

Governance, Risk and Best Value Committee

10.00am, Tuesday, 3 December 2019

Annual Assurance Schedule – Place Directorate

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 Committee is asked to:
 - 1.1.1 note the Annual Assurance Schedule for the Place Directorate; and
 - 1.1.2 note that an action plan will be developed in response to areas where controls need to be enhanced and/or revised.

Paul Lawrence

Executive Director of Place

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Report

Annual Assurance Schedule – Place Directorate

2. Executive Summary

- 2.1 This report provides Committee with the Annual Assurance Schedule from the Executive Director of Place for scrutiny. An action plan will be developed in response to areas where controls need to be enhanced and/or where these need to be revised.

3. Background

- 3.1 Each year the City of Edinburgh Council requires that the individual Executive Directors complete certificates of assurance that represent their professional view of the effectiveness and appropriateness of controls in their areas of responsibility. These certificates support the writing of the Annual Governance Statement which is a component part of the authority's Statement of Accounts.
- 3.2 An assurance schedule, to help prompt Executive Directors and relevant Heads of Service to consider various aspects of their control environment, is circulated in advance of certificates.
- 3.3 A review of the process was undertaken by Strategy and Communications in response to feedback received in relation to last year's exercise resulting in the implementation of a 'comply or explain' model. The format and design of documentation was also updated to reduce manual administration and implement auto-population of improvement actions. This is designed to help officers to use improvement actions to inform the corporate governance framework self-assessment exercise. The process will continue to be reviewed in line with feedback.
- 3.4 On [13 August 2019](#) the Chief Internal Auditor, in her annual opinion, reported significant weaknesses in regard to the Council's internal controls for the year ended 31 March 2019.

4. Main report

- 4.1 The Place Directorate Schedule of Assurance (appendix 1) was completed and returned to the Democracy, Governance and Resilience Team, after which a Certificate of Assurance was issued. This informed the drafting of the Annual

Governance Statement, submitted to Council as part of the Unaudited Annual Accounts for 2018/19.

- 4.2 The Certificates of Assurance require that Heads of Service and Executive Directors confirm that:
- 4.2.1 they have considered the effectiveness of controls in their service area/directorate, including controls in place to mitigate major risks to their service area/directorate's objectives;
 - 4.2.2 to the best of their knowledge, appropriate controls are in operation upon which they can place reasonable assurance and that there are no significant matters arising that should be raised specifically in the Annual Governance Statement (or otherwise); and
 - 4.2.3 they have identified actions that will be taken to continue improvement.
- 4.3 The schedule is completed by the relevant Executive Director.
- 4.4 Before signing their Certificate of Assurance, the Executive Director should ensure that the schedule has been completed accurately.
- 4.5 An action plan will be developed to address the areas where controls require to be strengthened or revised.
- 4.6 In addition, since completing the annual assurance schedule, it has been identified that the assurance carried out to ensure that Council policies are regularly reviewed and updated needs to be reviewed and strengthened. This will be included within the Directorate's action plan.
- 4.7 For context, the Place directorate remit includes Culture, Localities, Place Development and Place Management. An overview of the directorate is included in appendix 2.

5. Next Steps

- 5.1 An action plan will be developed to address areas where controls needed to be strengthened/revised, as identified within the Schedule of Assurance. In addition, this will include an action to improve systems for reviewing and updating Council policies.

6. Financial impact

- 6.1 The annual assurance process and production of the annual governance statement is contained within relevant service area budgets.

7. Stakeholder/Community Impact

- 7.1 There are no direct stakeholder/community impacts identified within the annual Schedule of Assurance.

8. Background reading/external references

8.1 None.

9. Appendices

9.1 Appendix 1 – Place Directorate Schedule of Assurance

9.2 Appendix 2 – Place Directorate Overview

Executive Director's Schedule of Assurance for the Annual Governance Statement

For the year ending 31 March 2019

Directorate	Place Directorate		
Completed by	Veronica Wishart / Alison Coburn	Job title	Senior Executive Assistant / Operations Manager
Signed off by	Paul Lawrence	Job title	Executive Director of Place
Print name of signatory	Paul Lawrence	Date of signature	10/05/2019

Reviewed by		Role	Democracy, Governance and Resilience Senior Manager
Issued to Internal Auditor		Date	

Introduction

The Statement of Accounts 2018/2019 includes the Annual Governance Statement signed by the Council Leader, the Chief Executive and the Head of Finance. The Annual Governance Statement is supported by Certificates of Assurance from each of the Executive Directors.

Before signing the Certificate of Assurance Executive Directors should ensure that this schedule has been completed accurately. The Certificates of Assurance require Executive Directors to confirm that:

1. they have considered the effectiveness of controls in their directorates, including controls in place to mitigate major risks to their directorate's objectives;
2. to the best of their knowledge, appropriate controls are in operation upon which they can place reasonable assurance and that there are no significant matters arising that should be raised specifically in the Annual Governance Statement (or otherwise); and
3. they have identified actions that will be taken to continue improvement.

Completing this schedule helps prompt Executive Directors to consider various aspects of their control environment before signing their Certificate of Assurance. Executive Directors should seek assurance through issue of a similar schedule to their Heads of Service to satisfy themselves that effective controls are in place across all service areas (suggested managers to provide information and/or responses are highlighted below).

This schedule should be used as a prompt to think about good governance and the internal control environment and is not an exhaustive list.

Section	Requirements	Supporting officers
Section 1	Internal Control Environment	Head of Service
Section 2	Risk and Resilience	Service Area Risk Committee Representative/Resilience Co-ordinator
Section 3	Workforce Controls	Head of Service
Section 4	Council Companies	Senior Relationship Lead / Company Observer(s)
Section 5	Policy	Head of Service
Section 6	Governance and Compliance	Head of Service
Section 7	Information Governance	Directorate Record Officers
Section 8	Health & Safety	SMT Health & Safety Lead
Section 9	Performance	Head of Service
Section 10	Commercial and Contract Management	Head of Service
Section 11	Change and Projects	Head of Service
Section 12	Financial Control	Service Area Financial Manager or Representative
Section 13	Group Accounts	RESOURCES only
Section 14	National Agency Inspection Reports	Head of Service
Section 15	Internal Audit, External Audit & Review Reports	Head of Service
Section 16	Progress	Executive Director

Guidance on completing the Schedule

The schedule should be completed by the Executive Director or by a nominated senior manager.

The format has changed to a 'comply or explain' model this year. **The primary worksheet for completion is the 'Assurance Statements' tab. Where improvement actions are recorded these will auto-populate the first column of the 'Improvement Plan' tab.**

Your assessment should consider how your directorate's arrangements would stand up to external scrutiny. Please note that although evidence does not need to be provided as part of this exercise, **responses made in the schedule may be subject to audit at a later date.** Additional guidance notes are provided below.

Please return your completed schedule to governance@edinburgh.gov.uk no later than 19 April 2019.

Step 1: Please address each statement in the "Assurance Statements" tab. The options for the response are included as a drop down. Please note this submission covers the financial year 1 April 2018 to 31 March 2019.

Step 2: Where a "Partially Compliant" or "Not Compliant" response is given, a clear explanation should be completed in the free text explanation cell to the right. There is no word limit however, responses should be as concise as possible. These should include a brief description and reference to any evidence that supports the position. You should also set out the actions that you will be taking to address the non-compliance in the "Improvement Actions" cell.

