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<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>18 October 2022</b>
<b>Report By:</b>	<b>Interim Director Finance and Corporate Governance</b>	<b>Report No:</b>	<b>AC/12/22/AP/APr</b>
<b>Contact Officer:</b>	<b>Andi Priestman</b>	<b>Contact No:</b>	<b>01475 712251</b>

**Subject: INTERNAL AUDIT PROGRESS REPORT – 9 MAY TO 23 SEPTEMBER 2022**

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## 1.0 PURPOSE

1.0  For Decision  For Information/Noting

1.2 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.

1.3 The Monitoring Report from 9 May to 23 September 2022 is attached at Appendix 1 since its content is essential to the understanding of the Council's control environment.

## 2.0 RECOMMENDATIONS

2.1 It is recommended that Members agree to note the progress made by Internal Audit in the period from 9 May to 23 September 2022.

**Alan Puckrin**  
**Interim Director**  
**Finance and Corporate Governance**

### 3.0 BACKGROUND AND CONTEXT

3.1 In February 2022, the Audit Committee approved the Internal Audit Annual Plan which detailed a programme of activity to be undertaken during 2022-23.

3.2 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.

3.3 There were 5 internal audit reports finalised since the last Audit Committee meeting in June 2022:

- Self-Directed Support
- Public Protection – Covid-19 Response
- Employee Expenses
- Workforce Planning Arrangements
- Residential Care – Children’s Services

3.4 These reports contained 19 issues categorised as follows:

Red	Amber	Green
0	4	15

3.5 The 2021/22 audit plan is now complete and work on the 2022/23 audit plan is underway as follows:

Stage	Number of Reports
Final Report	2
Draft Report	0
Fieldwork Complete – report N/A	0
Fieldwork Complete	0
Fieldwork in Progress	5
Planning	2
Not started/Deferred	4
<b>Total</b>	13

3.6 In relation to internal audit action plans there were no actions due for completion by 31 August 2022. The current status report is attached at Appendix 2.

3.7 At the June 2022 Audit Committee meeting, Members asked for an update on the current status of GREEN audit action plans. This is set out at Appendix 3.

3.8 A specific update has also been provided in relation to 2 missed deadlines relating to the Education Self-Assessment Audit. This is set out at Appendix 4.

3.8 The CMT has reviewed and agreed the current status of actions.

#### 4.0 PROPOSALS

- 4.1 It is recommended that Members agree to note the progress made by Internal Audit in the period from 9 May to 23 September 2022.
- 4.2 It is recommended that Members agree to note the current status of GREEN audit action plans but that it is not intended that these actions are reported to Committee at each cycle.

#### 5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation is agreed:

SUBJECT	YES	NO	N/A
Financial		X	
Legal/Risk	X		
Human Resources		X	
Strategic (LOIP/Corporate Plan)	X		
Equalities & Fairer Scotland Duty		X	
Children & Young People's Rights & Wellbeing		X	
Environmental & Sustainability		X	
Data Protection		X	

#### 5.2 Legal/Risk

Where delays arise in delivering the Internal Audit Plan, there is a risk that this may result in an inability to provide a reasonable level of assurance over the Council's system of internal control to those charged with governance. The main basis for providing assurance is coverage of the planned risk-based audits. Every endeavour is therefore made to ensure that no material slippage occurs in risk-based audits by concentrating resources on these audits.

#### 5.3 Strategic

This report relates to strong corporate governance.

#### 6.0 CONSULTATIONS

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

#### 7.0 LIST OF BACKGROUND PAPERS

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



**Audit Committee Report  
Report on Internal Audit Activity from  
9 May to 23 September 2022**

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**1 Audit work undertaken in the period**

**Reports issued since last update**

1.1 In each audit, one of 4 overall opinions is expressed:

<b>Strong</b>	In our opinion there is a <b>sound</b> system of internal controls designed to ensure that the organisation is able to achieve its objectives.
<b>Satisfactory</b>	In our opinion <b>isolated</b> areas of control weakness were identified which, whilst not systemic, put some organisation objectives at risk.
<b>Requires improvement</b>	In our opinion <b>systemic and/or material</b> control weaknesses were identified such that some organisation objectives are put at significant risk.
<b>Unsatisfactory</b>	In our opinion the control environment was considered <b>inadequate</b> to ensure that the organisation is able to achieve its objectives.

