 1.1 per cent in real terms. However, when non-recurring Covid-19 funding is included, total revenue funding has fallen by 7.4 per cent in real terms

62. The initial local government revenue settlement from the Scottish Government in 2021/22, excluding non-recurring Covid-19 funding, increased by 3.4 per cent (cash terms) from 2020/21 to £11.0 billion. This was a real terms increase of 1.1 per cent .

63. Non-recurring funding related to Covid-19 has fallen from £1.3 billion in 2020/21 to £0.3 billion in 2021/22. As a result, total revenue funding has fallen by 7.4 per cent in real terms from £11.9 billion in 2020/21 to £11.3 billion in 2021/22.

Exhibit 10.
Changes in Scottish Government initial revenue funding in 2021/22

	2020/21 £ million	2021/22 £ million	Cash change %	Real terms change %
General revenue grant and non-domestic rate income	9,967	10,267	3.0	0.6
Specific revenue grants	710	776	9.3	6.8
Revenue funding excluding Covid-19	**10,677**	**11,043**	**3.4**	**1.1**
Non-recurring Covid-19 funding	1,254	259	-79.3	-79.8
Total revenue funding	**11,931**	**11,302**	**-5.3**	**-7.4**

Source: Finance circulars 05/2021 and Scottish Government Budget documents

Medium- and long-term financial planning

Covid-19 resulted in revised medium-term financial plans, but longer-term planning will need to be updated as Covid-19 uncertainty diminishes

64. Auditors have reported greater uncertainty in current financial planning arrangements at councils because of Covid-19. All councils will now need to revise medium-term financial plans to reflect additional financial pressures and updated funding arrangements and to account for updated savings requirements and financial assumptions.

65. Of a sample of 22 councils, all have a medium-term financial plan in place that covers a 3-5 year period. Only 19 councils review the plan annually.

66. Fifteen of the 22 councils sampled have a longer-term financial plan in place (covering a period of over five years), but many now need updated. The continuing uncertainty and related challenges created by Covid-19 mean that councils have concentrated on revising medium-term financial plans during the recovery from the pandemic. As the uncertainty created by Covid-19 diminishes, councils should update their longer-term financial plans to reflect this. It is also important that councils take account of their overarching recovery strategies in the longer term.

67. Most medium-term financial plans included in our sample contained details of savings and targets, cost pressures, updates on Scottish Government funding levels and scenario planning for the future. We noted gaps, however, in some medium-term financial plans in that key areas and risks, such as Scottish Government settlement updates, staff costs, demographics and inflation, are set out but not quantified.

Recommendation

All councils will now need to revise medium-term financial plans to reflect additional financial pressures and updated funding arrangements and to account for updated savings requirements and financial assumptions.

Councils should also review longer-term planning as Covid-19 uncertainty diminishes.
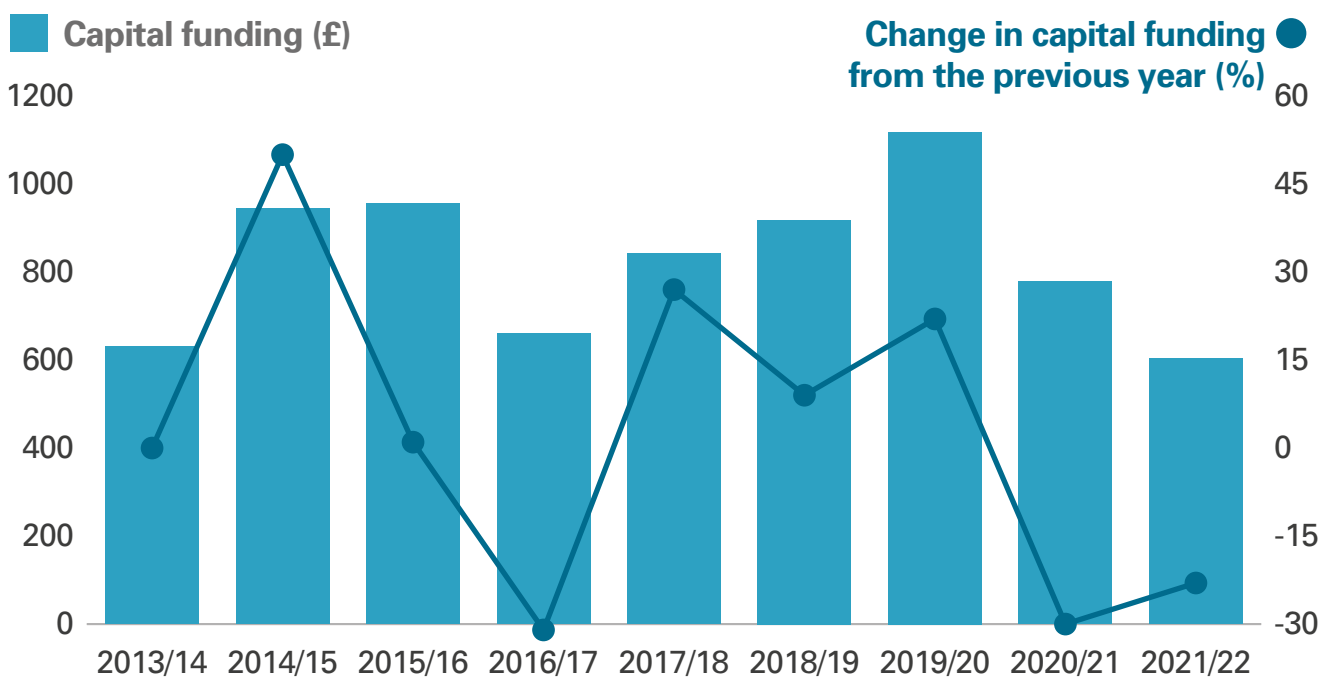
Capital funding

Scottish Government capital funding in 2021/22 is expected to fall again

68. The local government capital settlement in 2021/22 decreased from £0.8 billion in 2020/21 to £0.6 billion. Capital funding increased significantly up to 2019/20 before falling in 2020/21 and 2021/22 (33 per cent increase between 2017/18 and 2019/20 when capital funding was £1.1 billion). Total capital funding has fallen to a level below that in 2013/14 in real terms (Exhibit 11).

Exhibit 11.
Real terms capital funding between 2013/14 and 2021/22
Scottish Government capital funding in 2021/22 is decreasing by 23 per cent

Source: Finance circulars 05/2021 and Scottish Government budget documents

The fall in capital funding may have a significant impact on councils' investment plans

69. Reductions in capital funding may have a significant adverse impact on councils' investment plans. This may create a risk that the progress of crucial transformation activity will be restricted. This is of significant concern at a time when councils will face challenges in supporting communities and local economies to recover from the impact of Covid-19, as well as taking on other local priorities and national policy commitments.

Longer-term financial challenges

Councils' future funding position remains uncertain, with many challenges ahead

70. The funding settlement from the Scottish Government to councils continues to be provided on an annual basis. This makes it challenging for councils to plan and budget effectively for the medium and longer term and creates uncertainty over future funding. COSLA expects that the impact of the Covid-19 pandemic will last for many years and that continuing loss of income and additional expenditure will be a concern for all councils. Managing reserves and medium and longer-term financial planning will continue to be key to maintaining financial sustainability.

71. COSLA also expects that uncertainty over the continuity of Covid-19 funding in future years will bring substantial challenges to councils in developing effective medium and longer-term financial plans. As Covid-19 funding reduces, councils will need to accelerate progress with transformation programmes that have stalled, address issues in delivering recurring savings and bring forward proposals to reduce costs to maintain financial sustainability.

72. Although councils' reserves increased significantly in 2020/21, large parts have been earmarked for specific purposes, such as economic recovery, business transformation and, in some cases, balancing budgets, as part of a longer-term financial strategy. This therefore limits councils' flexibility to respond to unforeseen challenges and circumstances that may arise.

73. The requirement for councils to plan and deliver new ways of working across services, the need to meet carbon reduction targets to mitigate climate change and the potential impact of a national care service on councils' finances and service viability further exacerbate this challenge. We intend to comment further on this as part of our Local government in Scotland: Overview 2022 report, due for publication in May 2022.

The Scottish Government and COSLA are discussing the extent of ring-fencing in the local government budget

74. The provisional Scottish local government finance settlement for 2022/23 was published on 20 December 2021. This set out that a total of £12.5 billion will be distributed to local authorities in 2022/23. However, a final figure has yet to be established as the Scottish Budget process continues.

75. Almost £1.4 billion of the local government settlement is being transferred from other portfolios. As noted in our recent Scottish Budget 2022/23 briefing, the Scottish Government regards this funding as general revenue grant, available to allocate to local needs and priorities, and considers specific revenue grants the only element of the revenue

settlement that is ring-fenced. COSLA contests this view and claims that revenue funding transferred from other portfolios is ring-fenced for implementing a specific policy and comes with conditions setting out how it should be used.

76. The Scottish Parliament Information Centre notes that, if specific revenue grants are the only part of funding that is considered ring-fenced, then ring-fenced funds as a proportion of total revenue grew from 2.7 per cent in 2018/19 to 6.6 per cent in 2022/23. However, if COSLA's definition of ring-fencing is used, namely specific revenue grants plus revenue transferred from other portfolios, then ring-fenced funding as a proportion of total revenue grew from 4.0 per cent in 2018/19 to 17.9 per cent in 2022/23.

77. As we have noted earlier in the report, ring-fenced funding helps support the delivery of key Scottish Government policy initiatives but constrains a proportion of councils' total funding and removes any local discretion over how these funds can be used. The Scottish Government and COSLA continue to discuss this.

Local Government Finance: Budget 2022-23 And Provisional Allocations to Local Authorities
Scottish Parliament Information Centre
January 2022

Local government in Scotland
Financial overview 2020/21

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To: Audit, Risk and Scrutiny Board

On: 21/03/22

Report by: Chief Auditor

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

---

1. **Summary**

1.1 Corporate governance is the name given to the system by which Councils direct and control their functions. It is about ensuring that councils do the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

1.2 The Director of Finance and Resources has responsibility for reporting annually to the Audit, Risk and Scrutiny Board on compliance with the Code and any changes to the Code that may be necessary to maintain it and ensure its effectiveness in practice. In addition, the Council's Chief Auditor has responsibility to review independently and report to the Audit, Risk and Scrutiny Board annually, to provide assurance on the adequacy and effectiveness of the Code and the extent of compliance with it.

1.3 Internal Audit has reviewed the adequacy and effectiveness of the revised Code which was presented to the Audit, Risk and Scrutiny Board on 24.05.21. Based on our sample check of the evidence used to demonstrate compliance, we would confirm that the Council complies with the requirements of the Local Code of Corporate Governance. In addition, it is evident that the Local Code has been

1

subject to review and updating in line with developments in best practice and any revised Council Policies.

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

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2.   **Recommendations**

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

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3.   **Background**

3.1   *Delivering Good Governance in Local Government: Framework*, published by CIPFA in association with Solace in 2007, set the standard for local authority governance in the UK. CIPFA and Solace reviewed the Framework in 2015 to ensure it remains 'fit for purpose' and published a revised edition in spring 2016. The new code places greater emphasis on relationship and behaviours between elected members and senior management; performance reporting; and council and service level plans.

3.2   The Council's Local Code of Corporate Governance has been reviewed and updated in line with this framework and to reflect any updated Council policies.

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Implications of the Report

1.   **Financial** – None.

2.   **HR & Organisational Development** – None.

3.   **Community/Council Planning** – None.

4.   **Legal** – None.

5.   **Property/Assets** – None.

6.   **Information Technology** – None.

7.   **Equality & Human Rights** – None.

8.   **Health & Safety** – None.

9.   **Procurement** – None.

10.   **Risk** – None.

11.   **Privacy Impact** – None.

12.   **Cosla Policy Position** – None.

_____

Author: Karen Campbell, Assistant Chief Auditor

3

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

On: **21 March 2022**

Report by: **Chief Executive**

Heading: **Annual Review of Compliance with the Local Code of Corporate Governance 2021**

1.   **Summary**

1.1.   Corporate governance is the name given to the system by which Councils direct and control their functions. It is about ensuring that Councils do the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

1.2.   This report reviews the Council's Local Code of Corporate Governance and provides evidence of how the Council complies with the code. *Delivering Good Governance in Local Government: Framework,* was refreshed in 2016 by CIPFA in association with Solace, the framework sets the standard for local authority governance in the UK.

1.3.   The evidence presented in Appendix 1 reflects the impact that the COVID-19 pandemic has had and will continue to have. The evidence presented demonstrates that strong governance arrangements have remained and are in place within the Council, and the Councillors and Officers are working together to lead and manage the Council in order to provide vital public services.

2.   **Recommendations**

2.1   It is recommended that members of the Audit, Risk and Scrutiny Board note:
       • the Council's compliance with the Local Code of Corporate Governance which is set out in Appendix 1 of this report.

3.   **Background**

3.1   CIPFA published the *Delivering Good Governance in Local Government: Framework* in

2007 to set the standard for local authority governance in the UK. It reviewed and published a revised edition in 2016 to ensure it remained 'fit for purpose'. The new code places greater emphasis on relationships and behaviours between Elected Members and senior management; performance reporting; and Council and service level plans. The Council reviews its Local Code of Corporate Governance annually.

3.2   The Council's Local Code of Corporate Governance covers the seven core principles which bring together the main elements of Council business. These are:

1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
2. Ensuring openness and comprehensive stakeholder engagement.
3. Defining outcomes in terms of sustainable economic, social, and environmental benefits.
4. Determining the interventions necessary to optimise the achievement of the intended outcomes.
5. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
6. Managing risks and performance through robust internal control and strong public financial management.
7. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

3.3   Evidence of how the Council complies with the updated Local Code of Corporate Governance including examples of the systems, processes and documents in place, is detailed under each of the seven core principles in Appendix 1 of this report.

3.4   The framework is reviewed by Internal Audit, who assess the adequacy and effectiveness of the code and the extent to which the Council has complied with it, with findings reported to the Audit, Risk and Scrutiny Board.

Implications of the Report

1.   **Financial -** none.

2.   **HR & Organisational Development –** none.

3.   **Community/Council Planning –** none.

4.   **Legal –** none.

5.   **Property/Assets –** none.

6.   **Information Technology –**

7.   **Equality & Human Rights -** The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting

only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health and Safety –** none.

9. **Procurement –** none.

10. **Risk -** The Council must comply with CIPFA's Local Code of Corporate Governance.

11. **Privacy Impact –** none.

12. **COSLA Policy Position –** none.

13. **Climate –** none.

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List of Background Papers

None

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Appendix 1

PRINCIPLE 1: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
1.1 Behaving with integrity			
1.1.1	Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.	Code of conduct for employees and Councillor's Code of Conduct	The Councillors' Code, which was introduced by the Ethical Standards in Public Life etc. (Scotland) Act 2000, sets out a protocol for relations between Councillors and employees. All Elected Members, following their election in May 2017, have signed their declaration of acceptance of office whereby they undertook to meet the requirements of the Councillors' code issued under the Ethical Standards in Public Life etc. (Scotland) Act 2000 in the performance of their functions as a Councillor. The Code of Conduct was updated by the Scottish Government in December 2021 and a paper outlining this was approved at Council in December 2021. The Code of Conduct for Employees is available on the intranet and is also issued to new employees when they join Renfrewshire Council.
		Protocol for Relationships between Political Groups, Elected Members and Officers	The Council's elected member and inter-party protocols and protocol for member/ officer relations were reviewed and combined into one composite protocol which was approved by the Finance and Resources Policy Board on 12th November 2014. A revised Code of Conduct was published by the Scottish Government in December 2021 and a paper on this taken to Council the same month. Members are routinely offered refresher briefings

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			on code of conduct issues twice annually. The most recent training session took place in September 2021 and there will be a session included as part of the members' induction process following the May 2022 local government elections. A training session on declarations of interests under the revised Code is to be held on 28 February 2022.
		Code of Corporate Governance	The Council complies with this requirement through the agreement of the Code of Corporate Governance which details the organisation's governance arrangements. This is in line with national guidance and is updated on an annual basis.
		Scheme of delegation	The Council's scheme of delegation ensures that decisions are made at the lowest or most local level consistent with the nature of the issues involved, with the exception of those powers which cannot be delegated or have been reserved to the Council. These functions have been delegated to Boards and committees, the Chief Executive, Directors and Heads of Service and other officers, including through statutory appointments of officers. The Scheme is changed to reflect any restructuring of Council services and transfer of functions between services. An Emergencies Board was established during the first phase of the pandemic (in March 2020) which granted delegated authority to specific council officers in particular circumstances. The normal board cycle resumed in August 2020 and has operated as usual since then.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
1.1.2		Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	Code of Conduct	The Council currently complies with the requirement through its Code of Conduct for employees and the Councillors' Code, which sets out a protocol for relations between Councillors and employees which has been issued to all Elected Members. Declarations of interest are recorded in the minutes of meetings. Briefings for members on the Councillors' Code of Conduct are held twice annually, most recently on 22nd September 2021. A paper on changes to the Code of Conduct was presented to Council in December 2021. A training session on declarations of interests under the revised Code is to be held on 28 February 2022.
			Protocol for relationships between Political Groups, Elected Members and Officers	The Council's Elected Member and inter-party protocols and protocol for member/officer relations were combined into one composite protocol which was approved at the Finance and Resources Policy Board on 12th November 2014.
1.1.3		Leading by example and using these standard operating principles or values as a framework for decision making and other actions.	Codes of Conduct	The various codes of conduct determine how officers and members work within partnerships, and the shared values that they will demonstrate.
			Our Values	The Council's new values were launched in 2020. They will be embedded across the organisation through reviewing people policies and with managers to develop role model behaviours and manage staff according to these values. Training on Our Values is available on the council's iLearn platform.
			Council Plan and Local Outcomes Improvement Plan (LOIP)	The Council complies with this requirement through the Council Plan and Local Outcomes Improvement Plan (LOIP) which were approved

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				by Council in September 2017. The plans highlight the key role that the Council has in terms of delivering on the key targets and outcomes that it is committed to progressing with its partners. The Council Plan is due to be refreshed during 2022. The Council has also developed a 2 year Economic Recovery Plan and a Social Renewal Plan in response to the pandemic. A refreshed Community Plan will also be developed during 2022
1.1.4		Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.	Register of Interests for Senior Officers	The Council has a register of interests for Senior Officers. Information contained on the register is subject to Freedom of Information legislation. Officers are contacted on an annual basis to update the register. Information from the register of senior officers' interests was published from 28 October 2016 on the Council's website. Renfrewshire was the first Council in Scotland to publish information on the interests of its senior officers online.
			Whistle blowing policy	The Council has a whistle blowing policy which is part of the employees' code of conduct.
			Complaints Handling Procedure	The Council refreshed its complaints handling procedure in April 2019, which continues to follow the two-stage process of the Scottish Public Service Ombudsman (SPSO). The refreshed procedure makes it easier to understand for the customer and staff and was approved by Finance, Resources and Customers Policy Board on 27 March 2019. The SPSO also updated their policy

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				in 2021 and the Council's policy has been updated to reflect these changes The time taken to respond to complaints is monitored by services and a report is submitted to the Audit, Risk and Scrutiny Board on the Council's annual complaints data.
			Codes of conduct	The various codes of conduct determine how officers and members work within partnerships and the shared values that they will demonstrate.
			Councillors' Register of Interests	In relation to declarations of interest, Elected Members are formally asked to regularly update their register of interests every six months. Members are advised that Minutes should include a brief explanation of the individual nature of the interest and to assist members, the agenda item reminds them to provide such an explanation on every occasion the interest is declared. Declarations of interest are minuted and are available for public view on each member's online profile page on the website.
1.2 Demonstrating strong commitment to ethical values				
1.2.1		Seeking to establish, monitor and maintain the organisation's ethical standards and performance.	Protocol for Relationships between Political Groups, Elected Members and Officers Councillors' Code of Conduct	Any alleged contraventions of the Ethical Standards in Public Life etc (Scotland) Act 2000 would be referred for investigation to the Commissioner for Ethical Standards in Public Life. And thereafter for consideration by the Standards Commission appointed by Scottish Ministers. Where a hearing involving a member of Renfrewshire Council has taken place, the outcome of this is reported to the Council. Since August 2009 all Council and Board agendas

