

AUDIT, RISK AND SCRUTINY COMMITTEE

ABERDEEN, 28 November 2024. Minute of Meeting of the AUDIT, RISK AND SCRUTINY COMMITTEE. Present:- Councillor Malik, Convener; Councillor , Vice-Convener; and Councillors Cameron (as substitute for Councillor McRae), Allard, Alphonse, Bonsell, McLellan, McLeod (as substitute for Councillor Houghton), Massey and Yuill (as substitute for Councillor Bouse).

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.

At this juncture, the Convener proposed that the exempt agenda item at 10.1 Technical Issues Relating To Audit, Risk And Scrutiny Committee 26/09/2024 be held in public. After hearing advice from officers, the Convener intimated that they would proceed with hearing the item in private. He further advised that he would take that item of business first on the agenda.

DETERMINATION OF EXEMPT BUSINESS

1. The Convener proposed that the Committee consider item 10.1 (Technical Issues Relating to Audit, Risk and Scrutiny Committee 26/09/2024) with the press and public excluded from the meeting.

The Committee resolved:-

in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting during consideration of the above item so as to avoid disclosure of information of the class described in the following paragraph of Schedule 7(A) to the Act:- article 2 (paragraph 14).

TECHNICAL ISSUES RELATING TO AUDIT, RISK AND SCRUTINY COMMITTEE 26/09/2024

2. The Committee had before it a report by the Executive Director of Corporate Services which presented details on the technical issues that caused the cancellation of the Audit, Risk and Scrutiny Committee scheduled for 26th September 2024.

The report recommended:

that the Committee note the contents of the report.

Members asked various questions relating to the incident to gain assurance that systems were in place to prevent similar issues in the future.

The Committee resolved:-

to approve the recommendation contained in the report.

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DECLARATION OF INTEREST OR TRANSPARENCY STATEMENTS

3. There were no declarations of interest or transparency statements.

MINUTE OF PREVIOUS MEETING OF 27 JUNE 2024

4. The Committee had before it the minute of its previous meeting of 27 June 2024.

The Committee resolved:-

to approve the minute as a correct record.

COMMITTEE BUSINESS PLANNER

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

The Committee resolved:-

- (i) in response to a question from a member regarding the number of reports and whether the business would be concluded today, the Convener advised that he was confident business would be completed and if required Standing Orders could be suspended; and
- (ii) to otherwise note the content of the committee business planner.

INFORMATION GOVERNANCE MANAGEMENT ANNUAL STATEMENT 2023-24 - CORS/24/253

6. The Committee had before it a report by the Executive Director of Corporate Services which presented the annual report on the Council's Information Governance Performance, including information about the changes implemented through the Council's information assurance improvement plan.

The report recommended:-

that the Committee note the information provided about the Council's information governance performance set out in sections 3.1 to 3.5 and in the Information Governance report at Appendix 1.

In response to a question relating to the number of care experienced Subject Access Requests and whether these would reduce, the Customer Services Manager advised that the numbers of requests were likely to continue for the next year.

In response to a question relating to who would notify the Information Commissioner's Office (ICO) if there were any data protection breaches, the Chief Officer - Data Insights

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advised that the Data Protection Officer would work with the Service to risk assess the situation and would make the final decision and report to the ICO.

The Committee resolved:-

- (i) to instruct the Chief Officer – Data and Insights to circulate information to members providing examples of lessons learnt data in relation to data protection breaches; and
- (ii) to otherwise approve the recommendation contained in the report.

ALEO ASSURANCE HUB UPDATE - CORS/24/346

7. With reference to article 6 of the minute of its previous meeting, the Committee had before it a report by the Executive Director of Corporate Services which provided assurance on the governance arrangements, risk management, and financial 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 respectively and the risk ratings applied by the ALEO Assurance Hub, as detailed in appendices B-H; and
- (b) note that the ALEO Assurance Hub would discuss any outstanding issues specified in the appendices with ALEO representatives, with a view to maintaining low/very low risk ratings and improving any medium risk ratings to low/very low.

The Committee resolved:-

to approve the recommendations as contained in the report.

USE OF INVESTIGATORY POWERS - Q3 & Q4, 2024 - CORS/24/251

8. With reference to article 6 of the minute of its meeting of 9 May 2024, the Committee had before it a report by the Executive Director of Corporate Services which was provided 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 Council's use of covert surveillance activity during Q3 and Q4.

In response to a question relating to the training needs that was identified in August and when the training would be provided, it was noted that the training would be provided in 2025.

