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

**On: 19 January 2026**

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**Report by: Director of Finance & Resources**

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**Heading: Audit Scotland Report - The 2023/24 Audit of Glasgow City Council Senior Officer Exit Packages**

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## **1 Summary**

- 1.1 In September 2025, Audit Scotland published a paper by the Accounts Commission in respect of the 2023/24 audit of Glasgow City Council Senior Officer Exit packages. Following the issue of the report the Commission wrote to all Councils setting out their expectation that the report and letter would be discussed by councils' audit and scrutiny committees.
- 1.2 This paper provides an overview of the findings and sets out Renfrewshire's current position.
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## **2 Recommendations**

- 2.1 It is recommended that members of the Audit, Risk and Scrutiny Board:
- Note the contents of this report
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## **3 Background**

- 3.1 In September 2025, Audit Scotland published a paper by the Accounts Commission in respect of the 2023/24 audit of Glasgow City Council Senior Officer Exit packages. A copy of the report can be found here:-

[s102\\_250904\\_Glasgow City Council](#)

- 3.2 In the report the Commission accepted the Controller of Audit's report on a matter arising from the 2023/24 audit of Glasgow City Council in relation to the scrutiny, governance and transparency of decision-making of exit packages of senior officers at GCC. The Commission welcomed that the Controller had used her powers to bring this issue to its attention, and noted she was able to draw on the independent investigation of the issue undertaken by Brodies LLP (on behalf of GCC), as well as the annual audit report. The Brodies LLP report was itself supported by the report of a King's Counsel (KC), whom Brodies had instructed to review and provide an opinion on its investigation.
- 3.3 The background to the report was that in early 2021, a proposal was drafted setting out a restructure of the council's Chief Executive's Department, which included setting out the financial arrangements relating to the exit of five senior officers. The officers were:
- the former solicitor to the council and director of governance
  - the former principal advisor to the chief executive
  - the former head of human resources
  - the former head of legal and administration and latterly director of legal and administration
  - the former chief executive.
- 3.4 The departures took place between April 2021 and May 2024. The total cost of the exit packages was £1.035 million with £0.268 million relating to redundancy payments and £0.77 million relating to strain on pension fund costs. The estimated ongoing savings in the proposal were £0.65 million per annum.
- 3.5 The leader of the council and city treasurer raised concerns after publication of the unaudited financial statements, which included details of the pension costs and payments in relation to loss of office, were published. The new chief executive launched an internal review into these matters which led to the commissioning of an independent review, including legal advice. In March and April 2025, the outcome of the independent review was reported to three of the council's committees for consideration.
- 3.6 The independent review concluded that the approval and exit terms of four of the five officers were in line with policy. However, the approval of the chief executive's exit did not follow the scheme of delegated functions. There was no councillor involvement in the decision in respect of the chief executive.
- 3.7 While there was no finding that any officer had acted improperly, there was an absence of a clear document trail. The auditor's conclusion was that, 'the council was unable to demonstrate effective scrutiny, governance and transparency in decision-making or value for money in respect of the exit of five senior officers over the course of a three-year period between 2021 and 2024'.
- 3.8 Following consideration of the Controller's report at its meeting on 14 August, the Commission made a number of findings.

The Commission were of the view that that the rationale for the former chief executive's retirement contributing to efficiencies was, at best, unclear. They considered that the restructuring package was dealt with in a manner inconsistent with the Key Principles of Public Life in Scotland, in particular selflessness, integrity and objectivity. Given the significance of the post of chief executive, linking it to efficiency savings should have been subject to independent scrutiny. The Commission stated that as councils continue to face financial challenges, service redesign and restructuring will be a necessary part of responding, so transparency around decision-making is essential. The decisions of elected members and officers should uphold the nine Key Principles of Public Life in Scotland – selflessness, integrity, objectivity, accountability, openness, honesty, leadership, public services, respect. Where decisions around restructuring and exit packages are being taken, councils must ensure there is clear evidence of effective governance, independent scrutiny, and robust and transparent record keeping.

