

Audit, Risk and Scrutiny Committee

ABERDEEN, 2 December 2021. Minute of Meeting of the AUDIT, RISK AND SCRUTINY COMMITTEE. Present:- Councillor Alex Nicoll, Convener; Councillor Yuill, Vice-Convener; and Councillors Allard, Cooke (as substitute for Councillor Mennie), Cross, Duncan, MacKenzie and Malik (as substitute for Councillor Graham).

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.

ANNOUNCEMENT

1 The Convener indicated that questions relating to the Service Update issued in for the Reconciliation of Granite for Union Terrace Gardens would be taken prior to the commencement of the items of business in section 8 of the agenda.

DETERMINATION OF EXEMPT BUSINESS

2 The Convener proposed that the Committee consider item 9.1 (Marchburn Park) 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 during consideration of item 9.1 on the agenda (article 15) so as to avoid disclosure of exempt information of the class described in paragraphs 6 and 12 of Schedule 7(A) of the Act.

DECLARATIONS OF INTEREST

3 Members were requested to intimate any declarations of interest in respect of the items on today's agenda, thereafter the following was intimated:-

Councillor Yuill declared an interest in item 6 (Union Terrace Gardens Granite Reconciliation – Questions) by virtue of his involvement with the reporting of the incident and considered that the nature of his interest required him to leave the meeting and he therefore took no part in the consideration of the item.

MINUTE OF PREVIOUS MEETING OF 29 SEPTEMBER 2021

4 The Committee had before it the minute of its previous meeting of 29 September 2021.

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The Committee resolved:-

to approve the minute as a correct record.

COMMITTEE BUSINESS PLANNER

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

The Committee resolved:-

- (i) to note that items 10 (Revenue Budget Monitoring), 15 (Consilium System - HRA Building Maintenance System) and 17 (Commissioning) had been delayed until February 2022;
- (ii) to note that items 11 (Care Establishments Financial Administration), 12 (IT Infrastructure Systems), 27 (Recovery Arrangements for Sundry Debt) and 29 (Grant Funding to External Organisations) had been delayed until June 2022;
- (iii) to note that items 28 (Transport Arrangements for Education and Social Care), 30 (Council Owned Land and Property), 44 (Inspections, Aids and Adaptions) and 45 (Financial Administration – Waste) had been delayed and anticipated to be submitted during 2022;
- (iv) to otherwise note the content of the business planner.

In accordance with article 3 of this minute, Councillor Yuill withdrew from the meeting prior to consideration of the following item of business.

UNION TERRACE GARDENS RECONCILIATION OF GRANITE - QUESTIONS

6 At this juncture, the Convener referred to the Service Update that had been circulated to members out with the meeting and indicated that questions from members would be taken at this point.

Councillors made reference to the photographs within the Service Update and indicated that it looked like there may have been some duplicates in the numbering on the pallets. The Chief Officer – Capital advised that the pallets had been allocated tag numbers and had no reflection on any painted numbers that may have been visible on the pallets. He further advised that he would check the update that was issued and amend if necessary.

The Committee resolved:-

- (i) to note the response to members questions; and
- (ii) to note that at the end of the project a report providing the full reconciliation of the granite would be submitted to the Committee.

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AUDIT, RISK AND SCRUTINY COMMITTEE ANNUAL EFFECTIVENESS REPORT - COM/21/276

7 The Committee had before it the annual committee effectiveness report by the Director of Commissioning for consideration. The annual effectiveness reports were introduced in 2018/19 following a recommendation from the Chartered Institute of Public Finance and Accountancy (CIPFA) as part of the Council's work towards securing that organisation's accreditation in governance excellence.

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.

Members provided comments on the content of the annual report and specifically whether the data from the table at 6.7 could be presented in a different way. Members noted that the layout of the reports were identical across all committees therefore the comments were relevant for all committees.

The Committee resolved:-

- (i) to note that the Chief Officer – Finance would liaise with colleagues on the format for future reports; and
- (ii) to otherwise approve the recommendations contained in the report.

INTERNAL AUDIT PROGRESS REPORT - IA/21/011

8 With reference to article 6 of the minute of its previous meeting, the Committee had before it a report by the Interim Chief Internal Auditor which advised on progress against the 2020/21 and 2021/22 Internal Audit Plans.

The report recommended:-

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

The Interim Chief Internal Auditor advised that the new Chief Internal Auditor would join the internal Audit team in January which would alleviate some of the staffing shortages. He further advised that the previous 15 months had been difficult with vacancies and illness within the team.

In relation to the number of audits that have been deferred into 2022, Members sought assurance that the content of the Internal Audit Plan for 2022/23 would be manageable for the Internal Audit team. The Chief Officer – Finance advised that the Corporate Management Team were in discussions with the Interim Chief Internal Auditor to ensure

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that the 2022/23 Internal Audit plan was structured capturing cyclical audits and risk based audits.

