

INTERNAL AND EXTERNAL AUDIT REPORT FOLLOW UP 2021-22

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 monthly basis, follow them up to ensure they are being progressed.
- 1.2 This report updates the committee on all open actions as at 31 December 2021 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 31 December 2021.

Table 1 – Actions due by 31 December 2021

DMT/Service	Complete	Delayed/ Rescheduled	No Response	Evidence Required	Total
Internal Audit					
SW - Adult Care	0	2	0	0	2
DH - Commercial Services	2	2	0	0	4
CEU – Cross Cutting	0	1	0	0	1
KF - Customer Support Services	1	5	0	0	6
DH - Education	2	2	0	1	5
CEU - Financial Services	0	1	0	0	1
DH - Legal & Regulatory Support	2	3	0	0	5
KF - Roads &	3	1	3	0	7

Infrastructure Services					
External Audit					
TOTAL	10	17	3	1	31

Table 2 – Actions due after 31 December 2021

DMT/Service	Complete	Delayed/ Rescheduled	On Course	Superseded	Total
Internal Audit					
SW - Adult Care	0	1	0	1	2
SW - Children & Families & Criminal Justice	1	0	0	0	1
DH - Commercial Services	0	0	1	0	1
CEU - Cross Cutting	0	0	2	0	2
KF - Customer Support Services	0	0	2	0	2
KF - Development & Economic Growth	1	0	0	0	1
DH - Education	0	0	1	0	1
CEU - Financial Services	0	1	10	0	11
DH - Lifelong Learning & Support	0	0	1	0	1
KF - Roads & Infrastructure Services	0	1	11	0	12
TOTAL					
	2	3	28	1	34

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 COVID19 continues to impact on the progress services are making to complete audit action points.

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	Climate Change – None
5.7	Risk –None
5.8	Customer Service – None

Moira Weatherstone
Interim Chief Internal Auditor
15 March 2022

For further information contact: Moira Weatherstone, 01546 604146
moira.weatherstone@argyll-bute.gov.uk

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 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
KF – Roads & Infrastructure Services – Fleet Management	<p>Management of Pool Cars</p> <p>A high level analysis of the use of pool cars suggests the Council could generate considerable savings through more efficient use of pool cars. Fleet Services should explore this further via a more detailed review which should consider the potential benefits of:</p> <ul style="list-style-type: none"> A more centralised approach to the administration and booking of pool cars Better promotion of the use of pool cars Providing greater visibility of bookings and destinations to encourage pool car sharing Implementing or developing a pool 	VFM	<p>The pool car module will be released through Tranman.</p> <p>The pool car module offers a centralised approach to bookings and visibility. The Council's internal communications department will be contacted to highlight the use of the pool cars. Work will be undertaken to increase usage.</p>	<p>30 Sep 20</p> <p>31 Dec 20</p> <p>30 Jun 21</p> <p>31 Dec 21</p>	<p>Fleet Performance System Support Officer has completed the testing of the Pool Car Module. However, due to staff shortages through maternity leave, Management won't be able to make the module live before April 2022. Interviews will take place in a few weeks' time for both maternity positions but new staff will have to be trained in our systems.</p> <p>Delayed & Rescheduled</p>	Procurement/ Technical Officer

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	car booking system Identifying ways of transferring the balance of pool car usage from shorter journeys to longer ones					
CEU – Financial Services – Following the Public Pound	Guidance on Following the Public Pound (FtPP) Although the Council has an approved process to manage external funding requests it is limited in detail, is not closely aligned to the Code of Guidance on Funding External Bodies and Following the Public Pound and there is a general lack of awareness amongst officers that it exists. Audit testing identified a number of areas of good practice within the Council and overall compliance with the	High	Following the Public Pound guidance will be drafted to provide a consistent approach to managing the award of external funds.	30 Jun 20 31 Dec 20 30 Jun 21 31 Dec 21 30 Sep 22	The business case approach from the capital strategy feeds into this guidance. The revised capital strategy was reported to Members on 14th October 2021 and the decision taken that an updated strategy be presented to Members in the early life of the new Council in 2022/23. The FTTP Guidance cannot be completed until the new Strategy has been approved. Delayed & Rescheduled	Head of Financial Services

