

INVERCLYDE COUNCIL INTERNAL AUDIT
REPORT TO AUDIT COMMITTEE ON
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS
AT 31 AUGUST 2009

Summary: Section 1 Summary of Management Actions due for completion by 31/8/09

4 items were due for completion by 31 August 2009 of which 3 items have been reported as completed by management and revised dates have been set for 1 item.

Section 2 Summary of Outstanding Management Actions Plans at 31/8/09

At 31 August 2009 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

Section 3 Management Actions Outstanding at 31/8/09

At 31 August 2009 there was a total of 21 outstanding audit action points.

Section 4 Analysis of Missed Deadlines

At 31 August 2009 there was a total of 12 of the 21 outstanding items where the agreed deadline had been missed.

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SUMMARY OF MANAGEMENT ACTION DUE FOR COMPLETION BY 31.08.09

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
Education and Social Care	1	1			
Improvement and Performance	3	2	1		
Total	4	3	1		

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

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**SUMMARY OF OUTSTANDING MANAGEMENT ACTION PLANS AS AT 31.08.09
SECTION 2**

ACTIONS OUTSTANDING BY SERVICE

Chief Executive	
Due for completion March 2010	1
Actions outstanding	1
Education and Social Care	
Actions outstanding	0
Environment and Community Protection	
Completion date to be advised	4
Actions outstanding	4
Improvement and Performance	
Due for completion September 2009	3
Due for completion November 2009	1
Due for completion March 2010	2
Due for completion May 2010	1
Due for completion March 2011	3
Completion date to be advised	1
Actions outstanding	11
Regeneration and Resources	
Due for completion March 2010	3
Completion date to be advised	2
Actions outstanding	5
Total outstanding actions:	21

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MANAGEMENT ACTIONS OUTSTANDING AS AT 31.08.09**

SECTION 3

Chief Executive

Outstanding Actions	Owner	Expected Date
Members Letter 2007/08 (October 2008)		
<p>Business Continuity Planning</p> <p>Business continuity plans will be implemented for all other services by 31 March 2010.</p>	Chief Executive	31.03.10

Environment and Community Protection

Outstanding Actions	Owner	Expected Date
Members Letter 2006/2007 (October 2007)		
<p>Vehicle Management Trading Account</p> <p>Implement the preferred replacement cycle for various items of plant and vehicles which has been drafted, dependent on financial options appraisal.</p> <p>Implement and comply with the draft procurement flowchart which has been developed in conjunction with Purchasing and Finance.</p> <p>Complete the work currently in progress with Purchasing and Finance on options/profiles for Operational Leasing and Contract Hire (with and without maintenance).</p> <p>Implement the revised processes for recovery of fleet management costs, which utilise vehicle weightings as used by the APSE resulting in a re-profile of the budget for the service.</p>	<p>Head of Environmental Services</p> <p>Head of Environmental Services</p> <p>Head of Environmental Services</p> <p>Head of Environmental Services</p>	<p>To be advised*</p> <p>To be advised*</p> <p>To be advised*</p> <p>To be advised*</p>

* See Analysis of Missed Deadlines – Section 4

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SECTION 3

Improvement and Performance

Outstanding Actions	Owner	Expected Date
Follow Up ICT Review (September 2007)		
Finalise the network strategy.	Head of ICT & BT	To be advised*
Main Financial Systems (September 2008)		
<p>Authorisation of Invoices</p> <p>This is an issue the FMS team has been looking at in conjunction with Consilium and will be reviewed/tested early 2009 after the migration of the servers to in-house. In the interim, services will be reminded that users should not exceed their authorisation limits.</p>	Finance Manager	30.11.09*
Members Letter 2007/2008 (October 2008)		
<p>Finance Skills</p> <p>A proposal is being developed with IPF to provide a Financial Capacity review and associated action plan with a timescale of early 2009 for production of the action plan.</p>	Head of Finance	30.09.09*
<p>Corporate Procurement Strategy</p> <p>The strategy and improvement plan for 2009/12 has been developed and is currently subject to a consultation prior to being submitted to CMT and Policy and Resources Committee for approval.</p>	Head of Performance Management and Procurement	22.09.09*

