
Report To: Audit Committee **Date:** 25 April 2023

Report By: Head of Legal, Democratic, Digital and Customer Services **Report No:** AC/09/23/IS/APr

Contact Officer: Andi Priestman **Contact No:** 01475 712251

Subject: INTERNAL AUDIT PROGRESS REPORT – 30 JANUARY TO 31 MARCH 2023

1.0 PURPOSE

- 1.1 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 30 January to 31 March 2023 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 30 January to 31 March 2023.

Iain Strachan
Head of Legal, Democratic, Digital and Customer Services

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 2 internal audit reports finalised since the last Audit Committee meeting in February 2023:

- Climate Change – Utilities Management
- Education – Control Self-Assessment

3.4 These reports contained 9 issues categorised as follows:

Red	Amber	Green
0	6	3

3.5 The 2022/23 audit plan is now underway and the current status is as follows:

Stage	Number of Reports
Final Report	6
Draft Report	0
Fieldwork Complete – report N/A	2
Fieldwork Complete	1
Fieldwork in Progress	3
Planning	1
Deferred to 23/24 audit plan	2
Total	15

3.6 In relation to internal audit action plans there were 2 actions due for completion by 31 March 2023, both of which have missed the deadline set by management. The current status report is attached at Appendix 2.

3.7 An update on the current status of GREEN audit action plans is attached at Appendix 3.

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 30 January to 31 March 2023.

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
30 January to 31 March 2023**

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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:

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

Red	<ul style="list-style-type: none"> In our opinion the control environment is insufficient to address the risk and this could impact the Council as a whole. Corrective action must be taken and should start immediately. Overseen to completion by Corporate Management Team.
Amber	<ul style="list-style-type: none"> 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. Corrective action must be taken (some exceptions may be agreed with IA) within reasonable timeframe. Overseen to completion by Head of Service.
Green	<ul style="list-style-type: none"> 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. Process improvements/efficiencies may be actioned at management discretion in consultation with Internal Audit (IA). Managed by service owner.

1.3 There were two audit reviews finalised since the January 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 reviews.

Reports finalised since previous Audit Committee	Grading			Total Number of Issues
	Red	Amber	Green	
Climate Change – Utilities Management	0	3	2	5
Education - CSA	0	3	1	4
Total	0	6	3	9

Risk Management

1.4 Risk Management is the subject of separate reporting to Audit Committee and a full report on risk management activity 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.

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 27 January 2023.

Climate Change – Utilities Management

- 2.2 Inverclyde Council is committed to playing its part in dealing with the issue of climate change. This has been demonstrated by the signing of Scotland's Climate Change Declaration and through previous Carbon Management Plans and the approval of the Council's current Net Zero Strategy by the Environment & Regeneration Committee in October 2021 setting a target of 72.5% reduction in carbon footprint by 2031 and achieving net zero by 2045. The Council's current Climate Change Plan includes a target for 94% of non-domestic buildings to have heating and cooling supplied using low carbon technologies by 2032. Buildings are one of the largest sources of carbon emissions for the Council. There are currently approximately 130 buildings in the Council/HSCP portfolio. Energy use in buildings is a significant carbon emitter for the Council/HSCP, accounting for nearly 9,000 tonnes CO₂e and 77% of the overall carbon footprint in 2019/20. Water is used throughout the Council estate. Water has a carbon impact from both supply and use and its disposal to sewer for treatment. In 2019/20 emissions from water were 255 tonnes CO₂e which is 2.2% of the total 2019/20 carbon footprint.
- 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 utilities management.
- 2.4 The review focused on the high-level processes and procedures in relation to utilities management and concentrated on identified areas of perceived higher risk, such as utility usage within the Council estate is not efficient or is not accurately and completely monitored on a regular basis, utility bills are not completely and accurately processed in a timely manner or emission reduction targets are not being achieved.
- 2.5 The overall control environment opinion for this audit was **Satisfactory**. There were 3 AMBER issues identified as follows:

Adequacy of resources to progress actions from the Net Zero Strategy (Amber)

Inverclyde Council's Net Zero Strategy sets out the Council's commitment to achieving net zero by 2045. Another two strategies introduced by the Scottish Government are the Heat in Buildings Strategy and the Local Heat and Energy Efficiency Strategies (Scotland) Order (LHEES). The Net Zero Strategy will be implemented through a series of 5 year action plans, in particular in relation to utilities management, through a schedule of energy projects including review of Automatic Meter Reading provision, investing in additional devices for all utilities and an increase in resources to assist in the development of the LHEES.

