

REPORT TO THE AUDIT COMMITTEE – 5 JULY 2018

INTERNAL AUDIT REPORTS

1. Recommendations

The Committee is requested to:

1.1 Review, discuss and comment on the issues raised within this report and the attached appendices.

2. Discussion

2.1 This report advises the Committee of completed audits (section 4), and of progress with implementing agreed recommendations (section 5 and Appendices A and B).

2.2 Appropriate officers agreed the factual accuracy of the Internal Audit reports prior to issue and action has been agreed to address the issues identified. Assurances have been sought from officers regarding the implementation of agreed recommendations. Service Directors have had an opportunity to comment on the data included in Appendices A and B.

2.3 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report. Any comments made have been incorporated within the report and they are satisfied that the report complies with the Scheme of Governance and relevant legislation.

3. Scheme of Governance

3.1 The Committee is able to discuss this item in terms of Sections G.1.1.d and G.1.4 of the List of Committee Powers in Part 2A of the Scheme of Governance as the Committee is responsible for Internal Audit matters and reviewing the activities of Internal Audit.

4. Internal Audit Reports

4.1 Attendance Management (Internal Audit Report 1818 – May 2018)

4.1.1 The Council is committed to maximising attendance at work by providing all reasonable support to employees and to remove or reduce any work-related factors that may discourage reliable attendance. To help achieve this, the Council has approved and published a policy and a number of procedures on Attendance Management.

4.1.2 The objective of this audit was to ensure the attendance management policy is being applied and determine if it is having a positive effect on

attendance. Whilst the policy and procedures were found to be adequate, improvements are required to the attendance management reporting arrangements and compliance with the policy and procedures.

- 4.1.3 Absences are recorded in Council systems which can monitor and report on their frequency against certain trigger points. When these are reached, data can be emailed to line managers so that appropriate action can be taken. By automating the process, better compliance can be achieved. However, reporting relationships are not all correct in the systems meaning that there is a lack of confidence that the right manager would receive the notifications. As a result not all managers receive the reports and HR&OD is working to resolve this issue.
- 4.1.4 There is evidence that some managers were not aware of their responsibilities and had not carried out the required actions when employees returned to work. HR&OD has issued a reminder of requirements to all Support Service Managers to distribute throughout their Services.
- 4.1.5 Council Guidance requires employees to obtain a Fit Note from their GP if their absence exceeds 7 days and to send this to their line manager for recording. This contradicts Government guidance that employees should keep the original. HR&OD has agreed to establish a method by which employees may submit copies of Fit Notes while retaining the original, and to create a procedure covering the handling and storage of Fit Notes, which complies with the Data Protection Act.
- 4.1.6 Where evidence is not received, payment may be withheld. Whilst there was evidence of this being put into practice, there was also evidence where payment had been made that was not supported. The Service has advised that missing documentation was previously investigated on a monthly basis but that Payroll had not had sufficient resources during the past year to do this in every case. To address this, the Service has arranged for a report to be produced identifying where documentation is required.
- 4.1.7 Whilst there are marked seasonal changes in absence levels, overall absences have shown little change between 2014/15 and 2017/18. Whilst the Council compares favourably with the Scottish average, this would indicate that the Attendance Management Policy and procedures have not had an effect in reducing the number of calendar days lost to sickness across the whole Council. However, where specific instances of increased absence have been identified, targeted action has been taken to address the issue, and better compliance with Policy requirements may help reduce absence further.

4.2 System Recovery (Internal Audit Report 1823 – June 2018)

- 4.2.1 The Council currently has 17 Priority 1 systems. The applications and data for 10 of these are held on the Council's data centre provider's servers, or Council servers located on the data centre provider's premises, and 7 are hosted systems, with applications and data held on the servers of the system suppliers. The Council's data centre services provider, and the suppliers of hosted systems are responsible for backing up the data they

manage and testing system recovery using that data. Council system administrators are also responsible for testing the Unix based systems held on Council owned servers at the data centre provider.

- 4.2.2 The objective of this audit was to review system recovery processes for Priority 1 business applications and ensure that recovery tests are undertaken as planned and there is evidence that the test has been successful. Whilst a good system of monitoring back-ups and system recovery testing is in place, a lack of evidence of recovery testing taking place as scheduled was evident for some Priority 1 systems.
- 4.2.3 In all cases where data had been recovered, the ICT system recovery log had been updated with details of the recovery and testing. ICT demonstrated the backup and recovery process to Internal Audit, and was able to evidence all stages of the process to support entries in the system recovery log.
- 4.2.4 Evidence of system recovery testing was absent for three systems after the due date detailed in the system recovery log. The recovery of backed up data for four systems was undertaken 4 months or more after the scheduled recovery date. The Service has agreed to update the system recovery log to include planned dates, actual dates and reasons for delay of system recovery.
- 4.2.5 The Council has no direct control over the backup and recovery process for the 7 business systems which are hosted on the application providers' servers. The Service records the target date for completion of data recovery and testing, and the dates on which data recovery documentation, recovery evidence, and when the backup log from the supplier was checked. The system recovery record was reviewed to ensure that all hosted systems have been scheduled to be recovered, that suppliers had undertaken recovery, and had provided all relevant evidence of recovery. Data backup and system recovery was not recorded for 4 of the 7 hosted systems. The Service has agreed to obtain assurance that backup and system recovery arrangements are in place for all priority 1 hosted business systems in 2018/19.

