

## Governance, Risk and Best Value Committee

10.00am, Tuesday, 20 March 2018

### Present

Councillors Mowat (Convener), Main (Vice-Convener), Ian Campbell (substitute for Councillor Bridgman), Jim Campbell, Howie, Lang, McVey (substitute for Councillor Bird), Munro, Rae, Watt and Webber.

### 1. Minute

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#### Decision

To approve the minute of the Governance, Risk and Best Value Committee of 20 February 2018 as a correct record.

### 2. Outstanding Actions

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Details were provided on the outstanding actions arising from decisions taken by the Committee.

#### Decision

- 1) To agree to close the following Actions:
  - Action 8** - Status of the ICT Programme
  - Action 11** - Road Services Improvement Plan
  - Action 18** - Edinburgh Catering Services
  - Action 19** - ICT in Schools – Update
  - Action 20** - Corporate Governance Framework 2017-2017
  - Action 24(1)** - Licensing Forum – Review of Constitution and Membership
- 2) To ask for clarification on the Committee's input for the decision in Action 7(2) – Governance of Major Projects, in relation to the Boroughmuir High School lessons learned exercise.
- 3) To otherwise note the remaining outstanding actions.

(Reference – Outstanding Actions – 20 March 2018, submitted.)

### 3. Work Programme

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#### Decision

To note the work programme.

(Reference – Governance, Risk and Best Value Committee Work Programme – 20 March 2018, submitted.)

### 4. Internal Audit Quarterly Update Report Quarter 3 – (1 October-31 December 2017)

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Details were provided on the Internal Audit reviews completed in Quarter 3 together with an update on progress with the overall delivery of the 2017/18 Internal Audit plan.

#### Decision

- 1) To note the report by the Chief Internal Auditor.
- 2) To note that only 2 high rated findings were raised from work completed in Quarter 3. These related to the Lothian Pension Fund and would be presented to the Pensions Committee and Pensions Audit Sub-Committee for scrutiny at their meetings in March 2018.
- 3) To refer the Edinburgh Alcohol and Drug Partnership Contract Management and Asset Management Strategy audit reports to the Edinburgh Integrated Joint Board Audit and Risk Committee as the findings raised in these reports could have a direct impact on the services delivered by the Health and Social Care Partnership.
- 4) To note that no reports were referred by the Edinburgh Integration Joint Board Audit and Risk Committee to this Committee at their meeting on 1 December 2017.
- 5) To circulate performance information in regard to third party suppliers for Adult Drug and Alcohol services to members for information.
- 6) To ask that Internal Audit provide a future update on GDPR readiness.
- 7) To ask for a report on the Edinburgh Alcohol and Drug Partnership governance and reporting arrangements and that that report be referred on to the Edinburgh Alcohol and Drug Partnership.

(Reference – report by the Chief Internal Auditor, submitted.)

### 5. Internal Audit Annual Plan 2018-19

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The draft Internal Audit plan and supporting risk assessment for the period 1 April 2018 to 31 March 2019 was presented.

#### Decision

To approve the 2018/19 Internal Audit plan and supporting risk assessment.

(Reference – report by the Chief Internal Auditor, submitted.)

## **Declaration of Interests**

Councillors Ian Campbell, Main and Webber declared a non-financial interest in the above item as members of the Integration Joint Board.

## **6. Internal Audit Charter – Annual Update**

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The revised Internal Audit Charter for 2018/19 was presented. The charter set out the scope of the Internal Audit function, roles, responsibilities, objectives and reporting structures and was updated and submitted for approval annually.

### **Decision**

To approve the refreshed 2018/19 Internal Audit Charter.

(Reference – report by the Chief Internal Auditor, submitted.)

## **7. Internal Audit: Overdue Recommendations and Late Management Responses**

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The current overdue Internal Audit recommendations were considered together with audit reports that had been issued where final management responses had not been received within the two-week service standard.

### **Decision**

- 1) To note the status of the overdue Internal Audit recommendations as at 19 January 2018.
- 2) To note that there were two reports issued in draft as at 19 January where management responses were not received within the two-week service standard, and that one of these had been delayed due to changes in the Internal Audit team.
- 3) To note the proposals included at section 3.3 and 3.4 of the report to address challenges associated with timing of audit responses received and quality of evidence provided to support closure of recommendations.
- 4) To note that members would participate in future staff training on responding to audit reports.

(Reference – report by the Executive Director of Resources, submitted.)

## **Declaration of Interests**

Councillors Ian Campbell, Main and Webber declared a non-financial interest in the above item as members of the Integration Joint Board.

## **8. City of Edinburgh Council – External Audit Plan 2017-18**

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The 2017/18 External Audit plan for the Council and its charitable trusts by Scott-Moncrieff was presented.