The Committee resolved:-

- (i) to thank the Internal Audit team for their efforts over the previous 15 months under difficult circumstances with staff shortages and the pandemic;
- (ii) to note the update provided in relation to the staffing situation within Internal Audit;
- (iii) to note the update in relation to the development of the 2022/23 Internal Audit Plan;
- (iv) to note the responses to members questions; and
- (v) to otherwise note the content of the report.

INTERNAL AUDIT RECOMMENDATIONS - IA/21/012

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

The report recommended:-

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

The Committee resolved:-

- (i) in relation to Audit AC2117 (Housing Waiting List and Allocations), to note that information had been submitted to Internal Audit which was being verified before the actions were marked as complete;
- (ii) to note that the Interim Chief Internal Auditor would identify whether an extra column could be included to enable an explanation as to why recommendations had been delayed; and
- (iii) to otherwise note the content of the report.

LICENSING INCOME - IA/AC2202

10 The Committee had before it a report by the Interim Chief Internal Auditor which presented an audit in relation to Licensing Income which was undertaken to provide assurance over the processes in place for controlling income from licensing applications.

The report recommended:-

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

The Committee resolved:-

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

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MENTAL HEALTH AND SUBSTANCE ABUSE - AC/2112

11 The Committee had before it a report by the Interim Chief Internal Auditor which presented an audit in relation to Mental Health and Substance Misuse which was undertaken to provide assurance that appropriate processes were in place to manage and record support arrangements and that expenditure was adequately controlled, including approval/management of discretionary support.

The report recommended:-

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

Members sought assurance relating to the care reviews that had not been documented correctly. The Interim Chief Internal Auditor advised that contact had been undertaken with the service users and that recommendations around the processes had been made to ensure that all reviews were documented consistently.

The Committee resolved:-

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

FINANCIAL SYSTEM INTERFACES AND RECONCILIATIONS - AC/2203

12 The Committee had before it a report by the Interim Chief Internal Auditor which presented an audit in relation to Financial System Interfaces and Reconciliations which was undertaken to obtain assurance that appropriate checks and balances were in place to confirm the accuracy of information transferred into the Integrated Financial System.

The report recommended:-

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

The Committee resolved:-

to endorse the recommendations for improvement and agreed by the relevant function.

ANNUAL ACCOUNTS 2021/22 - KEY DATES - RES/21/290

13 The Committee had before it a report by the Director of Resources which provided high level information and key dates in relation to the 2021/22 Annual Accounts including linkages to the plans and timetables to the Council's External Auditors.

The report recommended:-

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That the Committee notes the information in relation to the 2021/22 annual accounts process as contained in the report.

The Committee resolved:-

- (i) in response to a question relating to training for Councillors following the Local Government Elections in May 2022, to note that training would be provided for members who would be on this Committee prior to the meeting on 30 June 2021;
- (ii) to note on p118 at 3.3.8 the date should read 31 October 2022; and
- (iii) to otherwise approve the recommendation contained in the report.

USE OF INVESTIGATORY POWERS QUARTERLY REPORT - COM/21/289

14 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 have oversight that those powers were being used consistently in accordance with the Use of Investigatory Powers Policy.

The report recommended:-

That the Committee –

- (a) note the update in the report in respect of the Council's use of investigatory Powers during quarter 4 of the current year; and
- (b) approve the Use of Investigatory Powers Policy, attached at Appendix A.

In response to a question relating to when it would be appropriate to acquire Communications Data, the Regulatory and Compliance Team Leader advised that where Trading Standards Officers were investigating online selling.

In response to a question as to whether it would be more appropriate for officers to seek assistance from Police Scotland's Fraud Division rather than the National Anti Fraud Network (NAFN) due to the difference in Scots Law, the Regulatory and Compliance Team Leader advised that the NAFN were the point of contact for Local Authorities. She further advised that the Council policy had checks and balances in place to ensure correct procedures were being followed.

The Committee resolved:-

- (i) to note that there was an error in the index page of the policy which would be amended;
- (ii) to note the response to members questions;
- (iii) to otherwise approve the recommendations contained in the report.

MARCHBURN PARK - CUS/21/292

15 With reference to article 19 of the minute of meeting of the Operational Delivery Committee of 6 September 2018, the Committee had before it a report by the Director of

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Customer Services, which provided an update in relation to issues at properties at Marchburn Park.

The report recommended:-

That the Committee note the progress made on resolving the issues with properties at Marchburn Park.

The Committee resolved:-

- (i) to agree that an update would be provided to this Committee in June 2022 on conclusion of the ongoing discussions with the contractor; and
- (ii) to otherwise approve the recommendation contained in the report.

- **COUNCILLOR ALEX NICOLL, Convener**