4.3 Joint Equipment Store (Internal Audit Report 1845 – May 2018)

- 4.3.1 The Joint Equipment Service (JES), provided from the Joint Equipment Centre (JEC) in Inverurie is a storage and distribution unit for equipment, adaptations and aids for those with a physical impairment. Individuals are assessed and where an equipment need is identified, Health and Social Care Practitioners can access the stores system (ACES) to request suitable equipment. 2017/18 budgeted expenditure was £2.75 million.
- 4.3.2 The objective of this audit was to ensure that adequate control is being exercised over use of equipment, purchasing and cost sharing arrangements.
- 4.3.3 Stocks, issues and returns of equipment are logged on a purpose built database system. Although there are processes in place, stock movements are not always well documented, resulting in variations being

logged at each stock count. The system is in the process of being upgraded and enhanced to automate various processes, including barcode scanning, which the Service anticipates will increase recording accuracy. The Service also plans to recruit a dedicated stores controller. In the interim additional manual checks and authorisations have been implemented.

4.3.4 The Service maintains, refurbishes and recycles equipment where possible, and purchases over £1.4 million of supplies and services per annum. Whilst procurement work plans and contracts are in place for the majority of expenditure, procurement arrangements for some of the Service's requirements have still to be finalised. The Service is working with Commercial and Procurement Services to obtain relevant approvals and implement contracts, which are not yet compliant with national procurement regulations and the Council's Financial Regulations.

4.3.5 In contravention of Financial Regulations, purchase orders are not being raised in advance for servicing and repairs of lift equipment. Client services and service users regularly contact the supplier directly, and the Service is recharged. Servicing and maintenance schedules have also historically been prepared by the supplier without input from the Service. The Service intends to place limits on the cost of direct service requests and re-route these via the JES where possible, and will implement monthly call off orders based on anticipated use of the contract. The Head of Finance will be consulted to determine whether dispensation from the requirement to issue a purchase order in advance is required and appropriate.

4.3.6 As the Service is now part of the Health and Social Care Partnership, service level agreements and cost sharing mechanisms put in place when the Service was managed by separate Partners are in need of review. The Service also intends to take the opportunity to review system access levels and remind prescribers of their responsibility to update records to reflect changes in equipment use.

4.4 Home Care and Community Hospital Staff Costs (Internal Audit Report AW1801 – May 2018)

The following relates to an audit undertaken in Aberdeenshire Health and Social Care Partnership and was reported to the Integration Joint Board Audit Committee on 20 June 2018.

4.4.1 In view of a forecast overspend on the Partnership's budget, the Chief Officer requested that Internal Audit undertake a review of staff costs in the Home Care Service and Community Hospitals. Although attempts are being made to determine appropriate staffing levels and to consider new models of service delivery, staff costs had been increasing.

4.4.2 The objective of this audit was to determine where weaknesses in control and service delivery may have been adding to staff budget pressures. This involved reviewing the adequacy of the policies and systems in place and to determine whether these are being complied with consistently and performance monitored adequately.

- 4.4.3 Whilst there are different operational requirements and issues, the two parts of the Service share difficulties in establishing and maintaining staffing budgets based on estimated need. Reviews of the budget setting assumptions, and alignment of budgets with establishments by April 2019, have been agreed in both areas.
- 4.4.4 The Service has agreed to review and implement suitable methodologies for determining and rostering safe and affordable nursing establishments at Community Hospitals. Staffing mix and levels will be reviewed annually. Performance management information is also being developed to support operational decisions on staffing, and the requirements of existing rostering policy will be reinforced.
- 4.4.5 Within Home Care the Service has agreed to review the balance of contract hours and overtime / additional hours, and will consider the efficiency of more central coordination. The Service also intends to review implementation of a revised care management pathway, which it anticipates will yield benefits whilst balancing individual need and risk with the requirement that care is delivered and commissioned with the principles of best value, through delivery of its reshaping care at home programme. Whilst positive, there remain risks in doing so, as the external market is still developing and in some cases the internal service is being called upon to provide emergency cover for external providers. Providers have been reminded of their responsibilities, and performance data will be retained and used to address any recurring issues.

5. Progress with agreed recommendations

- 5.1.1 Appendices A and B show progress made by Services with completing agreed Internal Audit recommendations. Where these have not been completed by their original due date, reasons are provided along with the grading applied to the recommendation in the original Internal Audit report. An explanation of the gradings used is shown at appendix C.
- 5.1.2 Where it has been confirmed that all actions contained in reports issued before April 2018 have been fully completed, these reports are no longer shown.

6. Implications and Risk

- 6.1 An equality impact assessment is not required because the reason for this report is for Committee to discuss and comment on the findings of Internal Audit work and there will be no differential impact, as a result of this report, on people with protected characteristics.
- 6.2 There are no staffing or financial implications arising directly from this report other than those implicit in the tightening of internal controls recommended in the Internal Audit reports.
- 6.3 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.

CHIEF INTERNAL AUDITOR

Report prepared by David Hughes, Chief Internal Auditor.
25 June 2018.

APPENDIX A

POSITION WITH AGREED RECOMMENDATIONS AS AT 25 JUNE 2018

SUMMARY

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

On 24 May 2018, the Committee was advised that, as at 8 May 2018, there were 55 recommendations which were due to have been completed by 31 March 2018 which were not fully complete. This has reduced to 47.