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The Committee resolved:-

to approve the recommendation contained in the report.

SPSO DECISIONS, INSPECTOR OF CREMATORIA COMPLAINT DECISIONS - CORS/24/340

9. With reference to article 7 of the minute of its previous meeting, the Committee had before it a report by the Executive Director of Corporate 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 to Committee that complaints and Scottish Welfare Fund applications were being handled appropriately.

The report recommended:-

that the Committee note the details of the report.

In response to a question relating to whether the Complainer received an apology and if they were asked for feedback on the process, the Customer Services Manager advised that an apology was issued to the Complainer with a copy sent to the SPSO and that it was not standard practice to ask for feedback.

The Committee resolved:-

- (i) to note that the Customer Services Manager would liaise with colleagues and provide a response as to the whether action had been taken in relation to the feedback in the ICO report regarding measurement and recording of curtilage areas; and
- (ii) to otherwise approve the recommendation contained in the report.

PROCUREMENT AND COMMERCIAL IMPROVEMENT PROGRAMME (PCIP) ASSESSMENT 2024 - CORS-24-279

10. The Committee had before it a report by the Executive Director of Corporate Services which presented the Committee with assurance on procurement performance following the Procurement and Commercial Improvement Programme (PCIP) assessment which focussed on the policies and procedures driving procurement performance and, the results delivered.

The report recommended:

that the Committee note the assurance provided by the assessment as detailed in Appendix 1.

In response to a question relating to whether all three local authorities in the partnership were assessed the same, the Chief Officer – Commercial and Procurement Services advised that each local authority went through the same assessment which was

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undertaken over two days for the three authorities. The Strategic Commercial Manager advised that the outcome was the same for the three authorities.

The Committee resolved:-

to approve the recommendation contained in the report.

ANNUAL EFFECTIVENESS REPORT - CORS/24/339

11. The Committee had before it a report by the Executive Director of Corporate Services which presented the annual report of the Audit, Risk and Scrutiny Committee to enable Members to provide comment on the data contained within.

The report recommended:-

that the Committee –

- (a) provide comments and observations on the data contained within the annual report; and
- (b) note the annual report of the Audit, Risk and Scrutiny Committee.

The Committee resolved:-

- (i) to note that a report would be submitted to this Committee in February, in advance of the report to the April's Council meeting, which would outline the proposals for a scrutiny approach within the Council's Scheme of Governance; and
- (ii) to otherwise approve the recommendations contained in the report.

ANNUAL ACCOUNTS 2024/25 - ACTION PLAN AND KEY DATES - CORS/24/342

12. The Committee had before it a report by the Executive Director of Corporate Services which provided high level information and key dates in relation to the 2024/25 Annual Accounts including linkages to the plans and timetables of the Council's External Auditors.

The report recommended:-

that the Committee note the information in relation to the 2024/25 annual accounts process contained in the report.

The Committee resolved:-

to approve the recommendation contained in the report.

INTERNAL AUDIT PROGRESS REPORT - IA/24/012

13. With reference to article 10 of the minute of it's previous meeting, the Committee had before it a report by the Chief Internal Auditor which provided an update on the

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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 had made with implementing recommendations agreed in Internal Audit reports.

In response to a question relating to Appendix 2 and whether the recommendations were on track for completion, the Chief Internal Auditor advised that they were on track for completion by the dates provided.

In response to a question relating to Appendix 3 and what was still outstanding, the Chief Officer – Adults Social Work advised that the claim form was to be included in the procedure which would close off the recommendation.

In response to a question relating to audits aligned to the IJB and where they would be presented, the Chief Internal Auditor advised that they were presented to the IJB Risk, Audit and Compliance Committee in the first instance and presented to this Committee for information.

The Committee resolved:-

to approve the recommendations contained in the report.

PROCUREMENT COMPLIANCE - AC2412

14. The Committee had before it a report by the Chief Internal Auditor which presented an audit on Procurement Compliance which was undertaken to provide assurance that the Council had appropriate arrangements in place, that were being complied with, to ensure compliance with procurement legislation and internal regulations.

The report recommended:-

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

In response to a question relating to why contractors were awarded jobs with no competition, the Strategic Commercial Manager advised that some contracts were awarded as direct awards using framework agreements which were below the financial threshold. She further advised that the reasons for awarding a direct award were recorded.

In response to a question relating to the procurement documents still required, the Strategic Commercial Manager advised that the documentation required to be simplified

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as much as possible to include flowcharts and visual aids. She further advised that the sharepoint site would be redesigned to take users through each stage of the process.