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Improvement and Performance (Continued)

Outstanding Actions	Owner	Expected Date
Data Handling Overview (June 2009)		
The need for an information and knowledge strategy will be considered during the implementation of the improvement plan arising from the Information Governance and Management Review.	Corporate Director I&P	31.03.10
The requirement for an information asset register will be assessed as part of the improvement plan developed in relation to the Information Governance and Management Review.	Corporate Director I&P	31.03.11
An information asset register will define the classification of the information and how the information is transferred. This will be addressed through the improvement plan developed in relation to the Information Governance and Management Review.	Corporate Director I&P	31.03.11
Negotiations are ongoing with Civica/Legal and the Bank in order to comply at the required level.	Finance Manager	30.09.09*
A formal corporate policy for Information Security will be introduced as part of the improvement plan developed in relation to the Information Governance and Management Review.	Corporate Director I&P	31.03.10
The issue of the use of USB devices will be addressed through the implementation of the improvement plan developed in relation to the Information Governance and Management Review.	Head of ICT & BT	31.05.10
An information asset register will define the classification of information and how the information is transferred.	Corporate Director I&P	31.03.11

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Regeneration and Resources

Outstanding Actions	Owner	Expected Date
Members Letter 2007/2008 (October 2008)		
Common Good Title Deeds		
As part of the budget process, a bid has been made for additional funds to allow the exercise to be undertaken more speedily. An additional solicitor has now been recruited to complete this work.	Head of Legal and Administration	31.03.10
Project Management Framework		
The Corporate Director, Regeneration and Resources has been appointed Corporate Lead in ensuring recommendations arising from the Internal Audit review of Project Management are implemented. This will include option appraisal as a key stage of the project management lifecycle.	Corporate Director R&R	31.03.10*
Impairment Review		
It is anticipated that the software will be fully installed by November 2008 to allow records to be fully updated with the valuation information by January 2009.	Head of Legal and Administration	To be advised*
Workforce Management		
A key component of the workforce plan will be the roll out of the Corporate Appraisal Scheme to all staff. This will be rolled out in two phases:		
Scheme design and approval by committee.	Head of OD&HR	To be advised*
Objectives set for all employees.	Head of OD&HR	31.03.10

* See Analysis of Missed Deadlines – Section 4

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SECTION 4

Report	Outstanding Actions	Original Date	Revised Date	Management Comments
ICT Follow Up Review September 2007	Finalise the network strategy.	30.11.07 31.03.08 30.06.08	To be advised	The network strategy has been documented. This contains information about current service provision and network structure, recent developments, potential developments and includes a section on existing supplier issues and risks. The document has been issued for comment to Audit Scotland and we await their feedback.
Members Letter 2006/2007	Vehicle Management Trading Account Implement the preferred replacement cycle for various items of plant and vehicles which has been drafted, dependent on financial options appraisal.	31.03.08 31.10.08 31.03.09	To be advised	The Efficiency Review – Vehicle, Plant & Equipment Procurement, Management and Maintenance Review, this was presented to the CMT, followed by a report to P&R Committee (16 June), and agreed by members at that Committee. Has now been commenced and rolling programme being introduced.
Members Letter 2006/2007	Vehicle Management Trading Account Implement and comply with the draft procurement flowchart which has been developed in conjunction with Purchasing and Finance.	31.03.08 31.10.08 31.03.09	To be advised	The Efficiency Review – Vehicle, Plant & Equipment Procurement, Management and Maintenance Review, this was presented to the CMT, followed by a report to P&R Committee (16 June), and agreed by members at that Committee. Implementation is now underway.

