

Report To: Audit Committee **Date:** 23 February 2016

Report By: Corporate Director Environment, Regeneration and Resources **Report No:** AC/05/16/AF/APr

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

Subject: Internal Audit Progress Report – 7 December 2015 to 29 January 2016

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 December 2015 to 29 January 2016 is attached as an **Appendix 1** Appendix to this report since its content is essential to the understanding of the Council's control environment.

2.0 SUMMARY

- 2.1 Two internal audit reports have been finalised since the last Audit Committee meeting:
- Control Self Assessment – HSCP; and
 - General Ledger

- 2.2 These reports contain 7 issues categorised as follows:-

Red	Amber	Green
0	2	5

- 2.3 The fieldwork for the 2015/16 audit plan is underway and the current status of the plan is as follows:-

Stage	Number of Reports
Final Report	6
Draft Report	1
Fieldwork Complete	0
Fieldwork in Progress	4
Planning	1
Not started/Deferred	2
Total	14

- 2.4 In relation to Internal Audit follow up, there were 5 items due for completion by 31 January 2016 and all items have been reported as completed by management. The current status report is attached at Appendix 2. **Appendix 2**
- 2.5 The CMT has reviewed and agreed the current status of actions.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that members agree to note the progress made by Internal Audit in the period from 7 December 2015 to 29 January 2016.

Aubrey Fawcett
Corporate Director Environment, Regeneration and Resources

4.0 BACKGROUND

- 4.1 In April 2015, the Audit Committee approved the current Internal Audit Annual Plan which detailed a programme of activity to be undertaken during 2015-16.
- 4.2 Internal Audit regularly reports findings and action plans to relevant Council Officers and the Audit Committee as part of the annual audit plan. A follow up process is in place to allow follow up of current internal 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 CURRENT POSITION

- 5.1 Two internal audit reports have been finalised since the last Audit Committee meeting in January 2016.
- 5.2 The fieldwork for the 2015/16 audit plan is underway and the current status of the plan is as follows:

Stage	Number of Reports
Final Report	6
Draft Report	1
Fieldwork Complete	0
Fieldwork in Progress	4
Planning	1
Not started/Deferred	2
Total	14

- 5.3 There are 25 current action points being progressed by officers. There were 5 actions due for completion by 31 January 2016 and action in relation to all items has been reported as completed by management.
- 5.4 The CMT has reviewed and agreed the current status of actions.

6.0 IMPLICATIONS

Finance

- 6.1 There are no direct financial implications arising from this report.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

Legal

6.2 There are no direct legal implications arising from this report.

Human Resources

6.3 There are no direct HR implications arising from this report.

Equalities

6.4 There are no direct equalities implications arising from this report.

Repopulation

6.5 There are no direct repopulation implications arising from this report.

7.0 CONSULTATIONS

7.1 Relevant officers have been consulted in the preparation of this report.

8.0 LIST OF BACKGROUND PAPERS

8.1 File of completed internal audit reports: Available from Andi Priestman, Chief Internal Auditor.



**Audit Committee Report
Report on Internal Audit Activity from
7 December 2015 to 29 January 2016**

Section	Contents	Page
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3	Audit Plan for 2015-2016 – progress to 29 January 2016	4
4	Ad hoc activities undertaken since the previous Audit Committee	5

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 There were two audit reports finalised since the January 2016 Audit Committee, which are identified below, together with a summary of the gradings of the issues identified. In Section 2 we have provided a summary of the main findings from the reviews.

Reports finalised since previous Audit Committee	Grading			Total Number of Issues
	Red	Amber	Green	
Control Self Assessment - HSCP	0	2	3	5
General Ledger – LSFR	0	0	2	2
Total	0	2	5	7

Other activities

Risk Management

- 1.3 Risk Management is the subject of separate reporting to Audit Committee and a full report is submitted separately on a bi-annual basis.

Internal Audit Action Plan Follow Up

- 1.4 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 after 4 December 2015.

