

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Audit, Risk and Scrutiny Committee
<b>DATE</b>	9 December 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Internal Audit Reports – Follow-up of Agreed Recommendations
<b>REPORT NUMBER</b>	IA/20/012
<b>DIRECTOR</b>	N/A
<b>REPORT AUTHOR</b>	Colin Harvey
<b>TERMS OF REFERENCE</b>	2.3

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### **1. PURPOSE OF REPORT**

- 1.1 This report advises the Committee of progress made by Services with implementing recommendations that have been agreed in Internal Audit reports.

### **2. RECOMMENDATIONS**

- 2.1 The Committee is requested to review, discuss and comment on the issues raised within this report and the attached appendices.

### **3. BACKGROUND / MAIN ISSUES**

- 3.1 The Public Sector Internal Audit Standards require that Internal Audit monitors the implementation of agreed recommendations until they are implemented by management. The Corporate Management Team and the Audit, Risk and Scrutiny Committee receive a report from Internal Audit at each of its meeting which shows progress made.
- 3.2 However, circumstances may change following completion of an Internal Audit. Having investigated implementation more fully, a recommendation may, for example, take longer to implement, or the cost of implementation may be higher, than originally anticipated. In these circumstances either more time may be required, or management may conclude, based on the risk to the organisation, that the recommendation should no longer be implemented. Where this is the case, management will make recommendations regarding how the agreed recommendation should be treated.
- 3.3 The attached appendices show progress made by Services with completing agreed Internal Audit recommendations, based on assurances received from officers tasked with their implementation and independent checks

where appropriate. Where all recommendations contained in individual reports issued before 1 April 2020 have been completed, these are no longer shown in the appendices.

3.4 Where recommendations have not been completed by their original due date, reasons are provided along with recommendations from management (where appropriate) regarding how and when the agreed Internal Audit recommendation will be concluded or whether it should no longer be implemented.

3.5 Management has noted that implementation of several recommendations has been delayed due to the impact of the Covid-19 pandemic. This is to be anticipated. It is appropriate for the organisation to reallocate resource to address risks posed by the pandemic where those risks outweigh the risks of not completing some outstanding recommendations.

#### 4. FINANCIAL IMPLICATIONS

4.1 There are no direct financial implications arising from the recommendations of this report.

#### 5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendations of this report.

#### 6. MANAGEMENT OF RISK

6.1 The Internal Audit process considers risks involved in the areas subject to review. Any risk implications identified through the Internal Audit process are detailed in the resultant Internal Audit reports. Recommendations are made to address the identified risks and Internal Audit follows up progress with implementing those that are agreed with management. Those not implemented by their agreed due date are detailed in the attached appendices.

#### 7. OUTCOMES

7.1 There are no direct impacts, as a result of this report, in relation to the Council Delivery Plan, or the Local Outcome Improvement Plan Themes of Prosperous Economy, People or Place.

7.2 However, Internal Audit plays a key role in providing assurance over, and helping to improve, the Council's framework of governance, risk management and control. These arrangements, put in place by the Council, help ensure that the Council achieves its strategic objectives in a well-managed and controlled environment.

#### 8. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	An assessment is not required because the reason for this report is for Committee to review, discuss and comment on the outcome of an internal audit. As a result,

	there will be no differential impact, as a result of the proposals in this report, on people with protected characteristics.
<b>Data Protection Impact Assessment</b>	Not required

**9. APPENDICES**

- 9.1 Appendix A – Position with Agreed Recommendations – Summary.
- 9.2 Appendix B – Position with Agreed Recommendations – Cross Service.
- 9.3 Appendix C – Position with Agreed Recommendations – Customer.
- 9.4 Appendix D – Position with Agreed Recommendations – Operations.
- 9.5 Appendix E – Position with Agreed Recommendations – Resources.
- 9.6 Appendix F – Position with Agreed Recommendations – Health and Social Care Partnership.
- 9.7 Appendix G – Position with Agreed Recommendations – Governance.