Representatives from Scott-Moncrieff were in attendance for this item.

## **Decision**

- 1) To note the External Audit Plan for 2017/18.
- 2) To note that periodic updates on the work set out therein would be provided to the Committee.

(References – Governance, Risk and Best Value Committee, 18 December 2016 (item 5); - joint report by the Chief Executive and Executive Director of Resources, submitted.)

## **9. Audit Scotland Report – Equal Pay in Scottish Councils**

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Details were provided on Audit Scotland's Report on Equal Pay in Scottish Councils which had been published in September 2017. The Council had been chosen as one of the fieldwork Councils and a summary of the implementation of the Single Status Agreement was presented.

### **Decision**

- 1) To note Audit Scotland's report, Equal Pay in Scottish Councils, both in terms of its general conclusions and those of specific relevance within the City of Edinburgh Council context.
- 2) To note the progress made by the City of Edinburgh Council in having fair and transparent pay arrangements and regular equal pay audits to deliver pay equality.
- 3) To request a written member briefing on:
  - 3.1 the outstanding pay claims detailing those currently in employment with the Council and former employees;
  - 3.2 the grades of those claiming on the outstanding cases;
  - 3.3 how many of those cases had ACAS involvement and were going to tribunal; and
  - 3.4 how many were waiting for tribunal dates.

(Reference – report by the Executive Director of Resources, submitted.)

## **10. Annual Treasury Strategy 2018-19 – referral from the City of Edinburgh Council**

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The City of Edinburgh Council on 15 March 2018 considered a report on the proposed Treasury Management Strategy for the Council for 2018-17 which included an Annual Investment Strategy and Debt Management Strategy. The report was referred to the Governance, Risk and Best Value Committee for scrutiny.

### **Decision**

To note the report.

(References – Act of Council No 9 of 15 March 2018; referral report by the City of Edinburgh Council, submitted)

## 11. Corporate Catering Service - Update

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The Committee had noted proposed actions as part of a general turnaround and improvement plan for Edinburgh Catering Services. An update was provided on the current position in relation to the corporate element of the service.

### Decision

To note the report by the Executive Director of Resources.

(References – Governance, Risk and Best Value Committee, 31 October 2017 (item 7); report by the Executive Director of Resources, submitted.)

## 12. Roads Services Improvement Plan

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An update was provided on the progress being made with the implementation of the actions in the Road Services Improvement Plan and the different issues that impacted on road asset management performance across Council teams, together with the actions that the service would take to address them.

Progress would continue to be reported to the Committee on a regular basis.

### Decision

- 1) To note the report by the Executive Director of Place.
- 2) To note the change in the reporting arrangements.

(Reference –report by the Executive Director of Place, submitted.)

## 13. Licensing Forum – Review of Constitution and Membership

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Details were provided on the current appointment process for the Licensing Forum together with a proposed timeline for a review of the process.

### Decision

- 1) To note the information provided on the current appointment process.
- 2) To note that the process and constitution would be reviewed, with a revised process and constitution submitted to full Council for approval in June 2018.

(References – Governance, Risk and Best Value Committee, 20 February 2018 (item 1); - report by the Executive Director of Place, submitted.)

## 14. Welfare Reform – referral from the Corporate Policy and Strategy Committee

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The Corporate Policy and Strategy Committee had referred a report which detailed the Council's ongoing Welfare Reform activities, including the current Universal Credit position and benefit cap, to the Governance, Risk and Best Value Committee as part of its work programme.

### Decision

- 1) To note the report from the Corporate Policy and Strategy Committee.

- 2) To note that these reports would now be considered by the Committee on an annual basis.

(References – Corporate Policy and Strategy Committee, 27 February 2018 (item 5); referral report from the Corporate Policy and Strategy Committee, submitted.)

## 15. Whistleblowing Update

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The Committee considered a high level overview of the operation of the Council's whistleblowing hotline for the period 1 October to 31 December 2018.

### Decision

To note the report.

(Reference – report by the Chief Executive, submitted.)

## 16. Whistleblowing Annual Report

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A high level overview of whistleblowing activity between 1 December 2016 and 30 November 2017 was provided.

### Decision

To note the report.

(References – Finance and Resources Committee, 27 August 2015 (item 20); report by the Chief Executive, submitted.)

## 17. Whistleblowing Monitoring Report

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The Council, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting during consideration of the following item of business for the reason that it involved the likely disclosure of exempt information as defined in Paragraphs 1, 12 and 15 of Part 1 of Schedule 7(A) of the Act.

An overview of the disclosures received and investigation outcome reports completed during the period 1 October to 31 December 2017 was provided.

### Decision

To note the report.

(Reference – report by the Chief Executive, submitted)