

INTERNAL AND EXTERNAL AUDIT REPORT FOLLOW UP

1.0 INTRODUCTION

- 1.1 Internal and external audit reports include an action plan with a management response establishing the agreed action, timescale and responsible officer. Internal Audit record these in a database and, on a quarterly basis, follow them up to ensure they are being progressed.
- 1.2 This report updates the committee on all open actions as at 30 June 2020 including information on actions where the agreed implementation date has been rescheduled.

2.0 RECOMMENDATIONS

- 2.1 To endorse the contents of the report.

3.0 DETAIL

- 3.1 The two tables below provide a numerical summary of open audit actions with a split between actions due by and due after 30 June 2020.

Actions Due by 30 June 2020

| Service | Complete | Delayed / Rescheduled | No Response | Total |
|---------------------------------|-----------|-----------------------|-------------|-----------|
| INTERNAL AUDIT | | | | |
| Adult Care | 1 | 0 | 0 | 1 |
| Cross Cutting | 0 | 2 | 0 | 2 |
| Education | 8 | 3 | 0 | 11 |
| Roads & Infrastructure Services | 1 | 2 | 0 | 3 |
| EXTERNAL AUDIT | | | | |
| Customer Support Services | 1 | 1 | 0 | 2 |
| TOTAL | 11 | 8 | 0 | 19 |

Actions due after 30 June 2020

| Service | Complete | On Course | Delayed & Rescheduled | No Response | Total |
|-------------------------------|----------|-----------|-----------------------|-------------|-------|
| INTERNAL AUDIT | | | | | |
| Cross Cutting | 3 | 4 | 2 | 0 | 9 |
| Development & Economic Growth | 0 | 1 | 0 | 0 | 1 |

| | | | | | |
|---------------------------------|----------|-----------|----------|----------|-----------|
| Education | 0 | 1 | 1 | 0 | 2 |
| Financial Services | 0 | 2 | 0 | 0 | 2 |
| Legal & Regulatory | 0 | 16 | 0 | 0 | 16 |
| Lifelong Learning & Support | 0 | 1 | 0 | 0 | 1 |
| LiveArgyll | 0 | 1 | 0 | 0 | 1 |
| Roads & Infrastructure Services | 0 | 8 | 0 | 0 | 8 |
| EXTERNAL AUDIT | | | | | |
| Financial Services | 0 | 1 | 0 | 0 | 1 |
| TOTAL | 3 | 35 | 3 | 0 | 41 |

3.2 Appendix 1 provides further detail on actions that have either been delayed and rescheduled or for which Internal Audit have received no response from the service to inform this follow up.

4.0 CONCLUSION

4.1 Satisfactory progress continues to be made implementing audit actions. Whilst there has been a greater need to reschedule the completion of audit points than is normal there is an appreciation of the impact of COVID-19 on normal business so delays were expected.

5.0 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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22 September 2020

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APPENDICES

Appendix 1 – Action Plan Points Delayed & Rescheduled or with No Response

Appendix 1 - Action Plan Points Delayed & Rescheduled or with No Response

| Action Plan Points Due by 30 June 2020 | | | | | | |
|---|---|----------|--|--|---|---|
| Service / Report | Finding | Priority | Agreed Action | Dates | Comment | Responsible Officer / Status |
| Cross Cutting – Organisational Culture & 2019 Employee Survey Action Plan | Values in action | N/A | Create a communication plan to continue the roll out of the new corporate values and raise staff awareness of them | 31 July 2019 10 September 2019 31 December 2019 30 June 2020 31 December 2020 | Re-prioritised to allow for COVID-19 demands Delayed and rescheduled | Comms rep or CSG / Director of Development and Infrastructure |
| Cross Cutting – Organisational Culture & 2019 Employee Survey Action Plan | Communication | N/A | Create a standard service newsletter template for services to use to highlight their successes and challenges. | 30 November 2019 31 March 2020 30 June 2020 31 March 2020 | Re-prioritised, to allow for COVID-19 response demands and other anticipated projects. Delayed and rescheduled | Communications Manager |
| Customer Support Services – External Audit – Performance Reporting | It is difficult to connect service plan performance reports to corporate outcomes and the Corporate Plan, as service reporting only references related business outcomes. There is a risk that the link between service performance and the Corporate Plan is not sufficiently transparent. | N/A | Consideration will be given to including clearer links as part of ongoing improvements. | 30 June 2020 30 April 2021 | The Chief Executive is carrying out a comprehensive review of the Council's performance management process which will consider this recommendation in addition to issues raised in the Council's BV report. Delayed and | Head of Customer Support Services |

