

**A meeting of the Audit Committee will be held on Tuesday 22 August 2023 at 3pm.**

**Members may attend the meeting in person or via remote online access. Webex joining details have been sent to Members and officers. Members are requested to notify Committee Services by 12 noon on Monday 21 August 2023 how they intend to access the meeting.**

**In the event of connectivity issues, Members are asked to use the *join by phone* number in the Webex invitation and as noted above.**

**Please note that this meeting will be live-streamed via YouTube with the exception of any business which is treated as exempt in terms of the Local Government (Scotland) Act 1973 as amended.**

**Further information relating to the recording and live-streaming of meetings can be found at the end of this notice.**

IAIN STRACHAN  
Head of Legal, Democratic, Digital & Customer Services

## **BUSINESS**

<b>1. Apologies, Substitutions and Declarations of Interest</b>	<b>Page</b>
<b>PERFORMANCE MANAGEMENT</b>	
<b>2. Internal Audit Progress Report – 3 April to 28 July 2023</b> Report by Head of Legal, Democratic, Digital & Customer Services	<b>p</b>
<b>3. External Audit Action Plans – Current Actions</b> Report by Head of Legal, Democratic, Digital & Customer Services	<b>p</b>

The reports are available publicly on the Council's website and the minute of the meeting will be submitted to the next standing meeting of the Inverclyde Council. The agenda for the meeting of the Inverclyde Council will be available publicly on the Council's website.

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Enquiries to – Lindsay Carrick - Tel 01475 712114

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<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>22 August 2022</b>
<b>Report By:</b>	<b>Head of Legal, Democratic, Digital &amp; Customer Services</b>	<b>Report No:</b>	<b>AC/20/23/IS/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 – 3 APRIL TO 28 JULY 2023</b>		

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## **1.0 PURPOSE AND SUMMARY**

- 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 3 April to 28 July 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 3 April to 28 July 2023.

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

### 3.0 BACKGROUND AND CONTEXT

3.1 In April 2023, the Audit Committee approved the Internal Audit Annual Plan which detailed a programme of activity to be undertaken during 2023-24.

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 was one internal audit report finalised since the last progress update to Audit Committee:

- Debt Recovery (2022/23 audit plan)

3.4 This report contained 1 issue categorised as follows:

Red	Amber	Green
0	0	1

3.5 The 2023/24 audit plan is now underway and the current status is as follows:

Stage	Number of Reports
Final Report	0
Draft Report	1
Fieldwork Complete – report N/A	0
Fieldwork Complete	0
Fieldwork in Progress	3
Planning	4
Not Started	8
<b>Total</b>	16

3.6 In relation to the internal audit days allocated to the Inverclyde Integration Joint Board, it was agreed by the Audit Committee to allocate 40 days in total. However, after undertaking the risk-based planning, the actual days allocated to the 2023/24 IJB audit plan has been agreed at 20 days. The remaining balance of days has therefore been added to the contingency budget for the Council's Internal Audit annual audit plan.

3.7 In relation to internal audit action plans there were 6 actions due for completion by 30 June 2023, 4 of which have been reported as completed by management and dates for 2 actions have been revised. The current status report is attached at Appendix 2.

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 3 April to 28 July 2023.

## 5.0 IMPLICATIONS

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

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

### 5.2 Financial Risk

There are no financial implications arising directly from this report.

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					

### 5.3 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.

### 5.4 Human Resources Risk

There are no human resources implications arising directly from this report.

### 5.5 Strategic

The risk management framework enables the Council to effectively manage strategic decision-making, service planning and delivery to safeguard the wellbeing of its stakeholders. The likelihood of achieving outcomes is also increased.

This report helps ensure strong governance, and its findings will help support delivery of the Council Plan adopted by Inverclyde Council on 20 April 2023, and in particular outcome theme

3: Performance, with the Council seeking to provide high quality and innovative services that deliver value for money.

## **6.0 CONSULTATION**

6.1 Relevant officers have been consulted on the report.

## **7.0 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  
3 April to 28 July 2023**

<b>Section</b>	<b>Contents</b>	<b>Page</b>
1	Audit work undertaken in the period	1
2	Summary of main findings from reports issued since previous Audit Committee	2
3	Audit Plan for 2023-2024 – progress to 28 July 2023	3
4	Corporate Fraud Activity	4
5	Ad hoc activities undertaken since the previous Audit Committee	5



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 was one audit review finalised since the last progress update to Audit Committee in April, which is 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	
Debt Recovery (2022/23 audit plan)	0	0	1	1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>

**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.

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**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 31 March 2023.

