

EAST RENFREWSHIRE COUNCIL
AUDIT AND SCRUTINY COMMITTEE

20 February 2025

Report by Clerk

NATIONAL EXTERNAL AUDIT REPORT
TRANSFORMATION IN COUNCILS

PURPOSE OF REPORT

1. To provide information on the Audit Scotland report on *Transformation in Councils*.

RECOMMENDATION

2. It is recommended that the Committee considers the report.

BACKGROUND

3. A copy of the Audit Scotland report [Transformation in Councils](#) published in October 2024, has already been circulated to all Audit and Scrutiny Committee Members. Under the Committee's specialisation arrangements, the Member leading the review of this particular report is Councillor Morrison.
4. The Director of Business Operations and Partnerships has provided comments on the report. A copy of that feedback is attached (Appendix A refers).

RECOMMENDATION

5. It is recommended that the Committee considers the report.

Local Government Access to Information Act 1985

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Background Papers:-

1. Audit Scotland report [Transformation in Councils](#)

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EAST RENFREWSHIRE COUNCIL

AUDIT & SCRUTINY COMMITTEE

20 February 2025

Report by Director of Business Operations and Partnerships

TRANSFORMATION IN COUNCILS

PURPOSE OF REPORT

1. The purpose of this report is to provide the Audit & Scrutiny Committee with an overview of how well placed the Council is to meet the expectations outlined in Audit Scotland’s report - [Transformation in Councils](#) which was published in October 2024.

RECOMMENDATION

- 2. It is recommended that the Audit & Scrutiny Committee notes that:
 - i. the Council is well placed to respond to the expectations set out in the report;
 - ii. the Council’s transformation programme was part of Audit Scotland’s very positive Best Value Audit of the Council published in February;
 - iii. work is underway to refresh the Council’s Transformation Strategy in summer 2025; and
 - iv. the external audit national Best Value theme for this year is Transformation, the findings of which will report as part of annual accounts in the autumn.

BACKGROUND

3. This report is part of a series of outputs produced by the Accounts Commission that, taken together, provide an independent overview of the local government sector. It also draws on local Best Value audit work and the Accounts Commission’s wider work programme.

4. The report sets out two key messages and five expectations from Audit Scotland. Audit Scotland will be auditing local transformation work through year three of their Best Value reporting programme, reporting in the autumn of 2025. The four key messages are:

i. Councils must transform to become financially sustainable:

The report highlights that Councils are facing increasing financial and service demand challenges and that a significant step change in how Councils operate is required to ensure financial sustainability. The report indicates that the pace of transformation and improvement has been slowing nationally, and, in the current financial climate, failure to act puts vital public services at risk.

ii. Urgent action is required to progress transformation:

The report notes the work, led by SOLACE and the Improvement Service, which aims to develop a future operating model for councils and calls on COSLA and the Scottish Government to take action to facilitate sector-wide transformation.

5. Audit Scotland’s five key expectations over the next 12 months are:

Expectation 1: The local government sector, the Scottish Government and councils’ Community Planning and third sector partners to make significant progress in agreeing a future operating model for councils and how council services can be sustainably delivered according to local circumstances.

Expectation 2: The local government sector to initiate an effective coordinated public engagement campaign to obtain agreement on the future operating model for councils, how it will be achieved, and the impact this will have on communities.

The Council is already well placed to support the meeting of these expectations.

6. ERC plays an active role in national networks and dialogues about future operating models for local government. Examples of this include Council’s support for the 2020 Blueprint for Local Government, its ongoing support for the Local Governance Review to strengthen local democracy, and the unified cross-party position on the then proposed National Care Service. The Council has a clear vision for East Renfrewshire, shared with partners and based on the distinctive strengths, challenges, needs and aspirations of our communities. This is enabling us to be clear about what type of organisation East Renfrewshire Council needs to be and how we need to work with partners to achieve our ambitions.

7. The Council has played a substantial leading role in the development of the Community Planning Partnership’s new 15-year plan for East Renfrewshire, A Place to Grow. This can be seen in our high-level strategy-on-a page as set out in Annex 1. There is a clear vision and ‘golden thread’ tying A Place to Grow with the organisational capabilities the Council needs to continue to develop and our values of Ambition, Kindness and Trust. The strategy also sets out how partners will work together to achieve the vision. Work is well underway to develop delivery plans that will integrate our strategic approach to customer services, digital transformation, our employees and financial planning. We are building on our previous extensive community engagement with a community conference in the spring to maintain and further widen the dialogue with communities.

Expectation 3: Solace and the Improvement Service to sustain momentum of the Transformation Programme and be clear on the actions needed to successfully deliver across the different workstreams. This includes more clarity on timescales, costs, resources, outcomes, outputs and impact.

Expectation 4: the Convention of Scottish Local Authorities (COSLA) and the Scottish Government to make sustained progress on the commitments within the Verity House Agreement (VHA) including to agree a fiscal framework, an accountability and assurance framework and to conclude the Local Governance Review.

Expectation 5: Individual councils to prioritise and urgently progress the delivery of their local transformation ambitions and engage effectively in sector-led transformation activity, securing political backing and committing resources.

The Council has existing arrangements in place to support national work to meet these expectations and is playing an active role in networks and programmes of work. The Council has an established Transformation Programme underpinned by multi-year funding and has been highlighted nationally as excelling and being an exemplar to other local authorities.

8. Cross-party local elected members play active roles in COSLA and there is support for the Verity House Agreement, Fiscal Framework and Local Governance Review.

9. Senior officers from the Council play an active role in Solace and Improvement Service workstreams, including working on developing the detailed delivery frameworks for the anchor areas outlined in Audit Scotland's report. East Renfrewshire Council has been supportive of the work to develop the national Transformation Programme and, alongside the other Scottish councils, has committed additional financial resources to augment Improvement Service capacity to pursue this work.