Step 3: On the "Improvement Plan" tab please provide the details for each "Action Owner" and "Action Deadline" where "Improvement Actions" have auto-populated from the "Assurance Statement" tab.

For further information or assistance please contact:

	Gavin King	Laura Callender
	Democracy, Governance and Resilience Senior Manager	Governance Manager
	Strategy & Communications	Strategy & Communications
	529 4239 or gavin.king@edinburgh.gov.uk	529 3655 or laura.callender@edinburgh.gov.uk

Internal Control Environment

1	Explanation
1.1	Please explain why your directorate is not fully compliant.
Corporate Governance Framework	6.2.1 Ensuring that risk management and internal control strategies, policies and arrangements are aligned with achieving objectives and evaluated on a regular basis. 6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.
1.2	Please explain why your directorate is not fully compliant.
Corporate Governance Framework	7.3.1 Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met. 7.3.2 Ensuring that internal and external audit arrangements provide assurance on governance arrangements and risks from 3rd party service delivery and that this is reflected in the annual governance statement
1.3	1. Please explain why reviews are not undertaken or were not effective and what needs to be done to rectify this. 2. Please describe any weaknesses that were identified that could have an impact on the Annual Accounts.
Corporate Governance Framework	6.2.1 Ensuring that risk management and internal control strategies, policies and arrangements are aligned with achieving objectives and evaluated on a regular basis. 6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor. 6.2.3 Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body; provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; and that its recommendations are listened to and acted upon.
1.4	Please detail any problems that have been identified and could have an impact on the Annual or Group Accounts.

Corporate Governance Framework	<p>4.2.1 Establishing and implementing robust planning and control cycles that take into account stakeholder input, risks and are adaptable to changing circumstance.</p> <p>4.2.2 Establishing effective KPIs and capacity to generate performance information that allows for the quality of services and projects to be assessed/measured regularly.</p> <p>6.1.1 Ensuring that risk management is embedded and clearly allocated in decision making throughout the organisation.</p> <p>6.2.1 Ensuring that risk management and internal control strategies, policies and arrangements are aligned with achieving objectives and evaluated on a regular basis.</p> <p>6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.</p> <p>6.2.3 Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body; provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; and that its recommendations are listened to and acted upon.</p>
Risk and Resilience	
2	Explanation
2.1	<p>Please explain why your risk management arrangements do not identify all of the key risks to your directorate (and the Council) including those arising from or that could impact on:</p> <ol style="list-style-type: none"> 1. Change (e.g. structural, service delivery, demographic and/or management); 2. Partnerships (external and internal); 3. Projects; 4. Legal or regulatory action(s); 5. Reputational damage; and 6. Bribery (e.g. the identification, recording and minimising of bribery risks).
Corporate Governance Framework	6.2.1 Ensuring that risk management and internal control strategies, policies and arrangements are aligned with achieving objectives and evaluated on a regular basis.
2.2	Please explain why current controls and procedures do not effectively record and manage the risks identified to a tolerable level and explain why suitable actions are not in place to mitigate the risk.
Corporate Governance Framework	6.2.1 Ensuring that risk management and internal control strategies, policies and arrangements are aligned with achieving objectives and evaluated on a regular basis.
2.3	<ol style="list-style-type: none"> 1. Please explain why regular reviews are not undertaken and what needs to be done to rectify this. 2. Please describe and evidence any weakness that were identified and the impact they could have on the Annual Accounts.
Corporate Governance Framework	<p>6.2.1 Ensuring that risk management and internal control strategies, policies and arrangements are aligned with achieving objectives and evaluated on a regular basis.</p> <p>6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.</p>
2.4	Please explain why the process(es) for escalation/communication to the relevant Risk Committees are inadequate.
Corporate Governance Framework	<p>6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.</p> <p>6.2.3 Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body; provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; and that its recommendations are listened to and acted upon.</p>
2.5	Please explain where your arrangements were inadequate and the instances when they failed to support and promote the relevant policies or procedures to your staff.

Corporate Governance Framework	1.3.1 Demonstrating commitment to adherence to the rule of the law and regulations while ensuring individuals fulfil their responsibilities and optimise available powers to the benefit of all. 1.3.2 Dealing with breaches, corruption and misuse of power effectively.
2.6	Your resilience and business continuity arrangements should include: 1. A Service Area Resilience Group and Workplan 2. A Resilience Coordinator and deputies for each essential activity area 3. A Counterterrorism Coordinator and deputy 4. A Building Incident Manager for each staffed Council premise; and 5. All who should have received the appropriate training. Please explain why you do not have these arrangements in place.
Corporate Governance Framework	6.1.1 Ensuring that risk management is embedded and clearly allocated in decision making throughout the organisation. 6.2.1 Ensuring that risk management and internal control strategies, policies and arrangements are aligned with achieving objectives and evaluated on a regular basis. 6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.
Workforce Controls	
3	Explanation
3.1	Please explain why the arrangements your directorate had in place did not ensure your directorate's workforce resources were managed properly.
Corporate Governance Framework	6.4.1 Ensuring that financial management is integrated at all levels of planning and control, and supports the achievement of outcomes and short-term financial and operational performance.
3.2	Please explain why your directorate's controls failed to effectively manage off-payroll workers/contractors.
Corporate Governance Framework	6.4.1 Ensuring that financial management is integrated at all levels of planning and control, and supports the achievement of outcomes and short-term financial and operational performance.
3.3	Please explain why your directorate's recruitment arrangements failed to meet requirements.
Corporate Governance Framework	1.1.2 Ensuring this is reflected in policies and processes that are regularly reviewed and monitored for compliance.
3.4	Please explain why your directorate's controls failed to effectively manage new starts, movers and leavers.
Corporate Governance Framework	1.1.2 Ensuring this is reflected in policies and processes that are regularly reviewed and monitored for compliance.
3.5	Please explain why your directorate's controls failed to ensure that statutory workforce requirements were met e.g. PVG/disclosure checks, statutory registration/qualification, European Working Time Directive, right to work in the UK.
Corporate Governance Framework	1.3.1 Demonstrating commitment to adherence to the rule of the law and regulations while ensuring individuals fulfil their responsibilities and optimise available powers to the benefit of all. 5.2.1 Ensuring clarity on roles, responsibilities and expectations for members and officers in terms of relationships and decision making.
3.6	Please explain why your directorate's arrangements have failed to effectively manage staff health and wellbeing.
Corporate Governance Framework	5.2.4 Ensuring arrangements are in place to support and maintain the health and wellbeing of the workforce.
3.7	Please explain why the arrangements your directorate had in place failed to ensure the effective delivery of staff training and development.

