

Audit, Risk and Scrutiny Committee

ABERDEEN, 13 December 2022. Minute of Meeting of the AUDIT, RISK AND SCRUTINY COMMITTEE. Present:- Councillor Macdonald, Convener; Councillor Houghton, Vice-Convener; and Councillors Ali, Allard, Bonsell, Bouse, Copland (as substitute for Councillor McLellan), Crockett (as substitute for Councillor Stewart), Fairfull, Massey, Nicoll, Radley and van Sweeden.

The agenda and reports associated with this minute can be found [here](#).

Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be retrospectively altered.

DECLARATION OF INTEREST OR TRANSPARENCY STATEMENTS

1. At this juncture, in the interests of transparency the following statement was made: Councillor Ali advised that he had a connection in relation to agenda item 9.1 (ALEO Assurance Hub) due to his appointment as a Director of Aberdeen Heat and Power, however having applied the objective test he did not consider that he had an interest and would not be withdrawing from the meeting for the item.

MINUTE OF PREVIOUS MEETING OF 27 SEPTEMBER 2022

2. The Committee had before it the minute of its previous meeting of 27 September 2022.

The Committee resolved:-

to approve the minute as a correct record.

COMMITTEE BUSINESS PLANNER

3. The Committee had before it the Committee Business Planner as prepared by the Interim Chief Officer – Governance.

The Committee resolved:-

- (i) to note that items 11 (External Audit Report for Charity Accounts) and 12 (Audited Annual Accounts for those Charities where the Council is the sole Trustee) would be presented to the February meeting of this Committee; and
- (ii) to otherwise note the content of the Committee Business Planner.

ALEO ASSURANCE HUB

4. The Committee had before it a report by the Director of Commissioning which provided assurance on the governance arrangements, risk management and financial

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management of Arm's Length External Organisations (ALEOs) as detailed within the ALEO Assurance Hub's terms of reference.

The report recommended:-

that the Committee -

- (a) note the level of assurance provided by each ALEO on governance arrangements, risk management and financial management;
- (b) note that the report incorporated Hub officers' initial levels of assurance of the governance arrangements, risk management and financial management of bp Aberdeen Hydrogen Energy Limited; and
- (c) note that the Assurance Hub officers and ALEO Service Leads would discuss any outstanding issues specified in the appendices and identified at the Audit, Risk and Scrutiny Committee with ALEO representatives, with a view to further improving the assessment ratings at the next Hub meeting.

The Committee resolved:-

to approve the recommendations contained in the report.

EXTERNAL AUDIT REPORT

5. The Committee were advised that the item had been withdrawn.

AUDITED ANNUAL ACCOUNTS FOR THOSE REGISTERED CHARITIES WHERE THE COUNCIL IS THE SOLE TRUSTEE - RES/22/260

6. The Committee were advised that the item had been withdrawn.

ANNUAL ACCOUNTS 2022-23 - KEY DATES AND ACTIONS - RES/22/261

7. The Committee had before it a report by the Director of Resources which provided high level information and key dates in relation to the 2022/23 Annual Accounts including linkages to the plans and timetables to the Council's External Auditors.

The report recommended:-

that the Committee note the information in relation to the 2022/23 annual accounts process contained within the report.

The Committee resolved:-

to approve the recommendation contained in the report.

USE OF INVESTIGATORY POWERS QUARTERLY REPORT - COM/22/258

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8. With reference to article 17 of the minute of its previous meeting, the Committee had before it a report by the Director of Commissioning which was presented to ensure that Elected Members reviewed the Council's use of investigatory powers on a quarterly basis and had oversight that those powers were being used consistently in accordance with the Use of Investigatory Powers Policy.

The report recommended:-

that the Committee note the update within the report in respect of the Council's use of investigatory powers during Quarter 3 of the current year.

The Committee resolved:-

- (i) in relation to a question regarding the outcome of the interactive poll issued in December 2022, to note that the Interim Chief Officer – Governance would circulate a response by email; and
- (ii) to otherwise approve the recommendation contained in the report.

SCOTTISH PUBLIC SERVICES OMBUDSMAN DECISIONS, INSPECTOR OF CREMATORIA COMPLAINT DECISIONS - CUS/22/259

9. With reference to article 18 of the minute of its previous meeting, the Committee had before it a report by the Director of Customer Services which provided information on all Scottish Public Services Ombudsman (SPSO) and Inspector of Cremations decisions made in relation to Aberdeen City Council since the last reporting cycle, to provide assurance that complaints and Scottish Welfare Fund applications are being handled appropriately.

The report recommended:-

that the Committee note the details of the report.

The Committee resolved:-

to approve the recommendation contained in the report.

