

Transport and Environment Committee

10.00am, Thursday, 14 October 2021

Place Services Internal Audit – Actions Update

Executive/routine Wards Council Commitments	Routine All
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1. Recommendations

- 1.1 Transport and Environment Committee is asked to:
 - 1.1.1 Note the progress made on recommendations made on Internal Audit actions relating to the services within the remit of this Committee;
 - 1.1.2 Recognise the complexities and issues which have delayed progress and have led to revised implementation dates for some management actions; and
 - 1.1.3 Note that there are audit actions which have been agreed corporately, which services which sit within the remit of this Committee are working on.

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Report

Place Services Internal Audit – Actions Update

2. Executive Summary

- 2.1 This report sits alongside the referral report from the Governance, Risk and Best Value Committee on 21 September 2021 on Internal Audit: Overdue Findings and Key Performance Indicators. The report provides an update on progress on management actions arising from Internal Audits which specifically relate to services which fall within the remit of this Committee.
- 2.2 The Place Senior Management team are committed to ensuring appropriate action is taken to progress open internal audit actions to conclusion, with appropriate focus on closure of all high rated findings and all findings that are over one year overdue.

3. Background

- 3.1 On 21 September 2021, the Governance, Risk and Best Value Committee considered a report on overdue findings and key performance indicators presented by Internal Audit. The report was based on information prepared 11 August 2021.
- 3.2 The Governance, Risk and Best Value Committee approved a three-month extension to all open Internal Audit findings, recognising the ongoing impacts of COVID-19 and other priorities and challenges faced by the Council. This is not currently reflected in the information presented.
- 3.3 This report was referred to Transport and Environment Committee for information.
- 3.4 An update on overdue Internal Audit actions was included within the Business Bulletin for Transport and Environment Committee on [17 June 2021](#).

4. Main report

- 4.1 Appendix 1 provides an updated summary of the overdue Internal Audit actions which fall within the remit of the Transport and Environment Committee.
- 4.2 Since the report to Transport and Environment Committee in June 2021 seven overdue internal audit actions have been closed (one – Waste and Cleansing, three – Payments and Charges for Parking, one – Street Lighting and Traffic Signals, and two Roads Service Improvement Plan).

- 4.3 In addition, two further audit actions on PL1810 have been closed since the report for Governance, Risk and Best Value Committee was prepared.
- 4.4 There are currently eight Internal Audit management actions which are overdue on their original implementation date which relate to the remit of this Committee. These actions sit within audit areas:
- 4.4.1 Road Services Improvement Plan – PL1808 (seven); and
- 4.4.2 Street Lighting and Traffic Signals – PL1810 (one).
- 4.5 There are a small number of overdue management actions which relate to Internal Audits on Council processes which are being implemented across all Council Services. These include services within the remit of this Committee. All of the actions are in progress, have revised implementation dates or have been implemented:
- RES1809 – Supplier Management Framework and CIS Payments (two actions)
 - CE1902 – Policy Management Framework (one action – 56)
 - CW1702 - Resilience BC (all three actions (64, 68, 70) now have revised implementation dates to recognise that the Council will prepare new Business Impact Assessments once service resumption post COVID-19 is completed and a new Senior Management Structure for the Council has been implemented);
 - RES1910 - Risk Management (one action - one action (78) has been implemented and is awaiting feedback from Internal Audit; and
 - CW1914 – Unsupported Technology and End User Computing (one action – 128).
- 4.7 Since the report for Governance, Risk and Best Value Committee was prepared the Place Senior Management Team have reviewed all overdue internal audit actions and have agreed implementation plans for each action. In some cases, an extension to the implementation date will be required to ensure that all of the necessary actions are completed and in some cases the service may prepare to accept the balance of risk if the action can no longer be implemented or if further action requested by Internal Audit cannot be delivered.

5. Next Steps

- 5.1 Officers will continue to progress with implementation of management actions arising from Internal Audits and will aim to conclude these within the agreed timescales.

6. Financial impact

- 6.1 There are no financial impacts arising from this report.

7. Stakeholder/Community Impact

7.1 None.

8. Background reading/external references

8.1 None.

9. Appendices

9.1 Appendix 1 – Transport and Environment Committee Extract Summary of Internal Audit: Overdue Findings as at 11 August 2021

Appendix 1 – Transport and Environment Committee Extract Summary of Internal Audit: Overdue Findings and Key Performance Indicators as at 11 August 2021

Audit Reference: PL1808		Audit Title: Road Services Improvement Plan			Responsible Manager: Cliff Hutt		
Finding Reference	Issue Type (Finding Rating)	Agreed Management Action	Original Implementation Date	Revised Implementation Date	Current Status	Status Update	Reference in Appendix 1 of IA Report of 21 September 2021
1.1	High	The Roads Service Improvement Plan (the Plan) will be reviewed following completion of the organisational restructure and will consider the points noted in the recommendation. A review of the financial operating model will also be undertaken with the aim of embedding a new budget structure for the service. Once completed the Plan business case will be refreshed to reflect any significant changes.	30/04/2020	01/06/2021	Implemented	This action has been implemented and evidence submitted to Internal Audit for consideration.	84
1.3	High	The re-based plan will be managed in line with the Project Management Toolkit for Major Projects. The plan will be managed by the Roads service Performance Coordinator	20/12/2020	01/05/2021	In Progress	This action is currently being reviewed by the service.	85