**Debt Recovery**

- 2.2 The Debt Recovery Team is responsible for the administration and collection of debt, excluding Housing Benefit debt, under the provisions of the Council's Corporate Debt Policy. This Policy aims to strike a balance between recognising the duty of the Council to optimise recovery of debts and the difficult financial circumstances which some debtors can experience. The Debt Recovery Team works in conjunction with the Council's Debt Management Partner.
- 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 over the key risks faced by Inverclyde Council in relation to debt recovery.
- 2.4 The review focused on the high level processes and procedures in relation to debt recovery and concentrated on identified areas of perceived higher risk such as failing to issue accurate reminders, apply payment plans correctly or ensure income is valid, accurate and complete.
- 2.5 The review excluded a number of processes which have been/will be subject to separate audit including: cash and banking procedures and reminder letters/payments processed by Customer Services; housing benefit debt as recovery of this debt is carried out by a separate team within the Council; review of the debt management partner as this has been subject to a previous audit review and there have been no significant changes.
- 2.6 The overall control environment opinion for this audit review was **Strong**. Areas of good practice were identified including:
- the debt recovery team is an experienced team with high levels of knowledge and performance, and
  - staff involved in the debt recovery process demonstrated a strong overall commitment to providing a high quality service to allow the council to meet its objectives.
- 2.7 The review identified one GREEN issue and an action plan is in place to address this issue by 31 December 2023.

3 Audit Plan for 2023/2024 – Progress to 28 July 2023

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>								
Supplier Management (b/f from 2022/23)		✓						
Succession Planning	✓							
Attendance Management		✓	✓	✓				
Building Standards		✓	✓					
ASN Transport		✓						
Commercial Waste Income (Billing and Collection)		✓	✓	✓	✓	✓		
<b>Limited Scope Financial Reviews</b>								
Non-Domestic Rates	✓							
<b>Advisory Reviews</b>								
Education – Cashless Catering Replacement System		✓	✓	Audit advice and support will be provided to the project.				
UK Shared Prosperity Fund Assurance Arrangements	✓							
<b>Project Assurance Reviews</b>								
Swift Replacement System (Social Work IT System)	✓			Audit support will be provided at testing and implementation phases of the project.				
<b>Corporate Fraud Reviews</b>								
Employee Expenses	Not started.							
Client Accounts – Quarterly Checks	Draft findings for 2022-23 exercise issued to management for comment. Q1 2023-24 underway.							
Catering – Quarterly Stock Checks	Not started.							
Education Establishment Placing Requests	Not started.							
<b>Regularity Audits</b>								
Education CSA	✓							
Corporate Purchase Cards – Quarterly Checks	Draft findings for 2022-23 exercise issued to management for comment. Q1 2023-24 underway.							
<b>Corporate Governance</b>								
Annual Governance Statement 2022-23	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	22/23 Exercise has started – see section 4 of report for more information.							
Carry forward from 2022/23 Audit Plan	Report finalised: Debt Recovery. Draft findings: Corporate Purchase Cards; Client Accounts.							
Inverclyde IJB	20 days allocated to IJB audit plan. Two advisory reviews have been planned.							

**4 Corporate Fraud Activity**

4.1 The undernoted table sets out progress to date on corporate fraud activity in the period 3 April to 28 July 2023:

<b>National Fraud Initiative Exercise</b>					
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	318	314	0	4	£4,512.81
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	1300	1266	29	5	£28,505.55
<b>Employee Expenses – 2023-2024</b>					
Not yet started.					
<b>Client Money Accounts Quarterly Checks – 2023-2024</b>					
Quarterly checks are underway.					
<b>Catering – Quarterly Stock Checks – 2023-2024</b>					
Not yet started.					
<b>Education Establishment Checks 2023-2024</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 2023 these enquiries have resulted in the identification of overpayments of council tax discounts and exemptions of £18,601.58.

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

File Ref	Description	Status
<b>Whistleblowing Enquiries</b>		
23/17	Allegation of misappropriation of council equipment/resources by employee.	Closed – no fraud established.
23/31	Allegation that employee is accepting gifts and attending external events with contractors.	Closed – no fraud established.
<b>Other enquiries</b>		
23/02	Referral from service regarding potential irregularity in application for financial support.	Closed – no fraud established.