1.2 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>

1.3 There were 5 audit reviews finalised since the June 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	
Self-Directed Support	0	0	3	<b>3</b>
Public Protection – Covid-19 Response	0	0	2	<b>2</b>
Employee Expenses	0	2	3	<b>5</b>
Workforce Planning Arrangements	0	0	1	<b>1</b>
Residential Care – Children’s Services	0	2	6	<b>8</b>
<b>Total</b>	<b>0</b>	<b>4</b>	<b>15</b>	<b>19</b>

## Other activities

### Risk Management

- 1.4 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

- 1.5 The current status of Internal Audit Action plans is set out as an attachment at Appendix 2 to this report. A status update on GREEN Internal Audit Action Plans is attached at Appendix 3.

## 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 reports issued after 9 May 2022.

### Self-Directed Support

- 2.2 Local residents who are assessed as requiring community care services have a choice about how their support is provided. Those choices are governed by the Social Care (Self-Directed Support) (Scotland) Act 2013. Most eligible service users choose services which are arranged by the Inverclyde Health & Social Care Partnership (HSCP). However, service users can instead choose to exercise more control over the funds which are available for their care. Their two main choices are known as Option 1 (Direct Payments) and Option 2 (Individual Service Funds). The Inverclyde HSCP administers and funds the local delivery of Self-Directed Support. Self-Directed Support budgets span the breadth of HSCP service provision. Most Self-Directed Support related expenditure occurs within the Health & Community Care division and is budgeted at £1.024m for 2021/22. It is important that adequate arrangements are in place to effectively manage all external Self-Directed Support payments.
- 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 risks faced by Inverclyde Council in relation to Self-Directed Support.
- 2.4 The review focused on the high level processes and procedures in relation to Self-Directed Support and concentrated on identified areas of perceived higher risk, such as not appropriately authorising community care packages for service users who choose Self-Directed Support options 1 or 2 and not completely and accurately making Self-Directed Support payments to all eligible service users. We have excluded the professional conduct of community care assessments as those assessments are regulated by relevant external agencies. On the basis of previous HSCP audits we also excluded coverage of service users' financial contributions and Self-Directed Support option 3. The latter relates to community care services which are either provided by or commissioned by the HSCP.
- 2.5 The overall control environment opinion for this audit review was **Strong**. In terms of good practice we found that relevant HSCP officers are working collaboratively in order to actively manage Self-Directed Support.
- 2.6 The review identified 3 GREEN issues which would enhance the control environment and an action plan is in place to address all issues by 31 March 2024.

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

### Public Protection – Covid-19 Response

2.7 Since the Scottish Government tasked local authorities with the enforcement of The Health Protection (Coronavirus) (Restrictions) (Scotland) Regulations 2020 in March 2020, Inverclyde Council's Environmental Health and Trading Standards teams have responded to very high numbers of requests for help and advice from businesses and the general public, including enquiries and complaints around compliance.

Inverclyde Council opened a Humanitarian Assistance Centre and implemented a National Assistance Helpline to send and receive shielding and support calls to and from the general public providing advice on the COVID-19 guidance and restrictions. During the shielding period, 30th March 2020 until 31st July 2020 there were 2,942 people on the Shielding list in Inverclyde.

2.8 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 over the key risks faced by Inverclyde Council in relation to the Public Protection COVID-19 Response.

2.9 The review focused on the high level processes and procedures in relation to the Public Protection COVID-19 Response and concentrated on identified areas of perceived higher risk, such as ensuring that shielding and support calls to and from the Humanitarian Assistance Centre not being completely and accurately recorded, monitored and actioned in a timely manner, that complaints received not being completely and accurately recorded, investigated and resolved in a timely manner and that regulatory returns not being completed accurately and submitted to the governing body in a timely manner. The Food Standards Scotland instructed Scottish Local Authorities to suspend food inspections for 18 months during the COVID-19 restrictions. Therefore this area of work was excluded from the review.

