

**Report To:** Audit Committee **Date:** 10 January 2012  
**Report By:** Corporate Director Regeneration & Environment **Report No:** AC/34/12/AF/APr  
**Contact Officer:** Andi Priestman **Contact No:** 01475 712251  
**Subject:** External Audit Action Plans - Current Actions

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## **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 October 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 were no actions due for completion by 31 October 2011.
- 2.3 There was one new report received from Audit Scotland in October and the action plans have now been incorporated into the follow up report attached.

## **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 OCTOBER 2011**

**Summary: Section 1 Summary of Management Actions due for completion by 31/10/11**

There were no items due for completion by 31 October 2011.

Three items due for completion in November and one item due for completion in December have now been reported as completed by management.

**Section 2 Summary of Current Management Actions Plans at 31/10/11**

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

**Section 3 Current Management Actions at 31/10/11**

At 31 October 2011 there was a total of 24 current audit action points.

**Section 4 Analysis of Missed Deadlines**

At 31 October 2011 there was a total of 3 of the 24 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 PLANS DUE FOR COMPLETION BY 31.10.11**

**SECTION 2**

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					
Community Health and Care Partnership (CHCP)					
Education and Communities					
<b>Total</b>					

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

The following items due for completion in November and December have now been reported as completed by management:

Action	Owner	Expected Date
<b>Members Letter (October 2011)</b>		
<b>Operating Model</b> A report will be submitted in December 2011 to Council for consideration. This report will include recommendations on the proposed way forward for the Council	<b>Chief Executive</b>	<b>31.12.11</b>
<b>Review of Governance Arrangements and Main Financial Systems (May 2011)</b>		
<b>Early Severance Policy</b> Council Policy will be reviewed in line with the current review of Severance compensatory policies.	<b>Head of OD, HR &amp; Performance</b>	<b>30.11.11*</b>
<b>Review of Purchasing and Procurement (June 2011)</b>		
<b>Strategic Procurement Framework</b> 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.	<b>Corporate Procurement Manager</b>	<b>30.11.11*</b>
<b>Members Letter (October 2011)</b>		
<b>Inverclyde Leisure Ltd</b> The Service Level Agreement for Community Facilities is now complete and will be signed by Friday 11 November 2011.	<b>Head of Safer &amp; Inclusive Communities</b>	<b>30.11.11</b>

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

**SUMMARY OF CURRENT MANAGEMENT ACTIONS AS AT 31.10.11**

**SECTION 3**

**CURRENT ACTIONS BY DIRECTORATE**

<b>Chief Executive</b>	
Due for completion June 2012	1
<b>Total Actions</b>	<b>1</b>
<b>Organisational Improvement and Resources</b>	
Due for completion December 2011	2
Due for completion February 2012	2
Due for completion March 2012	4
Due for completion July 2012	1
Due for completion September 2012	2
Due for completion October 2012	1
Due for completion December 2012	2
Due for completion March 2013	1
Due for completion March 2014	1
<b>Total Actions</b>	<b>16</b>
<b>Regeneration and Environment</b>	
Due for completion January 2012	1
Due for completion March 2012	2
Due for completion June 2012	1
Due for completion August 2012	1
<b>Total Actions</b>	<b>5</b>
<b>Education and Communities</b>	
Due for completion December 2011	2
<b>Total Actions</b>	<b>2</b>
<b>Total current actions:</b>	<b>24</b>

\* See Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
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**CURRENT MANAGEMENT ACTIONS AS AT 31.10.11**

**SECTION 3**

**Chief Executive**

Action	Owner	Expected Date
<b>Annual Report to Members 2010/2011 (October 2011)</b>		
<b>Clyde Valley Shared Support Services/Alternative Savings</b> The four Councils that have agreed to continue to participate in Shared Support Services are currently reviewing the Detailed Business Case to take account of the reductions in the number of partners. The review will identify revised investment requirements and savings and further develop the governance proposals. Proposed savings have not yet been factored into Inverclyde Council's Budget projections from this work.	Chief Executive	30.06.12

