

<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>6 June 2017</b>
<b>Report By:</b>	<b>Corporate Director Environment Regeneration and Resources</b>	<b>Report No:</b>	<b>AC/05/17/SA/APr</b>
<b>Contact Officer:</b>	<b>Andi Priestman</b>	<b>Contact No:</b>	<b>01475 712251</b>
<b>Subject:</b>	<b>Internal Audit Progress Report – 30 January to 5 May 2017</b>		

## 1.0 PURPOSE

- 1.1 The purpose of this report is to enable members to monitor the performance of Internal Audit, to discharge their scrutiny and performance monitoring roles and gain an overview of the overall control environment throughout the Council.
- 1.2 The Monitoring Report from 30 January to 5 May 2017 is attached as an Appendix to this report since its content is essential to the understanding of the Council's control environment. Appendix 1

## 2.0 SUMMARY

- 2.1 Four internal audit reports have been finalised since the last Audit Committee meeting:-
- Corporate Fraud Review – Blue Badge Scheme;
  - CSA Education – Business Continuity Management;
  - Corporate Procurement – Supplier Management; and
  - LSFR – Non-Domestic Rates.

- 2.2 These reports contain 11 issues categorised as follows:-

Red	Amber	Green
0	2	9

- 2.4 The fieldwork for the 2016/17 plan is now complete and the current status of the plan is as follows:-

Stage	Number of Reports
Final Report	12
Draft Report	1
Fieldwork Complete	0
Fieldwork c/f to 2017/2018	3
Planning	0
Not started	0
<b>Total</b>	<b>16</b>

- 2.5 In relation to Internal Audit follow up, there were 9 items due for completion by 30 April 2017, 7 of which has been reported as completed by management and action in relation to 2 items has been revised. The current status report is attached at Appendix 2. **Appendix 2**
- 2.6 The CMT has reviewed and agreed the current status of actions.

### **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that Members agree to note the progress made by Internal Audit in the period from 30 January to 5 May 2017.

**Scott Allan**  
**Corporate Director Environment, Regeneration and Resources**

#### 4.0 BACKGROUND

- 4.1 In April 2016, the Audit Committee approved the current Internal Audit Annual Plan which detailed a programme of activity to be undertaken during 2016-17.
- 4.2 Internal Audit regularly reports findings and action plans to relevant Council Officers and the Audit Committee as part of the annual audit plan. A follow up process is in place to allow follow up of current internal audit actions to be co-ordinated and updated by Internal Audit on a monthly basis with regular reporting to CMT and the Audit Committee.

#### 5.0 CURRENT POSITION

- 5.1 Four internal audit reports have been finalised since the last Audit Committee meeting in February 2017.
- 5.2 The fieldwork for the 2016/17 plan is complete and the current status of the plan is as follows:

Stage	Number of Reports
Final Report	12
Draft Report	1
Fieldwork Complete	0
Fieldwork c/f to 2017/2018	3
Planning	0
Not started	0
<b>Total</b>	<b>16</b>

- 5.3 There are 12 current action points being progressed by officers. There were 9 actions due for completion by 30 April 2017, 7 of which has been reported as completed by management and action in relation to 2 items has been revised.
- 5.4 The CMT has reviewed and agreed the current status of actions.

#### 6.0 IMPLICATIONS

##### Finance

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

Financial Implications:

##### One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

##### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

##### Legal

6.2 There are no direct legal implications arising from this report.

### **Human Resources**

6.3 There are no direct HR implications arising from this report.

### **Equalities**

6.4 There are no direct equalities implications arising from this report.

### **Repopulation**

6.5 There are no direct repopulation implications arising from this report.

## **7.0 CONSULTATIONS**

7.1 Relevant officers have been consulted in the preparation of this report.

## **8.0 LIST OF BACKGROUND PAPERS**

8.1 File of completed internal audit reports: Available from Andi Priestman, Chief Internal Auditor.



**Audit Committee Report  
Report on Internal Audit Activity from  
30 January to 5 May 2017**

<b>Section</b>	<b>Contents</b>	<b>Page</b>
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**1 Audit work undertaken in the period**

