
Report To:	Audit Committee	Date:	24 October 2011
Report By:	Corporate Director Regeneration & Environment	Report No:	AC/31/11/AF/APr
Contact Officer:	Andi Priestman	Contact No:	01475 712251
Subject:	External Audit Action Plans - Current Actions		

1.0 PURPOSE

- 1.1 The purpose of this report is to advise Members of the status of current actions from External Audit Action Plans at 31 August 2011.

2.0 SUMMARY

- 2.1 The Chief Internal Auditor co-ordinates follow up reporting on current actions arising from External Audit Action Plans on a monthly basis with regular reporting to CMT and the Audit Committee.
- 2.2 There was one item due for completion by 31 August 2011 which has been reported as completed by management.

3.0 RECOMMENDATIONS

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

Aubrey Fawcett
Corporate Director Regeneration & 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 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 31 AUGUST 2011

Summary: Section 1 Summary of Management Actions due for completion by 31/08/11

There was one item due for completion by 31 August 2011 which has been reported as completed by management.

In addition, there were 3 items due for completion by 30 September 2011 and one item with an ongoing completion date which have been reported as completed by management.

Section 2 Summary of Current Management Actions Plans at 31/08/11

At 31 August 2011 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

Section 3 Current Management Actions at 31/08/11

At 31 August 2011 there was a total of 19 current audit action points.

Section 4 Analysis of Missed Deadlines

At 31 August 2011 there was a total of 9 of the 19 audit action points 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 31.08.11

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
Organisational Improvement and Resources					
Regeneration and Environment	1	1			
Community Health and Care Partnership (CHCP)					
Education and Communities					
Total	1	1			

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

In addition, the following items with a future or ongoing action date have also been reported as completed by management:

Members Report 2008/09 (October 2009)		
<p>Financial Capacity Development Plan Resource requirements are being assessed. Progress against timescales will be monitored by the Resources Group of the OIP.</p>	<p>Chief Financial Officer</p>	<p>30.09.11</p>
<p>Depopulation The Council fully appreciates the issues generated by depopulation and will continue to work closely with partners through the Alliance to effectively address these issues.</p> <p>Progress on actions identified in the outcome delivery plan will continue to be reported on a regular basis to the SOA and Alliance Board.</p>	<p>Corporate Director OI&R</p>	<p>Ongoing</p>
<p>Governance Documentation Financial Regulations to be reviewed and reported to Members by September 2011.</p>	<p>Chief Financial Officer</p>	<p>30.09.11</p>
<p>Data Recovery Centre The interim Data Recovery Centre is nearing completion and is due for delivery in June 2011.</p>	<p>Chief Financial Officer</p>	<p>30.09.11</p>

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

SUMMARY OF CURRENT MANAGEMENT ACTION PLANS AS AT 31.08.11

SECTION 2

CURRENT ACTIONS BY DIRECTORATE

Organisational Improvement and Resources	
Due for completion November 2011	2
Due for completion December 2011	3
Due for completion March 2012	5
Due for completion July 2012	1
Due for completion October 2012	1
Due for completion March 2013	1
Total Actions	13
Regeneration and Environment	
Due for completion November 2011	1
Due for completion March 2012	1
Due for completion June 2012	1
Completion date ongoing	1
Total Actions	4
Education and Communities	
Due for completion December 2011	2
Total Actions	2
Total current actions:	19

**INVERCLYDE COUNCIL INTERNAL AUDIT
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STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS**

CURRENT MANAGEMENT ACTIONS AS AT 31.08.11

SECTION 3

Organisational Improvement and Resources

Action	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 CHCP	31.03.12*
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 CHCP	31.03.12*
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 CHCP	31.03.12*
Members Report 2008/09 (October 2009)		
Information Governance The Council will implement the actions in the agreed improvement plan.	Corporate Director CHCP	31.03.12*
Annual Report to Members 2009/10 (November 2010)		
Strategic Procurement Framework Further slippage has arisen in the timescale for delivering actions within the Strategic Procurement Framework. The Council will need to increase momentum to significantly develop current procurement practices. Updates will continue to be reported every quarter to Policy and Resources Committee. Target is for the Council to achieve 'Conformance' status by 31.12.11	Chief Financial Officer	31.12.11
Employee Appraisal Scheme It is recognised that a performance review and appraisal process has been developed for employees at team leader level and above. As yet employee appraisals have not been rolled out to all employees. Employee Appraisal will be completed to Team Leader level by March 2011 and for all employees by March 2012.	Head of OD, HR & Performance	31.03.12