The total not fully complete, which had an original due date of before 30 April 2018, is 52. Full details relating to progress, on a report by report basis, are shown in appendix B.

Recommendations							Grading of Overdue Recommendations		
SERVICE	Agreed in reports shown in Appendix B	Due for completion by 31.03.18	Confirmed complete by Service	New in April 2018	Confirmed complete by Service	Not fully complete by original due date	Major	Significant	Important
Cross Service	22	14	12	0	0	2	0	2	0
Business Services	184	153	126	6	2	31	3	24	4
Health & Social Care	57	55	53	2	2	2	0	1	1
Education and Children's Services	104	75	68	12	12	7	2	2	3
Infrastructure Services	102	81	72	2	1	10	3	3	4
Total	469	378	331	22	17	52	8	32	12

APPENDIX B

POSITION WITH AGREED RECOMMENDATIONS AS AT 19 JUNE 2018

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

CROSS SERVICE

1705	Recruitment Procedures	October 2016	12	12	10	2	2 Significant
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	HR&OD should review the job evaluation process to ensure that it remains fit-for-purpose and thereafter ensure that it is applied in all cases (2.1.5)	Significant April 2017	As reported to Committee since June 2017 these recommendations were to be progressed following publication of the Scottish Council Joint Scheme of Evaluation (v3). As agreed with the local TU Joint Secretaries, to ensure that the Transition Protocol was complied with and the impact of the new schemes was fully understood the commencement of the sampling exercise was delayed and the implementation of a revised version of the Scottish Joint Council Evaluation Scheme (v3) would be undertaken by December 2017. The exercise would also involve the testing of a computerised job evaluation system "Gauge". The Committee was advised in January 2018, that the exercise would be complete by the end of April 2018. The sampling exercise had been concluded, and the outputs from the related interviews were being analysed to understand how the changes made to the scheme impact on the evaluation of jobs and to inform the implementation of the updated version of the SJC job evaluation scheme. <i>(Continued over page.)</i>
Head of HR & OD	The Service should review all job profiles to ensure that they match the requirement if recruiting Services, and that they carry an up-to-date post grading. HR to review job profiles in conjunction with Recruiting Services (2.2.7)	Significant April 2017	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

CROSS SERVICE (continued)

(1705 – Recruitment Procedures – Continued)

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	Recommendations 2.1.5 and 2.2.7 continued.		The latest update from the Service, as reported to Committee in May 2018, is that this work is nearing completion and the findings will inform what adjustments are required to the current process and procedures for evaluating jobs. The Pay Strategy Steering Group will review the implications and a report will be considered by SLT. It is anticipated that the updated Job Evaluation scheme will be introduced by 31 July 2018.

1819	Climate Change Action Plan	November 2017	10	2	2	0	0
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Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES

1547	Attendance Management	May 2015	9	9	8	1	1 Important
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	HR&OD should review options for recording adherence to the Attendance Management Policy (2.3.5)	Important December 2015	<p>As reported to Committee previously, this was being reviewed as part of the implementation of the new payroll system which went live in April 2016. The Service advised that use of the sickness absence functionality within iTrent was being considered for recording adherence to Policy, with pilots due to commence in August 2016.</p> <p>The Service then advised that recording adherence to the Policy was being considered as part of the design and development of the iTrent sickness absence functionality. The intention was to pilot this in October / November 2016 with its subsequent rollout across Services commencing thereafter. This was then delayed to November / December 2016.</p> <p>HR&OD then advised that they have been reviewing the project plan for iTrent and that options for recording adherence to the Attendance Management Policy would be delayed until December 2017.</p> <p>The latest update from the Service, as reported to Committee in May 2018, is that, in accordance with the current iTrent Project Plan, the self-service absence functionality is to be fully implemented by 31 March 2019. Options for recording adherence to the Attendance Management Policy will be identified and tested by the Project Team during the development and piloting of this functionality, which will take place in late 2018.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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BUSINESS SERVICES (continued)

1633	Cash Receipting System	March 2016	2	2	1	1	1 Significant
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Finance	The Service should implement a solution to current non-compliance at the earliest opportunity (2.5.2)	Significant March 2017	<p>As reported to Committee since June 2017, various system upgrades have been implemented in an attempt to resolve compliance issues. Some issues are still outstanding and the Project Board has decided that, for now, the Council will accept the risk, based on there being no breaches to date, until a solution is available. Although the compliance deadline is February 2018, this was likely to be extended due to the number of businesses struggling to find a solution. The Service had been advised that further guidance was due from the PCI Council in December 2017, but this was not received.</p> <p>The Committee was advised in May 2018 that the Council's Payment Improvements Project Board had made a decision to procure the end call solution for assisted phone payments, and accept the low security risk of transferring calls, and to procure the two factor authentication token solution for PCI DSS compliance (numbers were based on 12 user estimate for costings). Purchase Orders have been raised and the Service is also working with the supplier to implement their e-Store product which will enhance customers' digital experience. The go live date for this project was mid-June 2018 and these additional solutions were to be completed within the same timeline. However, due to a software integration issue, the initial eStore Go-live date of 13 June is currently projected for 4 July subject to confirmation from the supplier.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES (continued)