Through discussions with the Interim Head of Property Services, it was identified that Scottish Government funding will be used to secure a Team Leader Energy and Climate Change Officer and a technician post to assist with the actions required from the Net Zero action plan. However, at the time of the review, recruitment had commenced for the additional resources but the positions have not yet been filled.

Where adequate resources are not in place to progress agreed actions, there is a risk that the Council may not make adequate progress in achieving net zero targets set by the Scottish Government.

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

Collation and reporting of emissions results (Amber)

One of the key tasks of the Carbon Reduction Officer is to monitor, collate and report emissions data from the consumption of utilities across the council estate. The Carbon Reduction Officer extracts the emissions data manually from utility billing spreadsheets and reports the results to the Climate Change Group and to the E&R Committee on an annual basis.

Through a walkthrough of the process, it was identified that there are currently no written procedures for the monitoring, collation and reporting of emissions data and the calculation of the emissions data involves a lot of manual intervention to provide complete and accurate results. In addition, there is a single person dependency in relation to the emission data calculation and there is no independent check of the data collated. Also, we identified an error in the example reviewed.

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

Where there is no independent check of the emissions data, management cannot be confident that the total results reported internally and externally are complete and accurate.

Lack of Records Retention Policy (Amber)

In order to comply with the Code of Practice on the Discharge of Functions by Public Authorities under the Freedom of Information (Scotland) Act 2002, Inverclyde Council has developed a policy for the retention and disposal of electronic/paper documents and records.

Within this policy, services should use a retention schedule to record documents and records that should be permanently preserved or disposed of when no longer required. Through discussions with the Carbon Reduction Officer, it was identified that although all Planning services have developed a retention schedule, both hard copy and electronic records in relation to utilities management since March 2011 have been omitted from the retention schedule and have therefore not been archived or disposed of according to the policy.

Where documents or records in relation to utilities management have not been included on the retention schedule or are not retained or disposed of in accordance with the retention policy, there is a risk that utilities management information is being held for longer than necessary which is costly to the Council in terms of physical storage space and server space and may not comply with the with the Freedom of Information (Scotland) Act 2002 where information should be easily accessible to respond to Freedom of Information requests.

- 2.6 The review identified 5 issues, 3 of which we consider to be individually significant and an action plan is in place to address all issues by 31 May 2024.

Education – Control Self Assessment

- 2.7 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)

- 2.8 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 surrounding a number of key risks faced by Education Services.
- 2.9 The review focused on the high-level processes and procedures in relation to all Education establishments and concentrated on identified areas of perceived higher risk, such as ensuring that Education establishments fully comply with council policies and procedures in relation to attendance management and the school funds procedural manual.
- 2.10 The overall control environment opinion was **Satisfactory**. There were 3 AMBER issues identified as follows:

Establishment of school funds written constitution and school funds committee (Amber)

As part of the procedures within the School Funds Manual each educational establishment must have a written constitution that states the purpose of the School Funds and provides clear guidance on how the school funds should be administered which is overseen by a School Funds Committee. Through review of the CSA returns and discussions with some Heads of Establishment, it was identified that 24 out of 39 establishments do not have a written school funds constitution and 32 out of 39 establishments have not set up a school funds committee in accordance with the school funds procedural manual.

In addition, it was identified that currently 33 establishments do not have a regular minuted school funds committee meeting.

Where educational establishments do not produce a written constitution, have not set up a school funds committee or do not minute meetings of the school funds committee, there is a risk that staff may not carry out tasks correctly resulting in non-compliance with the school funds procedural manual.

Recording of fund-raising events (Amber)

Throughout the school year, a number of fund-raising events are organised to raise money for school funds. It is important that management are aware of all planned fund-raising events to ensure that all income and expenditure is completely and accurately recorded in a timely manner.

The school funds procedures include the use of a calendar to record fund-raising events which can be checked by management to ensure all income and expenditure relating to fund-raising events have been completely and accurately recorded in the school funds records.

However, through review of the CSA returns and discussions with some Heads of Establishment it was identified that 5 educational establishments do not record their fund-raising events on the school calendar and no other checks take place.

Where fund-raising events are not recorded on the school calendar, management cannot be confident that all events have been included in the overall income and expenditure records which may result in theft, loss or misappropriation of school funds.

