

APPENDIX 2

ACTION PLAN NUMBER	GRADE	WEAKNESSES IDENTIFIED	AGREED ACTION	RESPONSIBLE OFFICER	DATE OF IMPLEMENTATION	REVISED DATE	COMMENT/EXPLANATION
A - REVIEW OF CAPITAL CONTRACTS							
1	MEDIUM	<p>Suppliers Selection</p> <p>No formal documented supplier selection process exists at present within the Operational Services Directorate.</p>	<p>1. Management should consider formalising the supplier selection process for the design group to ensure defined criteria are used to select contractors to be invited to tender. The results of the evaluation process should be documented to ensure the process is transparent and to provide assurance to all parties that they were afforded equal consideration.</p> <p>2. Management within the contracting group should consider periodically advertising an invite to contractors to apply for inclusion on a pre-tender list. This list will then identify contractors that are invited to tender depending upon the project.</p>	Head of Roads & Amenity Services	31 December 2009	31 March 2010	<p>1.Standing Orders have been amended and the Public Contract Scotland Portal will be used for tenders estimated over £50,000. Depending on circumstances the portal may also be used for certain jobs below this value.</p> <p>2.This has been superseded by use of the portal.</p>

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7	MEDIUM	Tendering Process Differing tendering processes are adopted by the design group and contracting group creating inconsistency in terms of approach. In addition, the £25,000 contract value threshold that stipulates when the detailed tendering process should be adopted is potentially inappropriate and does not allow for consideration of the potential contract values and associated risks to the Council.	1. Management should consider standardising the tendering processes adopted by both the contracting group and the design group to ensure consistency across the Council. 2. Management should consider amending the contract value threshold that triggers the detailed tendering process to be adopted to ensure it appropriately reflects the contract value and respective risks to the Council.	Operations Manager/Principal Engineers	31 December 2009	31 March 2010	When taking the role of client both groups will adopt the same procedure. For Operations when acting as a tenderer, appropriate arrangements will be used given the requirements of any particular tender. The £25,000 limit will be raised to £50,000.
B - REVIEW OF CONTRACT HIRE & OPERATING LEASES							
7	MATERIAL	The potential savings from the use of the advanced networking facilities available throughout the Council based on the experience gained from Manse Brae and Argyll House, the print usage and estimated savings at Kilmory and the savings in schools have not yet been estimated and reported to management.	Once the potential savings have been estimated a report is to be produced for management forecasting the potential savings. This report would need to be followed up with actual savings achieved. Such reports would be useful evidence towards showing Audit Scotland that the Council is achieving BV.	Head of ICT & Financial Services and Head of Democratic Services & Governance	31 March 2008 30 September 2008 31 October 2009	30 June 2010	The merger of the print rooms took longer than anticipated and more recently water ingress has damaged machines which require replacement. This, along with pressure to complete other tasks, has delayed progress on this audit action

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C - REVIEW OF COUNCIL & COMMITTEE DECISION FOLLOW-UP							
8	MATERIAL	It has been identified that there are approximately 41 to 50 TPOs outstanding.	Legal Services has agreed with Planning Services that Legal staff will be directed to address the backlog of TPOs, on a prioritised basis to be agreed with Planning.	Head of Legal & Protective Services and Head of Planning	31 March 2008 30 November 2008 31 May 2009 31 December 2009	31 July 2010	Progress has been made though slower than expected due to complexity and limitations of available staff resources. Investigations have revealed that there were a total of 39 Orders which required attention. Of these 5 have had Orders made, 9 have had title investigations completed and orders will be made shortly, in 13 cases updated plans are awaited from Planning, and in the remainder further investigations into title and other aspects are required. The process should be complete by 31 July, 2010, assuming outstanding plans are received fairly shortly.
D - REVIEW OF DEBTORS 2008 - 09							
5	MATERIAL	There are no collection rate targets in place. In addition, there is a lack of clarity on debtor performance reporting to Senior Management.	Management will review current performance reporting and assess the requirement to introduce collection rate targets taking into the introduction of the new Debtors system.	Head of Legal and Protective Services	29 May 2009 31 October 2009	31 March 2010	Lack of staff resource had been an issue but this has now been addressed. Resource in place since January 2010 and targets being developed. It is intended that they will be in place by 31 March 2010.

