

**Report To:** Audit Committee **Date:** 26 April 2011

**Report By:** Corporate Director Regeneration and Environment **Report No:** AC/22/11/AF/APr

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

**Subject:** INTERNAL AUDIT PROGRESS REPORT – 7 FEBRUARY TO 1 APRIL 2011

## 1.0 PURPOSE

- 1.1 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.
- 1.2 The Monitoring Report from 7 February to 1 April is attached as an Appendix to this report since its content is essential to the understanding of the Council's control environment. **Appendix 1**

## 2.0 SUMMARY

- 2.1 One internal audit report has been finalised since the last Audit Committee meeting:
- Transfer of Community Facilities
- 2.2 This report contain a total of 18 recommendations, categorised as follows:

| Red Amber |    | Green |
|-----------|----|-------|
| 0         | 13 | 5     |

- 2.3 The fieldwork for the 2010/11 Audit Plan is progressing well with progress as follows:

| Stage Number          | of Reports |
|-----------------------|------------|
| Final Report          | 6          |
| Draft Report          | 4          |
| Fieldwork Complete    | 2          |
| Fieldwork in Progress | 3          |
| Planning              | 0          |
| Deferred (see 2.6)    | 2          |
| Dropped (see 2.7)     | 1          |
| <b>Total</b>          | <b>18</b>  |

- 2.4 Due to high levels of unforeseen sickness absence within the team, it is anticipated that the audit plan will now be fully completed by end of May 2011. A temporary internal auditor was recruited on 14 March 2011 to assist in delivery of the plan by the end of May.

2.5 For 2 audits, it has been agreed to defer the fieldwork to the 2011/12 plan as follows:

- Procurement Compliance – a full scope review of the pre-contract stage of procurement will be now carried out in 2011/12.
- Riverside Inverclyde – a full scope review of procurement of consultants will now be carried out in 2011/12.

2.6 The Educational Psychological Service was recently inspected by the HMIE in 2010 and the resulting report was presented to Education and Lifelong Learning Committee in November 2010. The Service received a quality indicator of “very good” and as a result of this inspection, the risk rating for this service has been updated on the audit universe and as a result of a positive inspection report, this service will no longer be reviewed as part of the 2010/11 audit plan.

### **3.0 RECOMMENDATIONS**

3.1 It is recommended that Members agree to note the progress made by Internal Audit in the period from 7 February to 1 April 2011.

**Aubrey Fawcett**  
**Corporate Director Regeneration and Environment**

## **4.0 BACKGROUND**

4.1 None.

## **5.0 IMPLICATIONS**

5.1 Legal: Relevant action plans will bring processes in line with regulatory and legislative requirements where applicable.

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 issues arising from this report.

## **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: By Andi Priestman, Chief Internal Auditor.



**Audit Committee Report  
Report on Internal Audit Activity from  
7 February to 1 April 2011**

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**1 Audit work undertaken in the period**

**Reports issued since last update**

1.1 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>          |

1.2 One report has been finalised since the January 2011 Audit Committee, which is identified below, together with a summary of the gradings of the recommendations made to management. 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    |                        |
| <b>2010/2011 plan</b>                            |          |           |          |                        |
| Transfer of Community Facilities                 | 0        | 13        | 5        | <b>18</b>              |
| <b>Total</b>                                     | <b>0</b> | <b>13</b> | <b>5</b> | <b>18</b>              |

**Other activities**

**Risk Management**

1.4 Risk Management is the subject of separate reporting to Audit Committee and a full report is submitted separately.

**1.5 Internal Audit Action Plan Follow Up**

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 since 4 February 2011.

**Inverclyde Leisure - Transfer of Community Facilities**

2.2 Community facilities include halls and pitches which are used by a variety of users for a wide range of often leisure related activities. In addition, school-lets form part of the service. The facilities are administered by Inverclyde Leisure on behalf of the Council from the booking office located within the Greenock Waterfront Leisure Complex.

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 in relation to the transfer of community facilities to Inverclyde Leisure.

2.4 The overall control environment opinion for this audit review was **requires improvement**. There were 13 AMBER issues identified as follows:

**Lack of appropriate legal agreements**

It is essential that the transfer of community facilities is underpinned by appropriate legal documentation. Although a transfer agreement is in place we understand that other key documentation has not yet been finalised including the funding agreement and service specification.

**Completeness of performance management arrangements**

The corporate governance arrangements for community facilities have gained greater significance following the transfer to Inverclyde Leisure on 1<sup>st</sup> April 2010. We identified some weaknesses in these arrangements as;

- both Inverclyde Leisure and the Council have yet to fully develop external reporting processes for community facilities; and
- the overall performance management arrangements for community facilities have not been adequately defined, established or applied in practice. A closely related factor centres around the need to implement the service specification.

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

**Adequacy of insurance arrangements over community facilities**

Up until 31<sup>st</sup> March 2010 the Council had contents and public liability insurance in place for community facilities. Since then Inverclyde Leisure has responsibility for arranging this insurance cover. We were unable to confirm that Inverclyde Leisure had extended its contents and public liability insurance to cover community facilities from 1<sup>st</sup> April 2010. However, Inverclyde Leisure's Development Manager has advised us verbally that appropriate insurance has been in place since 1<sup>st</sup> October 2010. The Council continues to insure the buildings which were transferred to Inverclyde Leisure.

**Lack of appropriate risk management arrangements**

Following the transfer of community facilities to Inverclyde Leisure it becomes more important to fully implement risk management processes. However, the operational risks associated with community facilities have not been formally identified, recorded or allocated amongst managers.

**Adequacy of community facilities policies**

As a local service it is important that community facilities are managed using adequate policies, especially following their transfer to Inverclyde Leisure. We have reviewed the key policies and identified some weaknesses as follows:

- there are unresolved value for money issues regarding the management of income, lets and waivers. Namely there is scope to;
  - extend the principle of upfront payment at the point of booking and always ensure consistency when taking deposits;
  - introduce a simpler and more transparent waivers scheme;
  - increase the accountability over the Council held waivers budget which is effectively spent by Inverclyde Leisure;
  - review the cancellation policy as collecting relatively small sums can be costly and some cancelled events, such as weddings, forego the opportunity to collect additional income;
  - introduce a more flexible pricing policy which allows for service developments and the extent of competition.
- there are inconsistencies with COSLA's child protection guidance regarding lets. The child protection information gathered via the let application form is overly summarised and does not fully meet the COSLA guidance.