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

Compliance with the attendance management policy (Amber)

Through review of the CSA returns and discussions with some Heads of Establishment, it was identified that 5 out of 39 establishments require initial training and 6 out 39 establishments require refresher training in relation to attendance management. Review of CSA returns also identified that staff at 10 establishments have not updated their CPD log after the attendance management training has been completed.

In addition, where an employee's pattern of attendance gives cause for concern, the Head of the Establishment should issue a letter of concern to inform the employee that their attendance at work is unsatisfactory and that concern has been noted. Through review of the CSA returns it was identified that 2 Heads of establishment currently do not issue a letter of concern but instead discuss the absence with the absentee where a form is completed and retained. In relation to absence statistics, it was identified that 7 out of 39 establishments do not report absence statistics to relevant senior management. 3 establishments out of the 7 that do not report absence statistics had noted that they required clarification on the process for reporting absence statistics.

Where training in relation to attendance management has not been carried out, there is a risk that staff may not carry out tasks in a consistent manner resulting in non-compliance with the Council's attendance management policy.

- 2.11 The review identified 4 issues, 3 of which we consider to be individually significant and an action plan is in place to address all issues by 31 December 2023.

3 Audit Plan for 2022/2023 – Progress to 31 March 2023

Planned Audit Coverage	Not started	Planning	TOR Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report	Report Finalised	Reported to Audit Committee
Risk-Based Reviews								
Residential Care – Children’s Services (b/f)		✓	✓	✓	✓	✓	✓	October 2022
Workforce Planning Arrangements		✓	✓	✓	✓	✓	✓	October 2022
Supplier Management		✓	✓	Deferred to 2023/24 audit plan				
Cyber Security Arrangements		✓	✓	✓	✓	✓	✓	February 2023
Freedom of Information Arrangements		✓	✓	✓	✓	✓	✓	February 2023
Climate Change – Utilities Management		✓	✓	✓	✓	✓	✓	April 2023
Limited Scope Financial Reviews								
Debt Recovery		✓	✓	✓				
Project Assurance Reviews								
Learning Disability Hub (b/f from 2021-22)		✓	✓	No report required. Audit advice and support provided to project.				
Swift Replacement System (Social Work IT System)		✓		Planning is underway in relation to audit support required at testing and implementation phases of the project.				
Corporate Fraud Reviews								
Discretionary Payments	Fieldwork is complete. Draft findings being prepared for discussion with management.							
Client Accounts – Quarterly Checks	Quarterly checks underway. No significant issues identified to date.							
Catering – Quarterly Stock Checks	Not yet started. Work in this area will be deferred to the 2023/24 audit plan.							
Education Establishment Placing Requests	Validity checks are complete. No significant issues identified.							
Regularity Audits								
Education CSA		✓	✓	✓	✓	✓	✓	April 2023
Corporate Purchase Cards – Quarterly Checks	Fieldwork underway for Q1 2023.							
Corporate Governance								
Annual Governance Statement 2021-22	Complete - Input provided by CIA.							
Other Work								
Council Tax Reduction Scheme/Discounts/Exemptions	Checks are carried out to establish the validity of discounts and exemptions – see section 4.							
National Fraud Initiative	22/23 Exercise has started – see section 4 of report for more information.							
Carry forward from 2021/22 Audit Plan	Reports finalised: Self-Directed Support; Public Protection; Covid-19 Response; and Employee Expenses.							
Inverclyde IJB	40 days allocated to IJB audit plan. Two audits were planned and have been completed.							

4 Corporate Fraud Activity

- 4.1 The undernoted table sets out progress to date on corporate fraud activity in the period 30 January to 31 March 2023:

National Fraud Initiative Exercise					
In relation to the 2022/2023 Exercise, matches relating to the relevant datasets have been received and progress is as follows:					
Matches received	Number investigated	No issues	Fraud	Error	Value of Fraud/Error
1589	214	211	0	3	£3,097.56
The Council Tax Single Person Discount recheck exercise was refreshed in March 2023 and the results to date are as follows:					
Matches received	Number investigated	No issues	Fraud	Error	Value of Fraud/Error
8932	1123	1090	29	4	£28,508.45
Discretionary Payments – 2022-2023					
Fieldwork is complete. Draft findings being prepared for discussion with management.					
Client Money Accounts Quarterly Checks – 2022-2023					
Quarterly checks are underway.					
Catering – Quarterly Stock Checks – 2022-2023					
Not yet started. Will be deferred to 2023/24 audit plan.					
Education Establishment Checks 2022-2023					
Validity confirmation checks are complete. No significant issues identified.					

