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**INTERNAL AUDIT REPORTS TO AUDIT AND SCRUTINY COMMITTEE  
2019/2020**


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**1. EXECUTIVE SUMMARY**

- 1.1 There are four audits being reported to the Audit and Scrutiny Committee.
- 1.2 The table below provides a summary of the conclusions for the audits performed. The full reports are included as appendices to this report.

<b>Audit Name</b>	<b>Level of Assurance</b>	<b>High Actions</b>	<b>Medium Actions</b>	<b>Low Actions</b>	<b>VFM Actions</b>
Grounds Maintenance	Reasonable	0	3	0	0
Fleet Management	Reasonable	0	2	2	2
Information Asset Register	Reasonable	1	2	0	0
Pupil Equity Fund	Limited	1	2	1	0
Live Argyll Performance Reporting	Substantial	0	1	0	0

- 1.3 Internal Audit provides a level of assurance upon completion of audit work. A definition for each assurance level is documented in each audit report.

**2. RECOMMENDATIONS**

- 2.1 Audit and Scrutiny Committee to review and endorse this summary report and detail within each individual report.

**3. DETAIL**

- 3.1 A high level summary of each completed audit report is noted below:

**Grounds Maintenance:** This audit has provided a reasonable level of assurance. This means that internal control, governance and the management of risk are broadly reliable. Toolbox talks are provided to staff however no training record per employee is maintained. Complaints are progressed in line with the Council process. Machinery and equipment are repaired as necessary but winter servicing does not always take place. Vehicles follow a robust inspection programme and annual service and MOT to ensure availability for use, however, there is limited evidence of six monthly driver licence checks being carried out. Processes are in place to update maintenance schedules and monitor the delivery of services. Efficiencies are being generated through using new technology and the service is continuing to develop the use of the ELM system to deliver further efficiencies in future. Partnership agreements are in place, however, there is no register of all partnerships and no record of

training provided to voluntary organisations. The Council has not requested to view documentation in relation to insurance, permits, licenses or permissions that partners are supposed to have as per the terms of partnership agreements. Three medium priority recommendations were raised in relation to prioritizing machinery for winter maintenance, management of partnership arrangements and partner training.

**Fleet Management:** This audit has provided a reasonable level of assurance. This means that internal control, governance and the management of risk are broadly reliable. However, whilst not displaying a general trend, there are areas of concern which have been identified where elements of residual risk or weakness may put some of the system objectives at risk. Key policies and procedures are in place, however they should be subject to periodic review and approval. Driving records are reviewed and infringements are followed up, however this requires to be completed in a timely manner. The manual system of recording driving hours for those driving under domestic rules is resource intensive and can be subject to human error. There would be clear process efficiency gains and less risk of error if driver cards were used for all drivers. Fleet Services check driving licences of fleet drivers prior to staff commencing work in line with VOSA guidelines and the Council has a policy of performing further checks on fleet driver licenses every six months. Driver license checks for fleet drivers should be carried out in compliance with established policy. Analysis of pool car usage would suggest that the Council could generate considerable savings through more efficient use of pool cars and consideration should be given to the cost and benefit of introducing electric/hydrogen vehicles to the pool car fleet.

**Information Asset Registers (IARs):** This audit has provided a reasonable level of assurance. This means that internal control, governance and the management of risk are broadly reliable. However, whilst not displaying a general trend, there are areas of concern which have been identified where elements of residual risk or weakness may put some of the system objectives at risk. One high recommendation was identified due to two Social Work Information Asset Registers not being available for review. Two medium recommendation were identified, the first relating to annual review and agreement of IARs by relevant departmental teams as well as completion of related action plans and the second relating to requirement to review all records management policies and procedures within prescribed timescales.

**Pupil Equity Fund:** This audit has a limited level of assurance as internal control, governance and the management of risk are displaying a general trend of unacceptable residual risk above an acceptable level and placing system objectives at risk. One high recommendation was identified relating to detailed 2019/20 PEF plans not having been completed for the majority of schools as well as procedures to review and feedback on draft PEF plans not being followed. Two medium recommendations relating to roles and responsibilities requiring clarification as well as monitoring visits of schools by quality Improvement officers not being carried out as required. In addition one low recommendation relating to training for all school staff involved in PEF was identified.

**Live Argyll Performance Management:** This audit has a substantial level of assurance as internal control, governance and the management of risk were concluded to be sound. LiveArgyll has an overarching and comprehensive business plan covering 2017-2021 and two sub business plans for Leisure and

Sport and for Libraries. Collection of the data to report against the performance measures in the plans is labour intensive and potentially subject to human error. Appropriate measures are in place to allow customers to provide feedback on the service provided and for assessing financial performance. Business plans set out a suite of performance measures and targets which are aligned to organisational objectives and priority areas. Performance monitoring reports are regularly considered by the Board and the Business and Performance sub-committee. Annual staff appraisals have been introduced with appropriate guidance established.

#### **4. CONCLUSION**

4.1 Management has accepted each of the reports submitted and have agreed responses and timescales in the respective action plans.

#### **5. IMPLICATIONS**

5.1 Policy - None

5.2 Financial - None

5.3 Legal - None

5.4 HR – None

5.5 Fairer Scotland Duty - None

5.5.1 Equalities – None

5.5.2 Socio-Economic Duty – None

5.5.3 Islands Duty - None

5.6 Risk - None

5.7 Customer Service – None

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**17 March 2020**

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#### **APPENDICES**

1. Grounds Maintenance Audit Report
2. Fleet Management Audit Report
3. Information Asset Register Audit Report
4. Pupil Equity Fund Audit Report
5. Live Argyll Performance Reporting Audit Report