

Report To:	Audit Committee	Date:	21 August 2012
Report By:	Corporate Director Environment, Regeneration & Resources	Report No:	AC/46/12/AF/APr
Contact Officer:	Andi Priestman	Contact No:	01475 712251
Subject:	Internal Audit Progress Report - 7 May to 27 July 2012		

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 May to 27 July is attached as an Appendix to this report since its content is essential to the understanding of the Council's control environment. **Apx 1**

2.0 SUMMARY

2.1 Three internal audit reports have been finalised since the last Audit Committee meeting:

- Statutory Performance Indicators 2011/12;
- CSA – Education; and
- Workforce Planning – Managing a Reduced Workforce.

2.2 These reports contain a total of 13 issues, categorised as follows:

Red	Amber	Green
0	3	10

2.3 The fieldwork for the 2011/12 Audit Plan is now complete. There remains one report to be drafted in relation to Procurement Compliance.

2.4 The progress on the 2012/13 is as follows:

Stage	Number of Reports
Final Report	1
Draft Report	0
Fieldwork Complete	0
Fieldwork in Progress	3
Planning	0
Not started	7
Total	11

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Members agree to note the progress made by Internal Audit in the period from 7 May to 27 July 2012.

Aubrey Fawcett
Corporate Director Environment, Regeneration and Resources

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 May to 27 July 2012**

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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:

Red	<ul style="list-style-type: none"> • In our opinion the control environment is insufficient to address the risk and this could impact the Council as a whole. • Corrective action must be taken and should start immediately. • Overseen to completion by Corporate Management Team.
Amber	<ul style="list-style-type: none"> • 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. • Corrective action must be taken (some exceptions may be agreed with IA) within reasonable timeframe. • Overseen to completion by Head of Service.
Green	<ul style="list-style-type: none"> • 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. • Process improvements/efficiencies may be actioned at management discretion in consultation with Internal Audit (IA). • Managed by service owner.

1.2 Three reports have been finalised since the May 2012 Audit Committee, which are 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	
2011/2012 plan				
CSA Education	0	2	3	5
Workforce Planning – Managing a Reduced Workforce	0	0	4	4
2012/2013 plan				
Statutory Performance Indicators 2011/12	0	1	3	4
Total		3	10	13

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 7 May 2012.

Statutory Performance Indicators 2011/2012

2.2 The Local Government Act (1992) requires the Accounts Commission to direct Councils to publish information relating to the performance of their activities, so that comparisons can be made between authorities and between years.

Each year the Council is required to:-

“Make such arrangements for collecting and recording the information as are necessary to ensure that the information is available for publication and, so far as practicable, that everything published in pursuance of the Direction is accurate and complete’ (LG Act 1992, section 1(2)(a)).”

Publication of the SPIs is required by 30 September following the year end.

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 over the key risks faced by Inverclyde Council in relation to Statutory Performance Indicators.

2.4 For 2011/12, the following Statutory Performance Indicators were examined by Internal Audit:-

Sport & Leisure attendances	Indicator 10	Use of museums	Indicator 11
Use of libraries	Indicator 12	Homelessness	Indicator 19
Domestic noise complaints	Indicator 20	Trading standards	Indicator 21
Roads maintenance	Indicator 22	Refuse collection & disposal	Indicator 23
Refuse recycling	Indicator 24	Street cleanliness	Indicator 25

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

2.5 The overall control environment opinion for this audit review was **Satisfactory**. The review identified one AMBER issues as follows:

Libraries and Museums – Virtual Visits

Visits made in person comprise approximately 75% of the total usage recorded across Inverclyde Libraries and the McLean Museum. However, the SPI requires the inclusion of “virtual visits” made via the internet. Although satisfactory arrangements exist to record visits made in person we found weaknesses in the process for recording “virtual visits”, namely;