- 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 £58,460.28.
- 4.3 The team is also progressing whistleblowing and other enquiries as follows:

File Ref	Description	Status
Other enquiries		
22/16	Potential discrepancy in school funds.	Included in Education CSA review at section 2 of the report.
22/52	Allegation that one organisation is being favoured over other organisations.	Investigation complete. No irregularity identified.
22/92	Allegation of unlicensed HMO and flat conversion.	Closed – referred to HSCP, Revenues and Benefits and Trading Standards.
Whistleblowing enquiries		
22/102	Complaint that individual is claiming SPD but resides with another adult.	No fraud established.
22/110	Complaint that council vehicle is parked outside supermarket every week on double yellow lines.	Referred to Service for 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 MARCH 2023

Summary: Section 1 Summary of Management Actions due for completion by 31/03/2023

There were 2 actions due for completion by 31 March 2023 and both actions have missed the deadline set by management.

Section 2 Summary of Current Management Actions Plans at 31/03/2023

At 31 March 2023 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

Section 3 Current Management Actions at 31/03/2023

At 31 March 2023 there were 20 current audit action points.

Section 4 Analysis of Missed Deadlines

At 31 March 2023 there were 4 audit action points where the original due date 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 31.03.2023**

SECTION 1

Directorate	No. of Actions Due	No. of Actions Completed	Deadline missed Revised date set*	Deadline missed Revised date to be set*
Health and Social Care Partnership (HSCP)	1	0	1	
Environment, Regeneration & Resources	1	0	1	
Total	2	0	2	

* 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 31.03.2023**

SECTION 2


CURRENT ACTIONS BY DIRECTORATE

HSCP	
Due for completion July 2023	1
Total Actions	1
Education, Communities and Organisational Development	
Due for completion May 2023	2
Due for completion June 2023	3
Due for completion August 2023	2
Due for completion December 2023	2
Total Actions	9
Environment and Regeneration	
Due for completion April 2023	1
Due for completion May 2023	1
Due for completion June 2023	2
Due for completion January 2024	1
Due for completion May 2024	1
Total Actions	6
Chief Executive	
Due for completion April 2023	1
Due for completion May 2023	1
Due for completion June 2023	2
Total Actions	4
Total current actions:	20


**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 31.03.2023**




SECTION 3

P Education Control Self-Assessment (Report Issued January 2020)

Description	Status	Original Due Date	Due Date	Assigned To
Inefficient Use of ICT Systems (Amber) Once the pilot has been completed, the corporate transition will be implemented for the remaining schools.		14-Aug-2020	30-Jun-2023*	Head of Education
In addition, staff will be given corporate e-mail address access and use of corporate printers.		14-Aug-2020	30-Jun-2023*	Head of Education

P Homelessness (Report Issued August 2021)

Description	Status	Original Due Date	Due Date	Assigned To
Adequacy of policies and procedures (Amber) Management will: <ul style="list-style-type: none"> Update the rent management policy and procedures and obtain CMT and committee approval as appropriate; review the arrangements for implementation and reporting of the Rent Management Policy; set a date to finalise its review of Homelessness assessment, housing support and case handling procedures; and ensure that version control is consistently and fully applied to all Homelessness policies and procedures. 		31-Mar-2022	31-July-2023*	Service Manager (Homelessness and Addictions)


Action Status	
	Overdue
	In Progress
	Completed

* See 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 31.03.2023**




SECTION 3

P Employee Expenses (Report Issued August 2022)

Description	Status	Original Due Date	Due Date	Assigned To
High Mileage Claims (Amber) The service will carry out a refreshed value for money study that takes into account the current situation and will make recommendations accordingly.		31-Mar-2023	30-Apr-2023	Head of Roads and Transportation

P Cyber Security Arrangements (Report Issued January 2023)