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	<p>principles of FtPP however there were examples of inconsistent practice. A more comprehensive guidance document should be established which provides a more standardised and tiered approach providing greater clarity over roles and responsibilities and standardised templates for key stages in the process including funding assessments and post award monitoring and reporting. The audit team researched a number of examples of FtPP guidance which had been created by other councils during the planning phase of</p>					

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	the audit and can make these available to inform the creation of an Argyll and Bute equivalent.					
CEU – Cross Cutting – Organisational Culture & 2019 Employee Survey Action Plan	Communication	N/A	Introduce standards to develop employee communication as a priority and practice: these to include requirement to give ‘You said/we did’ feedback to surveys	31 Oct 19 31 Dec 19 31 Mar 20 31 Dec 20 31 Mar 21 30 Sep 21 31 Dec 21 30 Jun 22	Due to resource issues and the change of staffing over recent months it has not been possible to complete due to other competing demands. Delayed & Rescheduled	Communications Manager
DH – Commercial Services – Legionella Improvement Plan	Staff Resources Significant progress requires to be made to fully appraise staff resources and appoint key staff to undertake legionella management tasks within properties.	High	Undertake benchmarking exercise and review staff resource, following which provide guidance to FRP’s for them to appoint key staff.	31 Dec 20 31 Mar 21 30 Jun 21 30 Sep 21 31 Dec 21 30 Jun 22	Benchmarking exercise complete, gap analysis complete. LEON training module available which will inform guidance to FRPs. Final review of Property Services resource completed in context of Property Restructure to be implemented in 2022/23. Dialogue continues with Internal Audit to agree the requirements to get this action closed out. Revised date 30 June 2022 to align with Property Restructure.	Executive Director with Responsibility for Commercial Services/Head of Commercial Services

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
					Delayed & Rescheduled	
DH – Commercial Services – Systems Interfaces & Reconciliations	General Ledger Reconciliations General Ledger Reconciliations There is no reconciliation performed between the source system and the general ledger for ResourceLink, PECOS, Concerto and Tranman and the SEEMiS interface for clothing grants.	Medium	Data in the source system may not be accurately reflected in the general ledger.	31 Mar 21 30 Sep 21 31 Dec 21 30 Jun 22	Work continues to compare the totals from both Concerto and Oracle to ensure a match with 10% of transactions also being reviewed in detail. Further work required as, to date, comparison has not been as anticipated. The retirement of the Property Design Manager has hindered progress but will be taken forward by the new post-holder. Revised date 30 June 2022. Delayed & Rescheduled	Concerto - Property Design Manager
DH – Education – Pupil Work Placements	Policies and Procedures The Council has Work Based Vocational Learning Guidance in place which reflect the Scottish Government issued Developing the Young Workforce Work Placement	Medium	Consult, review and update ABC Work Based Vocational Learning Guidance.	31 Dec 21	Complete – final formatting of document underway, due to provide evidence to Audit w/c 07/02/22. Evidence Required	Head of Education - Support & Lifelong Learning

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	Standard, however whilst testing provided assurance that schools are adhering to the spirit of the guidance they are not fully complying with them. The Guidance no longer reflects current work placement practices as schools have made their own adaptations to fit their needs. There is also a general sense amongst schools that the guidance is onerous and the templates contained within it are not useful. There would be benefit in reviewing the guidance and associated templates to see if they can be streamlined to ensure more consistent working					

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	practices.					
DH – Education – Pupil Work Placements	Training There is no training programme to support officers involved in the work placement programme including ensuring appropriate steps are taken to determine whether a PVG check is required.	Medium	Conduct a training needs analysis with school staff leading on work placements. Produce a programme of centrally run CPD opportunities for next academic year (or include in Education Service Training Programme).	30 Sep 21 31 Dec 21 30 Jun 22	Delayed & Rescheduled	Head of Education - Support & Lifelong Learning
DH – Education – Pupil Work Placements	Self-evaluation Education Scotland provides a benchmarking exercise which schools can undertake as part of a self-evaluation exercise. This provides a check list on how things are being undertaken against the requirements of the Standard. Schools have not completed this exercise.	Low	CPD session to be held on benchmarking tool for school staff. Introduce an annual benchmarking exercise for all secondary schools.	31 Dec 21 30 Jun 22	Delayed & Rescheduled	Head of Education - Support & Lifelong Learning

