

# Minutes

## Governance, Risk and Best Value Committee

10.00am, Tuesday 23 March 2021

### Present

Councillors Mowat (Convener), Bird, Jim Campbell, Child, Dixon, Doggart, Gloyer Munro, Rae, Staniforth and Work.

### 1. Minutes

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#### Decision

To approve the minute of the Governance, Risk and Best Value Committee of 16 February 2021 as a correct record subject to recording Councillor Rae as Present.

### 2. Outstanding Actions

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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 (1) – Draft Annual Governance Statement**

**Action 7 – Corporate Governance Framework Self-Assessment 2019/20**

**Action 9 – Addition to the 2020/21 Internal Audit Annual Plan – B Agenda**

**Action 12 (3) – Business Bulletin**

2) To otherwise note the outstanding actions.

(Reference – Outstanding Actions 23 March 2021, submitted.)

### 3. Work Programme

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#### Decision

To note the Work Programme.

(Reference – Governance, Risk and Best Value Committee Work Programme 23 March 2021, submitted.)

### 4. Business Bulletin

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The Governance, Risk and Best Value Committee Business Bulletin was presented.

#### Decision

To note the Business Bulletin.

(Reference – Governance, Risk and Best Value Committee Business Bulletin 23 March 2021, submitted)

## **5. Internal Audit Overdue Findings and Key Performance Indicators as at 10 February 2021**

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Committee considered a report on Internal Audit Overdue Findings and Key Performance Indicators as at 10 February 2021, which provided an overview of the status of the overdue Internal Audit (IA) findings as at 10 February 2021. A total of 115 open IA findings remained to be addressed across the Council as at 10 February 2021. 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 10 February 2021.
- 2) To refer the report to the relevant Council Executive committees and the Edinburgh Integration Joint Board Audit and Assurance Committee for information in relation to the current Health and Social Care Partnership position.
- 3) To agree to revise the timescale on outstanding action 107 which had a 2024 close date to an earlier date.
- 4) To agree that the 30 outstanding actions which were over a year old would return to GRBV for scrutiny in May 2021 or later subject to the Chief Internal Auditor and Convenor of GRBV's discussion.

(References – Governance, Risk and Best Value Committee, 8 December 2020 (item 5); report by the Chief Internal Auditor, submitted.)

## **6. Internal Audit Update Report: 1 November 2020 to 31 January 2021**

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Details were provided on the progress of the delivery of Internal Audit key priorities and ongoing areas of focus. Approval was also sought for the proposed change to the 2020/21 IA annual plan and proposed response to the April 2020 CIPFA Internal Audit Engagement Opinions: Setting Common Definitions Paper.

### **Decision**

- 1) To note the outcomes of completed 2020/21 audits.
- 2) To note progress with the delivery of the 2020/21 Internal Audit (IA) plan.
- 3) To approve the proposed change to the 2020/21 IA annual plan.
- 4) To note the extended delivery timeframes for completion of two audits.
- 5) To approve the proposed response to the April 2020 CIPFA Internal Audit Engagement Opinions: Setting Common Definitions Paper.

- 6) To note the progress of the delivery of IA key priorities and ongoing areas of focus.

(References – Governance, Risk and Best Value Committee, 8 December 2020 (item 6); report by the Chief Internal Auditor, submitted.)

## **7. Internal Audit Annual Plan 2021-22.**

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The draft Internal Audit plan and supporting risk assessment for the period 1 April 2021 to 31 March 22 was presented for approval.

### **Decision**

To approve 2021/22 Internal Audit plan and supporting risk assessment.

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

## **8. Internal Audit Charter Annual Update 2021/22**

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Public Sector Internal Audit PSIAS (the PSIAS) specify that the purpose, authority, and responsibility of Internal Audit (IA) must be formally defined in an Internal Audit Charter (the “Charter”) that was periodically reviewed and presented to senior management, the Corporate Leadership Team (CLT), and the board (the Governance, Risk, and Best Value Committee) for approval. The Council’s Internal Audit charter fulfilled this requirement. The revised Internal Audit Charter for 2021/22 was presented for approval.

### **Decision**

- 1) To approve the refreshed 2021/22 Internal Audit (IA) Charter.
- 2) To agree that the Convenor would sign the refreshed Charter, together with the Chief Executive and Chief Internal Auditor, evidencing the commitment of all three key stakeholders to support IA in effective delivery of the annual plan and 2021/22 annual IA opinion

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

## **9. External Audit Plan 2020/21**

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The external audit plan for review year 2020/21 which outlined the main proposed areas of scrutiny and associated timescales over the coming year was presented.

### **Decision**

- 1) To note the contents of the External Audit Plan for 2020/21, including follow-up work to be undertaken in respect of the Council’s Best Value Assurance Report (BVAR).
- 2) To note that periodic updates on the work set out therein would be provided to the Committee.

(Reference – Joint report by the Chief Executive and the Executive Director of Resources, submitted.)

## 10. Annual Treasury Management Strategy 2021/22 – referral from the City of Edinburgh Council

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The City of Edinburgh Council on 11 March 2021 considered a report on the proposed Treasury Management Strategy for the Council for 2021/22 which included an Annual Investment Strategy and Debt Management Strategy. The report was referred to the Governance, Risk and Best Value Committee for scrutiny.

### Decision

To note the report

(Reference – Act of Council No 6 of 11 March 2021; referral from the City of Edinburgh Council, submitted.)

## 11. Change Portfolio

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An overview of strategic delivery and the associated risks and issues managed within the Council's Change Portfolio of major programmes and projects was presented.

### Decision

- 1) To note the status of the Council's Portfolio of significant projects.
- 2) To agree to bring an update report on the amber status projects to the May 2021 GRBV Committee.

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

### Declaration of Interests

Councillor Dixon declared a non-financial interest in the above item as Board Member of Edinburgh Leisure.

## 12. Corporate Leadership Team Risk Register as at 23 February 2021

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An update was provided on the Council's top risks and the key controls in place to mitigate them as at 23 February 2021. The report presented the Council's current strategic risk profile and highlighted 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 six 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 design and implementation of the refreshed operational risk management framework.

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

### **13. Whistleblowing update**

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The Committee considered a high-level overview of the operation of the Council's whistleblowing hotline for the period 1 October to 31 December 2020

#### **Decision**

To note the report by the Chief Executive.

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

### **14. Whistleblowing Annual Report 2020**

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An overview of whistleblowing activity between 1 January and 31 December 2020 was provided

#### **Decision**

To note the report by the Chief Executive.

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

### **15. Internal Audit: Edinburgh Tram Network Supplier Management Arrangements**

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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.

#### **Decision**

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

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

### **16. Whistleblowing Investigation Report - Gas Safety**

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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.

#### **Decision**

To note the report.

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

### **17. Gas Service Improvement Plan**

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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.

### **Decision**

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

(References – report by the Executive Director of Place, submitted.)

## **18. Whistleblowing Monitoring Report**

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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 October to 31 December 2020 was provided.

### **Decision**

- 1) To note the report by the Chief Executive.
- 2) Detailed in the Confidential Schedule, signed by the Convener, with reference to this minute.

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