

**EXTERNAL & INTERNAL AUDIT REPORT FOLLOW UP 2010 – 2011 FROM
MARCH 2010 MEETING.**

1. SUMMARY

At the March 2010 meeting the Audit Committee requested that Internal Audit brought a separate report to the June 2010 meeting advising on the progress of 2 outstanding actions from Internal Audit reports. The actions related to the Review of Contract Hire & Operating Leases and the Review of Council & Committee Decision follow up reports. The officers who were shown as the responsible officers for the actions were asked to provide updates on the progress on the agreed actions. The responses are shown at Section 3.

2. RECOMMENDATIONS

2.1 The contents of this report are noted and are to be followed up by Internal Audit.

3. DETAILS

3.1 Review of Contract Hire & Operating Leases

Finding - 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.

Agreed action - 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.

Updated position - The negotiations for the replacement of the damaged machine identified some technical issues which are still subject of discussions with the supplier over the final specification of the replacement machine. This will be completed by end June 2010 and the implementation of the audit recommendation is rescheduled to 30 September 2010.

3.2 Review of Council & Committee Decision follow up

Finding – It has been identified that there are approximately 41 to 50 TPOs outstanding.

Agreed action – 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.

Updated position – Further progress has been made since 5 March 2010 update and the position is that 9 orders have now been made and confirmed, 4 are no longer required (either because of changed circumstances or because there is in fact an existing order in place), 4 orders have been made but not yet confirmed, a further 10 have had title confirmed and orders will be made within next 10 days, and the remainder have outstanding queries in relation to plans and location of trees or title. Department remains on track to complete all by 31 July 2010.

4. CONCLUSIONS

Implementation of all recommendations will continue to be monitored by Internal Audit.

5. IMPLICATIONS

5.1 Policy:	None
5.2 Financial:	None
5.3 Personnel:	None
5.4 Legal:	None
5.5 Equal Opportunities:	None

For further information please contact Alex Colligan of Internal Audit on (01546 604271)