1702	Disclosure Scotland Checks	March 2017	14	14	9	5	4 Significant 1 Important
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	HR&OD should formalise arrangements for identifying post Disclosure Scotland check requirements and update the Disclosure Scotland procedure as appropriate (2.1.5 a)	Significant June 2017	<p>As reported to Committee since September 2017, posts have been identified although the procedure has still to be updated. The Service has advised that this will now be done by the end of December 2017 to ensure that processes are aligned with other areas.</p> <p>The Committee was advised in January 2018 that, following various changes in guidance through Disclosure Scotland, SSSC and GTCS, it is important to bring all policies in line and also to reflect the future implementation of online Disclosure Scotland Checks. A paper for agreement on exemption / dispensation for PVG and Overseas Criminal Record Checks was to be going to SLT in early 2018. Decisions following that paper would be reflected in the Disclosure Scotland and Overseas Criminal Record Check procedures, which would be completed, consulted on and in place by April 2018.</p> <p>The Committee was advised in May 2018, that the paper on exemption / dispensation for PVG and Overseas Criminal Record Checks has been considered by the Lead Signatory and Services are being consulted. Proposals will be considered by SLT in May 2018 and, following decisions made, these will be reflected in procedures which will be completed, consulted on and in place by June 2018. <i>(Continued over page.)</i></p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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BUSINESS SERVICES (continued)

<i>(1702 – Disclosure Scotland Checks – Continued)</i>			
Chief Officer	Overdue Recommendation	Grading / Due Date	Position
	Recommendation 2.1.5a continued.		<p>The latest update from the Service is that the SLT report on exemption / dispensation for PVG and Overseas Criminal Record Checks has been drafted. However, its submission has been deferred until the initial outputs from the ongoing consultation exercise on proposed changes to the PVG Scheme are released. The consultation exercise, which is being conducted by the Scottish Government and Disclosure Scotland, closes on 18 July 2018.</p> <p>It is anticipated that the proposals arising from this consultation exercise will have a major impact on the delivery of relevant pre-employment checks and temporary dispensations. The Service is therefore intending to update the draft SLT report to reflect the likely changes arising in order that an informed decision can be reached. It is unknown at this time when the initial outputs from the consultation exercise will be released, however, the intention is to review the situation in September 2018.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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BUSINESS SERVICES (continued)

<i>(1702 – Disclosure Scotland Checks – Continued)</i>			
Director of Business Services	Retrospective checks should be completed by the deadline reported to Disclosure Scotland (2.3.4b)	Significant March 2018	The Service has advised, as reported to Committee in May 2018, that the deadline reported to Disclosure Scotland for completing retrospective checks was not achievable due to delays in receiving documentation from Services and because a business case for resources to undertake this work was not supported due to budgetary pressures. The implementation date has, therefore, been amended to December 2018.
Head of HR & OD	Central volunteer lists should be maintained for each Service identifying the volunteer role number and Disclosure / PVG application progress (2.4.3)	Important December 2017	The Committee was advised in January 2018 that the Service had advised that this would require an extension to March 2018 as it ties in with recommendation 2.8.2 in Internal Audit report 1712 (Data Protection). The latest update from the Service, as reported to Committee in May 2018, is that this will now take until October 2018 to finalise. The resource and cost implications are now being explored as well as the risk. Consultation will need to take place with Services and the Trade Unions. A report outlining the options will be considered by SLT.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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BUSINESS SERVICES (continued)

<i>(1702 – Disclosure Scotland Checks – Continued)</i>			
Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	The Disclosure / PVG Exemption procedure should be reviewed and updated to reflect current practice (2.7.3 a)	Significant September 2017	As reported to Committee in November 2017, the Service advised that, in order to ensure that this is given the correct level of consideration and for background work to be completed, this would now be completed by the end of December 2017.
Head of HR & OD	The Disclosure Scotland / PVG Procedure should be presented to Senior Leadership Team for approval (2.7.3 c)	Significant September 2017	The latest updates from the Service are detailed against recommendation 2.1.5 a, above.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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BUSINESS SERVICES (continued)

1712	Data Protection	October 2016	15	15	14	1	1 Significant
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	A central list should be maintained of all staff members who are recruited through an agency (outwith a framework agreement), volunteers, placement students and contractors, including whether a signed confidentiality agreement is in place (2.8.2)	Significant June 2017	As reported to Committee since February 2017, HR&OD advised that they will work with Services to establish an appropriate process for identifying such personnel and that this will be concluded by September 2017. The Committee was advised in December 2017 that this is a highly labour intensive exercise and would take until March 2018 to complete. The latest update from the Service is detailed against recommendation 2.1.5 a, in report 1702, above.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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BUSINESS SERVICES (continued)

1713	Electronic Document Management System	November 2016	8	7	6	1	1 Important
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Finance	The Service should ensure that data is not held longer than required in line with the data protection act (2.6.5)	Important March 2018	The Service has advised, as reported to Committee in May 2018, that they were unable to test the Disposal Module due to the Test system being "pointed" to the Live database. The system supplier has now provided assurance that the systems are separated and testing of the Disposal Module is planned to commence after year end has been completed. This will be done by the end of June 2018.