**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 30 JUNE 2023**

**Summary: Section 1 Summary of Management Actions due for completion by 30/06/2023**

There were 6 actions due for completion by 30 June 2023, 4 of which have been reported as completed by management and 2 actions have missed the deadline set by management.

**Section 2 Summary of Current Management Actions Plans at 30/06/2023**

At 30 June 2023 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3 Current Management Actions at 30/06/2023**

At 30 June 2023 there were 8 current audit action points.

**Section 4 Analysis of Missed Deadlines**

At 30 June 2023 there were 6 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 30.06.2023**

**SECTION 1**

Directorate	No. of Actions Due	No. of Actions Completed	Deadline missed Revised date set*	Deadline missed Revised date to be set*
Education Communities and Organisational Development	2	2		
Environment and Regeneration	2	1	1	
Chief Executive	2	1	1	
<b>Total</b>	<b>6</b>	<b>4</b>	<b>2</b>	

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

For one Amber issue due for completion by 30 June, this is almost complete. The risk profile has therefore been reassessed and will be monitored as a GREEN action going forward:

Description	Due Date	Current Status
<p><b>Adequacy of resources to progress actions from the Net Zero Strategy (Amber)</b> Property Services Management will liaise with the appropriate services to ensure that:</p> <ul style="list-style-type: none"> <li>• the Energy &amp; Climate Change Team Leader post is put in place;</li> <li>• the Energy &amp; 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;</li> <li>• the Carbon Reduction Officer will transfer to Property Services by April 2023 to form part of the Energy and Climate Change Team;</li> <li>• the agreed actions within the Net Zero Strategy action plan are progressed as soon as additional staff are in place.</li> </ul>	30-Jun-2023	<p>The Team Leader post has now been filled and the Carbon Reduction Officer has transferred to Property Services and a Support Officer will be in post shortly.</p> <p>The Technician/Project Officer post will be re-advertised in July.</p> <p>A report was presented to E&amp;R on 28 June regarding progress on the Net Zero Strategy action plan.</p> <p>The agreed action is almost complete and therefore the risk rating is reduced to GREEN with a revised date of 31 August 2023.</p>

**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 30.06.2023**

**SECTION 2**

**CURRENT ACTIONS BY DIRECTORATE**



<b>HSCP</b>	
Due for completion July 2023	1
<b>Total Actions</b>	<b>1</b>
<b>Environment and Regeneration</b>	
Due for completion August 2023	1
Due for completion October 2023	2
Due for completion January 2024	1
Due for completion May 2024	1
<b>Total Actions</b>	<b>5</b>
<b>Chief Executive</b>	
Due for completion August 2023	1
Due for completion September 2023	1
<b>Total Actions</b>	<b>2</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 30.06.2023**





**SECTION 3**

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

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

**P Homelessness (Report Issued August 2021)**

Description	Status	Original Due Date	Due Date	Assigned To
<b>Adequacy of policies and procedures (Amber)</b> Management will: <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>		31-Mar-2022	31-July-2023*	<b>Service Manager (Homelessness and Addictions)</b>


Action Status			
	No response received		Missed original due date
	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 30.06.2023**





**SECTION 3**

**P Employee Expenses (Report Issued August 2022)**

Description	Status	Original Due Date	Due Date	Assigned To
<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.		31-Mar-2023	31-Aug-2023	<b>Director Environment and Regeneration</b>

**P Cyber Security Arrangements (Report Issued January 2023)**


Description	Status	Original Due Date	Due Date	Assigned To
<b>Staff Training in Relation to Cyber Security (Amber)</b> 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	<b>ICT Manager/Head of OD, Policy and Communications</b>
<b>Staff Training in Relation to Cyber Security (Amber)</b> 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-Sep-2023	<b>ICT Manager/Head of OD, Policy and Communications</b>

Action Status			
	No response received		Missed original due date
	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 30.06.2023**

**SECTION 3**

Description	Status	Original Due Date	Due Date	Assigned To
<p><b>Overdue External Assessments and Accreditations (Amber)</b> 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-Aug-2023*	<b>ICT Manager</b>