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
DH – Legal & Regulatory – Information Asset Registers	Information Asset Registers The two Social Work IARs were not available for review or located on the designated SharePoint site. Of the remaining ten, four require to be updated to reflect the latest GDPR requirements. Clarity over whether the Live Argyll IAR comes under the remit of the Governance, Risk & Safety Manager's responsibility is required.	High	Social Work IARs to be completed and approved by appropriate management teams	31 Dec 20 30 Jun 21 30 Sep 21 31 Dec 21 30 Jun 22	Social Work IARs partially completed, further work and management sign off still required. Delayed & Rescheduled	Governance, Risk & Safety Manager
DH – Legal & Regulatory – Information Asset Registers	Periodic Review and Agreement of Information Asset Registers For four of the 12 IARs there was no evidence they had been agreed by the relevant DMT. Furthermore IARs need to be reviewed	Medium	Obtain annual approval from DMTs for all completed IARs	30 Sep 21 31 Mar 21 30 Sep 21 31 Dec 21 30 Jun 22	Complete for DH Services & CEU, outstanding for other Services – LRS team will continue to attempt to engage support from other service areas to progress this. Delayed & Rescheduled	Governance, Risk & Safety Manager

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	to ensure they are aligned to the new Corporate structure. The RMP requires that IAR's should have a complete action plan to document required changes. Two of the 12 IARs had an action plan, two had action plans that did not fully meet the requirements of the RMP and eight had no action plan.					
DH – Legal & Regulatory – Information Asset Registers	Periodic Review and Agreement of Information Asset Registers For four of the 12 IARs there was no evidence they had been agreed by the relevant DMT. Furthermore IARs need to be reviewed to ensure they are aligned to the new Corporate structure. The RMP requires that IAR's should	Medium	Action plans for all IARs to be put in place and agreed by management teams	30 Sep 20 31 Mar 21 30 Sep 21 31 Dec 21 30 Jun 22	Complete for DH Services & CEU, outstanding for other Services – LRS team will continue to attempt to engage support from other service areas to progress this. Delayed & Rescheduled	Governance, Risk & Safety Manager

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	have a complete action plan to document required changes. Two of the 12 IARs had an action plan, two had action plans that did not fully meet the requirements of the RMP and eight had no action plan.					
KF – Customer Support Services – Disaster Recovery Planning	Disaster Recovery Plan Testing None of the Council's 43 DRPs have been subject to testing and whilst each DRP sets out the required frequency of testing there is no evidence that system criticality is considered when determining that required frequency.	High	We have major DR tests planned for July and November 2021 in conjunction with the Civil Contingencies manager with input from the Scottish Government Resilience Unit and the Scottish Business Resilience Centre. Our list of priority applications will be: <input type="checkbox"/> A long term test schedule will be agreed by the IT Management Team and presented to SMT with details of	31 Dec 21 31 Mar 22	Long term test schedule where 2 systems are tested each year has been agreed by IT Managers. Paper to be submitted to SMT in March. This was delayed due to the effort required to defend against a cyber-attack when the Log4J vulnerability was exposed in December. All ICT technical teams spent most of December updating systems to protect against this attack. Delayed & Rescheduled	ICT and Digital Manager

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
			the resources required to meet the critical systems testing schedule.			
KF – Customer Support Services – Sickness Absence	Attendance Review Meetings Procedures stipulate that attendance review meetings should be carried out by the employee's line manager to facilitate the employees return to work. No evidence of review meetings being carried out was available for any of a sample of eight long term absences. Procedures should be updated to ensure that all attendance review meetings are properly recorded in the MyView system in the same way that return to work interviews are recorded in MyView.	Medium	HR will review the mechanism for documenting content of attendance review meetings and recommend a preferred option for automatically populating the documentation into the MyView system.	31 Dec 21 30 Apr 22	A number of solutions have been reviewed between HR and the Development Team and the agreed solution will be implemented by 30/04/22. Delayed & Rescheduled	HR Development Team Lead

