Governance, Risk and Best Value Committee

2.00pm, Monday 26 September 2016

Internal Audit follow-up arrangements: status report from 1 April 2016 to 30 June 2016

Item number	7.4
Report number	
Executive/routine	
Wards	None

Executive summary

This report provides an overview of the process adopted by Internal Audit for following up the status of audit recommendations. It also identifies all the open audit recommendations at 30 June 2016 that are past their initial estimated closure date.

Links

Coalition pledges
Council outcomes
Single Outcome Agreement

EDINBVRGH
THE CITY OF EDINBURGH COUNCIL

Report

Internal Audit follow-up arrangements: status report from 1 April 2016 to 30 June 2016

Recommendations

1.1   It is recommended that the Committee notes the status of the overdue outstanding recommendations and determine with which, if any, officers they want to discuss the current status with.

Background

2.1   Where follow-up actions in response to Internal Audit recommendations have not been taken by management in relation to critical, high and medium risks, escalation is to the Corporate Leadership Team (CLT) and GRBV.

Main report

3.1   At the end of each month, Internal Audit prepares a complete listing of all open recommendations and shares these with Management on a divisional or line of service basis. Internal Audit then invites management to identify which recommendations they consider to have been addressed or which are no longer relevant.

3.2   Internal Audit will review Management's supporting evidence for recommendations that Management consider to be closed and feedback their view on whether this is the case. Recommendations that are agreed as closed have their status updated in Internal Audit's records.

3.3   There are 6 high recommendations and 16 medium recommendations that remain open past their due date at 30 June 2016. These are split as follows:

Grading	Over due at 31 March 2016	Closed	Management now tolerating risk	Newly overdue	Total
High	2	1		5	6
Medium	15	10		11	16
Total	*17*	*11*		*16*	*22*

3.4   The details of these recommendations are shown in Appendix 1, with **14** items previously reported to GRBV separately identified.

3.5   We have also tracked the number of overdue recommendations each quarter since we moved to the current approach of tracking overdue recommendations.

Grading	Over due at 30 June 2015	Over due at 30 Sept 2015	Over due at 31 Dec 2015	Over due at 31 March 2016	Over due at 30 June 2016
High	3	5	4	2	6
Medium	12	14	18	15	16
Total	*15*	*19*	*22*	*17*	*22*

3.6   The Council's Corporate Leadership team commenced placing greater focus on closing outstanding audit recommendations in Q2 of 2016 and now review the status of all open audit recommendations on a monthly basis.

Measures of success

4.1   The implementation and closure of Internal Audit recommendations within their initial estimated closure date. Where recommendations are not closed within this time period, the Committee can determine whether action to date is acceptable or if further action is required.

Financial impact

5.1   Not applicable.

Risk, policy, compliance and governance impact

6.1   If Internal Audit recommendations are not implemented, the Council will be exposed to the risks set out in the relevant detailed Internal Audit reports. Internal Audit recommendations are raised as a result of control gaps or deficiencies identified during reviews therefore overdue items inherently impact upon compliance and governance.

6.2   To mitigate the associated risks, the Committee should review the status of overdue recommendations presented and challenge responsible officers where there is concern that limited or no action has been taken.

Equalities impact

7.1   Not applicable.

Sustainability impact

8.1   Not applicable.

Consultation and engagement

9.1   An overview was provided at the Corporate Leadership Team (CLT) and each Director was made aware of responsibilities to implement and agreed internal audit recommendations.

Background reading/external references

None.

