

Item 4.1 - Minutes

Governance, Risk and Best Value Committee

10.00am, Tuesday, 27 November 2018

Present

Councillors Mowat (Convener), Main (Vice-Convener), Bird, Cameron (substituting for Councillor Watt), Jim Campbell, Doggart, Howie, Key, Lang, Munro and Rae.

1. Minute

Decision

To approve the minute of 30 October 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 7** – Internal Audit Report – Housing Property Follow Up – May 2018
 - Action 12** – Internal Audit: Overdue Recommendations and Late Management Responses as at 31 August 2018
 - Action 15** – Quarterly Status Update – ICT Programme
 - Action 16** – Annual Assurance Schedule – Resources
 - Action 17** – Internal Audit: Training Attendance and Feedback
- 2) To otherwise note the outstanding actions.

(Reference – Outstanding Actions – 27 November 2018, submitted.)

3. Work Programme

Decision

To note the Work Programme.

(Reference – Governance, Risk and Best Value Committee Work Programme – 27 November 2018, submitted.)

4. Internal Audit: Capacity to Deliver the 2018/19 Internal Audit Plan as at 22 October 2018

Details were provided of proposals to rebase the 2018/19 Internal Audit plan and to address the estimated shortfall in Internal Audit capacity as at 22 October 2018. Following the update that was provided to Committee in August 2018, further details were provided of the capacity of Internal Audit to deliver the 2018/19 IA plan by 31 March 2019.

Decision

- 1) To note the reasons for the shortfall in Internal Audit capacity.
- 2) To note current progress with plan delivery.
- 3) To approve proposals to rebase the 2018/19 Internal Audit plan.
- 4) To note that following approval of the rebased plan, an estimated shortfall in Internal Audit capacity of approximately 345 days (the equivalent of 6 FTE and 14 audits) remained, impacting Internal Audit's ability to deliver the full 2018/19 Internal Audit plan by 31 March 2019.
- 5) To approve that relevant resource to complete the plan be allocated to Internal Audit to obtain sufficient assurance on the Council's key risks to support provision of the 2018/19 Internal Audit annual opinion as required by the Public Sector Internal Audit Standards.
- 6) To agree that a briefing note would be circulated, providing detail on how the City Deal Partnership would seek external assurance on its programme of activities.

(References – Governance, Risk and Best Value Committee, 28 August 2018 (item 11); report by the Executive Director of Resources, submitted.)

5. Internal Audit – CIPFA Benchmarking Exercise Outcomes and Actions

The outcomes of the Internal Audit Chartered Institute of Public Finance and Accountancy (CIPFA) 2018 audit benchmarking exercise were provided. The exercise was based on responses received from participating Internal Audit teams across UK local authorities. Potential areas for targeted improvement were highlighted and details were provided of how these had been addressed.

Decision

- 1) To note the outcomes of the CIPFA audit benchmarking club report.

- 2) To note the progress made by Internal Audit in addressing the key themes identified from the benchmarking exercise.

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

6. Corporate Leadership Team Risk Update

An update was provided on the Council's top risks and the key controls in place to mitigate them as at 24 October 2018. These risks and the associated controls had previously been scrutinised and challenged by the Corporate Leadership Team and were presented for oversight and review.

Decision

- 1) To note the Corporate Leadership Team Risk Update and the assurance provided by the risk management framework, controls and mitigations in operation.
- 2) To agree that a briefing note providing details of the membership and frequency of meetings of the Citizen's Panel would be provided.

(References – Governance, Risk and Best Value Committee, 28 August 2018 (item 10); report by the Executive Director of Resources, submitted.)

7. Corporate Governance Framework Self-Assessment 2017/18

The Council's Corporate Governance Framework self-assessment of its compliance with the framework for the financial year 1 April 2017 to 31 March 2018 was submitted for scrutiny. This was based on the Chartered Institute of Public Finance & Accountancy and Society of Local Authority Chief Executives model framework Delivering Good Governance in Local Government.

Decision

- 1) To note the Corporate Governance Framework Self-Assessment 2017-18.
- 2) To note that the Council overall had an effective framework and actions had been identified where improvement action was necessary.
- 3) To agree that the Convener would write to the Conveners of the Council's Executive Committees to ask that committees seek assurance from officers that Internal Audit recommendations were being actioned.

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

8. Change Portfolio

An update was provided on delivery and risk of the Council Portfolio of change. Since the last update to Committee in June 2018, the Corporate Leadership Team Change

Board had continued to meet monthly to monitor the overall shape and size of the portfolio, manage resource allocation and track project delivery.

Decision

- 1) To note the dashboard containing the status of projects within the portfolio as at the end of October 2018.
- 2) To note those projects which were currently assessed as Red and their supporting narrative and remedial action being taken.
- 3) To agree that future reports would include details of when the most recent reports were presented to Executive Committees on each project.
- 4) To agree that a briefing note providing more detail about the reasons for the budget pressure on the Edinburgh Leisure Sports Facilities and Schools project would be provided to members.

(References – Finance and Resources Committee, 5 June 2018 (item 12); report by the Chief Executive, submitted.)

9. Capital Theatres Company Performance Report 2017/18 – referral from the Culture and Communities Committee

The Culture and Communities Committee had considered the fifth annual Capital Theatres Company performance report prepared by the Executive Director of Place as a requirement of the Services Funding Agreement process adopted in 2013/14. The report had been referred to the Governance, Risk and Best Value Committee for consideration.

Decision

To note the report by the Executive Director of Place.

Declaration of Interests

Councillor Main declared a non-financial in this item as a Director of Capital Theatres and did not take part in the discussion.

(References – Culture and Communities Committee, 13 November 2018 (item 10); referral from the Culture and Communities Committee, submitted.)

10. Annual Assurance Schedule – Place

The Place Directorate Annual Assurance Schedule was submitted for scrutiny. Details were also provided of progress in developing an action plan to respond to the issues identified in the annual assurance statement.

Decision

- 1) To note the Place Directorate annual assurance schedule.

- 2) To note that an action plan was being developed to respond to the issues identified in the annual assurance statement, which would be combined with other Directorate plans to provide a composite action plan for reporting to the Corporate Policy and Strategy Committee.

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

11. Committee Reporting

Options developed by a short-life officer working group to improve the standard of committee reporting were detailed, including revised template options and a supporting workplan. Committee members were asked to consider the template options before referring the report to the Corporate Policy and Strategy Committee.

Decision

To refer the report to the Corporate Policy and Strategy Committee, with the following feedback:

- Members of the Governance, Risk and Best Value Committee considered that Options 1 and 2 had the most merit.
- Clear guidance should be provided to officers on completing equalities and sustainability impact assessments.
- It was important that the report author name should be on page 1 of the report.
- There should be a requirement to consider best value in the Financial Implications section.
- The Measures of Success section should be retained.

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

12. Whistleblowing Update

An overview was provided of the operation of the Council's whistleblowing service for the period 1 July to 30 September 2018.

Decision

To note the report, including that current follow-up arrangements for whistleblowing and Monitoring Officer reports should continue.

(References – Governance, Risk and Best Value Committee, 28 August 2018 (item 19); report by the Chief Executive, submitted.)

13. Resolution to Consider in Private

The Committee, under Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting for the following item of business on the grounds

that it involved the disclosure of exempt information as defined in paragraph 14 of Part 1 of Schedule 7(A) of the Act.

14. Whistleblowing: Monitoring Report

Details were provided of the disclosures received and investigation outcome reports completed during the 1 July to 30 September 2018.

Decision

To note the report.

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