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
KF – Customer Support Services – Sickness Absence	Maximising Attendance e-Learning Only 184 Council officers have completed the e-learning module 'Maximising Attendance. HR will be updating the module to reflect the revised sickness absence policies and procedures. Completion of the revised module should be promoted as part of the roll out of the revised governance documents.	Low	HR will update the module to reflect the revised sickness absence policies and procedures.	31 Dec 21 31 Mar 22	This delay has resulted from awaiting the implementation of a new e-learning module. Implementation will be complete by 31/3/22. Delayed & Rescheduled	HR Team Leader

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
KF – Customer Support Services – Sickness Absence	Dedicated HR Assistants Development & Infrastructure and Education have a	VFM	HR will review attendance trends and survey Development & Infrastructure and	30 Jun 21 31 Dec 21 31 Mar 22	This review was delayed following SMT's request for a specific report on Wellbeing.	HR Team Leader

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	dedicated HR Assistant for Attendance who circulate reports on a monthly basis to the Heads of Service. The HR assistants provide analysis and trends over time on sickness absence. As there is no mechanism in place to assess the impact of a dedicated HR assistant on levels of sickness absence it is not possible to assess whether they are delivering value for money.		Education services to assess and report to SMT on how effective the dedicated HR assistants have been to their service.		Delayed & Rescheduled	
CEU – Financial Services – Systems Interfaces & Reconciliations	General Ledger Reconciliations There is no reconciliation performed between the source system and the general ledger for ResourceLink, PECOS, Concerto and Tranman and	Medium	Data in the source system may not be accurately reflected in the general ledger.	31 Mar 21 31 Dec 21 30 Jun 22	Service have recently moved over to Finance and discussions with accountant held in regards to action in relation to the Ledger. As highlighted previously, the level of detail that has been identified is not easy to extract from RL however, now that Service	Resourcelink - Pensions & Payroll Officer

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	the SEEMiS interface for clothing grants.				<p>have relocated with Finance, teams are hopeful that they can work on some reports that will help extract this data efficiently.</p> <p>In the meantime teams will continue to provide the value of 'Net' pay that we would expect to see in the ledger, this is against code 1.100.1000.0000.K2100.</p> <p>Delayed & Rescheduled</p>	
SW – Charging for Non-Residential Care Services	<p>Standing Orders for Community Alarms</p> <p>We identified 31 service users paying for Community Alarms by standing order who are not paying the full charge of £23.72 per month due to standing orders not being increased annually in line with inflationary fee increases.</p>	Low	The admin team are dealing with the cases where users are paying by both standing order and direct debit. Users have been asked to cancel their standing orders in these cases, and in the meantime refunds are being processed. Where service users are underpaying, they will be	<p>30 Jun 21</p> <p>31 Oct 21</p> <p>31 Mar 22</p>	<p>The team has written to over 300 clients to change them over from Standing Orders to Direct Debits to address this issue. Around half now have switched over.</p> <p>Due to staff turnover within the team, the remaining clients who continue to pay by standing order have not yet been 100% checked.</p> <p>It is now proposed this will</p>	TEC Hub Co-ordinator/ Revenue and Benefits Manager

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	<p>Furthermore one service user is paying a standing order payment for £35 per month. We also identified seven service users who are paying for community alarms by standing order and direct debit as they agreed to move to a direct debit payment but failed to cancel their standing order. There is no debtors account produced for service users paying by standing order as it is not processed through the debtors system and therefore no routine monitoring takes place which would have highlighted this discrepancy.</p>		contacted again and requested to move to direct debits and invoices raised for the underpayments.		<p>be completed by 31 March 2022.</p> <p>Delayed & Rescheduled</p>	
SW – Adult Care – Social Care Contract Management	Call Up Letters Sample testing highlighted situations where	Low	Updated call up letters will be issued when providers	31 Dec 20 31 Mar 21 30 Jun 21 31 Dec 21	One provider is still negotiating change of provision from 1:1 to group. Anticipating this will	Locality Manager

