

AUDIT, RISK AND SCRUTINY COMMITTEE

ABERDEEN, 24 February 2021. Minute of Meeting of the AUDIT, RISK AND SCRUTINY COMMITTEE. Present:- Councillor Alex Nicoll, Convener; Councillor Yuill, Vice-Convener; and Councillors Jackie Dunbar, Duncan, Graham, Lumsden, MacKenzie, Mennie and Reynolds.

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.

DECLARATIONS OF INTEREST

1. Members were requested to intimate any declarations of interest in respect of the items on the agenda.

The Committee resolved:-

to note that Councillors Duncan and MacKenzie declared an interest in item 8.1 (ALEO Assurance Hub) by virtue of their position as Board Members of Aberdeen Performing Arts; and Councillor Graham declared an interest in the same item by virtue of his position as a Board Member of Sport Aberdeen and they all considered that the nature of their interests did not require them to leave the meeting at that item on the agenda.

MINUTE OF PREVIOUS MEETING OF 9 DECEMBER 2020

2. The Committee had before it the minute of its previous meeting of 9 December 2020.

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 Chief Officer – Governance.

The Committee resolved:-

- (i) to note that items 11 (Financial Sustainability), 16 (Vehicle Usage), 17 (Climate Change) and 18 (Consilium System - HRA Building Maintenance System) had been deferred until May 2021 due to staff sickness within Internal Audit and the availability of officers to respond to the audits;
- (ii) to note that item 13 (School/Pupil Security) had been delayed until May 2021 due to the cluster not having capacity to assist with the Internal Audit review at this time due to revised Covid measures applicable between December 2020 and February 2021;

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- (iii) to note that in relation to items 12 (Vehicle Replacement Policy and Procurement) and 15 (HR/Payroll System) that the draft reports had been issued to the clusters for their comment and that the reports were expected in May 2021;
- (v) to note that if approved, the items from the Internal Audit Plan, item 8.6 on the agenda would be added to the business planner;
- (vi) to otherwise note the content of the business planner.

ALEO ASSURANCE HUB - COM/21/048

4. The Committee had before it a report by the Chief Officer – Governance which presented the revised Terms of Reference for the ALEO Assurance Hub and the workplan for the year 2021.

The report recommended:-

That the Committee approve the revised ALEO Assurance Hub Terms of Reference and note the work plan for the ALEO Assurance Hub in 2021 which had been reviewed by the Risk Board and consulted upon with the ALEOs and the relevant Conveners.

The Committee resolved:-

- (i) to note that the Assurance Manager would amend the wording in relation to the membership of the ALEO Assurance Hub to clarify the Committee Lead role as being that of an officer; and
- (ii) to otherwise approve the recommendation contained in the report.

CLUSTER ASSURANCE MAPS AND INSPECTIONS PLANNER - COM/21/045

5. The Committee had before it a report by the Chief Officer – Governance which presented the Cluster Assurance Maps and an Inspections Planner in accordance with Committee Terms of Reference and to provide assurance on the Council's system of risk management.

The report recommended:-

That the Committee -

- (a) note the Cluster Assurance Maps provided at Appendices A to N;
- (b) note the Inspections Planner provided at Appendix O; and
- (c) note the comment in paragraph 3.5 of the report.

The Committee resolved:-

to approve the recommendations contained in the report.

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INTERNAL AUDIT PROGRESS REPORT - IA/AC/013

6. With reference to article 7 of the minute of its meeting of 9 December 2020, the Committee had before it a report by the Interim Chief Internal Auditor which advised on progress against the 2019/20 and 2020/21 Internal Audit Plans.

The report recommended:-

That the Committee reviews, discusses and comments on the issues raised within this report and Appendices A & B.

The Committee resolved:-

- (i) to note that the draft HR/Payroll System and Vehicle Usage audit reports had been issued and were expected to be completed and submitted to the May meeting of this Committee; and
- (ii) to otherwise note the content of the report.

INTERNAL AUDIT - FOLLOW UP ON AGREED RECOMMENDATIONS - IA/AC/014

7. With reference to article 8 of the minute of its meeting of 9 December 2020, the Committee had before it a report by the Interim Chief Internal Auditor which advised on the progress made by Functions/Clusters with implementing recommendations that had been agreed in Internal Audit reports.

The report recommended:-

That the Committee review, discuss and comment on the issues raised within the report and the attached appendices.

In response to a question relating to audit AC1817 (Vehicle Usage) and when the outstanding actions would be complete, the Fleet Manager advised that he was confident that the remaining vehicles would be fitted with the telematics system by the end of March 2021.

