## LEGAL AND DEMOCRATIC SERVICES

## **COMMITTEE DECISION SHEET**

## **AUDIT, RISK AND SCRUTINY COMMITTEE - TUESDAY, 27 JUNE 2017**

Please let the Committee Officer know as soon as possible if you do not agree with any action proposed in this decision sheet. These are decisions of the Committee and there is an expectation that action will be taken. If for any reason it is apparent that you will not be able to act on these instructions in full or in part or that there will be a delay, please let the Committee Officer know as it may be necessary to advise the Committee or seek further instructions from the Committee.

	Item Title	Committee Decision	Services Required to take action	Officer to Action
2.1	Members are requested to determine that the exempt business be considered with the press and public excluded.	The Committee resolved: in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting for item 11.1 so as to avoid disclosure of exempt information of the class described in paragraphs 6 and 9.		
5.1	Committee Business Statement	The Committee resolved:  (i) subject to the decisions taken later on the agenda, to delete items 1 (Communities, Housing and Infrastructure Risk Register); 2 (Solar Photovoltaic Agreement); 3 (Review of Risk Management Systems); and 4 (Bond Financial Strategy – Implications for the Council); and  (ii) to note that item 5 (3rd Don Crossing – Audit relating to the Programme Management Office) would be presented to this Committee in quarter four after work had been completed in reviewing the Capital Programme Governance Arrangements.	Committee Services  Internal Audit	K Rennie  D Hughes
5.2	Committee Tracker	The Committee resolved: to note content of the Committee Tracker.		

	Item Title	Committee Decision	Services Required to take action	Officer to Action
6.1	Minute of Previous Meeting of 23 February 2017	The Committee resolved:  (i) in relation to article 9 (Council Owned Land and Property – Asset Registers), to note that the registers were available online and that the link would be issued to the Committee; and  (ii) to otherwise approve the minute as a correct record.	Land and Property Assets	S Booth
9.1	Interim Audit Report - Report by the External Auditor	The Committee resolved: to note the content of the report.	External Audit	A Shaw
9.2	Unaudited Annual Accounts - CG/17/066	The Committee resolved:  (i) to note the additional information provided in relation to the Marischal Square Development;  (ii) to note the thanks given to all officers and Auditors involved with the annual accounts process;  (iii) to approve the Annual Governance Statement as included in the Council's unaudited Annual Accounts for the financial year 2016/17;  (iv) to note the Council's unaudited Annual Accounts 2016/17;  (v) to note the unaudited Annual Accounts 2016/17 of the Council's registered charities;  (vi) to note that following this meeting the Council's and the registered charities unaudited Annual Accounts will be finalised, signed and submitted to Audit Scotland by 30 June 2017;  (vii) to note that as now required by statute, the Audit, Risk & Scrutiny Committee on 26 September 2017 will receive the Council's audited Annual Accounts for	Finance	S Whyte S Buthlay L Fullerton

	Item Title	Committee Decision	Services Required to take action	Officer to Action
		consideration and approval prior to their signature by the Head of Finance, Chief Executive and Council Leader;  (viii) to note that the Audit, Risk & Scrutiny Committee of 26 September 2017 will also receive the external auditor's "Annual Report Members and the Controller of Audit" for debate and consideration and that this report will set out the auditor's finding and conclusions from all audit activity undertaken during the year, highlight the significant issues arising from the audit of the annual accounts and inform Elected Members of the proposed audit opinion in advance of the accounts being certified; and  (ix) to note that the Audit, Risk & Scrutiny Committee on 26 September 2017 will also receive the audited Annual Accounts for the registered charities for consideration and approval prior to their signature along with the associated external auditor's report.		
9.3	Internal Audit Progress Report - Report by the Internal Auditor - IA/17/010	The Committee resolved:  (i) in relation to a question from Councillor Townson relating to Garthdee Alpine Sports and whether the audit had been completed, to note that the audit was complete and would be presented to this Committee in September 2017;  (ii) in relation to a question from Councillor Townson relating to whether the grant funding for Garthdee Alpine Sports had been withheld, to note that the Head of Finance would check and advise Councillor Townson outwith the meeting;	Internal Audit Finance	D Hughes S Whyte
		(iii) in relation to questions from Councillors Jackie Dunbar and Townson relating to	Office of Chief Executive	A Scott