Corporate Governance Framework	5.2.2 Developing the capability of members and officers through the encouragement and provision of appropriate training and continued professional development tailored to their respective roles.
3.8	Please explain why your directorate's arrangements failed to support and manage staff performance.
Corporate Governance Framework	5.2.3 Ensuring arrangements are in place to consider leadership effectiveness and staff performance.
3.9	Please explain why your directorate's arrangements failed to ensure compliance with the Council's HR Policies and procedures including: 1. Employee Code of Conduct; 2. Disciplinary; 3. Grievance; 4. Bullying and Harassment; 5. Maintaining a register of gifts and hospitality; 6. Recording conflicts of interest; and 7. Recording and approving secondary employment where required.
Corporate Governance Framework	1.1.2 Ensuring this is reflected in policies and processes that are regularly reviewed and monitored for compliance.
3.10	Please explain why your directorate failed to consult and engage with recognised trade unions on a regular basis.
Corporate Governance Framework	2.2.1 Ensuring effective engagement with clarity of purpose, objectives and intended outcomes.
Council Companies	
4	Explanation
4.1	Please explain why your directorate's arrangements failed to effectively provide oversight and monitoring of Council companies.
Corporate Governance Framework	4.2.2 Establishing effective KPIs and capacity to generate performance information that allows for the quality of services and projects to be assessed/measured regularly. 7.3.1 Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met. 7.3.2 Ensuring that internal and external audit arrangements provide assurance on governance arrangements and risks from 3rd party service delivery and that this is reflected in the annual
4.2	Please explain why appropriate agreements were not in place with the ALEOs you are responsible for.
Corporate Governance Framework	7.3.1 Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met. 7.3.2 Ensuring that internal and external audit arrangements provide assurance on governance arrangements and risks from 3rd party service delivery and that this is reflected in the annual governance statement.
Policy	
5	Explanation
5.1	Please explain why your directorate's arrangements do not ensure staff awareness and understanding.
Corporate Governance Framework	1.1.3 Ensuring the organisation's ethical standards permeate all aspects of the organisation's culture and operation and are reflected in its policies and procedures
5.2	Please explain why your directorate's arrangements failed to ensure the annual review of the policies owned by your directorate.
Corporate Governance Framework	1.1.2 Ensuring this is reflected in policies and processes that are regularly reviewed and monitored for compliance.

Governance and Compliance	
6	Explanation
6.1	Please explain why your directorate's arrangements are not sufficient to ensure compliance with the framework, e.g. 1. Committee Terms of Reference and Delegated Functions; 2. Scheme of Delegation; 3. Contract Standing Orders; and 4. Financial Regulations.
Corporate Governance Framework	5.2.1 Ensuring clarity on roles, responsibilities and expectations for members and officers in terms of relationships and decision making 6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor. 7.3.1 Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met.
6.2	Please explain why your directorate was not fully compliant with the relevant Scottish, UK and EU legislation and regulations and any mitigating circumstances/reasons.
Corporate Governance Framework	1.3.1 Demonstrating commitment to adherence to the rule of the law and regulations while ensuring individuals fulfil their responsibilities and optimise available powers to the benefit of all. 1.3.2 Dealing with breaches, corruption and misuse of power effectively. 6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor. 7.3.1 Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met.
Information Governance	
7	Explanation
7.1	Please explain why your staff were not fully aware of their responsibilities and how this has impacted on compliance.
Corporate Governance Framework	6.3.1 Ensuring that data is properly managed, accurate and of a good quality.
7.2	Please explain why your directorate is not fully compliant.
Corporate Governance Framework	6.3.1 Ensuring that data is properly managed, accurate and of a good quality. 7.3.1 Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met.
Health & Safety	
8	Explanation
8.1	Please explain why your directorate's arrangements failed to ensure your staff were (1) fully aware of their H&S responsibilities and (2) trained appropriately.
Corporate Governance Framework	1.1.1 Developing a leadership culture based on values, integrity and public interest that is communicated and understood by all and forms the basis of a framework for decision making and action. 1.1.2 Ensuring this is reflected in policies and processes that are regularly reviewed and monitored for compliance. 1.1.3 Ensuring the organisation's ethical standards permeate all aspects of the organisation's culture and operation and are reflected in its policies and procedures. 5.2.4 Ensuring arrangements are in place to support and maintain the health and wellbeing of the workforce.
8.2	Please explain how your directorate failed to have the necessary H&S controls and procedures in place.
Corporate Governance Framework	5.2.4 Ensuring arrangements are in place to support and maintain the health and wellbeing of the workforce.
8.3	Please explain how your arrangements failed to ensure all applicable H&S laws and regulations were complied with.
Corporate Governance Framework	5.2.4 Ensuring arrangements are in place to support and maintain the health and wellbeing of the workforce.

8.4	Please explain the weaknesses you have identified in the governance and reporting structure for H&S in your directorate.
Corporate Governance Framework	5.2.4 Ensuring arrangements are in place to support and maintain the health and wellbeing of the workforce.
Performance	
9	Explanation
9.1	Please explain why the required arrangements were not in place.
Corporate Governance Framework	<p>1.1.3 Ensuring the organisation's ethical standards permeate all aspects of the organisation's culture and operation and are reflected in its policies and procedures.</p> <p>4.1.1 Supporting decision makers to take decisions based on objective information and rigorous analysis, whilst considering best value, risk, stakeholder views and future impacts.</p> <p>4.2.2 Establishing effective KPIs and capacity to generate performance information that allows for the quality of services and projects to be assessed/measured regularly.</p> <p>4.2.3 Ensuring that budgeting and resource planning is informed by realistic revenue and capital estimates and aims to deliver objectives, strategies and plans in a sustainable manner.</p> <p>5.1.1 Regularly reviewing and improving effectiveness through performance monitoring, benchmarking and other methods to achieve defined outcomes. 5.1.2</p> <p>Developing strategies and plans for the most appropriate model of delivery and allocation of resources to achieve the best possible outcomes.</p> <p>6.2.1 Ensuring that risk management and internal control strategies, policies and arrangements are aligned with achieving objectives and evaluated on a regular basis.</p> <p>6.4.1 Ensuring that financial management is integrated at all levels of planning and control, and supports the achievement of outcomes and short-term financial and operational performance.</p> <p>7.2.1 Elected member and senior management owned annual reporting on performance, best value and resource stewardship.</p>
9.2	Please explain why the required arrangements were not in place.
Corporate Governance Framework	2.3.2 Developing effective communication methods that encourage, collect and evaluate views and experiences while ensuring inclusivity.
Commercial and Contract Management	
10	Explanation
10.1	Please explain where your directorate's procurement activities failed to comply with the Council's Contract Standing Orders.
Corporate Governance Framework	<p>1.2.1 Ensuring the organisation's ethical standards are understood and upheld by external providers of services.</p> <p>1.3.1 Demonstrating commitment to adherence to the rule of the law and regulations while ensuring individuals fulfil their responsibilities and optimise available powers to the benefit of all.</p> <p>2.1.1 Demonstrating an open culture through decisions that have been subject to consultation and/or engagement, are public, evidenced, impact assessed and, where necessary, justification for confidentiality explained.</p>
Change and Projects	
11	Explanation
11.1	Please explain where your directorate failed to have the appropriate arrangements in place for any of its projects or programmes, including: 1. Clear business justifications; 2. Clear operational governance (i.e. authority to take decisions); 3. Effective controls to track delivery and take corrective action if required; and 4. A formal closure process.
Corporate Governance Framework	<p>4.1.1 Supporting decision makers to take decisions based on objective information and rigorous analysis, whilst considering best value, risk, stakeholder views and future impacts.</p> <p>4.2.1 Establishing and implementing robust planning and control cycles that take into account stakeholder input, risks and are adaptable to changing circumstance.</p> <p>4.2.2 Establishing effective KPIs and capacity to generate performance information that allows for the quality of services and projects to be assessed/measured regularly.</p>
Financial Control	
12	Explanation
12.1	Please explain where your directorate's financial controls failed to ensure compliance.