In response to a question relating to audit AC1903 (Devolved School Management) and whether the outstanding actions had been completed, the Chief Officer – Corporate Landlord advised that the work had been undertaken and had been reported to the Education Operational Delivery Committee and that he would ensure Internal Audit were provided with the information.

In response to a question relating to audit AC2013 (School Catering Income and Expenditure) and why the agreed actions had been delayed, the Facilities and Transportation Manager advised that the actions had been included in a wider review of all online school payments and that the new system would be live for the start of the new school year in August 2021.

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The Committee resolved:-

- (i) in relation to Audit AC2019 (Procurement Compliance) to note that the Chief Officer - Finance would request the Head of Commercial and Procurement to circulate by email a response relating to why the recommendations had not been completed by the original date;
- (ii) in relation to Audit AC2008 (Ring-Fenced Funding) to note that recommendations would not be completed by February 2021 and that the Chief Officer – Finance would provide the Interim Chief Internal Auditor with revised completion dates; and
- (iii) to otherwise note the content of the report.

INTERNAL AUDIT CHARTER - IA/21/016

8. The Committee had before it a report by the Interim Chief Internal Auditor which sought agreement to continuing use of the current Internal Audit Charter.

The report recommended:-

That the Committee approve the Internal Audit Charter as attached to the report.

The Committee resolved:-

to approve the recommendation contained in the report.

INTERNAL AUDIT PLAN 2021/22 - IA/AC/015

9. The Committee had before it a report by the Interim Chief Internal Auditor which presented the Internal Audit Plan for 2021/22.

The report recommended:-

That the Committee approve the Internal Audit Plan for 2021/22.

The Committee resolved:-

to approve the recommendation contained in the report.

INDUSTRIAL AND COMMERCIAL PROPERTY RENTAL INCOME AND VOID CONTROL - IA/AC2017

10. The Committee had before it a report by the Interim Chief Internal Auditor which presented an audit in relation to Industrial and Commercial Property - Rental Income and Void Control which was undertaken to provide assurance over the processes in place for letting, recovering rental income, and managing voids for industrial and commercial premises.

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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 where to find the vacant properties that were available for sale or to let, the Chief Officer – Corporate Landlord advised that the majority of the properties were advertised via external searches and that he would circulate a link to the Committee.

The Committee resolved:-

- (i) to note that the Chief Officer – Corporate Landlord would circulate the link from the Council website for accessing the properties for sale or let; and
- (ii) to otherwise endorse the recommendations for improvement as agreed by the relevant cluster.

EXTERNAL AUDIT STRATEGY

11. The Committee had before it a report by the External Auditor which presented the planned external audit work for 2020/21.

In response to a question relating to how grants allocated would be audited, the External Auditor advised that auditors would be looking to see how they were accounted for and whether the funding was filtered through specific budgets and whether the Council were acting on instruction from Government or making decisions on where the funds were spent.

The Committee resolved:-

to note the content of the External Audit Strategy.

RIPSA ANNUAL REPORT - COM/21/040

12. The Committee had before it a report by the Chief Officer – Governance which (1) advised that it was recommended as good practice, under paragraph 4.43 of the Scottish Government's Code of Practice for Covert Surveillance and Property interference, that elected members consider a statement on the Council's Regulation of Investigatory Powers (Scotland) Act 2000 (RIPSA) policy and statistical information on relevant activity on an annual basis; and (2) provided an overview of RIPSA compliance, progress made in 2020 and set the workplan for 2021.

The report recommended:-

That the Committee note the content of the report.

The Committee resolved:-

to approve the recommendation contained in the report.

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COUNTER FRAUD POLICY - COM/21/050

13. The Committee had before it a report by the Director of Resources which presented the revised Counter Fraud Policy and Counter Fraud Policy Guidance.

The report recommended:-

That the Committee approve the Counter Fraud Policy attached at Appendix A and note the associated Counter Fraud Policy Guidance attached at Appendix B.

The Committee resolved:-

- (i) to congratulate the report author for the work undertaken in relation to Counter Fraud; and
- (ii) to otherwise approve the recommendation contained in the report.

SCOTTISH PUBLIC SERVICES OMBUDSMAN DECISIONS AND INSPECTOR OF CREMATIONS COMPLAINT DECISIONS - CUS/21/136

14. With reference to article 14 of the minute of its meeting of 8 October 2020, 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 to Committee that complaints and Scottish Welfare Fund applications were being handled appropriately.

The report recommended:-

That the Committee note the deytail of the report.

The Committee resolved:-

to approve the recommendation contained in the report.

- **ALEX NICOLL, Convener**