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<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>27.04.10</b>
<b>Report By:</b>	<b>Corporate Director Regeneration and Environment</b>	<b>Report No:</b>	<b>AC/06/10/AF/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 - OUTSTANDING ACTIONS</b>		

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**1.0 PURPOSE**

- 1.1 The purpose of this report is to advise members of the status of outstanding actions from External Audit Action Plans at 28 February 2010.

**2.0 SUMMARY**

- 2.1 The Chief Internal Auditor co-ordinates follow up reporting on outstanding actions arising from External Audit Action Plans on a monthly basis with regular reporting to CMT and the Audit Committee.
- 2.2 There were no actions due for completion by 28 February 2010.

**3.0 RECOMMENDATIONS**

- 3.1 It is recommended that members note the progress to date in relation to the implementation of external audit recommendations.

**Aubrey Fawcett  
Corporate Director  
Regeneration and Environment**

## **4.0 BACKGROUND**

- 4.1 External Audit regularly report findings and action plans to relevant Council Officers and the Audit Committee as part of their annual audit plan.
- 4.2 A revised follow up process is now in place to allow follow up of outstanding 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.

## **5.0 IMPLICATIONS**

- 5.1 Legal: There are no legal implications arising from this report.  
Finance: There are no financial implications arising from this report.  
Personnel: There are no personnel implications arising from this report.  
Equalities: There are no equalities implications arising from this report.

## **6.0 CONSULTATIONS**

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

## **7.0 LIST OF BACKGROUND PAPERS**

- 7.1 Audit Scotland's 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 28 FEBRUARY 2010**

**Summary: Section 1 Summary of Management Actions due for completion by 28/2/10**

There were no items due for completion by 28 February 2010.

**Section 2 Summary of Outstanding Management Actions Plans at 28/2/10**

At 28 February 2010, there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3 Management Actions Outstanding at 28/2/10**

At 28 February 2010, there was a total of 27 outstanding audit action points.

**Section 4 Analysis of Missed Deadlines**

At 28 February 2010, there was a total of 1 of the 27 outstanding items where the agreed deadline had been missed.

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

**SUMMARY OF MANAGEMENT ACTION DUE FOR COMPLETION BY 28.2.10**

**SECTION 1**

<b>Directorate</b>	<b>No. of Actions Due</b>	<b>No. of Actions Completed</b>	<b>Deadline missed Revised date set*</b>	<b>Deadline missed Revised date to be set*</b>	<b>No action proposed</b>
Chief Executive	0				
Organisational Improvement and Resources	0				
Regeneration and Environment	0				
Education and Communities	0				
<b>Total</b>	<b>0</b>				

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



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

**SUMMARY OF OUTSTANDING MANAGEMENT ACTION PLANS AS AT 28.2.10  
SECTION 2**

**ACTIONS OUTSTANDING BY DIRECTORATE**

<b>Chief Executive</b>	
Due for completion April 2010	1
<b>Actions outstanding</b>	<b>1</b>
<b>Organisational Improvement and Resources</b>	
Due for completion March 2010	5
Due for completion April 2010	1
Due for completion May 2010	1
Due for completion June 2010	1
Due for completion October 2010	1
Due for completion March 2011	5
Due for completion June 2011	1
Due for completion September 2011	1
Due for completion December 2011	1
Completion date ongoing	2
<b>Actions outstanding</b>	<b>19</b>
<b>Regeneration and Environment</b>	
Due for completion March 2010	1
Due for completion June 2010	1
Due for completion September 2010	1
Due for completion December 2010	1
Completion date ongoing	2
<b>Actions outstanding</b>	<b>6</b>
<b>Education and Communities</b>	
Due for completion August 2010	1
<b>Actions outstanding</b>	<b>1</b>
<b>Total outstanding actions:</b>	<b>27</b>

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS  
MANAGEMENT ACTIONS OUTSTANDING AS AT 28.2.10**

