

Minutes

Governance, Risk and Best Value Committee

10.00am, Tuesday 28 November 2023

Present

Councillor Campell, Faccenda, Heap, Jenkinson, Kumar, Mowat, Miller, Nols-McVey, Miller, Thornley, Younie and Whyte (substituting for Councillor Rust).

1. Minutes

Decision

To approve the minute of the Governance, Risk and Best Value Committee of 19 September 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 the following actions:
 - Action 4.1 - 2022/23 Internal Audit Annual Report and Opinion
 - Action 5.1 - City of Edinburgh Council – 2022/23 Annual Accounts Audit
- 2) To agree to that the following actions are kept open:
 - Action 1.2 - Committee Decision Process and the Policy Register
 - Action 6 - Motion by Councillor Griffiths – Childcare 4 All
 - Action 7 - Response to Critical Risk Motion – Report by Chief Executive
- 3) To note the remaining outstanding actions.

(Reference – Outstanding Actions November 2023, submitted.)

3. Work Programme

The Committee Work Programme was presented.

Decision

To note the Work Programme.

(Reference – Work Programme November 2023, submitted.)

4. Business Bulletin

The Committee Business Bulletin was presented.

Decision

- 1) To agree that 6 monthly major projects general update report is submitted which also covers risks and financial Issues; and
- 2) To note the business bulletin.

(Reference – Business Bulletin November 2023, submitted.)

5. Edinburgh International Conference Centre – Annual Update for the year ending 31 December 2022 – referral from the Finance and Resources Committee

The Finance and Resources Committee had referred a report on the Edinburgh International Conference Centre – Annual Update for the year ending 31 December 2022, to the Governance Risk and Best Value Committee for information.

Decision

- 1) To agree that provide a more detailed reporting mechanism for regular reports submitted to F&R Committee and GRBV;
- 2) To agree that a briefing note on current risks to Projects;
- 3) To agree that the briefing being prepared for F&R regarding loan stocks is circulated to GRBV and that a summary of the briefing note is included in a business bulletin Update; and
- 4) To note the contents of the report.

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

6. Internal Audit Open and Overdue Internal Audit Actions – Performance Dashboard as at 31 October 2023

The report provided an update on the progress of open and overdue Internal Audit management actions and key performance indicators as at 31 October 2023. The report presented from each Directorate on the six open resilience audit actions.

As at 31 October 2023, there were a total of 114 open IA management actions, with 21 of these overdue, showing an increase of 2 compared to June 2023 and a decrease of 3 when compared to the same period last year.

Decision

- 1) To note the status of open and overdue Internal Audit (IA) actions and key performance indicators as at 31 October 2023;
- 2) To note progress made on the open resilience audit actions as requested by Committee in September;
- 3) To refer this paper to the relevant Council Executive committees for ongoing scrutiny of the overdue IA actions relevant to their respective remits;

- 4) To refer this paper to the Edinburgh Integration Joint Board Audit and Assurance Committee for information in relation to the current Health and Social Care Partnership position;
- 5) To agree that the EC&F briefing note on Early Years 1140 Hours Expansion Programme delivery March 2023 to be circulated to members of GRBV.;
- 6) To agree that a briefing note is circulated to members of GRBV on the timescales for Self-Directed Support (SDS) Children's Services June 2023; and
- 7) To agree that officers provide an update on Shadow IT Systems in the Risk Acceptance form to be submitted with the February Update report.

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

7. Internal Audit Update report: Quarter 2 2023/24

The report provided an update on the delivery of the 2023/24 Internal Audit plan approved by Committee in March 2023 and the outcomes of internal audits completed in Quarter 2 of 2023/24. The report also provided a summary of the most recent six-monthly meeting between the GRBV and EIJB Audit and Assurance Committee Convenors and the Head of Internal Audit as a part of the GRBV/EIJB principles.

