

Minutes

Governance, Risk and Best Value Committee

10.00am, Tuesday 22 November 2022

Present

Councillors Campbell (Convener), Bandel, Biagi, Faccenda, Cameron (substituting for Jenkinson), McVey, Miller, Mowat, Thornley, Younie and Whyte (substituting for Rust).

1. Minutes

Decision

- 1) To approve the minute of the Governance, Risk and Best Value Committee of 11 October 2022 as a correct record.
- 2) To approve the minute of the Governance, Risk and Best Value Committee of 31 October 2022 as a correct record.

2. Outstanding Actions

Details were provided of the Outstanding Actions arising from decisions taken by the Committee.

Decision

- 1) To agree to close the following actions:
 - Action 1 (3) – Change Portfolio
 - Action 13 (3) – Internal Audit: The Chartered Institute of Internal Auditors - External Quality Assessment
 - Action 15 (4, 5, 6 & 7) – Internal Audit Update Report: 1 May to 31 August 2022
 - Action 16 (1 & 2) – Implementation of Asbestos Recommendations (PL2107) – Service Area Response
 - Action 17 – Corporate Leadership Team Risk Report as at 29 August 2022
 - Action 18 (2) – Major Investigation Outcome Report (MCEC-19-19)
- 1) To otherwise note the remaining outstanding actions.

(Reference – Outstanding Actions November 2022, submitted.)

3. Work Programme

The Work Programme for November 2022 was presented.

Decision

To note the Work Programme.

(Reference – Work Programme November 2022, submitted.)

4. Business Bulletin

The Committee Business Bulletin for November 2022 was presented.

Decision

To note the Business Bulletin.

(Reference – Business Bulletin November 2022, submitted.)

5. Response to Emergency Motion – Edinburgh's Christmas

On 11 October 2022, the Governance, Risk and Best Value Committee approved the emergency motion by the SNP, Green and Liberal Democrat Groups. This report responded to the points outlined in the motion.

Motion

- 1) Reaffirmed paragraph 8 of the emergency motion, to request an audit of procurement service is added to the audit plan for 2023/24
 - 2) Asked the Convenor to write to the Minister for Business, Trade, Tourism and Enterprise on behalf of Committee outlining the risk and impact of public procurement procedures which prevented the Council from conducting due diligence on the price bid by tenderers and which compelled the Council to award contracts despite concerns regarding financial deliverability
 - 3) Called for officers to provide a further report to Committee within one cycle explaining in full the reasons for the choice of Open Single Stage Process for Edinburgh's Winter Festivals
- Moved by Councillor Miller, Seconded by Councillor Bandel

Decision

Adds additional recommendations as follows:

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- 1) To note the contents of the report and to discharge the action arising from the emergency motion approved on 11 October 2022.
- 2) Reaffirmed paragraph 8 of the emergency motion, to request an audit of procurement service was added to the audit plan for 2023/24 including how procurement risk was managed by service areas.
- 3) Asked the Convenor to write to the Minister for Business, Trade, Tourism and Enterprise on behalf of Committee, courtesy copying the Finance and Resources Convener, outlining the risk and impact of public procurement procedures on concession contracts which prevented the Council from conducting due diligence on the price bid by tenderers and which compelled the Council to award contracts despite concerns regarding financial deliverability. The letter would also request that lengthy procurement processes were reviewed to enable a dialogue to take place in order to reduce risk in certain circumstances.
- 4) To agree the Open Single Stage Process for Edinburgh's Winter Festivals report due for consideration by Finance and Resources Committee was referred to the Governance, Risk and Best Value Committee.

(Reference – report by the Executive Director of Place, submitted. Finance and Resources Committee of 10 October 2022 (item 1); referral from the Finance and Resources Committee, submitted.)