- full back-up had not been retained during 2011/12 for the McLean Museum News internet “blog”;
- in relation to the McLean Museum it was unclear whether ICT had consistently applied internet filters to remove invalid internet “hits” caused by indexing sites such as Google. However, we understand that there are on-going technical challenges associated with applying and updating these filters;
- the “e-Library” comprises online resources such as “Ancestry”, “NewsUK” and “Theory Test Pro”. Usage of these resources is recorded on spreadsheets each month. These online resources were selected for audit re-performance testing. For two of these (“Theory Test Pro” and “NewsUK”), we were unable to agree some entries shown on the spreadsheets against the corresponding online “e-Library” figures. More generally, we understand that “e-Library” usage figures can move upwards and downwards depending on when they are accessed even although the month selected has past;
- through audit testing we found that three of the “e-Library” websites submit usage data by e-mail and do not supply evidence which supports these figures. These three websites account for 75% of the total “virtual visits” recorded; and
- “e-Library” monthly usage spreadsheets are not checked by a separate officer;
- there were no reasonableness checks undertaken during the year as the SPIs are prepared as a year-end exercise.

Overall, we were unable to fully substantiate the “virtual visits” figures within the Libraries and McLean Museum SPIs for 2011/12. The accuracy of Libraries and Museum SPIs may be compromised whenever source data is not retained or consistently prepared during the year.

The review identified a total of 3 issues, one of which we consider to be individually significant, and an action plan is in place to address all issues by 30 June 2013.

CSA Education

- 2.6 Control Self Assessment is a process through which the adequacy and effectiveness of internal controls are examined, with the goal of providing assurance that key objectives are being met.
- 2.7 The process allows Heads of Establishments and support staff to participate in the assessment of internal controls and develop action plans to address any weaknesses which are identified. In turn these action plans assist in the evaluation of risks which, if not properly addressed can undermine the achievement of these key objectives.
- 2.8 In addition to this, the Control Self Assessment process can increase awareness of internal control issues and motivate staff to carefully design and implement suitable control processes.
- 2.9 The objective of this audit was to provide senior management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls of key operational risks within Education Services.

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

2.6 The overall control environment opinion for this audit review was **Satisfactory**. There were two AMBER issues identified by the review as follows:

Staff Training Needs Analysis and Training Records

Providing staff training in schools not only helps staff develop their skills and knowledge, but it is beneficial to the overall success of the school, allowing for new ideas and best practice.

The purpose of training need analysis is to determine whether there is a training gap between what is required for effective performance and the existing skill levels.

Through discussions with staff and review of CSA returns, the following issues were identified:-

- Training needs were identified in relation to Click & Go - Pupil Records; Anti-Bullying Policy; and Employee Absence.
- Training needs analysis has still to be developed for admin staff.
- Although training records are in place for teaching staff, no training records are in place for administrative staff.

Where training needs are not properly identified and undertaken, there is a risk that skills gaps exist which go unaddressed which may result in operational issues when trained staff are absent.

In addition, where training records are not available it is difficult to demonstrate that staff have completed the necessary training required to be fully competent in their duties.

2.8 Employee Absence Management

An employer has a very important role to play in managing and reducing absence and creating a positive and healthy working environment for employees. High levels of attendance at work contribute to the planning and provision of a quality service.

The Control Self Assessment process has identified a number of improvements are required in relation to employee absence management as follows:

- Although teachers have received Managing Attendance training, many establishments require their admin staff to attend a Managing Attendance training course in order to understand the need to monitor and control absence and familiarise staff with the approved methods of managing absence.
- Return to work interviews should follow each absence from work and should ideally take place on the day the employee returns to work. In some establishments, the Return to Work interview was only carried out for cases of concern.
- Audit testing showed that most establishments were not reporting on absence statistics at an SMT level. In addition although there is a system report available from SEEMIS, this was not used by all establishments. Manual records were being created in some cases.

Where return to work interviews are not performed or demonstrated in a consistent manner, there is a risk that the manager may not fully consider the impact the absence has on job efficiency and effectiveness.

Furthermore, where absence statistics are not monitored at a senior management team level there is a risk that issues are not identified and resolved in a timely manner.

2.9 The review identified a total of 5 issues, two of which we consider to be individually significant, and an action plan is in place to address all issues by 31 March 2013.