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Links

Coalition pledges	PO30 - Continue to maintain a sound financial position including long-term financial planning
Council outcomes	CO25 - The Council has efficient and effective services that deliver on objectives
Single Outcome Agreement	
Appendices	Appendix 1 – Status report: Outstanding Recommendations Detailed Analysis

No	Review and Risk Level	Initial Finding & *Recommendation*	Initially Agreed Management Action	Owner & Initially Expected Implementation Date	Last Status Update
Communities and Families					
1	Access Controls - Schools IT Systems CF1513 ISS.1 ## High	Teaching staff commonly use personal and school-managed computers for work purposes, which may on occasion involve personal and sensitive data. These are not supported by BT and as such may not have full security such as passwords and anti-virus and encryption software installed. Office 365 is not used uniformly ***Office 365 should be standard when using a non-BT managed device for work. Appropriate guidance should be embedded including password protecting device***	We will prepare concise, easy-to-use guidance on the use of non-BT managed devices for work, specifying security requirements. The guidance will be introduced to schools at head teachers' and ICT co-ordinators' forums. The guidance will be circulated to schools. Staff will be asked to sign to confirm that they have read and understood the guidance annually.	ICT Development Manager 31 March 2016	The guidance is covered in the 'Checklist for Schools'. Need to test the ability of new MDM Intune to ensure security on any devices that are not school managed. Propose new implementation date of 31/10/16 Action will remain 'open' with revised implementation date of 31/10/2016. Proposed checklist provided to demonstrate progress.
2	Access Controls - Schools IT Systems CF1513 ISS.2 ## Medium	iPads bought as part of the technology in schools pilots are now reaching the end of their useful lives. Schools reported uncertainty about how they should dispose of redundant technology, resulting in unused iPads and laptops stored in schools pending confirmation of disposal arrangements and unused iPads sold to school staff with proceeds returned to the school fund. In each case, ICT technicians confirmed that all data was removed when the device was returned. ***Arrangements for the safe disposal and recycling or reallocation of iPads, laptops and other school-managed devices should be clarified and communicated to schools.***	A Computer Reselling and Recycling Scheme is being set up for Edinburgh schools. The contract will be finalised by the end of January 2016. The new contract will be introduced as a pilot at one secondary and one primary school before the new arrangements are rolled out to all schools in April 2016.	Development Officer 31 March 2016	Contract agreed by both sides and just needs to be signed. Action will remain 'open' with revised implementation date of 31/10/2016. Will provide a 'clean' copy of the contract once it is delivered by XMA.
3	Access Controls - Schools IT Systems CF1513 ISS.4 ## Medium	We selected a sample of 25 schools and compared the number of iPads registered on the Meraki mobile device management software to the number of iPads purchased from the preferred supplier and verified the password settings. Eight of the 25 schools reviewed had not registered all iPads purchased on Meraki. In one case only 21% of the iPads purchased had been registered on Meraki. Only nine of 25 schools reviewed enforce alphanumeric passwords of 6 to 8characters on iPads registered on Meraki. All iPads should be registered on Meraki and protected by a complex password (8-character, alphanumeric).	Use of Meraki, or the replacement CGI mobile device management system, will be made mandatory. It may not always be appropriate to use a complex password, for example for classroom iPads. However, complex passwords will be required where an iPad is allocated to an individual: this will be stipulated in the guidance staff are asked to read and agree to annually (see issue 1).	Development Officer 31 March 2016	Mandatory guidance will be communicated from the Head of Schools and Lifelong Learning to all Head teachers. Revised implementation date of 31/10/2016 to allow for Network Issues and holidays.

