

MINUTE
of
AUDIT & SCRUTINY COMMITTEE

Minute of virtual meeting held at 2.00pm on 20 January 2022.

Present:

Councillor Stewart Miller (Chair)	Councillor Charlie Gilbert
Councillor Barbara Grant (Vice Chair)	Councillor Annette Ireland
Councillor Angela Convery	Councillor Jim Swift

Councillor Miller in the Chair

Attending:

Margaret McCrossan, Head of Accountancy (Chief Financial Officer); Phil Daws, Head of Environment (Strategic Services); Gill Darbyshire, Chief Executive's Business Manager; Fiona Muir, Senior Auditor; Linda Hutchison, Clerk to the Committee; John Burke, Committee Services Officer; and Liona Allison, Assistant Committee Services Officer.

Also Attending:

Louisa Yule and Emma-Rose Drummond, Audit Scotland.

Apology:

Councillor Jim McLean.

DECLARATIONS OF INTEREST

1863. There were no declarations of interest intimated.

CHAIR'S REPORT

1864. Councillor Miller reported, and it was noted, that there were no issues which he wished to bring to the committee's attention at this time.

AUDIT AND SCRUTINY COMMITTEE'S INVESTIGATION ON INCOME GENERATION AND COMMERCIALISATION – UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS ACCEPTED BY CABINET

1865. Under reference to the Minute of the meeting 26 November 2020 (Page 1338, Item 1445 refers), when the Cabinet's response to the committee's investigation on income

generation and commercialisation had been noted, and it had been agreed that an update be submitted in a year's time on implementation of the recommendations that had been accepted, the committee considered a report by the Chief Executive on the progress made on each.

The report referred to the investigation's potential to generate new income streams, to contribute to the Council achieving future savings targets, to help the Council meet the strategic priority areas in the Community Plan, and to help deliver the Council's corporate plan, "*Vision for the Future*". Having made reference to the 12 recommendations made by the committee all of which had been accepted by the Cabinet, and which included that the Council establish a new policy on commercialisation supported by a cross-departmental team with expertise to implement the key recommendations of the policy and associated action plan, the report provided an update on implementation of each recommendations. Despite the challenges of dealing with the COVID-19 pandemic, work had started in many of these areas with future work planned in due course.

The Chief Executive's Business Manager highlighted key aspects of the report. Specifically in relation to Recommendation 7 on further development of the links between schools, the business community and other partners to create further opportunities for young persons in relation to training, assistance with technology and other benefits, she clarified that the 97.2% of 16 to 19 year olds reported to be participating in these education, employment or training opportunities equated to 5,060 individuals.

Councillor Miller thanked the former Scrutiny and Evaluation Officer for the work he had done to assist the committee with the investigation.

Further in relation to Recommendation 7, in response to Councillor Grant, the Chief Executive's Business Manager undertook to seek additional feedback from the Education Department on the positive outcomes for those who had participated in the education, employment or training offered.

In response to a further request for clarification from Councillor Grant, the Head of Accountancy (Chief Financial Officer) confirmed that additional funding for the provision of the core 1140 hours of free early learning and childcare was being provided by the Scottish Government, in relation to which teaching and other staffing resources were in place. However, she explained that this funding did not meet any additional costs to be met associated with additional wraparound hours requested over and above core hours.

Regarding the electric car charging points provided by the Council for public use, the number of which was increasing and which vehicle owners could currently use free of charge, also in response to Councillor Grant, the Head of Accountancy (Chief Financial Officer) confirmed that this arrangement was to encourage electric vehicle ownership and that the Council currently paid for the electricity used. However, the position may change in future. Having heard Councillor Grant comment that she considered it unacceptable that the Council had to meet the electricity costs in future, the Head of Environment (Strategic Services) confirmed that a review of this policy across the Glasgow Region City Deal area was underway, the outcome of which would be reported in due course.

Councillor Ireland posed various questions relating to the recommendations. She sought confirmation when the new policy prepared on commercialisation (Recommendation 1 refers) would be considered by the Corporate Management Team (CMT) and be available; when an invitation, which had been put on hold, would be extended to representatives of other councils with successfully developed approaches to commercialisation to address Elected Members and officers (Recommendation 2 refers); and on progress made attracting high quality commercial events to East Renfrewshire in relation to which she also asked if the Playground

Festival for 2022 had been confirmed (Recommendation 3 refers). She also sought further clarification on progress made on the new digital telecare system and the completion of outstanding work on this (Recommendation 4 refers); the maximisation of the use of local companies through procurement and purchasing activities and in terms of community wealth building (Recommendation 6 refers); and on strengthening links with Young Enterprise Scotland based in Rouken Glen Park and other similar organisations (Recommendation 7 refers). Clarification was also sought by Councillor Ireland on when an update would be available on the remaining options to generate new income or maximise income itemised under Recommendation 10; and on progress made on the option to introduce a public car parking policy (Recommendation 11 refers).

