



Internal Audit Report

Community Services

Leisure

April 2014

1 INTRODUCTION

As part of the Annual Audit Plan for 2013/14 Internal Audit undertook an audit of Leisure including Health and Safety. The leisure budget for 13/14 amounted to £2.55 million.

In view of the fact that Leisure is at present in the process of sourcing a new Leisure Management System it was decided that no systems audit work would be carried out on the incumbent Leisure Management System.

2 AUDIT SCOPE AND OBJECTIVES

The specific objective of the audit is to assess and report on:

- Review Health and Safety audits from 2012/2013 and ensure that recommendations have been implemented;
- Departmental Health & Safety Action Plans are in accordance with overall corporate objectives
- Review leisure memberships to ensure that members have been charged properly for the type of membership.
- Review Leisure Membership direct debit scheme to ensure that proper financial controls are in place and that reconciliations are carried out back to Oracle accounts.

3 RISK ASSESSMENT

As part of the audit process the risk register was reviewed to identify any risks that potentially impact on the audit. The following risks were identified:

SR16: Failure to have a robust internal control process and system;

4 CORPORATE GOVERNANCE

There are no Corporate Governance issues to be reported as a result of this audit.

5 MAIN FINDINGS

- Internal Audit reviewed each of the Health and Safety audits carried out during May 2013 by QLM Leisure Safe who is an external contractor to ensure that any recommendations made in the reports have been actioned by pool management.
- Internal Audit found that of the 133 recommendations across the four pools 115 of the recommendations had been actioned by the time of our audit. A list of those recommendations not actioned is outlined in Appendix 2 with a comment against each recommendation.
- Health and Safety documentation produced by the pools was found to be satisfactory.
- The Health and Safety Improvement Plan requires to be updated for Leisure.
- Leisure exercise an internal audit check Re Health and Safety where Duty officers will audit other pools out with their control. Corporate Health and Safety should be involved in this exercise with a view to ensuring that Health and Safety procedures are adhered to.
- Administration of the Direct Debit Leisure membership scheme was reviewed and found to be satisfactory.
- A clear audit trail exists from the Advantage leisure Direct Debit monthly charges into the Oracle financial accounts.

6 RECOMMENDATIONS

Four recommendations were identified as a result of the audit. These were rated as one medium and three low priority. The medium recommendation is shown in the action plan attached at Appendix 1.

Internal Audit considers that, in an effort to improve the quality of information, monitoring and control, the recommendations should be implemented in accordance with the agreed action plan. Management has set achievable implementation dates and will be required to provide reasons to the Audit Committee for failure to implement within the agreed timescale. Where management decides not to implement recommendations it must evaluate and accept the risks associated with that decision.

A system of grading audit findings, which have resulted in an action, has been adopted in order that the significance of the findings can be ascertained. Each finding is classified as fundamental, material or minor. The definitions of each classification are set out below:-

High - major observations on high level controls and other important internal controls. Significant matters relating to factors critical to the success of the objectives of the system. The weakness may therefore give rise to loss or error;

Medium - observations on less important internal controls, improvements to the efficiency and effectiveness of controls which will assist in meeting the objectives of the system and items which could be significant in the future. The weakness is not necessarily great, but the risk of error would be significantly reduced if it were rectified;

Low - minor recommendations to improve the efficiency and effectiveness of controls, one-off items subsequently corrected. The weakness does not appear to affect the ability of the system to meet its objectives in any significant way.

7 AUDIT OPINION

The level of assurance given for this report is substantial. Based on the findings of the audit Leisure service have satisfactorily carried out the recommendations outlined in the 12/13 Health and Safety external audits and that the Membership scheme to charge and administer Leisure members is working efficiently.

The recommendations made in this report should help to strengthen the already sound processes and procedures in place.

Recommendations arising from the audit work should be implemented by the nominated responsible officer within the agreed timescale. Recommendations not implemented will require explanation to the Audit Committee. This could lead to findings being reported in the Internal Control Statement produced by the Council in support of the Annual Accounts.

8 ACKNOWLEDGEMENTS

Thanks are due to the following for their co-operation and assistance during the Audit and the preparation of the report and action plan.

- Leisure and Youth Service Manager;
- Facility Managers;
- Duty Officers
- Leisure Systems Administrator.

Argyll and Bute Council's Internal Audit section has prepared this report. Our work was limited to the objectives in Section 2. We cannot be held responsible or liable if information material to our task was withheld or concealed from us, or misrepresented to us.

This report is private and confidential for the Council's information only and is solely for use in the provision of an internal audit service to the Council. The report is not to be copied, quoted or referred to, in whole or in part, without prior written consent.

APPENDIX 1 ACTION PLAN

No.	FINDINGS	PRIORITY	RECOMMENDATION	RESPONSIBLE OFFICER	IMPLEMENTATION DATE
3	The department Health and Safety plan has as yet not been updated since 2011.	Medium	Leisure Health and Safety Plan to be updated.	Leisure & Youth Services Manager	30 June 2014

Appendix 2- List of Outstanding Recommended Actions

	Comment
<u>Riverside Pool</u>	
Confirm with property services if the class one and two faults in the fixed wiring have been rectified. Confirm that the interval of inspection is annual or if property services inspects to a different interval	Awaiting confirmation from Property. Assuming that the interval of inspection will move to 3 years but also awaiting confirmation from Property.
Strip the paint completely from the flumes steps and re-coat in slip resistant finish	Not carried out as would necessitate Pool being closed for one week and has therefore been deemed too expensive.
Confirm with property services the recommended treatment of the external flume steelwork	Awaiting response from Property
<u>Helensburgh Pool</u>	
Review cracked poolside tiles especially those in the pool step areas	Not carried out due to financial constraints
Replace the fan above the lifeguard chair on the large pool	Outstanding Property to action
Record any pool plant operator training delivered by the maintenance company	As yet no training has been carried out by maintenance company
Consider displaying a poster of basic free weight exercises. Recommend displaying a simple notice advising users who are unsure of free- weights to seek assistance from an instructor	Outstanding –Posters unavailable .
<u>Aquilibrium Pool -Campbeltown</u>	
Review the location of the electrical socket in the changing area	Awaiting response from Property
Consider replacing the double electrical socket and light switch in the poolside store with IP 56 rated units-3	Awaiting response from Property
Consider a footnote to the pool timetable referencing medical conditions	Outstanding
Confirm a current certificate of inspection for fixed wiring for the	Awaiting response from Property

pool. Confirm that faults have been rectified	
Rothesay Pool	
Request that Clearwater provide an index of the codes for control measures-	Awaiting Clearwater visit to pool
Request that Clearwater provide an index of the codes for control measures-	Awaiting Clearwater visit to pool
Request that Clearwater identify which outlets are fitted with Thermostatic mixer valves. On the monthly temperature sheet use by staff indicate which outlets are fed from mixer valves	Awaiting Clearwater visit to pool
Query the dead legs with Clearwater/property services-	Awaiting Clearwater visit to pool-Property services aware of this
Request that Clearwater clearly identify which outlets have been tested for temperature on the record sheets	Awaiting Clearwater visit to pool
Reinstate the Tannoy system	Awaiting response from Property
Add detail on noise to the pool plant risk assessment	Outstanding