**Review of waiver process**

In order to improve affordability and encourage the use of Community Facilities by as many user groups as possible, a waiver scheme currently exists to enable parties that comply with specific criteria to claim a discounted rate against each booking placed. We have identified some weaknesses, namely;

- Individuals or groups qualifying for waivers are currently required to repeat the application process each time they place a booking.
- The application of discounts to the MRM booking system is currently complex with Booking Office staff having to manually discount the level of waiver awarded to each chargeable line.



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

**Adequacy of community facilities procedures**

It is important that the operational activities associated with community facilities have corresponding written procedures. We have reviewed the key procedures and identified some weaknesses, namely;

- the procedures are often ad hoc responses to specific issues and do not adequately detail those tasks which require staff to co-ordinate or exchange information e.g. the processing of waiver applications and PPP/PFI school let arrangements;
- detailed staff roles and deadlines across relevant management, operational, administrative and booking office functions have not been specified;
- booking office cash-up procedures lack key details as some tasks, staff roles and supervisory checks have not been adequately described; and
- there are no corresponding written procedures for the key tasks performed within the booking office e.g. processing new bookings, taking deposits, recording data, accounting for all income due, handling cancellations and regularly remitting relevant income to the Council.

**Managing operational activities across community facilities**

It is important that management have adequate arrangements in place to ensure that key operational activities are carried out within appropriate frameworks. We have reviewed this area and identified some weaknesses as follows;

- there is a lack of clarity regarding certain property related matters, which includes;
  - formalising the regime of property inspections used to identify and report potential hazards;
  - identifying any repairs which Inverclyde Leisure funds, especially when such repairs are relatively low value but operationally important.
- each community facility has a range of investment needs as improvements have the potential to increase participation and lower the average subsidy per visitor. Funding for improvements is limited and becoming more scarce and a comprehensive review of the investment needs across all community facilities has not recently been carried out. Also, Inverclyde Leisure has not yet fully developed partnership working arrangements with Property Assets & Facilities Management covering the investment needs of community facilities, regardless of funding sources. However, we understand that there is a good working relationship between relevant Inverclyde Leisure and the Council's Property Maintenance Team for handling minor works.

**Managing health & safety issues across community facilities**

Health and safety is important when operating community facilities due to the interaction of customers and staff using public buildings. We identified three potential risks which have not been fully addressed following the transfer process as follows:

- lone working can arise within some community facilities at certain times. The anti-social hours often associated with lone working makes this a difficult issue to resolve. However, it is not clear that the current arrangements provide sufficient assurance;
- within Greenock Town Hall, staff and private caterers have different roles. However, community facilities staff are involved in cleaning and monitoring of the kitchen. It was not clear whether or not staff duties fully meet current environmental health standards given private caterers' use of the kitchen; and
- the arrangements for managing and funding fire risk assessments have not been formally agreed between the management of Inverclyde Leisure and the Council's Head of Property Assets & Facilities Management.

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

**Use of shared till facility by booking office cashiers and existing cash-up arrangements**

The Booking Office is responsible for managing bookings of community facilities and the collection of associated hire charges. A key control over ensuring transparency and accountability in the income collection process is the individual access to the booking system and till by all staff. However, changes in layout and workspace have resulted in individual accountability of staff being lost due to the use of a single shared till facility. As a result of this, all income received by the Booking Office is recorded through this single till facility.

In addition, the current procedure in relation to Collation of Daily Takings specifies that the daily cash up process should include two people at all times. This helps to ensure that all cash takings are properly reconciled with any imbalances quickly identified and explained. During the walkthrough we observed that two people were not actively involved in the process at all times.

**Adequacy of invoice processing and payment processes**

In order to ensure the effective control of income in relation to Community Facilities, it is essential that Inverclyde Leisure provide a suitable range of payment methods to customers whilst also seeking to maintain appropriate controls that ensure prompt payment for all bookings placed. We have highlighted some weaknesses surrounding payments made via invoice, namely;

- The existing process of issuing invoices for Community Facilities usage by Inverclyde Leisure does not allow adequate provision for customers to meet existing booking conditions which state payment must be received 21 days in advance of any function. At present the majority of invoices are not issued to customers until after a booking has taken place. In addition to this the current payment terms for invoices issued by Inverclyde Leisure require payment no later than 21 days after the date of invoice. As a consequence many payments for bookings are not being received by Inverclyde Leisure until a considerable time after the date of the event.
- Current arrangements for managing slow or non payment of invoices involve three reminder letters being issued to customers when they reach 27, 55 and 91 days overdue. After 91 days individuals or groups responsible for payment are prohibited from making use of all Inverclyde Leisure facilities until outstanding monies owed are settled in full. Existing arrangements are such that individuals or parties making payment by invoice may be permitted to make use of Community Facilities over a considerable time period before any action is taken to address slow or non payment.
- At present there are no specific criteria or pricing thresholds set in relation to bookings where payment by invoice is permitted.
- In some cases invoices are issued to a different party than the one responsible for raising the original booking.

The MRM booking system does not currently provide suitable management information in relation to debt management and invoicing arrangements for community facilities.

**Financial management of community facilities**

Financial management includes using Financial Regulations to set boundaries for officers. We acknowledge that Inverclyde Leisure's Financial Regulations will vary from those used by the Council. However, after comparing these documents we noted some important differences. Namely, Inverclyde Leisure's Financial Regulations do not;

- detail the role of purchase orders;
- fully specify the control of income; and
- make clear that the ordering of goods must be segregated from authorisation duties.

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

**Lack of formal recording of management inspections of community facilities**

The performance of regular inspections by supervisors contributes to the effective management of community facilities. Management advised us that although inspections are undertaken they are not always documented using the standard form. However, we acknowledge that the transfer of community facilities increased managers' workloads and informal monitoring of staff and facilities can make some contribution to the inspection process.

- 2.5 It is acknowledged that the transfer process was extremely complex and challenging to achieve in such short time scales and the fact that a number of these issues existed prior to the transfer of community facilities to Inverclyde Leisure. However, IL management are fully committed to addressing all issues raised to ensure community facilities are properly and effectively managed on an ongoing basis.
- 2.6 The review identified a total of 18 issues, 13 of which we consider to be individually significant, and an action plan is in place to address all issues by 28 February 2012.