**Reports issued since last update**

1.1 Detailed findings and recommendations reported to management are currently graded using the following criteria:

<b>Red</b>	<ul style="list-style-type: none"> <li>• In our opinion the control environment is insufficient to address the risk and this could impact the Council as a whole.</li> <li>• Corrective action must be taken and should start immediately.</li> <li>• Overseen to completion by Corporate Management Team.</li> </ul>
<b>Amber</b>	<ul style="list-style-type: none"> <li>• In our opinion there are areas of control weakness which we consider to be individually significant but which are unlikely to affect the Council as a whole.</li> <li>• Corrective action must be taken (some exceptions may be agreed with IA) within reasonable timeframe.</li> <li>• Overseen to completion by Head of Service.</li> </ul>
<b>Green</b>	<ul style="list-style-type: none"> <li>• In our opinion the risk area is well controlled or our audit highlighted areas for minor control improvement and/or areas of minor control weakness.</li> <li>• Process improvements/efficiencies may be actioned at management discretion in consultation with Internal Audit (IA).</li> <li>• Managed by service owner.</li> </ul>

1.2 There were 4 audit reports finalised since the February Audit Committee, which are identified below, together with a summary of the gradings of the issues identified. In Section 2 we have provided a summary of the main findings from the review.

Reports finalised since previous Audit Committee	Grading			Total Number of Issues
	Red	Amber	Green	
Corporate Fraud Review – Blue Badge Scheme	0	2	1	<b>3</b>
CSA Education – Business Continuity Management	0	0	1	<b>1</b>
Corporate Procurement – Supplier Management	0	0	3	<b>3</b>
LSFR – Non-Domestic Rates	0	0	4	<b>4</b>
<b>Total</b>	<b>0</b>	<b>2</b>	<b>9</b>	<b>11</b>

**Other activities**

**Risk Management**

- 1.3 Risk Management is the subject of separate reporting to Audit Committee and a full report is submitted separately on an annual basis.

**Internal Audit Action Plan Follow Up**

- 1.4 The current status of Internal Audit Action plans is set out as an attachment at Appendix 2 to this report.

**2 Summary of main findings from reports issued since previous Audit Committee**

- 2.1 We have provided below a summary of the key findings from the final report issued after 30 January 2017.

**Corporate Fraud Review – Blue Badge Scheme**

- 2.2 The Inverclyde Centre for Independent Living service is responsible for the administration of the Blue Badge Scheme. The main aim of the Scheme is to provide an accessible parking service to the residents of Inverclyde who have a physical disability at a reduced cost. The use of technology (BBIS database) allows the service to administer processes quickly, consistently and in a cost effective manner. Enforcement officers based within Safer and Inclusive Communities are responsible for the enforcement of both parking regulations and the investigation of blue badge misuse within Inverclyde. This includes seizing blue badges in circumstances where they have been misused, cancelled or expired. The badges are returned to ICIL who issue a warning letter to the badge holder advising of the misuse and returning the badge, where appropriate.
- 2.3 The objective of this audit was to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key fraud risks faced by Inverclyde Council in relation to the administration of Blue Badge Applications.
- 2.4 The overall control environment opinion was **Satisfactory**. There were two AMBER issues summarised as follows:

**Managing income from Blue Badge Applications**

Applications for Blue Badges are received at three separate locations within Inverclyde at a cost of £20.00 per application. It is important to ensure that adequate checks are in place to ensure that all income is properly accounted for. Through discussions with staff and audit testing, the following issues were identified:

- Although a remittance advice is completed which records the total amount of income to be banked, there is no independent check of the remittance advice to ensure the total income figure agrees to the total income collected when applications are processed.
- There is no check to ensure that income banked has been correctly recorded on FMS. Indeed, audit testing of the FMS Cost Centre identified two postings which could not be reconciled to applications received during 2015–2016.
- Banking of income is not carried out on a regular basis e.g. weekly. For some locations, banking takes place on a very infrequent basis i.e. up to 7 weeks.
- The majority of applications received are hard copy. There is scope to review the feasibility of on-line applications and payments.



**2 Summary of main findings from reports issued since previous Audit Committee (Continued)**

Where adequate checks to ensure all income is properly accounted for are not in place, there is a risk that all income may not be fully collected and banked intact or may be misappropriated.