	Item Title	Committee Decision	Services Required to take action	Officer to Action
		Disclosure Checks, to note that the Chief Executive would liaise with officers and provide a response to the Committee; (iii) to approve a delay in the audit it requested relating to whether there are adequate controls in the Programme Management Office, to quarter four of 2017/18; and (iv) to otherwise note the content of the report.	Internal Audit	D Hughes
9.4	Internal Audit Annual Report and Internal Financial Control Statement 2016/17 - IA/17/008	<ul> <li>The Committee resolved: <ul> <li>(i) to note the information provided in relation to Internal Audit's access to the CareFirst System;</li> <li>(i) to note the Internal Financial Control Statement for 2016/17;</li> <li>(ii) to note that the Chief Internal Auditor has confirmed the organisational independence of Internal Audit;</li> <li>(iii) to note that there has been limitation to the scope of Internal Audit work during 2016/17; and</li> <li>(iv) to note that no self-assessment has been undertaken as required by the Public Sector Internal Audit Standards as an external assessment is being completed by KPMG.</li> </ul> </li> </ul>	Internal Audit	D Hughes
9.5	Internal Audit Charter - Report by the Internal Auditor - IA/17/009	The Committee resolved: to approve the Internal Audit Charter for implementation from 23 June 2017.	Internal Audit	D Hughes
9.6	Audit, Risk and Scrutiny Committee - Annual Report - OCE/17/007	The Committee resolved:  (i) to note the information provided in relation to the Whistleblowing Policy;  (ii) to request that a report be submitted to this Committee providing an update on the Whistleblowing Policy, how it is implemented, communicated and	Office of Chief Executive	M Murchie B Muldoon

	Item Title	Committee Decision	Services Required to take action	Officer to Action
		monitored throughout the organisation; (iii) to approve the annual report; and (iv) to refer the report to the Council for their consideration.	Committee Services	K Rennie (M Orchard)
9.7	Review of Capital Programmes - CHI/17/153	The Committee resolved:  (i) to instruct the Chief Executive to bring forward as part of the Council Operating Structure – Senior Management report to Council on 23rd August all options on securing a Programme Director to oversee and be responsible for all Council Capital spend;	Office of Chief Executive	A Scott
		(ii) to note the revised terms of reference for the Strategic Asset and Capital Board, attached at Appendix 1; (iii) to note the amended governance arrangements for Strategic Infrastructure Plan and Capital Plan delivery as outlined in this report and attached at Appendix 2, incorporating the delivery of City Centre Masterplan projects within these governance arrangements; (iv) to note that the Interim Director of Communities, Housing and Infrastructure be responsible for the Capital Programme until the restructure is undertaken; (v) to note the Capital Governance Review Action Plan which is attached at Appendix 3; (vi) to instruct the appropriate senior officer under the new structure to report in Audit Quarter 4 on project management governance as set out in paragraph 3.2 of the report; and (vii) to approve that a monthly Members Reference Group, for the Capital Programme be established with a membership of 5 Councillors, 3 nominated	Communities, Housing and Infrastructure	B Marjoram

	Item Title	Committee Decision	Services Required to take action	Officer to Action
		from the Administration and 2 nominated from the Opposition, and delegate authority to the Interim Director of Communities, Housing and Infrastructure, following consultation with Group Leaders, to set the Terms of Reference for this group.		
9.8	Risk Management Report - CG/17/061	The Committee resolved:  (i) in relation to a questions from Councillors regarding the Risk Register, to note that the format for the register had been amended and following final approval from the Corporate Management Team would be issued to all directorates to ensure a standardised format was being used across the Council; that risk management training for Councillors would be amended; and that a copy of the Risk Register template would be issued to the Committee; and  (ii) to otherwise note the progress in delivering the project.	Corporate Governance	N Buck
9.9	CHI Risk Register Update - CHI/17/078	The Committee resolved:  (i) to note the content of the risk register;  (ii) to note the information provided in relation to individual risks; and  (iii) to note that the corporate and directorate health and safety improvement plans would be discussed at the Corporate Health and Safety Committee to ensure that controls were in place.	Communities, Housing and Infrastructure	M Hearns
9.10	Website Breach - Action Plan Update - CG/17/033	The Committee resolved: to note the content of the report and the attached action plan.	IT and Transformation	J Kirkwood