2.10 The overall control environment opinion for this audit review was **Strong**. In terms of good practice we found that:

- staff members within the Public Protection service stood down their usual functions to respond to the needs of businesses and the general public during the response and recovery phases of the COVID-19 pandemic, working effectively and efficiently to manage all shielding and support calls to and from the Humanitarian Assistance Helpdesk; and
- the provision of advice and COVID-19 compliance visits were successfully actioned by staff members within the Public Protection service along with actioning an increased number of complaints and enquiries due to the COVID-19 pandemic in a timely manner.

2.11 The review identified 2 GREEN issues which, if implemented by management, would enhance the control environment and an action plan is in place to address all issues by 30 September 2022.

### Employee Expenses

2.12 Employees necessarily incurring additional expense in the course of their work will be reimbursed approved expenses, based on actual expenditure incurred, subject to appropriate evidence of expenditure being produced and prior approval being given from the Head of Service or nominated senior officer.

2.13 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 over the key fraud risks faced by Inverclyde Council in relation to employee expenses.



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

- 2.14 The scope of the review included employee expense claims submitted by Inverclyde Council employees during the period December 2021 – February 2022. There were 544 expense claims processed during this period which were reviewed for compliance with the Travel and Subsistence Policy and procedures.
- 2.15 The overall control environment opinion was **Satisfactory**. There were 2 AMBER issues identified as follows:

### **Excess Mileage Claims (Amber)**

As part of the quarterly checks we identified that a number of staff were incorrectly claiming home to work mileage as a result of the hybrid working pilot. The current Travel and Subsistence Policy states that only expenditure in excess of that which would have normally been incurred in travelling from the employee's home to Administrative Centre or vice-versa should be claimed. However, this issue requires to be considered under the Council's current pilot for hybrid working to ensure a clear and consistent approach is in place.

There is therefore a risk that expenses are claimed where there is no entitlement.

### **High Mileage Claims (Amber)**

Through sample checking of expense claims process we identified that there are a number of employees who claim in excess of 200 miles on a monthly basis. The audit also identified that data is not currently being obtained and analysed to identify individuals or teams where high levels of mileage is being claimed and look at alternatives such as dedicated council vehicle or access to a pool car for specific teams.

The current high level of mileage claims using private vehicles does not represent value for money. In addition, the high mileage claims do not positively contribute to the Council's Climate Change Strategy.

- 2.16 The review identified 5 issues, 2 of which we consider to be individually significant and an action plan is in place to address all issues by 30 June 2023.

### **Workforce Planning Arrangements**

- 2.17 In providing a range of services to local residents the Council's workforce includes various occupations such as catering assistants, home care staff, solicitors and teachers. The Council needs to employ people who possess specific skills and qualifications alongside training and developing existing staff. Also, within each Service critically important roles at all levels must be identified and retained whenever possible. To these ends the Policy & Resources Committee approved an updated People and Organisational Development Strategy during February 2020. The strategy covers the four years to December 2023 and includes four overarching themes;

- organisational development – planning for the future;
- employee skills development, leadership and succession planning;
- employer of choice; and
- fairness and equality.

- 2.18 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 its workforce planning arrangements.

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

- 2.19 The review focused on the high level processes and procedures in relation to workforce planning and concentrated on identified areas of perceived higher risk, such as not adequately translating the People & Organisational Development Strategy into clearly defined tasks and timescales for officers to follow and not adequately reporting to elected members on the progress being made with implementing the strategy.
- 2.20 The overall control environment opinion for this audit review was **Strong**. In terms of good practice we found that an effective workforce planning framework exists which is evidenced by an ambitious People & OD Strategy.

However, it is recognised that an improvement action was highlighted within the draft 2021/22 Annual Governance Statement outlining that service workforce plans will be reviewed during 2022/23 to identify any gaps between current and future needs along with identifying solutions to ensure the right resources are in place at the right time to deliver the Council's objectives.

- 2.21 The review identified one GREEN issue which if implemented will enhance the control environment. An action plan is in place to address this issue by 31 December 2022.