**10. REPORT AUTHOR DETAILS**

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# APPENDIX A – SUMMARY

## POSITION WITH AGREED RECOMMENDATIONS AS AT 26 NOVEMBER 2020

The following table provides a summary of progress being made by Services with completing agreed recommendations.

On 8 October 2020, the Committee was advised that, as at 27 September, there were 41 recommendations which were due to have been completed by 31 July 2020 which were not fully complete. This has now reduced to 34.

The total not fully complete, which had an original due date of before 31 October 2020, is shown in the following table. Full details relating to progress, on a report by report basis, are shown in appendices B to G.

FUNCTION	Agreed in reports shown in Appendices B to G	Due for completion by 31.07.20	Confirmed complete by Service	New in August to October 2020	Confirmed complete by Service	<b>Not fully complete by original due date</b>	Major	Significant	Important
<b>Cross Service</b>	14	2	2	3	3	<b>0</b>	0	0	0
<b>Customer</b>	66	64	61	1	0	<b>4</b>	0	2	2
<b>Operations</b>	108	90	74	3	2	<b>17</b>	1	13	3
<b>Resources</b>	45	24	12	14	8	<b>18</b>	0	13	5
<b>Health &amp; Social Care</b>	17	11	9	0	0	<b>2</b>	0	1	1
<b>Governance</b>	12	6	5	1	1	<b>1</b>	0	0	1
<b>Total</b>	262	197	163	22	14	<b>42</b>	1	29	12

# KEY TO COLOURING USED IN FOLLOWING APPENDICES

## Recommendation Grading:

Grading	Definition
Major	The absence of, or failure to comply with, an appropriate internal control which could result in, for example, a material financial loss, or loss of reputation. Financial Regulations have been consistently breached.
Significant	Addressing this issue will enhance internal controls. An element of control is missing or only partial in nature. The existence of the weakness identified has an impact on a system's adequacy and effectiveness. Financial Regulations have been breached.
Important	Although the element of internal control is satisfactory, a control weakness was identified, the existence of the weakness, taken independently or with other findings does not impair the overall system of internal control.

## Length of time overdue

Over 12 months
6 to 12 months
Less than 6 months

# **APPENDIX B**

# **CROSS SERVICE**

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	<b>Not implemented by original due date</b>	
<b>AC2002</b>	<b>Shutdown of Non-Essential Spend</b>	February 2020	2	2	2	<b>0</b>	N/A
<b>AC2019</b>	<b>Procurement Compliance</b>	September 2020	12	3	3	<b>0</b>	N/A

# **APPENDIX C**

## **CUSTOMER**



Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	
<b>AC1909</b>	<b>Timesheets and Allowances</b>	August 2018	7	7	7	<b>0</b>	

<b>AC1917</b>	<b>NPS Housing System</b>	February 2019	14	14	14	<b>0</b>	
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Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<b>AC2010</b>	<b>Housing Repairs - Voids</b>	November 2019	14	14	13	<b>1</b>	<b>1 Important</b>
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The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Early Intervention and Community empowerment	The Service should ensure that policies are reviewed as scheduled (including Recharge Policy) and that this is recorded through version control (2.1.2)	<b>Important</b> <b>March 2020</b>	A short life working group has been revising the existing letting standard procedure. The Service is consulting tenants in week commencing 30 November 2020 prior to reporting to the Risk Board.  The Recharge Policy has been revised following review and will be submitted to the next Risk Board for approval.  It is anticipated this will be concluded by January 2021.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

AC2012	Customer Access Points and Service Centre	January 2020	13	12	10	2	1 Significant
							1 Important