INSPECTION REPORT OF ABERDEEN CREMATORIUM BY THE SENIOR INSPECTOR OF BURIAL, CREMATION AND FUNERAL DIRECTORS - OPE/22/256

10. The Committee had before it a report by the Director of Resources which presented the Inspection Report of Aberdeen Crematorium which was carried out by the Senior Inspector of Burial, Cremation and Funeral Directors on 11 October 2022.

The report recommended:-

that the Committee note the inspection report.

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In response to a comment made in relation to whether some of the information could be presented in a different way due to the sensitivity of it, the Interim Chief Officer – Governance advised that the current content didn't present any issues in relation to Data Protection legislation however for future reports, consideration would be given to the way in which the report was presented.

The Committee resolved:-

- (i) to thank officers for their work in this area specifically during the covid pandemic;
- (ii) to note that for future reports, consideration would given as to how data was presented due to the sensitive nature of it; and
- (iii) to otherwise approve the recommendation in the report.

INTERNAL AUDIT UPDATE REPORT - IA/22/006

11. The Committee had before it a report by the Chief Internal Auditor which provided an update on the progress against the approved Internal Audit plans, audit recommendations follow up and other relevant matters for the Committee to be aware of.

The report recommended:-

that the Committee -

- (a) note the progress of the Internal Audit Plan; and
- (b) note the progress that management has made with implementing recommendations agreed in Internal Audit reports.

In response to a question relating to Audit AC2201 – IT Infrastructure Resilience, the Chief Officer – Digital and Technology advised that in order to achieve PSN accreditation, an independent audit was required which had been delayed until the previous Thursday. The audit contained some recommendations which were being worked through and the completion date of 31 December 2022 was expected.

The Committee resolved:-

to approve the recommendations contained in the report.

TRANSFORMATIONAL PROGRAMME - IJB - IA/AC2211

12. The Committee had before it a report by the Chief Internal Auditor which presented an audit in relation to IJB Transformational Programme which was undertaken to provide assurance that the IJB were continuing to make progress with delivery of its transformation agenda.

The report recommended:-

that the Committee review, discuss and comment on the issues raised within the report and the attached appendix.

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The Committee resolved:-

to note the content of the report.

COMMISSIONING - IA/AC2205

13. The Committee had before it a report by the Chief Internal Auditor which presented an audit in relation to Commissioning which was undertaken to review plans and progress with implementation of the Councils Strategic Commissioning Approach set out in the Council Delivery Plan.

The report recommended:-

that the Committee review, discuss and comment on the issues raised within the report and the attached appendix.

The Committee resolved:-

to endorse the recommendations for improvement as agreed by the relevant Function.

ATTENDANCE MANAGEMENT - IA/AC2216

14. The Committee had before it a report by the Chief Internal Auditor which presented an audit in relation to Attendance Management which was undertaken to obtain assurance over compliance with corporate policy and determine whether the Council's absence improvement plan was having a positive impact on attendance.

The report recommended:-

that the Committee review, discuss and comment on the issues raised within the report and the attached appendix.

The Committee resolved:-

to note the content of the report.

CHILDREN WITH DISABILITIES - IA/AC2206

15. The Committee had before it a report by the Chief Internal Auditor which presented an audit in relation to Children with Disabilities which was undertaken to obtain assurance that care for children with disabilities via contracts and direct payments were being arranged and paid for in accordance with procedure to secure Best Value outcomes. The report advised that that payments relating to out of authority placements had not been included as these would be considered in a separate audit planned for 2022/23.

The report recommended:-

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that the Committee review, discuss and comment on the issues raised within the report and the attached appendix.

In response to questions relating to the new D365 database and whether it went live in September and whether child plans and associated plan would be available in the system, the Lead Service Manager advised that the system went live in October and that all new plans were in the system with a period of transformation to get current plans moved across.

In response to a question relating to contracts not being awarded in line with Procurement Regulations, the Lead Service Manager advised that at the time, a report was submitted to Committee explaining the vulnerability of the children and that a direct award was preferable for those children and that what hadn't been included was a specific request to set aside Section 15 of the Procurement Regulations, which has been noted for future reports.

In response to a question relating to how the Delegated Procurement Authority training for staff was progressing, the Lead Service Manager advised that all staff were trained in the old system and that they were half way through the training for the new system and was expected to be complete by 31 January 2023.

The Committee resolved:-

to endorse the recommendations for improvement as agreed by the relevant Function.

CORPORATE HEALTH AND SAFETY - IA/AC2304

16. The committee had before it a report by the Chief Internal Auditor which presented an audit in relation to Corporate Health and Safety which was undertaken to provide assurance that appropriate processes were being employed in managing health and safety at a corporate level.

The report recommended:-

that the Committee review, discuss and comment on the issues raised within the report and the attached appendix.

The Committee resolved:-

to endorse the recommendations for improvement as agreed by the relevant Function.

- **SANDRA MACDONALD, Convener**