### Residential Care – Children's Services

- 2.22 Inverclyde Council has 3 Residential care homes. Each residential care home provides young people with a safe place to live away from their immediate families. Young people live together with a number of other young people in the home and are cared for and supported by staff employed by Inverclyde Council's HSCP Children and Families Service. Each young child is assessed and recommended through the Children's Panel or placed in the home on a short-term basis to guarantee their safety. There are also 6 continuing care properties within the Inverclyde area.
- 2.23 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 in relation to residential care within children's services.
- 2.24 The review focused on the high level processes and procedures in relation to residential care within Children's Services and concentrated on identified areas of perceived higher risk, such as failing to ensure that individual care plans are created, reviewed and monitored on a regular basis or failing to ensure that approved budgets for expenditure are adequately monitored on a regular basis ensuring value for money at all times.
- 2.25 The overall control environment opinion was **Satisfactory**. Two AMBER issues were identified as follows:

#### Process of collecting and depositing rental and utilities contributions for Continuing care young people (Amber)

Within Children's services, at the time of the review, two care homes were collecting and recording cash received from young people in relation to payment of rent and other expenses for continuing care. However, walkthroughs of the processes identified that the cash was not held securely and the cash was not banked or reconciled on a regular basis.

Where substantial amounts of cash are held on site and not reconciled on a regular basis, there is a risk that the cash is lost, stolen or misappropriated. On identification of the issue, all monies were deposited into the bank and a process is now in place for each young person to pay their rent and other expenses directly into the relevant bank account.

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

2.26 Adequacy of procedural guidance (Amber)

Within the residential care homes, management place primary emphasis on learning key tasks on a work shadowing basis as part of staff induction and continued support. However, currently there is no documented guidance in place for key processes undertaken within the 3 residential care homes.

Where documented guidance does not exist, there is a risk that staff may not carry out procedures in a consistent manner, or at all.

Maintaining comprehensive and up-to-date guidance is essential as a training guide for new members of staff or during periods of key staff absence.

2.27 The review identified 8 issues, 2 of which we consider to be individually significant and an action plan is in place to address all issues by 28 February 2023.

**INVERCLYDE COUNCIL – REPORT ON INTERNAL AUDIT ACTIVITY  
FROM 9 MAY TO 23 SEPTEMBER 2022**

**APPENDIX 1**

**3 Audit Plan for 2022/2023 – Progress to 23 September 2022**

Planned Audit Coverage	Not started	Planning	TOR Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report	Report Finalised	Reported to Audit Committee
<b>Risk-Based Reviews</b>								
Residential Care – Children’s Services (b/f)		✓	✓	✓	✓	✓	✓	October 2022
Workforce Planning Arrangements		✓	✓	✓	✓	✓	✓	October 2022
Supplier Management		✓	✓					
Cyber Security Arrangements		✓	✓	✓				
Freedom of Information Arrangements		✓	✓	✓				
Climate Change – Utilities Management		✓	✓	✓				
<b>Limited Scope Financial Reviews</b>								
Debt Recovery	✓							
<b>Project Assurance Reviews</b>								
Learning Disability Hub (b/f from 2021-22)		✓	✓	✓				
Swift Replacement System (Social Work IT System)		✓	✓					
<b>Corporate Fraud Reviews</b>								
Discretionary Payments								Fieldwork underway.
Client Accounts – Quarterly Checks								Quarterly checks underway.
Catering – Quarterly Stock Checks								Not yet started.
Education Establishment Placing Requests								Not yet started.
<b>Regularity Audits</b>								
Education CSA	✓							
Corporate Purchase Cards – Quarterly Checks								Not yet started.
<b>Corporate Governance</b>								
Annual Governance Statement 2021-22								Complete - Input provided by CIA.
<b>Other Work</b>								
Council Tax Reduction Scheme/Discounts/Exemptions								Checks are carried out to establish the validity of discounts and exemptions – see section 4.
National Fraud Initiative								20/21 Exercise is complete – see section 4 of report for more information.
Carry forward from 2021/22 Audit Plan								Reports finalised in relation to Self-Directed Support; Public Protection: Covid-19 Response and Employee Expenses.
Inverclyde IJB								40 days allocated to IJB audit plan. Two audits are planned which are scheduled to be completed between November 2022 and March 2023.

