

## INTERNAL AUDIT REPORTS TO AUDIT AND SCRUTINY COMMITTEE 2022/2023

**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>
LiveArgyll Events Management	High	0	0	0	0
Procurement	High	0	0	0	0
Customer Service Centre	High	1	0	5	1
Client Funds (Exempt)	Limited	8	2	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 the detail within each individual report.

**3. DETAIL**

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

**Events Management:** This audit has provided a high level of assurance. This means that internal control, governance and the management of risk are at a high standard. Only marginal elements of residual risk have been identified with these either being accepted or dealt with. A sound system of control designed to achieve the system objectives is in place and being applied consistently. Procedures are in place to manage events. The 'Live Events and Shows Process' document outlines the process to be followed from the receipt of an enquiry to post event activities. At each stage of the process the document identifies the staff team responsible for each task. A number of standard template documents are available to assist with the management of events and Eventbrite, an online ticket management system is used to manage ticket sales. Controls are in place over income and expenditure. A standard template is used for revenue projections and income is projected for the following year based on the number of scheduled events. Ongoing budget monitoring arrangements are part of the Service Level Agreement with the Council. Events are actively promoted and marketed, with a number of media resources being used, including Facebook, Instagram and

twitter. In addition to Social Media channels, various other media is used to promote events. Controls are in place for risk management for events and the Council, within the terms of the SLA provide LiveArgyll with health and safety advice, training, audits and incident and near miss investigations. For major/one off events the hirer must hold public liability insurance, this is checked by LiveArgyll prior to the event. Exemptions to this would be private hires by individuals and hires, which are community based, and do not involve a large number of participants such as indoor bowling, tea dances, bridge clubs etc. Within the terms of the SLA, the Council provides insurance cover.

**Procurement:** This audit has provided a high level of assurance. This means that internal control, governance and the management of risk are at a high standard. Only marginal elements of residual risk have been identified with these either being accepted or dealt with. A sound system of control designed to achieve the system objectives is in place and being applied consistently. A Procurement Strategy and Sustainable Procurement Policy has been prepared, appropriately approved and published on the Council's website for 2022/25, it contains all of the mandatory elements in compliance with the Procurement Reform (Scotland) Act 2014 (The Act). The Strategy also takes cognisance of Council documents thus contributing towards achieving local and national outcomes. Consultation took place when developing the new strategy and changes were made as a result. Procurement officers are appropriately qualified and trained to carry out their duties, additionally, training materials are available to officers across the Council services who purchase goods and services as part of their duties. The Annual Procurement Report for 2021/22 was prepared, approved and published as required by the Act. Testing indicated that work is performed in compliance with the Strategy and all figures reported in the annual report are accurate.

**Customer Service Centre:** This audit has provided a high level of assurance. This means that internal control, governance and the management of risk are at a high standard. Only marginal elements of residual risk have been identified with these either being accepted or dealt with. A sound system of control designed to achieve the system objectives is in place and being applied consistently. There are processes, systems and manuals in place for the handling of customer contacts and enquiries. There would be benefit to updating procedures to reflect current working practices. Performance standards are in place, monitored and reported. There would be benefit to reviewing, with Services some of the lagging indicators due to the limited availability of other real time data. The Customer Service Standard Charter would benefit from a review to reflect the updated performance standards. Customer contacts and enquiries are handled in line with processes and procedures. Staff do not always have up to date information resulting in transfers to Services to resolve. One Service is not engaging appropriately despite the repeated requests from Senior Managers to review and update information. Not all Services have access to the Oracle CRM system used to record customer interactions. An obstacle to monitoring follow up is lack of integration between systems used by Services and Oracle CRM. This means the digital functionality to fully test or establish whether customer contacts and enquiries are followed up in a timely manner is not currently available. The Council's Customer Services Support Team which includes the Customer Engagement Team (CET) have successfully retained its Customer Service Excellence Accreditation, which is externally assessed. The team were specifically praised for their commitment to a first class approach to delivering customer focused services.

## **Client Funds (Exempt)**

### **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 Climate Change – None
- 5.7 Risk - None
- 5.8 Customer Service – None

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### **APPENDICES**

- 1. Events Management
- 2. Procurement
- 3. Customer Services Centre (To follow)
- 4. Client Funds