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				include an item in relation to declarations of interest.
			Councillors' Register of Interests	Councillors hold public office under the law and must observe the rules of conduct stemming from the law, the Code of Conduct for Councillors and any guidance from the Standards Commission and the rules, standing orders and regulations of the Council. In addition, the Council has developed an inter-party protocol which highlights that Political Groups have the responsibility not to require individual Councillors to vote on party lines in respect of decisions where group decision-making would be unlawful, contrary to the Councillors' Code of Conduct or against any Council approved guidance; in particular on planning applications, specific regulatory matters, employment issues affecting individuals, all matters coming before the Audit, Risk and Scrutiny Board or any matter which requires to be determined on the basis of evidence given to or the findings of a forum on which Councillors serve. Members are required to register their interests in terms of the Code of Conduct for Councillors' and declare these interests at meetings. Declarations of interest are minuted and are available for public view on each member's online profile page on the website.
			Register of interests for Senior Officers	The Council has a register of interests for Senior Officers. Information contained on the register is subject to Freedom of Information. Officers are

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				contacted on an annual basis to update the register.
				Information from the register of Senior Officers' interests has been published since October 2016 on the Council's website. Renfrewshire was the first Council in Scotland to publish information on the interests of its senior officers online.
1.2.2		Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation.	Provision of ethical awareness training and code of conduct New Council values	A People, Performance and Talent Policy, Guidance and Competency Frameworks for all levels across the Council has replaced the former frameworks of MTIPD and MDP. The competency framework has been designed to align with the Council's values and behaviours. The Council's values will be supported by a training package and review and refreshing of the Council's People Policies. The Council's Code of Conduct for Employees is issued to all employees joining the council and is also available on the intranet. Briefings for Elected Members on their responsibilities under the Code of Conduct for Councillors are held regularly every year, conducted by the Head of Corporate Governance. The most recent session took place on 22nd September 2021. The Scottish Government published an updated Code of Conduct for Elected Members in December 2021 and a paper outlining the changes was taken to Council in the same month.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				Councillors are advised of and can attend sessions delivered by the Standards Commission on the implementation of the Code of Conduct for Councillor. The most recent session took place in November 2021. Guidance notes issued by the Standards Commission are provided to Councillors, most recently in relation to gifts and hospitality in December 2021. An annual register of training delivered for Councillors is available online. This is updated after the end of each financial year.
			Members Induction and Training and Development Programme	A welcome and induction package of events will be delivered for newly elected and returning Councillors following the local government election in May 2022. Notice of further development events and opportunities is issued to Councillors each month. Focused development weeks for elected members take place in April most years. As 2022 is a local government election year, there will be a focused period of induction following the election. A programme is already in development. The annual record of training provided is available online after the end of each financial year.
1.2.3		Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values.	Appraisal processes take account of values and ethical behaviour	A People, Performance and Talent Policy, Guidance and Competency Frameworks for all levels across the Council has replaced the former frameworks of MTIPD and MDP. The competency

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				framework has been designed to align with the Council's values and behaviours. All new and refreshed People Policies will align with the Council's values and behaviours.
			Staff appointments policy	The Council has robust recruitment procedures in place to ensure the fair selection of candidates. There is an appointment panel for Chief Officer level appointments. The Council's recruitment and selection processes are designed in accordance with best practice principles, legislation and COSLA recruitment and selection guidance. A Recruitment and Selection Policy, guidance and revised training was implemented in 2018.
			Standing Orders relating to contracts	The Council has a statutory obligation to have standing orders in place relating to contracts, the main purpose of which is to provide open and transparent procedures for tenderers; to achieve value for money for the Council; and to provide guidelines for officers. These standing orders are reviewed regularly as a matter of good practice.
1.2.4		Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation.	Procurement Contracts	Organisations bidding for Renfrewshire Council contracts are required to complete a questionnaire response as a self-declaration that they have not breached any of the mandatory and discretionary exclusion grounds set out in the Procurement Regulations. Bidders are also required to complete and submit an Equalities Questionnaire, setting out their Equalities policies and to confirm that they fully comply with their statutory duties under the Equalities Act 2010. To help support small businesses, bidders must also

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				sign an undertaking to pay their sub-contractors within 30 days of receipt of a valid invoice
				To protect the workforce, bidders are required to respond to a number of scored and evaluated questions which assess the organisations approach to Fair Work practices with consideration given to the Fair Work First criteria. Construction Contracts include a statement in relation to the procurement of construction contracts which links directly to the Council's Construction Charter.
				All of these measures seek to ensure that the appointed contractor is a fit and proper organisation, that their workforce is protected and that the use of exploitative labour is forbidden.
			Data processing agreement	The Council has a written agreement with any data processor that they will keep personal data secure and the data processor agreement specifies security requirements as data processors.
1.3 Respecting the rule of law				
1.3.1		Ensuring members and staff demonstrate a strong commitment to rule of the law as well as adhering to relevant laws and regulations.	Scheme of Delegation Standing Orders Procedural Standing Orders Financial Regulations Policy Board Reports Statutory Officers Role	The Council complies with this requirement in terms of its scheme of delegated functions, standing orders relating to contracts, financial regulations and procedural standing orders which are kept under review and updated as appropriate.
				In addition, each of the Council Boards has a dedicated solicitor who reviews reports in order that the vires of proposed actions can be

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				checked. Each report has a section on legal implications. The frontispieces to reports require that community planning partners are consulted in the preparation of reports where appropriate and reports must outline community/ Council plan implications. The Council has nominated officers fulfilling statutory roles including a Data Protection Officer, Chief Social Work Officer and Senior Information Risk Officer.
	1.3.2	Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.	Scheme of Delegation Standing Orders Procedural Standing Orders Financial Regulations Board Reports Staff Training	The Council complies with this requirement in terms of its scheme of delegated functions, standing orders relating to contracts, financial regulations and procedural standing orders which are kept under review and updated as appropriate. In addition, each of the Council's Boards has a dedicated solicitor who reviews reports in order that the vires of proposed actions can be checked. Each report has a section on legal implications. In addition, the Council has a programme of development for Elected Members in place. Members who sit on the Licensing Board must undertake and pass a mandatory training course. The members' development programme provides members with briefings as soon as practicable when new legislation is introduced, e.g. the General Data Protection Regulation.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				Members who are involved in taking quasi-judicial decisions, e.g. planning, licensing, are briefed regularly on their responsibilities. Staff are able to access professional training courses if required to enable them to carry out specific roles.
1.3.3		Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders.	Record of legal advice provided by officers/ Community Empowerment Act Council Approval.	The Council has approved reports on its arrangements for dealing with community empowerment as the various parts of the Community Empowerment (Scotland) 2015 Act have been enacted. The Council published details of the legal and procedural framework in relation to Community Asset Transfer in February 2017. The Council has promoted awareness of the powers and potential use of the Community Empowerment Act through engagement with statutory and non-statutory community organisations and with third sector partners. A Community Empowerment Fund was established in 2018 to support groups and organisations with the community asset transfer process. Following on from extensive consultation in 2018, the previous Local Area Committees (LACs) have been replaced by Local Partnerships. These partnerships adopt a more informal and inclusive approach as part of a drive to ensure community voices are heard on local issues. Community Representatives now sit alongside

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				Elected Members and Community Councils for the seven Local Partnerships.
			Right for Renfrewshire – Developing Communities	One of the service redesigns of the Right for Renfrewshire transformation programme is the Developing Communities workstream. This workstream seeks to strengthen the relationship between the Council and communities, with a focus on locality working and the provision of integrated advice and support.
1.3.4		Dealing with breaches of legal and regulatory provisions effectively.	Monitoring Officer	The Head of Corporate Governance acts as Monitoring Officer in terms of the Local Government and Housing Act 1989 and as detailed in the job description, is responsible for advising the Council on the legality of its decisions and providing guidance to Councillors and officers on the Council's powers.
			Scheme of Delegation Standing Orders Procedural standing orders Financial regulations Board reports	The Council complies with this requirement in terms of its scheme of delegated functions, standing orders relating to contracts, financial regulations and procedural standing orders which are kept under review and updated as appropriate. In addition, each of the Council Boards has a dedicated solicitor who reviews reports in order that the vires of proposed actions can be checked, with each report having a section on legal implications.
			Internal Audit Charter	The Council's Internal Audit Charter sets out the authority, responsibility independence and reporting lines for internal audit activities.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
1.3.5	Ensuring corruption and misuse of power are dealt with effectively.	Strategy for the prevention and detection of fraud and corruption - Corporate counter fraud arrangements Integrity Group Anti -Money Laundering Policy Internal Audit arrangements	A strategy for the prevention and detection of fraud and corruption and whistleblowing policy are in place. An Anti-Money Laundering Policy has also been introduced. These matters are dealt with through Community Protection structures. Any matters coming to light would be investigated by Internal Audit or Counter Fraud.

PRINCIPLE 2: Ensuring openness and comprehensive stakeholder engagement

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
2.1 Openness			
2.1.1	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness.	Council Plan and Local Outcomes Improvement Plan (LOIP)	The Council Plan and LOIP confirm to employees and to local communities, what the Council is aiming to achieve with its partners for Renfrewshire. Progress on delivering on the priorities in the Council Plan is reported to the Leadership Board on a six-monthly basis. The Plan was approved in September 2017 and highlights the key priorities, targets and success measures that the Council committed to deliver on. The plan will be refreshed during 2022. An annual report on the Community Plan/Local Outcomes Improvement Plan is published each year.
		Council values	The Council undertook work in 2019 with employees and the community to establish a set of values for the Council. The values were launched in June 2020 and work is underway to embed these values in everything we do, including working with HR & OD to weave these into the full employee lifecycle/journey. Initial training on this is included on the council's iLearn platform.
		Minutes and agendas available online	The Council ensures the minutes and agendas of all Board and Council meetings are available to the public, and by ensuring that key documents are also available through its publication scheme. Board and Council meetings are open to the

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				public and meetings of the Council are webcast live and are also able to be viewed in archive.

Depending on the level of public health restrictions in place at any given time, Board meetings have either been conducted fully online via Microsoft Teams or have operated a hybrid model, with some elected members attending in person and others attending virtually via Teams. Recordings of board meetings are available on the Council's website. |
| | | | Public Performance Reporting | Public performance reporting is undertaken to ensure local citizens, businesses and partner organisations can track Council performance over time. The performance section on the Council's website provides a number of sources to assess how the Council is performing.

It provides information – a mix of data and case studies – on how well we are performing against a range of measures included in the Council Plan and Best Value action plan. Through our participation in the Local Government Benchmarking Framework, it can also offer comparisons to other councils. An annual PPR report, "It's All About You" is presented in a storymap format on the council's website. |
| 2.1.2 | | Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping | Minutes and agendas | Meetings of the Council and its Boards are open to members of the public and they are entitled to a copy of the agenda and reports prepared by officers which deal with items on the agenda unless items are to be discussed which contain exempt or confidential information. |

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
		a decision confidential should be provided.		Decisions taken during meetings are recorded in the minutes. The agenda, minutes and board papers are published online for ease of access. Depending on the level of public health restrictions in place at any given time, Board meetings have either been conducted fully online via Microsoft Teams or have operated a hybrid model, with some elected members attending in person and others attending virtually via Teams. Recordings of board meetings are available on the Council's website.
			Meetings held in public	All meetings of the Council and its Boards are held in public unless in terms of the Local Government (Scotland) Act 1973, the meeting takes a decision to exclude the press and public. Where it is recommended that a matter by held in private, the reason for this is identified on the agenda for the meeting and in the minutes. Depending on the level of public health restrictions in place at any given time, Board meetings have either been conducted fully online via Microsoft Teams or have operated a hybrid model, with some elected members attending in person and others attending virtually via Teams. Recordings of board meetings are available on the Council's website.
			Scheme of Delegation	The Council's Scheme of Delegation ensures that decisions are made at the lowest or most local level consistent with the nature of the issues involved. The Scheme of Delegation allows for

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				powers to be delegated either to relevant Boards or to relevant senior officers.
			Elected Members' information bulletin	To reduce the reporting of routine operational matters to policy boards and to allow Boards to focus on policy issues, a range of matters including the exercise of delegated authority by officers are reported to members by means of a regular bulletin rather than a formal report to a Policy Board. Members have also been provided with briefings specifically focused on the Council's response to the pandemic as required.
			Recording of Council meetings and Boards	Depending on the level of public health restrictions in place at any given time, Board meetings have either been conducted fully online via Microsoft Teams or have operated a hybrid model, with some elected members attending in person and others attending virtually via Teams. Recordings of board meetings are available on the Council's website.
2.1.3		Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear.	Board reports Minutes and agendas	Reports to the Council and all Board meetings provide members with sufficient information on which they are able to take reasoned decisions and provide clear recommendations. Decisions made during meetings are recorded in the minutes. Report templates are reviewed regularly, most recently in 2019, and are aligned to community planning themes and also have required sections on where privacy, climate and human rights and equality impact implications are noted.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
2.1.4		Using formal and informal consultation and engagement to determine the most appropriate and effective interventions / courses of action.	Consultation and engagement mechanisms	Council services engage and consult with communities in a number of ways including: Public Services Panel, Focus Groups, Tenants and Residents Forums, service user groups, Community Planning process, Local Partnerships, Complaints procedure and Community Councils. Members of the public are also able to contact the Council through the website and are able to take part in consultations or complete complaints forms.
			Community Planning structure – Renfrewshire Forum for Empowering Communities Review of Community Planning Partners was approved by full Council in December 2016	The Renfrewshire Forum for Empowering Communities is taking a lead role in giving local communities a voice in Renfrewshire. It provides meaningful, sustained and effective engagement with communities and citizens. It values the knowledge, skills, capacity and potential that communities have and seeks to build on the commitment and confidence evident in local groups and organisations. The aim is to localise decision making and accountability as far as possible and work co-operatively with communities. The Empowering Communities Board is led by Engage Renfrewshire, the Third Sector Interface organisation. The forum acts as a sounding board of the Community Planning Partnership in the development of community capacity building, consultation and communication.

Following on from this extensive consultation in 2018, the previous Local Area Committees (LACs) have been replaced by Local Partnerships. These partnerships adopt a more informal and inclusive approach as part of a drive |

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				to ensure community voices are heard on local issues. Community Representatives now sit alongside Elected Members and Community Councils for the seven Local Partnerships.
			Public Services Panel	The Public Services Panel (PSP) is used as a mechanism for gaining the views of Renfrewshire residents on a number of issues / topics. The PSP was refreshed in 2020 and recent surveys have been focused on the impact of the pandemic on communities. The latest survey was issued in March 2022.
			Social Renewal Plan Community Impact Assessment	As part of the development of the Social Renewal Plan for Renfrewshire, an initial community impact assessment was carried out to develop a deeper understanding of the impact of COVID-19 on Renfrewshire's people and communities. This will be refreshed in 2022 with key elements of the Public Service panel, first undertaken in late 2020, being repeated with additional questioning about financial insecurity. In addition, a specific programme of work will be undertaken through the 'Get Heard' initiative, engaging with a wide range of voices and experiences of poverty to inform our policies and plans. By holding discussions with people affected by poverty, we will find out what is working and not working in their communities and what needs to change to ensure support is available.
2.2 Engaging comprehensively with institutional stakeholders				
2.2.1		Effectively engaging with institutional stakeholders to ensure that the purpose,	Internal Communications and Engagement Strategy	An internal communications and engagement strategy was developed and approved by the

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
		objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.		Corporate Management Team in June 2020. The strategy outlines a number of methods to improve internal communications across the Council. Communication is *everyone's* responsibility and a fundamental aspect of this is empowering leaders and managers to communicate well. Effective communications help to make the vision and values a reality by supporting Council services, encouraging cultural and behavioural change and enabling new levels of engagement. Our Values were launched in June 2020 and work is underway to embed these values in everything we do including working with HR & OD to weave these into the full employee lifecycle/journey. Initial training on this is already available on the council's iLearn platform.
			Communications channels	The Council communicates with members of the community and its stakeholders (and vice versa) through several mechanisms including: • Tenant Forums • Community Planning Groups • Community Councils • Local Partnerships • Council Website • Complaints procedure • Public Performance reports • Customer Service Channels

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
2.2.2		Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.	Community Plan & Local Outcome Improvement Plan	While the Council has not developed a set of agreed values with its partners, it has agreed to work with other organisations in the spirit of partnership to achieve a number of outcomes in Renfrewshire. The new Community Plan was agreed in September 2017.
2.2.3		Ensuring that partnerships are based on: – trust – a shared commitment to change – a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit.	Strategic Partnership Agreements	Renfrewshire Council has a Strategic Partnership Agreements with Active Communities. Clear, shared terms of reference are in place for other partnership arrangements such as those in public protection.
2.3 Engaging stakeholders effectively, including individual citizens and service users.				
2.3.1		Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievements of intended outcomes.	Consultation methods	Council services engage and consult with communities in a number of ways including: Public Services Panel, Focus Groups, Tenants and Residents Forums, service user groups, Community Planning process, Complaints procedure and Community Councils.
			Petitions Board	The Petitions Board provides an opportunity for individual members of the public to raise issues of concern with the Council, either as individuals or on behalf of an organisation.
			Social Renewal Plan Community Impact Assessment	As part of the development of the Social Renewal Plan for Renfrewshire, an initial community impact assessment was carried out to develop a deeper understanding of the impact of COVID-19 on Renfrewshire's people and communities. This will be refreshed in 2022 with key elements of the

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				Public Service panel, first undertaken in late 2020, being repeated with additional questioning about financial insecurity. In addition, a specific programme of work will be undertaken through the 'Get Heard' initiative, engaging with a wide range of voices and experiences of poverty to inform our policies and plans. By holding discussions with people affected by poverty, we will find out what is working and not working in their communities and what needs to change to ensure support is available.
2.3.2		Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement.	Internal Communications and Engagement Strategy	An internal communications and engagement strategy was developed and approved by the Corporate Management Team in June 2020. The strategy outlines a number of methods to improve internal communications across the Council.

Communication is *everyone's* responsibility and a fundamental aspect of this is empowering leaders and managers to communicate well. Effective communications help to make the vision and values a reality by supporting Council services, encouraging cultural and behavioural change and enabling new levels of engagement.

Our Values were launched in June 2020 and work is underway to embed these values in everything we do including working with HR & OD to weave these into the full employee lifecycle/journey. Initial training on Our Values is available for staff on the council's iLearn platform.

Service specific strategies and plans have also been developed and informed through the Community Planning process and through wider |

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				consultation mechanisms such as the Public Services Panel, community planning conferences and online consultation.
			Communications Channels	The Council communicates with members of the community and its stakeholders (and vice versa) through several mechanisms including: • Tenant Forums • Community Planning Groups • Community Councils • New Local Partnerships • Council Website • Complaints procedure • Public Performance report • Customer Service Centre Channels
2.3.3		Encouraging, collecting and evaluating the views and experience of communities, citizens, service users and organisations of different backgrounds including reference to future needs.	Consultation and engagement mechanisms	Council services engage and consult with communities in a number of ways including: Public Services Panel, Focus Groups, Tenants and Residents Forums, Public meetings on specific issues, service user groups, Community Planning process, Complaints Procedure, Community Councils and the new local partnerships. Members of the public are also able to contact the Council through the website and can take part in consultations or complete complaints forms.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
		Community planning structure – Renfrewshire Forum for Empowering Communities Review of Community Planning Partners was approved by full Council in December 2016	The Renfrewshire Forum for Empowering Communities is taking a lead role in giving local communities a voice in Renfrewshire. It provides meaningful, sustained and effective engagement with communities and citizens. It values the knowledge, skills, capacity and potential that Renfrewshire communities have and seeks to build on the commitment and confidence evident in local groups and organisations. The aim is to localise decision-making and accountability as far as possible and work co-operatively with communities. The Empowering Communities Board is led by Engage Renfrewshire, the Third Sector Interface. The forum acts as a sounding board of the Community Planning Partnership in the development of community capacity building, consultation and communication. At community planning conferences, community planning partners engage with individuals and representatives from local community and voluntary sector organisations.
		Local Partnerships Participatory budgeting programme – Celebrating Renfrewshire	Following on from extensive consultation in 2018, the previous Local Area Committees (LACs) have been replaced by Local Partnerships. These partnerships adopt a more informal and inclusive approach as part of a drive to ensure community voices are heard on local issues. Community Representatives now sit alongside Elected Members and Community Councils for the seven Local Partnerships. During 2019 local Partnerships discussed and agreed initial Local Priorities. These Local Priorities have informed the work plan for the

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			Partnerships and support Partnerships to make decisions about the award of grants.
			Renfrewshire's participatory budgeting programme 'Celebrating Renfrewshire' was launched in 2019, when local young people made decisions about the local projects and groups that should receive funds to deliver their ideas. Celebrating Renfrewshire programmes were also carried out in 2020 and 2021. The 2020 programme had 5,163 votes cast and awarded £121,587. The 2021 programme had 2,160 votes cast and to date has awarded £96,523 with further awards still to be made. Both these PB programmes were carried out against the backdrop of Covid when most PB programmes across Scotland were paused.
		Social Renewal Plan - Community Impact Assessment	As part of the development of the Social Renewal Plan for Renfrewshire, an initial community impact assessment was carried out to develop a deeper understanding of the impact of COVID-19 on Renfrewshire's people and communities. This will be refreshed in 2022 with key elements of the Public Service panel, first undertaken in late 2020, being repeated with additional questioning about financial insecurity. In addition, a specific programme of work will be undertaken through the 'Get Heard' initiative, engaging with a wide range of voices and experiences of poverty to inform our policies and plans. By holding discussions with people affected by poverty, we will find out what is working and not working in their communities and what needs to change to ensure support is available.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
2.3.4		Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account.	Results from consultations published	The Council publishes consultations on the Have Your Say section of the website. A Public Services Panel and a Climate Panel have also been recruited and are surveyed as required. Feedback is incorporated into reports to boards and other relevant documents.
2.3.5		Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.	Processes for dealing with competing demands within the community/CPP process	The Renfrewshire Community Plan sets out challenging but achievable performance measures across the community planning themes of Thriving, Well, Safe and Fair. The Renfrewshire Community Planning Partnership Executive Group considers each year an Annual Report setting out performance against these indicators, providing an opportunity for the Executive Group to assess success in meeting priorities and any further need for mitigation and prioritisation.