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E - REVIEW OF GENERAL LEDGER OPERATIONS							
1	MEDIUM	<p>e-Procurement User Group</p> <p>It was noted that an e-Procurement User Group was to be set up with representatives from each department from September 2008. A formal structure for this has yet to be achieved with separate communication continuing with separate user departments.</p>	<p>A formal e-Procurement User Group should be set up as soon as possible to address perceived failings with PECOS by the current users, to share knowledge, and to ensure that all users are made aware of changes to the system which impact on the functionality and the usability of the system.</p>	Exchequer Services Manager	31 October 2009	31 March 2010	<p>Nominations are now being sought from service departments for a Council wide PECOS user group. Invites will go out for the first meeting before the end of January 2010</p>
2	MEDIUM	<p>Reporting to SMT</p> <p>The emphasis on achieving faster settlement of invoices is clearly of benefit to suppliers in the current recession. However, there are underlying issues regarding the clearance of unmatched or mismatched entries on PECOS, and therefore also on Oracle, which require to be resolved by the user departments.</p>	<p>The follow-up report to the SMT on the impact of forced settlements should also assess the overall processing position to identify whether there are any underlying problems that may have accounting impact.</p>	Exchequer Services Manager	30 September 2009	28 February 2010	<p>Further analysis has now been undertaken with regard to the PECOS workflows and a report will be taken to SMT during February 2010.</p>

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3	MEDIUM	<p>PECOS Reporting Tools</p> <p>We noted that the reports being generated, prior to the force settlement of invoices, are being distributed to Finance Managers/Accountants who do not have management responsibility for the staff operating the PECOS system.</p>	<p>The role and responsibilities of the Finance Managers / Accountants in addressing operational issues, and the clearance of unmatched entries on PECOS requires to be fully resolved.</p>	<p>Exchequer Services Manager</p>	<p>31 October 2009</p>	<p>31 March 2010</p>	<p>Clarification has been sought from the Head of Strategic Finance regarding the role to be adopted (if any) by the Finance Managers regarding the settlement of invoices. Appropriate routes will be developed on that advice</p>
F- REVIEW OF IT SERVICE DESK							
2	MEDIUM	<p>Processes & Procedures.</p> <p>Although the service desk does have some processes and procedures many of these have not been reviewed/updated regularly and do not cover all aspects of the service desk. There is a risk that there is an inconsistent approach to the delivery of support to customers. There are key dependencies where only certain staff members can perform procedures as they are the keepers of this knowledge and it is no fully documented.</p>	<p>Management should develop policies and procedures for all parts of the service desk, including second level support teams. These should also be reviewed and updated on a regular basis.</p> <p>Action: Policies and procedures will be developed for all parts of the ICT service desk including second level support teams. These policies will be reviewed annually.</p>	<p>Production Manager</p>	<p>31 December 2009</p>	<p>31 March 2010</p>	<p>Procedures are being developed for all operations calls, including Second level support. This action is an ongoing and will only fully complete after full ITIL implementation across the department.</p> <p>Action Ongoing</p> <p>Delayed rescheduled</p>

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G - REVIEW OF PRE-SCHOOL EDUCATION							
4	MEDIUM	There is inconsistency between the inspections carried out on the external providers and internal providers.	Written procedures should be drawn up clearly stating the responsibilities across Education and Planning & Performance for the inspection and review of Pre-School Services. A programme of planned inspections, announced and unannounced should be drawn up for the internal providers, aligning it with the procedures currently in place for the external providers.	Quality Assurance Manager/Principal Officer Early Years	17 November 2009	31 March 2010	Meeting arranged between Principal Officers Preschool, Early Years and Commissioning Team in February to determine responsibilities and programme of planned inspections. SEQ documentation is being received and is currently being risk assessed by Commissioning Team to determine the programme of planned inspections.
H - REVIEW OF PROCUREMENT FOR FLEET							
1	HIGH	External hiring of items held within the Council's fleet takes place without reference to the availability of fleet items as there is no operational link between the Hire Desk and Fleet Management. As a result external hiring is likely to take place unnecessarily. This will be particularly so in the low utilisation fleet items such as plant and private cars.	Asset responsibility for all Council plant and private cars should be transferred to Fleet Management. The plant and private car fleet would then be deemed a hire fleet available to Services internally for short/medium term hire at published hire rates. This being a cost recovery exercise only hire costs should be less than external hire rates and low	Head of Facility Services & Head of Roads and Amenity Services.	31 December 2009	Complete 31st March 2010	Hire Desk has been under the control of FM since May 2009. Now located in the same Office. A Policy for the Hire Desk which sets authorised signatory limits for the hire of all vehicles & plant will be considered for approval by the Asset Management Board by 31 st March 2010. This policy will incorporate a