**4 Corporate Fraud Activity**

4.1 The undernoted table sets out progress to date on corporate fraud activity in the period 9 May to 23 September 2022:

<b>National Fraud Initiative Exercise</b>					
In relation to the 2022/2023 Exercise, planning is underway by services in order to upload the relevant datasets by the required deadline. It is anticipated that matches will be received in early 2023 for review and investigation as appropriate.					
The Council Tax Single Person Discount recheck exercise was refreshed in May 2022 and the results to date are as follows:					
Matches received	Number investigated	No issues	Fraud	Error	Value of Fraud/Error
5947	1121	1089	29	3	£28,206.71
<b>Discretionary Payments – 2022-2023</b>					
Fieldwork is underway.					
<b>Client Money Accounts Quarterly Checks – 2022-2023</b>					
Quarterly checks are underway.					
<b>Catering – Quarterly Stock Checks – 2022-2023</b>					
Not yet started.					
<b>Education Establishment Placing Requests 2022-2023</b>					
Not yet started.					

4.2 The team continues to investigate whistleblowing and other enquiries in relation to DWP benefit, blue badge, and Council Tax referrals. Since 1 April 2022 these enquiries have resulted in the identification of overpayments of council tax discounts and exemptions of £13,183.

4.3 The team is also progressing whistleblowing and other enquiries as follows:

<b>File Ref</b>	<b>Description</b>	<b>Status</b>
22/03	Allegation of irregularity in employee expense claim.	Closed – no irregularity identified.
22/09	Allegation of misappropriation of Council items.	Closed – limited information provided in allegation to undertake a full investigation. However discussed with Service and spot checks will be introduced to mitigate any further allegations.
22/16	Potential discrepancy in school funds.	Ongoing investigation.
22/50	Loss of Council Funds.	Ongoing investigation.
22/52	Allegation that one organisation is being favoured over other organisations.	Ongoing investigation.

**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.
  - Investigations as set out at sections 4.2 to 4.3 of the report.
  - Provision of ongoing advice and support to services.

**INVERCLYDE COUNCIL INTERNAL AUDIT**  
**REPORT TO AUDIT COMMITTEE ON**  
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)**  
**AT 31 AUGUST 2022**

**Summary: Section 1 Summary of Management Actions due for completion by 31/08/2022**

There were no actions due for completion by 31 August 2022.

**Section 2 Summary of Current Management Actions Plans at 31/08/2022**

At 31 August 2022 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3 Current Management Actions at 31/08/2022**

At 31 August 2022 there were 8 current audit action points.

**Section 4 Analysis of Missed Deadlines**

At 31 August 2022 there were 4 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 31.08.2022**

**SECTION 1**

<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>
Health and Social Care Partnership (HSCP)	0			
Education, Communities and Organisational Development	0			
Environment, Regeneration & Resources	0			
<b>Total</b>	<b>0</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 31.08.2022**

**SECTION 2**

**CURRENT ACTIONS BY DIRECTORATE**

<b>HSCP</b>	
Due for completion November 2022	2
Due for completion January 2023	1
Due for completion February 2023	1
<b>Total Actions</b>	<b>4</b>
<b>Education, Communities and Organisational Development</b>	
Due for completion October 2022	1
Due for completion June 2023	2
<b>Total Actions</b>	<b>3</b>
<b>Environment Regeneration and Resources</b>	
Due for completion March 2023	1
<b>Total Actions</b>	<b>1</b>
<b>Total current actions:</b>	<b>8</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 31.08.2022**

**SECTION 3**

**HSCP**

Action	Owner	Expected Date
<b>Homelessness (August 2021)</b>		
<p><b>Adequacy of policies and procedures (Amber)</b> Management will:</p> <ul style="list-style-type: none"> <li>• Update the rent management policy and procedures and obtain CMT and committee approval as appropriate;</li> <li>• review the arrangements for implementation and reporting of the Rent Management Policy;</li> <li>• set a date to finalise its review of Homelessness assessment, housing support and case handling procedures; and</li> <li>• ensure that version control is consistently and fully applied to all Homelessness policies and procedures.</li> </ul>	<b>Service Manager (Homelessness and Addictions)</b>	<b>30.11.2022*</b>
<p><b>Compliance with Records Retention and Disposal Policy (Amber)</b> Management will develop a formal plan to organise the annual disposal of homelessness case files which have reached the prescribed retention period, including records which are held electronically.</p>	<b>Service Manager (Homelessness and Addictions)</b>	<b>30.11.2022*</b>
<b>Residential Care – Children’s Homes (August 2022)</b>		
<p><b>Adequacy of procedural guidance (Amber)</b> Management will ensure that step by step guidance for new and existing staff is developed in partnership with the three homes and a copy retained at all homes;</p> <p>Management will ensure that the induction process is updated to ensure all new staff know where to access the guidance.</p>	<b>Team Lead, Children’s Residential &amp; After Care Services</b>	<b>31.01.2023</b>
	<b>Home Manager/Depute Manager</b>	<b>28.02.2023</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 31.08.2022**