	Item Title	Committee Decision	Services Required to take action	Officer to Action
9.11	Scottish Public Services Ombudsman and Inspector of Crematoria Complaint Decisions - CG/17/060	The Committee resolved:  (i) to note that in relation to item one contained in Appendix A of the report, a response was still awaited from the SPSO; and  (ii) to otherwise note the content of the report.	Human Resources and Customer Services	L McKenzie
9.12	ALEO Operating Model - CG/17/073	The Committee resolved:  (i) in relation to questions asked relating to whether ALEO Board meetings could be held in public and what the position would be in relation to compelling an ALEO to appoint a Director, to note that these could only be done with the ALEOs' agreement; as the ALEOs were private companies it may not be possible to insist that meetings were held in public or that they appoint a Director and that the Service Manager for Legal Services would clarify the position and advise members outwith the meeting;  (ii) in relation to a question from Councillor Duncan relating to the Terms of Reference for the Assurance Hub, to note that these would be presented to this Committee at its next meeting;  (iii) to note the options appraisal undertaken to identify a preferred option for a refreshed ALEO operating model as attached under Appendix A;  (iv) to note the Good Governance Institute's recommendation from their report to Council dated September 2016, that the level of ALEO scrutiny should be proportionate to the level of risk to the Council and that the previous iteration of the Governance Hub was administratively burdensome and unsupportable in the future;  (v) to note CIPFA's view as detailed in their	Legal and Democratic Services  Committee Services	F Bell J Buchanan

	Item Title	Committee Decision	Services Required to take action	Officer to Action
		report to Council dated 9 January 2017, that Council should strike a balance between oversight of ALEOs and allowing their freedom to operate as independent legal entities; and  (vi) to approve the adoption of Option 3:  Assurance Hub Model as the Council's new ALEO operating model.		
9.13	General Fund Revenue Budget Setting - Report by the Internal Auditor - IA/AC/17/019	The Committee resolved: to note the content of the report and endorse the recommendations for improvement as agreed by the Service.	Internal Audit All Sevices Finance	D Hughes All Directors All Heads of Service C Smith
9.14	Vehicles and Driver Records - Report by the Internal Auditor - IA/AC/17/020	The Committee resolved:  (i) to note the information provided from the Service in relation to the details within the audit report; and  (ii) to otherwise note the content of the report and endorse the recommendations for improvement as agreed by the Service.	Internal Audit Public Infrastructure and Environment	D Hughes W Whyte P Reid
9.15	2017/18 ACC Local Scrutiny Plan	The Committee resolved: to note the content of the report and the appended scrutiny plan.	External Audit	A Shaw
9.16	Internal Audit - Follow Up of Recommendations - IA/17/011	The Committee resolved:  (i) to note the additional information provided in relation to the Cleaning Payroll audit, specifically the authorisation process for timesheets;  (ii) to note the additional information provided in relation to the Risk Management audit, specifically the reasons for the delay in the production of the Strategic Risk Register; and  (iii) to otherwise note the content of the report and request all Services to undertake the work required to complete the outstanding	Internal Audit All Services	D Hughes All Heads of Service

	Item Title	Committee Decision	Services Required to take action	Officer to Action
		audit recommendations.		
10.1	Appointment of Members to CHSC - CG/17/076	The Committee resolved:  (i) to note the composition of the Corporate Health and Safety Committee as detailed at section 3.1 of the report as approved by Council on 17 May 2017; and  (ii) to agree to appoint members to the Corporate Health and Safety Committee, the names of which to be given to Committee Services.	Committee Services	K Rennie
10.2	Audit Scotland Value for Money National Reviews - OCE/17/010	The Committee resolved: to note the detail of the Audit Scotland national reports:  • Principles for a Digital Future and • Local Government in Scotland: Performance and Challenges 2017.	Office of Chief Executive	M Murchie
11.1	Solar Photovoltaic Agreement - Report by the Internal Auditor - IA/17/007	The Committee resolved:  (i) to note the information provided in relation to the current operation of the solar panels;  (ii) to note the thanks given to the Internal Auditor for the work undertaken on the audit; and  (iii) to otherwise note the content of the report.	Land and Property Assets Internal Audit	S Booth  D Hughes

If you require any further information about this decision sheet, please contact Karen Rennie, tel 01224 522723 or email karrennie@aberdeencity.gov.uk