Corporate Governance Framework	6.3.1 Ensuring that data is properly managed, accurate and of a good quality. 6.4.1 Ensuring that financial management is integrated at all levels of planning and control, and supports the achievement of outcomes and short-term financial and operational performance.
12.2	Please explain (1) why your directorate's monitoring arrangements could not be relied upon to identify any problems or variances and, (2) if any, what these were.
Corporate Governance	4.2.3 Ensuring that budgeting and resource planning is informed by realistic revenue and capital estimates and aims to deliver objectives, strategies and plans in a sustainable manner.
12.3	Please explain (1) why your directorate did not have the required arrangements in place, and (2) the details of any material commitments or contingent liabilities that should have been notified to the CFO.
Corporate Governance Framework	4.3.1 Ensuring that the budgeting process and financial strategy are sustainable whilst considering objectives, service priorities, affordability and medium/long-term plans.
12.4	Please explain why your directorate did not have the required arrangements in place.
Corporate Governance Framework	6.1.1 Ensuring that risk management is embedded and clearly allocated in decision making throughout the organisation. 6.4.1 Ensuring that financial management is integrated at all levels of planning and control, and supports the achievement of outcomes and short-term financial and operational performance.
12.5	Please explain why your directorate did not have the required arrangements in place.
Corporate Governance Framework	6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.
12.6	Please explain why (1) your directorate did not have the required arrangements in place, and (2) if there were any issues that could have affected the Annual Accounts.
Corporate Governance Framework	6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.
Group Accounts (Resources only)	
13	Explanation
13.1	Please explain why (1) your directorate did not have the required arrangements in place, and (2) if there were any issues that could have affected the Group Accounts.
Corporate Governance Framework	6.4.1 Ensuring that financial management is integrated at all levels of planning and control, and supports the achievement of outcomes and short-term financial and operational performance.
13.2	Please explain why (1) your directorate did not have the required arrangements in place, and (2) if there were any issues that could have affected the Group Accounts.
Corporate Governance Framework	6.2.1 Ensuring that risk management and internal control strategies, policies and arrangements are aligned with achieving objectives and evaluated on a regular basis.
National Agency Inspection Reports	
14	Explanation
14.1	Please explain why your directorate did not have the required arrangements in place and provide detail on any issues that could have an impact on the signing of the Annual Governance Statement, including how these have been reported.
Corporate Governance Framework	6.2.3 Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body; provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; and that its recommendations are listened to and acted upon. 7.3.3 Ensuring that recommendations from Internal Audit, External Audit, peer challenge, reviews and inspections are welcomed and acted upon.

14.2	Please explain why your directorate did not have the required arrangements in place.
Corporate Governance Framework	6.2.3 Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; and that its recommendations are listened to and acted upon. 7.3.3 Ensuring that recommendations from Internal Audit, External Audit, peer challenge, reviews and inspections are welcomed and acted upon.
Internal Audit, External Audit & Review Reports	
15	Explanation
15.1	Please explain why your directorate did not have the required arrangements in place.
Corporate Governance Framework	6.2.2 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor. 6.2.3 Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; and that its recommendations are listened to and acted upon. 7.3.2 Ensuring that internal and external audit arrangements provide assurance on governance arrangements and risks from 3rd party service delivery and that this is reflected in the annual governance statement. 7.3.3 Ensuring that recommendations from Internal Audit, External Audit, peer challenge, reviews and inspections are welcomed and acted upon.
Progress	
16	Explanation
16.1	Please describe and detail any outstanding issues or recommendations.
Corporate Governance Framework	Not Applicable

Assurance Statement				
Ref	Statement	Response	If no, please explain	Actions to be taken
1	Internal Control Environment	Assessment of compliance	If not fully compliant, please explain	Improvement actions
1.1	I have internal controls and procedures in place throughout my directorate that are proportionate, robust, monitored and operate effectively.	Compliant		The Chief Internal Auditors annual opinion indicated that improvements could be made to the Council's internal control and assurance environment. An action plan has been prepared for Place services to improve controls in response to Internal Audit findings and controls are regularly reviewed as part of the delivery of services within the Place Directorate.
1.2	I have controls and procedures in place to manage the risks in delivering services through council companies, partners and third parties.	Compliant		
1.3	My internal controls and procedures and their effectiveness are regularly reviewed and the last review did not identify any weaknesses that could have an impact on the Annual Accounts.	Compliant		
1.4	The monitoring process applied to funding/operating agreements has not identified any problems that could have an impact on Annual or Group Accounts.	Compliant		
2	Risk and Resilience	Assessment of compliance	If not fully compliant, please explain	Improvement actions
2.1	I have risk management arrangements in place to identify the key risks to my directorate (and the Council).	Compliant		Place has a robust process for identifying, managing and escalating risk, in line with the Council's preferred approach. The Place Risk Management Committee meets regularly to review and update risks and an annual review of the risk register is underway to ensure that all risks and scoring are accurate.
2.2	I have effective controls and procedures in place to record and manage the risks identified above to a tolerable level or actions are put in place to mitigate and manage the risk.	Compliant		
2.3	The robustness and effectiveness of my risk management arrangements is regularly reviewed and the last review did not identify any weaknesses that could have an impact on the Annual Accounts	Compliant		
2.4	There is appropriate escalation/communication to the directorate Risk Committee and CLT Risk Committee (as appropriate) of significant issues, risks and weaknesses in risk management.	Compliant		
2.5	I have arrangements in place to promote and support the Council's policies and procedures for staff to raise awareness of risk concerns, Council wrongdoing and officer's misconduct.	Compliant		

2.6	My directorate has appropriate resilience arrangements in place and my directorate's business continuity plans and arrangements mitigate the business continuity risks facing our essential activities.	Partially compliant	Need to establish the continuity plans should there be loss of premises i.e. depots	As per the report to GRBV, BIA are in place however, actions identified will need to be progressed in accordance with the Council's business continuity arrangements. Specific business continuity plans are in place for key service activities and these are reviewed on a regular basis. Place is also progressing with implementation of the findings of the recent Business Continuity Audit and is working closely with the corporate team on this.
3	Workforce Control	Assessment of compliance	If not fully compliant, please explain	Improvement actions
3.1	I have arrangements in place to ensure workforce resources are managed properly, including compliance with payroll policies, overtime controls, absence management and performance e.g. home/remote working.	Compliant		
3.2	I have robust controls in place to manage off-payroll workers/contractors, including agency workers and consultants, ensuring approved framework contracts have been used and that those engaged are wholly compliant with the provisions of IR35 Council guidance and procedures.	Compliant		
3.3	I ensure that recruitment and selection is only undertaken by appropriately trained individuals and is fully compliant with Council policies and procedures, including vacancy approvals and controls.	Compliant		
3.4	I have robust controls in place to manage new starts, movers and leavers, including induction and mandatory training, IT systems security (access and removal) and access to buildings and service users' homes.	Partially compliant	Induction training is not consistently applied.	All new starts in Place are invited to attend the Corporate induction sessions. Induction to service areas and roles is undertaken at service level. Consideration will be given to developing a Place induction programme. Place follow the Council's procedures in respect of movers and leavers.
3.5	I have robust controls in place to ensure that statutory workforce requirements are met.	Compliant		
3.6	I have arrangements in place to manage staff health and wellbeing; ensuring that sickness absence, referral to occupational health and stress risk assessments is managed in compliance with the Council's HR policies.	Compliant		
3.7	I ensure compliance with essential training requirements and support learning and development appropriately, including professional CPD requirements.	Partially compliant	Some weaknesses were identified by Internal Audit regarding Essential learning across the Council.	Senior Managers are reminded of their duties and responsibilities as part of the annual conversation process and improvements to the processes for Essential Learning will be implemented in line with the corporate approach to this.
3.8	I have arrangements in place to support and manage staff performance e.g. regular 1:1/supervision meetings, performance/spotlight conversations.	Compliant		
3.9	I ensure compliance with the Council's HR policies and procedures across all of my service areas.	Compliant		