**Misuse and investigation of expired/cancelled badges and the security and disposal of returned badges**

It is important that expired or cancelled blue badges do not remain in circulation and are not being misused. In addition, procedures should be in place to ensure that returned badges are not misappropriated and are disposed of securely. During discussions with staff, the following issues were identified:

- From time to time, during routine checks, enforcement officers may observe an expired badge which is in use. Enforcement officers currently maintain a record of seized badges which includes both expired and misused badges. However, if a driver of a vehicle displaying an expired badge fails to return to the vehicle within a short time frame, enforcement officers are unable to seize the expired badge and currently do not record any details of the expired badge for future reference.
- Where blue badges are due to expire within the following six week period, BBIS contact the badge holder advising them to either reapply or to destroy/return the badge to ICIL on expiry. However, no central record is maintained of expired badges including the confirmation of destruction in respect of returned badges. In addition, no further enquiry is carried out in terms of disposal of the badge by the badge holder.
- A change of circumstances may result in the cancellation of a blue badge, for example a deceased case or a change in benefit status. It is the responsibility of the badge holder/representative to either return or destroy the cancelled badge. However, no central record is maintained of cancelled badges to determine the disposal outcome in such circumstances nor is any further enquiry carried out. In addition, currently the enforcement officers do not have real time access to BBIS database and are therefore unable to detect any cancelled badges which may still be in circulation during routine checks.
- Currently there is no process in place to escalate the requirement to carry out any further checks or investigate the potential fraudulent use of cancelled or expired badges.

In the absence of expired or cancelled badges being returned to ICIL and those which have been returned destroyed and verified, there is a risk that they may be misused. In addition, where enforcement officers do not have real-time access to BBIS database, this limits the ability to identify cancelled badges which remain in circulation. Furthermore, where potential misuse of a badge is not recorded there is limited opportunity to carry out further enquiries.

- 2.5 The review identified a total of 3 issues, two of which we consider to be individually significant and an action plan is in place to address all issues by 31 May 2017.

**CSA Education – Business Continuity Management**

- 2.6 Control Self-Assessment is a process through which the adequacy and effectiveness of internal controls are examined, with the goal of providing assurance that key objectives are being met. It allows Heads of Establishments and selected staff to participate in the assessment of internal controls and develop action plans to address any weaknesses that may be identified. In turn these action plans assist in evaluating risks which, if not properly addressed, could undermine the achievement of key objectives. Furthermore, Control Self-Assessments can increase awareness of internal control issues and motivate staff to carefully design and implement control processes.

**2 Summary of main findings from reports issued since previous Audit Committee (Continued)**

- 2.7 The objective of this audit was to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding a number of key risks faced by Education Services in relation to Business Continuity Management.
- 2.8 The overall control environment opinion for this audit was **Strong**. In terms of good practice we identified that:
- All Education Establishments have a clearly documented and up to date business continuity plan which clearly defines specified roles and responsibilities; and
  - All Education Establishments have developed a clear and concise communications plan which covers all key stakeholders.
- 2.9 The review identified one GREEN issues and an action plan is in place to address this issue by 31 August 2017.

**Corporate Procurement – Supplier Management**

- 2.10 To varying degrees the delivery of Council services includes procuring supplies and services from external organisations. In order to obtain best value from new and existing contracts it is important to deploy a consistent and effective approach when managing suppliers' both within and across services. Applying such an approach assists with monitoring and improving the performance of suppliers' whilst clarifying the roles and responsibilities of suppliers' and relevant officers.
- 2.11 The objective of this audit was to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key risks faced by Inverclyde Council in relation to managing suppliers.
- 2.12 We excluded the arrangements for selecting suppliers via tendering exercises and the governance aspects of procurement except when they related to the management of suppliers performance. In addition, we excluded the commissioning and supplier management processes used by HSCP as these will be subject to a separate review in 2017/2018.
- 2.13 The overall control environment opinion for this audit was **Satisfactory**. In terms of good practice, we found that the Corporate Procurement Team is committed to providing appropriate support to Services in developing an effective supplier management process for critical goods and services required by the Council.
- 2.14 The review identified 3 GREEN issues and an action plan is in place to address all issues by 30 November 2017.

**2 Summary of main findings from reports issued since previous Audit Committee (Continued)**

**Limited Scope Finance Review – Non-Domestic Rates**

- 2.15 As a property based tax business rates are calculated using the rateable values of non-domestic properties multiplied by a government set poundage less any eligible reliefs. Although non-domestic rates are levied and collected by Councils, rateable values are set by Scottish Assessors. The mid-year estimate 2016/17 total net NDR income for Inverclyde Council was £22m. During 2016/17 the national poundage rate was 48.4p, with larger businesses paying 51p. On 1<sup>st</sup> April 2016 rateable values across Inverclyde amounted to £60.2m.
- 2.16 The objective of this audit was to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key risks faced by Inverclyde Council in relation to non-domestic rates.
- 2.17 The overall control environment opinion for this audit review was **Satisfactory**. Areas of control improvement were identified which were not material and an action plan has been agreed by management to implement all recommendations made.