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			<p>utilisation items will be uneconomic to retain on the fleet. This should have the effect of reducing external hire costs, probably a smaller fleet and improved utilisation</p>			<p>31st December 2010</p>	<p>series of escalation limits which will require senior management authorisation to prevent the risk of unnecessary/uneconomic hire costs.</p> <p>A project Team under Fleet Manager with Community Services and Roads & Amenity Services will review the business case for introducing internal hire items. This review will be undertaken between Septembers to December 2010 following the introduction of the new Fleet Management system in June 2010.</p>
I- REVIEW OF RECRUITMENT AND RETENTION OF STAFF							
1	HIGH	<p>Head Teachers and teaching staff involved in the Recruitment and Interview process had not received any training.</p>	<p>Consideration should be given to rolling out Recruitment Training to all Teaching Staff involved in the Recruitment process.</p>	<p>Head of Planning & Performance</p>	<p>30 April 2009 31 December 2009</p>	<p>31 May 2010</p>	<p>Senior HR staff to provide recruitment training at the next meeting of Head Teachers in May 2010.</p>

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J - REVIEW OF SOCIAL WORK COMMERCIAL CONTRACTS							
4	HIGH	The procedural Guidance - Commissioning a Care Service makes reference to contract documents which have only recently been finalised or cannot be found in the location stated. E.g. Residential Placement Contract and Out of Area Community Placed Contract	The Procedural Guidance – Commissioning a Care Service must be reviewed as a matter of urgency on order that it reflects the current position in relation to the issue of contracts. The Section in relation to Residential Placements will require to be changed to reflect the new procedures which are currently being implemented. This will confirm that the Residential Placement Contracts will be issued by Income Maximisation and will clarify where the responsibility for completing the client specific details on the appendix lies. Training on the updated procedures should be carried out.	Quality Assurance Manager	31 December 2009	31 March 2010	Training ongoing – Commissioning Guidance completed and approved by DMT 5/10/2009. Training is being implemented to all care staff, including the support staff that provide admin support to care staff. Sample feedback forms from training available, as are attendance records from events.
5	HIGH	Actions lists have been prepared for both Adult Services and Children and Families management detailing issues requiring action	Quality Assurance should monitor the progress of the action points detailed in the Action Lists.	Quality Assurance Manager	31 December 2009	31 March 2010	Training and procedures ongoing, see above

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K-REVIEW OF TENDERING PROCEDURES							
1	MEDIUM	Tendering Procedures did not ensure compliance with the principals of transparency, non-discrimination and equal treatment which guarantee that tenders are assessed in conditions of effective competition.	<p>All consultants contracts, and building contracts less than £349,731, continue to be tendered as per the status quo. All other public works contracts in excess of £349,731 will be advertised in www.Publiccontractsscotland.gov.uk the Scottish Government's official national portal for Public sector contract opportunities and contracts in excess of £3,497,313 will also be advertised in the OJEU. In order to determine the appropriate award procedure a checklist and assessment matrix will be required to assist the decision between open and restricted procedure and thereafter to assess the pre-qualification bids and tender bids.</p> <p>It would be prudent if the Council sought clarity as to whether the circular also applied to works contracts.</p>	Asset Management Strategic Board	30 November 2009	31 March 2010	The guidance on this will be included in the procurement manual which will be submitted to a future meeting of the council

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L- REVIEW OF TENDERING PROCEDURES 2007-08							
1	FUNDAMENTAL	The Council's Contract Standing Orders did not give any guidance as to the action to be taken when only one tender is received for a project.	The Contract Standing Orders within the Council's Constitution should be amended to give clear guidance to staff as to the steps to be taken.	Head of Democratic Services & Governance	31 October 2007 31 July 2008 31 March 2009 01 October 2009	30 June 2010	This will be addressed by the procurement manual which will go to the Council by June 2010
M -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 Strategic Finance	31 March 2007 30 September 2007 30 April 2008 31 December 2008 30 August 2009	31 May 2010	Arrangements are being made with KPMG, our internal audit partners to carry out this review.
N - REVIEW OF UNIFIED BENEFITS							
1	MEDIUM	The roles and responsibilities for the duties of Back/Front office staff are not clear in regards to processing benefits	Service Level Agreement to be drafted for Unified Benefits and put forward to Senior Management for approval and implementation.	Revenues and Benefit Manager	31 July 2009 30 November 2009	31 March 2010	Draft SLA has been produced and discussed with Head of ICT and Financial Services. This will be passed to Democratic Services and Governance by the end of January 2010.