| Action Plan Points Due by 30 June 2020 | | | | | | |
|---|--|-----------------|--|--------------------------------------|--|-------------------------------------|
| Service / Report | Finding | Priority | Agreed Action | Dates | Comment | Responsible Officer / Status |
| | | | | | rescheduled | |
| Education – Review of School Funds | School Fund Training There is no training in place to support school fund committee members. The majority of staff who are currently managing funds were either trained by the previous person as part of a handover process or have acquired an understanding of requirements over a period of time. This can lead to inconsistent practices across schools and a lack of resilience in the event of periods of extended illness or absence. It is recognised that face to face training may not be practical due to the number of schools and Argyll and Bute's geographical challenges so consideration should be given to alternative ways of providing | Medium | When the final version of the new streamlined Standard Circular 1.10 is complete training will be provided through the AFAs and rolled out to staff within all schools. Produce LEON guidance for new staff. | 30 June 2020 31 March 2021 | This has been put on hold due to the COVID-19 situation. The priority will be getting pupils back to school 100% and ensuring the learning and teaching is robust. This training will be carried out during the spring term. Delayed and rescheduled | School Support Manager |

| Action Plan Points Due by 30 June 2020 | | | | | | |
|---|--|-----------------|--|---|--|--------------------------------------|
| Service / Report | Finding | Priority | Agreed Action | Dates | Comment | Responsible Officer / Status |
| | training. | | | | | |
| Education – Review of School Funds | Cashbooks Whilst all twelve schools visited had a form of cashbook in place these tended to vary substantially in style, format and the extent to which recorded income and expenditure was cross referenced to receipts. Some were maintained in Microsoft Excel, some in Microsoft Word and some were hand written in books. The format of cashbooks should be standardised, preferably in Excel to minimise the risk of arithmetic errors, with guidance provided on how to complete them. | Medium | Standard Circular 1.10 will be updated (See Section 1 of Action Plan). A standard Cash Book template will be created in Excel and training will be provided as outlined above. | 30 June 2020 31 March 2021 | This has been put on hold due to the COVID-19 situation. The priority will be getting pupils back to school 100% and ensuring the learning and teaching is robust. This training will be carried out during the spring term. Delayed and rescheduled | School Services Support Manager |
| Education – Review of School Funds | School Quality Improvement Visits QIOs are required to perform quality improvement visits to schools three times per year with PEF progress | Medium | The Central Team recognises the importance of QI Visits to schools in the context of ongoing tracking and evaluation of PEF, and | 30 June 2020 31 December 2020 | Due to the Covid-19 situation, QIO visits due to be carried out April-June will now be carried out by October 2020. Delayed and | Education Manager, Education Officer |

| Action Plan Points Due by 30 June 2020 | | | | | | |
|---|---|-----------------|--|--|--|--|
| Service / Report | Finding | Priority | Agreed Action | Dates | Comment | Responsible Officer / Status |
| | <p>assessed during visits 2 and 3. Seven out of nine sampled schools did not receive the required number of PEF assessments during 2018/19. QIOs are responsible for reviewing SIPs with the assessment forms having an 'action section' detailing action required by schools where their SIP is assessed as needing improvement. A review of the QIO evaluation summary sheets for nine sampled schools highlighted that where the QIO identified no reference to PEF in the SIP the required corrective action had not been documented in the action section of the evaluation sheet.</p> | | <p>acknowledges the consequences of such visits not occurring. The Central Team will ensure all schools receive at least two visits which include discussion around PEF planning, implementation and spend in this and future academic sessions. Visits to be tracked by named Manager/Officer via discussion at regular Education Team Meetings. Education officers will ensure that any required actions are included in the assessment forms action section</p> | | rescheduled | |
| Roads & Infrastructure Services – | <p>Commercial Waste Contracts Setting up and</p> | Medium | <p>The audit has helped to identify a number of</p> | <p>30 November 2019 30 June 2020 31 December 2020</p> | <p>On-line self-service platform created and to be tested (on hold</p> | <p>Fleet, Waste & Infrastructure Manager</p> |

