

AUDIT, RISK AND SCRUTINY COMMITTEE

ABERDEEN, 27 June 2023. Minute of Meeting of the AUDIT, RISK AND SCRUTINY COMMITTEE. Present:- Councillor Houghton, Vice-Convenor; and Councillors Ali, Allard, Bonsell, Bouse, Fairfull, Kuszniir (as substitute for Councillor Houghton), McLellan, McRae, Malik, Massey, Radley, Mrs Stewart 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.

APPOINTMENT OF CONVENER

1. In the absence of the Convener, and as the Vice Convener was joining the meeting online, in terms of SO 19.1.3 the Committee agreed to appoint Councillor Malik to chair the meeting.

DECLARATIONS OF INTEREST OR TRANSPARENCY STATEMENTS

2. There were no declarations of interest or transparency statements made.

MINUTE OF PREVIOUS MEETING OF 11 MAY 2023

3. The Committee had before it the minute of their previous meeting of 11 May 2023.

The Committee resolved:-

to approve the minute as a correct record.

COMMITTEE BUSINESS PLANNER

4. The Committee had before it the Committee Business Planner as prepared by the Interim Chief Officer – Governance (Assurance).

The Committee resolved:-

to note the content of the business planner.

ALEO ASSURANCE HUB - COM/23/180

5. The Committee had before it a report by the Director of Commissioning which provided assurance on the governance arrangements, risk management and financial management of Arm's Length External Organisations (ALEO's) as detailed within the ALEO Assurance Hub's Terms of Reference.

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The report recommended:-

That the Committee -

- (a) notes the level of assurance provided by each ALEO on governance arrangements, risk management and financial management;
- (b) notes 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) notes 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.

In response to a request from a member, the Interim Chief Officer – Governance (Assurance) agreed that for future reports the appendices would contain a title.

In response to a question relating to Bon Accord care and the financial information presented in the additional circulation, to note that there was a typographical error and that the financial year should have been for 2022-2023.

In response to a question relating to Bon Accord Care and the increase in demand for services, the Director for Commissioning advised that with the demographics of the city, the demand for care services and in particular specialised services had been increasing and that these were being managed via the strategic plan that had been approved by Bon Accord Care recently, a copy of which could be circulated to the Committee for their information.

In response to a question relating to the low risk rating at Appendix H – Sport Aberdeen and whether the Council were required to notify Auditors of the Judicial Review relating to the closure of Bucksburn Swimming Pool, the Interim Chief Officers – Governance advised that there was no requirement to notify auditors of the Judicial Review process and that until such time as that process had concluded the risk rating remained at low.

The Committee resolved:-

to approve the recommendations contained in the report.

USE OF INVESTIGATORY POWERS Q2 - COM/23/181

6. The Committee had before it a report by the Director of Commissioning 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 covert surveillance activity.

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In response to questions relating to the level of participation from the most recent poll and awareness raising, Ms Johnstone advised that a number of officers had access to the portal, however around 30% of them were more frequent users and responded on a regular basis. She further advised that the portal was a restricted portal which contained training materials and polls for users to complete.

In response to a question relating to the assurance that the Scheme was working effectively, Ms Johnstone advised that Authorised Officers reviewed and where appropriate approved applications as they were submitted.

The Committee resolved:-

to approve the recommendation contained in the report.

LOCAL GOVERNMENT TRANSPARENCY CODE - CUS/23/179

7. With reference to article 17 of the minute of meeting of Council of 22 February 2023, the Committee had before it a report by the Director of Customer Services which presented a report in response to the notice of motion from Councillor Kuszniir, which requested the preparation of a feasibility study to explore the establishment of a parallel Local Government Transparency Code, similar to the one in place for local authorities in England.

The report recommended:-

that the Committee –

- (a) note the current position regarding data publication and compliance; and
- (b) note that a report from the Chief Officer – Customer Experience and People and Organisational Development will be provided pending the outcome of Scottish Government consultation and further review.

In response to a question regarding how many of the total number of requests had come from Councillors, the Customer Services Manager advised that she would liaise with colleagues to see if that data was still collected and whether it was consistent.