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Members Letter 2006/2007	Vehicle Management Trading Account Complete the work currently in progress with Purchasing and Finance on options/profiles for Operational Leasing and Contract Hire (with and without maintenance).	31.03.08 31.10.08 31.03.09	To be advised	The Efficiency Review – Vehicle, Plant & Equipment Procurement, Management and Maintenance Review, this was presented to the CMT, followed by a report to P&R Committee (16 June), and agreed by members at that Committee. Implementation is now underway.
Members Letter 2006/2007	Vehicle Management Trading Account Implement the revised processes for recovery of fleet management costs, which utilise vehicle weightings as used by the APSE resulting in a re-profile of the budget for the service.	31.03.08 31.10.08 31.03.09	To be advised	The Efficiency Review – Vehicle, Plant & Equipment Procurement, Management and Maintenance Review, this was presented to the CMT, followed by a report to P&R Committee (16 June), and agreed by members at that Committee. Implementation is now underway.
Members Letter 2007/2008	Finance Skills A proposal is being developed with IPF to provide a Financial Capacity review and associated action plan with a timescale of early 2009 for production of the action plan.	28.02.09 31.05.09	30.09.09	IPF report considered by P&R Committee (16.6.09) and agreed that a timelined/resourced action plan be prepared for Committee by September 2009.

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Report	Outstanding Actions	Original Date	Revised Date	Management Comments
Members Letter 2007/2008	<p>Project Management Framework The Corporate Director, Regeneration and Resources has been appointed Corporate Lead in ensuring recommendations arising from the Internal Audit review of Project Management are implemented. This will include option appraisal as a key stage of the project management lifecycle.</p>	31.03.09	31.03.10	<p>The Project Management Framework has been developed. As part of the project planning stage, option appraisal has been considered.</p> <p>The Framework will be rolled out across services on a phased basis from September 2009 to ensure all relevant managers have been appropriately trained in using the Framework.</p>

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Report	Outstanding Actions	Original Date	Revised Date	Management Comments
Members Letter 2007/2008	Impairment Review It is anticipated that the software will be fully installed by November 2008 to allow records to be fully updated with the valuation information by January 2009.	31.03.09	To be advised	<p>The Year End Statement refers to our process of impairment review.</p> <p>The Council's new software has been installed and a programme for implementation of modules for Capital Accounting and the new standards for valuation and components are being developed into a strategic timetable for fy 2010/2011.</p> <p>Currently PAMIS only records property assets. Physical Investment Services will work with Finance Services to ensure that all fixed assets which are currently recorded on Logotech (tangible and non-tangible) are transferred to PAMIS where this is accepted as the corporate asset management and recording tool, provided that the system is able to reflect all the assets and comply with all the fixed asset accounting requirements.</p>
Members Letter 2007/2008	Workforce Management Scheme design and approval by committee.	31.03.09	To be advised	<p>The Performance Appraisal System has now been developed for Senior managers down to team leader level. This will be rolled out on a phased basis.</p>

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Members Letter 2007/2008	<p>Corporate Procurement Strategy The strategy and improvement plan for 2009/12 has been developed and is currently subject to a consultation prior to being submitted to CMT and Policy and Resources Committee for approval.</p>	30.04.09	22.09.09	Outline Strategic Procurement Framework submitted to Committee in May 2009 for consideration and approval. Further developmental work taking place. Strategic Procurement Framework is being submitted to P&R in September 2009.
Main Financial Systems (September 2008)	<p>Creditor Authorisation Limits This is an issue the FMS team has been looking at in conjunction with Consilium and will be reviewed/tested early 2009 after the migration of the servers to in-house. In the interim, services will be reminded that users should not exceed their authorisation limits.</p>	30.06.09	30.11.09	<p>Services have been reminded not to exceed limits.</p> <p>We have received a quote from Consilium to provide automated authorisation limits on the FMS system. The quote is reasonable and we have asked Consilium to proceed with the order. The plan is that it will be written and included as part of our upgrade which is due late October for testing early November and rolled out mid November.</p>
Data Handling Overview (May 2009)	<p>PCI/DSS Compliance Negotiations are ongoing with Civica/Legal and the Bank in order to comply at the required level.</p>	31.08.09	30.09.09	This is being actively progressed, the bank have been kept up to date. The consultants will be on site at the end of September to carry out the upgrade and do the testing with the bank and we should then be compliant.