**INVERCLYDE COUNCIL – REPORT ON INTERNAL AUDIT ACTIVITY APP  
FROM 7 FEBRUARY TO 1 APRIL 2011**

**ENDIX 1**

**3. Audit Plan for 2010/11 – Progress to 1 April 2011**

| Planned Audit Cover                           | Planning                       | TOR Issued | Fieldwork in Progress | Fieldwork Complete | Draft Report Issued | Report Finalised | Reported to Audit Committee |
|---|--------------------------------|------------|-----------------------|--------------------|---------------------|------------------|-----------------------------|
| <b>Risk-Based Reviews</b>                     |                                |            |                       |                    |                     |                  |                             |
| Freedom of Information Arrangements           | ✓                              | ✓          | ✓                     | ✓                  | ✓                   |                  |                             |
| Waste Management                              | ✓                              | ✓          | ✓                     | ✓                  | ✓                   | ✓                | March 2011                  |
| Building Standards                            | ✓                              | ✓          | ✓                     | ✓                  | ✓                   |                  |                             |
| Community Learning and Development            | ✓                              | ✓          | ✓                     | ✓                  |                     |                  |                             |
| Budgetary Control                             | ✓                              | ✓          | ✓                     |                    |                     |                  |                             |
| Workforce Development – Appraisal Process     | ✓                              | ✓          | ✓                     | ✓                  | ✓                   |                  |                             |
| <b>Limited Scope Financial System Reviews</b> |                                |            |                       |                    |                     |                  |                             |
| Non-Domestic Rates                            | ✓                              | ✓          | ✓                     | ✓                  | ✓                   | ✓                | January 2011                |
| Housing Benefit                               | ✓                              | ✓          | ✓                     | ✓                  | ✓                   | ✓                | January 2011                |
| HR/Payroll Administration                     | ✓                              | ✓          | ✓                     |                    |                     |                  |                             |
| <b>Business Assurance Reviews</b>             |                                |            |                       |                    |                     |                  |                             |
| Procurement Compliance – Pre-Contract Stage   | Deferred to 2011/12 Audit Plan |            |                       |                    |                     |                  |                             |
| <b>Arms Length Organisation Reviews</b>       |                                |            |                       |                    |                     |                  |                             |
| Transfer of Community Facilities to ILT       | ✓                              | ✓          | ✓                     | ✓                  | ✓                   | ✓                | April 2011                  |
| Riverside Inverclyde – Procurement Process    | Deferred to 2011/12 Audit Plan |            |                       |                    |                     |                  |                             |
| <b>Performance Reviews</b>                    |                                |            |                       |                    |                     |                  |                             |
| Statutory Performance Indicators              | ✓                              | N/A        | ✓                     | ✓                  | ✓                   | ✓                | October 2010                |
| Mailroom Services and Postages                | ✓                              | ✓          | ✓                     | ✓                  | ✓                   | ✓                | August 2010                 |
| VFM – Use of Council Vehicles                 | ✓                              | N/A        | ✓                     |                    |                     |                  |                             |
| <b>Regularity Audits</b>                      |                                |            |                       |                    |                     |                  |                             |
| Control Self Assessment - Education           | ✓                              | ✓          | ✓                     | ✓                  | ✓                   |                  |                             |
| Control Self Assessment – Social Work         | ✓                              | ✓          | ✓                     | ✓                  |                     |                  |                             |
| <b>Corporate Governance</b>                   |                                |            |                       |                    |                     |                  |                             |
| SSIFC 2009/10                                 | Input provided by CIA.         |            |                       |                    |                     |                  |                             |
| <b>Projects/Key Change Initiatives</b>        |                                |            |                       |                    |                     |                  |                             |
| Elections Process                             | Input provided by CIA.         |            |                       |                    |                     |                  |                             |
| Operating Model                               | Input provided by CIA.         |            |                       |                    |                     |                  |                             |
| Information Governance and Management         | Input provided by CIA.         |            |                       |                    |                     |                  |                             |
| Community Health and Care Partnership         | Input provided by CIA/IA.      |            |                       |                    |                     |                  |                             |

#### **4 Ad hoc activities undertaken since the previous Audit Committee**

- 4.1 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.
- 4.2 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:
- Audit input to HR/Payroll system project.
  - Providing input to FOI requests as appropriate.
  - Audit/Risk Management input to Scottish Parliamentary Election process.

**INVERCLYDE COUNCIL INTERNAL AUDIT**  
**REPORT TO AUDIT COMMITTEE ON**  
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)**  
**AT 28 FEBRUARY 2011**

**Summary: Section 1 Summary of Management Actions due for completion by 28/02/11**

There were 8 items due for completion by 28 February 2011, 4 of which have been reported as completed by management and action in relation to 4 items has been revised.

**Section 2 Summary of Current Management Action Plans at 28/02/11**

At 28 February 2011 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3 Current Management Actions at 28/02/11**

At 28 February 2011 there was a total of 42 current audit action points.

**Section 4 Analysis of Missed Deadlines**

At 28 February 2011 there was a total of 27 of the 42 audit action points where the agreed deadline had been missed.

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
SUMMARY OF MANAGEMENT ACTION DUE FOR COMPLETION BY 28.02.11**

**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> |
|--|---------------------------|---------------------------------|--|--|
| Regeneration & Environment                   | 0                         |                                 |  |  |
| Education & Communities                      | 0                         |                                 |  |  |
| Community Health & Care Partnership (CHCP)** | 0                         |                                 |  |  |
| Organisational Improvement & Resources       | 8                         | 4                               | 3  | 1  |
| <b>Total</b>                                 | <b>8</b>                  | <b>4</b>                        | <b>3</b>                                 | <b>1</b>                                       |

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

In addition, the following action has been revised to take account of the actual system administration role being undertaken by Education Services as a result of SEEMIS becoming an LLP. The issue has been re-graded as a GREEN issue but will be followed up accordingly.

**Education and Communities**

| <b>Old Action</b>   | <b>New Action</b>   | <b>Owner</b>           |
|---|---|------------------------|
| <b>SEEMIS (April 2008)</b>  |   |                        |
| <b>System Administration Procedures</b><br>Backup arrangements are made to provide adequate cover for the system administration role. | System administration procedures will be documented for those tasks undertaken by Education Services. | <b>Head of Schools</b> |

**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 28.02.11**

**SECTION 2**

**CURRENT ACTIONS BY DIRECTORATE**

|   |           |
|---|-----------|
| <b>Regeneration and Environment</b>             |           |
| Due for completion March 2011                   | 5         |
| Due for completion April 2011                   | 2         |
| Due for completion June 2011                    | 2         |
| <b>Total Actions</b>                            | <b>9</b>  |
| <b>Community Health and Care Partnership</b>    |           |
| Due for completion March 2011                   | 2         |
| Due for completion May 2011                     | 3         |
| Due for completion October 2011                 | 2         |
| Completion date to be advised                   | 1         |
| <b>Total Actions</b>                            | <b>8</b>  |
| <b>Organisational Improvement and Resources</b> |           |
| Due for completion March 2011                   | 6         |
| Due for completion April 2011                   | 4         |
| Due for completion May 2011                     | 1         |
| Due for completion June 2011                    | 1         |
| Due for completion March 2012                   | 4         |
| Completion Date to be advised                   | 9         |
| <b>Total Actions</b>                            | <b>25</b> |
| <b>Total current actions:</b>                   | <b>42</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 28.02.11**

