

Governance, Risk and Best Value Committee

10.00am, Tuesday 1 August 2023

Present

Councillors Campbell (Convener), Davidson (substituting for Councillor Younie, items 1 to 6), Faccenda (items 1 to 5 and 11 to 13), Graham (substituting for Councillor Faccenda, items 6 to 10), Heap, Jenkinson, Kumar, Macinnes (substituting for Councillor Nols-McVey), Miller, Mowat, Rust, Thornley and Younie (items 7 to 13).

1. Minutes

Decision

To approve the minute of the Governance, Risk and Best Value Committee of 2 May 2023 as a correct record.

2. Outstanding Actions

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

Decision

- 1) To agree to close:
 - Action 4 - Annual Assurance Schedule – Edinburgh Health and Social Care Partnership
 - Action 7(3) – Annual Assurance Schedule – Edinburgh Health and Social Care Partnership
 - Action 8 - Annual Assurance Schedule - Executive Director of Education
 - Action 9 – Edinburgh International Conference Centre - annual update for the year ending 31 December 2021 - referral report from the Housing, Homelessness and Fair Work Committee
 - Action 10 - Outstanding Actions - The IA risk profile continues to be managed within risk appetite, with mitigating actions in place as required.
 - Action 12 - Revenue Monitoring 2022/23 – month eight position – referral from the Finance and Resources Committee
 - Action 16 (1 & 2)- Corporate Leadership Team Risk Report at 20 March 2023 – report by the Executive Director of Corporate Services

- Action 18 - Edinburgh Leisure Annual Report 2021-22 – referral from the Culture and Communities Committee.
- 2) To otherwise note the remaining outstanding actions.
(Reference – Outstanding Actions August 2023, submitted.)

3. Work Programme

The Committee Work Programme was presented.

Decision

To note the Work Programme.

(Reference – Work Programme August 2023, submitted.)

4. Edinburgh Leisure Annual Report 2021-22 – referral from the Culture and Communities Committee

On 7 March 2023, the Culture and Communities Committee considered the Edinburgh Leisure Annual Report for 2021/22. The annual report detailed the performance of Edinburgh Leisure as it began the process of recovering its business following the second Covid-19 lockdown in January 2021.

Decision

- 1) To note the annual report for 2021/22.
- 2) To agree that a briefing note would be circulated to members outlining the membership of the Edinburgh Leisure Remuneration Committee, current recruitment issues, the number of staff currently being paid below the living wage and the number staff on each spinal column point on the pay scale.
- 3) To agree that the briefing note would also outline governance routes available to the Committee to make clear the expectation that ALEOs paid their staff the living wage.

(References – Culture and Communities Committee of 7 March 2023 (item 5); referral from the Culture and Communities Committee, submitted.)

5. Internal Audit Open and Overdue Internal Audit Actions – Performance Dashboard as at 22 June 2023

Details of the status and progress towards closure of open and overdue management actions as at 22 June 2023 were presented.

Decision

- 1) To note the status of the open and overdue Internal Audit actions as at 22 June 2023.
- 2) To refer the report to the relevant Council Executive committees for ongoing scrutiny of the overdue IA actions relevant to their respective remits.

- 3) To refer the report to the Edinburgh Integration Joint Board Audit and Assurance Committee for information in relation to the current Health and Social Care Partnership position.

(Reference – report by the Head of Internal Audit, submitted.)

6. Internal Audit Update Report - Quarter 4 2022-23

A report provided an update on the delivery of Internal Audit reviews for Quarter 4 of 2022-23. A summary of overall progress and outcomes was provided.

Decision

- 1) To review the outcomes of the final 2022/23 internal audits completed in the last quarter.
- 2) To approve a request to defer reporting on the Health and Safety – Outdoor Infrastructure audit to the October 2023 Committee meeting.
- 3) To note that the 2022/23 Internal Audit and Opinion which would provide an assessment of the efficiency and effectiveness of the Council's overall governance, risk and internal control frameworks would be presented to Committee in September 2023 as agreed by Committee in May 2023.
- 4) To agree to circulate the previous audit on policies and procedures and the outcomes of this.
- 5) To agree to continue consideration of the 'Transitions for young people' audit to a future meeting.