The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Finance	Governance should ensure that each Cluster assesses the potential for their service delivery being used as a potential money laundering vehicle (2.8.2)	Significant	The fraud response role has moved from Governance to Finance. An overall risk review of the potential for fraud risk in clusters has been commenced based on CIPFA guidance. It is considered that an assessment related to potential money laundering risk is led by the fraud response team to provide advice to clusters in completing that assessment – and is connected to the finance business advice provided by accounting. It is proposed to prepare a risk assessment format by October and that the action completion date is moved to January 2021.
		June 2020	
Finance	The Chief Officer – Finance in consultation with the Chief Officer – Corporate Landlord will review the inventory arrangements outlined within the Financial Regulations and design a new process for the management of inventories (2.9.2 b)	Important	The inventory arrangements were updated in the Financial Regulations updated in March 2020 that set the principles for the new process. Due to other priorities in the Finance Cluster as a result of Covid, this process has been delayed. In addition, managing inventory during the pandemic with significant changes for staff in their operational places of work has required reconsideration of the process. It is proposed that the action completion date is moved to March 2021.
		June 2020	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<b>AC2023</b>	<b>Timesheets and Allowances</b>	January 2020	18	18	17	1	1 Significant
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The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
People & Organisation	People and Organisation should formalise arrangements regarding Working Time compliance in a collective agreement covering the affected employee groups. (2.10.3)	Significant	Implementation of this action has been delayed due to competing work priorities and the Covid-19 pandemic. Work on this task will recommence in the near future, for completion by March 2021, with there being a need to obtain sign off from all the trades unions, once the wording of the document has been reviewed and finalised.  The latest update from the Service (November 2020) is that the draft document is being checked with the relevant Chief Officers and will then be shared with the Trade Unions for agreement and sign off.
		September 2020	

**APPENDIX D**

**OPERATIONS**

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<b>AC1602 AW</b>	<b>Craft Workers Terms and Conditions</b>	October 2015	9	9	8	1	1 Major
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The position with the overdue recommendation is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Operations and Protective Services	The Service should renegotiate the Agreement based on current working practice (2.2.6)	Major June 2016	See below:

- Committee advised on 27 September 2016 that this would be complete by December 2016.
- Committee advised on 23 February 2017 that this would be complete as soon as possible in 2017.
- Committee advised on 22 June 2017 that this would be complete in the near future.
- Committee advised on 26 September 2017 that this would be complete by June 2018.
- Committee advised on 25 September 2018 that this is to be subject to review and will be included in the work-plan for delivery of the transformation programme.
- Committee advised on 4 December 2018 that this would be resolved by April 2019
- Committee advised on 30 April 2019 that this would be resolved by August 2019.
- Committee advised on 26 June 2019 that consultation on the proposed agreement, with Unions and employees, will commence in June 2019. Subject to the success of these negotiations it is intended that a report will be submitted to the 1 October 2019 meeting of the Staff Governance Committee for approval. The Service has stated that progress with this action has been delayed on several occasions due to circumstances out with its control, and it is anticipated that the current actions will resolve the outstanding action.

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Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	<b>Not implemented by original due date</b>	

*(AC1602AW – Craft Workers Terms and Conditions – Continued)*

In December 2019, the Committee was advised that the latest update from the Service is that a report has been submitted to the meeting to be held on the 1 October 2019 of the Staff Governance Committee. This report details the progress to resolve the audit recommendation. During the summer of 2019 there have been several informal meetings between management and unions to resolve the outstanding audit recommendation. This is to ensure that the Service can deliver 24/7 whilst being fully compliant with the “Working Time Directive”. The Service has been working to the following timeline:

- i. Week Commencing 30 September 2019 - Meetings (6) with affected staff groups.
- ii. Monday 7 October 2019 - Paper sent to unions for formal consultation.
- iii. Friday 18 October 2019 - End of formal consultation period.
- iv. Week commencing 21 October 2019 - Outcome of consultation and implementation details shared with affected staff.

The meetings with staff have taken place and the management proposal has been put forward to staff. Staff have been invited to come forward with their proposals in conjunction with their Trade Unions. At the Staff Governance Committee on the 1 October the Committee resolved that “there would be a degree of flexibility in terms of the timescales for the formal consultation period”. Meetings with the TU’s are ongoing, and it is anticipated that the formal consultation period can be commenced following Trade Union meeting on 30 October 2019.