The 2021 Annual Report in particular considered how competing demands of responding to Covid and the challenges of community renewal following Covid has impacted on ability to deliver on previous performance targets. Renfrewshire CPP intends to develop during 2022 a new Community Plan which will set out fresh performance targets in the context of competing demands.

Through the seven Local Partnerships, including the Celebrating Renfrewshire process, competing demands of community groups for grant funding are dealt. This ensures that the priorities of local communities influence the distribution of grant |

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				funding. Funding continued to be allocated to community groups through Local Partnerships and the Celebrating Renfrewshire Fund during 2021, despite the impact of Covid.

Diversity Equality Alliance Renfrewshire (DEAR Group) reports to the Forum for Empowering Communities within the community planning structure. The DEAR Group ensures that equality-focused organisations have ownership of activity to have a greater voice in shaping public services in Renfrewshire so that competing demands for service can be integrated into provision. Amongst other work during 2021, the DEAR Group provided valuable input on the differing impact of Covid on equalities groups, for inclusion in the development of the Community Renewal Strategy and Action Plan. |
| 2.3.6 | | Taking account of the interests of future generations of tax payers and service users. | Strategic Needs Assessment | As part of the development of the Local Outcomes Improvement Plan and Council Plan, a strategic needs assessment was carried out between January and March 2017 with Renfrewshire communities. A regular 'deep dive' of the relevance of the information is supported as part of the planning and development of services. |
| | | | Social Renewal Plan – Community Impact Assessment | As part of the development of the Social Renewal Plan for Renfrewshire, an initial community impact assessment was carried out to develop a deeper understanding of the impact of COVID-19 on Renfrewshire's people and communities. This will be refreshed in 2022 with key elements of the Public Service panel, first undertaken in late 2020, being repeated with additional questioning |

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			about financial insecurity. In addition, a specific programme of work will be undertaken through the 'Get Heard' initiative, engaging with a wide range of voices and experiences of poverty to inform our policies and plans. By holding discussions with people affected by poverty, we will find out what is working and not working in their communities and what needs to change to ensure support is available.

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

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
3.1 Defining outcomes			
3.1.1.	Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions.	Council Plan	The current Council Plan for 2017-2021 was approved in September 2017 and sets out the overarching strategic vision and objectives of the Council. The Plan set out five strategic outcomes on how we planned to invest in a better future for all of Renfrewshire and create a better Council and with customers and partners to deliver that future. The implementation of the Plan is driven and managed throughout the organisation through Service plans and operational plans. The plan will be refreshed during 2022.
		Service Planning Guidance / Service Delivery plans	For 2021/22, the council moved away from three-year Service Improvement Plans and instead produced one-year Service Delivery Plans which were focused on the recovery priorities of each service and of the Council. In 2022/23, services will return to producing three year Service

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			Improvement Plans. These produced to a standard template and set out how each service will deliver their elements of the council's Covid-19 recovery, how they will contribute to the achievement of Council Plan outcomes, and what aspects of performance will be monitored.
		Social Renewal / Economic Recovery Plan	The Council, in partnership with other Renfrewshire organisations, has developed two plans which set out the recovery from the COVID-19 pandemic: Social Renewal Plan and the Economic Recovery Plan.

The Economic Recovery Plan, which was approved by Council in December 2020, sets out the priority actions for the Renfrewshire economy over the next two years.

The Social Renewal Plan was approved by Council in March 2021 and sets out how the Council will work with partners to improve wellbeing and tackle inequality across Renfrewshire, with a number of specific priorities identified. This live document is reviewed and refreshed as the pandemic progresses, for example in autumn 2021 a programme of work was agreed to support communities around financial insecurity due to specific challenges anticipated during the winter. Work will be undertaken in 2022 to gain updated understanding of pandemic impacts on citizens and the plan updated accordingly. |
| 3.1.2 | Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be | Council Plan | The Council Plan was approved by Council on 28 September 2017 and sets out the overarching strategic vision and objectives of the Council. |

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
	immediately or over the course of a year or longer.		The accompanying performance framework, which sets out a six-monthly monitoring process was approved by Leadership Board in December 2017. A new Council Plan will be developed following the local government elections in May 2022.
		Community Plan and Local Outcomes Improvement Plan (LOIP)	The Community Plan (LOIP) was agreed by Council on 28 September 2017. A strategic needs assessment and extensive community consultation was undertaken to identify priorities and challenges.
		Service Delivery Planning guidance / Service Delivery Plans	For 2021/22, the council moved away from three-year Service Improvement Plans and instead produced one-year Service Delivery Plans which were focused on the recovery priorities of each service and of the Council. In 2022/23, services will return to producing three year Service Improvement Plans. These produced to a standard template and set out how each service will deliver their elements of the council's Covid-19 recovery, how they will contribute to the achievement of Council Plan outcomes, and what aspects of performance will be monitored
		Social Renewal Plan / Economic Recovery Plan	The Council, in partnership with other Renfrewshire organisations, has developed two plans which set out the recovery from the COVID-19 pandemic: Social Renewal Plan and the Economic Recovery Plan. The Economic Recovery Plan, which was approved by Council in December 2020, sets out the priority actions for the Renfrewshire economy over the next two years.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				The Social Renewal Plan was approved by Council in March 2021 and sets out how the Council will work with partners to improve wellbeing and tackle inequality across Renfrewshire, with a number of specific priorities identified. This live document is reviewed and refreshed as the pandemic progresses, for example in autumn 2021 a programme of work was agreed to support communities around financial insecurity due to specific challenges anticipated during the winter. Work will be undertaken in 2022 to gain updated understanding of pandemic impacts on citizens and the plan updated accordingly.
3.1.3		Delivering defined outcomes on a sustainable basis within the resources that will be available.	Council Plan Monitoring Report	Reports on the performance of the Council Plan actions and performance indicators are submitted to the Leadership Board on a 6 monthly-basis.
			Service Improvement Plan Mid Year Updates and Outturns	Progress against the outcomes, actions and performance measures in Service Improvement Plans is reported twice yearly to elected members.
3.1.4		Identifying and managing risks to the achievement of outcomes.	"Risk Matters" – the Council's Risk Management Policy and Strategy	The Council has a well-established risk management strategy which is subject to routine monitoring and review. Risk Matters is formally reviewed by the Audit, Risk and Scrutiny Board at periodic intervals of not more than 2 years and annually (interim review) by the Corporate Risk Management Group (CRMG) to ensure it reflects the rapidly changing environment in local government.

The Council maintains, monitors and reviews its corporate and strategic risk register and service |

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				risk management plans in accordance with Risk Matters. Services also include a section on risks in their Service Delivery Plans.
3.1.5		Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available.	Service Improvement Plans	For 2021/22, the council moved away from three-year Service Improvement Plans and instead produced one-year Service Delivery Plans which were focused on the recovery priorities of each service and of the Council. In 2022/23, services will return to producing three year Service Improvement Plans. These produced to a standard template and set out how each service will deliver their elements of the council's Covid-19 recovery, how they will contribute to the achievement of Council Plan outcomes, and what aspects of performance will be monitored
			Social Renewal Plan / Economic Recovery Plan	The Council, in partnership with other Renfrewshire organisations, has developed two plans which sets out the recovery from the COVID-19 pandemic: Social Renewal Plan and the Economic Recovery Plan. The Economic Recovery Plan, which was approved by Council in December 2020, sets out the priority actions for the Renfrewshire economy over the next two years. The Social Renewal Plan was approved by Council in March 2021 and sets out how the Council will work with partners to improve wellbeing and tackle inequality across Renfrewshire, with a number of specific priorities identified. This live document is reviewed and refreshed as the pandemic progresses, for example in autumn 2021 a programme of work

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			was agreed to support communities around financial insecurity due to specific challenges anticipated during the winter. Work will be undertaken in 2022 to gain updated understanding of pandemic impacts on citizens and the plan updated accordingly.
3.2 Sustainable economic, social and environmental benefits			
3.2.1	Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision.	Capital Programme Capital Investment Strategy	The Council capital spending plans are policy led and therefore reflect the main strategic intent of the Council and comply with the Prudential Framework for Capital Investment. Full Council approves the three-year rolling programme as part of setting the annual revenue and capital budget process each year. Updates on the progress of the investment strategy are reported on a routine basis to each individual Policy Board.
3.2.2	Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints.	Reports to Council / boards	Reports to Council and all Board meetings provide members with sufficient information on which they are able to take decisions, including personnel, legal, risk, financial and other implications relating to the key Council Plan / Community Plan themes, and provide recommendations. Pre-agenda meetings are held with Convenors and Depute Convenors where any issues can be addressed prior to the finalised agenda being issued.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
3.2.3		Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs.	Minutes and Agendas	Minutes of board meetings record the decisions which have been taken by Elected Members. Report templates are reviewed regularly, most recently in 2019, and aligned to community planning themes and also have required sections on where equality, human rights and privacy impact implications are noted. Agenda, minutes and papers are published on the Council's website for ease of access. Depending on the level of public health restrictions in place at any given time, Board meetings have either been conducted fully online via Microsoft Teams or have operated a hybrid model, with some elected members attending in person and others attending virtually via Teams. Recordings of board meetings are available on the council's website.
			Consultation and engagement mechanisms	Council services engage and consult with communities in a number of ways including: Public Services Panel, Focus Groups, Tenants and Residents Forums, Service User Groups, Community Planning process, Complaints Handling Procedure, Local Partnerships and Community Councils. Members of the public are also able to contact the Council through the website and are able to take part in consultations or complete a complaints/comments form.
3.2.4		Ensuring fair access to services.	Protocols ensure fair access and statutory guidance is followed	Members of the public can access services via a number of methods for example, online through the MyAccount online customer portal, telephone the Customer Service Unit, and email via the Council website.

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

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
4.1 Determining interventions				
4.1.1		Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided.	Reports to Council / Boards	Reports to the Council and all Board meetings provide members with sufficient information on which they are able to take decisions, including personnel, legal, risk, financial and other implications relating to the key Council Plan / Community Plan themes, and provide recommendations. All reports have a 'frontispiece' which details consultation undertaken by the author of the report in relation to financial and legal implications. Reports are in a standard format in which legal and financial implications (if any) require to be detailed. Pre-agenda meetings are held with Convenors and Depute Convenors at which any issues can be addressed prior to the finalised agenda being issued.
			Annual timetable of board meetings	A timetable covering the various board cycles is approved by the Council and is updated on the Council website. Dates of pre-agenda meetings are provided to relevant officers and members. The most recent timetable has been approved until March 2022. Further dates will be agreed with the new council administration after the local government elections in May 2022.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				A spreadsheet is issued quarterly to services advising of last lodging dates for reports.
4.1.2		Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts.	Public Consultation	The Council has a track record of engaging with services on new developments or wide scale changes to services such as the public consultation on City Deal. In addition, the Community Planning events used the place model and Public Services Panel capture opinions of citizens on what matters to them most in terms of Council priorities or service provision. In 2021 the Council established a Climate Panel to provide feedback specifically on climate issues.
			Local Partnerships	Following on from extensive consultation in 2018, the previous Local Area Committees (LACs) have been replaced by Local Partnerships. These partnerships adopt a more informal and inclusive approach as part of a drive to ensure community voices are heard on local issues. Community Representatives now sit alongside Elected Members and Community Councils for the seven Local Partnerships.

Since June 2019, Local Partnerships have been able to award grants to local groups, with community representatives having an active part in decision making. Local Partnership grants were awarded in September 2020, taking account of changes in community groups' plans following Covid-19 for 2020/21. Further awards were made by Local Partnerships for 2021/22 in May/June 2021. |

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			Petitions function	The Council introduced a public petitions procedure in 2007 which strengthens the connection between the Council and the community to raise issues of concern in relation to services provided by the Council or other bodies such as the police and health board, recognising that the Council has limited influence over other bodies. Details of petitions received and their outcomes are included in the annual report to the Board and on the Council's website. Petitions previously were considered by the Audit, Scrutiny and Petitions Board but as of June 2017, a separate Petitions Board has been established to consider petitions only.
4.2 Planning interventions				
4.2.1		Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets.	Annual timetable of board meetings	A timetable covering the various board cycles is approved by the Council and is published online. Dates of pre-agenda meetings are provided to relevant officers and members. The Council has approved its timetable of meetings until March 2022. Further dates will be set once the new administration is formed following the local government elections in May 2022. A spreadsheet is issued quarterly to services advising of the last lodging dates for reports.
			Service Improvement Plans/	For 2021/22, the council moved away from three-year Service Improvement Plans and instead produced one-year Service Delivery Plans which were focused on the recovery priorities of each service and of the Council. In 2022/23, services will return to producing three year Service Improvement Plans. These produced to a

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			standard template and set out how each service will deliver their elements of the council's Covid-19 recovery, how they will contribute to the achievement of Council Plan outcomes, and what aspects of performance will be monitored
4.2.2	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered.	Communications channels	The Council communicates with members of the community and its stakeholders (and vice versa) through a number of mechanisms including: • Tenant Forums • Community Planning Groups • Community Councils • Local Partnerships • Council Website • Complaints procedure • Public Performance reports • Customer Service Centre Channels
		Internal Communications and Engagement Strategy	An internal communications and engagement strategy was developed on the approach the Council will use to engage with staff. Various internal communication channels are used, this includes: • 'Staff News - Take 5' - weekly staff update; • staff monthly newsletter; • fortnightly - Chief Executive's Blog; • regular Team Briefs for managers to inform and update staff on key issues; • use of text messaging and posters to reach frontline workers; • new 'Staff information' section on website including staff news and a dedicated 'Staff advice on Coronavirus' with latest Government advice, coronavirus absence

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				protocols, working safely during coronavirus guides and staff wellbeing guides; • use of Microsoft Yammer for news and staff updates; • Pulse survey on internal comms during the pandemic; and • a working from home survey to gain understanding of staff viewpoints and supports required.
			Community Planning structure – Renfrewshire Forum for Empowering Communities	Renfrewshire Forum for Empowering Communities is taking a lead role in giving local communities a voice in Renfrewshire. It provides meaningful, sustained and effective engagement with communities and citizens. It values the knowledge, skills, capacity and potential that Renfrewshire communities have and seeks to build on the commitment and confidence evident in local groups and organisations. The aim is to localise decision making and accountability as far as possible and work co-operatively with communities.
			Local Partnerships	Following on from extensive consultation in 2018, the previous Local Area Committees (LACs) have been replaced by Local Partnerships. These partnerships adopt a more informal and inclusive approach as part of a drive to ensure community voices are heard on local issues. Community Representatives now sit alongside Elected Members and Community Councils for the seven Local Partnerships.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			Social Renewal Plan – community impact assessment	As part of the development of the Social Renewal Plan for Renfrewshire, an initial community impact assessment was carried out to develop a deeper understanding of the impact of COVID-19 on Renfrewshire's people and communities. This will be refreshed in 2022 with key elements of the Public Service panel, first undertaken in late 2020, being repeated with additional questioning about financial insecurity. In addition, a specific programme of work will also be undertaken through the 'Get Heard' initiative, engaging with a wide range of voices and experiences of poverty to inform our policies and plans. By holding discussions with people affected by poverty, we will find out what is working and not working in their communities and what needs to change to ensure support is available.
4.2.3		Considering and monitoring risks facing each partner when working collaboratively including shared risks.	Minutes of Agreement	Minutes of Agreement set out the rights, duties, powers, liabilities and obligations of parties to the Agreement e.g. the Council and partner organisations. Appointments of members to outside bodies are not taken up until the Director of Finance and Resources confirms that the organisation has appropriate insurance policies in place.
4.2.4		Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances.	Council Plan Refresh	The five-year Council Plan was approved in September 2017. The plan is flexible to accommodate the ever changing political, legal and economic climate of local government. There is an accompanying performance framework which sits alongside the Council Plan and sets out the six-monthly monitoring cycle. A new Council Plan is being developed in 2022.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			Social Renewal Plan / Economic Recovery Plan	The Council, in partnership with other Renfrewshire organisations, has developed two plans which set out the recovery from the COVID-19 pandemic: Social Renewal Plan and the Economic Recovery Plan. The Economic Recovery Plan, which was approved by Council in December 2020, sets out the priority actions for the Renfrewshire economy over the next two years. The Social Renewal Plan was approved by Council in March 2021 and sets out how the Council will work with partners to improve wellbeing and tackle inequality across Renfrewshire, with a number of specific priorities identified. This live document is reviewed and refreshed as the pandemic progresses, for example in autumn 2021 a programme of work was agreed to support communities around financial insecurity due to specific challenges anticipated during the winter. Work will be undertaken in 2022 to gain updated understanding of pandemic impacts on citizens and the plan updated accordingly.
4.2.5		Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured.	Council Plan Performance Framework - Service Improvement Plans and key performance indicators	For 2021/22, the council moved away from three-year Service Improvement Plans and instead produced one-year Service Delivery Plans which were focused on the recovery priorities of each service and of the Council. In 2022/23, services will return to producing three year Service Improvement Plans. These produced to a standard template and set out how each service will deliver their elements of the council's Covid-

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				19 recovery, how they will contribute to the achievement of Council Plan outcomes, and what aspects of performance will be monitored Information including commentary on performance is collected and analysed using the Pentana performance management system. A 6-month update on the progress of the Council Plan is provided to the Leadership Board.
			CMT Performance Scorecard Quarterly monitoring	The monitoring of these indicators by CMT was temporarily halted during the pandemic but indicators continued to be monitored by the relevant services and reported to elected members through the service delivery plan process. A refreshed CMT Performance Scorecard will be developed alongside the new Council Plan in early 2022.
4.2.6		Ensuring capacity exists to generate the information required to review service quality regularly.	Performance Framework - for SIPs; CMT Quarterly Scorecard; and Annual Complaints Report	The Council has a comprehensive performance scrutiny framework in place. This covers: (i) Spring –review progress of Service Plan implementation and report the new Service Improvement Plan to Board. (ii) Autumn – report to Board the mid-year point progress of the Service Improvement Plan to allow Elected Members to scrutinise performance against targets and due dates. In addition, there are internal meetings with the Chief Executive and the Corporate Management Team to monitor and scrutinise performance at Council and service level.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				(iii) Regular - operational performance reports and progress for certain service areas during the year, such as Customer & Business Services Performance Report to Finance, Resources and Customer Services Policy Board. (iv) Annually - a report on Complaints performance is also taken to Audit, Risk and Scrutiny Board. A new CMT Performance Scorecard will be developed alongside the new Council Plan and this will be monitored on a quarterly basis.
			Benchmarking performance reviewed each year by Audit, Risk and Scrutiny Board	The Council's performance in terms of Local Government Benchmarking Framework indicators is reported to and reviewed by the Audit, Risk and Scrutiny Board each year. This includes information on service levels, service costs and customer satisfaction.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
4.2.7		Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan.	Annual financial statements, annual accounts and annual audit review Budget guidance and protocols Medium-term financial planning	The Council complies with this requirement through the publication of its Annual Accounts, through the regular submission of budget reports to Policy Boards, the submission of the annual audit review and other audit reports to the Council and/or Audit, Risk and Scrutiny Board as appropriate and by publishing performance information on the Council's website. The Council's financial outlook for the medium term is presented to Leadership Board each year. The report sets out the current financial position and the significant financial challenges to be faced in the forthcoming years, together with likely indications of grant and spending levels. Overall, the Council's medium-term financial position takes into consideration all known influencing factors.
4.2.8		Informing medium and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.	Budget guidance and protocols Medium-term financial plans Capital Strategy and Plan COVID Financial Recovery Reports	The Council's financial outlook for the medium term is presented to Council each year. The report sets out the current financial position and the significant financial challenges to be faced in the forthcoming years, together with likely indications of grant and spending levels. Overall, the Council's medium-term financial position takes into consideration all known influencing factors.
4.3 Optimising achievement of intended outcomes				
4.3.1		Ensuring the medium-term financial strategy integrates and balances service priorities, affordability and other resource constraints.	Financial outlook	The Council's financial outlook for the medium term is presented each year. The report sets out the current financial position and the significant financial challenges to be faced in the