1731	Treasury Management	May 2017	17	17	16	1	1 Important
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Finance	The Service should ensure that borrowing in advance is reported in line with Scottish Government requirements (2.3.9)	Important September 2017	The Committee was advised in November 2017 that this would be complete by the end of October 2017. The latest update from the Service, reported to Committee since December 2017, is that various reports are required to be prepared which will not be completed until the end of June 2018.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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BUSINESS SERVICES (continued)

1735	Budget Monitoring	July 2017	6	6	5	1	1 Significant
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Finance	The Service should ensure that the revenue budget monitoring and budget holder information is up to date, consistent and accurate (2.1.5).	Significant December 2017	<p>The Service has advised that the Revenue Budget Monitoring Procedures were last updated in July 2017. A minor error has subsequently been identified and this will be corrected prior to the issue of the Revenue Budget Monitoring Procedures for 2018-19 in April 2018.</p> <p>As advised to Committee in May 2018, there is currently a Project to look at the Financial Information provided to Budget Holders and a survey has recently been issued. Earlier meetings have established that there are different levels of budget holders i.e. Service budget holders, those responsible for one budget page and people who are responsible for a line on a budget page. Part of the project aims to identify the different budget holders at these levels. It is proposed that the list of budget holders will be those responsible for service budgets and specific budget pages and this will be completed by June 2018.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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BUSINESS SERVICES (continued)

1737	Health and Safety	May 2017	16	13	8	5	2 Major 3 Significant
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Service Health and Safety Reps	Review dates should be included on the procedures (2.2.10 b)	Significant December 2017	As reported to Committee since January 2018, with the exception of Education, this has been completed. Education's Health and Safety policies are available on Arcadia however the majority were last reviewed in 2005. Education will undertake a review of all policies by January 2019.
Service Health and Safety Reps	Lone working training should be available to all relevant employees (2.3.5)	Significant April 2018	The Health and Safety Subgroup is considering the development of a corporate ALDO course to address this issue. This will be completed by October 2018.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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BUSINESS SERVICES (continued)

<i>(1737 – Health and Safety – Continued)</i>			
Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Service Health and Safety Reps	Each Service should complete a training needs analysis to identify mandatory and recommended Health & Safety training requirements by job role (2.3.7)	Significant December 2017	<p>As reported to Committee since January 2018, the following areas have still to complete this recommendation:</p> <p>The Business Services representative on the Health and Safety Subgroup has requested updates from all services within Business Services. A single Health and Safety training needs analysis by job role for Business Services is to be developed. This will be complete by the end of April 2018.</p> <p>The latest update from Business Services is that this will be complete by the end of June 2018.</p> <p>A comprehensive training needs analysis exercise has been completed for all secondary schools teaching and support staff. However, work has to be completed on a similar exercise for Nursery, Primary and Special Schools which will be completed by December 2018.</p>

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BUSINESS SERVICES (continued)

<i>(1737 – Health and Safety – Continued)</i>			
Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Service Health and Safety Reps	Services should monitor and follow up to ensure completion of all mandatory Health & Safety training (2.3.8)	Major December 2017	<p>As reported to Committee since January 2018, the following areas have still to complete this recommendation:</p> <p>The Business Services representative on the Health and Safety Subgroup has requested updates from all services within Business Services. There is presently no mandatory Health and Safety training however this may change once training needs analysis is completed. The Service anticipates completing this by the end of June 2018.</p> <p>Education has to complete its training needs analysis before monitoring of mandatory training can commence. The analysis will be complete by the end of December 2018.</p>

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BUSINESS SERVICES (continued)

<i>(1737 – Health and Safety – Continued)</i>			
Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Service Health and Safety Reps	Services should ensure that mitigating controls / actions from risk assessments are followed up to ensure implementation (2.4.3)	Major December 2017	As reported to Committee since January 2018, the following areas have still to complete this recommendation: The Business Services representative on the Health and Safety Subgroup has requested updates from all services within Business Services. The latest update is that progress has been made and the Service anticipates completing this by the end of June 2018.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES (continued)

1741	Debtors System	May 2017	7	5	5	0	0
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1743	Deployment of Microsoft Technology	June 2017	3	3	2	1	1 Significant
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of ICT	Reasons for delays should be established and appropriate corrective action taken to ensure telephone lines are closed as required and the schedule for the remaining locations is met (2.4.8)	Significant December 2017	As reported to Committee since January 2018, the Service has advised that delays are largely due to Education requesting that the rollout of Skype telephony be halted due concerns regarding accessibility to telephones in emergency situations. ICT is engaging with Education to review the schools' telephony model, understand any concerns and revise the solution if necessary. ICT expects to get agreement to the design of the model by the end of June 2018 and thereafter conclude delivery. The non-schools roll-out is continuing and telephone lines are being switched off to the agreed schedule.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES (continued)

1745	Payroll System and Processes	October 2017	21	17	12	5	1 Major 4 Significant
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	The Service should determine the best way to grant access to the iTrent system, balancing compliance with the third principle of the Data Protection Act 1998 and the administrative costs of setting up more specific access rights (2.2.13)	Major March 2018	As reported to Committee in May 2018, in respect of recommendations 2.2.13, 2.2.15a and 2.2.15b, the iTrent Team has identified the main actions associated with delivering these recommendations and the intention is to include these within the next 3 month iTrent project plan, with a completion date of October 2018.
Head of HR & OD	The Service should undertake annual user audits to ensure user access remains appropriate (2.2.15a)	Significant March 2018	See 2.2.13, above.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES (continued)