6. Capital Monitoring 2022-2023 - Month Five position - referral from Finance and Resources Committee

On 10 November 2022, the Finance and Resources Committee considered the Capital Monitoring 2022-2023 - Month Five position. The report provided capital expenditure and funding position as at month five and full-year outturn projections for the 2022/23 financial year, providing explanations for key variances.

Decision

- 1) To note the report.
- 2) To agree that the Committee referred the report back to the Finance and Resources Committee highlighting that Recommendation 1.3 within the referred report was a matter reserved to Council and out with Finance and Resource Committee's Terms of Reference.

(References – Finance and Resources Committee of 10 November 2022 (item 11); referral from the Finance and Resources Committee, submitted.)

7. Revenue Monitoring 2022/23 - Month 5 report - referral from Finance and Resources Committee

On 10 November 2022, the Finance and Resources Committee considered the Revenue Monitoring 2022/23 - Month 5 report. The report set out the projected Council-wide revenue budget position for the year, based on analysis of the first five months' financial data and projections of income and expenditure for the remainder of the year.

Decision

To note the report.

(References – Finance and Resources Committee of 10 November 2022 (item 9); referral from the Finance and Resources Committee, submitted.)

8. Revenue Budget 2023/27 - progress update - referral from Finance and Resources Committee

On 10 November 2022, the Finance and Resources Committee considered the Revenue Budget 2023/27 - progress update report. The report provided an update on the outcome of the most recent review of the Council's financial planning assumptions, which had resulted in an increased estimated savings requirement before mitigations of £76.5m in 2023/24 and £158.6m by 2026/27.

Decision

To note the report.

(References – Finance and Resources Committee of 10 November 2022 (item 12); referral from the Finance and Resources Committee, submitted.)

9. Sustainable Capital Strategy - referral from Finance and Resources Committee

On 10 November 2022, the Finance and Resources Committee considered the Sustainable Capital Strategy report. The report set out priorities for £1.2bn of Council capital investment, in alignment with the Council Business Plan, over the medium to long-term.

Decision

- 1) To note the report.
- 2) To agree that a briefing note would be provided to present further detail on the 30% uplift in tender prices for capital projects and to include an appendix with details on tenders issued by the Council for members to review.
- 3) To agree that a briefing note would be provided to advise Committee of any financial liabilities to the Council following the approval of City Plan and its policies.

(References – Finance and Resources Committee of 10 November 2022 (item 13); referral from the Finance and Resources Committee, submitted.)

10. Capital City Partnership - referral from Housing, Homelessness and Fair Work Committee

On 29 September 2022, the Housing, Homelessness and Fair Work Committee considered a report on the Capital City Partnership report. The report provided an update on progress against the objectives and targets detailed within the Service Level Agreement (SLA) between the Council and Capital City Partnership (CCP). Details were provided of ongoing changes in the strategic and operational employability environment at national and local level that would require the terms of the SLA to be kept under review and adapted, if necessary, to ensure it continued to strategically fit with local need and provides value for money for the Council.

Decision

To note the report.

(References – Housing, Homelessness and Fair Work Committee of 10 November 2022 (item 7); referral from the Housing, Homelessness and Fair Work Committee, submitted.)

11. Edinburgh's Christmas – Emergency Contract Award – referral from the Finance and Resources Committee Revenue

The Committee 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 8 and 9 of Part 1 of Schedule 7A of the Act.

On 10 October 2022, the Finance and Resources Committee considered Edinburgh's Christmas – Emergency Contract Award report. The report provided an update to Committee on the circumstances surrounding the contract CT1043 for the delivery of Edinburgh's Christmas by Angels Event Experience Ltd (AEE), and sought approval to undergo emergency procurement procedures to approve the direct award of a contract to deliver Edinburgh's Christmas for one year (2022/23) with the option of an extension for one further year to Unique Assembly, a consortium formed by Unique Events Ltd and Assembly Festival Ltd.

Decision

To note the report.

(References – Finance and Resources Committee of 10 October 2022 (item 1); referral from the Finance and Resources Committee, submitted.)

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