Control Self Assessment - HSCP

- 2.2 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. It allows Service Managers and selected staff to participate in the assessment of internal controls and develop action plans to address any weaknesses that may be identified. In turn these action plans assist in evaluating risks which, if not properly addressed, could undermine the achievement of key objectives. Furthermore, Control Self-Assessments can increase awareness of internal control issues and motivate staff to carefully design and implement control processes.
- 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 a number of key risks faced by the Health & Social Care Partnership. The review focused on the high level processes and procedures in relation to all HSCP establishments and concentrated on identified areas of perceived higher risk, including SSSC regulations, purchasing, building security, cash handling and key holding, mandatory training and information sharing.
- 2.4 The overall control environment opinion for this audit was **Satisfactory**. There were 2 AMBER issues summarised as follows:

Compliance with SSSC Regulations

The SSSC Register was set up under the Regulation of Care (Scotland) Act 2001 to regulate social service workers and to promote their education and training. Registration is a major part of the drive for higher standards in social services and is bringing the social service workforce in line with other professional colleagues.

Through discussions with staff and a review of CSA returns, it was found that although managers are aware of the SSSC code of practice, some areas need to be improved or developed as follows:

- arrangements should be PUT in place to ensure that all relevant employees undertake Post Registration Training and Learning and maintain an online record; and
- SSSC management information should be reviewed on a regular basis and actioned accordingly for new employees, changes in employee jobs or teams and leavers.

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

Where management information for SSSC registration has not been fully monitored and reviewed in a timely manner or an online record of training is not available for registered staff, management cannot be confident that all relevant staff have been registered correctly and in a timely manner.

2.5 Follow Up Actions from 2014/15 CSA Exercise

Action in relation to two Amber issues from the 2014/2015 CSA exercise has still to be organised and implemented as follows:

- Awareness training on Subject Access Requests; and
- Secure printing roll out across all establishments throughout HSCP.

Management therefore cannot demonstrate that follow up actions have been fully completed which reduces the effectiveness of the control environment.

2.6 The review identified a total of 5 issues, 2 of which we consider to be individually significant and an action plan is in place to address all issues by 31 March 2016.

General Ledger – Limited Scope Finance Review

2.7 The Council is required to make arrangements for the proper administration of its financial affairs in order to demonstrate stewardship of the public funds entrusted to it. In practice this includes keeping up-to-date and adequate accounting records. To achieve those goals the Finance Service uses the Financial Management System (FMS), which includes the general ledger. The latter is used to prepare the Council's Annual Accounts in accordance with law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the UK.

2.8 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 the FMS general ledger.

2.9 The overall control environment opinion for this audit was **Strong**.

In terms of good practice, we found that experienced officers apply established arrangements for managing the general ledger.

The review identified 2 GREEN issues and an action plan is in place to address both issues by 31 October 2016.

3. Audit Plan for 2015/16 – Progress to 29 January 2016

Planned Audit Cover	Planning	TOR Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report	Report Finalised	Reported to Audit Committee
Risk-Based Reviews							
HR Operations – Recruitment and Selection	✓	✓	✓	✓	✓	✓	January 2016
Learning Disability Services – Client Money Arrangements	✓	✓	✓	✓	✓	✓	January 2016
ECS – Overtime Claims	✓	✓	✓	✓	✓		
Facilities Management - Cleaning	✓	✓	✓	✓	✓	✓	January 2016
Limited Scope Financial System Reviews							
General Ledger	✓	✓	✓	✓	✓	✓	February 2016
Debtors	✓	✓	✓				
Regularity Audits							
CSA IHSCP	✓	✓	✓	✓	✓	✓	February 2016
CSA Education	✓	✓	✓				
Post Implementation Review							
Vehicle Tracking System	✓	✓	✓				
Parking Enforcement Scheme	✓						
Performance Reviews							
SOLACE Indicators	✓	✓	✓	✓	✓	✓	October 2015
VFM – Technical Services	✓	✓	✓				
Corporate Governance							
Annual Governance Statement 2013-2014	Input provided by CIA.						
Projects/Key Change Initiatives							
Information Governance and Management	Input provided by CIA via Information Governance Steering Group.						
Complaints Handling Working Group	Input provided by CIA via Steering Group and People Sub-Group.						