<i>(1745 – Payroll System and Processes – Continued)</i>			
Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	As part of the first user audit, the Service should review existing users' access levels, with their line managers, to ensure they are appropriate and not excessive (2.2.15b)	Significant March 2018	See 2.2.13, above.
Head of HR & OD	The Service should develop a procedures control document to ensure comprehensive written procedures are completed (2.3.2)	Significant March 2018	<p>The Service has advised, as reported to Committee in May 2018, that work is ongoing within Payroll to incorporate a procedures control document within their existing OneNote notebooks. However, due to workload pressures within the Team, it has not been possible to progress this work as initially planned. Accordingly, it is now intended to complete this work by September 2018, subject to the required resources being available.</p> <p>In respect of HR Support, the iTrent procedure documents now include a control document table, which details any changes made, by whom and the date of change. Work is ongoing to identify how these procedures are to be stored in the longer term, in order to ensure that all relevant staff have the appropriate access to them.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES (continued)

<i>(1745 – Payroll System and Processes – Continued)</i>			
Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	A report should be developed showing all staffing costs being charged to individual schools, or other establishments as deemed appropriate. It should be scheduled to run on a monthly basis and be sent directly to establishments (2.6.6)	Significant March 2018	As reported to Committee in May 2018, the Service has advised that this recommendation remains to be progressed. In order to generate this report, there is a requirement to manipulate data held with the ledger files, which will require ICT support. This has been raised with ICT, who have advised that they are unable to support this work at this time. It is intended to further discuss this issue with officers from ICT, Finance and HR&OD in order to identify whether there are other viable options for progressing this recommendation. The completion date has therefore been revised to March 2019.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES (continued)

1801	Overtime	October 2017	8	8	8	0	0
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1804	Payroll Reconciliations	August 2017	4	4	2	2	2 Significant
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	Payroll should review outstanding reconciling differences pre-dating 2016/17 and determine, in consultation with the Head of Finance, what should be done to clear them (2.2.7a)	Significant March 2018	As reported to Committee in May 2018, the Service has advised that, whilst work is progressing on both of these recommendations, Payroll continues to encounter significant challenges in fulfilling these due to the operational and resource challenges being encountered with the delivery of the iTrent system and associated new processes. A lack of experienced staff and high volume workloads has exacerbated matters as those who are tasked to undertake the investigations and corrections are regularly required to give priority to their core payroll duties in order to ensure that employees are paid correctly and on time. Based on progress to date, it is anticipated that the recommendations will be completed by March 2019, subject to the availability of the required staffing resource within Payroll and delivery of a fully functioning iTrent system.
Head of HR & OD	Payroll should ensure any current year items outstanding for more than two months are investigated and cleared as soon as practically possible (2.2.7b)	Significant March 2018	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES (continued)

1809	New Governance Arrangements	October 2017	7	6	5	1	1 Significant
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Commercial and Procurement Services	Commercial & Procurement Services should ensure training in respect of new procurement guidance is made available to all Services (2.1.13)	Significant November 2017	The Service has advised that a Procurement Manual accessible to all 3 Councils within the C&PSS is being produced, this is anticipated for June 2018, with new e-learning modules covering key procurement training aspects to also be available by the end of June 2018. The Service will also be identifying face-face training requirements for the end of June 2018.

1814	Social Work Tendering	November 2017	13	9	9	0	0
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Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES (continued)

1824	Compliance with Procurement Related Legislation and Council Regulations	October 2017	16	13	10	3	3 Significant
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Commercial and Procurement Services	Training should be provided to all Services to ensure that officers who are involved in procurement are clear regarding the requirements (2.2.4a)	Significant February 2018	As reported to Committee in May 2018, the Service has advised that a Procurement Manual accessible to all 3 Councils within the C&PSS is being produced, this is anticipated for June 2018, with new e-learning modules covering key procurement training aspects to also be available by the end of June 2018. The Service will also be identifying face-to-face training requirements for the end of June 2018.
Head of Commercial and Procurement Services	Guidance available on Arcadia will provide a definition of "Procurement Process" (2.5.2a)	Significant November 2017	As reported to Committee in January 2018, the Service advised that they are working on a Procurement Manual for the 3 Shared Service Councils to use and this will be complete by the end of February 2018. See update at recommendation 2.2.4a, above.
Head of Commercial and Procurement Services	Commercial and Procurement Services should ensure that the requirements of Financial Regulations 5.3.3 (iii) and (iv) are fully complied with (2.5.5)	Significant March 2018	As reported to Committee in May 2018, the Service has advised that within the new Procurement Manual (see recommendation 2.2.4a, above) the Devolved Procurement Authorisation form will be updated and a new database of procurers maintained. The DPA form will identify the training requirements for each DPA based upon the roles and responsibilities they identify in the DPA form.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES (continued)

1831	Pensions	January 2018	5	4	4	0	0
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1834	Councillors Induction	January 2018	7	7	4	3	3 Significant0
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	The current Policy should be reviewed and approved by the current Council (2.4.4 a).	Significant April 2018	The Service has advised that the Councillors Development Plan for 2018/19 has been established. Discussions have also taken place with individual Councillors regarding their personal development plans, where requested. Data held in the Councillors' CPD Database has been cleansed and analysed, and the findings are currently being considered. In respect of reviewing the current Policy, the Service has advised that this work has not yet commenced due to work pressures within the Learning & Development Team. It is intended to progress this work during the coming months and a further update will be provided to Committee in September 2018.
Head of HR & OD	Data held in the Councillors' CPD Database should be cleansed and analysed to determine the percentage of Councillors achieving the desired level of CPD (2.4.4 b).	Significant April 2018	
Head of HR & OD	Training Needs Analysis and Personal Development Plans should be reintroduced to ensure that future CPD is relevant to learning needs (2.4.4 c).	Significant April 2018	

