

ACTION PLAN NUMBER	GRADE	WEAKNESSES IDENTIFIED	AGREED ACTION	RESPONSIBLE OFFICER	DATE OF IMPLEMENTATION	REVISED DATE	COMMENT/EXPLANATION
A - REVIEW OF CAPITAL ACCOUNTING							
3	MATERIAL	Lack of supporting documentation for option appraisal	procedures will be produced	Finance Manager Development Services	30 September 2006 31 January 2007 31 August 2007	31 January 2008	Weighting and scoring criteria for capital projects were agreed by the Council in February 2007. This along with the new capital planning guidance around gateway reviews and preparation of business cases will address this issue. The capital planning guidance has been drafted with training/information/consultation seminars held. Individual departmental meetings are now taking place to finalise the capital planning guidance before it is issued." These will be issued in conjunction with the updated Capital Planning and Management Guide.
B - REVIEW OF CONTRACT HIRE AND OPERATING LEASES							
2	MATERIAL	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	Strategic Finance should issue guidance to departments on the tendering for, monitoring of, and termination of leasing agreements. This is to include the need for Strategic	Head of Strategic Finance	31 March 2007	31 January 2008	A final draft on Leasing Guidance has been issued for consultation. responses have to be returned by January 2008.

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		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.	Finance to be consulted before major lease decisions are made.				
3	MATERIAL	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.	Strategic Finance to issue guidance which should form part of the comprehensive guidance mentioned above.	Head of Strategic Finance	31 March 2007	31 January 2008	A final draft on Leasing Guidance has been issued for consultation. responses have to be returned by January 2008.
4	MATERIAL	Staff authorising expenditure are required to follow the Council's Constitution, including the Contract Standing Orders, which means that they must use contracted suppliers. However, the risks inherent in using an unendorsed supplier are not spelt out, nor is it clear that disciplinary procedures	It is recommended that written instructions be issued to all staff who can authorise expenditure from external suppliers, detailing the requirement to follow Contract Standing Orders. This means that orders must only be placed with contracted suppliers when	Exchequer Manager	30 September 2007	31 January 2008	A set of instructions will be drawn up and put before the Procurement and Shared Services Board at their meeting on 18 January 2008

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		could be invoked if staff do not follow the Constitution.	available and PECOS must be used for all such orders. Where there are no contracts in place competition should be ensured for any significant spends.				
5	MATERIAL	The photocopier contract is for more than £100,000 annually for rental alone, with maintenance charges perhaps being as much again, thus committing the Council to considerable expenditure for the next five years. Prices per copy are lower than previously, and it was expected that other costs, such as printers, external printing and staff time, would decrease due to the ability to network the new printers and their greater functionality. This would offset any rises in rentals.	Value for money in this contract is ensured by open competitive tendering under the EU Procurement Rules. Under the Public Procurement Reforms currently under way photocopying will become a Category A commodity and will be contracted nationally across the Scottish Public Sector. The Council require to carry out a value for money review on completion of the internal print strategy.	Exchequer Manager	30 September 2007	30 Jun 2008	The Print Review is now nearing completion. A value for money review will be carried out upon implementation of the recommendations
C - REVIEW OF CONTRACT TENDERING AND VETTING							
7	MATERIAL	The Council's Health and Safety Manager requires all contractors whether registered on a Constructionline or on a local Select List to be approved	Determine the requirement for the Council's Health and Safety to approve all contractors, including those registered with	Governance & Risk Management Officer	30 April 2006	March 2008	An amendment has been produced by the Governance & Risk Manager and the Health & Safety Manager for inclusion in the Council