**SECTION 3**

**Regeneration and Environment**

| <b>Action</b>   | <b>Owner</b>                                       | <b>Expected Date</b>  |
|---|--|-----------------------|
| <b>Inverclyde Leisure Trust Risk Management (Nov 2007)</b>  |  |                       |
| <p><b>Risk register &amp; monitoring regime (Red)</b><br/>If ILT is to meet recognised governance standards for Risk Management, a risk identification and assessment process should be developed and work should be undertaken to develop specific Corporate and operational risk registers for the organisation. In addition a monitoring regime should be developed and implemented to support continuous management of the risks.</p> | <b>Chief Executive,<br/>Inverclyde<br/>Leisure</b> | <b>31.03.11*</b>      |
| <b>Trading Activities (June 2008)</b>   |  |                       |
| <p><b>Customer Complaints and Satisfaction Surveys (Amber)</b><br/>Vehicle Management will carry out annual internal customer satisfaction survey and develop action plan for improvement.</p>  | <b>Team Leader –<br/>Vehicle<br/>Management</b>    | <b>31.03.11*</b>      |
| <p><b>Performance Management and Measurement (Amber)</b><br/>Service to continue to develop and report service standards and performance through APSE.</p>  | <b>Team Leader –<br/>Vehicle<br/>Management</b>    | <b>30.04.11*</b>      |
| <p><b>Non-Mainframe Systems – Vehicle Management (Amber)</b><br/>A new fleet management system will have individual passwords, protected access with passwords changed periodically.</p>  | <b>Team Leader –<br/>Vehicle<br/>Management</b>    | <b>30.04.11*</b>      |
| <b>Project Management (September 2008)</b>  |  |                       |
| <p><b>Project Management Framework (Amber)</b><br/>The project management framework and guidelines will be rolled out across all services on a phased basis.</p>  | <b>Corporate<br/>Director R&amp;E</b>              | <b>31.03.11*</b>      |
| <b>Physical Investment Services (May 2009)</b>  |  |                       |
| <p><b>Asset Performance Reviews (Amber)</b><br/>Officers responsible for implementation of key functions;</p> <ul style="list-style-type: none"> <li>• input Estate Management module;</li> </ul>   | <b>Asset Manager<br/>Team Leader</b>               | <b>To be advised*</b> |
| <ul style="list-style-type: none"> <li>• strategic timetable for development and implementation of Planned Maintenance module;</li> </ul>   | <b>Property Assets<br/>Manager</b>                 | <b>To be advised*</b> |
| <ul style="list-style-type: none"> <li>• development of a strategic timetable for implementation of Capital Accounting module</li> </ul>  | <b>Property Assets<br/>Manager</b>                 | <b>31.03.11*</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 28.02.11**

**SECTION 3**

**Regeneration and Environment (continued)**

| <b>Action</b>  | <b>Owner</b>  | <b>Expected Date</b> |
|--|---|----------------------|
| <b>Waste Management (February 2011)</b>  |   |                      |
| <p><b>Contractors Compliance with Health and Safety</b><br/>Formal meetings are now arranged and recorded to provide details of the attendees and actions taken. Greenlight's compliance with health and safety will continue to be closely monitored. Any opportunities to reduce the health and safety issues will be implemented.</p> | <b>Team Leader –<br/>Waste Strategy<br/>and Technical<br/>Support</b> | <b>31.03.11</b>      |

**Community Health & Care Partnership**

| <b>Action</b>  | <b>Owner</b>  | <b>Expected Date</b>  |
|--|---|-----------------------|
| <b>Social Care – Business Support (July 2009)</b>  |   |                       |
| <p><b>Adequacy of Financial Information (Amber)</b><br/>The requirement for implementation of SWIFT Financials module will be discussed at the Social Work management team.<br/><br/>Relevant action will then be taken to formalise a project for implementation.</p>   | <b>Corporate<br/>Director CHCP</b>  | <b>To be advised*</b> |
| <b>Homelessness (January 2010)</b>   |   |                       |
| <p><b>Writing-off irrecoverable rent arrears – (Amber)</b><br/>Management will review current arrears position and consider write off.<br/><br/>Management will consider processes and procedures for monitoring bad debts and introduce a system for write offs which will include:<br/>(a) Submitting cases to Chief Financial Officer for write off approval in order to comply with Council Financial Regulations<br/>(b) Seeking advice from the Social Work Accountant on how to create ongoing bad debt provision to fund write offs<br/>(c) maintaining adequate records of all write off activity</p> | <b>Assistant<br/>Homelessness<br/>Service<br/>Manager/<br/>Acting Service<br/>Manager</b> | <b>31.05.11*</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 28.02.11**

**SECTION 3**

**Community Health & Care Partnership (Continued)**

| Action  | Owner  | Expected Date           |
|---|--|-------------------------|
| <b>Homelessness (January 2010)</b>  |  |                         |
| <p><b>Securing value for money on furnishing temporary accommodation – (Amber)</b><br/>Management working with Corporate Procurement regarding contracts for furnishing temporary accommodation.</p> <p>On completion of tendering process, mechanism to be introduced ensuring re-tendering commences in advance of contract expiry dates.</p>   | <p><b>Assistant Homelessness Service Manager/<br/>Acting Service Manager</b></p> | <p><b>31.05.11*</b></p> |
| <p><b>Demonstrating value for money when using agency staff (Amber)</b><br/>A review of the staff structure has taken place and a proposed restructure is currently being considered.</p> <p>Management will consult Corporate Procurement and, where appropriate Legal Services, to seek an interim solution regarding use of agency staff.</p>  | <p><b>Corporate Director CHCP</b></p>  | <p><b>31.03.11*</b></p> |
| <p><b>Protecting client information from loss or damage (Amber)</b><br/>Management will discuss the following actions with ICT, consider full integration with SWIFT and:</p> <p>(b) arrange for back-ups to be stored off-site in a secure Council controlled location which meets ICT Services approval;</p> <p>(c) no longer give the software supplier copies of back-ups and instead arrange with ICT Services for controlled remote access to be given to the software supplier;</p> <p>(f) obtain best practice advice from ICT Services regarding the business continuity issues surrounding the database, including the feasibility of moving the system to be centrally managed by ICT;</p> <p>(g) introduce a mechanism to report recurring computer problems to ICT Services via senior managers.</p> | <p><b>Acting Service Manager/AFO</b></p>   | <p><b>31.05.11*</b></p> |