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4	Governance Arrangements - Arms Length Companies CW1502 ISS.1 Medium	The Director responsible for each Arms Length Company within the Council appoints an Observer for each company from within the Directorate. The role is to scrutinise the activities and performance of the company and raise any concerns arising with the Directorate. The Observer attends company meetings on behalf of the Directorate but is not a company officer. We did not identify any process documentation for the observer roles within any of the Directorates. This results in the Council being subject to an element key man risk in the control of each of these entities, as the loss of the Observer would leave the Council with a limited understanding of the scrutiny processes in place for that particular company. *Observers may not carry out scrutiny to the required level. Financial and reputational risks may remain unidentified with the potential to adversely affect the Council. The controls in place are reliant on the knowledge, skills and experience of the senior staff involved. This knowledge may be lost if there is not sufficient succession planning.*	With change over in senior staff responsible for this company, all the above information will need to be handed over from the current staff members. To facilitate this; documentation will need to be produced and a briefing provided.	Interim Executive Director of Communities & Families 30/06/16	The officer from Communities and Families who acts as Observer at the Edinburgh Leisure Board is liaising with colleagues in Finance to finalise process documentation for the Observer role
	Health & Social Care				
5	Personalisation & SDS - Stage 2 RS1245 ISS.2 ## High	The Swift system has the capability to support authorisation controls, however, the cost threshold is currently set at £20K per week, potentially equating to £1.04M a year. This is such a high level that in effect, there is no authorisation process operating within the Swift system to prevent a service being attached to a client without approval. Packages of care are currently not checked against the relevant budgets during the approval process . *System control to be implemented to ensure that no package of care service be concluded without the appropriate approval being met. Exception Reports should be produced which highlight any services that have been attached to the system, which do not have the appropriate approval.*	A new Financial Approval Procedure will be produced which will ensure that all requests for care and support are approved before progressing to Business Services to be input to SWIFT.	Strategic Planning, Service Re-Design and Innovation Manager 30 June 2015	This work is being taken forward through the H&SC Transformation Project which will identify and oversee all the workstreams required to implement delegated budget management. The SWIFT element of this work is expected to be complete by September 2016 and is being overseen by the SWIFT Governance Group. However, the Organisational Review of ICT has led to a reduction in capacity in the SWIFT Team and discussions are now underway to ensure that the necessary skills and resources remain available to the project. Further consideration of any additional risks that the implementation of a new threshold & decision making process has the potential of introducing further delay to the decision making process. [Revised Implementation date 31/12/16]

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6	Integration of Health and Social Care Budgeting Process HSC1505 ISS.5 High	The savings target of £15m for the 2016/17 H&SC budget has been clearly articulated and is well understood. The most recent RAG status monitoring for savings targets splits the £15m into the following categories: Red £8.5m, Amber £4.5m Green £2m. In light of the projected RAG status for the 2016/17 savings it would appear that there is a high risk that these savings targets will not be met. *Continued focus by management is required to ensure that savings are achieved where possible. H&SC should consider where additional compensatory savings could be made in the event of the budgeted savings not being realisable.*	Health and Social Care Transformation and Efficiency programme is currently reviewing all savings proposals and looking to identify savings to replace/supplement those already identified. Following delegation of services and budgets, responsibility for saving will then fall within EIJB remit.	Chief Officer: Edinburgh Health & Social Care Partnership 31 May 2016	A revised savings programme has been presented to, and agreed by, the Edinburgh Integration Joint Board. Detailed action plans underpinning delivery are either in place or being developed and a programme board established to oversee delivery. Progress will be closely monitored with early action being taken to address any emerging issues.
7	Personalisation & SDS - Stage 2 RS1245 ISS.5 ## Medium	The audit review highlighted a lack of awareness of the type of management information and / or exception reports which are available to 'operational managers'. It was also established that there is no management information for some types of care packages which are 'spot' purchased. In addition, there is an inconsistency in approach for a number of the Swift reports which are produced in respect of the type and frequency of checks being carried out. *Management Information / exception reports held within the Swift and Business Object systems are reviewed to ensure that the right people are receiving the right information at the right time to allow managers to make informed decisions over key controls / processes such as the monitoring of care package costs.*	Management information requirements will be reviewed in the light of the implementation of self-directed support and reporting requirements identified. As part of this exercise existing reports will be reviewed and a decision made in each case as to whether they should be retained, amended or dropped; any requirement for new reports to be developed will also be identified. At the completion of this exercise a document will be produced detailing all management information reports available.	Strategic Planning, Service Re-Design and Innovation Manager 30 June 2015	This work is being taken forward through the H&SC Transformation Project which will identify and oversee all the workstreams required to implement delegated budget management. Interim reports are being enhanced to include financial information for budget managers to inform their decision making in relation to purchasing care. Training on these reports has been given (by Corporate Finance colleagues). [Revised Implementation date 31/12/16]
8	Integration - Health and Social Care HSC1501 ISS. 6 ## Medium	The cost of services and how they will be allocated between CEC and NHS Lothian after the EIJB takes over responsibility for services has not yet been agreed. Therefore, the budget contribution which has been designated for the EIJB by CEC cannot be assessed to understand whether it is aligned to the services for which CEC will be responsible, or whether the funding is in line with what the EIJB considers will be required to provide an appropriate level of service provision. Although the Integration Scheme states that both parties will "work together in the spirit of openness and transparency" in relation to finances, both are experiencing significant financial pressures, adding to the risk of insufficient funds being available for effective operation of the EIJB based on services assessed as being required.. *The EIJB needs to complete the Strategic Commissioning Plan and identify the budget they believe is required to fulfil their remit. The alignment of services with this plan should be clearly documented and a responsible party for each service agreed.*	Agree with recommendations. KPMG has been commissioned to support H&SC to prepare a transformational programme for adult social care services to address current budget pressures. A due diligence process will also be undertaken for the 2016/17 budget.	Integration Project Manager 31 March 2016	Scope of services agreed and final budget offers from NHSL and Council currently being negotiated. An exercise on due diligence is underway to confirm the appropriate value of budget transfer from both NHSL and CEC. [Revised Implementation date 31/12/16]
	Place				