3.10	I regularly consult and engage with recognised trade unions.	Compliant		
4	Council Companies	Assessment of compliance	If not fully compliant, please explain	Improvement actions
4.1	I have arrangements in place for the oversight and monitoring of the Council companies I am responsible for, that give me adequate assurance over their operation and delivery for the Council.	Compliant		
4.2	I have an appropriate Service Level Agreement, or other appropriate legal agreement, in place for each Arm's Length External Organisation that I am responsible for.	Compliant		Legal agreements are in place for all of the arms length companies which are aligned to Place activities. The form of these agreements is determined by the nature of the organisation and the delivery of service.
5	Policy	Assessment of compliance	If not fully compliant, please explain	Improvement actions
5.1	I have arrangements in place to ensure all directorate staff are made aware of and fully understand the implications of all relevant existing and new council policies and procedures.	Compliant		
5.2	I have arrangements in place for the annual review of policies owned by my directorate, via the relevant executive committee, to ensure these comply with the Council's policy framework.	Compliant		
6	Governance and Compliance	Assessment of compliance	If not fully compliant, please explain	Improvement actions
6.1	I ensure directorate staff are aware of their responsibilities in relation to the Council's governance framework and that the authority, responsibility and accountability levels within my directorate are clearly defined, with proper officer designation delegated, recorded, monitored, revoked and reviewed regularly to ensure ongoing compliance with the Scheme of Delegation.	Partially compliant		A review of delegated authority within Place is being progressed to ensure that appropriate governance and controls are in place. The Operations Manager is leading on this and liaising with Legal Services colleagues as appropriate. This will be reviewed on an annual basis and/or as changes take place (either service or personnel).
6.2	I ensure my directorate's activities are fully compliant with relevant Scottish, UK and EU legislation and regulations.	Compliant		

7	Information Governance	Assessment of compliance	If not fully compliant, please explain	Improvement actions
7.1	I ensure directorate staff are made aware of their responsibilities in relation to the proper management of Council information, including the need to adhere to relevant legislation, Council policies, procedures and guidance around: information governance; records management; data quality; data breaches and privacy impact assessments; information rights; information compliance; information security; and ICT acceptable use.	Compliant		
7.2	I ensure data sharing arrangements with third parties are recorded, followed and regularly reviewed throughout all service areas in my directorate.	Compliant		
8	Health and Safety	Assessment of compliance	If not fully compliant, please explain	Improvement actions
8.1	Directorate staff are made aware of their responsibilities under relevant H&S policies and procedures and I have appropriate arrangements in place for the identification and provision of H&S training necessary for all job roles, including induction training.	Partially compliant	Induction training is not consistently applied.	All new starts in Place are invited to attend the Corporate induction sessions. Induction to service areas and roles is undertaken at service level. Consideration will be given to developing a Place induction programme. Specific Health and Safety training and awareness of roles and responsibilities is undertaken at service area level, depending on duties. Close links are in place with the corporate Health and Safety team also.
8.2	I have the necessary arrangements in place to establish, implement and maintain procedures for ongoing hazard identification, risk assessment and the determination of necessary controls to ensure all H&S risks are adequately controlled.	Partially compliant		Necessary arrangements are in place to establish, implement and maintain procedures however some recent issues have been identified which mean that, as well as putting in place actions to deal with these issues, a review of procedures will be undertaken across Place services.
8.3	I have competencies, processes and controls in place to ensure that all service areas in my directorate, and other areas of responsibility, operate in compliance with all applicable H&S laws and regulations.	Compliant		
8.4	I have a robust governance and reporting structure for H&S in my directorate.	Compliant		
9	Performance	Assessment of compliance	If not fully compliant, please explain	Improvement actions

9.1	I have arrangements in place for reporting to CLT, Committee and/or Council when performance monitoring identifies inadequate service delivery or poor value for money and ensure that improvement measures to address these issues are implemented and monitored.			As per the report to GRBV in Nov 2018, a suite of Key Performance Indicators was developed for Place. This was prepared on a balanced scorecard approach, with the focus on outcomes rather than outputs. This includes data gathering on a regular basis (will be monthly, quarterly or annually depending on the KPI) and will be reported to Place Senior Management Team meetings, to CLT and to Committee/Council in line with the regular reporting schedule. This will sit alongside reporting on the Programme for the Capital reporting on a six monthly basis. Place has action plans in place in two service areas currently to address identified performance issues (Roads and Building Standards). Progress is monitored regularly and reported to the appropriate committee.
		Partially compliant		
9.2	I have appropriate arrangements in place throughout my directorate for recording, monitoring and managing customer service complaints and customer satisfaction.			As per the report to GRBV in Nov 2018, a review of Place's approach to responding to customer complaints and response times is underway to ensure consistency and compliance with the Council's processes and procedures. An action plan will be implemented if the findings indicated that Council timescales for response are not being achieved or that there are issues with compliance
		Partially compliant		
10	Commercial and Contract Management	Assessment of compliance	If not fully compliant, please explain	Improvement actions
10.1	I ensure all goods, services and works are procured and managed in compliance with the Contract Standing Orders.			Managers in Place work closely with the Procurement team on this, with regular updates provided to Senior Managers. Place and procurement will work together to ensure that these arrangements are maintained and enhanced as and when any issues arise.
		Compliant		
11	Change and Project Management	Assessment of compliance	If not fully compliant, please explain	Improvement actions
11.1	All projects and programmes have a clear business justification, as a minimum this should articulate outcomes and benefits; have appropriate governance in place to support delivery; effective controls in place to track delivery progress and to take corrective action if required; have a robust benefits management framework in place; and ensure that a formal closure process is undertaken.			As reported to GRBV in November, a review of projects underway in the directorate has been undertaken and the findings are currently being considered corporately before local actions will be identified.
		Partially compliant		
12	Financial Control	Assessment of compliance	If not fully compliant, please explain	Improvement actions
12.1	The operation of financial controls in my directorate is effective in ensuring the valid authorisation of financial transactions and maintenance of accurate accounting records.			
		Compliant		
12.2	I am confident that the arrangements in place to monitor expenditure/budget variances would identify control problems or variances that could have an effect on the Annual Accounts.			
		Compliant		