* See Analysis of Missed Deadlines – Section 4

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

CURRENT MANAGEMENT ACTIONS AS AT 31.08.11

SECTION 3

Organisational Improvement and Resources (Continued)

Action	Owner	Expected Date
Annual Report to Members 2009/10 (November 2010)		
<p>Performance Management The new performance management system, Inverclyde Performs, is due for a phased roll out from January 2010. Performance management across the council is due to be embedded within this system by July 2012.</p> <p>The Council believes that the SP&PM framework provides members with a broad range of performance information at a corporate and service level and enables members and management to make an informed judgement on where improvement is required.</p>	Head of OD, HR & Performance	31.07.12
<p>Performance Management The council will take account of the comments made by AS with regard to the public performance report in the development of the 2010/11 PPR.</p>	Head of OD, HR & Performance	31.10.12
Review of Governance Arrangements and Main Financial Systems (May 2011)		
<p>Single Person Dependency & Reconciliation Procedures There are 18 reconciliations required each month within Payroll, a timetable to ensure detailed procedures will be completed by 31 December 2011.</p>	Finance Manager/HR Manager (Operations)	31.12.11

* See Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT
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CURRENT MANAGEMENT ACTIONS AS AT 31.08.11

SECTION 3

Organisational Improvement and Resources (Continued)

Action	Owner	Expected Date
Review of Governance Arrangements and Main Financial Systems (May 2011) (continued)		
Workforce Plan The next phase Succession Planning will commence in the summer and completed by 31 December 2011	Head of OD, HR & Performance	31.12.11
Workforce Analysis will be informed by number of other reviews being carried out in the services and be completed 31 March 2013	Head of OD, HR & Performance	31.03.13
Early Severance Policy Council Policy will be reviewed in line with the current review of Severance compensatory policies.	Head of OD, HR & Performance	30.11.11*
Approval of Severance Packages Employees will not be released without the necessary signed documentation being completed and approved.	Head of OD, HR & Performance	Ongoing
Review of Purchasing and Procurement (June 2011)		
Strategic Procurement Framework A review will be undertaken in conjunction with Scotland Excel which will produce a refreshed SPF Action Plan. This will be reported to Committee in September 2011.	Corporate Procurement Manager	30.11.11*

Regeneration and Environment

Action	Owner	Expected Date
Members Letter 2008/2009 (October 2009)		
Asset Management A detailed action plan will be developed and finalised in relation to the implementation of PAMIS.	Corporate Director Regeneration and Environment	31.03.12

* See Analysis of Missed Deadlines – Section 4

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REPORT TO AUDIT COMMITTEE ON
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CURRENT MANAGEMENT ACTIONS AS AT 31.08.11

SECTION 3

Regeneration and Environment (Continued)

Action	Owner	Expected Date
Review of Governance Arrangements and Main Financial Systems (May 2011)		
<p>Governance Documentation The Scheme of Delegation will be reviewed and updated in line with the Committee Structure.</p>	Head of Legal & Democratic Services	30.06.12
<p>Carbon Management Plan Development and implementation of a formal mechanism to facilitate reporting on progress against actions within the Carbon Management Plan. An appropriate procedure will be incorporated into the Draft Plan which will be submitted to the CMT for approval in late summer 2011 and thereafter to the Safe, Sustainable Communities Committee following the summer recess.</p>	Head of Property Assets & Facilities Management/ Head of Regeneration & Planning	30.11.11*