**SECTION 3**

**Education, Communities and Organisational Development**

Action	Owner	Expected Date
<b>Education Control Self-Assessment (January 2020)</b>		
<b>Inefficient Use of ICT Systems (Amber)</b> Once the pilot has been completed, the corporate transition will be implemented for the remaining schools.	<b>Head of Education</b>	<b>30.06.2023*</b>
In addition, staff will be given corporate e-mail address access and use of corporate printers.	<b>Head of Education</b>	<b>30.06.2023*</b>
<b>Employee Expenses (August 2022)</b>		
<b>Excess Mileage Claims (Amber)</b> HR will issue a reminder regarding home to work mileage and update the hybrid working guidance.	<b>Head of OD, Policy and Communications</b>	<b>31.10.2022</b>

**Environment Regeneration and Resources**

Action	Owner	Expected Date
<b>Employee Expenses (August 2022)</b>		
<b>High Mileage Claims (Amber)</b> The service will carry out a refreshed Value for Money study that takes into account the current situation and will make recommendations accordingly.	<b>Head of Roads and Transportation</b>	<b>31.03.2023</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
<p><b>Homelessness (August 2021)</b></p>	<p><b>Adequacy of policies and procedures (Amber)</b>                      Management will:</p> <ul style="list-style-type: none"> <li>• Update the rent management policy and procedures and obtain CMT and committee approval as appropriate;</li> <li>• review the arrangements for implementation and reporting of the Rent Management Policy;</li> <li>• set a date to finalise its review of Homelessness assessment, housing support and case handling procedures; and</li> <li>• ensure that version control is consistently and fully applied to all Homelessness policies and procedures.</li> </ul>	<p>31.03.22</p>	<p>30.11.22</p>	<p>Some progress has been made but this action has now been incorporated into a larger ongoing service review of Homelessness with audit actions and other issues being progressed by relevant sub-groups and a Programme Board. In addition, over recent months, staff changes including the two Homelessness Team Leaders and Business Support have delayed progress with this action.</p>
<p><b>Homelessness (August 2021)</b></p>	<p><b>Compliance with Records Retention and Disposal Policy (Amber)</b>                      Management will develop a formal plan to organise the annual disposal of homelessness case files which have reached the prescribed retention period, including records which are held electronically.</p>	<p>31.03.22</p>	<p>30.11.22</p>	<p>Some progress has been made but this action has now been incorporated into a larger ongoing service review of Homelessness with audit actions and other issues being progressed by relevant sub-groups and a Programme Board. In addition, over recent months, staff changes including the two Homelessness Team Leaders and Business Support have delayed progress with this action.</p>

**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 31 August 2022.

<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>
2016/2017	66	66	0	0	0
2017/2018	53	50	0	0	3
2018/2019	45	40	0	0	5
2019/2020	43	41	0	2	0
2020/2021	36	31	0	2	3
2021/2022	24	12	0	2	10
2022/2023	11	3	0	2	6
<b>Total</b>	<b>278</b>	<b>243</b>	<b>0</b>	<b>8</b>	<b>27</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.

