

Governance, Risk and Best Value Committee

10.00am, Tuesday 8 December 2020

Present

Councillors Mowat (Convener), Bird, Jim Campbell, Child (items 1 to 13), Dixon, Doggart, Lang (substituting for Councillor Gillian Gloyer), Munro (from item 5), Rae (from item 5), Staniforth and Work.

1. Minutes

Decision

To approve the minute of the Governance, Risk and Best Value Committee of 3 November 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 3 – Marketing Edinburgh – Annual Update

Action 5 (2) – Annual Assurance Schedule – Place Directorate

Action 6 – The EDI Group – Update Report

Action 7 (2 and 4) – Draft Annual Governance Statement

Action 8 (2) – Whistleblowing Monitoring Report – B Agenda

Action 11 (2&3) – Internal Audit – Final Internal Audit Reports supporting the 2019/20 Annual Opinion

- 2) To otherwise note the outstanding actions.

(Reference – Outstanding Actions 8 December 2020, submitted.)

3. Work Programme

Decision

To note the Work Programme.

(Reference – Governance, Risk and Best Value Committee Work Programme 8 December 2020, submitted.)

4. Internal Audit: Revisiting Internal Audit Extension Timeframes

An update was provided on management's decisions to risk accept, refresh and rebase (where appropriate) management actions associated with open and overdue IA findings as at 30 October 2020, following consideration of the challenges associated with the current operating environment and the ongoing impact of Covid-19 upon the Council.

Decision

- 1) To note the proposals included in this paper to risk accept, refresh and rebase (where appropriate) management actions associated with open and overdue Internal Audit (IA) findings following consideration of the challenges associated with the current operating environment and the ongoing impact of Covid-19.
- 2) To provide a briefing note to Committee to clarify the timescales for resilience plans as expressed in the report at paragraph 4.6.5 to develop resilience plans for all remaining essential services by 31 December 2023.
- 3) To provide a briefing note to Committee on phishing resilience and the risk mitigation measures in place from digital services.

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

5. Internal Audit: Overdue Findings and Key Performance Indicators at 30 October 2020

Committee considered a report on Internal Audit Overdue Findings and Key Performance Indicators at 30 October 2020, which provided an overview of the status of the overdue Internal Audit (IA) findings as at 30 October 2020. A total of 126 open IA findings remained to be addressed across the Council as at 30 October 2020. This included the one remaining historic finding and excluded open and overdue Internal Audit findings for the Edinburgh Integration Joint Board and the Lothian Pension Fund.

Decision

- 1) To note the status of the overdue Internal Audit (IA) findings as at 30 October 2020.
- 2) To refer the report to the relevant Council Executive committees and the EIJB Audit and Assurance Committee for information.
- 3) To note that paragraph 4.8 contained a typographical error and should read 'has significantly increased'.

(References – Governance, Risk and Best Value Committee, 3 December 2019 (item 8); report by the Chief Internal Auditor, submitted.)

6. Internal Audit Update Report: 8 July 2020 to 31 October 2020

Details were provided of Internal Audit (IA) reviews completed as at 31 October 2020, progress with the 2020/21 IA plan and current IA priorities.

Decision

- 1) To note the outcomes of completed 2020/21 audits.
- 2) To note the progress with the delivery of the 2020/21 Internal Audit (IA) plan.
- 3) To note the progress with delivery of IA key priorities and ongoing areas of focus.

(References – Governance, Risk and Best Value Committee, 29 September 2020 (item 5); report by the Chief Internal Auditor, submitted.)

7. Revenue Budget 2020/23: 2020/21 Month Five Position and Framework Assumptions Update - referral from the Finance and Resources Committee

The Finance and Resources Committee had referred a report to the Governance, Risk and Best Value Committee for consideration which provided a further update on the estimated expenditure and income impacts of the Covid-19 pandemic for the Council and its Arm's-Length External Organisations (ALEOs) during 2020/21, alongside offsetting sources of confirmed or anticipated funding. This analysis indicated a reduction in the residual gap from £12.2m to £5.1m since the previous report considered by the Finance and Resources Committee on 24 September 2020.

Decision

- 1) To note the report.
- 2) To note that further representations made to the Scottish Government and UK Governments would be appended to future reports.

(References – Finance and Resources Committee, 29 October 2020 (item 5); referral from the Finance and Resources Committee, submitted.)

8. 2020-30 Capital Budget Strategy - 2020/21 Period Five Monitoring and Revised Budget Update - referral from the Finance and Resources Committee

The Finance and Resources Committee had referred a report to the Governance, Risk and Best Value Committee for consideration which provided capital expenditure and funding forecasts for 2020/21, including explanations for variances.

Decision

To note the report.

(References – Finance and Resources Committee, 29 October 2020 (item 6); referral from the Finance and Resources Committee, submitted.)

9. Corporate Leadership Team (CLT) Risk Register

The Corporate Leadership Team Risk Register was provided. The purpose was to highlight the Council's current strategic risk profile, detail those risks where further action was required (where realistic and possible) to ensure that they were brought within approved strategic risk appetite levels.