In response to a question relating to the Contracts Register and whether it was checked before it was published, the Strategic Commercial Manager advised that the contract register was published monthly with a new internal process implemented which highlighted any gaps in the documents provided.

In response to a question relating to the contracts award report and what it was used for, the Strategic Commercial Manager advised that it was the key stages involved with the approval process and contained details of the business case/workplan and outlined what had been completed.

In response to a question relating to the whether one system for approvals would bring efficiencies, the Strategic Commercial Manager advised that there were several systems currently used and that additional resource would be allocated in the coming year to identify and implement improvements.

The Committee resolved:-

- (i) to note that the Chief Officer – Commercial and Procurement Services would submit a report to this Committee within 2 committee cycles providing an update on the improvements that have been implemented; and
- (ii) to otherwise note the report and the attached internal audit report.

SOCIAL CARE FINANCIAL ASSESSMENTS - AC2414

15. The Committee had before it a report by the Chief Internal Auditor which presented an audit on Social Care Financial Assessments which was undertaken to obtain assurance that adequate arrangements were in place to undertake social care financial assessments in an accurate and efficient manner, with a focus on the systems used.

The report recommended:-

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

The Committee resolved:-

- (i) in relation to questions relating to why the 2019 charging policy was not fully implemented and the references made to the pandemic, to note that the Chief Executive would look back at the report that was submitted to Council regarding all decisions made during Covid-19 to determine if it captured the decisions made for this service and that she would report back to this Committee; and
- (ii) to otherwise note the report and the attached internal audit report.

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RECRUITMENT - AC2422

16. The Committee had before it a report by the Chief Internal Auditor which presented an audit on Recruitment which was undertaken to evaluate the adequacy and effectiveness of internal controls over the recruitment processes.

The report recommended:-

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

In response to a question relating to the PVG temporary dispensation and why the new post wasn't vetted, the Service Lead - People & Organisation Development Services advised that the employee already had a PVG in place which was live so any changes to the individuals circumstances would have been notified. She further advised that temporary dispensation was only used in exceptional circumstances.

In response to questions relating to the number of recruiting managers who had not responded to Internal Audit and whether they had been contacted for an explanation, the Service Lead - People & Organisation Development Services advised that she would make contact with those that had not responded once she received the details from the Chief Internal Auditor.

The Committee resolved:-

to note the report and the attached internal audit report.

ALLOWANCES - AC2501

17. The Committee had before it a report by the Chief Internal Auditor which presented an audit on Allowances which was undertaken to consider whether appropriate control was being exercised over assessing entitlement and other relevant factors for allowances, and to assess controls over making payments. The review focused on Education Maintenance Allowance, School Clothing Grants and Free School Meals.

The report recommended:-

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

The Committee resolved:-

to note the report and the attached internal audit report.

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NATIONAL FRAUD INITIATIVE - AC2503

18. The Committee had before it a report by the Chief Internal Auditor which presented an audit on the National Fraud Initiative which was undertaken to review the Council's engagement and controls for actioning outputs of the National Fraud Initiative, specifically looking at the utilisation of information to gain assurance over areas such as Council Tax and Business Rates.

The report recommended:-

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

The Committee resolved:-

to note the report and the attached internal audit report.

SEEMIS - AC2052

19. The Committee had before it a report by the Chief Internal Auditor which presented an audit on SEEMiS which was undertaken to provide assurance that appropriate control was being exercised over the schools and education management information system in view of the perceived criticality of the system and the significant volume of sensitive personal data held.

The report recommended:-

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

The Committee resolved:-

to note the report and the attached internal audit report.

BEST VALUE THEMATIC REPORT: WORKFORCE INNOVATION – 2023/24 AUDIT - EA/24/007

20. The Committee had before it a report by the External Audit Director which presented the Best Value Thematic Review on Workforce Innovation.

The report recommended:-

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

In response to a question relating to recommendation 1 and what was meant by formalising the hybrid working arrangements, the External Audit Director advised that flexible working arrangements and guidance were made available during covid which required some principles to be established for the continuation of flexible working. The

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Executive Director of Corporate Services advised that a report would be submitted to the Staff Governance Committee in January on the Flexible / Smarter Working Guidance and Policy.

The Committee resolved:-

to note the report and the attached Best Value thematic report on Workforce Innovation.

- **COUNCILLOR M.TAUQEER MALIK, Convener**