Agreed Action/Responsibility	Original Action Date	Current Action Date	Comment
<b>2017/18 Social Work IT System (SWIFT) Replacement System</b>			
<p>Management will consider at an early stage how best to formally document checks undertaken by officers when introducing the system which will replace the Social Work IT System (SWIFT) financials modules.</p> <p><b>HSCP Finance Manager</b></p>	31.03.2020	28.02.2024	<p>System was procured in June 2022. This will be in line with detailed implementation plan which is still to be agreed with supplier. Expected go live date is February 2024.</p>
<p>Management will document the user requirements for regular and accurate management information when introducing the system which will replace the Social Work IT System (SWIFT) financials modules.</p> <p><b>HSCP Finance Manager</b></p>	31.03.2020	28.02.2024	<p>System procured June 2022. Finance, Performance and Information staff will be fully involved in implementation of new finance modules to ensure accuracy and availability of required management information for both data and financial/ budgetary purposes.</p>
<p>Provided that the system which will replace the Social Work IT System (SWIFT) has the capability then management will consider carrying out a pilot study with one volunteer care home supplier to introduce payment notices as an alternative to processing its invoices.</p> <p><b>HSCP Finance Manager</b></p>	31.03.2021	30.11.2023	<p>System was procured June 2022. Revised date to take account of implementation timetable.</p>
<b>2018/19 Corporate Purchase Cards</b>			
<p>Liaise with services to ensure the relevant card holders are added to the designated card holder list; incorporate the supplementary guidance note into the Corporate Purchase Card Policy.</p> <p><b>Procurement and Building Services Manager</b></p>	30.06.2019	31.12.2022	<p>The procurement team have been in touch with Finance to refresh and update the cardholder list.</p> <p>An initial update to the corporate purchase card policy has already taken place within Procurement. However meetings are ongoing and scheduled with the service over the start of October to ensure all stakeholder feedback is incorporated in to the policy.</p> <p>A review of all purchase card holders has been started in consultation with Finance and procurement are in the process of contacting the cardholders to confirm position and update a master list.</p>

<b>Agreed Action/Responsibility</b>	<b>Original Action Date</b>	<b>Current Action Date</b>	<b>Comment</b>
<p>The Procurement and Building Services Manager will review all relevant existing suppliers who do not attract a discount and liaise with the suppliers where possible to obtain a discount for prompt payment.</p> <p><b>Procurement and Building Services Manager</b></p>	30.06.2019	31.12.2022	<p>Spend Analysis has now been implemented within the Council and supports the delivery of this action.</p> <p>Procurement are currently in the process of running reports and analysing the purchase card data to determine what supplier spend is influenceable or not with a view to prioritising the higher value influenceable spend.</p> <p>Discussions will also take place with services to understand purchasing requirement at the front end to ensure compliance and potential for use of framework agreements etc.</p> <p>When complete in October 2022 this will enable the procurement team to develop and agree an engagement strategy for improving buying practices and supporting discussion discounts etc if possible.</p>
<p>The Procurement and Building Services Manager will ensure that the Payables &amp; Controls team run the report on a regular basis to confirm all amendments have been actioned correctly by the Royal Bank of Scotland staff.</p> <p><b>Procurement and Building Services Manager</b></p>	30.06.2019	31.12.2022	<p>This currently happens on a monthly basis. However initial meetings have taken place to discuss and enforce capture and monitoring of amendments in more detail.</p> <p>A meeting with the Royal Bank of Scotland has also been scheduled for October 2022 with a view to discussing potential improvements to the system and controls etc. as well as exploring the need for more training on the system.</p>



Agreed Action/Responsibility	Original Action Date	Current Action Date	Comment
<p>The Procurement &amp; Building Services Manager will ensure that a training record is completed by each card holder to ensure all card holders are trained on the corporate purchase card process prior to issuance of the corporate purchase card.</p> <p><b>Procurement and Building Services Manager</b></p>	30.06.2019	31.12.2022	<p>The procurement team are currently in the process of reviewing all card holders. This will allow the team to identify if there are specific training needs.</p> <p>The Procurement team have started to draft an eLearn module which will become mandatory for all card holders to complete in advance of receiving a card.</p> <p>A meeting has also been scheduled with the Royal Bank of Scotland for October 2022 with a view to establishing what training would be available from them as a provider.</p> <p>After that meeting a training plan will be developed, agreed and rolled out to ensure all card holders are aware of their role and responsibilities and the governance that sits and supports the activities they are carrying out.</p>
<b>2018/2019 Mobile Phones Policy</b>			
<p>Management will expand the Acceptable Use of Information Systems policy to incorporate a paragraph on the use of mobile phones.</p> <p><b>ICT Service Manager</b></p>	31.12.2019	30.11.2022	<p>Revised Acceptable Use of Information Systems policy has now been agreed by Information Governance Group. The new policy will be presented to P&amp;R in November 2022.</p>
<b>2020/21 Homelessness</b>			
<p>Management will organise the regular production of information and review the information required to manage all aspects of returning leased properties to Registered Social Landlords (RSLs).</p> <p><b>Service Manager Homelessness and Addictions</b></p>	30.06.2022	31.03.2023	<p>Some progress has been made with the agreed actions from the audit but these have now been incorporated into a larger and on-going Homelessness service review with audit actions and other issues being progressed by relevant sub-groups and a Programme Board.</p>