In support of views expressed by Councillor Grant earlier in the meeting, Councillor Swift commented that many private organisations charged for the use of their electric charging points, expressing the view that local taxpayers should not have to subsidise such costs. He also commented on the importance of influencing the way forward on this issue, and consequences for the Exchequer associated with the switch to electric vehicles.

Regarding asset management, Councillor Swift stated that involvement in the commercial property market had been a low risk option until the market crashed, but this was no longer the case, arguing that the Council should no longer be involved in this provision. Having heard Councillor Miller in support of this view and refer to related discussions with the External Auditor during the investigation, the Head of Accountancy (Chief Financial Officer) and Head of Environment (Strategic Services) confirmed that involvement in this sector tended to be to assist with economic regeneration or when the local market was not considered to be operating satisfactorily. Councillor Grant commended the new facility at Greenlaw Works, but referred to the pandemic's impact on its use.

The Chief Executive's Business Manager undertook to seek additional feedback following the meeting on the various issues raised, members of the committee having confirmed that the provision of clarification by correspondence was adequate.

The committee agreed:-

- (a) that the Chief Executive's Business Manager seek and provide further clarification to the Clerk for circulation to members of the committee on the issues raised at the meeting in relation to Recommendations 1, 2, 3, 4, 6, 7, 10 and 11 of the report on income generation and commercialisation; and
- (b) otherwise, to note the report and related comments made.

AUDIT AND SCRUTINY COMMITTEE'S INVESTIGATION ON CLIMATE CHANGE – UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS ACCEPTED BY CABINET

1866. Under reference to the Minute of the meeting 26 November 2020 (Page 1338, Item 1445 refers), when the Cabinet's response to the committee's investigation on climate change had been noted and it was agreed that an update be submitted in a year's time on implementation of the recommendations that had been accepted, the committee considered a report by the Head of Environment (Strategic Services) on the progress made thus far and future plans for delivery against statutory climate change targets.

The report explained that the investigation had made 24 recommendations in total and summarised progress made to date on each. It was concluded that much had changed since the committee had finished its investigation just days before the first COVID-19

lockdown. It was reported that public awareness of climate change was much greater than it was 22 months ago, but progress and preparation against the necessary targets had slowed due to the activities associated with the pandemic. The targets were reported to be challenging, both in terms of the solutions and their affordability, this being the picture across Scotland rather than being unique to East Renfrewshire. The report confirmed that the Council had put in place some of the key foundations necessary to deliver effective change and had plans for further foundations.

The Head of Environment (Strategic Services) highlighted some key aspects of the report, including the recruitment of a Climate Change Officer in 2020; the organisation of workshops, entitled "What does good look like?" around the 7 key themes that the Council was involved in (planning, transportation, waste, fleet, housing, estates and procurement); the work of the Get to Zero Senior Officers' Working Group; and the "Get to Zero" Strategy approved by the Cabinet in November. He also referred to a report on the Council's carbon emissions which was scheduled to be considered by the Cabinet on 27 January 2022; the reference to positive and negative effects for sustainability of capital projects that was now included in the capital project appraisal form and which would be included in a forthcoming update to Cabinet on the Capital Investment Strategy; and a proposed climate change impact assessment for policies, plans and operations which was expected to be the subject of a report to the Council in April.

Councillor Miller, supported by Ireland, thanked officers involved in the preparation of the committee's report and the associated responses.

Councillor Ireland expressed disappointment regarding the lack of progress thus far on reviewing the approach taken on public transport to ensure it was sustainable and tailored to residents' needs (Recommendation 19 refers). More specifically, she sought clarification on what work had been done to look at gaps in public transport provision across the authority and on active travel routes, also making reference to limited cycle lanes in some Wards to help access the new Eastwood Leisure Complex. Making reference to Recommendation 20, she asked what environmental measures would be installed in the new Complex, what its CO2 emissions would be, and if there would be a net increase or reduction compared to the current facility. Having highlighted the delays reported on establishing the Member/Officer Working Group on Climate Change and the Climate Change Partnership Group, both until after the local government elections in May 2022, she asked if, given the climate emergency, there could be more urgency attached to moving this forward.

Councillor Miller referred work to establish trial bus routes to the Queen Elizabeth University Hospital he had been involved in establishing, which had ultimately been abandoned as they were not being used, and challenges that had not been overcome to establish a bus route between Netherlee and Williamwood High School.

The Head of Environment (Strategic Services) undertook to seek and provide clarification on the emissions issues raised regarding the new Leisure Complex. He stated that the delay to establishing the Member/Officer Working Group on Climate Change and Climate Change Partnership Group was being revisited to explore if this could be done prior to the May elections.