Action Plan Points Due by 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer
	services are being provided without a call up letter being in place. This is contrary to Council policy.		confirm estimated capacity for year.	30 Apr 22	be resolved for agreement of packages 2022-23 by end of March 22. Delayed & Rescheduled	

Action Plan Points Due After 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer / Status
KF – Roads & Infrastructure Services – Fleet Management	Driving Hours Compliance Fleet drivers not subject to EU legislation maintain manual driving records which are handed to supervisors on a weekly basis to check and sign. This is a resource intensive process which is subject to human error. There would be clear process efficiency gains and less risk of error if the Council adopted the system already in place for	Low	The key officer will ensure that all drivers hold and use tachograph cards to move away from the paper book records.	31 Dec 20 31 Mar 21 30 Jun 21 31 Mar 22 30 Jun 22	This one is ongoing still as it's a large remit and requires collaboration from other user departments. Delayed & Rescheduled	Procurement/ Technical Officer

Action Plan Points Due After 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer / Status
	fleet drivers subject to EU legislation and rolled out electronic driver cards to all fleet drivers.					
CEU – Financial Services – Capital Monitoring	Capital Programme Planning & Management Guide The Council's Capital Guide has not been revised since 2018 and requires a review to ensure it reflects current working practices and provides appropriate support to officers involved in the capital monitoring process. The Council is currently developing a new Capital Strategy which is to be presented to the Policy and Resources Committee in August 2021 and we recognise that a review of the Guide	Medium	Capital Planning and Management Guide to be updated once the Capital Strategy has been approved to ensure the two are aligned and provide clarity.	31 Mar 22 30 Sep 22	The revised capital strategy was reported to Members on 14th October 2022 and the decision taken that an updated strategy be presented to Members in the early life of the new Council in 2022/23. The Capital Planning and Management Guide cannot be updated until the new Strategy has been approved. Delayed & Rescheduled	Head of Commercial Services/ Finance Manager

Action Plan Points Due After 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer / Status
	should be conducted after the Strategy has been finalised to ensure the two documents complement each other and. The Guide could also benefit from being linked to, or referencing, other relevant Council processes, in particular the Project Management section on the Hub.					
SW – Adult Care – Charging for Non-Residential Care Services	Hard Copy Files Service users have a confidential record on the CareFirst system with documentation required to support this either held in hard copy format in filing cabinets or electronically on Civica. Having documentation in hard copy format means it is not readily accessible to	Medium	The SW Admin Service is currently in the process of implementing Civica for all client records. Part of this project is to ensure that all records are scanned into an electronic format and held on shared drives until implementation of Civica is achieved. To be on file shares by end March 2022.	31 Mar 22 31 Mar 23	This audit recommendation is being addressed in the CIVICA Social Care Implementation project, the PID clearly shows that the digitalisation of records is being taken forward and will be monitored via a project board at regular intervals. Copy of Civica SCEDM Project and Civica Social Care Implementation provided.	Social Work Admin Manager

Action Plan Points Due After 31 December 2021							
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer / Status	
	officers during the COVID enforced office closures. With greater homeworking envisaged for the Council it is even more important that documents can be accessed electronically. Furthermore electronic records provide for greater security and reduced risk of loss.					Superseded	
SW – Adult Care – Charging for Non-Residential Care Services	Service Uptake Data Records held on Carefirst do not allow for an analysis of the level of service uptake compared to those assessed as having a need. If this analysis could be performed it would help inform discussions and decisions in relation to service uptake, charges and barriers	VFM	Recommendation accepted. Further discussion will be held with supplier to include service uptake functionality and reporting capabilities on new system from April 2022.	30 Mar 22 30 Sep 22	ECLIPSE implementation (replacing CareFirst) delayed due to Omicron pandemic induced pause for 3 months. Supplier to include service uptake functionality and reporting capabilities in new system, go-live date now late September. Delayed & Rescheduled	Deputy Head of eHealth HSCP	

Action Plan Points Due After 31 December 2021						
Service / Report	Finding	Priority	Agreed Action	Dates	Comment	Responsible Officer / Status
	to uptake. It would be advisable to progress this issue in conjunction with the CareFirst replacement programme which is scheduled to be complete by April 2022.					