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

BUSINESS SERVICES (continued)

1835	Partnerships and Joint Working	January 2018	6	0	0	0	0
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HEALTH & SOCIAL CARE PARTNERSHIP

1635	Home Care System and Service	October 2016	19	19	19	0	0
1742	Criminal Justice Service	September 2017	20	20	20	0	0

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

HEALTH & SOCIAL CARE PARTNERSHIP (continued)

1812	Day Service Establishment Visits	September 2017	18	18	16	2	1 Significant 1 Important
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Chief Officer – Aberdeenshire Health and Social Care Partnership	The Service should ensure it can account for all funds associated with the WEEE project (2.4.10)	Important December 2017	<p>As reported to Committee in January 2018, the Service has provided a report on the funds but this does not identify the remaining funds or what they have been / will be used for. Internal Audit had requested clarification of the action taken / to be taken.</p> <p>As reported to Committee in May 2018, more up-to-date figures have been provided by Finance.</p> <p>The latest update is that Finance will look at the allocation of costs to the project with Service management.</p>
Chief Officer – Aberdeenshire Health and Social Care Partnership	The Service should ensure revenue generating schemes are reviewed in conjunction with Procurement (2.4.15)	Significant December 2017	<p>As reported to Committee in January 2018, the Service has met with Commercial and Procurement Services and produced notes of the meeting.</p> <p>As reported to Committee in March 2018, the latest update from the Service is that Managers have been advised of the requirement but Internal Audit is awaiting confirmation that the schemes in place have been reviewed.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

EDUCATION & CHILDREN'S SERVICES

1541	Teachers Payroll	July 2015	15	15	14	1	1 Significant
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	HR&OD should review the process of paying Teachers to ensure that it is as straightforward and transparent as possible (2.1.9)	Significant May 2016	<p>As reported to Committee since March 2017, the process was being reviewed following iTrent going live in April 2016 but there had been challenges with elements of the system which delayed this action being moved forward more quickly. The process was being reviewed but the Service stated that it needs the buy-in of other parties as this relates to teachers who have nationally agreed terms and conditions. A meeting was held between the iTrent system supplier and their local authority customers in July 2016 to discuss requirements and reach an understanding on a cross-authority solution. They were reviewing and rewriting the system for Scottish Teachers terms and conditions with a completion date of August 2017.</p> <p>This has now been delayed to August 2018 due to a delay in agreeing revised national conditions.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

EDUCATION & CHILDREN'S SERVICES (continued)

1606	Education Lets	December 2015	11	11	10	1	1 Important
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Resources and Performance	The Service should use Gladstone to monitor the income from education lets in order to ensure that properties are used effectively and efficiently (2.6.1)	Important December 2016	There have been various updates provided to Committee that have related to a number of interlinked recommendations. This final recommendation has still to be resolved and the Service has advised that following the Full Council decision to establish a Business Unit for the operation of Culture & Sports Services, it has been agreed at Head of Service level to incorporate all ECS Lets including school lets within one letting unit which will operate within the Business Unit that is to be established. Once the Lets team is established, there will require to be agreement on how the income from lets is to be accounted for and how the associated costs are to be charged against the Business Unit. This will allow a mechanism to be introduced that will ensure that properties are used effectively and efficiently.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

EDUCATION & CHILDREN'S SERVICES (continued)

1631	SEEMiS	April 2016	10	10	8	2	2 Major
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Resources and Performance	The Service should review current arrangements (relating to data sharing) and where appropriate seek advice from the Principal Information Security Officer and Legal and Governance Service (2.4.7)	Major December 2016	<p>As reported to Committee since March 2017, the Principal Information Security Officer advised that the Service make contact with the Scottish Government and SQA to discuss data sharing with them. It was expected that they would have standard data sharing agreements in place. The Service advised that this matter was progressing: contact had been made with the SQA who were reviewing their data sharing governance, and a data sharing agreement was being finalised to sit under a Memorandum of Understanding that was already in place with the NHS. The Committee was advised in June 2017 that the SQA has advised that no Scottish Local Authority has an agreement in place and they are looking into the issue and how best to resolve it. The latest update from the SQA was that they will be dealing with this a part of their General Data Protection Regulation compliance plan due to be complete by May 2018.</p> <p>The latest update from the Service is that an agreement has been received and is now being checked by Legal and Governance. As a result, this recommendation will now be implemented by the end of August 2018.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

EDUCATION & CHILDREN'S SERVICES (continued)

(1631 – SEEMiS – Continued)			
Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Resources and Performance	The Service should ensure that all staff who have access to SEEMiS complete the Data Protection training (2.4.3)	Major March 2017	<p>As reported to Committee since June 2017, the latest update from the Service is that they now have a SEEMiS report and need to cross check this against the overall data protection list. The Service will then have to ensure that those who have not undertaken the training do so. This was to take until March 2018 to resolve. However, new training is due to be implemented in relation to GDPR from 1 April 2018 and it is the Service's intention that all who need to complete Data Protection training will have completed the GDPR training by the end of May 2018. Two weeks after training was made available, 23% of staff with access to SEEMiS had completed this training.</p> <p>The latest update from the Service is that 67% of staff have completed the necessary training. This will now be fully completed by September 2018.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

