

## Item 2

29th January 2025



**Glasgow City Council**

**Finance and Audit Scrutiny Committee**

**Report by: Convener**

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### **Finance and Audit Scrutiny Committee Annual Assessment**

#### **Purpose of Report:**

To provide an Annual Assessment of the work of the Committee as required by Standing Order 31.

#### **Recommendations:**

Committee is asked to consider and note the Annual Assessment and the future actions resulting from the Committee Member survey.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

#### **PLEASE NOTE THE FOLLOWING:**

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## 1. Introduction

- 1.1 The Council's Standing Order 31 requires that an annual assessment of the work of each Scrutiny Committee shall be carried out to assess the effectiveness of the working of the committee and to assess any training needs of members and officers. The assessment will be carried out by the relevant Convener in years 1 and 2 and an independent assessment will be carried out in year 3 and every third year thereafter.
- 1.2 This report provides a summary of the year 2 assessment for the Finance and Audit Scrutiny Committee ('FASC').
- 1.3 FASC has representation from the administration and opposition parties. The Convener and Vice Convener are members of the opposition, in line with recommended best practice. It has met every 4 weeks (out with recess). The Convener has been in post for the full year of this assessment.
- 1.4 The Terms of Reference were approved by Council on 19 May 2022 and are available [here](#). The remit of the Committee is summarised as follows:

"The Finance and Audit Scrutiny Committee is responsible for: monitoring the financial performance of the Council, its Trading Operations and ALEOs; money allocated to it by the Glasgow City Integration Joint Board; the performance of audit and inspection within the Council; and for promoting the observance by Councillors of high standards of conduct."

## 2. Workplan

- 2.1 A work programme is agreed by the Committee after each recess. The most recent work programme (21 August 2024) is available [here](#) and includes:
  - Revenue financial monitoring of services and ALEOs, including probable and actual outturn reports;
  - Capital/Investment financial monitoring;
  - Treasury Management annual strategy and reporting;
  - Statutory annual accounts;
  - External audit plans and reporting;
  - Internal audit annual plan, detailed reports and annual reports;
  - Common Good Fund and Sundry Trusts monitoring;
  - National reports of interest (eg Accounts Commission, Audit Scotland, Improvement Service etc);
  - Gifts and Hospitality reporting; and
  - Corporate Risk Register.
- 2.2 The most frequent reports relate to financial monitoring and audit reports. The Committee therefore agreed to generally focus each meeting alternatively between these two areas, whilst allowing for flexibility to prioritise more urgent business. This approach has worked well, encouraging robust scrutiny of financial and audit reports.

- 2.3 There is an important interface between FASC and Operational Performance and Delivery Scrutiny Committee (OPDSC). Whilst FASC is tasked with Service and ALEO financial matters, OPDSC is required to scrutinise Service and ALEO performance. Clearly the two are linked and therefore quarterly meetings have been set up between the two Committees' conveners in order to share key matters arising from their own Committee's work and dovetail work programmes.
- 2.4 A review of the work coming through the Committee over the past 12 months compared to the Terms of Reference confirmed that the Committee has broadly met its requirements.
- 2.5 All Committee Members were invited to input into the workplan. Members are welcome at any time to raise suggestions with the officers that support the committee or directly with the Convener.

### **3. Call ins**

- 3.1 Scrutiny committees are responsible for hearing any call in of Council decisions. The call in process is designed to allow members to subject decisions by the City Administration Committee to further scrutiny and to make further recommendation for action. There were no Call ins for FASC to consider during the period.

### **4. Attendance**

- 4.1 The Committee continued to meet in a hybrid format, allowing Committee Members, officers, and observers, to attend virtually online or in person. Generally this approach has worked well, enabling a broadly high level of attendance by Committee Members. It was previously noted by the Committee that in person attendance is preferable where possible and it is noted that the level of in person attendance has generally increased from the first year of the Committee.
- 4.2 Meetings are recorded and webcast, enabling access to the Committee's business by members of the public and other stakeholders in accordance with Open Government commitments.