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**SECTION 3**

**Community Health & Care Partnership (Continued)**

| <b>Action</b>  | <b>Owner</b>                   | <b>Expected Date</b> |
|--|--------------------------------|----------------------|
| <b>Social Work Control Self Assessment (August 2010)</b>   |                                |                      |
| <p><b>Use of personal non-encrypted USB memory sticks - (Amber)</b><br/>Social Work should continue to build upon progress to date in this area, ensuring that use of unencrypted devices ceases across service areas and that data currently being stored on such devices is transferred back to the network drive.</p> <p>Furthermore the requirement for mobile working should be discussed with ICT and appropriate solutions put in place.</p>  | <b>Corporate Director CHCP</b> | <b>31.03.11</b>      |
| <p><b>Failure to comply with Council Inventory Procedures - (Amber)</b><br/>All establishments to ensure items of value (£100 or greater) are securely marked with engraving or invisible with engraving or invisible marker detailing location, postcode and property of Inverclyde Council in line with Council inventory procedures.</p> <p>For newly acquired items, establishments should check manufacturer documentation prior to making any secure markings to equipment to ensure any warranty or guarantee is not invalidated.</p> | <b>Service Managers</b>        | <b>31.10.11</b>      |
|  | <b>Service Managers</b>        | <b>31.10.11</b>      |

**Organisational Improvement & Resources**

| <b>Action</b>  | <b>Owner</b>                          | <b>Expected Date</b>  |
|--|---------------------------------------|-----------------------|
| <b>Facilities Services (September 2008)</b>  |                                       |                       |
| <p><b>Retrospective Disclosure Checks (Amber)</b><br/>A report will need to be prepared for CMT with options in respect of retrospective checks as this will involve considerable cost to the Authority and also requirement to consult with unions.</p> | <b>Head of OD, HR and Performance</b> | <b>To be advised*</b> |

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**SECTION 3**

**Organisational Improvement & Resources (Continued)**

| <b>Action</b>  | <b>Owner</b>                         | <b>Expected Date</b>  |
|--|--------------------------------------|-----------------------|
| <b>Corporate Purchase Cards (September 2008)</b>   |                                      |                       |
| <p><b>Appropriateness of Authorisation Limits (Amber)</b><br/>The Corporate Procurement Team will review each cardholders monthly expenditure limit against the limit set for them by the Finance Creditors Team and where the cardholder;</p> <p>a) does not have a creditor limit then their Head of Service will be asked to set a limit for them or confirm the cardholders exclusion from the creditors system;</p> <p>b) has a monthly card limit below the creditors system limit then no further action is required;</p> <p>c) has a monthly card limit above the creditors system then the monthly limit will either be reduced or the relevant Head of Service invited to request an increase in the creditor system limit to match the monthly card limit. The Chief Financial Officer will be consulted when proposing increases in creditor system limits.</p> <p>d) does not have a creditor limit then their Head of Service will be asked to set a limit for them or confirm the cardholders exclusion from the creditors system;</p> <p>e) has a monthly card limit below the creditors system limit then no further action is required;</p> <p>f) has a monthly card limit above the creditors system then the monthly limit will either be reduced or the relevant Head of Service invited to request an increase in the creditor system limit to match the monthly card limit.</p> | <b>Corporate Procurement Manager</b> | <b>31.05.11*</b>      |
| <b>Information Governance and Management (May 2009)</b>  |                                      |                       |
| <p><b>Organisation (Red)</b><br/>Information Governance and Management will form part of the corporate training programme for employees new to the Council or when employees are trained in new systems by other colleagues.</p> <p>Consideration will be given to establishing a clear desk policy for all staff with access to the Council's information.</p>  | <b>Corporate Director OI&amp;R</b>   | <b>To be advised*</b> |
|  | <b>Corporate Director OI&amp;R</b>   | <b>To be advised*</b> |
| <p><b>People (Red)</b><br/>Security awareness will be promoted using awareness materials such as brochures, posters or web based documents and through structured education/training programmes or computer based training. Training will be made compulsory for all staff to create security positive behaviour.</p>  | <b>Corporate Director OI&amp;R</b>   | <b>31.03.11</b>       |

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**SECTION 3**

**Organisational Improvement & Resources (Continued)**

| <b>Action</b>  | <b>Owner</b>   | <b>Expected Date</b>   |
|--|--|--|
| <p><b>People (Red)</b><br/>Information governance and management responsibilities will be specified in job descriptions, or in terms and conditions of employment, including a non-disclosure/ confidentiality clause.</p> <p>External third parties who need access to the council's information and systems will be required to sign non-disclosure/confidentiality agreements.</p>  | <p><b>Corporate Director OI&amp;R</b></p><br><p><b>Corporate Director OI&amp;R</b></p> | <p><b>To be advised*</b></p><br><p><b>To be advised*</b></p> |
| <p><b>Process (Amber)</b><br/>Processes will be developed and implemented to strengthen the system of internal control over information governance and management. This will include:</p> <ul style="list-style-type: none"> <li>• Developing and implementing a data/information classification system</li> <li>• Identifying owners for critical information and systems</li> <li>• Ensuring important papers and removable storage media (e.g. CDs) are protected against theft or copying, such as by locking them away and restricting access and via a clear desk policy</li> <li>• Investing in secure archiving facilities for appropriate hard copy records that must be retained in accordance with relevant legislation.</li> </ul> | <p><b>Corporate Director OI&amp;R</b></p>  | <p><b>31.03.11</b></p>                                       |
| <p><b>Technology (Amber)</b><br/>Standards and guidance will be prepared to:</p> <ul style="list-style-type: none"> <li>• Support remote working and ensure workers do not compromise the security of any facilities to which they can be connected.</li> <li>• Restrict removable storage media eg CDs, memory sticks, to only allow Council approved devices to be used.</li> <li>• Ensure that access privileges are revoked immediately when authorised users leave the organisation</li> <li>• Advise staff what to do in the event of a security breach.</li> <li>• Ensure that for new system implementations, an information governance review will form part of the testing and go-live sign off.</li> </ul>                          | <p><b>Corporate Director OI&amp;R</b></p>  | <p><b>31.03.11</b></p>                                       |