Thereafter a summary of progress made by the Housing Service in relation to the internal audit into the management of ad hoc mixed tenure works and a summary of progress made by the Place directorate in relation to the internal audit into the health and safety of the Council's outdoor infrastructure was provided.

Decision

- 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 2;
- 3) To agree the removal of the Workforce Capacity to Support Service Delivery audit from the 2023/24 Internal Audit plan.
- 4) To note the audits included in the 2023/24 plan to ensure they remain aligned with key risks and emerging priorities.
- 5) To note outcomes of the six-monthly meeting between the GRBV and EIJB Audit and Assurance Committee Convenors and the Head of Internal Audit, as agreed, as part of the GRBV/EIJB principles.
- 6) To note the service area response and actions taken to date to address risks raised in the Internal Audit report in relation to the Management of Ad Hoc Mixed Tenure Works (PL2302) – Service Area Response;
- 7) To note the service area response and actions taken to date to address risks raised in the Internal Audit report in relation to Outdoor Infrastructure (PL2312) – Service Area Response

- 8) To note the Outdoor Infrastructure Audit, the Cross Directorate Health and Safety Audit and the overdue management actions on Life Safety in the Internal Audit Overdue Actions report, including one action which is 551 days overdue.
- 9) To note the concern of the committee on the robustness of the council's current health and safety performance.
- 10) To agree that a report is submitted in one cycle which sets out:
 - Details of the Corporate Health and Safety Team and an assessment of the capacity within that team;
 - Areas within the council that have been assessed as potentially high risk, and what actions have been taken to investigate the adherence to health and safety policies and procedures within those teams including the outcomes of workplace inspections as recommended in the Cross Directorate Health and Safety audit;
 - An assessment of the council's current health and safety policies and procedures and the management and ownership of them;
 - Details of any training needs that have been identified and development of training programmes on health and safety and risk management; and
 - Outcomes of the review of organisational arrangements and how oversight of risk assessment and risk control will be managed within high-risk areas of the council
- 11) To agree that this committee and members of the Policy and Sustainability Committee receive an urgent briefing on the issues raised in the Cross Departmental audit regarding Murrayburn Depot, and the actions that have already been taken to improve health and safety including concerns raised about potential environmental contamination; and
- 12) To agree that officers will provide an update report in 6 months on the management of ad hoc mixed tenure works which will include an update on actions, sampling work and addressing concerns around fraud.

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

8. Corporate Leadership Team Risk Report as at 26 October 2023

The Council's risk profile as at 26 October 2023 was presented; highlighting the most significant risks facing the Council, and identified key actions being taken in response to those risks.

Risk assessments within this paper have been based on management's view of the internal and external environments within which the City of Edinburgh Council operates, with subsequent actions considered in the context of the Council's risk appetite. Details on the current assessment of the Workforce and Service Delivery risks which were previously reported as being outwith risk appetite and rated as "critical" were also provided.

Decision

- 1) To note the Council's risk profile as at 26 October 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 the seven enterprise risks which currently exceed the Council's Risk Appetite levels and the measures being taken in these areas;
- 3) To note the response to Council Motion in relation to the workforce and service delivery which were reported at critical in the last two updates and the response to the question on whether more motions, amendments and questions are being raised at committees; and
- 4) To agree that officers to provide a data led report on the impact of Council decisions on officer's workload including a breakdown of sources.

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

9. Committee Best Practice Guidance

The Committee Best Practice Guidance was presented covering issues and processes for Council and committee meetings.

Decision

- 1) To consider the best practice guidance; and
- 2) To refer the best practice guidance to the Council in December 2023

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

10. Digital Connectivity – Old Town

The report provided an update on the broadband connectivity in the Council area. It highlighted that Full Fibre or Fibre to the Premise (FTTP) broadband connectivity is available to almost 80% of premises from a number of providers and 98% of the premises are capable of receiving 'superfast broadband', which is defined as speed of at least 24Mbps.

Decision

To note the work underway to improve both broadband connectivity.