12.3	I have arrangements in place to ensure all material commitments and contingent liabilities (i.e. undertakings, past transactions or events resulting in future financial liabilities) are notified to the Chief Financial Officer.	Compliant		
12.4	I have arrangements in place to review and protect assets against theft, loss and unauthorised use; identify any significant losses; and, ensure the adequacy of insurance provision in covering the risk of loss across my directorate.	Partially compliant		As reported to GRBV in November, a review of arrangements for all operational buildings managed by Place and Localities is required to ensure that arrangements are being applied consistently.
12.5	I have arrangements in place for identifying any weaknesses in my directorate's compliance with Council financial policies or statutory/regulatory requirements.	Compliant		
12.6	I have arrangements in place for identifying any internal control, risk management or asset valuation problems within my directorate's service areas that could affect the Annual Accounts.	Compliant		
13	Group Accounts (Resources only)	Assessment of compliance	If not fully compliant, please explain	Improvement actions
13.1	I have arrangements in place for identifying and reviewing any developments during the year that should lead to additions, deletions or amendments to the companies included in the Group Accounts.			
13.2	I have arrangements in place to identify and review any internal control, risk management or asset valuation problems with Council companies that could affect the Group Accounts.			
14	National Agency Inspection Reports	Assessment of compliance	If not fully compliant, please explain	Improvement actions
14.1	I have arrangements in place to identify any reports relating to my directorate and can confirm that there were no inspection reports that could impact on the signing of the Annual Governance Statement.	Compliant		
14.2	I have arrangements in place that adequately monitor and report on the implementation of recommendations.	Compliant		
15	Internal Audit, External Audit and Review Reports	Assessment of compliance	If not fully compliant, please explain	Improvement actions
15.1	I have arrangements in place to ensure that all recommendations from any internal audit, external audit or review report published during the year, that have highlighted high, medium or significant control deficiencies, have been (or are being) implemented and that this is monitored effectively.	Partially compliant	There remain outstanding overdue audit actions in P	Internal Audit actions are reviewed on a regular basis and actions are progressed in line with the management actions agreed in the audit report. In some cases it is not possible to complete these actions in the timeframe or the context changes which means that the action changes. These are reviewed regularly and updates added to TeamCentral as appropriate.
16	Progress	Assessment of compliance	If not fully compliant, please explain	Improvement actions

16.1	All outstanding issues or recommendations arising from this exercise, commissioned reviews, committee reports and other initiatives in previous years have been addressed satisfactorily.	Partially compliant		As reported to GRBV, all outstanding actions from Committee are now being tracked through action logs for individual committee's and regular updates are included in the rolling action logs and /or within Committee reports. The outstanding actions are reviewed as part of the process for Committee planning and reporting and Committee work programmes are updated to bring forward reports and updates as required. IA actions are now being tracked through TeamCentral and will be monitored closely on an on-going basis
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3 December 2019

Place Directorate Overview

Place Directorate

The Place Directorate is responsible for a number of the Council's frontline services, including **waste and street cleansing, parks, greenspace, cemeteries and roads**, alongside the development, management and maintenance of the Council's **housing stock**.

We are also responsible for development and management of **housing, licensing, regulation and Planning** in the city, alongside providing support for **business growth** and developing **inclusion** programmes which support people to find and retain employment.

The city's cultural heritage and activities attract local people and visitors alike to visit the **museums, galleries and cultural venues** and the **culture** service works closely with local, national and international partners to support and deliver a programme of festivals, events and attractions for the city



Paul Lawrence
Executive Director of Place

Place Directorate continued

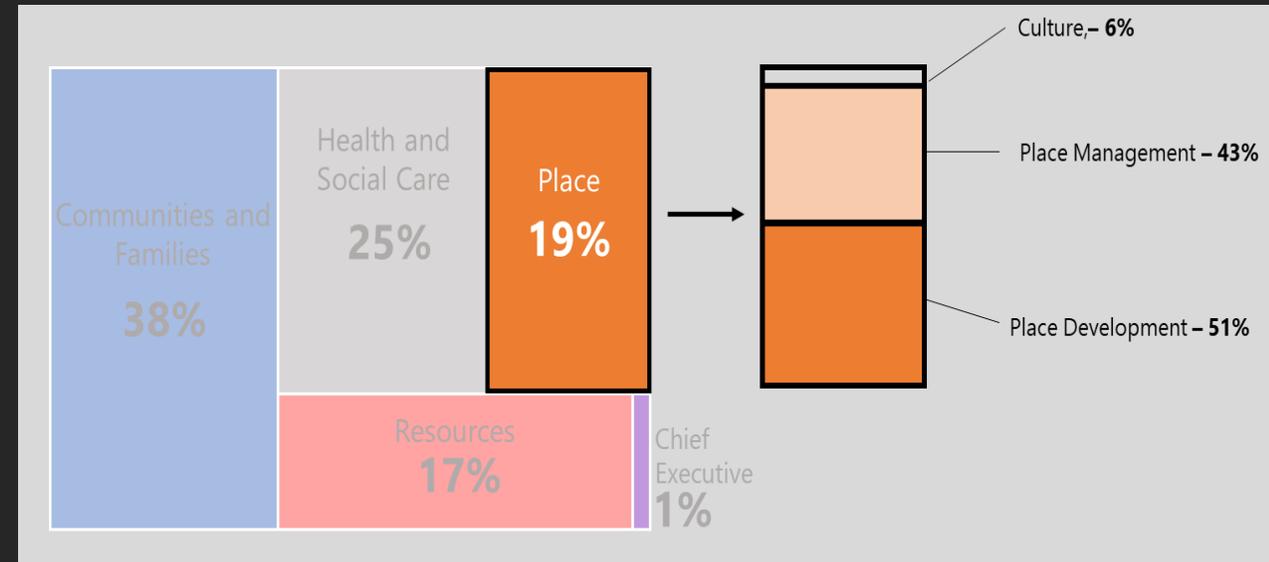
The Place Directorate employed 2,573 people on 1 April 2019 with a further 336 people employed on a casual basis (e.g. in cultural venues)

The **gross budget** for Place is roughly **£240 million**, however the **net budget** is just **£43.5 million**, reflecting the significant income and ring-fenced accounts which are managed within the Directorate

Of the £196 million of “income”, **49% comes from specific purpose grants** or grants we administer such as **affordable housing, ringfenced funds and the Housing Revenue Account**. 13% comes from service provided to other areas of the Council and 38% comes from external customers and the capitalisation of revenue costs.