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 relevant input to the information governance working group.
 - Provision of relevant input to short-life complaints handling working group.

INVERCLYDE COUNCIL INTERNAL AUDIT
REPORT TO AUDIT COMMITTEE ON
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)
AT 31 JANUARY 2016

Summary: Section 1 Summary of Management Actions due for completion by 31/01/16

There were 5 actions due for completion by 31 January 2016 and all actions have been reported as completed by management.

Section 2 Summary of Current Management Actions Plans at 31/01/16

At 31 January 2016 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

Section 3 Current Management Actions at 31/01/16

At 31 January 2016 there was a total of 25 current audit action points.

Section 4 Analysis of Missed Deadlines

At 31 January 2016 there was a total of 12 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 31.01.16**

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				
Health and Social Care Partnership (HSCP)	5	5		
Education, Communities and Organisational Development				
Total	5	5		

* 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 31.01.16**

SECTION 2

CURRENT ACTIONS BY DIRECTORATE

Environment Regeneration and Resources	
Due for completion March 2016	1
Due for completion April 2016	5
Due for completion June 2016	2
Total Actions	8
Health and Social Care Partnership	
Due for completion March 2016	15
Total Actions	15
Education, Communities and Organisational Development	
Due for completion March 2016	2
Total Actions	2
Total current actions:	25

**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 31.01.16**

SECTION 3

Environment Regeneration and Resources

Action	Owner	Expected Date
Property Assets Management (October 2014)		
Property Management System (PAMIS) (Amber) The project plan will be implemented.	Property Assets Manager	31.03.2016
Facilities Services – Cleaning (December 2015)		
Managing Cleaning Services delivered to external customers (Amber) Management will ensure that; <ul style="list-style-type: none"> • best practice in contract management is followed in relation to external customers of the cleaning service. This exercise will involve obtaining advice from the Corporate Procurement Manager and the relevant Council solicitor; and • new contract bids strike an appropriate balance between recovering the variable costs of service delivery (including the living wage) and producing a profit which contributes to fixed costs. This exercise will involve obtaining advice from the relevant Principal Accountant. 	Facilities Team Leader	30.04.16
Managing vacancies and absences amongst cleaning staff (Amber) Facilities management will; <ul style="list-style-type: none"> • liaise with senior HR staff to identify controllable bottlenecks within the process for filling vacancies. In turn, the relevant staff in both services will agree changes to processes which are under their control; and • liaise with HR to examine options for organising the completion of self-certification forms by staff who are absent for less than seven days. These options will include determining the role of cleaning supervisors, linking completion of the forms to Return to Work interviews and holding completed forms locally rather than at Cleaning headquarters. 	Facilities Team Leader	30.04.16
HR management will, in conjunction with senior Facilities Management staff, examine factors which can inadvertently protract long term absence cases and formulate appropriate solutions.	HR Manager (Operations)	30.06.16

* 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 31.01.16**

SECTION 3

Environment Regeneration and Resources (Continued)

Action	Owner	Expected Date
Managing cleaning services delivered to Council services (Amber) Management will: <ul style="list-style-type: none"> • update the formula used to allocate cleaning staff resources to each site whilst allowing for budget savings. This exercise will include comparisons with the formulae used by a sample of other Scottish local authorities • develop a process for resourcing and planning a programme of replacement cleaning equipment. The resourcing of this programme will be undertaken in consultation with the relevant Principal Accountant. • in conjunction with the relevant Principal Accountant, examine the options for fully recharging the cost of cleaning to all internal services. This exercise will consider introducing quarterly cleaning recharges to all services. • agree service level agreements with all major services receiving the cleaning service. 	Facilities Service Manager	30.04.16
	Facilities Service Manager	30.04.16
	Facilities Service Manager	30.04.16
	Facilities Service Manager	30.06.16