**Organisational Improvement and Resources**

Action	Owner	Expected Date
<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.	Corporate Director CHCP	31.03.12*
The draft information classification scheme will be agreed and approved.	Corporate Director CHCP	31.12.12
The information assets register will be implemented in conjunction with the approval of the information classification scheme.	Corporate Director CHCP	31.12.12
<b>Annual Report to Members 2009/10 (November 2010)</b>		
<b>Strategic Procurement Framework</b> Revised Procurement Strategy Action Plan to be implemented over 2012/14. This will be subject to Policy & Resources approval in November 2011.	Chief Financial Officer	31.03.14
<b>Employee Appraisal Scheme</b> Corporate Directors continue to support the drive for these to be carried out by previously planned and Workforce.	Head of OD, HR & Performance	31.03.12

\* See Analysis of Missed Deadlines – Section 4



**INVERCLYDE COUNCIL INTERNAL AUDIT  
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**CURRENT MANAGEMENT ACTIONS AS AT 31.10.11**

**SECTION 3**

**Organisational Improvement and Resources (Continued)**

<b>Action</b>	<b>Owner</b>	<b>Expected Date</b>
<b>Annual Report to Members 2010/2011 (October 2011)</b>		
<p><b>Budget Profiling</b> A report on this matter and Zero Based Budgeting will be presented to Policy &amp; Resources Committee in February 2012.</p>	<b>Chief Financial Officer</b>	<b>29.02.12</b>
<p><b>Capital Programme</b> The Council approves a rolling three year Capital Programme and will prepare a 2011/15 programme for consideration in February 2012. This plan will reflect available resources.</p>	<b>Chief Financial Officer</b>	<b>29.02.12</b>
<p><b>Workforce Reductions and Planning</b> Advice on Succession Planning to be issued by Organisational Development by end of 2011 for Services to implement from January 2012. New Workforce Development strategy for September 2012 and will also include aims in relation to Workforce Planning.</p>	<b>Head of OD, HR &amp; Performance</b>	<b>30.09.12</b>
<p><b>Employee Survey</b> The Council carried out an invitation to quote regarding carrying out an employee survey and have a contractor in place to deliver this. A new baseline employee survey has been drafted and agreed and will be conducted in March 2012.</p>	<b>Head of OD, HR &amp; Performance</b>	<b>31.03.12</b>
<p><b>Strategic Plans</b> The Outcomes set out in both the Council's Corporate Plan and the partnership Single Outcome Agreement are agreed as long term goals which will continue to inform the strategic direction for the Council. Work is ongoing through the Strategic Planning and Performance Management Board (SPPMB) regarding the strategic planning framework and how this will develop in the near future.</p>	<b>Head of OD, HR &amp; Performance</b>	<b>30.09.12</b>
<p><b>Organisational Improvement Plan (OIP)</b> A progress report on the actions set out in the OIP has identified that the majority of action have had progress made against them. The Corporate Management Team have committed to holding a meeting of each Reference Group in order to further detail progress made and to set out a way forward for Improvement across the Council in line with the work being undertaken by the SPPMB.</p>	<b>Head of OD, HR &amp; Performance</b>	<b>31.03.12</b>

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**CURRENT MANAGEMENT ACTIONS AS AT 31.10.11**