**SECTION 3**

**Chief Executive**

<b>Outstanding Actions</b>	<b>Owner</b>	<b>Expected Date</b>
<b>Members Letter 2008/2009 (October 2009)</b>		
<b>Competitiveness</b>		
<p>A prioritised programme of competitiveness reviews will commence in 2010/11 supported by Corporate Guidance and the Directorate Planning Process.</p> <p>Progress will be monitored via the OIP Management of Resources Group.</p>	<b>Chief Executive</b>	<b>From April 2010</b>

**Organisational Improvement and Resources**

<b>Outstanding Actions</b>	<b>Owner</b>	<b>Expected Date</b>
<b>Data Handling Overview (June 2009)</b>		
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.	<b>Corporate Director I&amp;R</b>	<b>31.03.10</b>
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.	<b>Corporate Director I&amp;R</b>	<b>31.03.11</b>
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.	<b>Corporate Director I&amp;R</b>	<b>31.03.11</b>
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.	<b>Corporate Director I&amp;R</b>	<b>31.03.10</b>
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.	<b>Head of Customer Service &amp; Business Transformation</b>	<b>31.05.10</b>
An information asset register will define the classification of information and how the information is transferred.	<b>Corporate Director I&amp;R</b>	<b>31.03.11</b>

\* See Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS  
MANAGEMENT ACTIONS OUTSTANDING AS AT 28.2.10**

**SECTION 3**

**Organisational Improvement and Resources (Continued)**

<b>Outstanding Actions</b>	<b>Owner</b>	<b>Expected Date</b>
<b>Members Report 2008/09 (October 2009)</b>		
<p><b>International Financial Reporting Standards (IFRS)</b> Internal Officer group will continue to take necessary action to ensure Council complies fully with IFRS requirements.</p>	<b>Chief Financial Officer</b>	<b>30.06.11</b>
<p><b>Strategic Plans</b> The Financial Strategy will be reviewed and submitted to the Full Council in December 2009 and June 2010.</p>	<b>Chief Financial Officer</b>	<b>30.06.10</b>
<p>The 2010/11 Budget will be recast to show resources allocated to Council's core priorities.</p>	<b>Chief Financial Officer</b>	<b>30.04.10</b>
<p>The Council will improve linkages between Service Planning and Resources. Proposals will be reflected in revised Directorate Planning Guidance.</p>	<b>Head of OD, HR and Performance</b>	<b>31.03.10</b>
<p><b>Financial Capacity Development Plan</b> Resource requirements are being assessed. Progress against timescales will be monitored by the Resources Group of the OIP.</p>	<b>Chief Financial Officer</b>	<b>30.09.11</b>
<p><b>Strategic Procurement Framework</b> The Council will make progress against agreed workstreams within the Strategic Procurement Framework in line with timescales agreed by Committee, subject to available capacity.</p>	<b>Chief Financial Officer</b>	<b>31.12.11</b>
<p><b>Information Governance</b> The Council will implement the actions in the agreed improvement plan.</p>	<b>Corporate Director Organisational Improvement and Resources</b>	<b>31.03.11</b>
<p><b>Partnership Management/SOA Delivery</b> The Council in conjunction with its partners has reviewed governance and management arrangements in the context of the SOA.</p> <p>A Programme Board has been established which reports to the Alliance Board.</p> <p>The Council is having discussions with the Improvement Service on the possible application of PSIF to the Alliance from a governance perspective.</p>	<b>Head of OD, HR and Performance</b>	<b>Ongoing</b>