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				forthcoming years, together with likely indications of grant and spending levels. Overall, the Council's medium-term financial position takes into consideration all known influencing factors.
4.3.2		Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term.	Budgeting guidance and protocols	Financial reports detailing revenue expenditure and income are made to policy boards throughout the year and are based on the total cost of the main divisions of service and the total cost based on the key expenditure headings such as employee costs etc. Capital expenditure and income reports also follow this same process with each capital project showing the previous year's cumulative spend (full cost)
4.3.3		Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage.	Financial Outlook COVID Financial Recovery Reports	The Council's financial outlook for the medium term is presented each year. The report sets out the current financial position and the significant financial challenges to be faced in the forthcoming years, together with likely indications of grant and spending levels. Overall, the Council's medium-term financial position takes into consideration all known influencing factors. The Director of Finance provides regular financial updates to Council and these include updates on the impact of Covid on the financial outlook.
4.3.4		Ensuring the achievement of 'social value' through service planning and commissioning.	Service Improvement Plans	For 2021/22, the council moved away from three-year Service Improvement Plans and instead produced one-year Service Delivery Plans which were focused on the recovery priorities of each service and of the Council. In 2022/23, services will return to producing three year Service Improvement Plans. These produced to a

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			standard template and set out how each service will deliver their elements of the council's Covid-19 recovery, how they will contribute to the achievement of Council Plan outcomes, and what aspects of performance will be monitored
		Community Benefits	A Community Benefits Strategy was developed and approved by the Procurement Sub Committee in June 2014. A suite of guidance documents has been produced to provide procurement staff with the tools to effectively manage Community Benefits The outcomes and impact of Community Benefits to Renfrewshire are monitored by CPU Compliance Team and are integral to the Supplier Management process.
		Social Renewal Plan / Economic Recovery Plan	The Council, in partnership with other Renfrewshire organisations, has developed two plans which set out the recovery from the COVID-19 pandemic: Social Renewal Plan and the Economic Recovery Plan. The Economic Recovery Plan, which was approved by Council in December 2020, sets out the priority actions for the Renfrewshire economy over the next two years. The Social Renewal Plan was approved by Council in March 2021 and sets out how the Council will work with partners to improve wellbeing and tackle inequality across Renfrewshire, with a number of specific priorities identified. This live document is

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			reviewed and refreshed as the pandemic progresses, for example in autumn 2021 a programme of work was agreed to support communities around financial insecurity due to specific challenges anticipated during the winter. Work will be undertaken in 2022 to gain updated understanding of pandemic impacts on citizens and the plan updated accordingly.

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

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
5.1 Developing the entity's capacity			
5.1.1	Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness.	Audit, Risk and Scrutiny Board	The Audit, Risk and Scrutiny Board prepare an annual programme, including areas for specific review. Members suggesting an area for review must identify the purpose and objectives of the review and the intended outcome. The Board takes a common sense approach to reviewing decisions and policies and the process provides the opportunity for Elected Members to examine the various functions of the Council, to ask questions on how decisions have been made, to consider whether service improvements can be put in place and makes recommendations as appropriate. For each review, the Chief Executive appoints a lead officer to assist members of the Board to identify potential issues and questions to be asked of witnesses. Following each review, a report is prepared by the lead officers for approval by the Board and thereafter the Council. If appropriate, minority of dissenting views are recorded in the minutes of the meeting.
		Internal Audit Reviews	The outcomes of internal audit reviews are reported to Audit, Risk and Scrutiny, providing overall assurance rating and the number of recommendations in each risk category for these reviews. The committee summary for each report is also provided. For each audit assignment

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			where recommendations have been made, an action plan is put in place to address these.
		Performance management system, Pentana	Performance information from across services is monitored by the Chief Executive and the Corporate Management Team using the Council's performance management system, Pentana. The system is used to monitor strategic indicators, statutory indicators and operational indicators.
		Performance management reports to Board - Council Plan and LOIP reports Council Plan Performance Framework Local Government Benchmarking Framework (LGBF)	The Council provides regular updates covering performance to relevant Boards: in terms of delivering on the Council Plan; in conjunction with partners, on the Community Plan/ Local Outcomes Improvement Plan; progress on service improvement plans/ service delivery plans; the Local Government Benchmarking Framework; and operational performance reports.
		Corporate Asset Strategy / Community Asset Transfer Policy	The Corporate Asset Strategy 2018-21 was approved by the Finance, Resources and Customer Services Policy Board in June 2018. It sets out a high-level framework for the management of all the Council's assets. A paper outlining the legal framework and council procedures for Community Asset Transfer was approved by Council in February 2021.
5.1.2	Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that	Benchmarking / peer review	Services across the Council are involved in both formal and informal benchmarking arrangements through for example, the Association for Public Service Excellence and Scottish Community Care Benchmarking Network. Communities, Housing and Property Services participate in the Scottish

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
	outcomes are achieved effectively and efficiently.		Housing Best Value Network (SHBVN) annual benchmarking process. The Council has also been involved in the development of the Local Government Benchmarking Framework and the subsequent benchmarking groups. This framework provides national benchmarking information on a range of indicators covering service delivery, cost and customer satisfaction.
5.1.3	Recognising the benefits of partnerships and collaborative working where added value can be achieved.	Community Plan / Local Outcomes Improvement Plan Strategic Partnership Agreement	The Council currently complies with this requirement through the Community Plan, which is the Local Outcomes Improvement Plan (LOIP) for Renfrewshire. It sets out a clear vision for partnerships and for Renfrewshire and its people, as well as the key areas of priority and actions to be undertaken. The Community Plan, which was agreed by Council on 28 September 2017, was based upon extensive research and community consultation which identified the key issues facing Renfrewshire.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
		Social Renewal Plan / Economic Recovery Plan	The Council, in partnership with other Renfrewshire organisations, has developed two plans which set out the recovery from the COVID-19 pandemic: Social Renewal Plan and the Economic Recovery Plan. The Economic Recovery Plan, which was approved by Council in December 2020, sets out the priority actions for the Renfrewshire economy over the next two years. The Social Renewal Plan was approved by Council in March 2021 and sets out how the Council will work with partners to improve wellbeing and tackle inequality across Renfrewshire, with a number of specific priorities identified. This live document is reviewed and refreshed as the pandemic progresses, for example in autumn 2021 a programme of work was agreed to support communities around financial insecurity due to specific challenges anticipated during the winter. Work will be undertaken in 2022 to gain updated understanding of pandemic impacts on citizens and the plan updated accordingly.
5.1.4	Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.	People Strategy: 'Our People Our Future 2021-2026	The People Strategy was approved by the Finance, Resources and Customer Services Policy Board in March 2021 and replaces the Organisational Development Strategy and Workforce Plans. It makes a commitment to investing in the workforce to ensure people are supported and equipped with the right skills to deliver on the council's ambitious outcomes for Renfrewshire. The Strategy offers a more flexible approach and will be owned by and embedded

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			within services and is fully aligned with their needs.
5.2 Developing the capability of the entity's leadership and other individuals			
5.2.1	Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained.	Protocol for relationships between Political Groups, Elected Members and Officers Member Development Programme	The Council's Elected Members and inter-party protocols and protocol for members/officers' relations were reviewed in 2014 and combined into one composite protocol which was approved at the Finance and Resources Policy Board on 12th November 2014.
		Councillors' Code of Conduct, Code of Conduct for Employees	The Council complies with this requirement through the Councillors' Code of Conduct and the Code of Conduct for Employees. The Council's protocol for relationships between political groups, Elected Members and officers sets out the rights and responsibilities of Councillors and political groups in the course of conducting Council business and provide good practice guidelines in relation to the multi-member ward issues. Members were provided with a briefing on the respective roles and responsibilities of officers and members as part of their induction following the Local Government elections in 2017. The Code of Conduct was updated by the Scottish Government in December 2021 and a paper outlining the changes was approved by Council the same month. This will also be covered in the induction programme which will take place following the May 2022 local government elections.

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			Meetings between Chief Executive and Leader	The Chief Executive holds weekly meetings with the Leader.
			Cross Party Sounding Board	The Council at its statutory meeting in May 2017 established a Cross Party Sounding Board. as part of its decision-making structure. The remit of which is to act as a sounding board and discussion forum, with no decision-making powers: to provide an opportunity to discuss matters of common interest or of Council wide relevance. Members include 2 administration and 4 opposition members.
5.2.2		Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decisions making of the governing body.	Scheme of delegation	The Council's scheme of delegation ensures that decisions are made at the lowest or most local level consistent with the nature of the issues involved. With the exception of those powers which cannot be delegated or have been reserved to the Council, functions have been delegated to Boards and committees, the Chief Executive, Directors and Heads of Service and other officers. The scheme also includes a section detailing, statutory officers. During the pandemic an Emergencies Board commenced and an Emergencies Management Team was established, as specified in the Scheme of Delegations: Delegations to Officers, which provides that the Chief Executive, all Directors and all Heads of Service have the delegated authority "To take any actions necessary in any emergency situation that are within the remit of their own post or the service for which they are responsible."

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
5.2.3	Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure, whereby the chief executive leads the authority in implementing the strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority.	Conditions of Employment, scheme of delegation, statutory provisions and job descriptions/person specification	The Chief Executive has responsibility as head of the paid service for all aspects of operational management.
		Annual review	The Chief Executive is subject to a facilitated annual review by the leaders of the political groups at which objectives are agreed and reviewed.
5.2.4	Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by: − ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged. − ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis. − ensuring personal, organisational and system-wide development	Members Induction	A welcome and induction package of events was delivered for newly elected and returning Councillors following the local government election in May 2017. Notice of further development events and opportunities is issued to Councillors each month. Councillors have access to the Improvement Service CPD framework to identify further induction and development requirements. Councillors are encouraged to use the CPD framework and are supported throughout the process. An annual register of training and development delivered for Councillors is published online. A focussed development week for members takes place each year.
		People, Performance and Talent Policy	The People, Performance and Talent Policy and Competency Framework will recognise good performance, support under performance at an early stage and promote the behaviours required by the Council.
		iLearn Training	A number of e-learning modules are available to employees to support their learning and

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
	through shared learning, including lessons learnt from both internal and external governance weaknesses.		development. This includes a comprehensive e-learning induction module for employees which covers terms and conditions and the statutory appointments of officers are detailed in the Council's scheme of delegation and this is reviewed on a regular basis.
		Leadership Development Training Cross-Organisational Mentoring Scheme iLearn platform	The Council's management development programme, Lead to Succeed, was launched in 2020 and has three levels (Inspire, Influence, Impact) which provide training for aspiring and current managers at all levels of the organisation. The training is linked to a CMI qualification. The Council's online learning platform, iLearn, includes a range of courses suitable for aspiring and current managers. Renfrewshire Council participates in a cross-organisational mentoring scheme alongside other public sector organisations.
5.2.5	Ensuring that there are structures in place to encourage public participation.	Consultation and engagement mechanisms	Council services engage and consult with communities in a number of ways including: Public Services Panel, Focus Groups, Tenants and Residents Forum, service user groups, Community Planning process, Complaints procedure and Local Partnerships.
		Local Partnerships	Following on from extensive consultation in 2018, the previous Local Area Committees (LACs) were replaced by Local Partnerships. These partnerships adopt a more informal and inclusive approach as part of a drive to ensure community voices are heard on local issues.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			Community Representatives now sit alongside Elected Members and Community Councils for the seven Local Partnerships. Since June 2019, Local Partnerships have been awarding grants to local groups, with community representatives having an active part in decision making. Local Partnership grants were awarded in September 2020, taking account of changes in community groups' plans following Covid-19 for 2020/21. Further awards were made by Local Partnerships for 2021/22 in May/June 2021.
5.2.6	Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections.	Improvement Service Continuing Professional Development (CPD) framework for Elected Members.	Councillors are encouraged to assess their own performance and identify any development needs using the CPD framework.
		Peer reviews	Using the Improvement Service CPD framework, Councillors can opt to undertake a 360° peer review of their performance as an Elected Member.
5.2.7	Holding staff to account through regular performance reviews which take account of training or development needs.	Pentana performance management system – Corporate Management Team / Council Plan scorecard	Performance information from across services is monitored by the Chief Executive and the Corporate Management Team using the Council's performance management system, Pentana. The system is used to monitor strategic PIs, statutory indicators, and operational indicators. A new CMT Performance Scorecard will be developed alongside the new Council Plan in 2022.
		Audit, Risk and Scrutiny Board	The Audit, Risk and Scrutiny Board agree an annual programme of activities which includes areas for specific investigation. The Audit, Risk and Scrutiny Board also has a written intimation procedure in respect of which any member of the Board may request that a particular matter by

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			considered by the Board. Each of the policy boards has a scrutiny function.
		Improvement Service Continuing Professional Development (CPD) framework for Elected Members.	The CPD framework for Councillors was developed by the Improvement Service and all members have access to it. Members are encouraged to assess their own development needs and develop a personal development plan.
		People, Performance, and Talent Policy (Appraisal Process)	A People, Performance and Talent Policy, Guidance and Competency Frameworks for all levels across the Council has replaced the former frameworks of MTIPD and MDP. The competency framework has been designed to align with the Council's values and behaviours. This enables services and individuals to identify areas for development and engage in effective workforce capability building and job ready activities to foster the organisations performance culture.
5.2.8	Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.	OD Strategy – health and wellbeing Health and Safety Plans for each service	A new Health, Safety and Wellbeing Strategy was approved in 2018. Each service has its own Health and Safety Plan and working group. Health and Safety reports for each service are presented to policy boards annually. During the pandemic, a Health, Safety and Wellbeing at Work page was developed on the Council's website. It includes an online learning guide for working at home; a wellbeing guide; and useful contacts. Communication has been critical during the pandemic and regular internal communications were sent out to staff during the pandemic, such as weekly messages from the Chief Executive and a weekly staff newsletter.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance

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

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
6.1 Managing risk			
6.1.1	Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making.	"Risk Matters" – the Councils Risk Management Policy and Strategy	The Council has a well-established risk management strategy which is subject to routine monitoring and review. Risk Matters is formally reviewed by the Audit, Risk and Scrutiny Board at periodic intervals of not more than 2 years and annually (interim review) by the Corporate Risk Management Group (CRMG) to ensure it reflects current standards and best practice and fully reflects the rapidly changing environment in local government. Risk Matters is explicit regarding the Council's risk management philosophy and regarding members' and managers' responsibility for risk management. Services also include a section on risks in their Service Delivery Plans.
		Strategic Risk Management Development Plan (SRMDP)	The Strategic Risk Management Plan underpins Risk Matters. It reflects the development work required to fulfil the Strategic Risk Management Objectives outlined in Risk Matters. Progress on the SRMDP is monitored by the CRMG on a quarterly basis. The Audit, Risk and Scrutiny Board was renamed to reflect the importance of considering risks in the decision-making process.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
6.1.2	Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.	Strategic and Corporate Risk Register • Submission report to Board • Quarterly reports to CRMG • Midyear report to Board	The Council maintains, routinely monitors and reviews the corporate risk register and service risk management plans in accordance with Risk Matters. Services report risks and mitigations through the corporate documents. Each service has a Risk Rep who sits on the Corporate Risk Management Group. The CRMG reports regularly through to the Audit, Risk and Scrutiny Board.
		Risk Management Annual Report	A report on the effectiveness of the Council's risk management framework is provided to the Audit, Risk and Scrutiny Board on an annual basis.
6.1.3	Ensuring that responsibilities for managing individual risks are clearly allocated.	Corporate Risk Management Group	The Corporate Risk Management Group oversees the Council's risk management framework on behalf of the Corporate Management Team. The Group oversees the ongoing development, monitoring and review of the corporate risk register and facilitates an escalation process whereby risk can be moved between corporate or service level.
6.2 Managing performance			
6.2.1	Monitoring service delivery effectively including planning, specification, execution and independent post-implementation review.	Service Improvement Plans and key performance indicators	For 2021/22, the council moved away from three-year Service Improvement Plans and instead produced one-year Service Delivery Plans which were focused on the recovery priorities of each service and of the Council. In 2022/23, services will return to producing three year Service Improvement Plans. These produced to a

		Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
				standard template and set out how each service will deliver their elements of the council's Covid-19 recovery, how they will contribute to the achievement of Council Plan outcomes, and what aspects of performance will be monitored Information including commentary on performance is collected and analysed using the Pentana performance management system.
6.2.2		Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook.	Reports to Council / boards	Reports to the Council and all Board meetings provide members with sufficient information on which they are able to take decisions, including personnel, legal, risk, financial and other implications relating to the key Council Plan / Community Plan themes, and provide recommendations.
			Annual timetable of board meetings	A timetable covering the various board cycles is approved by the Council and is available online dates of pre-agenda meetings are available to relevant officers and members. A spreadsheet is issued quarterly to services advising of last lodging dates for reports. The Council has approved its timetable of meetings March 2022 and future dates will be set once the new council administration is in place following the local government elections in May 2022.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
6.2.3	Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible. (OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making.	Audit, Risk and Scrutiny Board	The Audit, Risk and Scrutiny Board's remit includes audit scrutiny, monitoring and review of service delivery, performance, policies and practice, community leadership through monitoring of other public bodies, and standards and ethics. The Board conducts an annual programme of reviews which have addressed a number of areas, most recently consideration of an extension to National Cycle Route 7.
6.2.4	Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.	Service Improvement Plans and key performance indicators Council Plan Performance Framework Policy Updates	For 2021/22, the council moved away from three-year Service Improvement Plans and instead produced one-year Service Delivery Plans which were focused on the recovery priorities of each service and of the Council. In 2022/23, services will return to producing three year Service Improvement Plans. These produced to a standard template and set out how each service will deliver their elements of the council's Covid-19 recovery, how they will contribute to the achievement of Council Plan outcomes, and what aspects of performance will be monitored
		Performance reviewed each year by Audit, Risk and Scrutiny Board – LGBF and Complaints Report	The Council's performance in terms of Local Government Benchmarking Framework Indicators is reported to and reviewed by the Audit, Risk and Scrutiny Board each year. This includes information on service levels, service costs and customer satisfaction.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			In addition, the Annual Complaints Report is presented to Board annually. This includes a breakdown on number of complaints, how timeously we have responded to complainants and improvements made to complaints handling. Both reports are presented to the Audit, Risk and Scrutiny Board.
6.2.5	Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements).	Financial regulations and financial codes	The Council has in place financial regulations which set out the responsibilities of the Director of Finance and Resources, who has been appointed as the 'proper officer', along with the responsibilities of the Chief Executive, Directors and other authorised people for the financial affairs of the Council. These regulations also set out the responsibilities of the Leadership Board, the Audit, Risk and Scrutiny Board and the various policy boards for financial affairs.
6.3 Robust internal control			
6.3.1	Aligning the risk management strategy and policies on internal control with achieving objectives.	"Risk Matters" – the Council's Risk Management Policy and Strategy	The Council has a well-established risk management strategy which is subject to routine monitoring and review. Risk Matters is formally reviewed by the Audit, Risk and Scrutiny Board at periodic intervals of not more than 2 years and annually (interim review) by the Corporate Risk Management Group (CRMG) to ensure it reflects current standards and best practice and fully reflects the rapidly changing environment in local government.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
		Audit reports and Audit, Risk and Scrutiny Board - Public Sector Internal Audit Standards	In terms of the Public Sector Internal Audit Standards, the Council's Chief Auditor submits an annual report to the Audit, Risk and Scrutiny Board on the activities of internal audit to demonstrate performance and containing a view on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. Again, in terms of the above standards, regular reports are submitted to the Audit, Risk and Scrutiny Board in relation to the findings of the Council's internal and external auditors which detail the main issues arising. An annual Internal Audit risk-based plan is approved by the Board.
6.3.2	Evaluating and monitoring risk management and internal control on a regular basis.	Risk Management Annual Report	A report on the effectiveness of the Council's risk management framework is provided to the Audit, Risk and Scrutiny Board on an annual basis.
6.3.3	Ensuring effective counter fraud and anti-corruption arrangements are in place.	Strategy for the prevention and detection of fraud and corruption Internal Audit arrangements Corporate counter fraud arrangements Integrity Group Anti-Money Laundering policy	A strategy for the prevention and detection of fraud and corruption is in place. The Council's Integrity Group has been established to strengthen the Council's internal resilience to corruption. Effective counter fraud arrangements are in place having established a counter-fraud team. The Chief Auditor has also been appointed as the Money Laundering Reporting Officer.
6.3.4	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk	Code of Corporate Governance Guidance Annual Governance Statement Internal Audit Annual report	The Council complies with this requirement through its Code of Corporate Governance Guidance which details the organisation's governance arrangements. This is in line with

