

# Minutes

## Governance, Risk and Best Value Committee

10.00am, Tuesday 31 October 2023

### Present

Councillors Booth (substituting Councillor Miller, Item 8.8-8.13), Faccenda, Fullerton (substituting Councillor Campell, item 8.2-8.13), Heap, Jenkinson, Kumar, Mowat, Mumford (substituting Councillor Miller, item 8.4-8.7), Nols-McVey, O'Neill (substituting Councillor Miller, item 8.1-8.3) Rust (item 1.1-8.7), Thornley and Younie.

### 1. Chair

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#### Decision

In the absence of the Convener, Councillor Nols-McVey was appointed to the Chair.

### 2. Minutes

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#### Decision

To approve the minute of the Governance, Risk and Best Value Committee of 19 September 2023 as a correct record.

### 3. Outstanding Actions

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

#### Decision

- 1) To agree to close:
  - Action 1 - First Line Governance and Assurance Model
  - Action 3 - Corporate Governance Code
  - Action 4.4 - Internal Audit: The Chartered Institute of Internal Auditors- External Quality Assessment
  - Action 5.2 - Internal Audit Update Report: 1 May to 31 August 2022

- Action 6.1 - Quarterly Status Update – Digital Services – Report by the Executive Director of Corporate Services
- Action 6.2 - Quarterly Status Update – Digital Services – Report by the Executive Director of Corporate Services
- Action 8 - Annual Assurance Schedule – Edinburgh Health and Social Care Partnership
- Action 10.2 - Corporate Governance Code Self-Assessment 2022/23

2) To otherwise note the remaining outstanding actions.

(Reference – Outstanding Actions October 2023, submitted.)

#### **4. Work Programme**

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The Committee Work Programme was presented.

##### **Decision**

To note the Work Programme.

(Reference – Work Programme October 2023, submitted.)

#### **5. Business Bulletin**

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The Committee Business Bulletin was presented.

##### **Decision**

To note the Business Bulletin.

(Reference – Business Bulletin October 2023, submitted.)

#### **6. Quarterly Status Update – Digital Services**

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The quarterly progress update on the Council's Digital Services programme of works was presented. It acknowledged that the Council and the Councils' technology partner, CGI UK Limited, had worked in partnership on the plan to improve stability of organisation IT estate.

##### **Decision**

To note the progress detailed in this quarterly update.

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

#### **7. The City of Edinburgh Council – 2022/23 Annual Audit report**

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A summary of the principal findings arising from the Council's 2022/23 External audit was provided with focus on the review of the financial statements and reference to the wider scope aspects of the audit including consideration of the Council's financial management, financial sustainability, vision, leadership and governance and use of resources to improve outcomes. An update on the progress in implementing the recommendations outlined in the Council's Best Value Assurance Report published in November 2020 was provided.

**Decision**

- 1) To note that, following the audit process, an unqualified audit opinion was issued on the Council's annual accounts for 2022/23;
- 2) To note that, following approval by the Finance and Resources Committee on 21 September 2023, the audited annual accounts were signed and submitted to the external auditor;
- 3) To note the external auditor's assessment of the four dimensions of the wider scope audit and progress in implementing the recommendations contained within the Council's Best Value Assurance Report; and
- 4) To note progress in the delivery of the resulting improvement actions set out in Appendix 1 of the auditor's report will be reported to the Committee during the coming year.

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

**8. Leadership of the development of new local strategic priorities - Best Value thematic work in City of Edinburgh Council 2022/23**

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The principal findings and recommendations resulting from Audit Scotland's review of the effectiveness of the Council's leadership in developing its strategic priorities following the 2022 local government elections were presented.

**Decision**

- 1) To note the key messages emerging from the thematic Best Value work recently undertaken by Audit Scotland;
- 2) To note that the Committee will receive updates on implementation of its recommendations as part of wider Best Value Audit progress reports; and
- 3) To agree that a briefing note will be circulated on engagement and implementation of strategic support for community centres and local hubs with details on which neighbourhood networks are functioning in advance of the next meeting of GRBV.

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

## **9. Revenue Monitoring 2023/24 – Month Three Report - referral from the Finance and Resources Committee**

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The Finance and Resources Committee had referred a report on 23 October 2023 on the projected Council-wide revenue budget position for the year. The report presented an analysis of the first three months' financial data and forecasts of income and expenditure for the remainder of the year, projecting an overall overspend of £13.2m, to the Governance, Risk and Best Value Committee for noting.

### **Decision**

To note the report by the Executive Director of Corporate Services

(References – Finance and Resources Committee of 23 October 2023 (item 1); referral from the Finance and Resources Committee.)

