

Minutes

Governance, Risk and Best Value Committee

10.00am, Tuesday, 17 September 2019

Present

Councillors Mowat (Convener), Bird, Jim Campbell, Child, Doggart, Gloyer, Main, Munn, Munro, Staniforth and Work.

1. Minute

Decision

To approve the minute of 13 August 2019 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 3 – Internal Audit Opinion and Annual Report for the Year Ended 31 March 2018

Action 6 (3) - City of Edinburgh Council – 2017/18 Annual Audit Report to the Council and the Controller of Audit

Action 10 - Business Bulletin -Governance, Risk and Best Value Committee

Action 11 - Internal Audit Quarterly Update Report: 26 November 2018 to 29 March 2019

Action 12 - Capital City Partnership: Progress Update

Action 14 (1) - Accounts Commission – Local Government in Scotland: Challenges and Performance 2019 – referral from the Finance and Resources Committee

Action 16 - Workforce Control Annual Report – referral from the Finance and Resources Committee

- 2) To agree that an update be provided on the Committee's Business Bulletin on the procedure for Committee oversight of the annual assurance statements (Action 3).
- 3) To add an expected completion date of November 2019 for Action 19.
- 4) To otherwise note the outstanding actions

(Reference – Outstanding Actions – 17 September 2019, submitted.)

3. Work Programme

Decision

- 1) To agree to a report on the management of sheltered housing, under Items for Scrutiny.
- 2) To add the review of the Member/Officer Protocol to the workplan with timescales for submission noting that the Protocol would be developed in consultation with members.
- 3) To agree that a workshop for members would be held prior to submission to the Committee.
- 4) To otherwise note the Work Programme.

(Reference – Governance, Risk and Best Value Committee Work Programme – 17 September 2019, submitted.)

4. City of Edinburgh Council – 2018/19 Annual Audit report to the Council and Controller of Audit

Details were provided of the principal findings arising from the City of Edinburgh Council's 2018/19 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 2018/19.

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- 2) To refer the audited Annual Accounts for 2018/19 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 Appendix 5 of the auditor's report would be reported to the Committee during the coming year.
- 5) To request that an update report be submitted in January 2020 on progress with the action plan.
- 6) To agree that the Convener would write to the Convener of the Policy and Sustainability Committee to request details of the Committee's planned scrutiny activities and when reports were expected.

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

5. External Review of Internal Financial Controls 2018/19

Details were provided of the 2018/19 external audit review of internal financial controls, which concluded that, whilst opportunities for further improvement existed and that there was a need, in some cases, to embed previous recommendations, the controls assessed were considered to be well-designed.

Decision

- 1) To note the findings of the 2018/19 external review on the effectiveness of the Council's internal controls.
- 2) To note that a further update on progress in implementation of the improvement actions contained within the report would be provided to the Committee in January 2020.

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

6. Capital Investment Programme – Outturn 2018/19 and Revised Budget 2019-24

The Finance and Resources Committee had referred a report which presented the final outturn for the Council's capital programme for 2018/19, including details of

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capital receipts and slippage/acceleration in projects within the Capital Investment Programme, to the Governance, Risk and Best Value Committee for consideration as part of its workplan.

The report also set out a revised capital budget for the period 2019-24.

Decision

To note the report by the Executive Director of Resources

(References – Finance and Resources Committee, 15 August 2019 (item 7); report by the Executive Director of Resources, submitted.)

7. Capital Monitoring 2019/20 Period 3 – referral from the Finance and Resources Committee

The Finance and Resources Committee had referred a report which set out forecast capital expenditure and income for the current financial year at month 3 and compared this with the revised capital budget, to the Governance, Risk and Best Value Committee for consideration as part of its workplan.

Decision

To note the report by the Executive Director of Resources.

(References – Finance and Resources Committee, 15 August 2019 (item 10); report by the Executive Director of Resources, submitted.)

8. Revenue Monitoring Outturn 2018/19 – referral from the Finance and Resources Committee

The Finance and Resources Committee had referred a report which set out the provisional 2018/19 revenue outturn position for the Council based on the unaudited financial statements to the Governance, Risk and Best Value Committee for consideration as part of its work programme.

Decision

To note the report by the Executive Director of Resources.

(References – Finance and Resources Committee, 15 August 2019 (item 6); report by the Executive Director of Resources, submitted.)

9. Revenue Monitoring 2019/20 Period Three

Details were provided on the main conclusions of the first quarterly revenue monitoring report for 2019/20.

Decision

To note the report by the Executive Director of Resources.

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

10. Treasury Management Annual Report 2018/19

The Finance and Resources Committee, and subsequently the City of Edinburgh Council, had considered a report on Treasury Management activity in 2018/19. The report was referred by the City of Edinburgh Council to the Governance, Risk and Best Value Committee for scrutiny.

Decision

To note the report by the Executive Director of Resources.

(References – Act of Council No 15 of 22 August 2019; Finance and Resources Committee, 15 August 2019 (item 8); report by the Executive Director of Resources, submitted.)

11. Corporate Governance Framework Self-Assessment 2018/19

Details were provided on the Council's Corporate Governance Framework (CGF) which 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.

The Council's self-assessment of its compliance with the framework for the financial year 1 April 2018 to 31 March 2019 was presented.

Decision

To note the report by the Chief Executive.

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

12. Whistleblowing Update

A high-level overview of the operation of the Council's whistleblowing service for the period 1 April to 30 June 2019 was provided.

Decision

To note the report by the Chief Executive.

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

13. Whistleblowing Monitoring Report

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 April to 30 June 2019 was provided.

Decision

- 1) To note the report.
- 2) To request that the Chief Officer, Edinburgh Health and Social Care Partnership, and the Executive Director of Place report to the December 2019 meeting of the Committee on progress with management actions, responses and timescales, in relation to cases raised by the Committee, and that these be added to the Committee Work Plan.

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