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9	Contract Management - Roads SFC1505 ISS.2 High	The Transport Interim Quality Audit Team (now disbanded) identified works and materials failures resulting in major remedial works at additional cost to the Council. Officers were unable to demonstrate that site visits are carried out to confirm that the quality and extent of works completed are satisfactory. *An end of works quality assessment should be conducted by a qualified officer before final payments are made to contractors and ERS.*	Recommendation accepted – ongoing site visits to be adequately recorded and final quality inspection process to be developed, by the Locality Transport teams, for appropriate works.	North West Local Transport and Environment Manager 1 June 2016	Site visits to be adequately recorded and final inspection process to be developed - Locality Transport Team Leaders are not in post yet and Confirm development will be required to facilitate works inspection recording on the works mgt system. In the interim site diaries and emails relating to works can be attached to each specific job, all Locality transport & Environment Managers will be reminded tat adequate inspection records should maintained in the interim period. Action to be extended to 1 September 2016.
10	Contract Management - Roads SFC1505 ISS.2 High	The Transport Interim Quality Audit Team (now disbanded) identified works and materials failures resulting in major remedial works at additional cost to the Council. Officers were unable to demonstrate that site visits are carried out to confirm that the quality and extent of works completed are satisfactory. *An end of works quality assessment should be conducted by a qualified officer before final payments are made to contractors and ERS.*	Sample Inspections for Revenue works (commissioned by Locality Teams) are currently undertaken and will be recorded through Confirm. (Audits of above to be undertaken to ensure compliance)	North West Local Transport and Environment Manager 1 June 2016	Confirm system development will be required to facilitate live works inspection reporting, however, sample inspections for local revenue works can be attached to each specific job as necessary. New Locality Transport & Environment Managers to be notified of this requirement. Update on Confirm development will be provided on 1 Sept 2016.
11	Contract Management - Roads SFC1505 ISS.6 High	There is no consistent or robust process for managing the costs of works undertaken by ERS. Lack of a schedule of rates for works hampers accurate budgeting. ERS are not required to obtain approval for additional costs. Internal recharges do not require to be authorised by the commissioning manager. Costs are recorded on Axim, while the estimated works budget is recorded on the Confirm project management system with no link between the systems. Remedial works are charged to the commissioning roads teams on top of the original budget. They are not able to reclaim those costs from ERS. *Robust monitoring of contract expenditure including end of works review*	For Locality (Revenue) Work, estimated works costs are prepared and noted on Confirm (Works Management System) making use of compound rates. Ensure that future works estimates make use of agreed and future schedule of rates.	North West Local Transport and Environment Manager 1 June 2016	Revenue works schedule of rates to be agreed with ERS and Locality Commissioning teams. Issue discussed with ERS Manager on 7th July 2016 at the first LTEM/ERS meeting. ERS charging rates and schedule of rates (including compound rates) is still to be prepared and agreed. Additional works protocol was discussed with ERS Manager on 7/7/2016. Further meeting to be arranged, however, agreed that ERS and Commissioning teams will agree all additional works (where reasonably possible). Defined additional works process to be supported by Confirm development, however, until then accurate records can be attached to Confirm works orders. Update will be provided on 1 Sept 2016.

