
ABERDEEN CITY COUNCIL

COMMITTEE	Audit, Risk & Scrutiny
DATE	22nd February 2018
REPORT TITLE	Service Review of the Planning and Sustainable Development – Wellington Brae Update
REPORT NUMBER	CHI/18/006
DIRECTOR	Bernadette Marjoram
REPORT AUTHOR	Bernadette Marjoram

1. PURPOSE OF REPORT:-

This report responds to the instruction for the Director of Communities, Housing and Infrastructure (Interim) to report back to the Audit, Risk and Scrutiny Committee to provide evidence of how the wider Service Review of the Planning and Sustainable Development Service is taking full account of the need to implement additional safeguards to ensure that any debatable land ownership and contract procurement issues are appropriately escalated, resolved and recorded.

2. RECOMMENDATIONS

That the Committee notes:

- 2.1 The Planning Service Review has taken account of the requirement previously instructed by this Committee
- 2.2 Progress on the Investigation Report's Recommendations in respect of the project at Wellington Brae and
- 2.3 Audit Scotland will not be taking any further action in respect of the Wellington Brae project.

3. BACKGROUND

- 3.1 A report into the Investigation of the project at Wellington Brae was presented to this Committee on 26th September 2017. At this meeting it was agreed:-

“To instruct the Director of Communities, Housing & infrastructure to report back to the Audit, Risk and Scrutiny Committee at a future date to provide evidence of how the wider Service Review of the Planning and Sustainable Development Service referred to in paragraph 3.8.5 is taking full account of the need to implement additional safeguards to ensure that any debatable land ownership and contract procurement issues are appropriately escalated, resolved and recorded.”

4. THE PLANNING AND SUSTAINABLE DEVELOPMENT SERVICE REVIEW

- 4.1 A service wide improvement review of the Planning and Sustainable Development (P&SD) Service commenced on 11th September 2017. This review is being undertaken by the Planning Advisory Service.
- 4.2 The Service Review has been split into phases, beginning with a strategic review and then progressing into detailed assessments. It is anticipated that the review will be completed during February/ March 2018.
- 4.3 The requirement of the Audit, Risk and Scrutiny Committee (see para 3.1, above) was contained within the scope of work agreed for this Review and in particular, is being addressed in the `deep dive` of the Transportation Service in P&SD. Additional resources have been provided to the service and delivery of the changes will be secured through the provision of a revised set of procedures, which will link into the wider Capital Programme Governance Review, agreed by this Committee on 27 June 2017. This has been supported by the requirements set by the Capital Programme Office, for the management of all capital projects and programmes.

5 PROGRESS ON OTHER MATTERS

- 5.1 The Director of Communities, Housing and Infrastructure (Interim), and the Head of Legal and Democratic Services, met with KPMG on 21 November 2017, following the referral of this matter to Audit Scotland. At the meeting, KPMG noted that there had been breaches of policy and procedure, which meant officers had not dealt with this matter in compliance with the Council’s Governance Framework.
- 5.2 Progress on taking forward the Management Response as set out in the report of 26th September 2017 to these failings, was discussed. In addition, the management action to respond to these matters was also set out in writing to KPMG.

5.3 At this meeting, some further technical information was requested by KPMG and this was provided on 1st December 2017. KPMG subsequently wrote to Audit Scotland, who later confirmed it did not intend to take any further action. The relevant letters from KPMG and Audit Scotland are attached at Appendix 1 .

5.4. Audit Scotland issued the following statement on 25th January 2018 :

“We asked KPMG, our appointed external auditor for Aberdeen City Council, to review the council’s investigation into governance and procedural issues around the Wellington Brae cycling walkway project. The council has agreed a number of actions to address various failings. We conclude from our review that no further audit work is required on this matter. Like all councils, Aberdeen will still be the subject of an annual audit report.”

5.5 In terms of progress on taking forward the Management Response, this is summarised below and set out in more detail at Appendix 2. As indicated, a number of the recommendations either have or are being implemented and some relate to corporate procedures.

5.6 To respond to the breaches in policy and procedures, it was agreed with KPMG that all staff involved with the Wellington Brae project and investigation would be required to undertake appropriate detailed training. This training will be overseen by the Council’s Monitoring Officer and Section 95 Officer, as the relevant Council’s Statutory Officers. This training will ensure that staff are aware of the Council’s Governance Framework and ensure compliance, in future. The training will cover the following and is scheduled to take place February/March 2018:

- Explaining what good governance is;
- Explaining the roles of elected members and the role of officers;
- Explaining what delegated powers are and what officers should consider when assessing if they have powers to act and what due process they should follow;
- Explaining what financial good governance is;
- Explaining financial good governance as applied to grant awards and partnership working; and
- Establishing and improving financial controls and procedures in collaboration with the Finance team.

6. FINANCIAL IMPLICATIONS

6.1 There are no direct financial implications arising from this report.

- 6.2 However, the Management Response, alongside the training being provided, will provide assurance that the Council's procedures and practices are being complied with and the Councils Financial Regulations are being met.

7. LEGAL IMPLICATIONS

- 7.1 Legal and Democratic Services has provided training to the Council's Extended Corporate Management Team and the Third Tier Network on attending committee and on the Council's Terms of Reference and Scheme of Delegation. In addition to this, the Council will consider a Scheme of Governance at its meeting on 5 March 2018 which aims to introduce a transparent and aligned governance framework for the Council. Should members approve the Scheme of Governance, a training programme will be implemented for staff and elected members to further develop understanding across the organisation of good governance. This will help ensure that decisions are made at the appropriate level as determined by Council.
- 7.2 In the meantime, Legal Services and Finance is currently developing training specifically for staff involved with the project at Wellington Brae. The training is scheduled to take place in February/March 2018

8. MANAGEMENT OF RISK

- 8.1 The Investigation Report identified potential areas of risk arising from the findings. Progress on delivering the Management Response to the recommendations contained in the CIT report continue to address these risks.

9. IMPACT SECTION

9.1 Economy

9.1.1 Not applicable.

9.2 People

9.2.1 The revision of procedures and practices will ensure their consistent application, to secure an equitable service to all customers in a transparent way.

9.2.2 The revision of procedures and practice, as well as the training and support available, will ensure that all staff are aware of the standards expected of them and the importance of compliance

9.3 Place

9.3.1 Not applicable.

9.4 Technology

9.4.1 Not applicable.

10. BACKGROUND PAPERS

Wellington Brae Investigation Report: CHI/17/241

11. APPENDICES (if applicable)

Appendix 1: Letters from KPMG and Audit Scotland - attached

Appendix 2: Progress on Investigation Report Recommendation - attached

10. REPORT AUTHOR DETAILS

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