



Glasgow City Council

Finance and Audit Scrutiny Committee

Report by Head of Audit and Inspection

Contact: Duncan Black

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Item 3

23rd February 2022

Referral from Operational Performance and Delivery Scrutiny Committee

Purpose of Report

To advise members of a referral from the Operational Performance and Delivery Scrutiny Committee.

Recommendations

Committee is asked to:

- Note the contents of the report; and
- Instruct the Head of Audit and Inspection to review the arrangements for classification of Participatory Budgeting expenditure and report back the findings.

Ward No(s):

Citywide:

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

1. Introduction

- 1.1 At its meeting on 12 January 2022, the Operational Performance and Delivery Scrutiny Committee (OPDSC) received an update on Pupil Equity Fund (PEF) and Participatory Budgeting (PB). The Committee specifically wanted to understand the process of how funding is classified as PB; and sought assurances on the inclusion of PEF within PB as reported to OPDSC in November 2021.
- 1.2 An extract of the minute is attached at appendix 1. OPDSC referred to the Wellbeing, Empowerment, Community and Citizen Engagement City Policy Committee and the Finance and Audit Scrutiny Committee consideration of the current definition of PB that the Council was using in light of Scottish Government guidance and whether PEF should be categorised as PB.
- 1.3 This paper sets out the proposed action for the Finance and Audit Scrutiny Committee in response to this referral from OPDSC.

2. Proposed response

- 2.1 It is proposed that the Head of Audit and Inspection undertakes a review of how PB is classified, with reference to any national guidance, and the 2017 1% Framework Agreement between the Scottish Government and COSLA. This will determine the specific guidance that relates to PB and the extent to which the Council can demonstrate compliance with that guidance.
- 2.2 The review will also consider whether the inclusion of PEF within PB is consistent with that guidance.
- 2.3 On completion of the review, the Head of Audit and Inspection will report back findings to a future meeting.

3 Policy and Resource Implications

Resource Implications:

Financial: None

Legal: None

Personnel: None

Procurement: None

Council Strategic Plan: n/a

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2017-22

n/a

What are the potential equality impacts as a result of this report?

(no significant impact, positive impact or negative impact)

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

n/a

Sustainability Impacts:

Environmental: None

Social, including Article 20 opportunities: None

Economic: None

Privacy and Data Protection impacts: None

4 Recommendations

4.1 It is recommended that the Committee:

- Notes the contents of the report; and
- Instructs the Head of Audit and Inspection to review the arrangements for classification of Participatory Budgeting expenditure and report back the findings.

Appendix 1 – Extract from OPDSC minute 12 January 2022

OPERATIONAL PERFORMANCE AND DELIVERY SCRUTINY COMMITTEE'S MINUTES.

By video conference, 12th January 2022.

Operational Performance and Delivery Scrutiny Committee.

Present: Jane Morgan (Chair), Saqib Ahmed, Ade Aibinu, Dr Martin Bartos, Christina Cannon, Annette Christie, Feargal Dalton, Stephen Dornan, Rashid Hussain, Aileen McKenzie, Jacqueline McLaren, Kenny McLean, Martin Rhodes and David Turner.

Apology: Gary Gray.

Attending: M Hughes (Clerk); D Black, Head of Audit and Inspection; M McGinty, Head of Corporate Policy and Governance; G Gillespie, Executive Director of Neighbourhoods, Regeneration and Sustainability; B Monaghan, Director of Community Empowerment and Equalities; S Thomson (for the Chief Executive); D McClelland (for the Executive Director of Education Services); L Campbell (for the Chief Executive, Glasgow Life); and C MacKenzie (for the Head of Communication and Strategic Partnerships).

Pupil Equity Fund and Participatory Budgeting - Update noted – Instruction to Executive Director of Education Services and the Director of Community Empowerment and Equalities - Reference to Wellbeing, Empowerment, Community and Citizen Engagement City Policy Committee and Finance and Audit Scrutiny Committee.

5 With reference to the minutes of 17th November 2021 (Print 0, page 000) agreeing that a report be submitted to this committee regarding the background to the classification of the Pupil Equity Fund (PEF) and Participatory Budgeting (PB) and the standard and nature of options development and stakeholder engagement used in PEF allocations, there was submitted a joint report by the Executive Director of Education Services and the Director of Community Empowerment and Equalities

- (1) advising that,
 - (a) PEF was provided as ring-fenced specific grant to local authorities with national guidance provided by the Scottish Government; and
 - (b) PB was a process of democratic deliberation and decision-making in which people decide how to allocate a public budget;
- (2) highlighting
 - (a) the key principles of the PEF funding; and
 - (b) the development of PB in Glasgow; and
- (3) concluding that from the key principles and guidance outlined in the report, and the flexibilities afforded to school communities in how these fully devolved resources were deployed in best meeting local needs in attainment improvement, it was considered that there was a degree of alignment between PEF and PB.

After consideration, the committee

- (i) instructed the Executive Director of Education Services and the Director of Community Empowerment and Equalities to report back to committee on the 1% Framework Agreement

between the Scottish Government and COSLA in 2017 and confirm if the target would have been achieved without the inclusion of PEF in the calculations; and

- (ii) referred to the Wellbeing, Empowerment, Community and Citizen Engagement City Policy Committee and the Finance and Audit Scrutiny Committee consideration of the current definition of PB that the Council was using in light of Scottish Government guidance and whether PEF should be categorised as PB.