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		by Argyll & Bute Health and Safety. The Contract Standing Orders so not reflect this.	Constructionline. If agreed, develop a proposal to amend the Constitution, for ratification by the Council.				Constitution.
D - REVIEW OF PAYROLL							
2	MATERIAL	Personnel Sections had not carried out the existence check.	Personnel sections to be reminded that it is essential to carry out this task on an annual basis.	Exchequer Manager	31 July 2007	January 2008	Delayed due to single status work. Existence checks re-issued to personnel departments in October to be returned by Jan 2008.
E - REVIEW OF PURCHASING AND e-PROCUREMENT							
1	FUNDAMENTAL	Legal & Protective Services were not making use of Pecos, the e-Procurement System.	Arrangements should be made with the Exchequer Manager to provide Legal & Protective Services with a purchase card which would be used to order goods from specialist suppliers who are not on Pecos. Training will be provided for staff in order that they can start making use of Pecos for all other purchases.	Exchequer Manager	31 May 2007 30 September 2007	April 2007 March 2008	Purchase card issued to chief protective services officer Awaiting L&PS being ready for training
2	FUNDAMENTAL	A photocopier had been purchased from Q5 Oban. They are not one of the 3 suppliers on the approved list	All departments must be made aware of the existence of the approved suppliers lists and the requirement to	Head of ICT & Financial Services	11 May 2007	31 Jan 2008	A set of instructions will be drawn up and put before the Procurement and Shared Services Board at their

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		from the Authorities Buying Consortium.	only use suppliers from these lists. This applies to all goods and services and not only photocopiers.				meeting on 18 January 2008
F- REVIEW OF SCHOOL AND PUBLIC TRANSPORT 2007							
2	MATERIAL	Benchmark comparisons are less relevant when the basis of notional in-house cost and the percentage of schools and local transport allocable to Community Services are not wholly reliable. The Formula of the allocation of the school and public transport charges for the month of March 2007 was found to be flawed.	Community Services should consider the true cost of increased service provision when calculating the notional in-house cost of school transport. The percentage allocated or the basis of allocation to Community Services should be reviewed regularly following each batch of contract renewals. The integrity of calculations allocating costs should be tested using check formulae.	Head of Community Regeneration and Transportation & Infrastructure Manager	31 August 2007	April 2008	Completed. New Access database system set up to ensure that calculations can not be accidentally amended by users. There has not been an opportunity to review the percentage allocation between school and public transport as there has been no tendering round since the audit. This will be undertaken during the analysis of the January 2008 round of tenders. A working group has been established to review all aspects of the action plan. (minute of meeting attached) A sub group comprising Community Services and Corporate Finance and School Transport are currently recalculating the in-house costs to be used for the next round of tendering

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							due for January 2008. The review of the allocation will be undertaken during the analysis of these tenders.
G- REVIEW OF THE PRUDENTIAL CODE							
1	MATERIAL	The cost of the Campbeltown Community Project is significant and there would be benefit in carrying out a post completion review.	A post completion review of this project is to be carried out at the end of 2005/06	Head of Planning and Performance/ Internal Audit Manager	31 March 2007 30 September 2007	April 2008	As reported above re Capital Contracts the project has not yet been completed.
15	MATERIAL	Existing strategy limitations restricts investment returns. There is an opportunity for increased returns at minimum risk	investment strategy indicators to be reviewed upon receipt of new regulations with the aim of increasing returns.	Finance Manager - Development Services	30 June 2006	30 June 2008	The Scottish Government has not yet introduced the investment regulations but these are expected to be in place by the end of March 2008.
H - REVIEW OF DEBTORS - ESTATE RENTS							
7	MATERIAL	There is no rolling programme of rent reviews	Estates should consider setting up a database of all rentals which will highlight when rent reviews are due.	Head of Legal and Protective Services	30 April 2006	March 2008	A database has been created for Estates covering all aspects of Estates work including rent reviews. The database is currently undergoing evaluation/ minor revisions and the population of data is expected to commence January 08. The new database will take over

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							from ad-hoc Excel spreadsheets (in effect databases of the review dates) once it's been populated. Population of essential information should be completed by the end of the financial year with a further 3 to 6 months to populate the remaining fields.