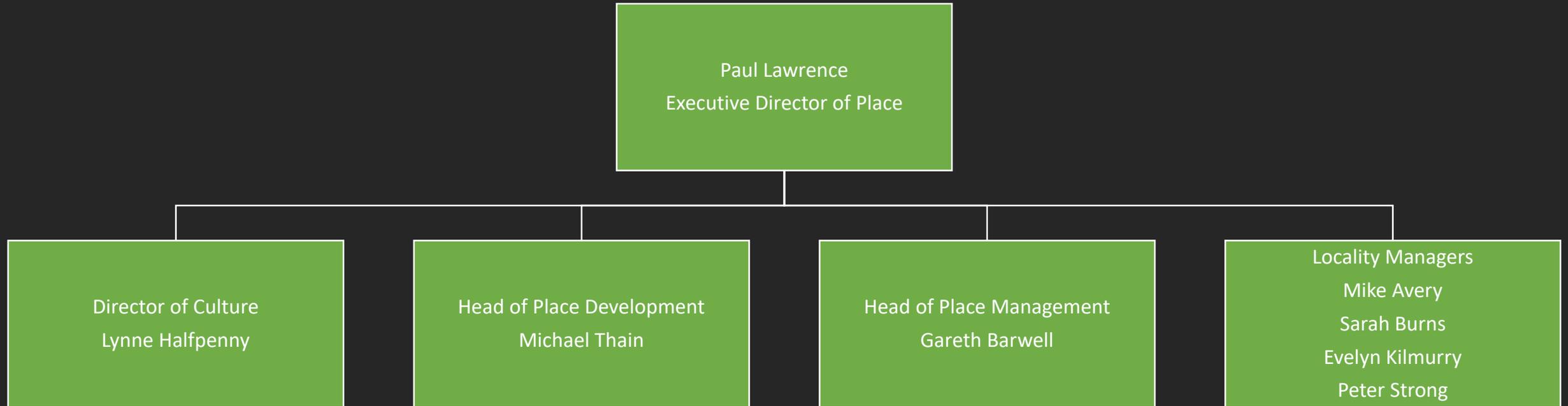


Net Budget
£43.5 million



Gross Budget
£240 million

Place Senior Management Team



Culture Service

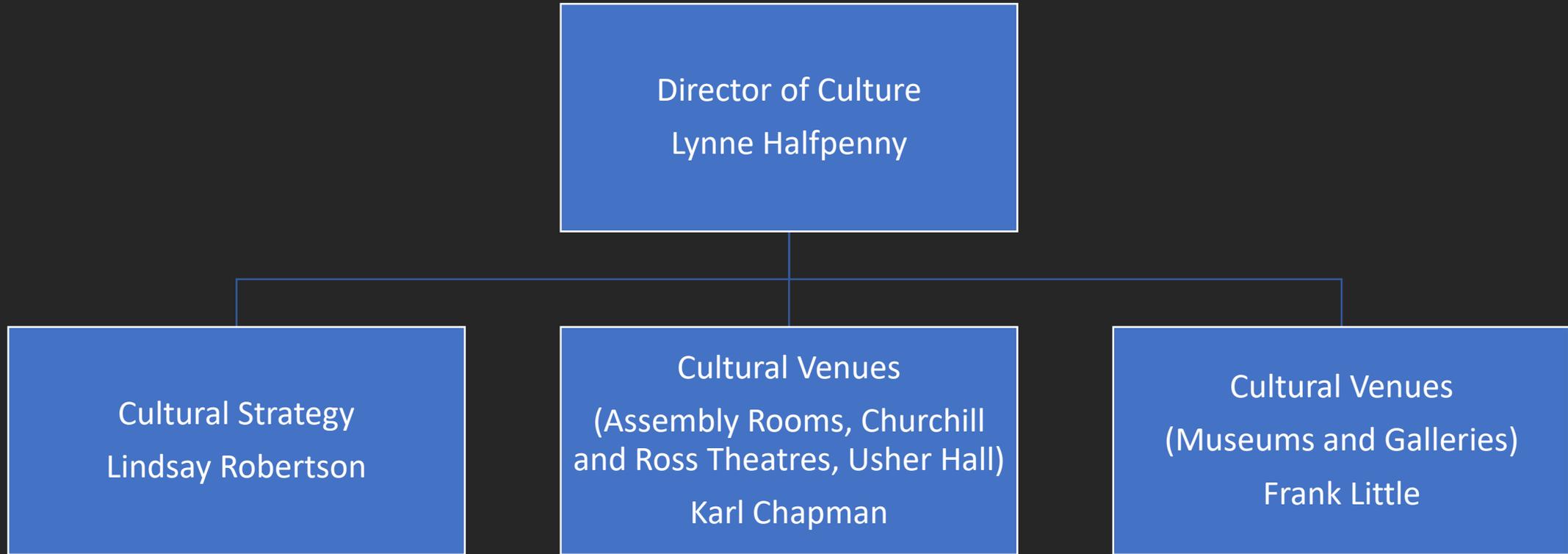
The Culture Service is responsible for the:

- Development and delivery of the city's cultural strategy, Festivals and Events
- Council's cultural venues and events spaces such as: Assembly Rooms, Churchill and Ross Theatres, Usher Hall
- City's museums and galleries service



Lynne Halfpenny
Director of Culture

Culture Service Senior Management Team



Culture

Place Directorate

£7.8 m (Service area net budget)

£43.5m (Directorate net budget)

We have a rich history of supporting arts and culture. Working with partners across the city and beyond, the **culture service supports the people who deliver festivals, events and arts initiatives**. Our **public safety** team ensure the safe delivery of year round events across the city.

The **cultural venues** include The Usher Hall, the Assembly Rooms, the Church Hill Theatre and the Ross Bandstand and attract more than 500,000 people per year to a concerts, festivals, community projects and events.

Through the **Capital Theatres Trust**, we provide backing for the Festival and King's theatres as well as supporting other cultural infrastructure across the city through cultural grants programmes.

We operate a wide variety of **museums and galleries** from the City Arts Centre and the Queensferry Museum to the Scott and Nelson Monuments, attracting over 750,000 visitors per year. A number of the collections have been formally recognised as being of national significance by the Scottish Government.

There were **4.6 million tickets sold** to the **major festivals in Edinburgh** last year. Only the Olympics and the FIFA Men's World Cup sell more tickets. This is the equivalent of **every resident of Edinburgh** buying 9 tickets each



132 Staff (112.69 Full Time Equivalent)

£5m

Cultural strategy

£6.5m

Cultural venues

£2m

Museums and galleries £500 k

What we spend

£14 million

Funding and income

£6.2 million

Cultural events and venues £4.2m

Museums and galleries

£1 m

Cultural strategy funding

£1 m

Total Collection

Collection on Display

Size of the Louvre collection



At **200ft** (60m) tall, the **Scott Monument** is taller than the Statue of Liberty (46m) and is the **largest monument to a novelist** anywhere in the world.

Our **Museums and Galleries** staff look after a collection of nearly **200,000 pieces** although we only have space to **display fewer than half** of them. For comparison, there are **38,000 pieces on display on the Louvre**.

Place Development

The Place Development service is responsible for:

- Development and delivery of Business Growth and Inclusion programmes
- Supporting commercial development, regeneration and investment in the city
- Building, maintaining and supporting the development of affordable housing in the city
- Developing Planning and Transport policy, and processing of Planning and Building Standards applications
- The Council's Regulatory services which includes Licensing, Trading Standards and Environmental Health