Areas of good practice were identified as follows:-

- The non-domestic rates team is an established staff with high levels of knowledge and performance; and
- The non-domestic rates team demonstrated a strong overall commitment to providing an effective service to enable Inverclyde Council to achieve its main objectives.

The review identified 4 GREEN issues and an action plan is in place to address all issues by 31 July 2017.

3. Audit Plan for 2016/17 – Progress to 5 May 2017

Planned Audit Cover	Planning	TOR Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report	Report Finalised	Reported to Audit Committee
<b>Risk-Based Reviews</b>							
Corporate Health and Safety	✓	✓	✓	✓	✓	✓	October 2016
Facilities Services – Catering	✓	✓	✓	✓	✓	✓	February 2017
Building Services Unit	✓	✓	✓	✓	✓	✓	February 2017
Procurement Compliance – Supplier Management	✓	✓	✓	✓	✓	✓	May 2017
<b>Project Assurance Reviews</b>							
Valuing Roads Network Assets	✓	✓	✓	✓	✓	✓	January 2017
<b>Performance Audits</b>							
LGBF/SOLACE Indicators	✓	✓	✓	✓	✓	✓	February 2017
<b>Limited Scope Financial Reviews</b>							
Non-Domestic Rates (Joint Review)	✓	✓	✓	✓	✓	✓	May 2017
<b>Regularity Audits</b>							
Education – Business Continuity Management	✓	✓	✓	✓	✓	✓	May 2017
<b>Corporate Fraud Reviews</b>							
Council Tax Reduction Scheme	Fieldwork underway – see section 4 for detailed activity – c/f to 2017/2018						
School Inventory Procedures	Summary report provided to October 2016 Audit Committee						
Blue Badge Applications	Summary report provided to May 2017 Audit Committee						
Non Domestic Rates (Joint Review with LSFR)	Summary report provided to May 2017 Audit Committee						
Creditors – Duplicate Payments	Fieldwork is underway – see section 4 for detailed activity – c/f to 2017/2018						
<b>Corporate Governance</b>							
Annual Governance Statement 2015-2016	Input provided by CIA.						
<b>Projects/Key Change Initiatives</b>							
Complaints Handling Working Group	Input provided by CIA via Steering Group and People Sub-Group.						
<b>Other Work</b>							
National Fraud Initiative	Fieldwork for 2016/2017 underway – see section 4 for detailed activity – c/f to 2017/2018						
Serious Organised Crime Risk Assessment	Draft report has been prepared – see section 5 for detailed activity						
SPOC Liaison with DWP	Ongoing – see section 4 for detailed activity						
Inverclyde IJB	2016-2017 Audit Plan is complete. The plan included one risk-based audit of Corporate Governance arrangements.						

**4 Corporate Fraud Activity**

The undernoted table sets out progress to date on corporate fraud activity in the period 30 January to 5 May 2017:

