

Agenda Item	5
Report No	AS/6/18

HIGHLAND COUNCIL

Committee: Audit & Scrutiny Committee

Date: 14th June 2018

Report Title: Action Tracking Report

Report By: Corporate Audit Manager

1. Purpose/Executive Summary

- 1.1 The Public Sector Internal Audit Standards (the standards) requires the Chief Audit Executive to establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. Details of this process called action tracking, is provided at section 3 of this report.
- 1.2 The outcome of this process is reported to the Audit & Scrutiny Committee on a six-monthly basis. This report covers the period from 01/11/17 to 31/05/18.

2. Recommendations

- 2.1 The Committee is invited to note the action tracking information provided including the revised target dates for the completion of outstanding actions.

3. Action Tracking Process

3.1 The action tracking process operates as follows:

- (1) Audit reports contain an action plan which details the areas of concern; management agreed action; target date for implementation; and the title of the Officer responsible for implementation.
- (2) Once all of the target dates in the action plan have passed, these are action tracked. This involves contacting the appropriate Manager(s) to confirm that their actions have been implemented.
- (3) Where the agreed management action has not been undertaken, an explanation is requested. However, if this response is considered to be unsatisfactory, it is subject to further audit enquiry and/ or investigation. Where delays have occurred and the reason for these are considered reasonable then a revised implementation date is agreed and this is action tracked once this date has expired.

3.2 Where an audit is undertaken on an annual basis such as the Leader Programme and Compliance with the Carbon Reduction Commitment Energy Efficiency Scheme, the management agreed actions are followed up as part of the following's year's audit work. Any outstanding recommendations are carried forward into the following year's report.

4. Action Tracking/ Follow-up results

4.1 Summary

The report attached as **Appendix 1** provides a summary of all audit reports issued which have been subject to the action tracking/ follow up process outlined above. This shows that a total of 91 audit recommendations were made and the current position is that:

- 78 (86%) actions have been satisfactorily implemented which includes a number of actions which previously had revised target dates.
- 6 (7%) actions have not yet been implemented and revised target dates have been agreed.
- 7 actions have been made redundant.

4.2 Actions with revised target dates

A total of 4 audits have revised target dates as detailed below.

(i) Capital Contacts – Ben Wyvis Primary School

1 part high grade action remains outstanding and is outside the Service's control. This relates to the provision of electronic tablets to the Project Clerk of works. The roll out of this is linked with the wider ICT rollout of equipment and software by Wipro across the Council.

(ii) Repairs and Maintenance – Care & Learning Properties

2 high and 1 medium grades actions remain outstanding. These relate to review of the DSM arrangements and responsibilities for repairs and maintenance, ensuring surveys of all non-school estate properties are undertaken and replacement of the K2 system.

Delays have occurred to officers being involved in various Council initiatives impacting upon capacity and Service restructuring. All actions have a revised target date of 31/03/19.

(iii) Out of Hours Social Work Service

This high grade action was due to be completed by 30/04/18 and has now been revised to 31/08/18. This relates to the call handling arrangements with NHS Highland (NHS) and has been partially addressed with this being transferred back to the

Council as part of budget savings agreed. However, the formal agreement with NHSH still needs to be revised.

(iv) Delivery of the Scottish Housing Quality Programme within the HRA Capital Programme

This low grade action relates to the implementation of Viewpoint for the storage and sharing of project documentation. This was due to be implemented by 30/04/18 but has been delayed, again due to the wider ICT rollout referred to at (1) above. The target date has been revised to 31/03/19.

4.3 Redundant/ no action

The following 7 actions have been made redundant and details are provided below.

(i) Highland Instrumental Unit

There was 1 medium grade outstanding action relating to the need to document procedures for staff to follow. This has now been overtaken by events with the Unit transferred to High Life Highland on 01/04/18.

(ii) Governance of Inverness Old Town Arts and Inverness City Arts Group

There were 2 high grades outstanding and were being addressed with the Council's external legal advisers. On the basis of advice provided no further action will be taken and these have now been closed.

(iii) School Lets Arrangements

There were 3 outstanding actions comprising 2 medium and 1 low grades. This has been superseded by the re-design review of school lets. The redesign board has been concluded but work is on-going over the next 12 months. This will address the audit actions and wider issues including rationalisation of lets, security of and access to buildings, upfront payments, recovery of debts and arrangements for new lets.

(iv) Review of the Council's arrangements for the charging of services

This high grade recommendation relates to school let arrangements and has been made redundant for the same reason at (iii) above.

5. Implications

5.1 Resource – any resource implications arising from audit actions should be addressed by the relevant Services and where required, will be reported to Committee.

Legal; Community (Equality, Poverty and Rural); Climate Change/Carbon Clever Gaelic – none.

Risk – The implementation of the management agreed actions will assist in reducing the risk exposure to the Council.

Designation: Corporate Audit Manager

Date: 6th June 2018

Author: Donna Sutherland

Background Papers:

Action Tracking Report - Highland Council Completed Actions

Report Ref and Name	Final Issued	Number of Recommendations	Number				Comments
			Cleared	Date Revised	No Action	Outstanding	
HAD06/001 – Highland Instrumental Unit	16/02/15	6	5	0	1	0	
HBA03/001.bf - Records Management	20/08/15	5	5	0	0	0	When previously reported, 2 recommendations had revised target dates. These have now been completed.
HC13/018.bf.bf - School Lets Arrangements	02/09/15	4	1	0	3	0	
HAD06/002.bf - Capital Contracts - Ben Wyvis Primary School	16/09/15	17	16	1	0	0	Part action still outstanding.
HA02/001.bf.bf - Governance of Inverness Old Town Arts and Inverness City Arts Group	17/09/15	8	6	0	2	0	
HDB05/003 - Review of the Council's arrangements for the charging for services	05/11/15	4	3	0	1	0	
HAB01/005 - School off-site excursions (follow-up)	08/12/15	3	3	0	0	0	When previously reported, 2 recommendations had revised target dates. These have now been completed.
HAD06/003.bf.bf - Managing School Rolls	06/06/16	3	3	0	0	0	When previously reported, 1 recommendation had a revised target date. This has now been completed.

Report Ref and Name	Final Issued	Number of Recommendations	Number				Comments
			Cleared	Date Revised	No Action	Outstanding	
HBA01/004.bf SharePoint	19/09/16	15	15	0	0	0	
HEA01/001.bf - Planning and Building Control Fees and Charges	27/04/17	5	5	0	0	0	
HED04/004 - Repairs and Maintenance - Care & Learning Properties	15/09/17	5	2	3	0	0	
HC13/021.bf.bf.bf.bf – Secondary School Investigation	20/09/17	6	6	0	0	0	
HEA05/003 - LEADER Programme 2016-17	13/11/17	4	4	0	0	0	
HAC06/002 - Out of Hours Social Work Service	21/11/17	4	3	1	0	0	
HCA02/004 Delivery of the Scottish Housing Quality Standard Programme within the HRA Capital Programme	19/12/17	2	1	1	0	0	
Totals		91	78	6	7	0	