

Agenda Item	9
Report No	AS/10/23

THE HIGHLAND COUNCIL

Committee: Audit & Scrutiny Committee

Date: 15th June 2023

Report Title: Action Tracking Report

Report By: Strategic Lead (Corporate Audit & Performance)

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 known as action tracking, is provided at section 4 of this report.
- 1.2 The outcome of this process is reported to the Audit & Scrutiny Committee on a six-monthly basis with reports provided to the June and November meetings. This update report provides details of those audits action tracked during the period 12/11/22 – 26/05/23.

2. Recommendations

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

3. Implications

- 3.1 Resource – any resource implications arising from audit actions should be addressed by the relevant Services and where required, will be reported to Committee.
- 3.2 Risk – The implementation of the management agreed actions will assist in reducing the risk exposure to the Council.
- 3.3 There are no Legal, Community (Equality, Poverty, Rural and Island), Climate Change / Carbon Clever or Gaelic implications.

4. Action Tracking Process

4.1 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 explanation provided is considered reasonable, a revised implementation date is agreed, and this is action tracked once this date has expired.

4.2 In addition to the above, monthly reports are now provided to each of the Executive Chief Officers detailing all outstanding recommendations within their Service which enables them to monitor progress leading up to the target dates when these should be completed.

5. Action Tracking/ Follow-up results

5.1 Summary report

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 information is split into 2 tables:

- Table 1 details those audits where all of the management agreed actions have now been completed. There is a total of 17 such actions.
- Table 2 details 4 audits where the action tracking process is still in progress and revised target dates have been agreed. This shows that of the 22 actions, 13 are completed. The remaining 9 actions have revised target dates and further details are provided in section 5.2.

Overall, this shows that 30 (77%) of the 39 actions tracked have been completed.

5.2 Actions with revised target dates

There are 4 audits which have revised target dates:

(i) Governance of Arms-Length External Organisations and Partnerships

There were several multi-part agreed actions in response to the audit recommendations. 1 part of a medium grade action in respect of the reporting of Eden Court's financial and performance information was delayed due to their new CEO starting. The other medium grade action for the review of the service agreements with Eden Court and High Life Highland were overtaken by the current financial crisis as reported to Council. Revised dates of 31/03/23 were agreed for both of these actions and these have since been amended to 30/09/23. This revision will enable the Service Delivery Contracts to be reviewed and to ensure that they are affordable for the Council going forward.

(ii) Review of Award of Ward Fund Schemes

3 actions (1 low and 2 medium grades) originally had the target dates of 31/03/23 and 30/09/22 (2nd medium grade), all now revised to 31/05/23. These are

interlinked and relate to updating the guidance and associated training for officers involved in administering the schemes.

(iii) Harbours Fuel Sales

The high grade action, originally due for implementation on 31/03/23 has been revised to 30/06/23. In this case the tendering for fuel was undertaken but further work by procurement was required before contract award status could be reached. The other medium grade action related to the agreement of achievable fuel margins to inform the 2023/24 budget setting process. Again, a revised target date of 30/06/23 (originally 31/12/22) has been agreed so that this can be undertaken once the budget is known.

(iv) Effectiveness of Out of Hours Arrangements

This audit also contained a number of multi-part actions in response to the audit recommendations. 2 medium grade actions, both have the revised target date of 30/06/23. These relate to the review of the number of roads duty officers on call (original target date of 31/07/22) and a review of the recording system of roads emergency incidents in order to adopt a standard approach (was 31/12/22).

Designation: Strategic Lead (Corporate Audit & Performance)

Date: 30th May 2023

Author: Donna Sutherland

Action Tracking Report

Table 1 - audits where action tracking is complete

Report Ref and Title	Date Issued	Recommendations		
		Total	Completed	No Action
HDD04/001 Review of Information Management Arrangements	06/09/19	6	6	0
HEC05/001 Collection of School Meals Income	09/11/20	6	6	0
HDD04/004 Cyber Security	25/01/22	3	3	0
HIE18/003 - Visitor Management Plan Resources	24/01/23	2	2	0
Totals		17	17	0

Table 2 - audits where action tracking has been undertaken and revised target dates agreed

Report Ref and Title	Date Issued	Recommendations				
		Total	Completed	No Action	Still Outstanding	Date Revised
HPG06/001 Governance of Arms Length External Organisations and Partnerships (ALEOs)	16/12/21	3	1	0	0	2
HCP14/001 - Review of Award of Ward Fund Schemes	26/07/22	6	3	0	0	3
HIE08/002 - Harbours Fuel Sales	29/07/22	5	3	0	0	2
HPG13/001 - Effectiveness of Out of Hours Arrangements	17/08/22	8	6	0	0	2
Totals		22	13	0	0	9