

Item 4.1 - Minutes

Governance, Risk and Best Value Committee

10.00am, Tuesday, 25 September 2018

Present

Councillors Mowat (Convener), Main (Vice-Convener), Bird, Jim Campbell, Child (substituting for Councillor Munro), Duggart, Howie, Osler (substituting for Councillor Lang) and Rae.

1. Minute

Decision

To approve the minute of 28 August 2018 as a correct record.

2. Outstanding Actions

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

Decision

- 1) To agree to close the following Actions:
Action 10 – Complaints Management - Update – briefing note circulated on 19 September 2018
- 2) To update **Action 5** – Employee Engagement Update 2017 – analysis work was still being carried out, with a report expected to come to the Corporate Policy and Strategy Committee in December 2018 and to the Governance, Risk and Best Value Committee in January 2019.
- 3) To otherwise note the outstanding actions.

(Reference – Outstanding Actions – 25 September 2018, submitted.)

3. Work Programme

Decision

To note the Work Programme.

(Reference – Governance, Risk and Best Value Committee Work Programme – 25 September 2018, submitted.)

4. Internal Audit Update Report: as at 31 August 2018

Details were provided of Internal Audit (IA) reviews completed as at 31 August 2018, progress with the 2018/19 IA plan and current IA priorities.

Decision

- 1) To note the outcomes of the audit of Transfer of the Management of Development Funding Grant.
- 2) To note the progress with the delivery of the 2018/19 Internal Audit plan and the carried forward 2017/18 audits.
- 3) To note the progress with follow-up of open Internal Audit findings.
- 4) To note that the new follow-up system had been effectively implemented and would be supported with ongoing training delivered through September 2018.

(References – Governance, Risk and Best Value Committee, 31 July 2018 (item 5); report by the Executive Director of Resources, submitted.)

5. Internal Audit: Overdue Findings and Late Management Responses as at 31 August 2018

An update was provided on all overdue Internal Audit (IA) findings, and audit reports issued in draft, where final management responses had not been received within the agreed service standard timeframes. There were 141 open IA findings across the Council as at 31 August 2018, including the 30 historic findings that were reopened earlier in the year. A representative from the External Auditors was present for this item.

Decision

- 1) To note the status of overdue findings arising from Internal Audit reports as at 31 August 2018.
- 2) To note that Internal Audit was focussed on reviewing the significant quantity of evidence provided by directorates/divisions to support the closure of open and overdue findings during August 2018, with a five-week window (to 5 October 2018) being given to services to address and resolve any subsequent Internal Audit queries raised prior to findings being formally recorded as overdue (where appropriate).
- 3) To agree that an update on the three outstanding overdue findings for Place Directorate would be provided at the next meeting.

(References – Governance, Risk and Best Value Committee, 5 June 2018 (item 4); report by the Executive Director of Resources, submitted.)

6. Internal Audit Reports – Drivers Health and Safety and Resilience

The outcome of the final two Internal Audit (IA) reviews that supported the 2017/18 Internal Audit opinion, Drivers Health and Safety and Resilience, were presented.

Both reviews identified some significant control weaknesses. Management actions and implementation dates had been agreed and would be monitored as part of the ongoing IA follow-up process to ensure that agreed management actions were implemented and the risks identified mitigated effectively.

Decision

- 1) To note the outcomes of the Drivers Health and Safety and Resilience reviews.
- 2) To note the Council-wide risks associated with the findings raised.
- 3) To note that agreed management actions would be monitored as part of the Internal Audit follow-up process.

(References – Governance, Risk and Best Value Committee, 31 July 2018 (item 4); report by the Executive Director of Resources, submitted.)

7. City of Edinburgh Council – 2017/18 Annual Audit Report to the Council and the Controller of Audit

Details were provided of the principal findings arising from the City of Edinburgh Council's 2017/18 external audit, which focused primarily on the review of the financial statements, but also included consideration of the Council's financial management, financial sustainability, governance and transparency and arrangements to secure and demonstrate value for money.

Decision

- 1) To note that, following the audit process, it was anticipated that an unqualified audit opinion would be issued on the Council's Annual Accounts for 2017/18.
- 2) To refer the audited Annual Accounts for 2017/18 to the Finance and Resources Committee for approval and thereafter to Council for noting.
- 3) To note that, following approval by the Finance and Resources Committee, the audited Annual Accounts would be signed and submitted to the external auditor.
- 4) To note the areas of strength identified within the wider scope audit work and that progress in the delivery of the remaining improvement actions set out in the action plan in Appendix 4 of the auditor's report would be reported to the Committee during the year.

- 5) To agree that Place Directorate would provide a briefing note to members on the housing issues in the report.
- 6) To agree that a report be brought back to committee to provide a progress update on the Roads Improvement Programme.
- 7) To agree that the Governance, Risk and Best Value Committee Work Programme would be updated to include two overview reports; one on Housing and one on Health and Social Care, covering outstanding audit issues and the direction of travel. The Health and Social Care report was expected to include details of Integration Joint Board (IJB) governance and the responsibilities of the IJB and the Council.

(References – Governance, Risk and Best Value Committee, 26 September 2017 (item 8); report by the Executive Director of Resources, submitted.)

8. Looked After Children – Transformation Programme Progress Report

The Education, Children and Families Committee had considered a report on the progress of the Looked After Children transformation programme. The report was referred by to the Governance, Risk and Best Value Committee for consideration.

Decision

To note the report by the Executive Director for Communities and Families.

(References – Education, Children and Families Committee, 14 August 2018 (item 10); referral from the Education, Children and Families Committee, submitted.)