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

2.13 Workforce Planning – Managing a Reduced Workforce

- 2.14 The Council faces significant challenges in structuring and maintaining a workforce of the appropriate size and necessary skills to accomplish its corporate objectives. Recent budget exercises have resulted in the Council implementing a programme to reduce the number of its employees and this is likely to continue over coming years. Workforce planning can help to ensure that the quality and level of existing services is not adversely impacted by budget reductions. Effective workforce planning requires quality employees in the right numbers and with the right skills mix. This means that increasing staff productivity and focusing on training issues of remaining staff is becoming more important.
- 2.15 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 faced by Inverclyde Council in relation to workforce planning in the context of managing a reduced workforce.
- 2.16 We excluded non-employee factors which impact on maintaining the quality and quantity of service provision such as developments in procurement, new legislation or changes to Council policies. Corporate initiatives such as performance appraisal, shared services and the saving workstream targets were also excluded.
- 2.17 The overall control environment opinion for this audit review was **strong**. Areas of good practice were identified;
- service priorities are firmly linked to policy and ongoing obligations;
 - there is clarity around the roles of senior staff and timetabling of required actions;
 - work which is discretionary or low priority is identified and considered for elimination;
 - there are on-going projects which aim to increase staff productivity by redesigning work and making full use of new technology or equipment;
 - approaches to workforce reduction are co-ordinated amongst the relevant Chief Officers; and
 - core and unique posts are retained with generic posts being managed through redeployments.
- 2.18 The review identified a total of 4 issues, none of which we consider to be significant and these issues will be followed up with management during the course of 2012/2013.

**INVERCLYDE COUNCIL – REPORT ON INTERNAL AUDIT ACTIVITY
FROM 7 MAY TO 27 JULY 2012**

APPENDIX 1

3. Audit Plan for 2012/13 – Progress to 27 July 2012

Planned Audit Cover	Planning	TOR Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report	Report Finalised	Reported to Audit Committee
Risk-Based Reviews							
Business Continuity Management							
Performance Management							
Software Licensing							
Supply Teacher Management	√	√	√				
Licensing							
Limited Scope Financial System Reviews							
Cash Collection							
Insurance	√	√	√				
Arms Length Organisation Reviews							
Inverclyde Leisure Trust – Control Risk Self-Assessment							
Compliance Reviews							
Carbon Management Plan							
Performance Reviews							
Statutory Performance Indicators	√	√	√	√	√	√	August 12
CSA Education							
CSA CHCP	√	√	√				
Corporate Governance							
SSIFC 2011/12	Input provided by CIA.						
Projects/Key Change Initiatives							
Information Governance and Management	Input provided by CIA.						

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:
- Providing input to FOI requests as appropriate.
 - Provision of advice to CHCP regarding cash handling procedures.

INVERCLYDE COUNCIL INTERNAL AUDIT
REPORT TO AUDIT COMMITTEE ON
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)
AT 30 JUNE 2012

Summary: Section 1 Summary of Management Actions due for completion by 30/06/12

There were 6 items due for completion by 30 June 2012, of which 4 have been reported as completed by management and action in relation to 2 items has been revised.

Section 2 Summary of Current Management Actions Plans at 30/06/12

At 30 June 2012 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

Section 3 Current Management Actions at 30/06/12

At 30 June 2012 there was a total of 27 current audit action points.

Section 4 Analysis of Missed Deadlines

At 30 June 2012 there was a total of 16 of the 27 audit action points where the agreed deadline had been missed.

Section 5 Summary of Action Plan Points by Audit Year

**INVERCLYDE COUNCIL INTERNAL AUDIT
 REPORT TO AUDIT COMMITTEE ON
 STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)
 SUMMARY OF MANAGEMENT ACTION PLANS DUE FOR COMPLETION BY 31.03.12**

SECTION 2

Directorate	No. of Actions Due	No. of Actions Completed	Deadline missed Revised date set*	Deadline missed Revised date to be set*
Environment, Regeneration & Resources	4	3	1	0
Community Health & Care Partnership (CHCP)	2	1	0	1
Education, Communities and Organisational Development	0	0	0	0
Total	6	4	1	1

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

**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 31.03.12**

SECTION 2

CURRENT ACTIONS BY DIRECTORATE

Environment, Regeneration and Resources	
Due for completion August 2012	2
Due for completion October 2012	4
Due for completion November 2012	2
Due for completion December 2012	3
Due for completion January 2013	1
Total Actions	12
Community Health and Care Partnership	
Due for completion December 2012	8
Completion Date to be advised	2
Total Actions	10
Education, Communities and Organisational Development	
Due for completion July 2012	2
Due for completion August 2012	1
Due for completion March 2013	1
Completion Date to be advised	1
Total Actions	5
Total current actions:	27