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**SECTION 3**

**Organisational Improvement & Resources (Continued)**

| <b>Action</b>  | <b>Owner</b>                                   | <b>Expected Date</b> |
|--|--|----------------------|
| <p><b>Technology (Amber)</b><br/>Consideration will be given to establishing a dedicated information security function as part of the Future Operating Model which has council-wide responsibility for promoting and co-ordinating information security across the council, developing information security policies/guidelines, providing expert advice, investigating major information security incidents and conducting security awareness programmes.</p> | <b>Corporate Director OI&amp;R</b>             | <b>To be advised</b> |
| <b>Cash and Banking (February 2010)</b>  |  |                      |
| <p><b>Security arrangements at Wallace Place Contact Centre (Amber)</b><br/>Management will prepare action plan to;</p> <ul style="list-style-type: none"> <li>• Ensure Wallace Place CCTV and panic alarms are correctly positioned and fit for purpose.</li> <li>• Examine the installation of cash collection drawers that open when new transactions commence on cash receipting system.</li> </ul>  | <b>Customer Services Manager</b>               | <b>31.03.12</b>      |
| <b>Travel and Subsistence (June 2010)</b>  |  |                      |
| <p>The anomaly in the mileage rates where teachers are paid a higher rate will be further investigated and a common approach adopted which uses the Inland Revenue rate of 40p per mile to ensure that all employees are treated fairly and equitably.</p>   | <b>HR Manager (Organisational Development)</b> | <b>31.03.11*</b>     |
| <b>Fixed Asset Accounting (June 2010)</b>  |  |                      |
| <p><b>Single Person Dependency (Principal Accountant – Exchequer) – (Amber)</b><br/>Cross-training within the Accountancy team will be undertaken as required in relation to the Logotech system and associated accounting requirements to overcome single person dependency in completion of financial year end tasks and finalisation of accounts.</p>   | <b>Principal Accountant (Exchequer)</b>        | <b>30.06.11*</b>     |

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**Organisational Improvement & Resources (Continued)**

| <b>Action</b>  | <b>Owner</b>  | <b>Expected Date</b>        |
|--|---|-----------------------------|
| <b>Corporate Complaints (June 2010)</b>  |   |                             |
| <p><b>Recording of Complaints – (Amber)</b><br/>Management will develop and implement Intelligent eForms as a corporate solution to capturing customer contact in a consistent manner with drop down facility to select type of contact e.g. request for service, complaint, compliment or comment.</p> <p>In conjunction with the above, steps will be taken to ensure the <a href="mailto:inform@inverclyde.gov.uk">inform@inverclyde.gov.uk</a> mailbox will be channelled through the customer contact centre.</p> <p>Management will develop and implement a corporate process for recording of complaints including complainant name, nature/type of complaint, description, timescale for responses, actual response dates, stages of complaint etc. These procedures will then be developed for rolling out to services.</p> | <p><b>Head of Customer Service and Business Transformation</b></p> <p><b>Customer Services Manager</b></p> <p><b>Customer Services Manager/ Corporate Comms Manager</b></p> | <p><b>30.04.11*</b></p>     |
| <p><b>Reporting of Complaints – (Amber)</b><br/>Procedures will be developed, documented and implemented for reporting of complaints to P&amp;R committee.</p> <p>This will include the total number of complaints received, the stage of complaints received and the percentage of complaints responded to within agreed timescales.</p>  | <p><b>Customer Services Manager/ Corporate Communications Manager</b></p>   | <p><b>30.04.11*</b></p>     |
| <b>Procurement Compliance (September 2010)</b>   |   |                             |
| <p><b>Corporate Procurement Resource – (Red)</b><br/>As part of the Strategic Procurement Framework a designated procurement officer model will be implemented which will ensure that only employees on an agreed list will be licensed to make procurement/contract decisions for the services/directorates.</p>  | <p><b>Chief Financial Officer/ Corporate Procurement Manager</b></p>  | <p><b>31.03.11*</b></p>     |
| <p><b>Procurement Management Information – (Red)</b><br/>Management will implement a short term MI improvement program to include a complete contracts database, YTD spend by supplier reporting and commodity analysis.</p>   | <p><b>Head of Legal and Democratic Services/ Corporate Procurement Manager</b></p>  | <p><b>To be advised</b></p> |



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**Organisational Improvement & Resources (Continued)**

| <b>Action</b>  | <b>Owner</b>  | <b>Expected Date</b>   |
|--|---|--|
| <b>Procurement Compliance (September 2010)</b>   |   |  |
| <p><b>Corporate Procurement General/Contract Management – (Amber)</b><br/>Management will issue corporate guidance to all Service Managers and Contract Administrators on how Council contracts are to be managed and delivered.</p> <p>Designated Procurement Officers will form a network to ensure consistency and adherence to Corporate policies/procedures.</p> <p>A procurement practitioner operational group will be established.</p> | <p><b>Corporate Procurement Manager</b></p> <p><b>Corporate Procurement Manager</b></p> <p><b>Corporate Procurement Manager</b></p>   | <p><b>31.03.12</b></p> <p><b>30.04.11*</b></p> <p><b>30.04.11*</b></p> |
| <p><b>Education Procurement (DMR Framework/process compliance) – (Amber)</b><br/>Management will re-engineer procurement processes and associated systems in line with the Operating Model.</p> <p>Management will establish a procurement action plan to be used to test services adherence to policy, practices and in relation to Standing Orders, Financial Regulations and the Corporate Procurement Manual.</p>                          | <p><b>Chief Financial Officer/Head of Customer Service and Business Transformation</b></p> <p><b>Chief Financial Officer/Head of Customer Service and Business Transformation</b></p> | <p><b>31.03.12</b></p> <p><b>31.03.12</b></p>                          |
| <p><b>Environmental Services (Waste Disposal contract) – (Amber)</b><br/>Review the overall arrangements in place for the provision of Recycling services within Inverclyde.</p>   | <p><b>Head of Environmental and Commercial Services</b></p>   | <p><b>To be advised*</b></p>   |

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**Organisational Improvement & Resources (Continued)**

| <b>Action</b>  | <b>Owner</b>  | <b>Expected Date</b> |
|--|---|----------------------|
| <b>Procurement Compliance (September 2010)</b>   |   |                      |
| <p><b>Scotland Excel Contracts V Best Value/VFM – (Amber)</b><br/>Management will develop and communicate a database of collaborative and one off contracts for use by the Council. The database will stipulate whether it is a collaborative contract and which body. A policy will also be developed to set out process to be followed each time there is an opportunity to buy from a collaborative contract.</p> | <b>Head of Legal and Democratic Services/<br/>Corporate Procurement Manager</b> | <b>31.03.11</b>      |
| <p>Management will develop a range of collaborative contracts with neighbouring Councils but only where there is clear evidence that benefits will provide a return on the time invested.</p>  | <b>Corporate Procurement Manager</b>  | <b>To be advised</b> |