(Reference – report by the Head of Internal Audit, submitted.)

7. Internal Audit Update Report Quarter 1 2023-24, Service Area Response to Internal Audit Report on Edinburgh's Employer Recruitment Incentives (PL2301) and Lessons Learned Exercise on the 23-24 budget setting process – referral from the Finance and Resources Committee

A report provided an update on the delivery of Internal Audit (IA) review for Quarter 1 of 2023-24. Two reviews had been completed and 17 reviews were underway as per the Internal Audit Annual Plan.

A report by the Service Area setting out its response to the internal audit report on the Edinburgh Employer Recruitment Incentive (attached at Appendix 3 to the report by the Executive Director of Corporate Services) was also considered.

The Finance and Resources Committee had also referred a report on the Lessons Learned Exercise undertaken by the Corporate Leadership Team on the 2023/24 budget setting process. This report responded to the Internal Audit report on the Council Budget Setting Process – Lessons Learned (attached at Appendix 3 to the report by the Executive Director of Corporate Services).

Motion

- 1) To note progress with the 2023/24 Internal Audit plan approved by Committee in March 2023.
- 2) To note the outcomes of 2023/24 Internal Audit reviews completed in Quarter 1.
- 3) To note the audits included in the 2023/24 plan and that they remained aligned with key risks and emerging priorities.
- 4) To approve inclusion of an audit of Facilities Management Helpdesk Services within Corporate Property Services to the 2023/24 Internal Audit plan, following a request from elected members and officers.
- 5) To note the current Internal Audit risk profile and action being taken to mitigate risks.
- 6) To note progress with delivery of Internal Audit key priorities and ongoing areas of focus.
- 7) To note the internal audit into the design and effectiveness of the controls in place around the Edinburgh Employer Recruitment Incentives applications, payment processes and ongoing reviews was conducted at the request of the service area following the identification of a potential financial risk.
- 8) To note the service area response and actions taken to date to address risks raised in the Edinburgh Employer Recruitment Incentives Internal Audit report.
- 9) To note the referral from the Finance and Resources Committee on Lessons Learned Exercise on the 23/24 budget setting process.
- 10) To agree in relation to the Internal Audit Report Council Budget Setting Lessons Learned Review:
 - 10.1) Notes that the recommendations in the Lessons Learned exercise report are just proposals at this stage.
 - 10.2) Notes that the process, particularly around the timeline, subsequent late information, for example due to the Scottish Government's budget process, and how any changes would be dealt with including amendments to motions, still needs considerable work to develop a coherent proposal.
 - 10.3) Notes that there is no specific mention of the climate impact statements as agreed at the March P&S committee.
 - 10.4) Notes that the next steps include a workshop for all councillors to review any changes, including to standing orders, and this should include consideration of the above.
 - 10.5) Notes that any changes to Standing Orders would need to be agreed at a Full Council meeting.

- Moved by Councillor Campbell, seconded by Councillor Macinnes

Amendment

- 1) To note progress with the 2023/24 Internal Audit plan approved by Committee in March 2023.
- 2) To note the outcomes of 2023/24 Internal Audit reviews completed in Quarter 1.
- 3) To note the audits included in the 2023/24 plan and that they remained aligned with key risks and emerging priorities.
- 4) To approve inclusion of an audit of Facilities Management Helpdesk Services within Corporate Property Services to the 2023/24 Internal Audit plan, following a request from elected members and officers.
- 5) To note the current Internal Audit risk profile and action being taken to mitigate risks.
- 6) To note progress with delivery of Internal Audit key priorities and ongoing areas of focus.
- 7) To note the internal audit into the design and effectiveness of the controls in place around the Edinburgh Employer Recruitment Incentives applications, payment processes and ongoing reviews was conducted at the request of the service area following the identification of a potential financial risk.
- 8) To note the service area response and actions taken to date to address risks raised in the Edinburgh Employer Recruitment Incentives Internal Audit report.
- 9) To note the referral from the Finance and Resources Committee on Lessons Learned Exercise on the 23/24 budget setting process.

- Moved by Councillor Jenkinson, seconded by Councillor Graham

Voting

The voting was as follows:

For the motion - 5 votes

For the amendment - 6 votes

(For the motion – Councillors Campbell, Heap, Kumar, Macinnes and Miller.