Health and Social Care Partnership

Action	Owner	Expected Date
Client Accounts – HSCP (March 2014)		
Managing client and trust accounts across HSCP teams (Amber) HSCP Management will; <ul style="list-style-type: none"> • introduce the Access to Funds scheme for new and existing clients along with determining the roles of all relevant staff. Initially, a suitable existing case will be used to pilot the move to in-house administration. • review and update the policy for trust accounts to allow for current processes and the ATF scheme. The review will draw on the findings of this audit and best practice obtained from other Scottish local authorities. 	Service Manager (Mental Health and Wellbeing)	31.03.16*
	Service Manager (Mental Health and Wellbeing)	31.03.16*

* 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 31.01.16**

SECTION 3

Health and Social Care Partnership (Continued)

Action	Owner	Expected Date
<p>HSCP management will;</p> <ul style="list-style-type: none"> • ensure that implementation of policy for clients and trust accounts is fully co-ordinated across relevant HSCP teams. This will include fully specifying and agreeing staff roles across and within teams; • ensure that all relevant officers are fully trained in the revised processes for managing clients and trust accounts. <p>Following implementation of the recommendations arising from this review the Working Group will agree a timetable for examining the costs and benefits of using electronic client account management services.</p> <p>Where appropriate the above recommendations will be implemented following consultation with Finance staff and Legal Services.</p>	Service Manager (Mental Health and Wellbeing)	31.03.16*
	Service Manager (Mental Health and Wellbeing)	31.03.16*
	Service Manager (Mental Health and Wellbeing)	31.03.16*
Homelessness F/Up (January 2015)		
<p>Processing Housing Benefits Income (Amber) A reconciliation of the total income posted to the SDM System against the income received via FMS will be introduced.</p> <p>Evidence will be generated which supports the above measure such as FMS and SDM printouts which are signed and dated by the staff involved.</p> <p>The working group will examine the draft Rent Arrears Policy and update it for the improvements identified, before being approved by Management.</p> <p>The working group will examine how the arrears will be managed by the Team Leader - Temporary Accommodation and establish a new operating procedure.</p>	Service Manager Homelessness	31.03.16*
	Service Manager Homelessness	31.03.16*
	Service Manager Homelessness	31.03.16*
	Service Manager Homelessness	31.03.16*

* 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 31.01.16**

SECTION 3

Health and Social Care Partnership (Continued)

Action	Owner	Expected Date
<p>Writing-off Irrecoverable Rent Arrears (Amber) Management will identify cases which are deemed non-recoverable and refer them to the Chief Financial Officer for write-off or if considered recoverable pass to the Debt Recovery Team.</p>	Service Manager Homelessness	31.03.16
<p>Management will agree with Finance the:- a) calculation of the gross rent charge for the Inverclyde Centre in line with the existing policy, taking account of the furnished flats rent set by Housing Providers and the weekly void rent charge; b) procedure for and the frequency of posting the rent charge, the void rents and the arrears to the general ledger; c) establishment of a budget for a provision for bad debts in the general ledger, in line with the Council bad debt policy; and d) introduction of a monthly reconciliation between the rent outstanding in the SDM system and the arrears figure in the Balance Sheet, to be undertaken by the Homelessness Service.</p>	Service Manager Homelessness	31.03.16*
<p>Management will retain records of all cases submitted for write-off.</p>	Service Manager Homelessness	31.03.16*
CSA – HSCP (December 2015)		
<p>Compliance with SSSC Registration (Amber) Business Support Co-ordinators are currently working with relevant managers to implement a robust process which will review all SSSC management information and action any recommendations arising from their review.</p>	Business Support Co-Ordinator	31.03.16
<p>Follow Up Actions from 2014-2015 Audit (Amber) SARS training will be organised for Q1 2016 and will include representation of managers from across the HSCP Directorate.</p>	Head of Service (PHIC)	31.03.16
<p>Management will ensure that secure printing is rolled out across all HSCP establishments</p>	Business Support Co-Ordinator	31.03.16