**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 31.03.12**

SECTION 3

Environment, Regeneration and Resources

Action	Owner	Expected Date
Physical Investment Services (May 2009)		
<p>Asset Performance Reviews (Amber) A detailed action plan will be developed and finalised in relation to the implementation of PAMIS.</p>	Head of Property Assets & Facilities Management	31.08.12*
Customer Services Review (April 2012)		
<p>Quality assurance over incoming telephone calls Specify, scope and cost purchase and maintenance costs for voice recorder software for all CSC activity and potential expansion. No budget provision available, bid will require to be made for appropriate funding.</p>	Revenues and Customer Services Manager	31.12.12
<p>In the interim period, develop process for recording ad-hoc calls for QA purposes, as much as functionality allows.</p>	Revenues and Customer Services Manager	31.08.12
<p>Information for managing the staff/customer interface Scope and document expectations of CSR in terms of non-council enquiries and general Council enquiries</p>	Revenues and Customer Services Manager	31.10.12
<p>CSC & Corporate Communications Manager to formalise & document procedure CC for keeping CSC update of any events/relevant information. (Process to be included for Services advising CSC within SLA)</p>	Revenues and Customer Services Manager	31.10.12

* See Analysis of Missed Deadlines – Section 4

**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 31.03.12**

SECTION 3

Environment, Regeneration and Resources (Continued)

Action	Owner	Expected Date
Customer Services Review (April 2012)		
<p>Customer Service Strategy Complete SLA with services below;</p> <ul style="list-style-type: none"> ➤ Education ➤ Licensing / Legal ➤ Procurement ➤ Human Resources ➤ Corporate Communication ➤ Roads / Transport / Waste Collection ➤ Environmental / Streetscene / Registrars ➤ Safer Communities / Pest Control ➤ Revenues ➤ Benefits 	Revenues and Customer Services Manager	31.12.12
<p>Customer Service Strategy which incorporates CIVICA findings, workstream savings and Corporate Management restructure will be finalised.</p>	Revenues and Customer Services Manager	31.12.12
<p>Adequacy of Training Needs Analysis Review Senior CSR activity and responsibilities and incorporate any single dependencies within this.</p>	Revenues and Customer Services Manager	30.11.12
<p>Document process currently in place re self evaluations and training plan to include all CSC staff.</p>	Revenues and Customer Services Manager	31.01.13
<p>Managing transactions which require to be reversed Process in place to review this weekly and account for all reversals and any discrepancies, including monthly review by Customer Service Manager.</p>	Revenues and Customer Services Manager	31.10.12
<p>Managing access rights to the LAGAN system Document process for managing LAGAN access including requests, removals, restrictions and review.</p>	Revenues and Customer Services Manager	31.10.12

* See Analysis of Missed Deadlines – Section 4

**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 31.03.12**

SECTION 3

Environment, Regeneration and Resources (Continued)

Action	Owner	Expected Date
Limited Scope Finance Review – Debtors (May 2012)		
Managing Credit Balances A full review of the credit balances held on debtors' accounts will be undertaken and a revised procedure for managing credit balances will be written and implemented.	Principal Accountant (Exchequer)	30.11.12

Community Health & Care Partnership

Action	Owner	Expected Date
Homelessness (January 2010)		
Writing-off irrecoverable rent arrears (Amber) Management will review current arrears position and consider write off. Management will consider processes and procedures for monitoring bad debts and introduce a system for write offs which will include: (a) Submitting cases to Chief Financial Officer for write off approval in order to comply with Council Financial Regulations (b) Seeking advice from the Social Work Accountant on how to create ongoing bad debt provision to fund write offs (c) maintaining adequate records of all write off activity	Service Manager (Homelessness)	30.06.12*
Protecting client information from loss or damage (Amber) Management will discuss the following actions with ICT, consider full integration with SWIFT and 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;	Service Manager/AFO (Homelessness)	To be advised*

* See Analysis of Missed Deadlines – Section 4

**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 31.03.12**

SECTION 3

Community Health & Care Partnership (Continued)