\* See Analysis of Missed Deadlines – Section 4



**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS  
MANAGEMENT ACTIONS OUTSTANDING AS AT 28.2.10**

**SECTION 3**

**Organisational Improvement and Resources (Continued)**

<b>Outstanding Actions</b>	<b>Owner</b>	<b>Expected Date</b>
<p><b>Business Continuity Planning</b> Agreement has been given in principle to create a new data centre and the expectation is that work on this will commence in 2010/11.</p>	<b>Head of Customer Service and Business Transformation</b>	<b>31.03.11</b>
<p><b>Performance Management System</b> The system will initially focus on corporate performance information including new KPIs. A view will then be taken on the rollout of the system to directorates.</p>	<b>Head of OD, HR and Performance</b>	<b>31.03.10</b>
<p><b>Workforce Planning and Capacity</b> Two officers from Organisational Development and Human Resources have been seconded to the FOM project to ensure that HR support, including policies, change management and structural organisation requirements are fully implemented as the model is introduced in the Council. It is anticipated that the officers will be seconded for a lengthy period of time, at least one year.</p>	<b>Head of OD, HR and Performance</b>	<b>31.10.10</b>
<p>Progress on the implementation of the workforce development strategy will be monitored via the OIP Workforce Development workstream.</p>	<b>Head of OD, HR and Performance</b>	<b>Ongoing</b>
<p><b>Employee Appraisal Scheme</b> A generic employee appraisal scheme has been drafted and is being tested within OD&amp;HR and the OIP group covering Workforce Development.</p>	<b>Head of OD, HR and performance</b>	<b>31.03.10</b>
<p>Once feedback has been obtained and finalised, employee appraisal scheme will be submitted to the CMT with a view to being rolled out down to team leader level by 31/3/10.</p>		

\* See Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS  
MANAGEMENT ACTIONS OUTSTANDING AS AT 28.2.10**

**SECTION 3**

**Regeneration and Environment**

<b>Outstanding Actions</b>	<b>Owner</b>	<b>Expected Date</b>
<b>Members Letter 2007/2008 (October 2008)</b>		
<p><b>Project Management Framework</b> 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>	<b>Corporate Director R&amp;E</b>	<b>30.09.10*</b>
<b>Members Letter 2008/2009 (October 2009)</b>		
<p><b>Common Good Title Deeds</b> 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 progress this work.</p>	<b>Head of Legal and Democratic Services</b>	<b>31.12.10</b>
<b>Members Letter 2008/2009 (October 2009)</b>		
<p><b>Asset Management</b> The development of PAMIS is integral to the corporate approach to asset management.  Progress on implementation of the asset management strategy will be monitored via the OIP Management of Resources Group.</p>	<b>Corporate Director R&amp;E</b>	<b>Ongoing</b>
<p><b>Risk Management</b> The Corporate Risk Management Group will monitor the consolidation and alignment of strategic and operational risks on an ongoing basis.</p>	<b>Chief Internal Auditor</b>	<b>Ongoing</b>
<p><b>Business Continuity Planning</b> Service Business Continuity Plans will be developed and subject to rehearsal testing where appropriate in conjunction with the Joint Civil Contingencies Service.</p>	<b>Corporate Director Regeneration and Environment</b>	<b>30.06.10</b>
<p>Arrangements for the provision of business continuity management advice and assistance for local partners and small businesses will be formalised via the Joint Civil Contingencies Service.</p>	<b>Corporate Director Regeneration and Environment</b>	<b>31.03.10</b>

\* See Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
 REPORT TO AUDIT COMMITTEE ON  
 STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS  
 MANAGEMENT ACTIONS OUTSTANDING AS AT 28.2.10**

**SECTION 3**

**Education and Communities**

<b>Outstanding Actions</b>	<b>Owner</b>	<b>Expected Date</b>
<b>Members Letter 2008/2009 (October 2009)</b>		
<b>Schools Estate Strategy</b>		
A Programme Board has been established to oversee the Schools Estate Management Plan.	<b>Corporate Director Education and Communities</b>	<b>31.08.10</b>
The funding model will be reviewed to ensure the model remains fit for purpose.		

\* See Analysis of Missed Deadlines – Section 4

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

**SECTION 4**

Report	Outstanding Actions	Original Date	Revised Date	Management Comments
<b>Members Letter 2007/2008</b>	<p><b>Project Management Framework</b> 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>	<b>31.03.09</b>	<b>30.09.10</b>	<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 during 2010 to ensure all relevant managers have been appropriately trained in using the Framework.</p>