

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Director Scotland Excel**

Audit Actions Progress Report

1. Purpose of Report

Audit Scotland's 2016/17 Annual Audit Report identified that Scotland Excel's internal audit reports are not provided to members. This report recommended that internal audit reports would be taken to Joint Committee/ Executive Sub-Committee meetings.

2. Background

In June 2017 Renfrewshire Council's internal audit team carried out a review of Scotland Excel's governance arrangements. This report is attached at Appendix 1. The report identified one recommendation in relation to joint committee attendance. Scotland Excel has an audit tracker (Appendix 2), where audit actions are tracked and completed.

3. Recommendation

Members are invited to note the area for improvement identified and the action taken. Future internal audit reports and tracked recommendations will be brought to members on a regular basis.



Internal Audit Report

SCOTLAND EXCEL

Governance Arrangements (B0014/2016/001)

Recipients

Issued to:	Julie Welsh, Director of Scotland Excel
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Key Dates

Draft Report Issued	19/06/2017
Management Response Due	10/07/2017
Management Response Received	27/07/2017
Final Report Issued	31/07/2017

Index and Report Distribution List

- Section 1 - Executive Summary
- Section 2 - Detailed Report including planned Management Actions

Overall Assurance Rating	Recommendation Risk Ratings			
	Critical	Important	Good Practice	Service Improvement
Substantial	0	0	1	0

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Governance Arrangements (B0014/2016/001)

B0014/2016/001

Date: July 2017

EXECUTIVE SUMMARY

Audit Objectives

The objectives of the audit were to ensure that:

- Arrangements are in place to engage with partner authorities and key stakeholders;
- Partner authorities actively participate in the operation of the organisation;
- The board receives regular performance information;
- Improvement action plans are progressing in line with target dates to ensure the achievement of expected outcomes;
- There is adequate board oversight of improvement action plans.

Audit Scope

1. Interviewed the appropriate officers to ascertain the governance arrangements in place for Scotland Excel and identify any areas for improvement.
2. Tested to ensure that governance procedures are followed and records are appropriately maintained.

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B0014/2016/001

Date: July 2017

Key Audit Assurances

1. There are adequate arrangements in place for Scotland Excel to engage with partner authorities and key stakeholders.
2. The Joint Committee and Executive Sub Committee receive regular performance information as to how performance indicators are progressing against targets and improvement action plans.
3. Improvement action plans are progressing in line with revised target dates.

Key Risks

If some members do not regularly attend Joint Committee meetings, their local authority may not be adequately represented in the operation of Scotland Excel.

Overall Audit Opinion

The audit has provided a substantial level of assurance in relation to Scotland Excel's governance arrangements. It is recommended that Scotland Excel management consider ways to further engagement with Joint Committee members from some partner local authorities so that they are adequately represented in the operation of the organisation.

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Scotland Excel



Governance Arrangements (B0014/2016/001)

B0014/2016/001

Date: July 2017

Detailed Report

Rec No.	Detailed Finding	Recommendation
<p>Recommendation 1 (Good Practice)</p>	<p>Joint Committee attendance Examination of committee minutes showed that 21 out of 40 Joint Committee members (52%) attended the Joint Committee meeting in June 2016 and 15 out of 40 (37%) attended the December 2016 meeting. There is a risk that if some partner authorities do not regularly attend Joint Committee meetings that their local authority may not be adequately represented in the operation of Scotland Excel.</p>	<p>Scotland Excel management should identify Joint Committee members who are not regularly attending meetings and consider if there are ways to further engage with them so that their local authorities are adequately represented in the operation of Scotland Excel.</p>
<p>Management Action to be taken</p>		<p>Completion Date</p>
<p>Scotland Excel continues to provide member engagement support to encourage attendance and participation. The recent changes to committee membership have been followed by a number of pre-planned engagement steps. We welcome the advice from the internal audit report and will investigate further mechanisms to highlight regular non-attendance and seek to address the issue.</p>		<p>Action Owner Julie Welsh, Director of Scotland Excel 31 March 2018</p>

In arriving at our opinion we comply with the Public Sector Internal Audit Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance.

For the area under review we consider the overall adequacy and effectiveness of risk management, control, and governance processes. Collectively we refer to these activities as "the system of internal control".

The audit was based on sampling and therefore errors and/or omissions may exist which have not been identified.

Audit Tracker

Responsible Officer	Target Completion date	Actions	Priority	% Complete	Date Completed	Alternative Actions Agreed	Date Completed
Julie Welsh	01/12/2017	<p>Scotland Excel anticipated and prepared for changes to the composition of its Joint Committee as a result of the 2017 Local Government Elections. In April, local authority Chief Executives were engaged to distribute a briefing note on the work of Scotland Excel and the role of the Joint Committee to newly elected councillors. Election results and committee appointments were closely monitored during May and induction packs, including a briefing note produced in partnership with the Improvement Service, were distributed to Joint Committee members on their appointment. Scotland Excel's Executive Team has been undertaking a programme of meetings with Joint Committee members since June, and the first of a series of training sessions for committee members will take place in November. Further plans are being developed to ensure ongoing engagement with Joint Committee members throughout their tenure.</p>	C	100%	Jun-17	Scotland Excel will continue to roll out ongoing engagement plans to ensure that Joint Committee and Executive Sub-Committee members remain fully engaged and supportive of the organisation's activities.	Dec-18