Decision

- 1) To note the Council's current strategic risk profile.
- 2) To note that five strategic risks were currently outwith agreed risk appetite ranges mainly due to the ongoing impacts of the Covid-19 pandemic.
- 3) To note that the current strategic risk profile was likely to increase in the event of further individual or concurrent resilience events in the current Covid-19 operating environment.
- 4) To note progress with the refresh of the design of Corporate Leadership team (CLT) risk register.
- 5) To note the content of the refreshed risk assessment matrix to ensure that both operational and strategic risks were assessed in alignment with the risk ranges included in the Council's Risk Appetite Statement.
- 6) To approve the proposed Committee reporting arrangements to support ongoing scrutiny of the Council's most significant risks.
- 7) To agree that future presentations of the Corporate Risk Register conveyed a greater level of detail highlighting instances where there are high residual risks and the associated mitigation measures in place.
- 8) To agree that the Convenor of GRBV in respect of the Directorate Risk Registers, would discuss with the Chief Internal Auditor the risks owned and controlled by the Council and determine an appropriate method for Committee to consider this via a workshop or a scrutiny report to GRBV.

(References – Governance, Risk and Best Value Committee 3 November 2020 (item 10); report by the Chief Executive, submitted)

10. Best Value Assurance Audit - referral from the Policy and Sustainability Committee

The Policy and Sustainability Committee had referred a report which detailed the findings of the City of Edinburgh Council's Best Value Assurance Audit and set out the approach to fully review and respond with a joined up, comprehensive approach to the findings.

Decision

- 1) To note the report.
- 2) That the Governance, Risk and Best Value Committee recommends that when the refreshed Council Business Plan is brought forward this should clearly state what current plans it replaces and how progress against the Plan will be measured and reported to Council so that Council governance was clear.
- 3) That the further consideration of genuine local community empowerment was reported back to Committee with details on how this would be put in place with a clear process and timescale that can progress can be measured against.

(References – Policy and Sustainability Committee, 1 December 2020 (item 9); referral from the Policy and Sustainability Committee submitted.)

11. Annual Assurance Schedule – Edinburgh Health and Social Care Partnership – Report by the Chief Officer, Edinburgh Health and Social Care Partnership

The annual assurance schedule covering 18/19 and 19/20 for the Edinburgh Health and Social Care Partnership (the Partnership) was presented for scrutiny.

Decision

- 1) To note the Edinburgh Health and Social Care Partnership (the Partnership) annual assurance schedule for 2018-19 and 2019-20.
- 2) To note that the Partnership annual assurance schedule 2020-21 would be submitted for scrutiny to GRBV in 12 months.
- 3) To agree to provide dates for improvement actions for areas identified as partially compliant.

(Reference – report by the Chief Officer, Edinburgh Health and Social Care Partnership submitted.)

12. Capital Theatres Company Performance Report 2019/20 - referral from the Culture and Communities Committee

The Culture and Communities Committee had referred the Capital Theatres annual performance report for 2019/20 as a requirement of the Services Funding Agreement process adopted in 2013/14 to the Governance, Risk and Best Value Committee for consideration as part of its workplan.

Decision

- 1) To note the report.
- 2) To record Committee's thanks and appreciation to the work at Capital Theatres Company.

(References – Culture and Communities Committee, 17 November 2020 (item 6); referral from the Culture and Communities Committee submitted.)

13. Edinburgh International Conference Centre - Annual Update - referral from the Housing, Homelessness and Fair Work Committee

The Housing, Homelessness and Fair Work Committee had referred an update report on the Edinburgh International Conference Centre (EICC) which provided an update on the performance of the EICC in the year ending 31 December 2019 and identified key areas of performance to be embedded as Key Performance Indicators (KPIs) in the Strategic Delivery Agreement (SDA) that was now under development to the Governance, Risk and Best Value Committee for information.

Decision

- 1) To note the report.
- 2) To commend EICC for a successful period to 31 December 2019.

(References – Housing, Homelessness and Fair Work Committee, 5 November 2020 (item 5); referral from the Housing, Homelessness and Fair Work Committee submitted.)

14. The EDI Group – Update Report – referral from the Housing, Homelessness and Fair Work Committee

The Housing, Homelessness and Fair Work Committee had referred an update report which provided an update on the progress of the transition strategy for The EDI Group Limited. The EDI Group aimed to close it and its subsidiary companies and bring their projects and assets into the Council.

Decision

To note the report.

(References – Housing, Homelessness and Fair Work Committee, 5 November 2020 (item 18); referral from the Housing, Homelessness and Fair Work Committee submitted.)

15. Marketing Edinburgh Annual Report 2019/20 – referral from the Housing, Homelessness and Fair Work Committee

The Housing, Homelessness and Fair Work Committee had referred an update report which provided an update on the annual performance of Marketing Edinburgh Limited for the financial year 2019/20

Decision

To note the report.

(References – Housing, Homelessness and Fair Work Committee, 5 November 2020 (item 19); referral from the Housing, Homelessness and Fair Work Committee submitted.)

16. Whistleblowing update

The Committee considered a high-level overview of the operation of the Council's whistleblowing hotline for the period 1 July to 30 September 2020

Decision

To note the report by the Chief Executive.

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

17. Whistleblowing Monitoring Report

The Committee, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, were requested to exclude the public from the meeting during consideration of the following item of business for the reason that it involved the likely disclosure of exempt information as defined in Paragraphs 1, 12 and 15 of Part 1 of Schedule 7(A) of the Act.

An overview of the disclosures received, and investigation outcome reports completed during the period 1 July to 30 September 2020 was provided.

Decision

- 1) To note the report by the Chief Executive.
- 2) To agree for The Head of Legal and Risk and the Governance Manager to meet with GRBV Committee to discuss the content and format of the Whistleblowing reports.

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

18. Addition to the 2020/21 Internal Audit Annual Plan

The Committee, in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, were requested to exclude 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 Paragraph 12 of Part 1 of Schedule 7(A) of the Act.

Retrospective approval was sought for an urgent change to the 2020/21 IA annual plan.

Decision

Detailed in the Confidential Schedule, signed by the Convener, with reference to this minute.

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