

Governance, Risk and Best Value Committee

10.00am, Tuesday 18 August 2020

Present

Councillors Mowat (Convener), Bird, Jim Campbell, Child, Doggart, Miller, Munn, Munro, Rae, Ross and Work.

1. Minutes

Decision

To approve the minute of the Governance, Risk and Best Value Committee of 7 July 2020 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 1 – Governance, Risk and Best Value Work Programme – 1 August 2017

Action 9 – Whistleblowing Investigation Report – Report by the Chief Officer, Edinburgh Health and Social Care Partnership – B agenda

Action 10 – Annual Assurance Schedule – Chief Executive

Action 12 (1 & 2) – Internal Audit – Covid-19 Response

Action 15 – Edinburgh Leisure Accounts

Action 16 – Internal Audit: Final Internal Audit reports supporting the 2019/2020 Annual Opinion

Action 19 – Business Bulletin

2) To otherwise note the outstanding actions.

(Reference – Outstanding Actions 18 August 2020, submitted.)

3. Work Programme

Decision

To note the Work Programme.

(Reference – Governance, Risk and Best Value Committee Work Programme 18 August 2020, submitted.)

4. Business Bulletin

Decision

To note the business bulletin.

(Reference – Governance, Risk and Best Value Committee Business Bulletin 18 August 2020, submitted.)

5. Internal Audit Annual Opinion for the year ended 31 March 2020

Details were provided on the Internal Audit's annual opinion for the City of Edinburgh Council for the year ended 31 March 2020, prepared in line with the Public Sector Internal Audit Standards requirements.

Decision

- 1) To note the limited Internal Audit (IA) annual opinion for the year ended 31 March 2020.
- 2) To note committee previously requested: that the Chief Executive, Executive Directors and Chief Officer of the Edinburgh Health and Social Care Partnership, supported by the Chief Internal Auditor, reported to the relevant Executive Committee at the earliest opportunity and the subsequent GRBV Committee setting out clear plans to ensure the closure of all historic and overdue internal audit management actions to enable an improvement to the overall Internal Audit Opinion for 2019/20.
- 3) To note with disappointment that the internal audit opinion was red again and recognises the significant and thematic weaknesses that contributed to this opinion.
- 4) To request that the Chief Executive and Executive Directors draft a comprehensive plan to be brought back to Policy and Sustainability Committee in 8 weeks – separately to the Adaptation and Renewal Programme, but showing how it would be integrated in to Adaptation and Renewal going forward, on how the areas for improvement listed at 4.16 will be addressed to enable the significant improvements required in time for the next annual audit opinion.
- 5) To note the Head of Legal and Risk, Chief Executive and Councillor Phil Doggart would discuss the intended new approach to management of line one and line two risk controls.
- 6) To agree the Democracy, Governance and Resilience Senior Manager would confirm within the business bulletin for GRBV on 29.9.20 the timetable for the roll out of the digital solution to risk management as referenced to the appendix 'Implementation of Assurance Actions and Linkage to Annual Governance Statements.
- 7) To agree that a briefing note would be supplied to Elected Members, following the Chief Executive's discussion with the external auditor about risk function in

view of the external auditor's findings on the adequacy of controls in place for when the Head of Legal and Risk and the Chief Internal Auditor were not present at Council Leadership Team (CLT) for key operational and strategic matters.

- 8) To include in the Risk Management Framework report to GRBV committee in September 2020, information on how the Council planned to respond to the risk highlighted in the external auditors report concerning the matter of independent challenge for key operational and strategic decisions to the CLT.
- 9) The Executive Director of Resources to check with Head of Property and Facilities Management and provide a briefing note regarding the status of cleaning staff and PVG membership in place and to clarify within the briefing note the rules concerning Protection of Vulnerable Groups (PVG), specifically if PVG is transferrable from one organisation to another.
- 10) To agree that an interim update would be provided in the business bulletin to GRBV on 29.09.20 on Policy Management Framework by Head of Strategy and Communications with a specific update to be provided on deadlines.

(Reference – report by the Chief Internal Auditor, submitted.)

6. Internal Audit: Revisiting Internal Audit Extension Timeframes

An update was provided on the approach agreed by the CLT that was adopted by directorates to determine whether any further extensions were required to their currently open IA findings to reflect the impacts of the Covid-19 pandemic.

Decision

- 1) To note a blended approach had been agreed by the Corporate Leadership Team (CLT) and was adopted by Council divisions and directorates to determine whether further extensions were required to their currently open Internal Audit (IA) findings to reflect the impacts of the ongoing Covid-19 pandemic.
- 2) To note the details of the blended approach proposed by each Directorate (including details of any open findings proposed for closure based on retrospective acceptance of the associated risks) would be discussed with and reviewed by IA and reported to the Committee in November 2020.

(References – Governance, Risk and Best Value Committee, 9 June 2020 (item 4); report by the Chief Internal Auditor, submitted.)

7. Risk Management: Managing Risk Through Covid-19 - referral from the Policy and Sustainability Committee

The Policy and Sustainability Committee had referred a report on 23 July 2020 to the Governance, Risk and Best Value Committee for scrutiny. The report provided an update on the original and current risk assessment profiles associated with the new population of nine strategic risks currently being managed across the Council. The progress with identification, assessment, recording and ongoing management of Adaptation and Renewal Programme risks was also outlined.

Decision

- 1) To note the report.
- 2) To note that internal discussions would take place regarding the level of detail and the level of granularity around the sub-risks on the Covid Risk Management Plan.
- 3) To note that consideration would be given to hosting a workshop with members of GRBV to detail underlying risks and the Council's response.

(References – Policy and Sustainability Committee, 23 July 2020 (item 7); referral from the Policy and Sustainability Committee, submitted.)

8. Accounts Commission: Local Government in Scotland Overview 2020 - referral from the Policy and Sustainability Committee

The Policy and Sustainability Committee had referred a report on 6 August 2020 to the Governance, Risk and Best Value Committee for scrutiny. The referral report provided a summary of the main issues and themes identified within the Accounts Commission's recently-published Local Government in Scotland – Overview 2020 national report.

Decision

- 1) To note the report.
- 2) To note the Head of Strategy and Communications would consider how COSLA business, with an Edinburgh focus was being reflected in the policy briefings for Elected Members.

(References – Policy and Sustainability Committee, 6 August 2020 (item 14); referral from the Policy and Sustainability Committee, submitted.)

9. Audit Scotland Report on City Region/Growth Deals

Committee were provided with a summary of the findings of the Audit Scotland Report on City Region/Growth Deals, published on 16 January 2020.

Decision

- 1) To note the summary of the findings of the Audit Scotland Report on City Region/Growth Deals, published on 16 January 2020.
- 2) To note that the Edinburgh and South East Scotland City Region (ESESCR) Deal partners have an action plan in place to ensure that the issues identified in the Audit Scotland report were addressed.
- 3) To note that the Monitoring and Evaluation Framework for the ESESCR Deal was under development, jointly with Scottish and UK Governments, and would be presented to the ESESCR Deal Joint Committee on 4 September 2020.

(References – City of Edinburgh Council, 24 October 2019 (item 6); report by the Chief Executive, submitted.)