		once appointed in the revised structure.					
1.4	High	A post implementation review of both the new organisational structure (31 March 2020) and completed Roads Service Improvement Plan (the Plan) actions (March 2021) will take place to assess the effectiveness of the new service and any requirements for change, and the impact of the changes delivered through the Plan	31/03/2021	01/08/2022	In Progress	The implementation date for this action was revised to recognise the delay in implementing the new service structure as a result of COVID-19. This review will now be completed by 01/08/2022.	86
2.1	High	One of the roles included in the new Roads structure is a Roads Service Performance Coordinator. The team member appointed to this role will be responsible for designing; implementing; and maintaining a performance and quality assurance framework that will incorporate the recommendations made to support ongoing monitoring and	31/07/2021	30/09/2021	In Progress	Following discussion between the service and Internal Audit, the implementation date for this has been revised. The evidence required to close has been agreed.	87

		<p>management of the Roads service.</p> <p>This will involve ensuring that all Roads teams develop team plans that include key performance measures; outline their respective roles and responsibilities for delivery; and are aligned with overall Council's commitments that are relevant to Roads.</p>					
2.2	High	<p>1. The existing Transport Design and Delivery quality framework will be revised to reflect the new Roads and Transport Infrastructure Service and rolled out across the service. As part of this review, the recommendations highlighted above will be considered and incorporated where appropriate. The Design, Structures and Flood Prevention Manager will be responsible for refreshing the quality</p>	30/06/2021	31/03/2021	In progress	<p>Evidence of implementation submitted to Internal Audit on 01/04/2021, 14/04/2021 and 16/04/2021.</p> <p>Internal audit have requested additional information in order to close this action.</p>	88

		<p>framework once appointed.</p> <p>2. A sampling regime will be designed and embedded for safety inspections to ensure that defects are being categorised properly. This process will be designed and implemented by the Team Leader for Safety Inspections to be appointed as part of the ongoing restructure.</p> <p>3. A sampling regime will be designed and embedded for road defect repairs to ensure that repairs are fit for purpose and effective.</p> <p>4. Key performance indicators for each team will be included in the target setting for each 4th tier manager and their direct reports to ensure focus on these measures.</p> <p>Emerging themes from Team Plans and quality</p>					
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		<p>assurance reviews will also be shared with Roads teams, and individual and team training needs will be considered based on the themes identified.</p> <p>This process will be designed and implemented by the Service Performance Coordinator to be appointed as part of the ongoing restructure.</p>					
3.2b	Low	Design and implement a training framework for all relevant Inspectors in line with the newly adopted 'Road Safety Inspection and Defect Categorisation Procedure'	31/01/2020	01/01/2021	In Progress	This action was previously implemented, however, following discussion with Internal Audit, the action has been revised.	89
3.3	Low	On appointment, the new Service Performance Coordinator and Team Leader – Safety Inspections will work with Pitney Bowes (the supplier of the Confirm system) to develop a new process to plan and	31/03/2020	30/06/2021	In Progress	<p>Following discussion between the service and Internal Audit, the implementation date for this has been revised.</p> <p>The evidence required to close has been agreed.</p>	90

		monitor safety inspection performance					
4.1	Low	A new process will be developed within the Confirm system which requires reconciliation between accident claim enquiries and those logged on the Local Authority Claims Handling System (LACHS) system.	28/05/2020	31/12/2020	In Progress	This action was implemented and evidence provided to Internal Audit on 10/02/2021. Additional information has been requested by Internal Audit.	91

Audit Reference: PL1810		Audit Title: Street Lighting and Traffic Signals			Responsible Manager: Cliff Hutt/Gavin Brown		
Finding Reference	Issue Type (Finding Rating)	Agreed Management Action	Original Implementation Date	Revised Implementation Date	Current Status	Status Update	Reference in Appendix 1 of IA Report of 21 September 2021
Issue 2, Rec 1	Medium	<p>Street Lighting Clear processes will be designed, recorded (in the Street Lighting Operational guide), and implemented to ensure that following completion of wards in the EESLP:</p> <ul style="list-style-type: none"> • progress with electrical testing is monitored and actioned; and • checks are performed over the completeness and accuracy of all inventory data held on Confirm (e.g. routine sample testing across the wards) 	20/12/2019	31/03/2022	In Progress	<p>This action was revised at 30/03/2021.</p> <p>Following the completion of further wards in the EESLP, Internal Audit will perform sample testing to ensure the data held on Confirm is accurate and complete, and that electrical testing outcomes are being recorded. IA will also confirm that the inventory checks have been designed and implemented. It is expected that the EESLP will complete in late 2021, and therefore an implementation date of 31/03/2022 has</p>	117

						been agreed with Internal Audit.	
Issue 3, Rec 1	Low	Street Lighting and Traffic Signals Operational Guides will be developed, implemented, and reviewed to ensure that processes align with current regulatory requirements.	30/09/2019	30/06/2021	Now Closed (20/09/2021)	Operational Guide for Street Lighting was submitted on 07/12/2020. The Traffic Signals Operational Guide will be completed by 31/06/2021.	118
Issue 4, Rec 3	Low	<i>Traffic Signals</i> Processes for the completion and retention of the checklist to be included in appropriate Operational Guide	31/03/2020	31/06/2021	Now closed (25/08/2021)	This has been include in the operational guide and will be submitted when the guide is complete.	119