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ANALYSIS OF MISSED DEADLINES**

**SECTION 4**

| Report  | Action  | Original Date   | Revised Date         | Management Comments   |
|---|---|---|----------------------|---|
| <b>Inverclyde Leisure Trust Risk Management (November 2007)</b> | <b>Risk register &amp; monitoring regime (Red)</b><br>If ILT is to meet recognised governance standards for Risk Management, a risk identification and assessment process should be developed and work should be undertaken to develop specific Corporate and operational risk registers for the organisation. In addition a monitoring regime should be developed and implemented to support continuous management of the risks. | <b>01.04.08<br/>31.05.09<br/>31.10.09<br/>31.03.10<br/>31.05.10</b> | <b>31.03.11</b>      | Risk Management training has been undertaken by the Senior Management Team (SMT). Risk registers will be now be developed for relevant facilities and self assessment process put in place and a reporting process will be put in place on an annual basis to the Board as part of the SSIFC process. |
| <b>Trading Activities (June 2008)</b>                           | <b>Customer Complaints and Satisfaction Surveys (Amber)</b><br>Vehicle Management will carry out annual internal customer satisfaction survey and develop an action plan for improvement.   | <b>31.10.08<br/>31.12.08<br/>31.03.09<br/>31.03.10<br/>31.12.10</b> | <b>31.03.11</b>      | Customer survey is in the process of being carried out. Results are expected at the end of February.  |
| <b>Facilities Services (September 2008)</b>                     | <b>Retrospective Disclosure Checks (Amber)</b><br>A report will need to be prepared for CMT with options in respect of retrospective checks as this will involve considerable cost to the Authority and also requirement to consult with unions.  | <b>31.12.08<br/>30.06.09<br/>31.12.09<br/>31.03.10<br/>31.08.10</b> | <b>To be advised</b> | A report has been prepared and presented to CMT in relation to PVG Legislation which comes into force in February 2011. This will introduce the requirement for checks on relevant staff on an ongoing basis from February 2012.  |
| <b>Corporate Purchase Cards (September 2008)</b>                | <b>Appropriateness of Corporate Purchase Card Limits (Amber)</b><br>The Corporate Procurement Team will review each cardholders monthly expenditure limit against the limit set for them by the Finance Creditors Team and action accordingly.  | <b>31.01.09<br/>31.07.09<br/>31.10.09<br/>30.06.10<br/>30.11.10</b> | <b>31.05.11</b>      | The Corporate Purchase Card Policy and Procedures have now been approved and discussions will now take place with Creditors team to ensure the limits are correctly aligned on the system.  |

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|--|---|--|----------------------|--|
| <b>Trading Activities (June 2008)</b>          | <b>Performance Management and Measurement (Amber)</b><br>Service to continue to develop and report service standards/performance through APSE.  | <b>31.03.09<br/>30.06.10<br/>31.12.10</b>              | <b>30.04.11</b>      | New fleet management system has been procured and will be fully functional by April 2011.  |
| <b>Trading Activities (June 2008)</b>          | <b>Non-Mainframe Systems – Vehicle Management (Amber)</b><br>A new fleet management system will have individual passwords, protected access with passwords changed periodically.  | <b>31.03.09<br/>30.06.10<br/>31.12.10</b>              | <b>30.04.11</b>      | New fleet management system has been procured and data is being populated. User training has been completed and it is expected that the system will go live in April 2011. |
| <b>Physical Investment Services (May 2009)</b> | <b>Asset Performance Reviews (Amber)</b><br>Development of a strategic timetable for implementation of Capital Accounting module.   | <b>30.09.09</b>  | <b>31.03.11</b>      | This will be reviewed and developed as part of the IFRS Project.   |
| <b>Physical Investment Services (May 2009)</b> | <b>Asset Performance Reviews (Amber)</b><br><b>Officers responsible for implementation of key functions;</b><br>• input Estate Management module;   | <b>31.12.09<br/>30.06.10<br/>30.09.10<br/>31.12.10</b> | <b>To be advised</b> | Management are currently considering options to dedicate resource on a part-time basis to populate the required data onto the system to bring it fully up-to-date.         |
| <b>Homelessness (January 2010)</b>             | <b>Protecting client information from loss or damage (Amber)</b><br>Management to discuss with ICT and consider full integration with SWIFT.  | <b>31.03.10<br/>30.06.10<br/>31.12.10</b>              | <b>31.05.11</b>      | Discussions have taken place with ICT which now include the potential development of the AVD Homelessness system.  |
| <b>Homelessness (January 2010)</b>             | <b>Securing value for money on furnishing temporary accommodation – (Amber)</b><br>Management working with Corporate Procurement regarding contracts for furnishing temporary accommodation.<br>On completion of tendering process, mechanism to be introduced ensuring re-tendering commences in advance of contract expiry dates. | <b>30.04.10<br/>30.09.10</b>                           | <b>31.10.11</b>      | Priority has been given to renewing contract for providing clients with legal advice.  |

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|---|---|------------------------------------|----------------------|--|
| <b>Information Governance and Management (May 2009)</b> | <b>People – (Red)</b><br>External third parties who need access to the council's information and systems will be required to sign non-disclosure/confidentiality agreements.  | <b>30.04.10</b>                    | <b>To be advised</b> | This is being led by the people sub group. Action plan being developed to progress this area.  |
| <b>Information Governance and Management (May 2009)</b> | <b>Organisation – (Red)</b><br>Information Governance and Management will form part of the corporate training programme for employees new to the Council or when employees are trained in new systems by other colleagues.                              | <b>30.04.10</b>                    | <b>To be advised</b> | This is being led by the People Sub-Group. Action plan being developed to progress this area.  |
| <b>Social Care – Business Support (July 2009)</b>       | <b>Adequacy of Financial Information – (Amber)</b><br>The requirement for implementation of SWIFT Financials module will be discussed at the Social Work management team. Relevant action will then be taken to formalise a project for implementation. | <b>30.04.10</b>                    | <b>To be advised</b> | A business case is currently being prepared in relation to the development and implementation of the SWIFT Financials module.                                      |
| <b>Information Governance and Management (May 2009)</b> | <b>People (Red)</b><br>Information Governance and management responsibilities will be specified in job descriptions, or within terms and conditions of employment. This will include a non-disclosure/confidentiality clause.                           | <b>30.06.10</b>                    | <b>To be advised</b> | This is being led by the People Sub-Group. Action plan being developed to progress this area, including input to the Code of Conduct for Employees.                |
| <b>Physical Investment Services (May 2009)</b>          | <b>Asset Performance Reviews (Amber)</b><br>Officers responsible for implementation of key functions;<br>strategic timetable for development and implementation of Planned Maintenance module   | <b>31.07.10</b><br><b>31.12.10</b> | <b>To be advised</b> | Management are currently considering options to dedicate resource on a part-time basis to populate the required data onto the system to bring it fully up-to-date. |