<b>Council Tax Reduction Scheme</b>		
<b>Number of Home Visits To Date</b>	<b>Number of Errors Identified and Corrected to Date</b>	<b>Total Overpayment/Future Savings to date</b>
474	62	Overpayments £75,749.36 Future savings £54,931.18
<b>School Inventory Procedures</b>		
The report for this review was finalised in September 2016. Action plans are now being progressed by officers.		
<b>Creditors – Duplicate Payments</b>		
Fieldwork for this review is underway and will be carried over to 2017/2018 to review NFI matches identified.		
<b>Non-Domestic Rates</b>		
Final report has been issued. Summary of the main findings has been set out at section 2 of this report.		
<b>Blue Badge Scheme</b>		
Final report has been issued. Summary of the main findings has been set out at section 2 of this report.		
<b>Serious Organised Crime Checklist</b>		
Draft report has been prepared. The gap analysis has informed the higher risk areas which will be reviewed in 2017/2018.		
<b>National Fraud Initiative 2016-2017</b>		
All Inverclyde Data sets were uploaded successfully on 10 October 2016. It has been agreed with the Cabinet Office that Residents Virtual Parking Permits will be removed as a data set due to the difficulties in obtaining information for all the data fields and the low number of permits within the Inverclyde area.		
All data sets have now been released. Corporate Fraud team have arranged meetings with all services involved in reviewing the data matches to assist services in interpreting the results of the matches and how these should be investigated.		
NFI APP Check system has been piloted for a number of housing benefit cases and is being used by Safer and Inclusive Communities to verify the validity of taxi badge applications.		
<b>SPOC Liaison</b>		
DWP Referrals	9 this period	51 to date
LAIEF requests actioned	56 this period	188 to date
<b>Whistleblowing/Investigations</b>		
<b>Year/Ref</b>	<b>Enquiry</b>	<b>Status</b>
15/16 15-01	Theft of ICT Equipment	Complete – report issued
15/16 15-02	Council Tax – fraudulent application	Closed – no fraud detected
15/16 15-03	Council Tax – fraudulent application	Closed – no fraud detected
15/16 15-04	NFI Match – Payroll to Creditor information	Complete – report issued
16/17 16-01	Bogus Employee	Complete – report issued
16/17 16-02	Council Tax Exemption	Closed – no fraud detected
16/17 16-03	Use of Expired Blue Badge	Complete – report issued
16/17 16-04	Client Account Discrepancy	Complete – report issued
16/17 16-05	Council Tax Exemption	Closed – no fraud detected

**4 Corporate Fraud Activity (Continued)**

16/17 16-06	Council Tax Exemption	Closed – no fraud detected
16/17 16-07	Money Advice	Closed – no fraud detected
16/17 16-08	Employee Conflict of Interest	Complete – memo issued
16/17 16-09	Contract Management	Complete – memo issued
16/17 16-10	Council Tax Exemption	Complete - Overpayment £2989.77 and future savings of £2162.54 identified
16/17 16-11	Council Tax Exemption	Complete – memo issued
16/17 16-12	Use of Expired Blue Badge	Complete – report issued
16/17 16-13	Council Tax Exemption	Closed – no fraud detected
16/17 16-14	Council Tax Exemption	Complete – Overpayment £527.30 and future savings of £2162.54 identified
16/17 16-15	Resident Parking Permit	Closed – no fraud detected
16/17 16-16	Education Maintenance Allowance	Closed – no further action, advice given to Service
16/17 16-17	Council Tax – Single Person Discount	Closed – no fraud detected
16/17 16-18	Council Tax – Single Person Discount	Closed – Fraud established Overpayment - £377.52 identified
16/07 16-19	Council Tax – Single Person Discount	Closed – no fraud detected
16/17 16-20	Housing Benefit Fraud	Referred to DWP
16/17 16-21	Housing Benefit Fraud	Referred to DWP
16/17 16-22	Unlicensed Taxi Driver and Council Tax Reduction Fraud	Closed – advice given to individual.
16/17 16-23	Potential Misuse of Inverclyde Council Organisational Blue Badge	Closed - Referred to Safer & Inclusive Communities. Training/awareness sessions for Transport staff being organised.
16/17 16-24	Housing Benefit Fraud	Referred to DWP
16/17 16-25	NDR Liability	Closed – no fraud detected.
16/17 16-26	Misuse of Blue Badge	Closed – referred to ICIL as per protocol.
16/17 16-27	Council Tax – Single Person Discount	In progress
16/17 16-28	Commercial Property Lease	Closed – no fraud detected.
16/17 16-29	Misuse of Blue Badge	Closed – fraud established and badge seized.
16/17 16-30	Theft of Client Funds	Investigation being progressed by Service. Advice and support provided.
16/17 16-31	Housing Benefit Fraud	Referred to DWP
16/17 16-32	NFI Council Tax Reduction	Fraud established. Overpayment of £3971.72 and future savings of £2533.32.
16/17 16-33	Council Tax Reduction	Closed – no fraud detected