In response to a question regarding the number of requests for spatial data to be published, the Chief Officer – Data Insights advised that the figure was very low and that he would circulate the information via email.

In response to questions regarding why the Council could not proceed prior to the outcome of the Scottish Government consultation and the timeframe for reporting, the Chief Officer – People and Organisational Development and Customer Experience advised that the Council were required to comply with the Code, Scottish Government guidance and legislation. She further advised that there were resource implications as further changes may be required following the results of the consultation. In relation to

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the timeframe for reporting, it was noted that it was not currently known when the findings from the consultation would be available.

Councillor Allard, seconded by Councillor McLellan moved:-

That the Committee approve the recommendations contained within the report.

Councillor Kuznir, seconded by Councillor Massey, moved as an amendment:-

That the Committee:-

- 2.1 understands the current position regarding data publication and compliance in Scotland; and
- 2.2 instructs the chief officer – Customer Experience and People and Organisational Development to come back to committee following the publication of the results of the recent consultation to further consider the progression of a parallel Aberdeen Taxpayers Transparency Code for approval.

On a division, there voted:- for the motion (7) – Councillors Allard, Bouse, Fairfull, McLellan, McRae, Radley and van Sweeden; for the amendment (6) – the Convener and Councillors Ali, Bonsell, Kuznir, Massey and Mrs Stewart.

The Committee resolved:-

to adopt the motion.

In terms of Standing Order 34.1, Councillor Kuznir intimated that he would like this matter to be referred to full Council in order for a final decision to be taken. Councillor Kuznir was supported by the Convener, and Councillors Ali, Bonsell, Massey and Mrs Stewart.

SCOTTISH PUBLIC SERVICES OMBUDSMAN DECISIONS AND INSPECTOR OF CREMATIONS COMPLAINT DECISIONS - CUS/23/177

8. With reference to article 8 of the minute of it's meeting of 23 March 2023, 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 details of the report.

The Committee resolved:-

to approve the recommendation contained in the report.

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INTERNAL AUDIT PROGRESS REPORT - IA/23/006

9. With reference to article 7 of the minute of its previous meeting, 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 had made with implementing recommendations agreed in Internal Audit reports.

In response to questions from Members, the Chief Internal Auditor advised that Internal Audit follow up with management on all outstanding audit recommendations and that five of the ten outstanding recommendations have been progressed since the report had been issued.

The Chief Officer – Finance apologised for not submitting responses to the Chief Internal Auditor ahead of the papers being issued and that he would provide the updates after the meeting.

The Committee resolved:-

to approve the recommendations contained in the report.

INTERNAL AUDIT ANNUAL REPORT 2022-2023 - IA/23/007

10. The Committee had before it a report by the Chief Internal Auditor which presented the Internal Audit Annual Report for 2022-23.

The report recommended:-

That the Committee -

- (i) to note the Annual Report for 2022/23;
- (ii) to note that the Chief Internal Auditor had confirmed the organisational independence of Internal Audit;
- (iii) to note that there had been no limitation to the scope of Internal Audit work during 2022/23;
- (iv) to note the outcome of Internal Audit's self-assessment against the requirements of the Public Sector Internal Audit Standards; and
- (v) to note the content of Internal Audit's Quality Assurance and Improvement Plan.

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In response to a question regarding how the areas of risk were identified, the Chief Internal Auditor advised that previous audit findings, the audit planning process and discussions were used to identify the risks to the Council.

In response to a question regarding the whether time was allocated for Consultancy or additional works, the Chief Internal Auditor advised that 10% of audit time was built into the schedule to cover unscheduled reviews.

In response to a question regarding the key performance indicators, the Chief Internal Auditor advised that a new audit methodology was introduced in April 2022 and that there had been a significant number of previous years audits carried over into the 2022-23 assurance year which had impacted the ability to complete the scheduled audits for the year.

In response to a question regarding the quality assurance and improvement plan, the Chief Internal Auditor advised that all of the recommendations had been closed off and that an external quality assessment was currently underway.

In response to a question regarding the percentage of audits completed, the Chief Internal Auditor advised that the remaining reviews were with management and that he expected these to be finalised giving 100% complete for next year.

The Committee resolved:-

to approve the recommendations contained in the report.

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