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|---|--|------------------------------|----------------------|---|
| <b>Information Governance and Management (May 2009)</b> | <b>Organisation – (Red)</b><br>Consideration will be given to establishing a clear desk policy for all staff with access to the Council's information.   | <b>31.08.10</b>              | <b>To be advised</b> | This is being led by the Culture/ Organisation Sub-Group. Action plan being developed to progress this area.  |
| <b>Homelessness (January 2010)</b>                      | <b>Writing-off irrecoverable rent arrears – (Amber)</b><br>Management will review current arrears position and consider write off.<br><br>Management will consider processes and procedures for monitoring bad debts and introduce a system for write offs.  | <b>30.09.10<br/>31.12.10</b> | <b>31.05.11</b>      | Due to the staff restructure and other priorities within the Service, this action has been delayed. Work is now underway to identify bad debts.                 |
| <b>Homelessness (January 2010)</b>                      | <b>Demonstrating value for money when using agency staff (Amber)</b><br>A review of the staff structure has taken place and a proposed restructure is currently being considered.<br><br>Management will consult Corporate Procurement and, where appropriate Legal Services, to seek an interim solution regarding use of agency staff. | <b>30.09.10</b>              | <b>31.03.11</b>      | Delays encountered due to staff absence and changes in duties as part of restructure.   |
| <b>Project Management (September 2008)</b>              | <b>Project Management Framework (Amber)</b><br>The project management framework and guidelines will be rolled out across all services on a phased basis.   | <b>30.09.10</b>              | <b>31.03.11</b>      | E-Learning package has been evaluated and complements the Project Management Framework. This will be rolled out as part of the launch of the E-learning system. |

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| Report   | Action  | Original Date                | Revised Date         | Management Comments   |
|--|---|------------------------------|----------------------|---|
| <b>Fixed Asset Accounting (June 2010)</b>      | <b>Single Person Dependency (Amber)</b><br>Cross-training within the Accountancy team will be undertaken as required in relation to the Logotech system and associated accounting requirements to overcome single person dependency in completion of financial year end tasks and finalisation of accounts. | <b>30.11.10</b>              | <b>30.06.11</b>      | Cross training has commenced however progress will be reviewed after completion of 2010 accounts to confirm single person dependency has been fully overcome. |
| <b>Travel and Subsistence (June 2010)</b>      | <b>Value for Money – Mileage Claims (Amber)</b><br>The anomaly in the mileage rates where teachers are paid a higher rate will be further investigated and a common approach adopted which uses the Inland Revenue rate of 40p per mile to ensure that all employees are treated fairly and equitably.      | <b>31.12.10</b>              | <b>To be advised</b> | Due to other priorities this has not yet been progressed.   |
| <b>Procurement Compliance (September 2010)</b> | <b>Corporate Procurement Resource (Red)</b><br>As part of the Strategic Procurement Framework a designated procurement officer model will be implemented which will ensure that only employees on an agreed list will be licensed to make procurement/contract decisions for the services/directorates.     | <b>31.12.10<br/>28.02.11</b> | <b>31.03.11</b>      | A report detailing proposals to create designated procurement officer model will be presented to CMT in March 2011.   |
| <b>Procurement Compliance (September 2010)</b> | <b>Corporate Procurement/General Management (Amber)</b><br>Designated Procurement Officers will form a network to ensure consistency and adherence to Corporate policies/procedures.  | <b>31.12.10<br/>28.02.11</b> | <b>30.04.11</b>      | Designated Procurement Officer network will form in April subject to approval of CMT report on proposed model.  |
| <b>Procurement Compliance (September 2010)</b> | <b>Corporate Procurement/General Management (Amber)</b><br>A procurement practitioner operational group will be established.  | <b>31.12.10<br/>28.02.11</b> | <b>30.04.11</b>      | Designated Procurement Officer network will form in April subject to approval of CMT report on proposed model.  |

**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>Corporate Complaints (June 2010)</b> | <p><b>Recording of Complaints (Amber)</b><br/>Management will develop and implement Intelligent eForms as a corporate solution to capturing customer contact in a consistent manner with drop down facility to select type of contact e.g. request for service, complaint, compliment or comment.</p> <p>In conjunction with the above, steps will be taken to ensure the <a href="mailto:inform@inverclyde.gov.uk">inform@inverclyde.gov.uk</a> mailbox will be channelled through the customer contact centre.</p> <p>Management will develop and implement a corporate process for recording of complaints including complainant name, nature/type of complaint, description, timescale for responses, actual response dates, stages of complaint etc. These procedures will then be developed for rolling out to services.</p> | <b>31.01.11</b> | <b>30.04.11</b> | The Customer Service Manager is now the Council's representative on SPSO complaints handling review body. Complaints process will follow behind procedural changes which are being worked on by Corporate Communications and I.C.T. |
| <b>Corporate Complaints (June 2010)</b> | <p><b>Reporting of Complaints (Amber)</b><br/>Procedures will be developed, documented and implemented for reporting of complaints to P&amp;R committee.</p> <p>This will include the total number of complaints received, the stage of complaints received and the percentage of complaints responded to within agreed timescales.</p>  | <b>31.01.11</b> | <b>30.04.11</b> | The Customer Service Manager is now Council's representative on SPSO complaints handling review body. Complaints process will follow behind procedural changes which are being worked on by Corporate Communications and I.C.T.     |



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REPORT TO AUDIT COMMITTEE ON  
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**SECTION 4**

| Report   | Action   | Original Date   | Revised Date         | Management Comments   |
|--|--|-----------------|----------------------|---|
| <b>Procurement Compliance (September 2010)</b> | <b>Environmental Services (Waste Disposal contract) – (Amber)</b><br>Review the overall arrangements in place for the provision of Recycling services within Inverclyde. | <b>28.02.11</b> | <b>To be advised</b> | The Waste Disposal Contract is currently out to tender. Existing arrangements have been extended. |