Update 25 November 2019 – Meetings between management and TU’s are ongoing. Staff were invited to come forward with an alternative proposal to that put forward by management. Although staff and TU had been working together on an alternative proposal, the TU requested additional time so that they could consult with their own legal team on the working time directive. A meeting is now scheduled for 27 November 2019 for the TU to present their legal advice. There are currently now two options on the table, one from management and one from staff, both working time directive compliant. It is hoped that, following on from meetings scheduled in the week commencing 25 November 2019, the Service shall meet with the affected staff group, agree on a preferred option, then enter into formal consultation in the week commencing 9 December 2019.

Update 16 December 2019 – Meaningful discussions with staff and TU’s is ongoing, the two options were presented to staff and it was agreed that the preferred option would be to go forward with the option proposed by staff. There will be further discussions with staff and TU’s to agree any changes to the proposal and these meetings will be arranged for January. It is anticipated that the formal consultation period will commence at the beginning of February 2020.

Update 8 October 2020 – Due to the covid restrictions the consultation period, to reflect new working practices, was extended. The service has recommenced discussions with the affected trade unions on the proposed new working practices and are seeking to agree an implementation date for these.

Update 26 November 2020- Consultation has taken place and a suitable option is currently being discussed with the TU's with an anticipated implementation date of January 2021.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	<b>Not implemented by original due date</b>	

<b>AC1817</b>	<b>Vehicle Usage</b>	January 2018	8	8	6	<b>2</b>	<b>2 Significant</b>
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The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Operations and Protective Services	Fleet should ensure that all Services have access to regular reports on vehicle use, know how to check these and what issues to consider (2.2.7)	Significant	<ul style="list-style-type: none"> <li>Committee advised on 26 June 2019 that these recommendations would be complete by October 2019.</li> <li>Committee advised on 4 December 2019 that these recommendations would be complete by December 2019.</li> <li>Committee advised on 12 February 2020 that this would be complete by March 2020.</li> <li>Committee advised in October 2020 that this would be complete by December 2020.</li> </ul>
		April 2019	
Operations and Protective Services	Fleet utilisation should be reviewed corporately to maximise efficiency (2.2.14)	Significant	
		April 2019	

The Service has advised that the installation of telematics on the remaining Council fleet vehicles commenced in August 2020. By the end of November 2020 there will be 296 vehicles fitted with units which equates to 66% of the Fleet, 3 services are currently operating the system, Fleet, PTU

			and Grounds, it is anticipated full completion by the end of February 2021. This will then allow for improved reporting on vehicle usage and monitoring of fleet utilisation.
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Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	
<b>AC1903</b>	<b>Devolved School Management</b>	November 2018	7	7	6	1	1 Significant

The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Corporate Landlord	The DSM Budget Allocation Formulae and Operational procedure and Quality Assurance Framework – Financial Management schools procedure should be updated to reflect current devolved budget arrangements (2.1.8)	Significant March 2019	<ul style="list-style-type: none"> <li>The Committee was advised on 26 June 2019 that Internal Audit was awaiting an update from the Service.</li> <li>Committee was advised on 4 December 2019 that this would be complete by May 2020.</li> <li>The Committee was advised on 8 October 2020 that this would be completed by October 2020.</li> </ul> <p>Due to operational and resource pressures the process has been transferred to Finance, and is now anticipated to be concluded in December 2020.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	
<b>AC1925</b>	<b>Music Service</b>	May 2019	22	20	19	<b>1</b>	<b>1 Significant</b>

The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Integrated Children's and Family Services	Music tuition concessions should be approved by Council with proposed charges (2.4.3)	Significant	This was not reported to Committee when other charges for 2020/21 were approved.  Education has confirmed approval will be sought from full Council for the Music tuition concessions and charges as part of the 2021/22 annual budget setting process by March 2021.
		March 2020	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<b>AC2007</b>	<b>Stock Control</b>	November 2019	16	16	8	<b>8</b>	<b>6 Significant</b>
							<b>2 Important</b>

