

## Action Points Behind Schedule – Internal Audit

### A – Review of Budgetary Control

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
1	Budget setting and monitoring are still not adequately linked to the quarterly reporting of service delivery and performance.	Head of Strategic Finance	This is included in draft Best Value Action Plan. Links to be developed in 2005/06. Links to be strengthened in 2006/07	Fundamental	May 2004	2005/2007
3	Budget holders receive no formal training in financial control or the nature of the Council's budgetary control systems.	Head of Strategic Finance	Training will be provided in the financial year 2006/07 when the revised budget monitoring procedures mentioned in 4 below are introduced. As part of the pilot, training will be provided this year to all budget holders within Community Services.	Fundamental	May 2004	June 2006
4	There are no Council wide policies and procedures covering the responsibilities of budget holders in monitoring their budgets.	Head of Strategic Finance	The Head of Strategic Finance has asked the Finance Manager, Community Services to review budget monitoring procedures with a view to implementing revised procedures in 2006/07. A pilot of these procedures is being undertaken in Community Services this year.	Fundamental	March 2004	June 2006

**B – Property Management VFM**

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
1	The Council should decide whether a single asset management and asset register system should be adopted.	Head of Transportation & Infrastructure	See separate report	High	30 September 2004	
6	A complete review of title deeds is to be undertaken to confirm the completeness of the Asset Register	Head of Legal and Protective Services	The review of title deeds has almost been completed. The Chief Solicitor, Conveyancing, has had to undertake this task to a large extent single-handedly and due to his extensive involvement over the last few months in the NPDO this has taken longer than he anticipated. It should be finally completed within the next couple of weeks.	High	30 September 2004	September 2005
13	Appropriate property data is to be obtained in accordance with the timetable for the introduction of the asset management plan.	Head of Transportation & Infrastructure	See separate report	Medium	The timescale for this will be determined when the Chief Asset Manager is in place.	

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
15	An exercise should be conducted to determine how compatible the current property IT systems are for supplying data for the corporate asset management system when this is developed.	Head of Transportation & Infrastructure	See separate report	Low	The timescale for this will be determined when the Chief Asset Manager is in place.	

### C – Review of Supporting People

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
9	There is no dedicated IT support for the Supporting People team as recommended by the Executive's <i>Strategic Guidance</i> .	Head of Community Regeneration	The Community Services IT team is being restructured and the SP support will be delivered through a team approach rather than one dedicated officer to ensure greatest flexibility in meeting service demands. This arrangement will be in place by September 2005	Material	June 2004	September 2005

**D –Review of Purchase of Equipment & Materials**

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
4	There does not appear to be an agreed procedure for adding new suppliers to or deleting obsolete suppliers from the approved list.	Head of ICT & Financial Services	The position is that for logistical reasons it is important that all members of staff who process invoices are able to create new suppliers. The practicalities of restricting the creation of suppliers to a small number of people will have a detrimental effect on the performance of the section. What however is required is a report of all new creations and amendments to the creditors master file. Creditors section have had discussions with IT who have confirmed that they have set a facility for changes to suppliers, Supplier Sites, Bank Branches and Accounts on the Development system. Some testing is now required, but it is expected that in the near future they will have a daily report that will allow supervisory staff to check every change to the master file.	Fundamental	June 2004	October 2005

**E – Review of Cash & Income Banking**

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
6	Income from the public conveniences in Oban and Fionnphort do not reconcile to the expected income per the turnstile readings. On several occasions negative variances between expected and actual cash have been recorded.	Head of Roads & Amenity Services	Ongoing problems with the turnstiles which have proved beyond repair – discussion with Roads & Amenity Services Manager for Oban, Lorn & the Isles and his senior Staff resulted in agreement that a replacement turnstile should be sought as a matter of urgency. It was proposed to raise this with the Head of Service and Director to request additional budget to allow this to proceed. Funds have now been identified and the replacement turnstiles will be in place prior the new financial year.	Fundamental	Immediate	March 2006

**F – Review of Car Allowances - Education**

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
2	Some staff may not be aware of the basic guidelines with regard to the completion and submission of travel claims.	Appropriate Heads of Service - Community Services	A draft Travel & Subsistence Guidance has been produced. This matter is currently being discussed as part of the Budget Monitoring process and it is envisaged that it will be reported to the Departmental Management Team in September/October prior to implementation across Community Services.	Material	December 2004	September/October 2005

