

To: Audit, Risk and Scrutiny Board

On: 23 January 2023

Report by: Chief Auditor

Heading: Summary of Outstanding Internal Audit Recommendations

1. Summary

- 1.1 On 18 March 2018, the Chief Auditor presented a report to the Board stating that there was an opportunity to enhance the escalation procedures for audit recommendations where agreed actions have not been effectively implemented by the date agreed. One of the recommendations was that details of outstanding critical recommendations will be provided to the Board.
- 1.2 This report therefore provides the updated position of those critical recommendations that have been followed up during 2022/23 and have not yet been fully implemented by service management.
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2. Recommendations

- 2.1 Members are invited to note the position with regard to these outstanding recommendations.
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3. Background

- 3.1 Internal Audit undertake an annual exercise to ensure that recommendations arising from internal audit engagements have been implemented by service management. The results of this exercise have been reported to service management on conclusion of the exercise and also to this Board as part of the

Chief Auditor's Annual Report. All critical recommendations which have been made and have reached their due date for implementation, by the date of commencement of this exercise, are included in this follow up exercise and services are asked to provide evidence to demonstrate that each of these recommendations have been implemented.

- 3.2 The table below shows the total and status of all critical recommendations which were followed up during this exercise across Council services. 8 of these have been implemented satisfactorily.

Service	No of Critical Recommendations				
	Followed Up	Completed	Part completed	Not Yet Implemented	Redundant /superseded
Finance & Resources	5	2	3	0	0
Chief Executives	4	3	0	1	0
Environment & Infrastructure	4	3	0	1	0
	13	8	3	2	0

- 3.3 Revised implementation dates have been provided by the appropriate service for those recommendations which are not yet implemented or are partially complete. These recommendations are detailed in Appendix 1, along with the latest response received from service management. These will be followed up again by Internal Audit during 2023/24.

Implications of the Report

1. **Financial** - None
2. **HR & Organisational Development** - None
3. **Community Planning – Safer and Stronger** - effective internal audit is an important element of good corporate governance.
4. **Legal** - None
5. **Property/Assets** - None
6. **Information Technology** - None
7. **Equality & Human Rights** – None

- 8. **Health & Safety** – None
 - 9. **Procurement** - None
 - 10. **Risk** – Non implementation of critical audit recommendations results in internal control weaknesses not being addressed
 - 11. **Privacy Impact** – None
 - 12. **COSLA Implications** - None
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Appendix 1

Renfrewshire Council

Internal Audit Service

Audit, Risk and Scrutiny Board

Progress of Outstanding Critical Recommendations

Service	Assignment	Recommendation	Original Due Date	Status	Management Response at Follow Up Exercise	Revised Date
Finance & Resources	Health & Safety	A review of the arrangements for monitoring and reporting on performance should be included within the overall review of governance. Specifically, the arrangements for service and corporate reporting to Boards, oversight of service reporting by the CHST and the development of KPIs.	31/03/18	Part Complete	The annual report was sent to the FARS board on the 15 th June 2022. This did not include any KPIs. A discussion needs to take place between Principal HR & OD Adviser responsible for Health and Safety and the new Director of Finance & Resources. This discussion is to review the drafted KPIs and ensure they are fit for purpose as these were developed during the pandemic.	31/01/2023
	Software Licensing	a) Performance and Asset Management should liaise with the necessary teams involved in the software management life cycle so that clearly defined processes can be established and where relevant the addition, amendment or removal of software is adequately communicated to the teams responsible for managing software.	31/12/18	Part Complete	The corporate software license position remains as is. We are supported by our SAM partner and continue to report a positive compliance position reported quarterly to the Head of Digital, Transformation and Customer Services. The education position is that we are actively working with our	30/06/2023

		<p>Once processes have been defined and agreed, clearly documented procedures should be drafted outlining the governance arrangements in place, e.g. the roles and responsibilities of each party, the channels of communication, monitoring processes etc.</p> <p>b) Whilst documenting the procedures, management should consider its policy on the use of cloud-based applications to reduce the likelihood of shadow IT.</p>			<p>compliance Partner BCS and the Head of Child Services to bring Education to a complete compliance position.</p>	
	Use of Purchase Cards	<p>The process of recording Purchase Card transaction details not yet approved in the financial ledger to ensure budget holders are aware of committed spend should be reinstated. Purchase to Pay management should discuss this with Business World managers.</p>	17/01/22	Part Complete	<p>Staff have worked to reduce the volume of outstanding transactions by manually inputting those that are 12 months or older into Business World. We are currently in discussion with the bank with a view to improving the reporting and management information from SDOL.</p> <p>Remaining committed and unapproved spend that is less than 12 months old is being monitored by the Finance Manager (Systems and Control) and details regularly shared with Finance staff so that they can include that committed spend in projected outturns for the financial year.</p> <p>Both cardholders and approvers continue to receive a</p>	31/03/2023

					daily reminder email to action outstanding transactions. All SDOL users receive email reminder of audit requirements	
Chief Executives	Missing Chrome Books	A co-ordinator role should be established for the purpose of submitting and recording details of applications for this (or similar) initiative. This role should be carried out by a person with knowledge of the programme and would provide a degree of control over applications submitted.	03/02/22	Not Yet Implemented	A Lead Officer for Connecting Scotland has been appointed. Applications for devices are sent direct to Connecting Scotland from Third Sector and the Public Sector officers using an online process. The Lead Officer will ask applicants to ensure they line manager is aware of and has approved the application. The Lead Officer will request that Connecting Scotland provide her with a list of applications from Renfrewshire Council officers and will contact each applicant and their line manager to confirm they have approved this application. Connecting Scotland has been paused so this has not yet been implemented.	31/03/2023
Environment & Infrastructure	Soft Facilities Management Review	Management should ensure that records are maintained of which staff/contract cleaners physically work at each location during each shift.	31/03/22	Not Yet Implemented	The Soft FM Officers and Facilities Managers manage any movement of staff on a daily basis, based on service needs. These moves are all managed within the individual clusters, and the reasons for these moves can vary and happen on a daily basis as part of the overall management of a cluster - examples are: backfilling sickness absence;	31/01/2023

					providing support in another school for a specific task. The Facilities Managers within Soft FM will instruct all staff attending workplaces to sign the Staff Sign in book/Fire Register so there is a clear record of who is working within a premises on that day.	
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