

Action Points Behind Schedule – Internal Audit**A – Review of Asset Management/Office Rationalisation**

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
4	Formulae errors and some inconsistencies result in a lack of confidence in the integrity of the appraisal spreadsheets.	Finance Manager Development Services	The updating of the model will be carried out when the business case is being updated for the Helensburgh Office Rationalisation Project.	Fundamental	30 April 2007	30 June 2007

B – REVIEW OF CAPITAL CONTRACTS

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
3	Contractor claims in the Campbeltown Community Project are potentially underestimated and the capital plan exposed. These variances should be investigated further by management and a satisfactory explanation must be obtained. Any problems with the cash machines or turnstiles must be rectified immediately.	Project Manager - Campbeltown Community Project	On the advice received from Brodies, the Council's Legal advisers it was decided to put the Contractual Claims issue on hold until responsibility for the render failure issue has been established. The Building Research Establishment (BRE) have been asked to investigate this issue and have issued their final report on 30 th May. This report will be reviewed by the Council's technical staff.	Material	28 February 2006	

C – Review of Car Allowances

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
5	No policy in respect of; a) the use of pool cars/car sharing has not yet been issued b) the use of environmentally friendly vehicles/fuel has not yet been issued.	Head of Personnel Services	Operational Services has been requested to insert a statement in payslips. Priority given to Single Status work, and revised deadline policy is September 2007.	Material	31 January 2007	28 Sept 2007

D – Review of Cash and Income Banking - School Fund Update

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
3	The review of controls and procedures surrounding the administration of GPFs at Secondary Schools arising from the school visits revealed that an element of misinterpretation may have occurred regarding recorded responses to questions set in the questionnaire.	Head of Secondary Education, Head Teachers and School GPF Committees	This will be addressed at the next secondary head teachers' meeting on 21 June 2007.	Material	31 October 2006	21 June 2007
5	Some matters arose from the review which although not directly contravening standard Circular 1.10 require further consideration. - The management of surpluses. - The presence of open GPF bank accounts with in some cases substantial balances of which management were unaware.	Quality Standards Manager and Head Teachers	This will be addressed at the next secondary head teachers' meeting on 21 June 2007.	Material	31 December 2006	21 June 2007

E – Review of Contract Hire and Operating Leases

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
2	After an Internal Audit in 2003/04, Strategic Finance undertook to issue comprehensive guidance to all departments on tendering for, monitoring, or terminating lease agreements. This guidance would include the need for Strategic Finance to be involved in all leases versus purchase decisions. Strategic Finance later decided that such guidance was not necessary. Since then, some departments have approached them for assistance. However, when the Council-wide photocopier contract came up for renewal Strategic Finance were not involved.	Head of Strategic Finance	The guidance is almost complete and will be issued by the end of June.	Material		June 2007
3	Strategic Finance tendered for a Council-wide lease advisory service, but has not issued guidance to services on the need to make use of the approved advisor.	Head of Strategic Finance	The guidance is almost complete and will be issued by the end of June.	Material	31 August 2006	June 2007

F – Review of Debtors - Estate Rents

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
7	There is no rolling programme of rent reviews	Head of Legal and Protective Services	Legal Services Estates team has recruited the IT Manger, Development Services to assist in implementing the required work.	Material	30 April 2006	31 August 2007

G – Review of Primary School funds - Lochgilphead & Park Primary Schools

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
1	A school fund constitution and committee are not in place.	Head Teacher in conjunction with Head of Pre-School and Primary Education	Park Primary School have a constitution and committee. Lochgilphead Primary School have a committee but have still to produce a constitution.	Material	30 April 2007	29 June 2007
8	The transfer of cash between staff is not always compliant with the Council's Constitution.	Head of Pre-Primary and Primary Education in discussion with the Head of Secondary Education & Quality Standards Manager	To be completed for the beginning of the new school session 2007-2008.	Material	30 April 2007	August 2007

H – Review of Main Accounting Systems 2005/2006

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
2	Work needs to be done to identify and create parent values.	Corporate Finance Manager	Parent values are created in the system in order to produce either reports on a BVACOP basis or departmental basis. Parents have also been set up for the Council priorities. Work is ongoing to create discretionary level BVACOP parents and although this is not necessary for any current reporting, it would be beneficial to have this in place. This will be progressed over the next 6 months.	Minor	31 March 2007	31 December 2007
6	Standard forms not available for code requests	Corporate Finance Manager	Forms have been created, but not rolled out to departments yet – still presently receiving emails. This will be progressed over the next 6 months.	Minor	31 March 2007	31 December 2007
7	System administration documentation needs to be developed	Corporate Finance Manager	This task is ongoing – as an issue arises the System Administrator documents action/procedure. These documents need to be compiled into a more formal system administration manual and this will be progressed over the next 6 months.	Minor	31 March 2007	31 December 2007
10	Some procedures not fully documented in the User Manual e.g. interface control. No laid down procedure for updating the User Manual on a regular basis.	Corporate Finance Manager	Most Oracle users are familiar with how to use the system and would very rarely refer to their manual. If there is a particular issue, either an experienced Oracle user within their Department would provide training or Corporate Accounting would provide the necessary guidance. Having said that, it would be beneficial to update the manual for new starts and also to have an up-to-date set up instructions for reference purposes.	Minor	31 March 2007	31 December 2007

I – Review of Risk Management Framework

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
5	The RMG do not produce an action mandate following each meeting.	Head of Democratic Services and Governance	The Minutes of the meetings identify actions to be taken. Separate action list will be produced.	Material	31 January 2007	13 August 2007
9	Operational Risk Registers not prepared	Head of Democratic Services and Governance as Lead Officer on The Risk Management Group and Chair of LCGs	These are in place for most departments but will be reviewed as part of the ongoing review of the Risk Registers.	Fundamental	31 March 2007	31 December 2007
11	Currently no formal procedures in place to measure and report on any benefits obtained from the introduction of a risk management framework	Governance and Risk Manager	This process is ongoing and will be developed further in conjunction with the Risk Management Group.	Material	31 December 2006	31 December 2007
12	Use not currently being made of risk management processes used by other authorities	Governance and Risk Manager	The Governance and Risk Manager is now a member of the Association of Local Authority Risk Managers (ALARM) and takes an active part in meetings of the Scottish Regional Group and the Institute of Risk Managers (IRM).	Material	31 December 2006	31 December 2007

J – Review of the Prudential Code

Ref	Action Point / Implication	Department / Head of Service	Explanation for delay	Risk Grading	Original implementation date	Revised implementation date
1	The cost of the Campbeltown Community Project is significant and there would be benefit in carrying out a post completion review.	Head of Planning and Performance/ Internal Audit Manager	The building will have been fully operational for a year by mid June 2007 and Operational Services will be preparing a first annual performance report. In general terms the building has been very successful in meeting customer needs. The preparation of the final account is still ongoing and SPC were advised in an update report in February 2007 that benchmarking figures showed the project costs in a favourable light with similar UK projects.	Material	31 March 2007	2007/08
15	Existing strategy limitations restricts investment returns. There is an opportunity for increased returns at minimum risk	Finance Manager - Development Services	The Scottish Executive have not yet issued the revised Investment Regulations.	Material	30 June 2006	30 September 2007