**4 Corporate Fraud Activity (Continued)**

16/17 16-34	NFI – Payroll to Creditors	In progress
16/17 16-35	NFI – Payroll to Creditors	In progress
16/17 16-36	NFI – Payroll to Creditors	In progress
16/17 16-37	NFI – Payroll to Creditors	Closed – no fraud detected.
16/17 16-38	NFI – Payroll to Creditors	In progress
16/17 16-39	NFI – Payroll to Creditors	Closed – no fraud detected.
16/17 16-40	NFI – Payroll to Creditors	In progress
16/17 16-41	NFI – Payroll to Creditors	In progress
16/17 16-42	Housing Benefit Fraud	Referred to DWP
16/17 16-43	NFI – Payroll to Creditors	Closed – no fraud detected.
16/17 16-44	NFI – Payroll to Creditors	Closed – no fraud detected.
17/18 17-01	Council Tax – Single Person Discount	Closed – No fraud detected.
17/18 17-02	Misuse of Blue Badge – failure to produce on request.	Closed – advice given to Service.
17/18 17-03	Misuse of Expired Blue Badge	Misuse established. Advice given to Service.
17/18 17-04	Misuse of Expired Blue Badge	Misuse established. Referred to Renfrewshire Council.
17/18 17-05	Council Tax – Single Person Discount	Closed – no fraud detected.
17/18 17-06	Council Tax – Exemption	Closed – no fraud detected.
17/18 17-07	Council Tax Levy Liability	Closed – no fraud detected.

**5 Ad hoc activities undertaken since the previous Audit Committee**

- 5.1 From time to time, management will request the assistance of Internal Audit in certain activities that are in addition to the annual Operational Plan. Examples of such activities include investigations of alleged irregularities, review of changes in system procedures etc.
- 5.2 Contingency has been made available in the Operational Plan for such ad hoc activities. Since the previous Audit Committee, ad hoc activity undertaken in the period is as follows:
- Providing relevant information in relation to FOI requests.
  - Review of SPT Grant Claims.

**INVERCLYDE COUNCIL INTERNAL AUDIT**  
**REPORT TO AUDIT COMMITTEE ON**  
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)**  
**AT 30 APRIL 2017**

**Summary: Section 1 Summary of Management Actions due for completion by 30/04/17**

There were 9 actions due for completion by 30 April 2017, 7 of which have been reported as completed by management and action in relation to 2 items has been revised.

**Section 2 Summary of Current Management Actions Plans at 30/04/17**

At 30 April 2017 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3 Current Management Actions at 30/04/17**

At 30 April 2017 there was a total of 12 current audit action points.

**Section 4 Analysis of Missed Deadlines**

At 30 April 2017 there were 6 audit action points where the agreed deadline had been missed.

**Section 5 Summary of Action Plan Points by Audit Year**



**INVERCLYDE COUNCIL INTERNAL AUDIT  
 REPORT TO AUDIT COMMITTEE ON  
 STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
 SUMMARY OF MANAGEMENT ACTION PLANS DUE FOR COMPLETION BY 30.04.17**

**SECTION 2**

<b>Directorate</b>	<b>No. of Actions Due</b>	<b>No. of Actions Completed</b>	<b>Deadline missed Revised date set*</b>	<b>Deadline missed Revised date to be set*</b>
Environment, Regeneration & Resources				
Health and Social Care Partnership (HSCP)	7	5	2	
Education, Communities and Organisational Development	2	2		
<b>Total</b>	<b>9</b>	<b>7</b>	<b>2</b>	

\* These actions are included in the Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
 REPORT TO AUDIT COMMITTEE ON  
 STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
 SUMMARY OF CURRENT MANAGEMENT ACTION PLANS AS AT 30.04.17**

**SECTION 2**

**CURRENT ACTIONS BY DIRECTORATE**

<b>Environment, Regeneration and Resources</b>	
Due for completion October 2017	1
<b>Total Actions</b>	<b>1</b>
<b>Health and Social Care Partnership</b>	
Due for completion May 2017	2
<b>Total Actions</b>	<b>2</b>
<b>Education, Communities and Organisational Development</b>	
Due for completion September 2017	1
Due for completion December 2017	6
Due for completion March 2018	1
Due for completion April 2018	1
<b>Total Actions</b>	<b>9</b>
<b>Total current actions:</b>	<b>12</b>

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
CURRENT MANAGEMENT ACTIONS AS AT 30.04.17**

**SECTION 3**

**Environment, Regeneration and Resources**

Action	Owner	Expected Date
<b>Building Services Unit (December 2016)</b>		
<b>Managing the BSU Budget (Amber)</b> Management will review the level of the BSU budget surplus and ensure that all relevant costs are included within the BSU budget.	<b>Service Manager/ BSU Co-ordinator</b>	<b>31.10.17</b>