## **10. Revenue Monitoring – 2022/23 – Outturn Report – referral from the Finance and Resources Committee**

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The Finance and Resources Committee had referred a report on 21 September 2023 which set out the 2022/23 revenue outturn position for the Council based on the audited annual accounts, indicating an overall in-year underspend of £13.675m to the Governance Risk and Best Value Committee for noting.

### **Decision**

To note the report by the Executive Director of Corporate Services

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

## **11. Treasury Management: Annual Report 2022/23 – referral from the Finance and Resources Committee**

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The Finance and Resources Committee had referred the Treasury Management Annual Report 2022/23 on the 21 September 2023 to the Governance Risk and Best Value Committee for scrutiny.

### **Decision**

To note the report by the Executive Director Corporate Services

(References – Finance and Resources Committee of 21 September 2023 (item 9); referral from the Finance and Resources Committee.)

## **12. 2022-23 Capital Outturn, Month 3 Capital Monitoring and Revised 2023-33 Capital Budget Strategy – referral from the Finance and Resources Committee**

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The Finance and Resources Committee had referred a report on the 21 September 2023 on the 2022-23 Capital Outturn, Month 3 Capital Monitoring and Revised 2023-33 Capital Budget Strategy to the Governance, Risk and Best Value Committee.

**Decision**

To note the report by the Executive Director of Corporate Services

(References – Finance and Resources Committee of 21 September 2023 (item 8); referral from the Finance and Resources Committee.)

**13. Accounts Commission: Local Government in Scotland Overview 2023 – referral from the Policy and Sustainability Committee**

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The Policy and Sustainability Committee had referred a report on the 24 October 2023 on the Accounts Commission's recently published Local Government in Scotland Overview 2023 to the Governance, Risk and Best Value Committee.

**Decision**

To note the report by the Executive Director of Corporate Services

(References – Policy and Sustainability Committee of 24 October (item 17); referral from the Policy and Sustainability Committee.)

**14. Capital City Partnership: Progress Update – referral from the Housing, Homelessness and Fair Work Committee**

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The Housing, Homelessness and Fair Work Committee had referred a report on the 3 October 2023 on the Capital City Partnership: Progress Update to the Governance, Risk and Best Value Committee for noting.

**Decision**

To note the report by the Executive Director of Corporate Services

(References – Housing Homelessness and Fair Work Committee of 21 September 2023 (item 8); referral from the Housing Homelessness and Fair Work Committee.)

**15. Strategic Programme Board**

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The report referenced the Change Portfolio report that was previously considered every six-months at GRVB and summarized how the operational governance had evolved from the Change Portfolio to the Medium-Term Financial Plan. Reference was made to the overall risk being carried by the programme and the impact this could have on the Council's wider savings programme.

**Decision**

- 1) To note that this report partially replaces the Change Board update which previously came to Committee every six months;
- 2) To note the governance and risk management arrangements being used to oversee the development and delivery of the five-year Medium-Term Financial Plan;
- 3) To note that while this report details the governance and risk of the Medium-Term Financial Plan, oversight of delivery is the responsibility of the Finance and Resources Committee with policy direction being the responsibility of respective Executive Committee;
- 4) To agree that this governance and risk report should continue to come to GRBV every six months; and
- 5) To agree that risk associated with capital projects must continue to be reported to GRBV, through a regular six-monthly update report from the Capital Investment Board and that, as the Board is just being established, a business bulletin item will be provided on progress on this request to the next GRBV Committee.

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

## **16. Governance and Assurance Framework**

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An update was provided on the phased implementation of the Governance & Assurance Framework for the Council and an action plan for implementing the structure and guidance designed to support and strengthen the framework and outlined the work undertaken to embed improvements in governance was presented.

### **Decision**

To note the update on the development of a Governance & Assurance Framework for the Council.

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

## **17. Risk Management Policy – referral from the Policy and Sustainability Committee**

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The Policy and Sustainability Committee had referred a report on the 24 October 2023 the Council's Risk Management Policy to the Governance, Risk and Best Value Committee for information.

### **Decision**

To note the report by the Executive Director of Corporate Services

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(References – Policy and Sustainability Committee of 24 October 2023 (item 14); referral from the Policy and Sustainability Committee.)

## **18. Council Risk Appetite – referral from the Policy and Sustainability Committee**

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The Policy and Sustainability Committee had referred a report on the 24 October 2023 on the Council's Risk Appetite to the Governance, Risk and Best Value Committee for information.

### **Decision**

To note the report by the Executive Director Corporate Services.

(References – Policy and Sustainability Committee of 24 October 2023 (item 13); referral from the Policy and Sustainability Committee.)