The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Operations and Protective Services	The Service (Roads) should ensure that written procedures are reviewed on a regular basis (2.1.2)	<b>Important</b>	Roads Services advised that as part of the service re-design and approval of the subsequent business case, the Roads stores will be managed by Building Services. As such, all processes and procedures will align with theirs and be adopted upon operational handover expected in November 2020. Any updates to these processes and procedures will be provided by Building Services and will be adopted as part of the Handover process in November 2020. Building Services are on target to meet this date, and in the meantime Roads are sharing the Building Services processes, prior to full handover.
		<b>April 2020</b>	
Operations and Protective Services	The Service (Roads) should ensure the location of stocks is clearly recorded on the system (2.2.5)	<b>Significant</b>	Roads Services advised that they have reviewed stock locations and decided to move all stock to a central location at Tullos Roads depot. This will remove the need for any variation of stock location and the system has been updated to reflect this. November 2020 is the target for the full adoption of Roads stores and implementation by Building Services. This will then become an ongoing iterative process as any changes in store layout would require updates and recoding.
		<b>April 2020</b>	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<i>(AC2007 – Stock Control – Continued)</i>			
Chief Officer	Recommendation	Grading / Due Date	Position
Operations and Protective Services	The Service (Roads) should schedule and record the results of regular interim stock checks at all locations (2.3.5)	Significant	The Roads Service advised that they carried a vacant Storeman post for several months during the service re-design process, which approved a subsequent business case for the Roads stores to be managed by Building Services. As such, Building Services will supply the Storeman resource and all processes and procedures will align with theirs, with adoption and operational handover expected in November 2020.
		April 2020	
Operations and Protective Services	The Service (Building & Roads) should ensure that the results of interim checks are reviewed by appropriate Senior Officers on a regular basis (2.3.8 b)	Significant	Roads Services advised that the Second Officer within Roads will be either a Technical Officer or Engineering Assistant that reports to the Engineer (Operations). The Second officer will carry out checks and complete documentation to ensure this is appropriately evidenced to Senior Officers on a monthly basis. This has been temporarily suspended due to COVID, but will restart in November 2020 with the adoption of Stores by Building Services.
		April 2020	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

*(AC2007 – Stock Control – Continued)*

Chief Officer	Recommendation	Grading / Due Date	Position
Operations and Protective Services	Services should develop clear methodologies for identifying slow / non-moving stock, run regular reports to identify such stock and attempt to either realise value from or dispose of such stock, subject to appropriate evidenced approval (2.4.9)	Significant	The service is working on creating a bespoke report to provide detail that is meaningful as there would be shortcomings in the existing system report. This will be complete by April 2021 for the new financial year.
		February 2020	
Operations and Protective Services	The Service (Building) should consider how best to address the identified anomalies within van stocks (2.4.14)	Significant	A process has been developed to create randomly generated stock check requests for individual items, and is in development. The hand held device will highlight anomalies in real time. This will be complete by April 2021 for the new financial year.
		June 2020	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	<b>Not implemented by original due date</b>	