**Health and Social Care Partnership**

Action	Owner	Expected Date
<b>Corporate Fraud Review – Blue Budget Scheme (February 2017)</b>		
<b>Misuse and investigation of expired/cancelled badges and the security and disposal of returned badges (Amber)</b> Enforcement Officers will be allocated view only access to BBIS to help identify cancelled badges	<b>Team Leader (ICIL)</b>	<b>31.05.17*</b>
Procedures will be agreed between ICIL, Safer Communities and Corporate Fraud team to allow further investigation of blue badge misuse.	<b>Team Leaders (ICIL, S&amp;IC)</b>	<b>31.05.17*</b>

\* See Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
CURRENT MANAGEMENT ACTIONS AS AT 30.04.17**

**SECTION 3**

**Education, Communities and Organisational Development**

<b>Action</b>	<b>Owner</b>	<b>Expected Date</b>
<b>CSA – Education (March 2016)</b>		
<p><b>Financial Training for Senior Management (Amber)</b> School Support Managers will, in consultation with relevant Education Headquarters and Finance officers;</p> <ul style="list-style-type: none"> <li>• assess the financial training needs of Heads/Depute Heads of Establishment and Principal Teachers and maintain adequate records of those training needs;</li> <li>• ensure that training in financial matters is delivered uniformly across all establishments and strike an appropriate balance between formal and informal training;</li> <li>• organise refresher training in financial matters for Heads/Depute Heads of Establishment and Principal Teachers;</li> <li>• organise the consistent logging of training in financial matters; and</li> <li>• ensure that financial best practice is formally and routinely shared across all establishments.</li> </ul>	<b>School Support Managers</b>	<b>31.03.18*</b>
<b>Corporate Health and Safety (September 2016)</b>		
<p><b>Approving priorities for the Corporate Health &amp; Safety Team (Amber)</b> Once agreed the Health &amp; Safety Plan priorities will be placed on “Inverclyde Performs” with set dates for review and reporting.</p> <p>Services will be involved in providing quarterly updates to the Corporate Health &amp; Safety Committee.</p> <p>The use of “Inverclyde Performs” will be investigated as a means for monitoring individual key actions relating to health and safety audit and inspection reports.</p>	<b>Health and Safety Team Leader</b>	<b>31.12.17*</b>
	<b>Health and Safety Team Leader</b>	<b>31.12.17</b>
	<b>Health and Safety Team Leader</b>	<b>31.12.17</b>

\* See Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
CURRENT MANAGEMENT ACTIONS AS AT 30.04.17**

**SECTION 3**

**Education, Communities and Organisational Development (Continued)**

<b>Action</b>	<b>Owner</b>	<b>Expected Date</b>
<p><b>Planning and managing health and safety audits and inspections (Amber)</b> Work with Internal Audit to establish if a rolling programme for the Health &amp; Safety portion of the Control Self-Assessment audits could be put into place.</p>	<b>Health and Safety Team Leader</b>	<b>31.12.17*</b>
<p>Relevant action will then be taken if Figtree can be used to track audits.</p>	<b>Health and Safety Team Leader</b>	<b>30.04.18</b>
<p><b>Training Service staff in core health and safety duties and responsibilities (Amber)</b> Provide training information via the WIAR report so that Services are aware of the Health &amp; Safety training undertaken by their staff in relation to Corporate training provision.</p>	<b>Health and Safety Team Leader</b>	<b>30.09.17</b>
<p><b>Applying data retention policy to health and safety information (Amber)</b> The retention and disposal policy will be checked for compliance and the Information Governance Officer will be advised of any changes which may be required.</p>	<b>Health and Safety Team Leader</b>	<b>31.12.17*</b>
<p>The feasibility of using the Figtree system for managing health and safety information is currently being explored. Relevant action will then be taken.</p>	<b>Health and Safety Team Leader</b>	<b>31.12.17*</b>

\* See Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
ANALYSIS OF MISSED DEADLINES**