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
	management and control is provided by the internal auditor.		national guidance and is updated on an annual basis.
6.3.5	Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: − provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment.	Audit, Risk and Scrutiny Board	The Audit, Risk and Scrutiny Board functions as the Council's audit committee and has an overview of the internal audit role to ensure that resources are being targeted effectively. The Board reviews the Council's internal control mechanisms, approves action where appropriate, considers reports by external auditors and submits recommendations to the Council where this is considered appropriate.
	− that its recommendations are listened to and acted upon.	Training programme for Audit, Risk and Scrutiny Board	The Chief Auditor provides a regular briefing programme for members of the Board, prepared in consultation with them, to assist them in fulfilling their audit committee role. Issues covered by the training programme include the role of the Audit committee and CyberSecurity. This programme is approved annually by the Board.
6.4 Managing data			
6.4.1	Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data	Information Governance Strategy and Framework Information Governance Team Data protection policies and procedures Information Governance Learning & Development Strategy General Data Protection Regulations (GDPR) Appointment of Statutory Data Protection Officer (DPO)	The Council is subject to routine external audit by the Information Commissioners' Office (ICO) and also by internal audit. The Managing Solicitor reports monitoring figures, to the Senior Information Risk Owner (SIRO) on a monthly basis and to the CMT on at least a six-monthly basis. Extensive work programme and communication took place in preparation for the introduction of the General Data Protection Regulations (GDPR) in May 2018.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			The Council has appointed a statutory Data Protection Officer whose remit includes overseeing the Council's implementation of GDPR, other data protection laws and the relevant Council policies and to ensure compliance with those.
6.4.2	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.	Data sharing agreements Data processing agreements Central repository of data sharing and data processing agreements Cyber Security	Data sharing and data processing agreements are in place as appropriate. There is a central repository of signed agreements. The Council Data Sharing Code, based on the ICO code, was approved by the Finance, Resources and Customer Services Board. Cyber security transfer and sharing requirements are included with the legal documents.
6.4.3	Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.	Service Improvement Plans and key performance indicators	For 2021/22, the council moved away from three-year Service Improvement Plans and instead produced one-year Service Delivery Plans which were focused on the recovery priorities of each service and of the Council. In 2022/23, services will return to producing three year Service Improvement Plans. These produced to a standard template and set out how each service will deliver their elements of the council's Covid-19 recovery, how they will contribute to the achievement of Council Plan outcomes, and what aspects of performance will be monitored Information including commentary on performance is collected and analysed using the Pentana performance management system.
		Performance reviewed annually by the Audit, Risk and Scrutiny Board	The Council's performance in terms of Local Government Benchmarking Framework Indicators

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			is reported to and reviewed by the Audit, Risk and Scrutiny Board each year. This includes information on service levels, service costs and customer satisfaction.
		SPI Direction	The SPI Direction from Audit Scotland sets out the requirements of monitoring and reporting on performance indicators by Councils.
6.5 Strong public financial management			
6.5.1	Ensuring financial management supports both long-term achievement of outcomes and short-term financial and operational performance.	Financial strategy and financial monitoring reports	Regular financial monitoring reports detailing the current financial position together with the projected outturns for each main service area (and its appropriate divisions) are reported on a routine basis to Policy Boards. These reports also advise members of any management action that is being taken or is planned for the future to alleviate any current or projected deviations from the initial financial plan.
6.5.2	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.	Corporate Risk Register – financial risk	Financial risk is included as part of the Corporate Risk Register to ensure financial management is managed and reviewed on a regular basis.

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

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
7.1 Implementing good practice in transparency			
7.1.1	Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the	Performance section on Council's website Annual 'It's all about you' report	The performance section on the Council's website provides several sources to assess how the Council is performing.

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
	intended audience and ensuring that they are easy to access and interrogate.		Public performance reporting is undertaken to ensure local citizens, businesses and partner organisations are able to track Council performance over time. A link to council performance information is on the website's home page. An annual PPR report, "It's All About You" is presented in a storymap format on the council's website. It provides information – a mix of data, case studies and video clips – on how well we are performing against a range of measures included in the Council Plan and Best Value action plan. Through our participation in the Local Government Benchmarking Framework, it can also offer comparisons to other councils.
7.1.2	Striking a balance between providing the right amount of information to satisfy transparency demand and enhance public scrutiny while not being too onerous to provide and for users to understand.	Public Performance Report – 'It's all about you'	The Council Performance section on the website provides several sources to assess how the Council is performing. An annual PPR report, "It's All About You" is presented in a storymap format on the council's website. It provides information – a mix of data and case studies – on how well we are performing against a range of measures included in the Council Plan and Best Value action plan. Through our participation in the Local Government Benchmarking Framework, it can also offer comparisons to other councils.
7.2 Implementing good practices in reporting			
7.2.1	Reporting at least annually on performance, value for money and the stewardship of its resources.	Annual financial statements, annual accounts and annual audit review	The Council publishes its Annual Accounts, through the regular submission of budget reports to Policy Boards, the submission of the annual audit review and other audit reports to the Council

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			and/or Audit, Risk and Scrutiny Board as appropriate and by publishing performance information on the Council's website.
		Public Performance Reporting	Public performance reporting is undertaken to ensure local citizens, businesses and partner organisations can track Council performance over time. The performance section on the Council's website provides a number of sources to assess how the Council is performing.

It provides information – a mix of data and case studies – on how well we are performing against a range of measures included in the Council Plan and Best Value action plan. Through our participation in the Local Government Benchmarking Framework, it can also offer comparisons to other councils. An annual PPR report, "It's All About You" is presented in a storymap format on the council's website. |
| 7.2.2 | Ensuring members and senior management own the results. | Performance reports to Boards | Elected Members receive a number of performance reports at Policy Boards, including reports on the performance of the Council Plan, Community Plan, Service Improvement Plans, Complaints, Local Government Benchmarking Framework (LGBF) and operational performance reports. |
| 7.2.3 | Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement) | Annual Governance statement | The Council complies with this requirement through its Annual Governance statement which details the organisation's governance arrangements. This is in line with national guidance and is updated on an annual basis. The statement is submitted to the Audit, Risk and Scrutiny Board. |

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
7.2.4	Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate.	Annual governance statement	The Council complies with this requirement through its Annual Governance statement which details the organisation's governance arrangements. This is in line with national guidance and is updated on an annual basis. The statement is submitted to the Audit, Risk and Scrutiny Board.
7.2.5	Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations.	Annual financial statements, annual accounts and annual audit review	The Council publishes its Annual Accounts, which includes in the Management Commentary performance related data, through the regular submission of budget reports to Policy Boards, the submission of the annual audit review and other audit reports to the Council and/or Audit, Risk and Scrutiny Board as appropriate and by publishing performance information on the Council's website.
7.3 Assurance and effective accountability			
7.3.1	Ensuring that recommendations for corrective action made by external audit are acted upon.	Audit, Risk and Scrutiny Board reports	Recommendations made by external audit and/or national external audit reports along with management's response and/or Renfrewshire Council's position are reported to the Audit, Risk and Scrutiny Board.
7.3.2	Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon.	Audit, Risk and Scrutiny Board report Annual Internal Audit Charter	In terms of the Public Sector Internal Audit Standards, the Council's Chief Auditor submits quarterly reports on internal audit performance and an annual report to the Audit, Risk and Scrutiny Board on the activities of internal audit to demonstrate performance and containing a view on the overall adequacy and effectiveness of the Council's framework of governance, risk

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
			management and control. Again, in terms of the above standards, regular reports are submitted to the Audit, Risk and Scrutiny Board in relation to the findings of the Council's internal and external auditors which details the main issues arising.
7.3.3	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.	Benchmarking / peer review	Services across the Council are involved in both formal and informal benchmarking arrangements through for example, the Association for Public Sector Excellence. Communities, Housing and Property Services participate in the Scottish Housing Best Value Network (SHBVN) annual benchmarking process. The Council has also been heavily involved in the development of the Local Government Benchmarking Framework and the subsequent benchmarking groups. This provides national benchmarking information on a range of indicators covering service delivery, cost and customer satisfaction.
		Best Value Audit	The Council took part in the Best Value Assurance Audit process from January to June 2017. An action plan to respond to recommendations contained within the BVAR report was approved at the full Council meeting on 28th September 2017.
		Independent Inspection and Audit	The Council is independently evaluated by bodies such as the Care Inspectorate, Education Scotland, Audit Scotland and the Scottish Public Services Ombudsman (who considers complaints against the Council).

	Requirements of corporate governance	Evidence of meeting requirement	Demonstration of annual compliance
7.3.4	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.	Annual governance statement Self-Assessment Checklists	Any key risks identified through the annual self-assessment process which is undertaken by the Directors of each Service would be reflected in the governance statement.
7.3.5	Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met.	Community Planning Boards Integrated Joint Boards / Health and Social Care Partnerships OneRen	Arrangements are in place between Renfrewshire Council and its Community Planning partners, the IJB and OneRen. Governance arrangements, such as systems for managing, monitoring and scrutinising the IJB's business and finances have been developed. Effective arrangements are in place for sharing information between partners that can lead to improving how services are provided, such as the Community Safety Partnership. The Head of Policy and Commissioning is the One Ren Monitoring Officer and undertakes quarterly meetings to review performance of OneRen (formerly Renfrewshire Leisure). In addition, six-monthly updates and an Annual Business Plan is reported to and agreed by the Leadership Board.

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

On: **21 March 2022**

Report by: **Chief Executive**

Heading: **Local Government Benchmarking Framework 2020/21**

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1. Summary

1.1 In March 2022, the Improvement Service published the 2020/21 Local Government Benchmarking Framework (LGBF) performance data for all Scottish local authorities. The Framework is a high-level benchmarking tool which allows local authorities to compare their performance across a wide range of key service areas such as education, housing, and adult social care.

1.2 Renfrewshire Council has participated in the development of the LGBF since its inception in 2010 and the framework has expanded to comprise 101 indicators. The purpose of the Framework is to support evidence-based comparisons and encourage shared learning and improvement.

1.3 This report provides an overview of Renfrewshire's performance for 2020/21, as well as outlining the wider context and trends for local authorities across Scotland. This data reflects the first year of the pandemic, including the initial national lockdown, and most service areas in local authorities were impacted by this. This may have been due to services being paused, or resources being temporarily focused on supporting residents through direct activities such as delivering food parcels or administering business grants. It is important that performance, both absolute and relative, is considered in this context. The duration of the pandemic means that the impact will be evident in data for 2021/22 and beyond.

1.4 Elected members will be aware of the impact of the pandemic on Renfrewshire and the extent to which council services had to respond to new needs within our communities whilst also adapting services in line with public health restrictions. Staff across the council and partner organisations worked incredibly hard to ensure that core services were still delivered and that our most vulnerable residents were supported during unprecedented times.

1.5   Within the LGBF, councils are ranked against each other to show relative performance but the rankings should be considered in context. It is possible for performance to improve in real terms but for this not to be reflected in rankings because other councils have also improved.

1.6   In relation to the rankings for 2020/21, Renfrewshire has performed as follows:
   o   35 indicators have improved their ranking;
   o   32 indicators have fallen in the rankings;
   o   8 indicators have a ranking which is unchanged;
   o   26 indicators do not yet have updated data available;
   o   24 indicators are ranked in the top 8 best performing councils for that measure;
   o   11 indicators are ranked in the 8 lowest performing councils for that measure.

1.6   Renfrewshire Council actively contributes to national discussions and learning on the Local Government Benchmarking Framework and uses it to identify opportunities to explore areas of challenge and of best practice.

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2.   Recommendations

2.1   It is recommended that the Audit, Risk and Scrutiny Board notes the contents of the report.

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3.   Background

3.1   All Scottish local authorities participate in the Local Government Benchmarking Framework (LGBF), which allows councils to compare their performance across a suite of indicators, including costs and performance of key council services, and levels of public satisfaction. Whilst there are always different views on the nature and calculation of specific indicators, the framework provides a tool for the Council to consider its performance in relation to delivering Best Value, as well as a platform for learning and sharing good practice. It is used in conjunction with other benchmarking tools, data and information that Council services use to assess performance, such as service key performance indicators, national and local surveys, inspections, and audits.

3.2   There are currently 101 indicators in the Framework, which cover the majority of council services across ten categories:
   •   Children's services;
   •   Corporate services;
   •   Adult social care;
   •   Culture and leisure services;
   •   Environmental services;
   •   Housing services;
   •   Corporate asset management;
   •   Economic development;
   •   Financial sustainability;
   •   Tackling climate change.

3.3   There are four new indicators included in the dataset this year; three under the theme of Economic Development (Gross Value Added per capita, Claimant Count as a percentage of

working age population, Claimant Count as a percentage of 16-24 population) and one under the theme of Children's Services (percentage of children living in poverty after housing costs). No data has been provided for 2020/21 for either the GVA or child poverty indicator.

3.4   Whilst the framework provides a useful platform for councils to compare relative performance, it has some limitations. The way in which costs are calculated for specific indicators can vary significantly between local authorities due to the way in which services are structured, and performance may also reflect the policy choices taken by a local authority. For example, investment in a service area may lead to increased costs being reported through the LGBF, rather than being reported as a service improvement or a positive outcome for local communities.

3.5   The performance indicators have narrow definitions to allow for comparison, but this does not necessarily represent the full range of council service delivery and additional interventions and supports. This is particularly the case in 2020/21, when councils redirected resource towards supporting vulnerable residents and businesses and providing support to testing and vaccination programmes. An example would be the work of the economic development service, who shifted focus from business start-ups to supporting existing businesses to cope with restrictions and move into a recovery phase as restrictions eased. Part of this including administering over 3000 business grants, but that is an area of activity not captured in the LGBF.

3.6   The dataset reflects the impact of the pandemic on services provided by councils and must be considered in that context. During 2020/21 Renfrewshire, along with other local authority areas in the Central Belt, was subject to more stringent public health restrictions over a longer period of time than many other areas in Scotland and this impacted heavily on service delivery as well as the needs of residents.

3.7   The data is collated, verified, and published for all Scottish councils by the Improvement Service. The final data for 2020/21 was published on 4 March 2022. A link to the Improvement Service reporting tool is available on the performance section of the Council website, and a summary of the data is provided in Appendix 1. The Improvement Service will publish a revised version in the spring which will include updates on the indicators for which data is not currently available.

4. National Context

4.1   Alongside the performance data, the Improvement Service publishes a national overview report each year, highlighting key trends across Scotland and considering local variation. The national report notes that "In 2020/21, Councils faced exceptional conditions as a result of Covid-19 which led to significant additional costs, loss of income and undelivered savings." The report also notes both the increase in Scottish Government funding to councils and increased ring-fencing of funding and new "policy burdens".

4.2   Although the LGBF is a well-established framework which supports councils with improvement planning, the Improvement Service have identified four main areas of additional complexity with the latest data:
   - Altered delivery and operating landscapes
   - Data timeliness
   - Methodological issues and data gaps

- Impact of inflation

4.3   This means that data is not always directly comparable with previous years. In some areas of service, public health restrictions may have meant a reduction in, or pausing of, some service provision. Some staff were redeployed to support tasks which would not normally be within the remit of a local authority, such as food delivery or supporting testing and vaccination centres. As such, all data should be treated with caution and considered within the pandemic context.

4.4   In terms of general performance across Scotland, the impact of Covid-19 is recognised as having a significant impact. The Improvement Service highlight that the data only covers the year to March 2021 and therefore "does not therefore reflect the challenges and pressures facing Local Government currently, nor the longer-term impacts of COVID-19." It is anticipated that the effects will be evident in the data in years to come.

4.5   The data points to national trends such as growing levels of poverty, inequality and financial hardship. The impact of lockdowns on education are highlighted, as is some evidence of a disproportionate impact on children in more deprived communities. The national overview also notes the "exceptional efforts" of staff in health and social care in maintaining services and protecting vulnerable people.

5. Overview of Renfrewshire's Performance

5.1   This section provides an overview of Renfrewshire's performance with a focus on those ranked among the best performing councils (ranked between 1st and 8th) and those in the lowest performing, relatively speaking (ranked between 25th and 32nd). This year's data can be summarised as follows:

- o 35 indicators have improved their ranking;
- o 32 indicators have fallen in the rankings;
- o 8 indicators have a ranking which is unchanged;
- o 26 do not yet have updated data available.

5.2   The Council is in the top quarter for 24 indicators and in the bottom quartile for 11. Appendix 1 provides the Council's data, ranked position, the Scottish average, and the family group range for all the indicators.

Indicators in the top quarter

5.3   Renfrewshire Council has 24 indicators in the LGBF which rank in the top eight best-performing councils and these are listed in the table below.

Indicator Name	Rank 2019-20	Rank 2020-21
Cost per Secondary School Pupil	2	2
Cost per Pre-School Education Registration	23	8
% of Pupils Gaining 5+ Awards at Level 5	7	8
% of Pupils Gaining 5+ Awards at Level 6	9	7
Overall Average Total Tariff	8	7

Average total tariff SIMD quintile 3	7	6
Average total tariff SIMD quintile 4	5	4
Average total tariff SIMD quintile 5	4	6
% of P1, P4 and P7 pupils combined achieving expected CFE Level in Literacy	n/a	7
% of P1, P4 and P7 pupils combined achieving expected CFE Level in Numeracy	n/a	4
% of funded early years provision which is graded good/better	16	7
% of invoices sampled that were paid within 30 days	18	1
Residential costs per week per resident for people aged 65 or over	3	2
Rate of readmission to hospital within 28 days per 1,000 discharges	8	7
Net cost of waste disposal per premise	23	3
Net cost of street cleaning per 1,000 population	1	2
% of A Class roads that should be considered for maintenance treatment	4	4
% of B Class roads that should be considered for maintenance treatment	8	7
Cost of environmental health per 1,000 population	1	1
Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year	6	7
Proportion of operational buildings that are suitable for their current use	7	8
% of unemployed people assisted into work from council operated / funded employability programmes	12	2
Immediately available employment land as a % of total land allocated for employment purposes in the local development plan	22	1
Total useable reserves as a % of council annual budgeted revenue	4	4

Indicators in the bottom quarter

5.4   The Council ranked in the eight lowest performing councils (25th to 32nd) for 11 of the LGBF indicators. Additional context for these indicators is summarised below, with further detail in Appendix 1.

Indicator Name	Rank 2019-20	Rank 2020-21
Support services as a % of total gross expenditure	24	30
The cost per dwelling of collecting council tax	26	25
Sickness absence days per teacher	28	30
Sickness absence days per employee (non-teacher)	32	31
% of people aged 65 and over with long-term care needs receiving personal care at home	25	30
Cost of parks & open spaces per 1,000 population	26	27
Cost of roads per kilometre	26	26
Cost of Trading Standards per 1000 population	31	30
% of procurement spend spent on local enterprises	20	25
No of business gateway start-ups per 10,000 population	19	30

Ratio of Financing Costs to Net Revenue Stream - Housing Revenue Account	26	26

Support services as a percentage of total gross expenditure

5.5   Indicators on cost depend, in part, on how each council chooses to allocate its budget. In Renfrewshire, support services are mainly centralised (for example, business support) rather than each service having their own budget for this. Consequently, expenditure on support services can appear larger than in other councils where support services may be spread across multiple service areas and the cost allocated under service headings. Renfrewshire's approach to support service provision has meant that the council is typically towards the lower end of rankings.