	<b>Climate Change – Utilities Management (Report Issued February 2023)</b>
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Description	Status	Original Due Date	Due Date	Assigned To
<p><b>Adequacy of resources to progress actions from the Net Zero Strategy (Amber)</b> 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	<b>Head of Physical Assets</b>
<p><b>Collation and reporting of emissions results (Amber)</b> Management will ensure that:</p> <ul style="list-style-type: none"> <li>• written procedural documentation is developed for the monitoring, collation and reporting of emissions data;</li> <li>• a copy of the procedural documentation is retained and made available for all new members of staff.</li> </ul>		31-May-2023	31-Oct-2023	<b>Head of Physical Assets</b>
<p><b>Collation and reporting of emissions results (Amber)</b> Management will ensure that a process to evidence periodic review on a regular basis is introduced, which includes version control.</p>		31-May-2024	31-May-2024	<b>Head of Physical Assets</b>
<p><b>Collation and reporting of emissions results (Amber)</b> Management will ensure that an independent check is completed for all emissions calculations. Evidence of the independent check should be retained.</p>		30-Jun-2023	31-Oct-2023	<b>Head of Physical Assets</b>

Action Status			
	No response received		Missed original due date
	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
<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>	<p><b>31.03.22</b> <b>30.11.22</b> <b>31.03.23</b></p>	<b>31.07.23</b>	<p>The rent management policy has been drafted and will be presented to SMT and CMT for approval.</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>
<b>Employee Expenses (August 2022)</b>	<p><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.</p>	<b>31.03.23</b>	<b>31.08.23</b>	<p>Constructive dialogue has taken place with services with a view to moving high mileage users onto fleet vehicles. A report is being prepared for CMT.</p>
<b>Cyber Security (January 2023)</b>	<p><b>Overdue External Assessments and Accreditations (Amber)</b> 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>	<b>31.05.23</b>	<b>31.08.23</b>	<p>There were difficulties in identifying a supplier to complete both tests. One has now been appointed to undertake the accreditation exercise which will be completed by end of August.</p>

**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>Cyber Security (January 2023)</b>	<b>Staff Training in Relation to Cyber Security (Amber)</b> 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.	<b>30.06.23</b>	<b>30.09.23</b>	A high number of staff have now completed this module. Completion has been pushed through corporate wide communications, Directors/Heads of Service and the Information Governance Steering Group. The CMT has, however, extended the completion date to 30 September for those members of staff who still require to undertake the training, to take account of service delivery impacts and competing priorities over the summer holiday period. Regular reports are provided to Heads of Service to monitor completion rates.
<b>Climate Change – Utilities Management (February 2023)</b>	<b>Collation and reporting of emissions results (Amber)</b> Management will ensure that: <ul style="list-style-type: none"> <li>• written procedural documentation is developed for the monitoring, collation and reporting of emissions data;</li> <li>• a copy of the procedural documentation is retained and made available for all new members of staff.</li> </ul>	<b>31.05.23</b>	<b>31.10.23</b>	The Team Leader is now in post and is reviewing the historical calculations. The next submission date is due in November 2023 and procedures will be developed and documented as part of this exercise.
<b>Climate Change – Utilities Management (February 2023)</b>	<b>Collation and reporting of emissions results (Amber)</b> Management will ensure that an independent check is completed for all emissions calculations. Evidence of the independent check should be retained.	<b>30.06.23</b>	<b>31.10.23</b>	The Team Leader is now in post and is reviewing the historical calculations. The next submission date is due in November 2023 and an independent check will be completed as part of this exercise.

**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 30 June 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	43	0	0	0
2020/2021	36	34	0	1	1
2021/2022	24	20	0	1	3
2022/2023	49	36	0	6	7
<b>Total</b>	<b>316</b>	<b>293</b>	<b>0</b>	<b>8</b>	<b>15</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.

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<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>22 August 2023</b>
<b>Report By:</b>	<b>Head of Legal, Democratic, Digital &amp; Customer Services</b>	<b>Report No:</b>	<b>AC/19/23/IS/APr</b>
<b>Contact Officer:</b>	<b>Andi Priestman</b>	<b>Contact No:</b>	<b>01475 712251</b>
<b>Subject:</b>	<b>EXTERNAL AUDIT ACTION PLANS - CURRENT ACTIONS</b>		

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## **1.0 PURPOSE AND SUMMARY**

1.1  For Decision  For Information/Noting

1.2 The purpose of this report is to advise Members of the status of current actions from External Audit Action Plans at 30 June 2023.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that Members note the progress to date in relation to the implementation of external audit actions.