*(AC2007 – Stock Control – Continued)*

Chief Officer	Recommendation	Grading / Due Date	Position
Operations and Protective Services	The Service (Roads) should investigate the reasons for the significant differences in stock counted and that which was recorded in the system and put in place procedures to prevent recurrence (2.4.15)	Significant	Roads Service advised that they carried a vacant Storeman post for several months during the service re-design process, which approved a subsequent business case for the Roads stores to be managed by Building Services. As such, Building Services will supply the Storeman resource and all processes and procedures will align with theirs, with adoption and operational handover expected in November 2020.
		June 2020	
Operations and Protective Services	The Service (Roads) should ensure its estimations for year-end stock movements are subject to evidenced review (2.4.16)	Important	The service will review average item usage during February and use this to estimate the expected item usage over the number of days between stocktake and the end of financial year. This will transfer to Building Services in November 2020, and a process will be in place for the 2020/21 year end (by April 2021).
		February 2020	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<b>AC2013</b>	<b>School Catering Income and Expenditure</b>	January 2020	24	22	20	<b>2</b>	<b>1 Significant</b> <b>1 Important</b>
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The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Finance	The Service should work with Finance to establish a process for identifying and recovering debts arising from non-payment of school meals by reviewing the level of outstanding debt and accounting treatment of outstanding debt (2.3.4a & 2.3.4c)	<b>Significant</b> <b>April 2020</b>	<p>The Service has advised that Finance and Customer Experience staff have reviewed the level of outstanding debt and extracted the outstanding debt by pupil on a per school basis. This was factored into the 2019-20 year-end financial accounts.</p> <p>The guidance from Committee regarding pursuing debt during the Covid outbreak and the unprecedented operating conditions within schools have delayed the completion of this exercise.</p> <p>An in-principle process has been developed whereby the data needs to be reviewed by schools to ensure it is robust and wider communication plans need to be put in place before any individual parents/guardians are contacted and income recovery is initiated. As the process is developed in more detail, further consultation with Education is required to finalise operational practicalities. The Service has proposed an extension to December 2020 for the process to be established.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	<b>Not implemented by original due date</b>	

*(AC2013 – School Catering Income and Expenditure – Continued)*

Chief Officer	Recommendation	Grading / Due Date	Position
Operations and Protective Services	Inventories should be completed and maintained in line with Financial Regulations (2.7.5)	Important	<p>The Service has advised that work will commence on the compilation of inventories for all equipment over the value of £1000 at each site operated by Catering Services.</p> <p>The original timescale was unable to be met as the service was largely stood down during the COVID-19 response, reinstatement has also been very challenging where we have had to make adaptations working with our colleagues in Education to provide the service.</p> <p>Financial Regulations have been updated and the process of completing inventories is being revised as referred to in AC2012 – recommendation 2.9.2b above. It is proposed that the completion date for this recommendation is revised to March 2021 in line with that recommendation. A communication has been issued to relevant staff to update inventories for school catering equipment.</p>
		July 2020	



Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<b>AC2021</b>	<b>SEEMiS</b>	February 2020	10	10	8	<b>2</b>	<b>2 Significant</b>
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The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Education	A Data Processing Agreement should be established with the supplier. (OnTheButton) (2.4.6 b)	Significant	The Service has noted that the DPIA for OnTheButton is almost complete and the possible work on a DPA with the supplier is pending on the outcome of the DPIA. This will be completed by December 2020.
		April 2020	
Education	Required Data Sharing Agreements will be developed where not in place. (2.4.10b)	Significant	The Service has noted that this is progressing but as it involves a number of partners with whom there are ongoing discussions regarding data sharing arrangements this has been delayed and will now be completed by March 2021.
		September 2020	

<b>AC2028</b>	<b>Fostering, Adoption &amp; Kinship</b>	July 2020	12	1	1	<b>0</b>	<b>0</b>
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**APPENDIX E**  
**RESOURCES**

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	
<b>AC2001</b>	<b>Income Generation</b>	December 2019	6	6	6	0	
<b>AC2002</b>	<b>Shutdown of Non-Essential Spend</b>	February 2020	2	2	2	0	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<b>AC2008</b>	<b>Ring-Fenced Funding</b>	March 2020	9	9	2	7	4 Significant 3 Important
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The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Finance	A brief procedural document should be developed for grant administration to ensure appropriate personnel follow approved practice. (2.1.6)	Important	Due to workload and priorities this has not yet been concluded. A draft of the procedure has been developed and is under consultation with relevant Services. It is planned that this will be in place by February 2021.
		September 2020	
Finance	All grant documentation should be shared with appropriate officers in order that it can be completed and submitted to the Scottish Government timeously. (2.1.9)	Significant	Due to workload and priorities this has not yet been concluded. A draft of the procedure has been developed and is under consultation with relevant Services. It is planned that this will be in place by February 2021.
		September 2020	