**SECTION 4**

Report	Action	Original Date	Revised Date	Management Comments
<b>Corporate Health and Safety (September 2016)</b>	<b>Approving Priorities for the Corporate Health and Safety Team (Amber)</b> Once agreed, the Health and Safety Plan priorities will be placed on "Inverclyde Performs" with set dates for review and reporting.	<b>31.12.16 31.03.17</b>	<b>31.12.17</b>	A meeting has been held with Education and a Service Plan is being developed. Environmental and Commercial Services has been delayed due to changes in management. HSCP have their own H&S Plan in place which is monitored by Corporate Health and Safety.
<b>Corporate Health and Safety (September 2016)</b>	<b>Planning and managing health and safety audits and inspections (Amber)</b> Work with Internal Audit to establish if a rolling programme for the Health and Safety portion of the CSA audits could be put in place.	<b>31.12.16 31.03.17</b>	<b>31.12.17</b>	A meeting has taken place with Internal Audit and the risk assessment methodology has been agreed. This will be put on the June 2017 Agenda for the H&S Committee Meeting with a view to an update and roll out of the risk assessment document by the end of September for return and analysis by end of December. Priority areas will then be agreed with Internal Audit for the 2018-2019 Internal Audit Annual Audit Plan as appropriate.
<b>Corporate Health and Safety (September 2016)</b>	<b>Applying data retention policy to health and safety information (Amber)</b> The retention and disposal policy will be checked for compliance and the Information Governance Officer will be advised of any changes which may be required.  The feasibility of using the Figtree system for managing health and safety information is currently being explored. Relevant action will then be taken.	<b>31.12.16</b>	<b>31.12.17</b>	The retention and disposal policy has been checked, and a Health and Safety specific operational standard requires to be developed. Work on this action is underway.  Working with ICT on the potential development of the Figtree system for use as an H&S Management system. Requirements have been given to Figtree for development of phase one on accident reporting and we are awaiting an update.

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
ANALYSIS OF MISSED DEADLINES**

**SECTION 4**

Report	Action	Original Date	Revised Date	Management Comments
<b>CSA Education (March 2016)</b>	<p><b>Financial Training for Senior Management (Amber)</b> School Support Managers will, in consultation with relevant Education Headquarters and Finance officers;</p> <ul style="list-style-type: none"> <li>• assess the financial training needs of Heads/Depute Heads of Establishment and Principal Teachers and maintain adequate records of those training needs;</li> <li>• ensure that training in financial matters is delivered uniformly across all establishments and strike an appropriate balance between formal and informal training;</li> <li>• organise refresher training in financial matters for Heads/Depute Heads of Establishment and Principal Teachers;</li> <li>• organise the consistent logging of training in financial matters; and</li> <li>• ensure that financial best practice is formally and routinely shared across all establishments.</li> </ul>	<b>31.01.17</b>	<b>31.03.18</b>	There have been a lot of changes at Head of Establishment level. A programme of training for all Heads of Establishment will be implemented during 2017/2018 financial year.

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
ANALYSIS OF MISSED DEADLINES**

**SECTION 4**

Report	Action	Original Date	Revised Date	Management Comments
<b>Corporate Fraud Review – Blue Badge Scheme (February 2017)</b>	<b>Misuse and investigation of expired/ cancelled badges and the security and disposal of returned badges (Amber)</b> Enforcement Officers will be allocated view only access to BBIS to help identify cancelled badges.	<b>01.04.17</b>	<b>31.05.17</b>	This action has been delayed due to staff absence within ICIL.
<b>Corporate Fraud Review – Blue Badge Scheme (February 2017)</b>	<b>Misuse and investigation of expired/ cancelled badges and the security and disposal of returned badges (Amber)</b> Procedures will be agreed between ICIL, Safer Communities and Corporate Fraud team to allow further investigation of blue badge misuse.	<b>01.04.17</b>	<b>31.05.17</b>	The procedure has been drafted. This action has been delayed due to staff absence within ICIL.



**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
SUMMARY OF ACTION PLAN POINTS BY AUDIT YEAR**

**SECTION 5**

The following table sets out the total number of agreed actions raised by audit year together with their completion status as at 30 April 2017.

<b>Audit Year</b>	<b>Total Agreed Actions</b>	<b>Total Actions Completed</b>	<b>Total Current Actions Not Yet Due*</b>		
			<b>Red</b>	<b>Amber</b>	<b>Green</b>
2008/2009	214	214	0	0	0
2009/2010	194	194	0	0	0
2010/2011	118	118	0	0	0
2011/2012	62	62	0	0	0
2012/2013	76	76	0	0	0
2013/2014	116	114	0	0	2
2014/2015	77	74	0	0	3
2015/2016	52	50	0	1	1
2016/2017	56	35	0	11	10
<b>Total</b>	<b>965</b>	<b>937</b>	<b>0</b>	<b>12</b>	<b>16</b>

\*This part of the table sets out the total number of current actions not yet due at the date of the follow up report. The AMBER actions are included in Section 3 of the follow up report.