* 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 31.01.16**

SECTION 3

Education, Communities and Organisational Development

Action	Owner	Expected Date
Control Self-Assessment – Education (April 2013)		
<p>Managing Pupil Transport (Amber) Education management will convene a short life working group to fully identify and actively manage the issues involving contract buses. The working group will:</p> <ul style="list-style-type: none"> • examine greater use of Strathclyde Passenger Transport's complaints procedure; • clarify the role of Schools Support Managers and Headquarters staff in managing pupil transport, including the production of appropriate action plans; and • ask Head Teachers to advise the working group of any other unresolved issues associated with contract buses. 	Policy & Commissioning Team Leader	31.03.16*
Control Self-Assessment – Education (August 2015)		
<p>Health and Safety (Amber) Education management will liaise with the Health and Safety Team to ensure that:-</p> <ul style="list-style-type: none"> • all relevant up to date Health and Safety notices are delivered to all establishments; • a published list of Safety Representatives is displayed clearly at all establishments; • a training needs analysis is carried out for each post to formally identify Health and Safety training needs and a formal list drawn up; • all establishments have established the role of DSE Assessor at their establishment and that DSE assessments are carried out on all users. An accurate record of each assessment should be maintained and subject to regular review to ensure it remains up to date; • all establishments develop a tracking system to record all completed risk assessments and actions to be completed; • an action plan is put in place to manage all health and safety issues in a timely manner in accordance with the Council's Health and Safety policies; and • noise assessments are carried out at all applicable education establishments in accordance with Health and Safety regulations. 	Policy & Commissioning Team Leader	31.03.16

* 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
Control Self-Assessment – Education (April 2013)	<p>Managing Pupil Transport (Amber) Education management will convene a short life working group to fully identify and actively manage the issues involving contract buses. The working group will:</p> <ul style="list-style-type: none"> • examine greater use of Strathclyde Passenger Transport’s complaints procedure; • clarify the role of Schools Support Managers and Headquarters staff in managing pupil transport, including the production of appropriate action plans; and • ask Head Teachers to advise the working group of any other unresolved issues associated with contract buses. 	30.09.14	31.03.16	A working group has been organised but will have to deal with a number of issues. This will be further informed through the business support review which is currently underway.
Client Accounts – HSCP (March 2014)	<p>Managing client and trust accounts across HSCP teams (Amber) HSCP Management will;</p> <ul style="list-style-type: none"> • introduce the Access to Funds scheme for new and existing clients along with determining the roles of all relevant staff. Initially, a suitable existing case will be used to pilot the move to in-house administration. 	30.11.14 31.03.15	31.03.16	HSCP management are continuing to assess the practicalities of in-house operation of the Access to Fund scheme as anticipated capacity limits within both HSCP and Legal mean that an alternative set of actions may be implemented which would still address the audit finding. The emphasis is on obtaining a solution which works in practice and complying with all relevant national guidelines.