Description	Status	Original Due Date	Due Date	Assigned To
Staff Training in Relation to Cyber Security (Amber) Management will ensure that the cyber security course is included as a mandatory course for all new employees to complete prior to being given access to the Council ICT network.		30-Jun-2023	30-Jun-2023	ICT Manager/Head of OD, Policy and Communications
Staff Training in Relation to Cyber Security (Amber) Management will ensure that an exercise is completed to ensure that all existing employees on the Council ICT network have completed the relevant mandatory training courses by 30 June 2023 and staff who have not completed the relevant courses will have their network access suspended. Progress on this exercise will be overseen by the Information Governance Steering Group.		30-Jun-2023	30-Jun-2023	ICT Manager/Head of OD, Policy and Communications
Staff Training in Relation to Cyber Security (Amber) The planned phishing exercise is actioned as soon as possible to measure staff awareness of the risks of cyber security.		30-Apr-2023	30-Apr-2023	ICT Manager

Action Status	
	Overdue
	In Progress
	Completed



* See 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 31.03.2023**

SECTION 3

Description	Status	Original Due Date	Due Date	Assigned To
<p>Overdue External Assessments and Accreditations (Amber) The ICT Manager will ensure that both the PSN compliance/IT Health Check and the Cyber Essentials accreditation for 2021/22 are submitted for assessment as soon as possible.</p>		31-May-2023	31-May-2023	ICT Manager




	Climate Change – Utilities Management (Report Issued February 2023)
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Description	Status	Original Due Date	Due Date	Assigned To
<p>Adequacy of resources to progress actions from the Net Zero Strategy (Amber) Property Services Management will liaise with the appropriate services to ensure that:</p> <ul style="list-style-type: none"> • the Energy & Climate Change Team Leader post is put in place; • the Energy & Climate Change Technician post will be considered in terms of potential internal candidates who will be displaced as part of the on-going Property Services restructure. Depending on the outcome of the restructure, this post may require to be advertised externally; • the Carbon Reduction Officer will transfer to Property Services by April 2023 to form part of the Energy and Climate Change Team; • the agreed actions within the Net Zero Strategy action plan are progressed as soon as additional staff are in place. 		30-Jun-2023	30-Jun-2023	Interim Head of Property Services
<p>Adequacy of resources to progress actions from the Net Zero Strategy (Amber) Management will ensure that all scheduled work is monitored, updated and reported to Committee on a regular basis.</p>		31-Jan-2024	31-Jan-2024	Interim Head of Property Services


Action Status	
	Overdue
	In Progress
	Completed




**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 31.03.2023**

SECTION 3

Description	Status	Original Due Date	Due Date	Assigned To
Collation and reporting of emissions results (Amber) Management will ensure that: <ul style="list-style-type: none"> written procedural documentation is developed for the monitoring, collation and reporting of emissions data; a copy of the procedural documentation is retained and made available for all new members of staff; 		31-May-2023	31-May-2023	Interim Head of Property Services
Collation and reporting of emissions results (Amber) Management will ensure that a process to evidence periodic review on a regular basis is introduced, which includes version control.		31-May-2024	31-May-2024	Interim Head of Property Services
Collation and reporting of emissions results (Amber) Management will ensure that an independent check is completed for all emissions calculations. Evidence of the independent check should be retained		30-Jun-2023	30-Jun-2023	Interim Head of Property Services

	Education CSA 2022-23 (Report Issued March 2023)
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Description	Status	Original Due Date	Due Date	Assigned To
Establishment of school funds written constitution and school funds committee (Amber) The Head of Education will brief all Heads of Establishment on requirements.		31-May-2023	31-May-2023	Head of Education




Action Status	
	Overdue
	In Progress
	Completed

* See 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 31.03.2023**

SECTION 3



Description	Status	Original Due Date	Due Date	Assigned To
<p>Establishment of school funds written constitution and school funds committee (Amber) Head of Establishment/School Business Co-ordinator will ensure that the following actions are completed in time for the start of the August 2023 term:</p> <ul style="list-style-type: none"> • all relevant educational establishments produce a written constitution for approval by the committee; • all relevant educational establishments set up a school funds committee in accordance with the school funds procedural manual; • all relevant educational establishments schedule a regular school funds committee meeting; and • each committee meeting is recorded including key actions 		31-Aug-2023	31-Aug-2023	Heads of Establishment/School Business Co-ordinator
<p>Establishment of school funds written constitution and school funds committee (Amber) The Policy and Commissioning Team Leader/School Business Officers will carry out a review to ensure the required actions are in place.</p>		31-Dec-2023	31-Dec-2023	Policy & Commissioning Team Leader/School Business Co-ordinator
<p>Recording of fund-raising events (Amber) The Head of Education will brief all Heads of Establishment to ensure that all relevant educational establishments record each fund-raising event on the school calendar as soon as each event has been organised.</p>		31-May-2023	31-May-2023	Head of Education
<p>Recording of fund-raising events (Amber) A check of the calendar will be incorporated into the school funds checklist confirming that all transactions arising from fund-raising activity have been included in the income and expenditure records.</p>		31-Aug-2023	31-Aug-2023	Heads of Establishment/School Business Co-ordinator