The committee agreed:-

- (a) that the Head of Environment (Strategic Services) seek and provide further clarification to the Clerk for circulation to members of the Committee on the issues raised at the meeting on public transport and the environmental measures to be installed in the new Eastwood Leisure Complex and what its carbon dioxide emissions would be compared to the current facility; and
- (b) otherwise, to note the report and related comments made.

NATIONAL EXTERNAL AUDIT REPORT – IMPACT OF COVID-19 ON SCOTTISH COUNCILS' BENEFIT SERVICES

1867. The committee considered a report by the Clerk on the publication by Audit Scotland of a report entitled *Impact of COVID-19 on Scottish Councils' Benefit Services: A Thematic Study*, which under the committee's specialisation arrangements had been sent to Councillors McLean and Swift for review. The Head of Communities, Revenues and Change had provided comments on the report and a copy of those comments was attached as Appendix A to the report.

The report referred to the annual caseload and planning for the eventual phasing out of Housing Benefit (HB) as a result of the implementation of Universal Credit (UC) and related issues, the national delay in the implementation of UC having been challenging.

In relation to work undertaken to address the implications of COVID-19, the External Audit report highlighted that the Council was a positive example of an authority where a swift response had been taken by the ICT service in providing laptops to enable homeworking, and training provided on information security and data protection to ensure staff were aware of their responsibilities.

Whilst providing a more general update on progress, the report explained that although the Council had experienced a decline in processing times, this had been impacted by the implementation of a new benefits ICT system during the pandemic, which was a significant challenge. Despite this, implementation of the new system had been achieved on time in December 2020, with Council Tax bills issued using the new system in March 2021, and financial year-end procedures completed successfully.

Although good progress made on HB performance indicators had stalled in 2020/21, this had been expected, due to the implementation of and familiarisation with the new system as well as rising caseloads, statistics on which were provided. It was confirmed that the Council was now ranked 25th in Scotland for new HB/Council Tax reduction claims and 16th for dealing with changes of circumstance, with the outcome of a related review by the Department of Work and Pensions (DWP) during autumn 2021 expected shortly. The Council would continue to work with the DWP to seek to implement the recommendations arising from the review. Actions taken to mitigate the impact of the rising caseloads on customers were outlined, including overtime working and support from other Council teams, to ensure the processing of claims was brought up to date during 2021. It was confirmed that there would continue to be a focus placed on performance locally.

Other issues commented on included HB overpayment recovery, and the suspension of debt recovery from March to July 2020 due to the COVID-19 pandemic. It was highlighted that management had taken issues identified seriously and made significant efforts to recover backlogs, implement recovery, bring in income to the Council, and improve performance. The picture was similar across the country, with East Renfrewshire's situation having being exacerbated by the implementation of the new ICT system which, once fully embedded, would provide a platform to drive service improvement into the future.

The committee agreed to note the report.

AUDIT AND SCRUTINY COMMITTEE WORKPLAN 2021/22

1868. Under reference to the Minute of the meeting of 29 April 2021 (Page 1519, Item 1635 refers), when it had been noted that progress on delivering the committee's 2021/22 workplan would be reviewed in due course and be the subject of a further report to a future meeting, the committee considered a report by the Clerk providing an update on the workplan.

The report explained that the 2021/22 plan was a live document, development of which continued throughout the year, and included reference to recurring reports considered every year, such as on treasury management, Internal Audit work and risk management. An updated version of the 2021/22 plan was attached as Appendix 1 to the report, referring to progress thus far on various issues and related matters, including the position on national and local external audit reports which had been or were to be published during the financial year, to the extent the position on this was known. It was commented that if there was not sufficient time for feedback to be sought and prepared on some external audit reports to be published relatively soon, reference would be made to them in the 2022/23 workplan.

Reference was made to potential review areas identified, on which there had been plans to pursue some work in due course, but on which it had not been agreed to progress any specific work thus far. Reference was also included to the Audit Scotland COVID-19 Scrutiny Guide for Audit and Risk Committees published in August 2019, which the committee had received comments on at one point. It was highlighted that it remained an option for Members to request an update on issues raised in that Guide by exception, should they wish to do so.

In view of the local government elections in May 2022, and as it was anticipated that the committee's meeting of 7 April 2022 would be the final one during the current Administration, reference had been included in the report to items it was proposed to consider at that meeting to the extent that was known.

The committee, having heard the Clerk highlight key aspects of the report:-

- (a) noted performance against the 2021/22 Annual Workplan thus far;
- (b) agreed that development and implementation of the 2021/22 Workplan continue, and that a further report on performance against it be submitted to the final meeting of the Committee prior to the local government elections in May 2022; and
- (c) noted that reports on the 2022/23 Workplan would be submitted to future meetings of the committee following the local government elections.

CHAIR