**G– Best Value Review 2004/ 05 (LEGAL SERVICES SCRUTINY REVIEW)**

<b>Ref</b>	<b>Action Point / Implication</b>	<b>Department / Head of Service</b>	<b>Explanation for delay</b>	<b>Risk Grading</b>	<b>Original implementation date</b>	<b>Revised implementation date</b>
9	The agreed actions from this review have not been fully implemented or reported on.	Head of Legal and Protective Services	The principal recommendation from the Review (the appointment of an external partner has now been implemented. The majority of the other recommendations have been implemented and reports have been submitted to the Strategic Management Team. A report still needs to go to the Strategic Policy Committee updating them on implementation of the recommendations.	Material	January 2005	11 <sup>TH</sup> October 2005

## H – Review of HRA Rents

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
5	Recharge procedures require review and update.	Head of Housing	Draft procedures have been produced and will be discussed by the Housing Management Team.	Minor	March 2005	October 2005
7	Currently there is no clear liaison between the Housing Rents Section and the Council Tax Section regarding the write off of housing rents and/or the write off of council tax in Council owned properties.	Head of Housing	No arrears written off this year but Housing will consult with Council Tax Section when the situation next arises.	Minor	Immediate	Ongoing

## I – Prudential Code

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
2	There is a need for continuous reinforcement of the definition of capital expenditure to ensure compliance with Statement of Recommended Practice.	Head of Strategic Finance	Due to ledger implementation, year end workload, NPDO (Regeneration of schools estate) and LSVT(Housing Stock Transfer)	Minor	31 May 2005	31 August 2005
3	Prioritisation of capital schemes be developed; on going revenue effect be available to Council when a scheme is proposed; eventual final outturn be compared with budget estimate.	Head of Strategic Finance	Due to ledger implementation, year end workload, NPDO (Regeneration of schools estate) and LSVT(Housing Stock Transfer)	Material	30 June 2005 31 March 2006 30 September 2005	31 August 2005 Ongoing Ongoing
7	No assessment has been made of the need for training in risk management for major capital project managers	Head of Strategic Finance	Due to ledger implementation, year end workload, NPDO (Regeneration of schools estate) and LSVT(Housing Stock Transfer)	Material	30 June 2005	30 September 2005
8	The agreed action plan 6 of the joint Internal /Audit Scotland report on Property Asset Management, to completely review title deeds, is still outstanding.	Head of Legal and Protective Services	The review of title deeds has almost been completed. Donnie Kelly has had to undertake this task to a large extent single-handedly and due to his extensive involvement over the last few months in the NPDO this has taken longer than he anticipated. It should be finally completed within the next couple of weeks.	Fundamental	June 2005	September 2005



## APPENDIX 2

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
9	There are no specifications of the type and value of assets to be accounted for.	Head of Strategic Finance	Due to ledger implementation, year end workload, NPDO (Regeneration of schools estate) and LSVT(Housing Stock Transfer)	Material	30 June 2005	31 August 2005
10	Approval of the Asset Management Strategy is behind schedule. Initial impetus must be maintained if this sizeable task is to be completed as per plan. Service departments must be provided with information of what is to be included in an asset database and organised to achieve this.	Head of Transportation and Infrastructure	<p>1) A working group has been set-up to progress and oversee Computer systems With a view to reporting back to SMT in September, which has formed project teams and a project board in July 2005.</p> <p>2) This action is also inter-linked to action item no9, for setting the guidance on minimum finance values for Asset types.</p> <p>3) On Asset management information data collection, It should be noted the council has commenced this process, and Asset data is available in various formats, and essentially this process will be on going.</p>	Fundamental	Immediate	<p>1)The first meeting of the Project board occurred in July 200</p> <p>2)September 2005 is the anticipated timeframe to complete this activity.</p> <p>3)On-going Asset data collection.</p>
12	Back-up papers do not clearly show the link between expenditure on assets and that posted to the asset register	Head of Strategic Finance	Completed. Subject to Audit Scotland review	Material	Year end 2004/05	30 September 2005