Action Status	
	Overdue
	In Progress
	Completed

* See 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 31.03.2023**

SECTION 3

Description	Status	Original Due Date	Due Date	Assigned To
<p>Recording of fund-raising events (Amber) The Policy and Commissioning Team Leader and School Business Officers will carry out an internal check on the actions.</p>		31-Dec-2023	31-Dec-2023	Policy & Commissioning Team Leader/School Business Co-Ordinator
<p>Management of the attendance management policy (Amber) Management will ensure that:-</p> <ul style="list-style-type: none"> • attendance management training is built into Head of Establishment induction training; • joint training on attendance management between Education and HR is completed by all relevant staff; • all relevant staff record the attendance management training on their individual CPD file; • where applicable, the Head of Establishment issues a letter of concern to an absent staff member when appropriate; • an absence report is sent to all Heads of Establishment; and • absence statistics reporting is added as a standing agenda item at SMT meetings to ensure all issues are identified and resolved in a timely manner. 		30-Jun-2023	30-Jun-2023	Policy & Commissioning Team Leader/HR Manager

Action Status	
	Overdue
	In Progress
	Completed

* See 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
Education CSA (January 2020)	Inefficient Use of ICT Systems (Amber) Once the pilot has been completed, the corporate transition will be implemented for the remaining schools.	14.08.20	30.06.23	The pilot exercise was undertaken however the rollout to remaining schools was halted as a result of responding to COVID-19.
	In addition, staff will be given corporate e-mail address access and use of corporate printers.	14.08.20	30.06.23	As part of the new Education Services digital strategy which was approved by Education Committee in November 2021, alongside the changes that ICT proposed in the wider council digital strategy, Education Services has investigated moving away from the current networks resulting in storage of sensitive or more confidential information being moved to a secure cloud based approach. A solution using the M365 platform was identified and implementation is now complete. Education are finalising the structure and user permissions for the business classification scheme which will then be implemented by ICT. Secure email accounts have now been created for relevant Education Services staff and ICT are carrying out some final data cleansing prior to going live.

**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
Homelessness (August 2021)	<p>Adequacy of policies and procedures (Amber) Management will:</p> <ul style="list-style-type: none"> • Update the rent management policy and procedures and obtain CMT and committee approval as appropriate; • review the arrangements for implementation and reporting of the Rent Management Policy; • set a date to finalise its review of Homelessness assessment, housing support and case handling procedures; and • ensure that version control is consistently and fully applied to all Homelessness policies and procedures. 	<p>31.03.22 30.11.22 31.03.23</p>	31.07.23	<p>The rent management policy has been drafted and will be presented to SMT and CMT for approval by 30 April 2023.</p> <p>The review of arrangements for implementation and reporting of the policy will be carried out by 31 July 2023.</p> <p>Review of procedures is now complete. Scheduled reports from SWIFT and regular caseload reviews ensures governance in place for monitoring.</p> <p>In relation to version control all standard operating procedures are recorded on central log. The team is currently in the process of updating and developing a number of standard operating procedures. Care governance meeting overseen by Head of Service will ratify the procedures.</p>
Employee Expenses (August 2022)	<p>High Mileage Claims (Amber) The service will carry out a refreshed value for money study that takes into account the current situation and will make recommendations accordingly.</p>	31.03.23	30.04.23	Work has been undertaken and a report is being prepared for CMT.

**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 at 31 March 2023.

Audit Year	Total Agreed Actions	Total Actions Completed	Total Current Actions Not Yet Due*		
			Red	Amber	Green
2016/2017	66	66	0	0	0
2017/2018	53	50	0	0	3
2018/2019	45	44	0	0	1
2019/2020	43	41	0	2	0
2020/2021	36	33	0	1	2
2021/2022	24	21	0	0	3
2022/2023	50	22	0	17	11
Total	317	277	0	20	20