**SECTION 3**

**Regeneration and Environment**

<b>Action</b>	<b>Owner</b>	<b>Expected Date</b>
<b>Annual Report to Members 2008/2009 (October 2009)</b>		
<p><b>Asset Management</b> A detailed action plan will be developed and finalised in relation to the implementation of PAMIS.</p>	<p><b>Corporate Director Regeneration &amp; Environment</b></p>	<p><b>31.03.12</b></p>
<b>Review of Governance Arrangements and Main Financial Systems (May 2011)</b>		
<p><b>Governance Documentation</b> The Scheme of Delegation will be reviewed and updated in line with the Committee Structure.</p>	<p><b>Head of Legal &amp; Democratic Services</b></p>	<p><b>30.06.12</b></p>
<p><b>Carbon Management Plan</b> 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>	<p><b>Head of Property Assets &amp; Facilities Management/ Head of Regeneration &amp; Planning</b></p>	<p><b>31.01.11*</b></p>
<b>Annual Report to Members 2010/2011 (October 2011)</b>		
<p><b>Capital Slippage</b> The Asset Management EIG together with its CAM's Officer Sub-Group will regularly review progress and spend across all capital projects and take appropriate action, where possible, to ensure timeous delivery of the Capital Programme.</p>	<p><b>Corporate Director Regeneration &amp; Environment</b></p>	<p><b>Bi monthly monitoring</b>  <b>31.03.12</b></p>
<p><b>Roads Condition</b> A report was submitted to Safe and Sustainable Committee on 25<sup>th</sup> October seeking approval to the proposed programme of projects funded from the additional £1million funding approved at the P&amp;R Committee. The report was agreed by members. The additional funding will be allocated over 2011-12 and 2012-13 financial periods.</p>	<p><b>Head of Environmental &amp; Commercial Services</b></p>	<p><b>31.08.12</b></p>

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**CURRENT MANAGEMENT ACTIONS AS AT 31.10.11**

**SECTION 3**

**Education and Communities**

<b>Action</b>	<b>Owner</b>	<b>Expected Date</b>
<b>Annual Report to Members 2009/10 (November 2010)</b>		
<p><b>Equality and Diversity</b> An action plan is not currently in place to support delivery of the Council's equality agenda.</p> <p>A review of current position with regard to equalities is being undertaken by the Corporate Equalities Group.</p> <p>An action plan will be developed to ensure that the Council is meeting relevant statutory requirements.</p>	<p><b>Corporate Director Education and Communities</b></p>	<p><b>31.12.11*</b></p>
<b>Annual Report to Members 2010/2011 (October 2011)</b>		
<p><b>Business Continuity Planning</b> 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.</p>	<p><b>Corporate Director Education and Communities</b></p>	<p><b>31.12.11</b></p>

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**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
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ANALYSIS OF MISSED DEADLINES**

**SECTION 4**

Report	Outstanding Actions	Original Date	Revised Date	Management Comments
<b>Data Handling Overview (June 2009)</b>	<p><b>Implementation of Improvement Plan</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.</p>	<b>31.03.10</b>	<b>31.03.12</b>	This is being led by the Culture/Organisation sub-group. A meeting of the Working Group was held in October 2011 and a report will be presented to CMT by 31 December 2011 to prioritise and deliver on agreed actions.
<b>Annual Report to Members (November 2010)</b>	<p><b>Equality and Diversity</b> An action plan is not currently in place to support delivery of the Council's equality agenda.</p> <p>A review of the current position is being undertaken by the Corporate Equalities Group.</p> <p>An action plan will be developed to ensure that the Council is meeting relevant statutory requirements.</p>	<b>31.03.11 31.12.11</b>	<b>31.01.12</b>	<p>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 has been produced which will now be submitted to P&amp;R Committee in January.</p> <p>A response is also being prepared in relation to the Scottish Government consultation on specific duties.</p> <p>A launch event in relation to equalities will be scheduled for February/March 2012.</p>

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ANALYSIS OF MISSED DEADLINES**

**SECTION 4**

Report	Outstanding Actions	Original Date	Revised Date	Management Comments
<b>Review of Governance Arrangements and Main Financial Systems (May 2011)</b>	<b>Carbon Management Plan</b> 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.	<b>30.09.11</b> <b>30.11.11</b>	<b>31.01.11</b>	Draft Plan being submitted to CMT in December/January for approval and thereafter to the next available meeting of the Safe, Sustainable Communities Committee.