**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
Client Accounts – HSCP (March 2014)	<p>Managing client and trust accounts across HSCP teams (Amber) HSCP Management will;</p> <ul style="list-style-type: none"> review and update the policy for trust accounts to allow for current processes and the ATF scheme. The review will draw on the findings of this audit and best practice obtained from other Scottish local authorities. 	30.11.14	31.03.16	The HSCP working group on managing clients' monies has concentrated on client accounts, mainly operated by Community Care. For trust accounts and Access to Funds there are practical and organisational issues which require further consideration by management, although the work done to date will greatly assist in that. With trust accounts the requirements set by the DWP must be integrated into the HSCP operational and administrative arrangements.
Client Accounts – HSCP (March 2014)	<p>Managing client and trust accounts across HSCP teams (Amber) HSCP Management will;</p> <ul style="list-style-type: none"> ensure that implementation of policy for clients and trust accounts is fully co-ordinated across relevant HSCP teams. This will include fully specifying and agreeing staff roles across and within teams 	30.11.14	31.03.16	A reasonable amount of time is required to ensure that issues which emerge from the practical application of new procedures are identified and acted upon by management. The client account working group is actively addressing the issue of staff roles and concentrating on those parts of the HSCP which are most involved with managing clients monies i.e. Community Care and Community Mental Health Services.
Client Accounts – HSCP (March 2014)	<p>Managing client and trust accounts across HSCP teams (Amber) HSCP Management will;</p> <ul style="list-style-type: none"> ensure that all relevant officers are fully trained in the revised processes for managing client and trust accounts. 	28.02.15 30.06.15	31.03.16	Revised to allow for development of revised policy and procedures.

**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
Client Accounts – HSCP (March 2014)	Managing client and trust accounts across HSCP teams (Amber) Following implementation of the recommendations arising from this review the Working Group will agree a timetable for examining the costs and benefits of using electronic client account management services.	31.03.15	31.03.16	This has been revised to allow for development of revised policy and procedures.
Homelessness F/Up (January 2015)	Processing Housing Benefits Income (Amber) A reconciliation of the total income posted to the SDM System against the income received via FMS will be introduced.	31.03.15	31.03.16	This has been impacted by the level of work required to review AVD for historic arrears.
Homelessness F/Up (January 2015)	Processing Housing Benefits Income (Amber) Evidence will be generated which supports the above measure such as FMS and SDM printouts which are signed and dated by the staff involved.	31.03.15	31.03.16	This has been impacted by the level of work required to review AVD for historic arrears.
Homelessness F/Up (January 2015)	Managing Rent Arrears (Amber) The working group will examine the draft Rent Arrears Policy and update it for the improvements identified, before being approved by Management.	30.06.15	31.03.16	Policy has been drafted and final version will be informed by legal and debt recovery advice being obtained prior to management approval.
Homelessness F/Up (January 2015)	Managing Rent Arrears (Amber) The working group will examine how the arrears will be managed by the Team Leader - Temporary Accommodation and establish a new operating procedure.	30.06.15	31.03.16	This will be informed by the new arrears policy which has been drafted.

**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
Homelessness F/Up (January 2015)	<p>Managing Rent Arrears (Amber) Management will agree with Finance the:-</p> <ul style="list-style-type: none"> a) calculation of the gross rent charge for the Inverclyde Centre in line with the existing policy, taking account of the furnished flats rent set by Housing Providers and the weekly void rent charge; b) procedure for and the frequency of posting the rent charge, the void rents and the arrears to the general ledger; c) establishment of a budget for a provision for bad debts in the general ledger, in line with the Council bad debt policy; and d) introduction of a monthly reconciliation between the rent outstanding in the SDM system and the arrears figure in the Balance Sheet, to be undertaken by the Homelessness Service. 	30.06.15	31.03.16	This will be prioritised once work on historic debt has been completed.
Homelessness F/Up (January 2015)	<p>Managing Rent Arrears (Amber) Management will retain records of all cases submitted for write-off.</p>	30.06.15	31.03.16	This will be prioritised once work on historic debt has been completed.

**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 31 January 2016.

Audit Year	Total Agreed Actions	Total Actions Completed	Total Current Actions Not Yet Due*		
			Red	Amber	Green
2008/2009	214	213	0	0	1
2009/2010	194	194	0	0	0
2010/2011	118	118	0	0	0
2011/2012	62	62	0	0	0
2012/2013	76	75	0	1	0
2013/2014	116	106	0	6	4
2014/2015	66	47	0	8	11
2015/2016	35	9	0	10	16
Total	881	824	0	25	32

*This part of the table sets out the total number of current actions not yet due at the date of the follow up report. The AMBER actions are included in Section 3 of the follow up report.