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12	Sustainable Energy Action Plan ED1501 ISS.2 Medium	The Council Team set up to oversee the SEAP and monitor and co-ordinate the projects and initiatives within it is staffed by 2.4 Officers. A communications plan is required to set out the actions for ongoing engagement and consultation with wider stakeholders. Future financial resources are difficult to predict as project costs cannot be quantified until projects are off the ground, and costs are also dependent on the levels of engagement with other partners. There is no budget to undertake feasibility studies unless external funding can be sourced. In a lot of cases, sourcing of external funds is dependant on this groundwork being done making it harder to get projects to commence. There is no formal mechanism in place to manage the risks associated with the SEAP project. ***The communications plan should be rolled out to inform all staff and stakeholders of good practice and how they can engage. Risk Management requires formalisation***	(i) The Communications Plan will be rolled out. (ii) A risk register will be developed as part of the reporting to Committee. Resourcing the SEAP is still an ongoing concern. As the Council Transformation Programme progresses, it will be crucial to ensure existing resources are in place (as far as possible) to ensure delivery of the SEAP.	Sustainable Development Manager 30 June 2016	Risk register has been completed and reported to MOWG. Resourcing issue raised in the risk register with senior managers but continues to be an issue.
13	Planning Controls & the Local Development Plan SFC1502 ISS.2 ## Medium	Numbered clauses are set up on the Uniform database for each planning agreement covering key tasks, such as site inspections, receipt of an agreement, forward of agreement to relevant functions etc. Within each clause, notes, key dates and value are entered, and supporting documents are attached to provide a detailed summary of all actions taken. Reports can be produced by planning application reference detailing all open and closed clauses for each agreement monitored. It was noted that clauses are not set up in a standard format. From a review of 11 developments, 7 files were satisfactorily completed but in the remaining 4, clauses were still active but future visits had not been scheduled or details of scheduled visits with past dates not recorded. We would have expected these four sites to have been detected during a supervisory review process, and addressed. For one education contribution reviewed, the amount payable had not been indexed to 2009 in error. The contribution was received in March 2015 but no action has yet been taken to rectify this. ***Standardising and rationalising clauses set up to record tasks and prompting future actions would provide better management information. There should be regular supervisory review to gain assurance that required standards are maintained. Procedures to be revised***	i. The monitoring system is robust but it is accepted that further standardisation could be achieved. This will be reviewed and where appropriate changes made. In particular standardisation of 'checking clauses' will be explored and introduced ii. Team managers can already review progress. this arrangement will be formalised and recorded so it can be evidenced iii. This will be taken forward as part of exercise outlined above	P&BS Senior Manager (East Area) 01 January 2016	(i) Met in part although further work required (ii) Complete (iii) This action has proved difficult to progress and to some extent has been contingent upon the LDP Action Programme being finalised. The completion and approval of a new working arrangements document is now anticipated for the end of March 2017.