*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
2017/18 Social Work IT System (SWIFT) Replacement System			
<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>HSCP Finance Manager</p>	31.03.2020	30.04.2024	<p>System was procured in June 2022. This will be in line with detailed implementation plan which has been agreed with supplier. Expected go live date is April 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>HSCP Finance Manager</p>	31.03.2020	30.04.2024	<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>HSCP Finance Manager</p>	31.03.2021	30.11.2024	<p>System was procured June 2022. Revised date to take account of implementation timetable which has a go live date of April 2024.</p>
2018/19 Corporate Purchase Cards			
<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>Procurement and Building Services Manager</p>	30.06.2019 31.12.2022	30.06.2023	<p>Spend Analysis has now been implemented within the Council and supports the delivery of this action.</p> <p>Discussions are ongoing with suppliers to attract discounts.</p>
2020/21 Corporate Procurement Off-Contract Spend			
<p>Management will update the Procurement Manual.</p> <p>Corporate Procurement Manager</p>	30.04.2021	30.06.2023	<p>Procurement Manual is updated on an ongoing basis. The next version is scheduled to be issued to the DPO group by the end of March 2023 with a further refresh to be issued by Q2 2023/24.</p>

Agreed Action/Responsibility	Original Action Date	Current Action Date	Comment
2020/21 Homelessness			
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. Service Manager (Addictions and Homelessness)	31.03.2022	30.04.2023	Files have been brought up to date and a plan is now in place so risk level has reduced. The action will be monitored as a GREEN action with a revised action date of 30 April 2023.
2021/22 Self Directed Support			
Financial reviews will be undertaken in line with CIPFA guidance on Direct Payment reviews. HSCP Finance Manager	31.03.2023	31.07.2023	A revised action plan date of 31 st July 2023 has been set. Officers were dealing with a backlog of reviews and from 1 st April anticipate applying the CIPFA guidance
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. HSCP Finance Manager	31.03.2024	N/A	Not yet due.
2022/23 Employee Expenses			
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. Head of OD, Policy and Communications	30.06.2023	N/A	Not yet due.
2022/23 Workforce Planning			
Management will develop, in conjunction with the Workforce Planning & Development Group, a risk register for the People & OD Strategy which focusses on its priority and high risk work streams and will draw on an updated HR risk register. Head of OD, Policy and Communications	31.12.2022	31.03.2023	On track.

Agreed Action/Responsibility	Original Action Date	Current Action Date	Comment
2022/23 FOI Arrangements			
<p>Training plan to address key process coverage including the reports which are routinely run to support manage timescales effectively.</p> <p>Training to be provided to identified officer(s) to develop skill for completing the statutory reporting for FOIs</p> <p>Training to be provided to identified officer(s) to make necessary changes, create new users and reset passwords in the system.</p> <p>Legal Service Manager</p>	30.04.2023	N/A	Not yet due.
<p>One off sample check to be undertaken using data from January to March 2023 to check:</p> <ul style="list-style-type: none"> - underlying causes for late responses; - use of exemption Section 17 - Information not held; - use of other relevant exemptions to ensure being correctly used; - standard of responses and adherence to overall process requirements. <p>Legal Services Manager</p>	30.06.2023	N/A	Not yet due.
<p>Finalise the completion of the review of the Council's Publication Scheme and Guide to Information.</p> <p>Send a reminder to each Service that information held by them, wherever appropriate, should be published promptly and proactively, without the need for individuals to submit formal information requests.</p> <p>Legal Services Manager</p>	30.04.2023	N/A	Not yet due.
<p>Services currently without a shared FOI email inbox will be asked to consider introducing a shared email inbox for the receipt of FOI and EIR requests</p> <p>Legal Services Manager</p>	30.04.2023	N/A	Not yet due.

Agreed Action/Responsibility	Original Action Date	Current Action Date	Comment
All FOI Guidance and Workpro Guidance for officers to be reviewed and updated and thereafter uploaded to intranet. Legal Service Manager	30.04.2023	N/A	Not yet due.
2022/23 Climate Change – Utilities Management			
Property Services will ensure that the quarterly meter reading exercise is resumed once additional resources have been employed within the Energy & Climate Change Team. Interim Head of Property	31.05.2023	N/A	Not yet due.
Property Services will put arrangements in place to ensure that: <ul style="list-style-type: none"> • Finance Services are added to the standard mailing list that the Legal & Democratic Services utilise for advising of the disposal of assets; • a regular reconciliation is completed between the spreadsheet held by Finance Services and the list held by Property Services to ensure that the property list for utility billing is complete and accurate and up to date. 	01.04.2023	N/A	Not yet due.