- 3.9 Following the issue of the report the Commission wrote to all Councils setting out their expectation that the report and letter would be discussed by councils' audit and scrutiny committees. The letter can be found here:-

[Letter to councils](#)

- 3.10 Members may also wish to note that in the North Lanarkshire Council 2024/25 Annual Audit Report, Audit Scotland also made comment on exit packages of certain chief officers at that council. While the correct policy and procedures had been followed, they suggested that the wider implications and risks of decisions around restructure should be outlined to elected members.

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#### 4 Renfrewshire Council position

- 4.1 As Members of the Board are aware, the Head of Corporate Governance provided a training session on 16 May 2025 on the Benefits of Good Governance. As part of that session, the events in Glasgow were used as a worked example of the failing there, and how our arrangements would prevent such matters arising in Renfrewshire.
- 4.2 Renfrewshire Council has a longstanding policy on VR/VER approved by Members. This sets out that under our Voluntary Severance Scheme achieving an appropriate payback period of approximately 2 years will continue to be adopted when assessing use of the voluntary severance scheme as part of delivering overall change and transformation. The policy also requires that an annual report is taken to the Finance, Resources and Customer Services Policy Board on the use and application of the scheme and the overall payback period secured each year.
- 4.3 VR/VER decisions are the subject of two separate delegations in the Council's Scheme of Delegations. In respect of non-teaching staff the delegation is to the Chief Executive as follows:-

*“19. In consultation with the Head of People & Organisational Development, to determine all requests from employees for voluntary redundancy/early retirement.”*

In respect of teaching staff the delegation is to Director of Children's Services as follows:-

*"18. To approve premature retirement under the Teachers (Compensation for Premature Retirement and Redundancy) (Scotland) Regulations 1996, and the Teachers' Superannuation (Scotland) Regulations 2005 without enhancement of salary at no additional cost to the Authority or in circumstances where any cost incurred is recoverable within a maximum of two years."*

Accordingly, the approach taken is that any decision on whether to release an officer is an operational matter done under delegated authority. However, the decision must be made with due regard to the policy agreed by Members, and a saving must be generated meeting the usual payback period of 2 years. Members have oversight of this process through the annual report that confirms how many staff have been released via VR/VER and what the payback period has been. Moreover, Members have a further degree of direct oversight in respect of chief officers as set out at para 4.5 below.

- 4.4 What is clear from the terms of the delegations is that no officer has the delegated authority to agree the release of the Chief Executive under VR/VER. Any such decision would require a report either to Council or to an appropriate board. Accordingly, the situation which arose in Glasgow could not be repeated in Renfrewshire in respect of the Chief Executive.
- 4.5 In respect of chief officers the practice within the Council has been that any restructure of senior management is always reported to Council. More importantly, the appointment of Chief Officers is a matter reserved to Elected Members; no officer (including the Chief Executive) has the power to appoint a chief officer. That being the case, the type of VR/VER release and restructure that was implemented in Glasgow, could not happen within Renfrewshire Council without direct Elected Member involvement. Renfrewshire Council has clear lines of authority. Some matters are reserved entirely to Members. Where there is authority to officers, who that power is granted to is clear and the limits are clear, and Members must be sighted on those decisions through appropriate board reporting.
- 4.6 One matter has been identified by officers which should be addressed. As will be noted from para 4.3, decisions by the Chief Executive in respect of VR/VER for non-teaching staff require consultation with the Head of People & Organisational Development. However, the delegation to the Director of Children's Services in respect of teaching staff requires no such consultation. Officers are of the view that such consultation should be required to ensure scrutiny and consistency of decision making. Therefore, a report will be brought to Council seeking an amendment to that delegation requiring consultation with the Head of People & Organisational Development.
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## **Implications of the Report**

1. **Financial** – none
2. **HR & Organisational Development** – as set out in the report
3. **Community Planning** – none
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. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – none
9. **Procurement** – none
10. **Risk** – none
11. **Privacy Impact** – none
12. **Cosla Policy Position** – not applicable
13. **Climate Risk** – none
14. **Children's Rights**- None

## **List Of Background Papers**

None

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