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14	Contract Management - Roads SFC1505 ISS.4 Medium	All new revenue works are planned and commissioned using Confirm as of December 2015. However at the time of the audit, Confirm had not been fully embedded across ERS and the Neighbourhood Offices. As a result, no revenue works commissioned by five of the six Local Area Offices have been included in the ERS works programme for Quarter 4 in 2015/16 ***ERS and Neighbourhood staff should be trained in the use of the Confirm system, to enable ERS to carry out commissioned work. Take-up of Confirm should be monitored to identify areas where further training is required.***	ERS staff have been trained in the use of Confirm system, however further training/support will be delivered for Neighbourhood Staff commissioning work through Confirm.	North West Local Transport and Environment Manager 1 June 2016	New Locality team structure is not in place yet. It is expected that the majority of Locality Transport staff should be in post by Autumn 2016. Recommendation that a Confirm training roll out is carried out once teams are established. Update to be provided 1 Sept 2016.
15	Contract Management - Roads SFC1505 ISS.4 Medium	All new revenue works are planned and commissioned using Confirm as of December 2015. However at the time of the audit, Confirm had not been fully embedded across ERS and the Neighbourhood Offices. As a result, no revenue works commissioned by five of the six Local Area Offices have been included in the ERS works programme for Quarter 4 in 2015/16 ***ERS and Neighbourhood staff should be trained in the use of the Confirm system, to enable ERS to carry out commissioned work. Take-up of Confirm should be monitored to identify areas where further training is required.***	Management teams to reinforce the need to commission work through Confirm.	Head of Planning and Transport 1 June 2016	
16	Contract Management - Roads SFC1505 ISS.8 Medium	Officers were unable to provide documents during the audit for 7 of the 9 projects selected to demonstrate that key contract and legislative requirements had been met. The documents should have been retained to comply with the Council's Record Retention policy . It was unclear if they had ever existed and if so, whether they had been destroyed or archived in a manner which made them difficult to recover. Officers were able to provide some documents after the audit. We note that the samples tested predate the introduction of the new works management system, Confirm, which was introduced over the course of 2015, and which will be used to store records relating to ERS works orders going forward. ***The process for commissioning and managing road and footway maintenance undertaken by ERS should be mapped, with key documents such as a schedule of works, a health and safety risk assessment and final project sign off identified. Key documents must be retained in accordance with the Council 's records management policy.***	Recommendation accepted – A number of Contract records have been provided to the Auditor retrospectively as individuals involved in Audit were not responsible for commissioning. Note. 9 Schemes selected date from 2013 and 2014. Additional Contract Information Provided March 2016. Management of internally commissioned works to ERS is now administered on a formal Works Management System (Confirm). Records relating to asset management, works orders, estimates and completion now recorded on Confirm. Summer 2015	Local Environment Manager 1 June 2016	Audit action not complete: Works commissioned with ERS are now administered on a formal works management system (Confirm). Records relating to asset management, inspection, defect recording and works ordering are now electronically recorded. Works order documentation for inspections, variations and instructions etc should now be attached to appropriate jobs. Update to be provided 1 Sept 2016.
Resources					