Action	Owner	Expected Date
Information Governance and Management (May 2009)		
<p>Organisation (Red) 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>	<p>Corporate Director CHCP</p>	<p>31.12.12*</p>
<p>People (Red) 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> <p>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>Corporate Director CHCP</p>	<p>31.12.12*</p>
<p>Process (Amber) 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"> • Developing and implementing a data/information classification system • Identifying owners for critical information and systems • Ensuring important papers and removable storage media are protected against theft or copying, such as by locking them away, restricting access and via a clear desk policy • Investing in secure archiving facilities for appropriate hard copy records that must be retained in accordance with relevant legislation. 	<p>Corporate Director CHCP</p>	<p>31.12.12*</p>

* See Analysis of Missed Deadlines – Section 4

**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 31.03.12**

SECTION 3

Community Health & Care Partnership (Continued)

Action	Owner	Expected Date
<p>Technology (Amber) Standards and guidance will be prepared to:</p> <ul style="list-style-type: none"> • Support remote working and ensure workers do not compromise the security of any facilities to which they can be connected. • Ensure that access privileges are revoked immediately when authorised users leave the organisation • Advise staff what to do in the event of a security breach. • Ensure that for new system implementations, an information governance review will form part of the testing and go-live sign off. 	Corporate Director CHCP	31.12.12*
<p>Consideration will be given to establishing a dedicated information security function 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>	Corporate Director CHCP	31.12.12*

Education, Communities and Organisational Development

Action	Owner	Expected Date
Facilities Services (September 2008)		
<p>Retrospective Disclosure Checks (Amber) 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>	Head of OD, HR and Communications	To be advised*
Travel and Subsistence (June 2010)		
<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 45p per mile to ensure that all employees are treated fairly and equitably.</p>	HR Manager (Organisational Development)	31.03.13*
Community Learning and Development (August 2011)		
<p>Information Governance and Management (Amber) The website has been closed down. Where staff resourcing permits information available on the Council website will be expanded.</p>	Service Manager CLD	31.08.12*

* See Analysis of Missed Deadlines – Section 4

**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
Facilities Services (September 2008)	Retrospective Disclosure Checks (Amber) 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.	31.12.08 30.06.09 31.12.09 31.03.10 31.08.10 31.03.12	To be advised	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. Implementation has been delayed due to constraints from Disclosure Scotland in terms of system capacity issues. This is a national issue and work is ongoing to resolve this.
Homelessness (January 2010)	Protecting client information from loss or damage (Amber) Management will discuss the following actions with ICT, consider full integration with SWIFT and 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.	31.03.10 30.06.10 31.12.10 31.05.11 30.09.11 31.03.12	To be advised	ICT has recently started work on these issues in conjunction with AVD Ltd. Co-ordination with both management and the company will be required along with the technical aspects of the database being on a separate server whilst ensuring the "front end" processes for users remain.
Information Governance and Management (May 2009)	People (Red) External third parties who need access to the council's information and systems will be required to sign non-disclosure/confidentiality agreements.	30.04.10	31.12.12	A meeting of the Working Group was held in October 2011 and a report was presented to CMT in December 2011 to prioritise and deliver on agreed actions.
Information Governance and Management (May 2009)	Organisation (Red) 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.	30.04.10	31.12.12	A meeting of the Working Group was held in October 2011 and a report was presented to CMT in December 2011 to prioritise and deliver on agreed actions.

**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
Information Governance and Management (May 2009)	People (Red) 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.	30.06.10	31.12.12	A meeting of the Working Group was held in October 2011 and a report was presented to CMT in December 2011 to prioritise and deliver on agreed actions.
Physical Investment Services (May 2009)	Asset Performance Reviews (Amber) A detailed action plan will be developed and finalised in relation to the implementation of PAMIS.	31.07.10 31.12.10 30.06.11 30.09.11 31.03.12 07.06.12	31.08.12	A report has been prepared together with a presentation for the CMT setting out required resources necessary to implement the action plan. Further discussions have taken place to refine the report which will then be presented to CMT in August.
Information Governance and Management (May 2009)	Organisation (Red) Consideration will be given to establishing a clear desk policy for all staff with access to the Council's information.	31.08.10	31.12.12	A meeting of the Working Group was held in October 2011 and a report was presented to CMT in December 2011 to prioritise and deliver on agreed actions.
Homelessness (January 2010)	Writing-off irrecoverable rent arrears (Amber) Management will review current arrears position and consider write off. Management will consider processes and procedures for monitoring bad debts and introduce a system for write offs.	30.09.10 31.12.10 31.05.11 30.09.11 31.01.12 30.06.12	To be advised	Discussions are taking place with RSL regarding the use of their system to manage rent arrears for current and former tenants. Relevant action will then be taken.
Travel and Subsistence (June 2010)	Value for Money – Mileage Claims (Amber) 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 45p per mile to ensure that all employees are treated fairly and equitably.	31.12.10 31.03.11 30.04.11 30.09.11 31.03.12	31.03.13	A report has been presented to and approved by CMT. New policy will be in place by the end of the financial year.