<b>Agreed Action/Responsibility</b>	<b>Original Action Date</b>	<b>Current Action Date</b>	<b>Comment</b>
<p>Management will seek advice from the Procurement &amp; Building Services Manager regarding the procurement options for standby Bed &amp; Breakfast (B&amp;B) accommodation and temporary furnished accommodation which demonstrate best value.</p> <p><b>Service Manager Homelessness and Addictions</b></p>	31.03.2022	31.03.2023	Some progress has been made with the agreed actions from the audit but these have now been incorporated into a larger and on-going Homelessness service review with audit actions and other issues being progressed by relevant sub-groups and a Programme Board.
<b>2020/21 Corporate Procurement Off-Contract Spend</b>			
<p>Management will update the Procurement Manual.</p> <p><b>Corporate Procurement Manager</b></p>	30.04.2021	31.10.2022	Revised to October 2022 to allow for a major rewrite of the procurement manual.
<b>2021/22 Education CSA</b>			
<p>Management will ensure that refresher training on procurement is completed for all relevant staff.</p> <p><b>Policy &amp; Commissioning Team Leader</b></p>	31.08.2022	31.10.2022	Training was undertaken but due to IT issues could not be completed. Arrangements have been made to complete the training at the in service day on 24 October 2022.
<p>Management will ensure that refresher training on complaints handling is completed for all relevant staff.</p> <p><b>Policy &amp; Commissioning Team Leader</b></p>	31.08.2022	31.10.2022	Training was undertaken but due to IT issues could not be completed. Arrangements have been made to complete the training at the in service day on 24 October 2022.
<b>2021/22 Insurance (Limited Scope Finance Review)</b>			
<p>Management will include appropriate review dates within each insurance procedure.</p> <p><b>Principal Officer (Exchequer)</b></p>	31.01.2022	30.09.2022	The insurance procedures have been updated however the action date for the review of procedures has been revised following which, review dates will be incorporated into each procedure.
<b>2021/22 Public Protection – Covid 19 Response</b>			
<p>Management will consider the use of the closure status field in terms of whether the field is required for analysis purposes; and if so, management will generate a report on a monthly basis to analyse this data for reporting purposes.</p> <p><b>Public Protection Manager</b></p>	30.09.2022	N/A	Not yet due.

<b>Agreed Action/Responsibility</b>	<b>Original Action Date</b>	<b>Current Action Date</b>	<b>Comment</b>
Management will develop and generate a report on a monthly basis to ensure that all open complaints are still valid and any complaints that should be closed are updated as closed timeously on the UNIFORM system.  <b>Public Protection Manager</b>	30.09.2022	N/A	Not yet due.
<b>2021/22 Self Directed Support</b>			
Financial reviews will be undertaken in line with CIPFA guidance on Direct Payment reviews.  <b>HSCP Finance Manager</b>	31.03.2023	N/A	Not yet due.
New procedures regarding payments run for Self-Directed Support Option 1 will be issued in line with implementation and development of the replacement the Social Work IT System (SWIFT) system.  <b>HSCP Finance Manager</b>	31.03.2024	N/A	Not yet due.
The Area Co-ordinator (Quality Assurance) will fully apply version control and its related elements to all Self-Directed Support procedures.  <b>Area Co-Ordinator</b>	31.07.2022	31.10.2022	Action revised to 31/10/22 to allow for a major review of procedures as a provider referenced within the procedures is transferring operations to a new provider. Work on the update exercise has started and involves Corporate Communications.
<b>2021/22 Employee Expenses</b>			
Managers/seniors to discuss and record staff responsibility when submitting travel claims at all team meetings/supervision.  <b>Home Care Managers</b>	30.09.2022	N/A	
Where resources and capacity allow, HR will examine the self-service solution contained within Chris21 for travel and subsistence claims as part of the "New Ways of Working Project" which currently runs until June 2023.  <b>Head of OD, Policy and Communications</b>	30.06.2023	N/A	