Education and Communities

Action	Owner	Expected Date
Annual Report to Members 2009/10 (November 2010)		
<p>Equality and Diversity An action plan is not currently in place to support delivery of the Council's equality agenda. A review of current position with regard to equalities is being undertaken by the Corporate Equalities Group. An action plan will be developed to ensure that the Council is meeting relevant statutory requirements.</p>	Corporate Director Education and Communities	31.12.11*
<p>Business Continuity Planning Service business continuity plans will be revised in light of the management restructure and introduction of the CHCP. This will include procedures for testing to be rolled out to relevant services as appropriate.</p>	Corporate Director Education and Communities	31.12.11*

* 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
Data Handling Overview (June 2009)	Implementation of Improvement Plan 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.	31.03.10	31.03.12	This is being led by the Culture/Organisation sub-group. A meeting of the Working Group was held in June 2011 and a further meeting will be held in October 2011 to prioritise and deliver on agreed actions.
Data Handling Overview (June 2009)	The requirement for an information asset register will be assessed as part of the improvement developed in relation to the Information Governance and Management Review.	31.03.11	31.03.12	This is being led by the Process/ Technology sub-group. A meeting of the Working Group was held in June 2011 and a further meeting will be held in October 2011 to prioritise and deliver on agreed actions.
Data Handling Overview (June 2009)	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.	31.03.11	31.03.12	This is being led by the Organisation/Culture sub-group. A meeting of the Working Group was held in June 2011 and a further meeting will be held in October 2011 to prioritise and deliver on agreed actions.

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ANALYSIS OF MISSED DEADLINES**

SECTION 4

Report	Outstanding Actions	Original Date	Revised Date	Management Comments
Members Report (October 2009)	Information Governance The Council will implement the actions in the agreed improvement plan.	31.03.11	31.03.12	A meeting of the Working Group was held in June 2011 and a further meeting will be held in October 2011 to prioritise and deliver on agreed actions.
Annual Report to Members (November 2010)	Business Continuity Planning Service business continuity plans will be revised in light of the management restructure and introduction of the CHCP. This will include procedures for testing to be rolled out to relevant services as appropriate.	31.03.11	31.12.11	Work is continuing with the Joint Civil Contingencies Service to finalise this action. A new team member has been recruited by the JCCS in July 2011 who will have responsibility for delivering the plans and associated rehearsal testing for Inverclyde Council.
Annual Report to Members (November 2010)	Equality and Diversity An action plan is not currently in place to support delivery of the Council's equality agenda. A review of the current position is being undertaken by the Corporate Equalities Group. An action plan will be developed to ensure that the Council is meeting relevant statutory requirements.	31.03.11	31.12.11	A review of the current position with regard to equalities has been the main focus of the Corporate Equalities Group. An outline of how the group would like to move forward with the equality agenda has now been presented to CMT and an action plan will be produced and submitted to P&R Committee in November.

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SECTION 4

Report	Outstanding Actions	Original Date	Revised Date	Management Comments
Review of Governance Arrangements and Main Financial Systems (May 2011)	Early Severance Policy The Council Policy will be reviewed in line with the current review of Severance compensatory policies.	30.09.11	30.11.11	Resource constraints and other work priorities have delayed the implementation of this action.
Review of Purchasing and Procurement (June 2011)	Strategic Procurement Framework A review will be undertaken in conjunction with Scotland Excel which will produce a refreshed SPF Action Plan. This will be reported to Committee in September 2011.	30.09.11	30.11.11	Review is in the process of being finalised and report will now be presented to November P&R Committee.
Review of Governance Arrangements and Main Financial Systems (May 2011)	Carbon Management Plan Development and implementation of a formal mechanism to facilitate reporting on progress against actions within the Carbon Management Plan. An appropriate procedure will be incorporated into the Draft Plan which will be submitted to the CMT for approval in late summer 2011 and thereafter to the Safe, Sustainable Communities Committee following the summer recess.	30.09.11	30.11.11	Draft Plan being submitted to CMT on 13 October 2011 for approval and thereafter to the Safe, Sustainable Communities Committee in November.