**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
Corporate Complaints (June 2010)	<p>Reporting of Complaints (Amber) Procedures will be developed, documented and implemented for reporting of complaints to P&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>31.01.11 30.04.11 30.06.11</p>	31.07.12	The Scottish Public Services Ombudsman is introducing a new complaints handling process which requires to be put in place by 1 April 2012. The Customer Services Manager is on the working group involved in taking this work forward.
Corporate Complaints (June 2010)	<p>Recording of Complaints (Amber) 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 inform@inverclyde.gov.uk 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>31.01.11 30.04.11 30.06.11</p>	31.07.12	The Scottish Public Services Ombudsman is introducing a new complaints handling process which requires to be put in place by 1 April 2012. The Customer Services Manager is on the working group involved in taking this work forward.

**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
Information Governance and Management (May 2009)	<p>People (Red) Security awareness will be promoted using materials such as brochures, posters or web based documents and through structured education/training programmes and computer based training. Training will be compulsory for all staff to create security positive behaviour.</p>	31.03.11	31.12.12	A meeting of the Working Group was held in October 2011 and a report was presented to CMT in December 2011 to prioritise and deliver on agreed actions. This action has been deferred to end of December 2012.
Information Governance and Management (May 2009)	<p>Process (Amber) 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"> • Developing and implementing a data/information classification system • Identifying owners for critical information and systems • 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 • Investing in secure archiving facilities for appropriate hard copy records that must be retained in accordance with relevant legislation. 	31.03.11	31.12.12	A meeting of the Working Group was held in October 2011 and a report was presented to CMT in December 2011 to prioritise and deliver on agreed actions. This action has been deferred to end of December 2012.

**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
Information Governance and Management (May 2009)	<p>Technology (Amber) Standards and guidance will be prepared to:</p> <ul style="list-style-type: none"> • Support remote working and ensure workers do not compromise the security of any facilities to which they can be connected. • Ensure that access privileges are revoked immediately when authorised users leave the organisation. • Advise staff what to do in the event of a security breach. • Ensure that for new system implementations, an information governance review will form part of the testing and go-live sign off. 	<p>31.03.11 31.03.12</p>	31.12.12	A meeting of the Working Group was held in October 2011 and a report was presented to CMT in December 2011 to prioritise and deliver on agreed actions. This action has been deferred to end of December 2012.
Community Learning and Development (August 2011)	<p>Information Governance and Management – (Amber) The website has been closed down. Where staff resourcing permits information available on the Council website will be expanded.</p>	<p>31.12.11 31.03.12</p>	31.08.12	Resourcing is now in place and it is expected that the website will be updated by the end of August.

**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
Information Governance and Management (May 2009)	Technology (Amber) Consideration will be given to establishing a dedicated information security function 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.	31.03.12	31.12.12	This action will be reviewed in conjunction with the other technology actions which are due for completion by end of December 2012.

**INVERCLYDE COUNCIL INTERNAL AUDIT
 REPORT TO AUDIT COMMITTEE ON
 STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)
 SUMMARY OF ACTION PLAN POINTS BY AUDIT YEAR**

SECTION 5

The following table sets out the total number of agreed actions raised by audit year together with their completion status as at 30 June 2012.

Audit Year	Total Agreed Actions	Total Actions Completed	Total Current Actions		
			Red	Amber	Green
2006/2007	26	26	0	0	0
2007/2008	174	174	0	0	0
2008/2009	214	205	5	4	0
2009/2010	194	172	0	6	16
2010/2011	118	111	0	1	6
2011/2012	56	36	0	11	9
Total	782	724	5	22	31