Finance	A register of specific grants should be developed and monitored regularly to enhance assurance over specific grant income. (2.1.11)	Important	Due to workload and priorities this has not yet been concluded. A draft of the procedure has been developed and is under consultation with relevant Services. It is planned that this will be in place by February 2021.
		September 2020	
Finance	Procedures and practice should be reviewed to improve the efficiency of the project identification, approval, planning and delivery process. (2.2.9)	Significant	Due to workload and priorities this has not yet been concluded. A draft of the procedure has been developed and is under consultation with relevant Services. It is planned that this will be in place by February 2021.
		September 2020	
Finance	The level of grant funding available should be consistently recorded. (2.3.3)	Important	Due to workload and priorities this has not yet been concluded. A draft of the procedure has been developed and is under consultation with relevant Services. It is planned that this will be in place by February 2021.
		September 2020	
Finance	Estimates and adjustments should be reviewed to ensure they are compliant with grant terms and conditions. (2.3.8b)	Significant	Due to workload and priorities this has not yet been concluded. A draft of the procedure has been developed and is under consultation with relevant Services. It is planned that this will be in place by February 2021.
		September 2020	
Finance	The Service should ensure revenue and capital expenditure is appropriately recorded against relevant grants. (2.3.10)	Significant	Due to workload and priorities this has not yet been concluded. A draft of the procedure has been developed and is under consultation with relevant Services. It is planned that this will be in place by February 2021.
		September 2020	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<b>AC2009</b>	<b>Travel Policy</b>	January 2020	14	10	0	<b>10</b>	<b>9 Significant</b>
							<b>1 Important</b>

The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Finance	Officers approving foreign travel requests should ensure that the travel has been approved in advance by Committee (2.2.4 a)	Significant March 2020	Approving officers will be reminded of the requirement as part of revisions to the travel policy. A draft has been prepared and will be rolled out by December 2020.
Finance	The Business Services Team should ensure that there is adequate evidence that foreign travel has been approved in advance by Committee before booking travel (2.2.4 b)	Significant March 2020	A revised checklist process has been developed by the transactions team to ensure appropriate Committee approval has been sought.  This will be implemented by December 2020.
Finance	The Business Services Team should ensure that accommodation costing in excess of 110% of the HMRC guideline rate is approved by the Chief Officer – Finance prior to being booked (2.2.6)	Significant June 2020	A revised checklist process has been developed by the transactions team to ensure appropriate authorisation for cost exceptions has been sought.  This will be implemented by December 2020.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	<b>Not implemented by original due date</b>	

*(AC2009 – Travel Policy – Continued)*

Chief Officer	Recommendation	Grading / Due Date	Position
Finance	Post-trip cost / benefit reports should be presented to the Committee that approved the travel (2.2.7)	Significant	A post trip cost/benefit format and process has been prepared by the transactions team.
		June 2020	Due to the impact of the Covid pandemic on Committee Governance and travel activity, these reports have not yet been presented to Committee.  This will be implemented by December 2020.
Finance	The Travel Policy will be amended to clarify a more appropriate requirement to justify travel (2.3.2)	Important	The travel policy will be amended to clarify a more appropriate requirement to justify travel. That definition is as follows:
		June 2020	For UK and foreign travel to meet business objectives, a full description of the purpose of travel and outcome should be made before the travel is booked. This should provide the main description of the activity and the related business purpose. The main description may involve specified visits, or attending events, meetings, hearings, conferences, courses and seminars.  A draft has been prepared and will be rolled out by December 2020.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	<b>Not implemented by original due date</b>	

*(AC2009 – Travel Policy – Continued)*

Chief Officer	Recommendation	Grading / Due Date	Position
Finance	Services should be reminded to ensure that travel applications are forwarded to the Business Services Team as soon as possible to ensure that cost effective travel arrangements can be made (2.4.1)	Significant March 2020	Staff have been reminded of making timely arrangements. A revised checklist process has been developed by the transactions team to ensure appropriate timeliness is checked.  This will be implemented by December 2020.
Finance	Travel applications should provide an explanation regarding why a car is more appropriate for the required journey than public transport (2.6.3 a)	Significant March 2020	Staff have been reminded of using the most cost-efficient transport method. A revised checklist process has been developed by the transactions team to ensure appropriate explanations are provided for exceptions. The revised draft travel policy makes recommendations in respect of minimising the climate impact of travel.  This will be implemented by December 2020.



Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

*(AC2009 – Travel Policy – Continued)*

Chief Officer	Recommendation	Grading / Due Date	Position
Finance	The Business Services Team should ensure that there is appropriate justification prior to processing the application (2.6.3 b)	Significant	A revised checklist process has been developed by the transactions team to ensure appropriate justifications are provided.  This will be implemented by December 2020.
		March 2020	
Finance	Where accommodation is booked in Aberdeen for an employee of the Council the exceptional circumstances justifying the booking in terms of the Policy should be recorded (2.7.4)	Significant	A revised checklist process has been developed by the transactions team to ensure appropriate justifications are provided.  This will be implemented by December 2020.
		March 2020	
Finance	Appropriate arrangements should be put in place to provide assurance that travel applications are being approved as required by the Travel Policies (2.8.3)	Significant	A revised checklist process has been developed by the transactions team to ensure appropriate approvals are provided.  This will be implemented by December 2020.
		January 2020	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	
AC2016	Financial Ledger System	February 2020	4	4	4	0	

AC2024	Gas Servicing Contract	September 2020	10	7	6	1	1 Important
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The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Corporate Landlord	The Service should ensure that the Gas Safety Policy is fully reviewed and updated.(2.2.1)	Important October 2020	The Service is working with the Health and Safety Team, however they have been busy with Covid issues so there will be a delay in completing this action, to February 2021.

# **APPENDIX F**

# **HEALTH AND SOCIAL CARE** **PARTNERSHIP**

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	
<b>AC1920</b>	<b>National Care Home Contract</b>	January 2019	8	8	6	2	1 Significant 1 Important
The position with the overdue recommendations is as follows:							
Chief Officer	Recommendation	Grading / Due Date	Position				
Head of Commercial and Procurement Shared Service	The Service should ensure that monitoring of contracts is undertaken in line with the contractual obligations of the National Care Home Contract and the Service's own guidelines (2.2.2)	Important July 2020	The Service has advised that this recommendation will be implemented by the end of March 2021 so as to tie it in with recommendations agreed in the Internal Audit report relating to Social Care Commissioned Services – Contract Monitoring.				
Head of Commercial and Procurement Shared Service	The Service should ensure that the financial risk register is implemented and updated regularly, and training, support and advice is available to aid interpretation of the results (2.2.10)	Significant July 2020	The Service has advised that this recommendation will be implemented by the end of March 2021 so as to tie it in with recommendations agreed in the Internal Audit report relating to Social Care Commissioned Services – Contract Monitoring.				
<b>AC2027</b>	<b>Commissioned Services Contract Monitoring</b>	June 2020	9	3	3	0	

**APPENDIX G**  
**GOVERNANCE**

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<b>AC2004</b>	<b>Risk Management</b>	August 2019	6	6	5	1	1 Important
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The position with the overdue recommendations is as follows:

Chief Officer	Recommendation	Grading / Due Date	Position
Governance	A risk appetite should be established and documented (2.1.4)	Important June 2020	The Cluster has advised that a Risk Appetite Statement was drafted pre-Covid and is being reviewed in the context of activation of the Council's emergency response structures which inform the appetite for / tolerance of risk. This will be reported to the December Committee.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 31.10.20	Confirmed Implemented by Service	Not implemented by original due date	

<b>AC2014</b>	<b>Civil Contingencies</b>	September 2020	5	0	0	0	N/A
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<b>AC2022</b>	<b>Transformation</b>	September 2020	1	1	1	0	N/A
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