The cost per dwelling of collecting Council Tax

5.6   Although Renfrewshire has one of the higher costs of collecting Council Tax, the cost has fallen by 2.8% on the previous year, and the long-term trend is that of steadily reducing cost. In 2010/11, the first year of LGBF data, the cost was £18.87 per dwelling so the current cost of £9.07 represents a reduction in costs of 52% over a decade. This reflects a national trend. Renfrewshire is one of ten councils who outsource debt recovery and so the income from penalties cannot be included in the figures as a way of offsetting cost. In common with all local authorities during the first year of the pandemic, Renfrewshire experienced a slight reduction in the overall percentage of Council Tax collected by year end though the collection rate remained above the Scottish average.

Sickness absence days per employee (non-teacher) and sickness absence days per teacher

5.7   Absence levels for both teaching and non-teaching staff have improved, although not to the same extent as other local authorities and so Renfrewshire remains near the bottom of the rankings. The council's Supporting Attendance policy is currently being reviewed and tackling absence levels remains a priority for the Corporate Management Team. An Absence Review Group has been established and is undertaking a range of activities including data analysis, focus groups with managers, benchmarking with other local authorities and a review of current absence policies and procedures.

5.8   As in 2019/20, the two most common causes of unplanned absence in 2020/21 were psychological (non-work related) and musculoskeletal; these broadly account for one-third and one-fifth of absences respectively. The council offers a range of supports which employees can access either as an early intervention measure to prevent absence or as a means to support a return to work. Staff can access an employee counselling service, Time to Talk, and short programmes of Cognitive Behavioural Therapy are also available. The Occupational Health service also offers physiotherapy services.

5.9   There are a range of policy and guidance documents to support managers and staff with wellbeing issues, and there are risk assessments tools available for posts which involve manual handling; these are regularly reviewed. Staff with specific health and safety requirements relating to their job are provided with training before undertaking certain tasks, such as Moving and Handling training.

Percentage of people aged 65 and over with long-term care needs receiving personal care at home

5.10   Data for 2020/21 indicates that 53.5% of older adults with long term care needs were receiving personal care at home, compared with a national average of 61.7% and compared with local performance of 56.2% in 2029/20. This data is monitored closely and regularly at a local level, and as a snapshot of a point in time, it can be subject to considerable variation. Renfrewshire has a reablement approach which means that care packages can be relatively short-term and intensive in order to support someone to be able to regain skills and live independently or with lower levels of care (such as telecare or respite for family carers). This figure does not include those individuals with long-term care needs who are supported in extra care housing or in residential or nursing homes. There is a long term trend in Renfrewshire of reducing admissions to residential care and supporting people in the community wherever possible, but service provision is based on an assessment of the needs of each individual and will be appropriate to those needs.

Costs of parks and open spaces per 1,000 population

5.11   The cost of parks and open spaces per 1000 population increased by 5% in 2020/21 compared with the previous year. As with all cost indicators, ranking depends to some extent on how each local authority chooses to categorise areas of spend.

Cost of maintenance per kilometre of roads

5.12   The cost of Renfrewshire's roads maintenance is £17,495 in 2020/21 and is well above the Scottish average of £9,667. This figure is reflective of the significant capital investment that the Council has made in relation to proactive roads maintenance. The 2020/21 costs reflect not only the maintenance costs but also the £9 million programme of capital investment in roads and pavements as part of the five-year £40m programme agreed by Council in February 2019.

Cost of trading standards per 1,000 population

5.13   The name of this indicator does not accurately reflect the range of services included within this such as additional costs relating to Advice Works, business regulation costs and external advice services etc, which not all local authorities provide. Excluding these services would give a much lower cost for Renfrewshire at under £2000 per 1000 population. Officers continue to engage with the IS around the methodology in relation to this indicator to ensure it more accurately reflects the cost of delivering these services.

Percentage of procurement spend spent on local enterprises

5.14   The proportion of procurement spend which went to local businesses fell by almost 3 percentage points in 2020/21 and this can also be linked in part to the pandemic. Public health restrictions reduced the volume of non-essential construction work that could be carried out, and this impacted on contracts with local suppliers. There was also a requirement to purchase additional social care services to ensure frontline services could be maintained at an appropriate level despite the impact of Covid, and some of this was purchased from providers whose registered offices are not within Renfrewshire (which is the criteria for inclusion as local). As restrictions ease, opportunities for spending local will

increase. Further, procurement staff are working with economic development staff to find more opportunities to signpost local business to council tenders and this is a key priority for the service.

Number of business gateway start-ups per 10,000 population

5.15 The impact of the pandemic is evident from a widespread drop in the number of new business start-ups. Renfrewshire experienced a large fall from 16.53 start-ups per 10,000 population in 2019/20 to 4.91 in 2020/21.   Many individuals who had expressed an interest in setting up their own business chose to delay as a result of the uncertainty arising from the pandemic. Council services focused on supporting existing businesses to be sustainable throughout periods of restrictions and assisting them during the recovery periods when restrictions were eased. This included administering the programme of business support grants funded by central government; over £50 million was allocated to more than 3000 local businesses.

Ratio of financing costs to net revenue stream – housing revenue account

5.16 The Council has made significant investment in housing in recent years, predominantly related to the achievement of the Scottish Housing Quality Standard. The majority of this investment was funded through borrowing which was assessed as affordable and prudent over the life of the 30-year business plan which the HRA operates when assessing potential investment. Financing costs increased in 2020/21 which reflects the Council's approach to debt smoothing whereby payments are accelerated where revenue budgets allow. There was no change in Renfrewshire's ranking relative to other local authorities.

6.   Significant Movement

6.1 A number of indicators have altered significantly relative to previous performance and their position relative to other councils. There are five which have moved by 10 positions or more in the ranking. One of these – business gateway start-ups – has already been addressed in paragraph 5.15 above. A brief summary of performance for the remaining four is set out below.

Cost per primary school pupil

6.2 The cost per pupil has increased from £5,402 to £5,807, resulting in a change in ranking from 2nd to 14th though the cost per pupil remains below the Scottish average. This indicator has limitations in terms of demonstrating performance as it is not linked to any quality measures. For context, the rankings are based on lowest cost with the highest ranked council being the one with the lowest cost.

The literacy attainment gap (P1,P4,P7 combined) – the percentage point gap between the least and most deprived pupils

6.3 This indicator was not collected in 2019/20 as schools were closed in the summer term when teacher professional judgements are finalised, and so the comparison is based on the rankings in 2018/19 and 2020/21. Over the two-year period, the percentage point gap increased from 20 to 29, leading to a change in ranking from 11th to 21st. Whilst these

measures show a drop in relative performance, overall attainment in Renfrewshire for literacy and numeracy was above the Scottish average. The widening of the gap has occurred due to a decrease in attainment of pupils living in most deprived areas, while those from least deprived areas have maintained or increased attainment levels. National evidence demonstrates that across the country it has been pupils living in deprivation that have been most negatively affected by the pandemic and local data reflects this. Children's Services are using attainment data to inform and support planning, ensuring that that measures to address the impact of the pandemic on pupil attainment are in place and the support is in place for the specific needs of all pupils.

Cost per attendance at sports facilities

6.4   All local authority areas experienced significant rises in cost per attendance; the increase in the Scottish average was 1282% in a single year. In Renfrewshire, the cost rose from £1.71 in 2019/20 to £34.35 in 2020/21, a 1904% rise. There are several factors contributing to this. Sports facilities had a long period of closure as a result of public health restrictions and therefore lost all the income from their commercial activities. When facilities reopened, the remaining restrictions reduced capacity and so still impacted significantly on income. Capacity was further reduced in some instances where leisure facilities were used as venues for Covid-19 testing and/or vaccination. OneRen, the provider of sports and leisure facilities in Renfrewshire, also report an increase in the running costs of services arising from higher inflation, increased utility costs and supply chain challenges. The operating environment is likely to remain challenging and will be monitored and responded to as required.

Average time per business and industry planning application (in weeks)

6.5   The time taken to process planning applications relating to business and industrial proposals increased from 6.8 weeks in 2019/20 to 9.9 weeks in 2020/21. The increase reflects the complexity and nature of the applications received during the year, and the need for consultation with external stakeholders such as the Scottish Environment Protection Agency SEPA and Transport Scotland. Planning authorities have a legal obligation to wait for consultation responses from such agencies before they can make a determination on an application. Renfrewshire's performance remains above the Scottish average.

7.   Monitoring and reporting of LGBF

7.1   The performance of the LGBF indicators will continue to be monitored by the Corporate Management Team, through service improvement planning processes and through further benchmarking activities to develop and share best practice. A report on the LGBF will continue to be submitted to the Audit, Risk and Scrutiny Board annually to review performance and monitor progress.

7.2   Renfrewshire Council publishes its statutory Public Performance Reporting document on the Council's website in March each year. Relevant performance information gathered through the LGBF is included as part of the report. This year's data is available online here.

Implications of this report

  1.   Financial – n/a

  2.   HR and Organisational Development – n/a

3.   **Community/Council Planning –** n/a

4.   **Legal –** n/a

5.   **Property/Assets –** n/a

6.   **Information Technology –** n/a

7.   **Equality & Human Rights –** The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8.   **Health and Safety –** n/a

9.   **Procurement –** n/a

10.   **Risk –** n/a

11.   **Privacy Impact –** n/a

12.   **Cosla Policy Position –** the LGBF framework represents a joint commitment by SOLACE (Scotland) and COSLA to develop better measurement and comparable data to target resources and drive improvements.

13.   **Climate Risk –** n/a

List of Background Papers:

None

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Appendix 1 – Renfrewshire's 2020/21 data for all LGBF indicators

Family Groups were set up to facilitate comparisons and encourage discussions between similar councils. Renfrewshire is currently in the following family groups:

- Family Group 3 for population type, which includes Children Services, Adult Social Care and Housing Services – Clackmannanshire, Dumfries & Galloway, Falkirk, Fife, Renfrewshire, South Ayrshire, South Lanarkshire, and West Lothian.

- Family Group 3 for area, which includes Corporate Services, Culture and Leisure, Environmental Services, Corporate Assets, Economic Development, Financial Sustainability, Tackling Climate Change – Angus, Clackmannanshire, East Renfrewshire, Inverclyde, Midlothian, Renfrewshire, South Lanarkshire and West Lothian.

Children's Services

There are 32 indicators in the Children's Services category; data is currently not available for 12 indicators. In 2020/21, eight indicators improved their ranking, one was unchanged, and six dropped some positions in the ranking.   There are 11 are ranked in the top quarter and there are none in the bottom quarter of the rankings.

Indicator	Ranked Position		Data		Scottish Average	Family Group
	2019/20	2020/21	2019/20	2020/21		
CHN1 – Cost per primary school pupil	2	14	£5,402	£5,807	£5,897	£5,630 (Fife) to £6,179 (South Ayrshire)
CHN2 – Cost per secondary school pupil	2	2	£7,240	£6,830	£7,629	£6,830 (Renfrewshire) to £8,854 (Clackmannanshire)
CHN3 – Cost per pre-school education registration	23	8	£7,906	£8,020	£9,255	£7,293 (West Lothian) to £9,853 (Clackmannanshire)
CHN4 – Percentage of pupils gaining 5+ awards at Level 5	7	8	69.00%	72.00%	67.00%	58.00% (Clackmannanshire) to 75.00% (West Lothian)
CHN5 – Percentage of pupils gaining 5+ awards at Level 6	9	7	40.00%	45.00%	41.00%	30.00% (Clackmannanshire) to 52.00% (West Lothian)

Indicator	Ranked Position		Data		Scottish Average	Family Group
	2019/20	2020/21	2019/20	2020/21		
CHN6 – Percentage of pupils living in the 20% most deprived areas gaining 5+ awards at level 5 (SIMD)	4	12	55.00%	50.00%	49.00%	40.00% (Clackmannanshire & Dumfries and Galloway) to 57.00% (Falkirk)
CHN7 – Percentage of pupils living in the 20% most deprived areas gaining 5+ awards at level 6 (SIMD)	7	14	23.00%	21.00%	23.00%	13.00% (Clackmannanshire) to 32.00% (West Lothian)
CHN8a – The gross cost of "children looked after" in residential based services per child per week	30	n/a	£6,142	n/a	n/a	n/a
CHN8b -The gross cost of "children looked after" in a community setting per child per week	22	n/a	£418.66	n/a	n/a	n/a
CHN9 – Balance of care for 'looked after children': % of children being looked after in the community	4	n/a	94.39%	n/a	n/a	n/a
CHN10 – Percentage of adults satisfied with local schools	21	n/a	71.37%	n/a	n/a	n/a
CHN11 - % of pupils entering positive destinations	12	n/a	93.96%	n/a	n/a	n/a
CHN12a – Overall average tariff score	8	7	965	1058	972	837 (Clackmannanshire) to 1128 (Falkirk)
CHN12b – Average total tariff SIMD Quintile 1	7	9	707	700	688	551 (Clackmannanshire) to 767 (Falkirk)
CHN12c – Average total tariff SIMD Quintile 2	15	10	766	898	817	763 (Fife) to 910 (South Ayrshire)
CHN12d – Average total tariff SIMD Quintile 3	7	6	997	1070	975	859 (Fife) to 1155 (Falkirk)
CHN12e – Average total tariff SIMD Quintile 4	5	4	1166	1311	1108	1010 (Dumfries and Galloway) to 1348 (Falkirk)
CHN12f – Average total tariff SIMD Quintile 5	4	6	1312	1390	1320	1097 (Clackmannanshire) to 1440 (Falkirk)
CHN13a - % of P1, P4 and P7 pupils combined achieving expected CFE Level in Literacy	n/a	7	n/a	70%	67%	59% (Dumfries and Galloway) to 76% West Lothian
CHN13b - % of P1, P4 and P7 pupils combined achieving expected CFE Level in Numeracy	n/a	4	n/a	80%	75%	69% (Clackmannanshire & Dumfries and Galloway) to 82% (West Lothian)

Indicator	Ranked Position		Data		Scottish Average	Family Group
	2019/20	2020/21	2019/20	2020/21		
CHN14a – Literacy Attainment Gap (P1,4,7 Combined) – percentage point gap between the least deprived and most deprived pupils	n/a	21	n/a	29	25	21 (Clackmannanshire & West Lothian) to 29 (Renfrewshire)
CHN14b – Numeracy Attainment Gap (P1,4,7 Combined) – percentage point gap between the least deprived and most deprived pupils	n/a	17	n/a	23	21	13 (Clackmannanshire) to 23 (Fife & Renfrewshire)
CHN17 - % of children meeting developmental milestones	28	n/a	80.42%	n/a	n/a	n/a
CHN18 – Percentage of funded early years provision which is graded good / better	16	7	91.20%	95.45%	90.93%	86.42% (Dumfries and Galloway) to 98.04% (Fife)
CHN19a – School attendance rates (per 100 pupils)	n/a	20	n/a	91.90%	92.00%	91.10% (Fife) to 93.20% (Dumfries and Galloway)
CHN19b – School attendance rates (per 100 'looked after children')	n/a	n/a	n/a	n/a	n/a	n/a
CHN20a – School exclusion rates (per 1,000 pupils)	n/a	n/a	n/a	n/a	n/a	n/a
CHN20b – School exclusion rates (per 1,000 'looked after children')	n/a	n/a	n/a	n/a	n/a	n/a
CHN21 – Participation rate for 16-19 year olds (per 100)	18	14	92.37%	93.00%	92.18%	89.96% (Clackmannanshire) to 93.10% (Dumfries and Galloway)
CHN22 - % of child protection re-registrations within 18 months	19	n/a	8.09%	n/a	n/a	n/a
CHN23 - % LAC with more than 1 placement in the last year (Aug-July)	8	n/a	14.80%	n/a	n/a	n/a
CHN24 - % of children living in poverty (after housing costs)	12	n/a	23.11%	n/a	n/a	n/a

Adult Services

There are 11 indicators in the Adult Services category; data is currently not available for four indicators. In 2020/21, four indicators improved their ranking, and three fell in the ranking. There were two indicators are in the top ranked quarter and one in the bottom quarter.

Indicator	Ranked Position		Data		Scottish Average	Family Group Range
	2019/20	2020/21	2019/20	2020/21		
SW1 – Home care costs per hour for people aged 65 or over	16	12	£26.11	£25.71	£27.65	£16.46 (Clackmannanshire) to £36.47 (Falkirk)
SW2 – SDS (Direct Payments + Managed Personalised Budgets) spend on adults 18+ as a percentage of total social work spend on adults 18+	25	19	4.05%	4.47%	8.17%	2.52% (Clackmannanshire) to 8.22% (West Lothian)

Indicator	Ranked Position		Data		Scottish Average	Family Group Range
	2019/20	2020/21	2019/20	2020/21		
SW3a - % of people aged 65 and over with long-term care needs who are receiving personal care at home	25	30	56.19%	53.51%	61.71%	53.51% (Renfrewshire) to 76.11% (Clackmannanshire)
SW4b - % of adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life	13	n/a	81.83%	n/a	n/a	n/a
SW4c – Percentage of adults supported at home who agree that they are supported to live as independently as possible	19	n/a	80.26%	n/a	n/a	n/a
SW4d – Percentage of adults supported at home who agree that they had a say in how their help, care or support was provided	25	n/a	73.13%	n/a	n/a	n/a
SW4e – Percentage of carers who feel supported to continue in their caring role	23	n/a	32.90%	n/a	n/a	n/a
SW5 – Average residential costs per week per resident for people aged 65	3	2	£277	£248	£439	£204 (Dumfries & Galloway) to £533 (South Lanarkshire)
SW6 – Rate of readmission to hospital within 28 days per 1,000 discharges	8	7	92.53	100.11	120.03	100.11 (Renfrewshire) to 163.93 (Clackmannanshire)
SW7 – Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections	14	15	85.16%	85.50%	82.50%	78.50% (South Ayrshire) to 97.40% (Clackmannanshire)
SW8 – Number of days people spend in hospital when they are ready to be discharged, per 1,000 population (75+)	8	16	382.58	368.24	484.28	257.45 (Dumfries and Galloway) to 886.36 (South Ayrshire)

Corporate

There are eight indicators in the Corporate category. In 2020/21, five indicators improved their ranking, and three fell in the ranking. There was one indicator in the top quarter in terms of performance and four in the bottom quarter.

Indicator	Ranked Position		Data		Scottish Average	Family Group Range
	2019/20	2020/21	2019/20	2020/21		
CORP 1 – Support services as a percentage of total gross expenditure	24	30	5.01%	5.64%	4.06%	2.85% (West Lothian) to 6.29% (Clackmannanshire)
CORP 3b – percentage of the highest paid 5% of employees who are women	17	16	55.74%	57.11%	58.30%	53.85 (Clackmannanshire) to 62.43(Inverclyde)
CORP 3c – The gender pay gap	20	17	4.31%	3.67%	3.66%	-2.08% (Angus) to 7.39% (Inverclyde)
CORP 4 – The cost per dwelling of collecting Council Tax	26	25	£9.33	£9.07	£6.64	£2.26 (West Lothian) to £15.03 (East Renfrewshire)

Indicator						
CORP 6a – Sickness absence days per teacher	28	30	7.78	5.70	4.16	3.45 (Inverclyde) to 7.09 (Clackmannanshire)
CORP 6b – Sickness absence days per employee (non-teacher)	32	31	14.14	11.89	9.71	7.96 (Inverclyde) to 11.89 (Renfrewshire)
CORP 7 – Percentage of income due from Council Tax received by the end of the year	18	20	96.02%	95.03%	94.77%	94.17% (Midlothian) to 96.89% (Angus)
CORP 8 – Percentage of invoices sampled that were paid within 30 days	18	1	92.06%	97.25%	91.76%	79.82% (East Renfrewshire) to 97.25% (Renfrewshire)

Culture and Leisure

There are eight indicators in the Culture and Leisure category; data is currently not available for five indicators. In 2020/21, one indicator improved its ranking, and two fell in the ranking. There were none in the top ranked group and one in the bottom group.