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

11. After school Care Provider – Additional Support Needs support

The report provided details in relation to the review of the the management of the third party contract and the lessons learned were shared with the Education, Children and Families Committee on Tuesday 07 November 2023 including;

- The need to ensure appropriate contract monitoring is in place and that those managing contracts are clear in their roles and responsibilities and are provided with training and guidance to support them in their role;
- The need to ensure appropriate handover of all aspects of officers' remits when they leave the council or move to another role; and

- The need to establish quarterly updates for senior officers on the impact of contracts to allow any issues or concerns to be addressed timeously to ensure the best value for the council.

The internal audit team has reviewed the action plan and lessons learned from this process and provided recommendations for improvement, where applicable.

Decision

- 1) To note the findings of this report and the lessons learned; and
- 2) To agree the implementation of the next steps outlined in section 5 of this report.

(Reference – report by the Executive Director of Children, Education and Justice Services, submitted.)

12. Capital Monitoring 2023-24 – Month Five Position – referral from the Finance and Resources Committee

The Finance and Resources Committee had referred a report on the Capital Monitoring 2023-24 - Month Five Position, to the Governance Risk and Best Value Committee as part of its work programme.

Decision

- 1) To agree that a briefing note on Capital Works for Rising School Rolls to be circulated to members of GRBV is circulated; and
- 2) To note the report by the Executive Director of Corporate Services.

(References – Finance and Resources Committee of 21 November (item 11); referral from the Finance and Resources Committee.)

13. Revenue Budget Framework and Medium-Term Financial Plan (MTFP) 2024/29 – Progress Update – referral from the Finance and Resources Committee

At its meeting on the 21 September 2023, the Finance and Resources Committee had referred a report on the Revenue Budget Framework and Medium-Term Financial Plan (MTFP) 2024/29 – progress update, to the Governance Risk and Best Value Committee for scrutiny as part of its work programme.

Decision

- 1) To note the report by the Executive Director of Corporate Services.

(References – Finance and Resources Committee of 21 September 2023 (item 12); referral from the Finance and Resources Committee.)

14. Revenue Monitoring 2023/24 – Month Five Report – referral from the Finance and Resources Committee

At its meeting on the 21 November 2023, the Finance and Resources Committee had referred the Revenue Monitoring 2023/24 – Month Five Report the Governance, Risk and Best Value Committee for scrutiny as part of its work programme.

Decision

To note the report by the Executive Director of Corporate Services

(References – Finance and Resources Committee of 21 November 2023 (item 9); referral from the Finance and Resources Committee.)

15. Sustainable Capital Budget Strategy Update 2024-2034 – referral from the Finance and Resources Committee

At its meeting on the 21 November 2023 the Finance and Resources Committee had referred a report on the Sustainable Capital Budget Strategy Update 2024-2034, to the Governance Risk and Best Value Committee as part of its work programme.

Decision

To note the report by the Executive Director of Corporate Services

(References – Finance and Resources Committee of 21 November 2023 (item 12); referral from the Finance and Resources Committee.)

16. Response to the Edinburgh Tram Inquiry

The report addressed the motion agreed by the Council in September 2023 detailing the Council's response to the Edinburgh Tram Inquiry and outlined the actions taken or proposed to be taken in regard to the Inquiry's recommendations.

Information on the financial cost of the initial tram project and a breakdown of costs highlighted by the Inquiry was presented. Assurance was provided on how the Council would approach breaches of the Employee Code of Conduct or instances of misleading behaviour by Arm's Length External Organisations and contractors.

Decision

- 1) To note the actions outlined in appendix one and appendix three to the Chief Executive's report in regard to the recommendations made by Lord Hardie in the Inquiry Report;
- 2) To note the financial information contained in appendix two;
- 3) To note the response to the motion in regard to any action to be taken regarding employees as a result of the Inquiry's findings and to officer candour, including Arm's Length External Organisations (ALEOs); and
- 4) To note the update on possible legal action as outlined in appendix four.

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