10. The Council has an established commitment to Transformation dating back to 2010. [The current Digital Transformation programme and strategy was approved in June 2021](#) and is built around three programmes of work: Business Systems and Processes; Digital Customer Experience; and Workforce Productivity. [Cabinet considered the most recent report on the focus and impact of the Transformation Programme in September 2024.](#)

11. Audit Scotland undertook its Best Value review of the Council over December 2024 and January 2025. In reporting its findings, the Accounts Commission said that Council services 'excel' and that the Council is an exemplar to others, saying "East Renfrewshire excels in so many areas, with a focus on digital, data and dialogue with local people. Other councils can learn much from its engagement with partners and local communities." The report also highlighted the Council's approach to financial planning. Audit Scotland have indicated that the focus of Best Value audit work for 2024/25 will be Transformation. The findings from this work, as they relate to East Renfrewshire, will be reported to Council as part of the annual accounts in the autumn.

12. Work is underway to refresh the Council's Digital Transformation Strategy for summer 2025. This will take account of employee productivity, our customers, and maximising the benefits of major systems through business change. The strategy will set out the Council's approach to the appropriate use of artificial intelligence, process automation, and the use of data and business intelligence to improve performance, efficiency and outcomes as well as helping to identify opportunities for early intervention and prevention.

CONCLUSION

13. In summary, while many of the expectations set out in the report impact national bodies, the Council is playing an active role in national networks and programmes in support of sectoral transformation. In terms of the national expectations for Councils, East Renfrewshire is very well placed: we have a clear long-term strategic vision for the area, shared with partners and underpinned by excellent partnership working arrangements, and are refreshing our digital transformation strategy, by building on a foundation of previously successful transformation programmes. This enables us to keep pace with technological change and

maintain a strong strategic focus on prioritisation, benefits and addressing local needs. This approach will help to support the Council to meet the fiscal and workforce challenges that lie ahead, realise tangible benefits and meet our long-term ambitions for the area.

RECOMMENDATION

14. It is recommended that the Audit & Scrutiny Committee notes that:

- i. the Council is well placed to respond to the expectations set out in the report;
- ii. the Council’s transformation programme was part of Audit Scotland’s very positive Best Value Audit of the Council published in February;
- iii. work is underway to refresh the Council’s Transformation Strategy in summer 2025; and
- iv. the external audit national Best Value theme for this year is Transformation, the findings of which will report as part of annual accounts in the autumn.

Director of Business Operations & Partnerships
November 2024

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BACKGROUND PAPERS

- [Transformation in Councils](#)
- [Digital Transformation Strategy 2021](#)
- [Digital Transformation Programme Update September 2024.](#)

Annex 1: A Place to Grow ‘Strategy on a Page’

EAST RENFREWSHIRE A PLACE TO GROW

a future where . . .



In East Renfrewshire by 2040 . . .

<p>Our ambition is that every child and young person, regardless of background or circumstance, will fully flourish on their journey to adulthood.</p> <p>Every child and young person will:</p> <ul style="list-style-type: none"> • Be loved, safe and happy • Be as healthy as they can be • Have friends and adults they trust • Be successful learners and well prepared for the future • Have their voices heard and their rights recognised, respected and nurtured <p>Our children, young people and families that face challenges and disadvantage will:</p> <ul style="list-style-type: none"> • Access the right support as early as possible • Receive support that is compassionate and aspirational and builds on their strengths <p>Our learning establishments will:</p> <ul style="list-style-type: none"> • Deliver a curriculum that inspires and prepares children and young people well for the future • Continue to improve achievement for all 	<p>Our ambition is an inclusive, connected and green place, with a fair, sustainable and healthy local economy, that our residents are proud to call home.</p> <p>Our places will:</p> <ul style="list-style-type: none"> • Be attractive and safe • Have sustainable and well-designed housing options • Have an accessible and connected network of active travel and public transport routes • Have good digital connectivity through a modern technological infrastructure • Provide opportunities to live, work, play and participate in community life <p>Our residents will:</p> <ul style="list-style-type: none"> • Have access to more affordable housing • Have opportunities to develop new skills and learning • Have flexible and accessible fair work opportunities <p>Our local economy will:</p> <ul style="list-style-type: none"> • Have a strong and diverse mix of local businesses • Attract new investment • Provide a wide range of work opportunities <p>Our environment will:</p> <ul style="list-style-type: none"> • Be reaching net zero carbon emissions • Have protected natural spaces for biodiversity and wildlife • Be well prepared for climate challenges 	<p>Our ambition is that everyone can live well at all stages of life and communities will be taking the lead in driving change for good health and wellbeing.</p> <p>Our communities will:</p> <ul style="list-style-type: none"> • Be stronger, connected and leading the way in solutions to support each other to live well • See health inequalities reduced • Be actively involved in volunteering and community leadership • Have varied and diverse groups and third sector organisations that are respected and valued partners <p>Our residents will:</p> <ul style="list-style-type: none"> • Be supported to age-well and live healthy, active lives • Have routes out of poverty • Be empowered to make healthy choices and have access to high quality sports and physical activity facilities • Have access to creative and vibrant cultural experiences and opportunities to celebrate diverse heritages • Have opportunities and support to participate in lifelong learning
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Together, the community planning partnership will achieve this by:

- Prioritising prevention and early intervention
- Working in genuine collaboration and partnership
- Working with our communities, the third sector and business sectors
- Demonstrating collective accountability
- Learning, innovating and improving
- Delivering efficient, effective, targeted and responsive services

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