For the amendment – Councillors Faccenda, Jenkinson, Younie, Thornley, Mowat and Rust.)

Decision

To approve the amendment by Councillor Jenkinson.

(References – report by the Head of Internal Audit; report by the Executive Director of Place; Finance and Resources Committee of 20 June 2023 (item 6); referral from the Finance and Resources Committee, submitted.)

8. Corporate Leadership Team Risk Report as of 15 June 2023

The Council's risk profile at 15 June 2023 was presented and the most significant risks were highlighted. Risk assessments presented were based on management's view of internal and external environment within which the Council operated.

Decision

- 1) To note the Council's risk profile at 15 June 2023; the most significant risks facing the Council; and the key actions being taken by the Council in response to those risks.
- 2) To note that several risks currently exceeded the Council's agreed Risk Appetite levels and the measures being taken in these areas.

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

9. Governance and Assurance Framework – Progress Update

The report set out the progress made on the design of a Governance & Assurance Framework for the Council and an action plan for implementing the structure and guidance designed to support and strengthen the framework.

Decision

- 1) To note the development of a Governance & Assurance Framework for the Council.
- 2) To note the proposals for an action plan for implementation of the Framework and the structures set out in the report designed to strengthen the framework.
- 3) To agree that a further report be brought back to Committee within two cycles with full details of the action plan and model.

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

10. Annual Assurance Schedule – Edinburgh Health and Social Care Partnership

The purpose of this report was to present the annual assurance schedule covering 2022-23 for the Edinburgh Health and Social Care Partnership to Governance Risk and Best Value Committee for scrutiny.

Decision

- 1) To note the Edinburgh Health and Social Care Partnership annual assurance schedule for 2022-23.
- 2) To note that the Partnership annual assurance schedule 2023-24 would be submitted for scrutiny to GRBV in 12 months (August 2024).
- 3) To agree to not fully accept the Assurance Statement on the basis that it did not fully reflect the current position of the Edinburgh Health and Social Care Partnership.
- 4) To agree the upcoming Improvement Plan report to the Policy and Sustainability Committee would include information on the Edinburgh Health and Social Care Partnership current position in terms of Assurance and responding to the issues raised by the Committee.

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

Declaration of Interest

Councillor Kumar made a transparency statement as she held a non-substantive contract as bank staff for NHS Lothian, however had not undertaken any work in the past five years.

11. Workforce Deep Dive – Hard to Fill Roles – referral from the Finance and Resources Committee

The Finance and Resources Committee had referred a report on the Work Force Deep Dive – Hard to Fill Roles to the Governance, Risk and Best Value Committee for scrutiny.

Decision

- 1) To note the report.
- 2) To request a briefing note outlining service areas where recruitment was an issue.

(References – Finance and Resources Committee of 20 June 2023 (item 20); referral from the Finance and Resources Committee submitted.)

12. Bed Base Review – Drumbrae Care Home and Bed Base Review – Drumbrae Care Home – referral from the Finance and Resources Committee

The Finance and Resources Committee had referred a report on the Bed Base Review – Drumbrae Care Home to the Governance, Risk and Best Value Committee for scrutiny. A further report summarising the subsequent decisions of City of Edinburgh Council and the Edinburgh Integration Joint Board was presented.

Decision

- 1) To note the report referred by the Finance and Resources Committee.
- 2) To note the decisions of the City of Edinburgh Council and the Edinburgh Integration Joint Board in respect of the Bed Base Review.
- 3) To agree to provide information on any financial implications in future reports on the matter to the Finance and Resources Committee.

(References – Finance and Resources Committee of 20 June 2023 (item 15); referral from the Finance and Resources Committee and report by the Executive Director of Corporate Services, submitted.)

13. Response to motion by Councillor Lang - Surface Treatments of Carriageways - referral from the Transport and Environment Committee

On 18 May 2023 the Transport and Environment Committee considered a report responding to a motion by Councillor Lang on surface treatments of carriageways which was approved by Council on 9 February 2023. The report was referred to the Governance, Risk and Best Value Committee for scrutiny.

Decision

To note the report.

(References – Transport and Environment Committee of 18 May 2023 (item 12); referral from the Transport and Environment Committee, submitted.)