Indicator	Ranked Position		Data		Scottish Average	Family Group range
	2019/20	2020/21	2019/20	2020/21		
C&L1 – Cost per attendance at sports facilities	7	18	£1.71	£34.35	£40.36	£9.73 (Inverclyde) to £113.11 (Angus)
C&L2 – Cost per library visit	32	18	£9.37	£5.22	£2.88	£1.90 (Clackmannanshire) to £17.17 (East Renfrewshire)
C&L3 – Cost of museums per visit	n/a	n/a	n/a	n/a	£10.14	Only 4 councils in family group have data – Angus, Inverclyde, South Lanarkshire and West Lothian.
C&L4 – Costs of parks and open spaces per 1,000 population	26	27	£26,903	£28,240	£19,112	£3,618 (Midlothian) to £31,254 (South Lanarkshire)
C&L5a – Percentage of adults satisfied with libraries	18	n/a	73.73%	n/a	n/a	n/a
C&L5b – Percentage of adults satisfied with parks and open spaces	18	n/a	83.77%	n/a	n/a	n/a
C&L5c – Percentage of adults satisfied with museums and galleries	10	n/a	69.33%	n/a	n/a	n/a
C&L5d – Percentage of adults satisfied with leisure facilities	7	n/a	75.80%	n/a	n/a	n/a

Environment

There are 15 indicators in the Environment category, data is currently not available for two indicators. In 2020/21, six indicators improved their ranking, three were unchanged, and four fell in the ranking.   Five indicators were ranked in the top eight councils and two were ranked in the bottom eight.

Indicator	Ranked Position		Data		Scottish Average	Family Group range
	2019/20	2020/21	2019/20	2020/21		
ENV1a – Net cost per waste collection per premise	20	15	£72.34	£66.67	£72.35	£45.09 (Clackmannanshire) to £87.72 (East Renfrewshire)
ENV2a – Net cost of waste disposal per premise	23	3	£113.63	£61.59	£104.50	£34.02 (Midlothian) to £121.66 (West Lothian)
ENV3a – Net cost of street cleaning per 1,000 population	1	2	£6,373	£6,472	£14,845	£6,472 (Renfrewshire) to £20,413 (Inverclyde)
ENV3c – Cleanliness Score (% acceptable)	12	13	94.50%	93.59%	90.10%	85.45% (Midlothian) to 95.39% (East Renfrewshire)
ENV4a – Cost of maintenance per kilometre of roads	26	26	£19,128	£17,495	£9,667	£7,366 (Midlothian) to £24,411 (East Renfrewshire)
ENV4b – Percentage of A class roads that should be considered for maintenance treatment	4	4	19.97%	19.40%	29.80%	17.30% (East Renfrewshire) to 26.50% (Clackmannanshire)
ENV4c – Percentage of B class roads that should be considered for maintenance treatment	8	7	24.09%	23.70%	34.00%	18.50% (Clackmannanshire) to 37.30% (Angus)
ENV4d – Percentage of C class roads that should be considered for maintenance treatment	17	19	34.19%	33.50%	33.60%	27.40% (Clackmannanshire) to 38.90% (Inverclyde)
ENV4e – Percentage of unclassified roads that should be considered for maintenance treatment	15	11	35.39%	34.30%	38.30%	27.50% (West Lothian) to 43.20% (Clackmannanshire)
ENV5 – Cost of Trading Standards and environmental health per 1,000 population	15	20	£19,470	£19,360	£18,463	£13,935 (Angus) to £24,124 (Inverclyde)
ENV5a – Cost of trading standards, money advice and citizens advice per 1,000 population	31	30	£13,454	£12,699	£5,857	£1,891 (Clackmannanshire) to £12,699 (Renfrewshire)
ENV5b – Cost of environmental health per 1,000 population	1	1	£6,015	£6,661	£12,606	£6,661 (Renfrewshire) to £20,568 (Inverclyde)
ENV6 – The percentage of total waste arising that is recycled	13	11	53.05%	49.10%	42.00%	37.10% (Inverclyde) to 57.90% (Angus)

Indicator	Ranked Position		Data		Scottish Average	Family Group range
	2019/20	2020/21	2019/20	2020/21		
ENV7a – Percentage of adults satisfied with refuse collection	24	n/a	70.63%	n/a	n/a	n/a
ENV7b – Percentage of adults satisfied with street cleaning	31	n/a	52.77%	n/a	n/a	n/a

Housing

There are five indicators in the Housing category. For 2020/21, three have improved their ranked position, one is unchanged and one has fallen in the ranking. One of the indicators was in the best performing eight councils and none were in the bottom group.

Indicator	Ranked Position		Data		Scottish Average	Family Group Range
	2019/20	2020/21	2019/20	2020/21		
HSN1b – Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year	6	7	5.73%	6.42%	8.19%	3.79% (South Ayrshire) to 10.17% (Falkirk)
HSN2 – Percentage of rent due in the year that was lost due to voids	19	18	1.52%	1.58%	1.38%	0.42% (South Lanarkshire) to 1.58% (Renfrewshire & Falkirk)
HSN3 – Percentage of council dwellings meeting SHQS	17	13	94.65%	91.65%	90.26%	88.14% (West Lothian) to 98.77% (Clackmannanshire)
HSN4b – Average number of days taken to complete non-emergency repairs	17	17	7.76	10.71	7.28	4.24 (Clackmannanshire) to 13.88 (Falkirk)
HSN5 – Percentage of council dwellings that are energy efficient	20	14	78.01%	86.63%	86.35%	78.39% (Clackmannanshire) to 96.51% (Falkirk)

Corporate Asset

There are 2 indicators in the Corporate Asset category. In 2020/21, one indicator improved it's ranking and one fell in the ranking. One was in the top-performing quarter of the rankings and none were in the bottom quarter.

Indicator	Ranked Position		Data		Scottish Average	Family Group Range
	2019/20	2020/21	2019/20	2020/21		
CORP-ASSET 1 – Proportion of operational buildings that are suitable for their current use	7	8	92.14%	92.11%	82.31%	67.25% (Midlothian) to 97.50% (West Lothian)

Indicator	Ranked Position		Data		Scottish Average	Family Group Range
	2019/20	2020/21	2019/20	2020/21		
CORP-ASSET 2 – Proportion of internal floor area of operational buildings in satisfactory positions	10	9	94.45%	95.12%	89.20%	84.12% (East Renfrewshire) to 99.73% (West Lothian)

Economic Development

There are 13 indicators in the Economic Development category; data is currently not available for one indicator. In 2020/21, four indicators improved their ranking, and eight fell in the ranking. There were two indicators in the top performing group of councils and two in the bottom group.

Indicator	Ranked Position		Data		Scottish Average	Family Group Range
	2019/20	2020/21	2019/20	2020/21		
ECON1 – Percentage of unemployed people assisted into work from Council operated / funded Employability programmes	12	2	15.27%	17.85%	5.98%	1.48% (Angus) to 17.85% (Renfrewshire)
ECON2 – Cost per planning application	10	18	£4,204	£5,278	£5,044	£3,575 (Clackmannanshire) to £6,979 (Midlothian)
ECON3 – Average time per business and industry planning application (wk)	5	15	6.80	9.88	11.08	6.49 (Clackmannanshire) to 16.75 (South Lanarkshire)
ECON4 – Percentage of procurement spend on local enterprises	20	25	22.16%	19.30%	29.11%	11.26% (East Renfrewshire) to 26.10% (Angus)
ECON5 – Number of business gateway start-ups per 10,000 population	19	30	16.53	4.91	11.19	4.91 (Renfrewshire) to 26.86 (Inverclyde)
ECON6 – Cost of Economic Development & Tourism per 1,000 population	27	24	£157,395	£109,426	£87,793	£17,791 (East Renfrewshire) to £109,426 (Renfrewshire)
ECON7 – Proportion of people earning less than the living wage	22	19	23.20%	21.60%	15.20%	13.5% (West Lothian) to 30.9% (East Renfrewshire)
ECON8 – Proportion of properties receiving superfast broadband	9	10	96.80%	96.50%	93.79%	88.10% (Angus) to 97.40% (West Lothian)
ECON9 – Town Vacancy Rates	16	17	11.09%	11.72%	12.41%	5.10% (Midlothian) to 21.92% (Inverclyde)

Indicator	Ranked Position		Data		Scottish Average	Family Group Range
	2019/20	2020/21	2019/20	2020/21		
ECON10 – Immediately available employment land as a % of total land allocated for employment purposes in the local development plan	22	1	24.91%	98.05%	38.91%	1.26% (Angus) to 98.05% (Renfrewshire)
ECON11 – Gross Value Added (GVA) per capita	10	n/a	£24,745.95	n/a	n/a	n/a
ECON12a – Claimant Count as a % of Working Age Population	21	22	3.50%	6.30%	6.10%	3.70% (East Renfrewshire) to 6.40% (Clackmannanshire)
ECON12b – Claimant Count as a % of 16-24 Population	17	20	4.24%	7.77%	7.17%	4.43% (East Renfrewshire) to 9.26% (Clackmannanshire)

Financial Sustainability

There are five indicators in the Financial Sustainability category. In 2020/21, one improved its ranked position, two were unchanged, and two fell in the ranking.   One was in the top performing group of councils and one was in the bottom group.

Indicator	Ranked Position		Data		Scottish Average	Family Group Range
	2019/20	2020/21	2019/20	2020/21		
FINSUS1 – Total usable reserves as a % of council annual budgeted revenue	4	4	37.94%	43.29%	23.60%	18.33% (South Lanarkshire) to 57.73% (Midlothian)
FINSUS2 – Uncommitted General Fund Balance as a % of council annual budgeted net revenue	25	19	1.64%	2.51%	3.52%	0.50% (West Lothian) to 4.78% (Clackmannanshire)
FINSUS3 – Ratio of Financing Costs to Net Revenue Stream – General Fund	4	9	3.97%	4.70%	6.24%	2.03% (Midlothian) to 12.28% (Inverclyde)
FINSUS4 – Ratio of Financing Costs to Net Revenue Stream – Housing Revenue Account	26	26	46.51%	51.40%	22.91%	8.80% (Clackmannanshire) to 51.40% (Renfrewshire)
FINSUS5 – Actual outturn as a percentage of budgeted expenditure	6	15	100.22%	98.85%	97.44%	93.13% (Clackmannanshire) to 100.00% (South Lanarkshire)

Tackling Climate Change

There are two indicators in the Tackling Climate Change category, but data is not yet available for 2020/21.

Indicator	Ranked Position		Data		Scottish Average	Family Group Range
	2019/20	2020/21	2019/20	2020/21		
CLIM1 - CO2 emissions area wide per capita	11	n/a	4.84	n/a	5.68	n/a
CLIM2 - CO2 emissions are wide: emissions within scope of LA per capita	11	n/a	4.09	n/a	4.62	n/a

To: Audit, Risk and Scrutiny Board

On: 21 March 2022

Report by: Head of Digital, Transformation and Customer Services

Heading: Blue Badge Process Review – Progress Update

1. **Summary**

1.1 Following the Council Motion, shown below, on 30th September 2021 regarding Blue Badge qualifications, the Head of Customer and Business Services was asked to conduct a review into the Council's processes for Blue Badge applications. Due to recent structure changes, the responsibility for this review now lies with the Head of Digital, Transformation and Customer Services.

Council recognises that Blue Badge permits have in recent years become much more restrictive than before, ensuring that there is no abuse of this system. However, the restrictions seem to focus only on whether or not someone can physically walk any distance. Some residents have what is often referred to as 'unseen' illness or affliction so that, while they have the appearance of being able bodied, they in fact have illnesses which demand an ability to park as close as possible to, for example, toilet facilities if they are to have any quality of life. Our on-line application automatically refuses any such application. Council requires to re-examine its eligibility criteria and ensure that those sufferers who require a Blue Badge can have access to a simple system of application and have to go through a very unwieldy and sometimes unsuccessful application process with staff who then have to make individual judgements on these applications.

1.2 The Council Motion highlighted four areas of concern;

1. Eligibility Criteria,
2. Applications for "Unseen" illnesses,
3. Automatic refusal of badges
4. The online application process.

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As a result of the Council motion, an end-to-end review of the Council's Blue Badge administration processes was undertaken.

1.3 Members are reminded that the Council is limited in its ability to alter eligibility criteria or the national application process for Blue Badges.

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2. **Recommendations**

2.1 To note the limitations placed on the Council to alter the eligibility criteria for blue badges

2.2 To note the use of a national application form supported by the gov.uk platform which the Council is unable to change

2.3 To note the additional work being carried out as a result of the review to provide a more efficient and customer focussed application process.

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3. **Background**

3.1 The National Blue Badge Scheme is managed by each Local Authority and is regulated by The Disabled Persons (Badges for Motor Vehicles)(Scotland) Regulations 2000.

There are two Blue Badge schemes which are currently administered by Local Authorities in Scotland, the first is the original scheme which awards badges based, primarily, on a person's ability to get around and the second is based on "unseen" illnesses which result in a person being a danger to themselves and others while around traffic.

The administration of both schemes is the responsibility of the Customer Services team, with the support of the Health and Social Care Partnership's Occupational Therapy team.

3.2 In terms of the points raised in the council motion, the following sections outline the current position and notes the limitations placed on the Council when managing the scheme.

1. Eligibility Criteria

The Blue Badge eligibility criteria is outlined in the legislation and is shown below. Applications under the following criteria are reviewed by the

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Customer Services team, and where sufficient evidence is provided with the application, these will be approved and processed through the National manufacturing and distribution centre.

- You receive the higher rate of the mobility component of Disability Living Allowance.
- You receive the Mobility Component of Personal Independence Payment - 8 points or more in respect of moving around or 12 points or more in respect of Planning and Following Journeys.
- You are registered as blind (severely sight impaired).
- You receive a War Pensioner's Mobility Supplement.
- You have been both awarded a lump sum benefit at tariffs 1-8 of the Armed Forces and Reserved Forces (Compensation) Scheme and are certified as having a permanent and substantial disability which causes you to be unable to walk or have very considerable difficulty in walking.

If a customer does not meet any of the above criteria, they can apply under the following discretionary criteria, and they are asked to provide additional information in the online application form. This additional information may include details of their condition, medication, and any healthcare support they are currently receiving.

1. You are over the age of two and have a permanent and substantial disability which means you are unable to walk.
2. You are over the age of two and have a permanent and substantial disability which means you are virtually unable to walk.
3. You are over the age of two and have a temporary and substantial disability, for more than 12 months but less than 3 years, which means you are unable to walk.
4. You are over the age of two and have a temporary and substantial disability, for more than 12 months but less than 3 years, which means you are virtually unable to walk.
5. You drive a vehicle regularly and have a severe disability in both arms which means you are unable to operate all or some types of parking meters.
6. You drive a vehicle regularly and have a severe disability in both arms which means you have considerable difficulty operating all or some types of parking meters.
7. You are under the age of three and have a medical condition that means you must always be accompanied by bulky medical equipment.

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8. You are under the age of three and have a medical condition that means you must always be kept near a vehicle in case you need emergency medical treatment.

Anyone who applies under the additional criteria outlined above will, in line with the legislation, have their application form reviewed by an Occupational Therapist. They may decide to approve or decline the application, contact the customer for additional information on their mobility issues or invite the customer to attend an independent mobility assessment which is also carried out by an Occupational Therapist.

Once the decision is made, the customer is informed and where the badge is approved, the Customer Services team will process this through the national system. When a badge is declined, the customer has the right to request a review of decision within 6 months. This review is carried out by the Occupational Therapy Team Managers.

2. Applications for "Unseen" illnesses

In 2017 Transport Scotland revised and extended the eligibility criteria to allow people who pose a risk to themselves or others in traffic to apply for a disabled person's parking badge, provided they meet the criteria.

The eligibility criteria was extended to:

a) A person who has a mental disorder within the meaning in the Mental Health (Care and Treatment)(Scotland) Act 2003,
b) Who received specified social security benefits at specific rates, and
c) Who lacks awareness of danger from traffic, which is likely to compromise their safety, or the safety of others, as a result.

As part of the application process under the extended eligibility criteria, the customer must provide evidence from a registered Healthcare Professional.

3. Automatic Refusal of badges

The only circumstance where a person's application is refused by the online system at the point of application is when they state that they do not

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meet any of the automatic criteria listed above and they cannot identify with any of the eight discretionary criteria outlined above.

This is not something the council can change, as the customer is confirming themselves that they do not meet any of the automatic or discretionary eligibility criteria.

4. The online Application Process

The online application process is supported by the Gov.uk website. This is a national application system which the Council does not manage and has no remit in making direct changes or improvements.

3.3 Members are asked to recognise that the Council is limited therefore in its ability to change the eligibility criteria or the national application process. However, the recent end to end review has highlighted several process improvements which the Council can make to ensure the Blue Badge application process is clearer, and more customer focussed.

The changes which have been identified so far and are currently being progressed by the Customer Development and Technology Teams are as follows.

- **Website Information**
  Changes are being made to the information available to customers, to ensure they are better informed before starting the application process.
- **Improved Customer Communication**
  Customers will be provided with more regular updates as their application moves through the assessment process, this will keep them informed at each key stage to prevent them having to contact the council for updates.
- **Online Payments**
  Customers will be given the option to make the payment for their badge online, once it has been fully approved.

3.4 The review into Blue Badge processes will continue, with the team planning to make significant improvements to the current, paper based, application process for unseen illnesses. This will aim to make this process available online and over the telephone, greatly improving the customer experience and reducing the time it will take for this group of customers to complete an application.

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Implications of the Report

1.   **Financial** - None

2.   **HR & Organisational Development** - None

3.   **Community/Council Planning –**

- Our Renfrewshire is fair - The Blue Badge scheme is governed by legislation which results in all applicants following the same process and being assessed against the same criteria, with support from Occupational Therapy professionals responsible for making discretionary decisions.

- Working together to improve outcomes – customer research has been carried out in the end-to-end review process, ensuring the voice of the customer is included in any recommended changes
- Working together to improve outcomes – Regular liaison meetings take place with the Health and Social Care Partnership to review the Blue Badge process and continue to support applicants in the most effective manner

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 the Blue Badge scheme has been equality impact assessed by Transport Scotland as part of the legislative process.

8.   **Health & Safety** - None

9.   **Procurement** – None

10.   **Risk** - None

11.   **Privacy Impact** – Privacy Impact Assessments have been completed for the Information Systems and external suppliers used in the end-to-end Blue Badge process

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12.   **Cosla Policy Position** – None.

13.   **Climate Risk -** None

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List of Background Papers

   (a) None

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Renfrewshire Council

To:	**Audit, Risk & Scrutiny Board**
On:	**21 March 2022**

Report by:	**Lead Officer**

Heading:	**Linking the National Cycle Route 7 with Howwood Review**

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1   Summary

1.1   At its meeting on 15 November 2021, members of the Audit, Risk and Scrutiny Board agreed to a request to include a review which would look into linking the National Cycle Route 7 to Howwood was included in the annual programme of activity for the Board for 2021/2022.

1.2   At its meeting on 24 January 2022, members of the Audit, Risk and Scrutiny Board agreed the purpose, scope and timescales of this review.

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2   Recommendations

2.1   The Board is asked to:

- Note the contents of this report which includes an update on progress of the review since the last board meeting on 24 January 2022.

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3   Background

3.1   **National Cycle Network Route 7** connects Balloch on the southern banks of Loch Lomond with Aberfoyle, Strathyre, Callander, Lochearnhead and Killin. It forms the southern section of the long-distance Lochs and Glens Way route.

3.2   The route is described by Sustrans as having a mixture of traffic-free paths and quiet road sections and being reachable throughout the route via traffic-free paths and also by regular train connections.