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17	Flexible Working Hours Processes and Procedures CG1304 ISS.5 ## Medium	The scheme of Flexible Working Hours procedure is out of date having last been updated in 2000. This is of particular concern given the many changes to the number of flexible working options that are now available to Council employees many of whom work within the Scheme of Flexible Working Hours in addition to one of the other flexible working options. *The Scheme of Flexible Working hours procedure be updated and brought into line with other flexible working processes and procedures as a matter of urgency. This would allow for development of best practice and consistencies. All administrators should be trained on this to allow for consistent application.*	Review the Scheme of Flexible Working Hours Procedure and develop and deliver appropriate implementation arrangements for the revised Procedure.	Head of Human Resources 31 March 2016	As transformation of Council Services is now well underway across the organisation, a review of flexible working hours as part of our overall value proposition would deliver the best return on investment for the Council. The HR team will develop proposals around flexible working which takes account of both service demands and the needs of our people for flexible approaches to work which support their well-being and service delivery needs within an overall reward framework. This will be delivered following the Reward and Recognition project which is planned to complete in April 2017
18	MI Quality within FM CG1513 ISS. 2 ## Medium	Corporate Property are unable to produce robust reporting, due to numerous data quality issues, both within its own data and also within the wider Council data it uses. Inconsistencies in reporting are often caused by staff that do not fully comprehend the need for accuracy when capturing data. A good example is the multiple teams that input data into the finance system. These individuals do not understand the importance of using the appropriate cost code and have on occasion reported staff remuneration against a building code or recorded building costs against a team code. Other examples include rooms being recorded as buildings or a single toilet block being recorded as a two separate buildings. There is no evidence that these issues are being raised to the central Information Governance Unit and managed across the organisation. *Provide verification to and gain sign off by the Data Council for the correct and accurate source of data within the Corporate Property data reference document;* ☐ *Corporate Property data stewards to raise data quality concerns to the Data Council for centralised management and resolution; and* ☐ *Data Council to promote the need for accurate data entry/processing across all Directorates.*	1)The AMS proposes that the data cleansing and validation exercise is fully resourced and prioritised, as part of the delivery of the wider programme. 2)Additional resource to be procured to provide additional project management, training and consultancy support in the areas of data cleansing, validation, migration, system interface builds and performance reporting requirements etc. 3) Teams across the Corporate Property Division have been tasked with cleansing existing data, e.g. all estates data that is recorded in AIS. 4) Action Tracker now in place within the SAM team which is reviewed and monitored on a weekly basis. 5) Data Quality Manager to be recruited within Corporate Property for CAFM.	Head of Corporate Property 31 March 2016	Estates and Operational data currently being cleansed with a view to migration to TF test environment Apr - Jun 2016. Points 1 - 4 = complete 5. Data quality Manager to be recruited. Job Graded and to be approved by Board/. revised implementation date 30/6/16 Following a decision taken at the recent CAFM Board the CAFM Project has been re-baselined and data migration for core data is scheduled for October 2016.

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19	MI Quality within FM CG1513 ISS. 3 Medium	There was no evidence of procedure manuals or other documentation found which instructs Corporate Property staff on how to produce the current suite of Management Information reports. Consistent reporting procedures are not in place and reporting activity is carried out by staff that have not received training in the production of Management Information. Specifically there is no evidence of training on Cognos, the Councils' main Dashboard tool. There was no evidence to suggest that the centralisation of MI production has been considered, which would allow controls and efficiencies to be implemented, reducing the risk of duplication of effort and conflicting reporting, as well as also improving the efficiency of production. ***The lack of documented procedures increases the risk of 'key man' dependency on MI production and the risk of generating multiple MI reports which are contradictory; The devolved nature of MI production and lack of training on Cognos increases the risk of the Corporate Property generating multiple MI reports which are contradictory; and Increasing the efficiency in the current MI production process could increase the capacity for Officers to perform other roles.***	CP specific list of performance indicators to be reported out of TF Cloud post Phase 1. (complete) Identify and assess current key PI's and implement regular reporting on energy, water and waste PI's, identifying performance improvements and delivering against key actions. Formalise arrangements as to the production of such PI's. The creation of performance specific roles and responsibilities will form part of the AMS Review which is currently in progress. Investigate the potential for developing a dynamic interface with Oracle / Aggresso in order to capture all finance data in TF Cloud. TF currently have live interfaces with Aggresso with other clients and CEC are in discussions with TF to understand what they are and what they do so that this opportunity can be brought to the table with Finance / ERP project. A change request to CGI will need to be initiated with a review as to when this functionality can be delivered	Head of Corporate Property 30 June 2016	We have uploaded core data for approximately 95% of the council's buildings. However this still leaves a large amount of data outstanding. Following the re-baslining of the CAFM project it is difficult to set the suite of performance indicators at this time. There are now fortnightly CAFM Project Boards in place which will monitor this project.
20	Procurement Arrangements CW1501 ISS.1 ## Medium	The contract registers are currently held in excel with shared open access within C&PS. There are plans to set up the pipeline register as a web application. ***Action should be taken to secure the integrity of the pipeline and contract registers.***	(ii) The transfer of the pipeline to a Sharepoint database provides an audit trail reducing vulnerability to deliberate or accidental manipulation. In the short term we will introduce password protection for the contracts register or move the live version into a folder with restricted access, but in the medium term intend also to move the register to a database that provides an audit trail and provide wider access to staff to input their updates.	Commercial Insight & Development Manager 31 March 2016	(ii) Short-term - the pipeline register is now held on the Sharepoint database. The contract register is now password protected; only 4 members of the Commercial Operations Team now have access to update the master. Completed. Medium-term - the original intention was to move the contract register to Sharepoint, an Ernst & Young database, but it was considered too risky to hold so much CEC data with a contractor. The register will be held within Business World 4 (the system that is replacing Oracle and Trent) when this goes live in December 2016 with appropriate log in & password controls in place. Revised estimated completion date 31st December 2016.