| Action Plan Points Due by 30 June 2020 | | | | | | |
|--|---|-----------------|--|--------------------------------------|--|-------------------------------------|
| Service / Report | Finding | Priority | Agreed Action | Dates | Comment | Responsible Officer / Status |
| Commercial Waster Management | amending commercial waste management contracts is an administratively intensive process involving area wardens visiting customers to obtain signatures and administrative officers inputting details into three different packages to produce an invoice or credit note. The process should be reviewed with a view to streamlining it. | | improvement areas, this being a key one. The commercial waste contract process will be reviewed to understand the full system then it will be streamlined accordingly. | | due to COVID-19), procedure simplified and now managed 90% Admin and 10% ops. Revised date to reflect pandemic period. Delayed and rescheduled | |
| Roads & Infrastructure Services – Grounds Maintenance | Winter Servicing of Machinery and Equipment Annual winter servicing of machinery and equipment does not always take place due to resource pressures resulting in mechanics being asked to assist in other areas of service delivery such as cemetery work and refuse collection. There | Medium | All machinery will be subject to annual maintenance to comply with manufacturing guidelines. | 30 June 2020 31 March 2021 | Machinery has been overhauled and the horticultural mechanics have paper records of the works carried out. The small plant project is currently running behind due to COVID 19. The system administrator is now in place. A meeting has taken place with IT colleagues and CIVICA, however, | Operations Manager |

| Action Plan Points Due by 30 June 2020 | | | | | | |
|---|----------------|-----------------|----------------------|--------------|--|-------------------------------------|
| Service / Report | Finding | Priority | Agreed Action | Dates | Comment | Responsible Officer / Status |
| | | | | | CIVICA do not have developers available until October. Delayed and rescheduled | |

| Action Plan Points Due After 30 June 2020 | | | | | | |
|---|--|--------|--|---|---|-----------------------------------|
| Cross Cutting – Organisational Culture & 2019 Employee Survey Action Plan | Valuing employees | N/A | Finalise new PRD format | 31 January 2020 31 December 2020 31 March 2021 | Due to COVID19 & work commitments Delayed and rescheduled | Head of Customer Support Services |
| Cross Cutting – Organisational Culture & 2019 Employee Survey Action Plan | Involvement in change | N/A | Use new approach of online exit questionnaires to help identify root causes for departures and assess the potential additional benefit of exit interviews. | 31 March 2020 31 December 2020 31 March 2021 | Due to COVID19 & work commitments Delayed and rescheduled | Head of Customer Support Services |
| Education – Review of School Funds | School Fund Training There is no training in place to support school fund committee members. The majority of staff who are currently managing | Medium | Produce LEON guidance for new staff | 30 September 2020 31 March 2021 | This training will not be complete until March 2021 due to the work required surrounding COVID-19 and the recovery planning | School Services Support Manager |

Action Plan Points Due After 30 June 2020

| | | | | | | |
|--|---|--|--|--|---------------------------------------|--|
| | <p>funds were either trained by the previous person as part of a handover process or have acquired an understanding of requirements over a period of time. This can lead to inconsistent practices across schools and a lack of resilience in the event of periods of extended illness or absence.</p> <p>It is recognised that face to face training may not be practical due to the number of schools and Argyll and Bute's geographical challenges so consideration should be given to alternative ways of providing training.</p> | | | | <p>Delayed and rescheduled</p> | |
|--|---|--|--|--|---------------------------------------|--|