Michael Thain
Head of Place Development

Place Development Senior Management Team

Michael Thain
Head of Place
Development

Senior Manager
Business Growth
and Inclusion
Appointment to
be confirmed

Senior Manager
Commercial
Development
and Investment
David Cooper

Senior Manager
Housing
Development
and Operations
Elaine Scott

Acting Senior
Manager
Housing Property
Willie Gilhooly

Citywide
Planning and
Transport
Manager
David Givan
John Inman
David Leslie

Senior Manager
Regulatory
Andrew Mitchell

Citywide
Planning and
Transport
Manager
Ewan Kennedy

Place Development

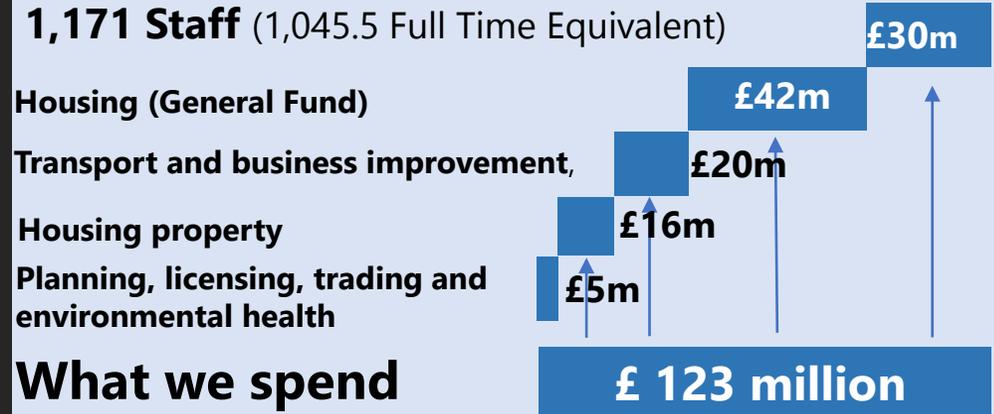


-£19.1 m (Service area net budget)

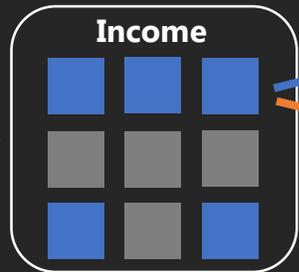
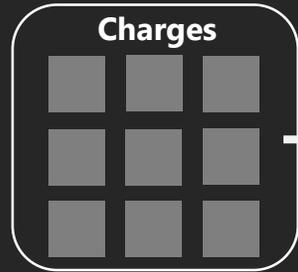
Place Directorate

£43.5m (Directorate net budget)

We are responsible for **building standards, housing development and operational management, planning, licensing and regulation**, strategic development of the city's **roads, business growth and inclusion**. Bringing together services that support the sustainable development of the city and through our economy strategy, we support good growth through innovation, inclusion and collaboration. This includes the management of **planning and license applications, food safety, modern apprenticeships, parking, public transport, active travel and road safety**. The division is also responsible for oversight of the Council's transport and housing companies.

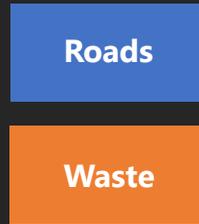


We raise some income through charges



This income comes from specific areas such as **Parking**

Money raised from parking is **restricted** for re-investment in related services such as **Roads**



It **cannot be used to directly subsidise other, unrelated services** such as **Waste**

What we spend

Funding and income **£142.1 million**



We currently have a stock of **19,853 Council Houses**

There are currently more than **19,000 businesses registered in Edinburgh**

91% have fewer than 50 employees

4% have more than 250



Place Management

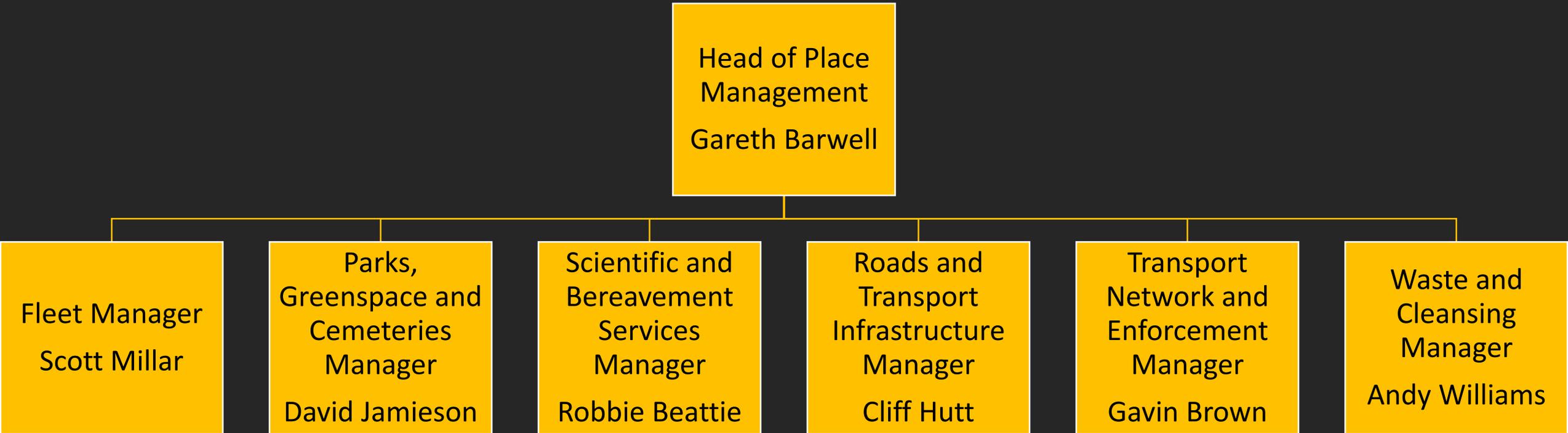
The Place Management Service is responsible for:

- The Council's waste collection and street cleansing services
- Procuring and maintaining the Council's vehicle fleet
- The city's parks and greenspaces
- Registration and bereavement services
- The city's roads and transport infrastructure and transport network
- Taking enforcement action e.g. parking, environmental or trade waste contraventions
- Laboratory testing and scientific advisory services within the Council and for the public and businesses



Gareth Barwell
Head of Place Management

Place Management Senior Management Team



Place Management

Place Directorate

£54.8 m (Service area net budget)

£43.5m (Directorate net budget)

We deliver all of the **key environmental and infrastructure maintenance services**. This includes **collecting 220,000 tonnes of waste per year**, cleaning and repairs on **1,500km of roads**, maintaining 64,000 **street lights** and maintaining over 1,600 hectares of **parks, greenspaces and cemeteries**. 32 of our parks currently hold Green Flag awards.

The division also maintain **over 1,000 vehicles**, provides high quality **registrar and bereavement services** and our laboratory at Seafield is home to our **Scientific Services** team which undertakes sampling and analysis for our **Environmental Health and Trading Standards** services, some neighbouring Councils and external customers.

A **number of key services are provided 24/7** 365 days a year to ensure the city operates effectively. These include road maintenance and winter gritting, street lighting maintenance, tree surgery, waste collection and street cleansing.

We collect waste from **240,000 premises**. This requires just over **1.9 million bin collections per month**

240,000 premises

1.9 million bin collections per month

1,272 Staff (1,257.5 Full Time Equivalent)

£46.1m

Waste and cleansing

£28.5m

Roads, fleet and transport,

£23m

Environment, parks, greenspace

£2.5m

Scientific services

£1 m

What we spend

£101.1million

Funding and income

£46.3 million

Fleet, transport, roads
re-charging of services

£26.5 m

Parks, greenspace
income from events

£6.7m

Waste and street cleaning
cost recovery and bulk uplifts

£6.7m

In Edinburgh last year, **we recycled 86,000 tonnes of waste**. That's enough to fill **the Commonwealth Pool 132 times**

Edinburgh Marathon – 26 miles

Edinburgh to London – 400 miles

Total length of Edinburgh Roads – 938 miles

We have **1,511km** (938 miles) **of roads** in our network. That's enough to stretch from the **centre of Edinburgh to the outskirts of Stuttgart** in Southern Germany