3.3   From Lochwinnoch it is accessible from an on-road route (not part of the National Cycle Network) from the Main Street (via Church Street / Lochhead Avenue) on the east and also from a mixture of traffic-free route and on road route (not part of the National Cycle Network) from Lochwinnoch Train Station on the west.
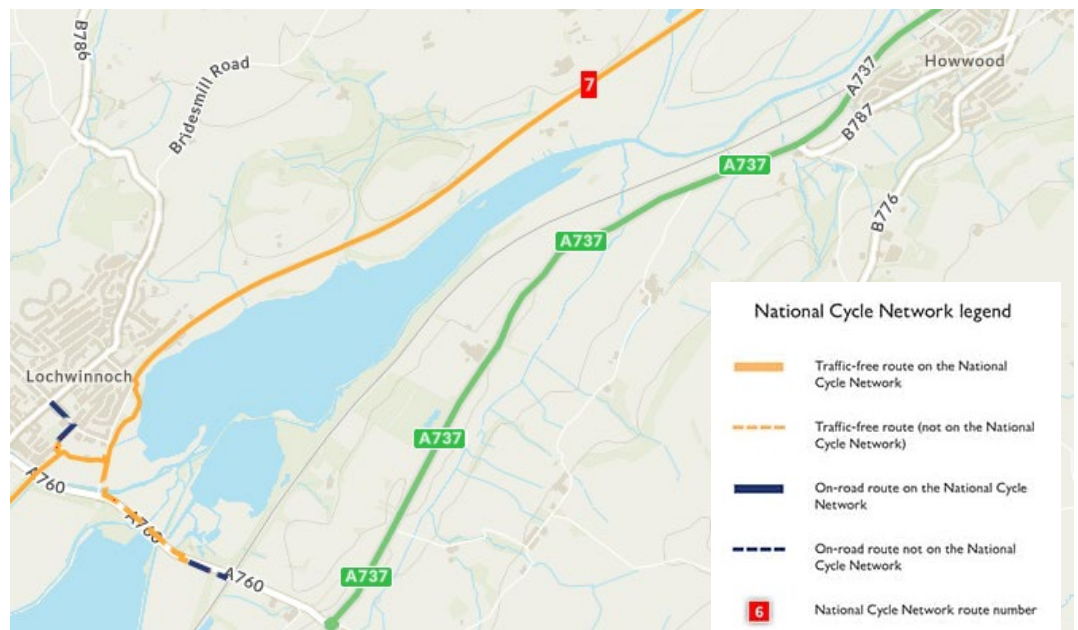
3.4   **The Whithorn Way** is a newly mapped 143-mile walking and cycling route, which follows much of the westerly pilgrimage route to Whithorn, which was travelled by pilgrims over centuries.

3.5   The route follows established paths and cycleways where possible, including extensive use of the National Cycle & Path Route 7.

3.6   To aid users, the route is split into several sections in available guides. Lochwinnoch connects two sections; Paisley to Lochwinnoch and Lochwinnoch to Kilwinning.

3.7   There are currently no published dedicated active travel (pedestrian and cycling) routes from **Howwood** to Lochwinnoch.

4   Update on the Review

4.1   As set out in the Scoping paper (which was approved by the Board on 24 January 2022, the scope of the review into linking walking and cycling from the National Cycle Route 7 at Lochwinnoch to and from Howwood was to:

4.1.1   understand the demand;

4.1.2   set out the current provision; and

4.1.3   identify any other mitigations.

4.2   Progress on the review since the last report to Board includes;

4.2.1   Contacting all elected members from affected ward (Ward 9) and adjacent ward (Ward 8) and Howwood Community Council to make them aware of the review and to ask for any additional information that could be considered as part of the review.

4.2.2   Initial discussions with officers from relevant services across the Council to ascertain current and planned provisions to help inform the review.

4.2.3   Initial discussions with representatives from the RSPB regarding similar proposals at their site nearby in Lochwinnoch.

4.2.4   Initial familiarisation site visit to the National Cycle Route 7 at the locale, the existing core path connecting Station Road to the NCR 7 and the route into Howwood from Station Road. Photographs were also taken at this site visit.

4.2.5   These early discussions, which will continue as required throughout the review have proved valuable with early learnings which will help inform this review. The Lead Officer will also liaise with relevant officers and services responsible for other works / reviews to ensure that the scope of this review is considered in other items of work to maximise outputs for the relevant review, including this review whilst also minimising duplicate work and costs. These include;

4.2.6   Awareness that the new Core Paths Plan was approved at Board in January and identifies an aspirational route between NCR7 and Howwood (HOW16).

4.2.7   Awareness that a feasibility study has been commissioned to investigate options for possible Traffic Calming in Kilbarchan, Howwood and Houston.

4.2.8   Aspirations to make a funding application for a feasibility study for walking and cycling from the National Cycle Route 7 at Lochwinnoch to and from Howwood.

4.3   Activity planned for the next reporting periods includes;

4.3.1   Making the Local Partnership aware of the review and to ask for any additional items that they wished to be considered as part of the review.

4.3.2   Making other stakeholders aware of the review including making contact with representatives of the Whithorn Way.

4.3.3   Continuing discussions and site visits with colleagues and stakeholders as required including those noted in section 4.2 above.

4.3.4   Following the elections in May, contacting all new and existing elected members from affected ward (Ward 9) and adjacent ward (Ward 8) to make them aware of the review and to ask for any additional information that could be considered as part of the review.

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Implications of the Report

1.	**Financial**	- none
2.	**HR & Organisational Development**	- none
3.	**Community Planning**	- none
4.	**Legal**	- none
5.	**Property/Assets**	- none
6.	**Information Technology**	- none
7.	**Equality & Human Rights**	- none

(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**
Supporting and enhancing opportunities for active travel is an area being explored as part of Renfrewshire's planning for net zero.

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List of Background Papers

(a) Audit, Risk and Scrutiny Board Annual Programme approved 23/08/2021

The foregoing background papers will be retained within Finance and Resources for inspection by the public for the prescribed period of four years from the date of the meeting.

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Appendix 1

Timetable for Linking the National Cycle Route 7 with Howwood Review

Date of Board Meeting	Stage of Review
Monday 24 January 2022	Commencement of review - Complete
Monday 21 March 2022	Continuation of review – this paper
Monday 13 May 2022	Continuation of review
Monday 22 August 2022	Continuation of review
Tuesday 27 September 2022	Draft report to Board
Thursday 29 September 2022	Final report to Council

To: Audit, Risk and Scrutiny Board

On: 21 March 2022

Report by: Lead Officer

Heading: **Review of Bus Deregulation and Effect on Transport Services in Renfrewshire**

1. **Summary**

1.1 The Audit, Risk and Scrutiny Board of 28 May 2019 agreed the purpose and scope of a review on bus deregulation and the effect on transport services within Renfrewshire.

1.2 Findings of the review were presented to the Board over a period of months during 2019 and early 2020. The Covid-19 pandemic resulted in significant changes to the landscape of public transport and the Board of 24 August 2020 agreed to continue the review to allow the impact of the pandemic on bus services to be considered.

1.3 In accordance with the scope approved by the Board, the attached report summarises key findings and recommendations. Subject to approval of the Board, the report will be submitted to Council for consideration at its meeting of 28 April 2022.

1.4 The outcomes of the review demonstrate that the bus industry remains in state of flux as a result of the pandemic, new funding streams and provisions of the Transport (Scotland) Act 2019. While this is likely to continue in the short to medium term, there are a number of opportunities for the Council to work in partnership with Strathclyde Partnership for Transport, commercial operators and local communities to promote, strengthen and enhance bus services across Renfrewshire.

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2.   **Recommendations**

2.1   It is recommended that the Board:

        (i)   Notes the review outcomes and recommendations;

        (ii)   Approves the report for submission to the Council meeting of 28 April
                2022;

        (iii)   Notes that the Lead Officer is grateful to all stakeholders who
                participated in the review.

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3.   **Background**

3.1   The report to Council outlines the purpose and scope of the review on bus
        deregulation and the effect on transport services within Renfrewshire. It
        highlights key information reported to each Board meeting and concludes with
        key findings and recommendations.

3.2   Previous reports to the Audit, Risk and Scrutiny Board in relation to this review
        are recorded as background papers within the Council report.

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Implications of the Report

1.   **Financial** - None

2.   **HR & Organisational Development** - None

3.   **Community/Council Planning –** None

4.   **Legal** - None

5.   **Property/Assets** - None

6.   **Information Technology** - None

7.   **Equality & Human Rights** - None

        (a)   The Recommendations contained within this report have been
               assessed in relation to their impact on equalities and human
               rights. No negative impacts on equality groups or potential for
               infringement of individuals' human rights have been identified

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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** - None

13. **Climate Risk** - None

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List of Background Papers

    a) Audit Risk and Scrutiny Board, 28/5/19 (Bus Deregulation Report 1)
    b) Audit Risk and Scrutiny Board, 26/8/19 (Bus Deregulation Report 2)
    c) Audit Risk and Scrutiny Board, 23/9/19 (Bus Deregulation Report 3)
    d) Audit Risk and Scrutiny Board, 4/11/19 (Bus Deregulation Report 4)
    e) Audit Risk and Scrutiny Board, 20/1/20 (Bus Deregulation Report 5)
    f) Audit Risk and Scrutiny Board, 16/3/20 (Bus Deregulation Report 6)
    g) Audit Risk and Scrutiny Board, 24/8/20 (Bus Deregulation Report 7)
    h) Audit Risk and Scrutiny Board, 25/10/21 (Bus Deregulation Report 8)

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Renfrewshire
Council

To: Council

On: 28 April 2022

Report by: Lead Officer

Heading: **Review of Bus Deregulation and Effect on Transport Services in Renfrewshire**

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1.   **Summary**

1.1   As part of the annual programme of activity for 2018/19, the Audit, Risk and Scrutiny Board agreed to undertake a review on bus deregulation and the effect on transport services within Renfrewshire.

1.2   This report summarises the scope and findings of the review, which have been presented to meetings of the Audit, Risk and Scrutiny Board over the last two years, incorporating a pause during the outbreak of the Covid-19 pandemic. Reports presented to the Board are appended as background papers.

1.3   The findings of the review demonstrate that the bus industry is in a state of flux as a result of the pandemic and provisions of the new Transport (Scotland) Act 2019. Despite this, there are a number of opportunities for the Council to work in partnership with Strathclyde Partnership for Transport, commercial operators and local communities to promote, strengthen and enhance bus services across Renfrewshire.

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2.   **Recommendations**

2.1   Council is asked to:-

(i)   Note the review outcomes and recommendations.

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3.   **Background**

3.1   The Audit, Risk and Scrutiny Board of 27 August 2018 agreed that a review on the topic of bus deregulation would form part of its annual programme of activity for 2018/19.

3.2   The purpose of the review was to evaluate the effectiveness of current or proposed legislation in providing bus services to the public, enabling consideration of any proposals regarding changes in the legislative framework.

3.3   The scope of the review firstly considered legislation and available information on bus deregulation, before gathering views from statutory bodies, commercial operators, community groups and stakeholders. The municipal model operated by Lothian Buses to the east of Scotland was also considered to inform the review.

3.4   A final stage of the review considered the impacts of the Covid-19 pandemic on the bus industry and future service provision.

4.   **Key Findings**

4.1   Progress reports were presented to the Board at each stage of the review. The key findings from each stage are summarised below.

Review of Legislation – 26 August 2019

4.2   The outcomes of this stage of the review provided the Board with a summary of the legislative framework governing bus services, key trends and academic research.

- The Transport Act 1985 introduced the deregulated market within the British bus industry. This limited transport authorities to subsidy of socially necessary bus services, provision of infrastructure and the creation of statutory partnerships to deliver improvements to services.

- The Transport (Scotland) Act 2019 became law on 15 November 2019 and is now the central legislation governing bus services in Scotland. The Act updates statutory partnership models and introduces powers to allow a transport authority to provide bus services, subject to a number of tests and criteria.

- The majority of bus services in Scotland are operated on a commercial basis by privately owned operators. Transport Scotland subsidises a

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proportion of the costs of the bus network (around 44%) through a Bus Service Operators Grant (BSOG). Payments are also made to operators under the national concessionary bus travel scheme (NCT).

- The general trend of bus service patronage is decline. While 74% of all public transport journeys were made by bus in 2017/18, the number of journeys has decreased by 20% from 2007/8. Factors contributing to this decline include increased car ownership, improved rail services, changing employment patterns and growth in online services.

Transport Authority and Commercial Operator – 23 September 2019

4.3   The outcomes of this stage of the review provided the Board with a summary of the views of the Regional Transport Authority, Strathclyde Partnership for Transport (SPT) and commercial operator McGill's Buses.

- Buses offer significant flexibility as a transport mode and are capable of quickly adjusting to changing circumstances. They have a significant role to play in daily lives and are the mode of transport most likely to be used by those on lower incomes.

- Public sector investment in infrastructure supporting bus services is limited and often orientated to road and rail enhancements. Policies such as providing free parking encourage car use and add to growing congestion. McGill's consider congestion to be one of the most significant factors affecting the running of services.

- In this context a stronger emphasis on policies and infrastructure investment to promote sustainable transport, augmented by stronger partnerships between operators and authorities, would support improvements to bus services.

Stakeholders and Community Groups – 4 November 2019

4.4   The outcomes of this stage of the review provided the Board with a summary of the views of community representatives and key stakeholders, including Bus Users Scotland, Unite the Union and Lochwinnoch Community Council.

- Congestion and journey times are key issues which influence the attractiveness of bus as a transport mode. Innovations such as real time information and contactless payment are positive and increase the simplicity and attractiveness of bus use.

- Buses are a social and economic necessity, providing residents with the ability to access vital services such as health centres, shopping, schools and workplaces across Renfrewshire. Bus services are often limited and have contracted in terms of scale and frequency in recent years. The impact of this may be significant on the most vulnerable, such as the elderly population or those on lower incomes.

- Greater transparency in the use of public sector funding and decisions made by commercial operators would be helpful. The views of bus users and communities are paramount and the opportunity for these groups to be involved in the process of service delivery would be welcome.

- To improve services, the potential for Renfrewshire Council to consider powers within the Transport (Scotland) Act 2019, including municipal services, should be investigated.

Lothian Buses and Unite the Union – 20 January 2020

4.5 The outcomes of this stage of the review provided the Board with a summary of the municipal model of operation run by Lothian Buses to the east of Scotland. The Board also received additional information from Unite the Union in relation to the Transport (Scotland) Act 2019.

- Lothian Buses are the only municipal operator in Scotland, owned by the City of Edinburgh Council and adjacent local authorities. Lothian have a fleet of 850 buses and carry around 120M passengers per annum.

- Lothian operates as an arm's length company. While in public ownership, the view and strategy of the company is determined on a commercial basis. As such, the company compete with and may act on a similar basis to private operators.

- A number of factors have contributed to Lothian's success and are not considered by the company to be directly related to public sector ownership. These include significant population growth to the east of Scotland, the lack of a competing rail network and the promotion of policies and infrastructure which support bus operation, such as bus priority lanes and parking charges.

- Lothian face similar pressures to other operators and patronage dropped by 1.6% in 2018 as a result of issues such as congestion and changes to travel patterns related to employment and retail trends.

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- Unite the Union consider that the deregulated system benefits large operators and that public ownership is the most appropriate mechanism for the bus system to operate in the interests of passengers. Unite support use of franchising powers within the Transport (Scotland) Act 2019 as an initial step towards public ownership.

- Views on franchising are mixed. The Society of Chief Transportation Officers in Scotland (SCOTS) are supportive but consider that the process is complex, while the Confederation of Passenger Transport (CPT Scotland) and Lothian Buses consider that statutory partnerships would support more effective outcomes.

Impact of the Pandemic on Bus Industry – 25 October 2021

4.6   This stage of the review updated the Board with a summary on the operation of bus services during the pandemic and the early stages of recovery, developments over this period and progress in relation to the bus service provisions of the Transport (Scotland) Act 2019.

- During initial lockdown restrictions in March 2020 bus services were reduced to around 40% of normal operations, with patronage declining to 15% of pre covid levels. Passenger numbers have since recovered to around 60-70% but longer term projections are unclear, given uncertainties relating to the impact of the pandemic on retail and office sectors.

- The Scottish Government supported operation of the bus network during the pandemic through emergency grant funding, in view of the significantly reduced demand for services and associated impact on revenues. Transport Scotland forecast that £120M was provided to operators in 2020/21 and forecast a further £88M in 2021/22.[1]

- The Scottish Government Bus Partnership Fund, which seeks to support transport authorities to work in partnership with operators to deliver bus priority measures, was launched in late 2020. A bid from Glasgow City Region in spring 2021 secured £3.655M from the fund, of which £2M will support the delivery of measures within Renfrewshire.

4.7   Further changes to grant support for bus services have now commenced. The Young Persons Free Travel Bus Scheme was introduced on 31 January 2022 and extends free travel to those between 5 and 21, in addition to those over 60 via the existing National Concessionary Bus Travel Scheme.

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[1] https://www.transport.gov.scot/public-transport/buses/covid-19-support-grant/

4.8   A new grant framework for bus services will also commence in April 2022. The Network Support Grant will replace the existing Bus Service Operators Grant (BSOG) and continue to include temporary additional financial support during Covid-19 recovery. Conditions of the new grant system include commitments from operators to consult with relevant transport authorities on timetabling, service patterns and levels of provision.[2]

5.   **SPT - Bus Options Scoping Study**

5.1   In February 2022 SPT published the outcomes of a study on the applicability of the bus provisions within the Transport (Scotland) Act 2019 [3]. The study sets out a range of options to achieve the desired outcome of a world class bus system within the Glasgow City region.

5.2   The study states that changes to governance of bus services alone cannot achieve the desired outcome and that a significant increase in funding and reform of existing funding streams are required. The study also notes the interconnectivity of the bus network within Glasgow City Region and that as a result, any reform of services would be most appropriately considered on a regional basis.

5.3   A range of reform options are considered within the study, aligned to powers within the Transport (Scotland) Act 2019. The study concludes that measures such as franchising and municipal ownership may be suitable for delivery of transformational change, but are subject to significant development costs and financial risk to local transport authorities.

5.4   In view of this, the study recommends a range of steps to develop proposals further, including a detailed review of the bus network within each SPT local authority area, discussions with Transport Scotland and Executive Officers and Elected Members within Glasgow City Region.

6.   **Recommendations**

6.1   Bus services play a significant role in daily lives and provide linkages to vital services, often for the most vulnerable. They offer significant flexibility as part of a sustainable transport system which reduces congestion, improves air quality and in turn supports the Council's response to climate change.

6.2   A key finding emerging from the review is the decline of bus patronage, as a result of factors such as increased car ownership, changing employment

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[2] https://www.transport.gov.scot/public-transport/buses/network-support-grant/
[3] https://www.spt.co.uk/media/vh5prl5y/sp180222_agenda11.pdf

patterns and growth in online services. The impact of the pandemic has further affected patronage and the longer term implications are not yet clear.

6.3 In view of this, measures which seek to arrest further decline and support growth in patronage and service provision should be prioritised in the short term. The £2M of Bus Partnership funding recently secured for the delivery of bus priority measures within Renfrewshire is a significant and positive step.

6.4 Aligned to these measures, further investigation of the powers and ownership models within the Transport (Scotland) Act 2019, in partnership with SPT and in view of the Options Scoping Study, should be considered to support longer term aspirations for transformational change.

6.5 In this context, the key recommendations from the review and to be considered by the Council are set out below.

(i) Embed and strongly promote sustainable transport modes, particularly bus services, as a key element of the Council's corporate policy and wider strategies. This will require the consideration of policies and proposals which seek to actively discourage use of private cars in favour of public transport.

(ii) Build upon and maintain regular dialogue with operators to support the smooth operation of bus services and consider scope for improvements. This may for example include a review of programmed roadworks and alternative routes, supporting a reduction in congestion affecting bus services, improving reliability and in turn consumer confidence.

(iii) Continue to explore opportunities to invest in infrastructure which would support policies promoting public transport, for example priority bus lanes and traffic management measures which favour bus services, such as priority traffic signal operation, complementing the emerging Bus Partnership Fund proposals for Renfrewshire.

(iv) Engage with both bus and rail operators to consider opportunities to more effectively integrate transport modes and provide a stronger public transport network across Renfrewshire.

(v) Investigate, in partnership with SPT and in a City Region context, the toolkit of regulatory powers within the Transport (Scotland) Act 2019, such as statutory partnerships, franchising and municipal operation, to support future transformational change.

Implications of the Report

1.   **Financial** - None

2.   **HR & Organisational Development** - None

3.   **Community/Council Planning –** None

4.   **Legal** - None

5.   **Property/Assets** - None

6.   **Information Technology** - None

7.   **Equality & Human Rights** - None

    (a)   The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. 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 Risk** - None

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List of Background Papers

    a) Audit Risk and Scrutiny Board, 28/5/19 (Bus Deregulation Report 1)
    b) Audit Risk and Scrutiny Board, 26/8/19 (Bus Deregulation Report 2)
    c) Audit Risk and Scrutiny Board, 23/9/19 (Bus Deregulation Report 3)
    d) Audit Risk and Scrutiny Board, 4/11/19 (Bus Deregulation Report 4)
    e) Audit Risk and Scrutiny Board, 20/1/20 (Bus Deregulation Report 5)
    f) Audit Risk and Scrutiny Board, 16/3/20 (Bus Deregulation Report 6)

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g) Audit Risk and Scrutiny Board, 24/8/20 (Bus Deregulation Report 7)
h) Audit Risk and Scrutiny Board, 25/10/21 (Bus Deregulation Report 8)

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