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

### 3.0 BACKGROUND AND CONTEXT

- 3.1 External Audit regularly report findings and action plans to relevant Council Officers and the Audit Committee as part of their annual audit plan.
- 3.2 A follow up process is in place to allow follow up of current external 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 The Chief Internal Auditor co-ordinates follow up reporting on current actions arising from External Audit Action Plans on a monthly basis with regular reporting to CMT and the Audit Committee.
- 3.4 There were 2 actions due for completion by 30 June 2023 and both have been reported as completed by management.
- 3.5 There is one current external audit action being progressed by officers. This is set out in the status report at Appendix 1.

### 4.0 PROPOSALS

- 4.1 The Audit Committee is asked to note the progress to date in relation to the implementation of external audit actions.

### 5.0 IMPLICATIONS

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

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

### 5.2 Finance

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					



### **5.3 Legal/Risk**

There is a risk that failure to implement agreed audit actions in a timely manner could result in an inability to provide a reasonable level of assurance over the Council's system of internal control to those charged with governance.

### **5.4 Human Resources**

There are no human resources implications arising directly from this report.

### **5.5 Strategic**

This report relates to strong corporate governance.

## **6.0 CONSULTATIONS**

6.1 Relevant Officers were asked to provide updates to the report as appropriate.

## **7.0 BACKGROUND PAPERS**

7.1 External Audit reports. Copies available from Andi Priestman, Chief Internal Auditor.

**INVERCLYDE COUNCIL INTERNAL AUDIT**  
**REPORT TO AUDIT COMMITTEE ON**  
**STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS**  
**AT 30 JUNE 2023**

**Summary: Section 1 Summary of Management Actions due for completion by 30/06/2023**

There were 2 actions due for completion by 30 June 2023 which have been reported as completed by management.

**Section 2 Summary of Current Management Actions Plans at 30/06/2023**

At 30 June 2023 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3 Current Management Actions at 30/06/2023**

At 30 June 2023 there was one current audit action point.

**Section 4 Analysis of Missed Deadlines**

At 30 June 2023 there were no audit action points where the agreed deadline has been missed.

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS**

**SUMMARY OF MANAGEMENT ACTION PLANS DUE FOR COMPLETION BY 30.06.2023**

**SECTION 1**

Area	No. of Actions Due	No. of Actions Completed	Deadline missed Revised date set*	Deadline missed Revised date to be set*	No action proposed
Chief Executive	2	2			
Environment and Regeneration	0				
Health and Social Care Partnership (HSCP)	0				
Education and Communities	0				
<b>Total</b>	<b>2</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 EXTERNAL AUDIT ACTION PLAN POINTS**

**SUMMARY OF CURRENT MANAGEMENT ACTIONS AS AT 30.06.2023**




**SECTION 2**

**CURRENT ACTIONS BY DIRECTORATE**

<b>Environment and Regeneration</b>	
Due for completion April 2026	1
<b>Total Actions</b>	<b>1</b>
<b>Total current actions:</b>	<b>1</b>

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS  
CURRENT MANAGEMENT ACTIONS AS AT 30.06.2023**

**SECTION 3**

Description	Status	Original Due Date	Due Date	Assigned To
<b>Annual Report to Members on the 2021/22 Audit (November 2022)</b>				
<b>Heritage Assets Valuation review (New)</b> Officers within Finance and Cultural Services will progress a revaluation of the heritage assets prior to the closure of the 2022/23 Accounts.		30-Jun-2023	30-Jun-2023	Chief Financial Officer/ Corporate Director, Education, Communities & OD
<b>Estimation and judgement disclosure (B/f)</b> A review has not been carried out for the 2021/22 Accounts due to limited time and resource. A review will be progressed taking into account the approach taken by other Councils.		30-Jun-2023	30-Jun-2023	Finance Manager (Environment & Technical)
<b>Local Development Plan (B/f)</b> The preparation of the LDP will commence in February 2023 and be complete in April 2026.		30-Apr-2026	30-Apr-2026	Director, Environment & Regeneration

Action Status



No response received



Missed original due date



In Progress



Completed

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS  
ANALYSIS OF MISSED DEADLINES**

**SECTION 4**

<b>Report</b>	<b>Action</b>	<b>Original Date</b>	<b>Revised Date</b>	<b>Management Comments</b>
There are no current actions where the original action date has been missed.				