No	Review and Risk Level	Initial Finding & *Recommendation*	Initially Agreed Management Action	Owner & Initially Expected Implementation Date	Last Status Update
21	CAFM - Corporate Property SFC1406 ISS.3 ## Medium	Although the Facilities Management (FM) Managers have been trained to use CAFM, update training is required before CAFM is implemented for all buildings managed by FM. This update training has been prepared, but does not include any specific written guidance on areas where there are likely risks of errors, or specifically what the FM manager is to look at when reviewing a works order. *FM managers training should include information on risky areas and common errors, as well as giving them guidance on what they should look for when approving a works order. Some form of checklist or lessons learned document should be used to advise them on likely errors.*	We will produce an agreed training plan for all Corporate Property staff and ensure that the correct resource is made available to roll out the training, including areas of risk, governance and reporting.	AMS PMO 30 May 2015	Initial training of FM staff has taken place as part of the user testing of the system prior to it going live. A full training programme will take place prior to the system going fully live, by 1 December 2016.
22	Shared Repairs and Maintenance SFC1507 ISS.1 Medium	A Schedule of Rates has been agreed with each contractor used by ESRS Emergency Service. This is in place to control and monitor the costs charged by the contractors on the framework. We reviewed contractor invoices relating to 15 cases. We were unable to confirm that charges on any of the invoices inspected were all as agreed on the Schedule of Rates. Difficulties and discrepancies identified were as follows: ESRS did not have access to the Schedule of Rates agreed with one contractor, as it is part of a separate Council Framework ; One contractor's Schedule of Rates was coded; however, their invoices consistently included non-coded services; One contractor charged rates for scaffolding between £150 and £690 . There was no explanation for the rate charged on the invoices ; and One Schedule of Rates indicated labour cost was at most £24 per hour; however, the contractor charged labour at £25 per hour. *Schedules of Rates should be readily available to property officers to enable them to review the accuracy of costs charged by contractors. Any discrepancies identified must be highlighted and challenged with the contractor. ESRS should explore the use of technologies which allow a Schedule of Rates to be programmed into a database. This database could then generate an accurately costed works order by selecting the appropriate service as per the inbuilt Schedule of Rates.*	Work is currently underway to incorporate SOR's within Uniform which is the services' preferred system as part of the redesign of the ICT services for ESRS. This will allow the officer to select the works and to automatically produce the correct rates for work carried out and will be the base for generating the purchase order. The emergency and finance procedures will be updated to match this process. Variances between the purchase order and the contractor's invoice will be challenged . Variances above an agreed threshold will require approval by the line manager.	Emergency Team Leader 30 June 2016	The work required in order to incorporate the SOR's into Uniform was identified as being a manual process which would take a significant amount of time to incorporate, given the reduction of staff and the demands of the service currently resources are limited to do this task. Therefore, the service wish to work with IDOX (the suppliers of Uniform) in order to find an automated solution to input the SOR's into Uniform. However, IDOX (the suppliers of Uniform) are currently engaging with all Scottish Local Authorities to ensure that all users of Uniform are upgraded to V10 by the 24th August due to a requirement for an electronic planning portal from the Scottish Government and therefore no resource is available until this is completed. Once the upgrades are completed by IDOX (including CEC's) we will engage with them to find a solution to implement the SORs. In the meantime, the officers have a hard copy of the SOR's with which to refer to and each invoice is checked against the SOR's once received before being approved.' New deadline date 30 September 2016.
	## = Issue Previously Reported				