### **5. Development needs**

- 5.1 Committee Members are encouraged to raise any areas of training or development that would assist them in their roles on the Committee. This can be done via the Convener, Vice Convener, support officers, or via the Business Bureau for any more generic training.
- 5.2 The next training session is scheduled for the 29 January 2025 meeting, to be provided by the external auditor, EY.

- 5.3 The review of the Committee against the CIPFA guidance for local government audit committees identified that best practice would be for a co-opted member(s) to be appointed to the Committee. Officers have made numerous attempts to appoint an external co-opted member, with a skillset that encompasses some of the more technical aspects of the papers that come to Committee. However, to date these attempts have not been successful.

## **6. Effectiveness of the working of the Committee**

- 6.1 A questionnaire was issued by officers to all members of the Committee in October / November 2024 with a view to informing this review of effectiveness. 7 (50%) of the Committee's 14 Members returned the survey.
- 6.2 The overall findings from the survey are mainly positive. The key messages from the survey are as follows:

<b>Summarised feedback</b>	<b>Suggested action</b>
<p>The Role of the Committee</p> <ul style="list-style-type: none"><li>• 7 (100%) agree that the Committee fulfilled its terms of reference, the workplan reflected the Terms of Reference, agendas cover items relevant to the Committee and that they understand the remit of the committee.</li><li>• There were mixed views on the impact of the Committee on outcomes and decisions of the Council.</li><li>• 4 (54%) agree they are able to contribute to the Committee workplan, and that the Committee influences policies</li></ul>	<p>In terms of the impact of the Committee, Members are reminded that they are able to request specific updates on areas of concern, or future reporting by services / ALEOs on areas of concern.</p> <p>Similarly, Members are at any time able to request additions or changes to the Committee work programme through the Convener or lead officers.</p>
<p>Committee Papers</p> <ul style="list-style-type: none"><li>• 7 (100%) respondents are satisfied with the quality of the Committee papers.</li><li>• 6 (86%) respondents are also satisfied with the time before Committee when papers are received, and the clarity of information included.</li><li>• 7 (100%) respondents rated the Monitoring Reports received by FASC as of a good standard.</li><li>• One additional comment was received in relation to being able to identify the salient points from detailed papers, and the action that departments are taking in response to deviation from plans etc.</li></ul>	<p>Officers to consider the observation on Committee papers to ensure that papers are as clear as possible.</p>

Summarised feedback	Suggested action
<p>Conduct at FASC meetings</p> <ul style="list-style-type: none"> <li>7 (100%) agreed that conduct at FASC was positive, with officers generally able to deal with questions that arise, that sufficient time is allocated to allow the Committee to manage its business, the frequency of meetings allows the Committee to carry out its function and officers attendance at Committees is satisfactory.</li> </ul>	
<p>Skills and experience</p> <ul style="list-style-type: none"> <li>4 (57%) felt the committee has the right mix of skills and experience to carry out the remit.</li> </ul>	<p>As per section 5, Committee Members are encouraged to raise any areas of training or development that would assist them in their roles.</p> <p>Lead officers to proactively seek out training opportunities as part of work programme.</p> <p>The Head of Audit and Inspection will also meet with every member and senior officer of FASC one-to-one to discuss skills and experience with a view to informing future training and membership.</p>

## 7. Policy and Resource Implications

### Resource Implications:

*Financial:* None

*Legal:* None

*Personnel:* None

*Procurement:* None

### Equality and Socio-Economic Impacts:

*Does the proposal support the Council's Equality Outcomes 2021-25? Please specify.* Not applicable as this is a review of Committee effectiveness.

*What are the potential equality impacts as a result of this report?* No significant impact

*Please highlight if the policy/proposal will help address socio-economic disadvantage.*

Not applicable as this is not a policy / proposal.

**Climate Impacts:**

*Does the proposal support any Climate Plan actions? Please specify:*

Not applicable as this is a review of Committee effectiveness.

*What are the potential climate impacts as a result of this proposal?*

Not applicable as this is a review of Committee effectiveness.

*Will the proposal contribute to Glasgow's net zero carbon target?*

Not applicable as this is a review of Committee effectiveness.

**Privacy and Data Protection Impacts:**

No impact

**8. Recommendations**

- 8.1 Committee is asked to consider and note the Annual Assessment and the future actions resulting from the Committee Member survey.