EDUCATION & CHILDREN'S SERVICES (continued)

1708	Teachers' Recruitment Procedures	November 2016	15	15	13	2	1 Significant 1 Important
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	HR&OD should ensure that the payroll system is configured to automatically calculate teachers' pay and leave payments, prior to the scheduled change date of August 2017 (2.4.3)	Important April 2017	As reported to Committee in June 2017, the Service had advised that this needed to be extended to August 2017, as an upgrade was awaited from the payroll system supplier. The Committee has been advised since September 2017, that the national change has now been delayed until August 2018 and the recommendation will, as a result, be completed by July 2018. The latest update from the Service, as reported to Committee in May 2018, is that this will be complete by September 2018.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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EDUCATION & CHILDREN'S SERVICES (continued)

(1708 – Teachers' Recruitment Procedures – Continued)

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of HR & OD	The Overseas Criminal Records Check procedure should be updated to clarify when cases should be referred to the Determination Panel (2.1.22)	Significant April 2017	<p>As reported to Committee since June 2017, the Service has advised that this will now be done by the end of December 2017 to ensure that processes are aligned with other areas.</p> <p>As reported to Committee since January 2018, the Service had advised that, following various changes in guidance through Disclosure Scotland, SSC and GTCS, it is important to bring all policies in line and also to reflect the future implementation of online Disclosure Scotland Checks. A paper for agreement on exemption/dispensation for PVG and Overseas Criminal Record Checks was going to SLT in early 2018. Decisions following that paper would be reflected in the Disclosure Scotland and Overseas Criminal Record Check procedures, which would be completed, consulted on and in place by April 2018.</p> <p>The latest update from the Service, as reported to Committee in May 2018, is that the paper on exemption / dispensation for PVG and Overseas Criminal Record Checks has been considered by the Lead Signatory and Services are being consulted. Proposals will be considered by SLT in May 2018 and, following decisions made there, will then be reflected in the procedures which will be completed, consulted on and in place by June 2018. <i>(Continued over page.)</i></p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
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EDUCATION & CHILDREN'S SERVICES (continued)

(1708 – Teachers' Recruitment Procedures – Continued)

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
	Recommendation 2.1.22 continued.		<p>The latest update from the Service is that the SLT report on exemption / dispensation for PVG and Overseas Criminal Record Checks has been drafted. However, its submission has been deferred until the initial outputs from the ongoing consultation exercise on proposed changes to the PVG Scheme are released. The consultation exercise, which is being conducted by the Scottish Government and Disclosure Scotland, closes on 18 July 2018.</p> <p>It is anticipated that the proposals arising from this consultation exercise will have a major impact on the delivery of relevant pre-employment checks and temporary dispensations. The Service is therefore intending to update the draft SLT report to reflect the likely changes arising in order that an informed decision can be reached. It is unknown at this time when the initial outputs from the consultation exercise will be released, however, the intention is to review the situation in September 2018.</p>

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

EDUCATION & CHILDREN'S SERVICES (continued)

1719	IT in Schools	March 2017	16	15	15	0	0
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1816	Health and Safety (SSERC)	January 2018	20	8	8	0	0
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1827	PFI / PPP Schools	November 2017	4	4	3	1	1 Important
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The position with the overdue recommendation is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Finance	Finance should consider reviewing both PPP/PFI contracts on a regular basis to identify early contract termination savings (2.6.3)	Important March 2018	As reported to Committee in May 2018, the Service advised that they will report the outcome of the review to the July 2018 Audit Committee.

1833	Secondary Schools	February 2018	13	8	8	0	0
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Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

INFRASTRUCTURE SERVICES

1602	Rent Assessment Scheme	October 2015	7	6	6	0	0
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1637	Waste Collection and Disposal	June 2016	21	21	18	3	3 Major
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Roads, Landscape Services and Waste Management	The Service should seek Committee approval to continue under the terms of their most recent contracts with suppliers pending the procurement of new agreements (2.4.6 a)	Major June 2017	The Committee was advised in September 2017 that the Service had advised that it will take until March 2018 to complete this recommendation. The latest update from the Service, as reported to Committee in May 2018, is that authority will be sought from the Infrastructure Services Committee in June 2018.
Head of Roads, Landscape Services and Waste Management	The Service should ensure EU compliant tender exercises are completed for expired contracts and areas of substantial expenditure without contracts in excess of the relevant thresholds as a matter of priority (2.4.6 b)	Major June 2017	The Committee was advised in September 2017 that the Service had advised that it will take until March 2018 to fully complete this recommendation. The latest update from the Service, as reported to Committee in March 2018, is that there remain three contracts that need to be let and, due to changes in the Waste Management Team, they will not be complete until the end of October 2018. An action plan has been put in place to manage the process.

Number of Recommendations

Report Number	Report Title	Date Issued	Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	Grading of overdue recommendations
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INFRASTRUCTURE SERVICES (continued)

<i>(1637 – Waste Collection and Disposal – Continued)</i>			
Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Roads, Landscape Services and Waste Management	The Service should ensure expenditure over £60,000 is only incurred following a Committee approved competitive tendering exercise (2.4.6 c)	Major June 2017	The Committee was advised in September 2017 that the Service had advised that it will take until March 2018 to fully complete this recommendation. The latest update from the Service, as reported to Committee in March 2018, is that there remain contracts that need to be let and, due to changes in the Waste Management Team, they will not be complete until the end of October 2018. An action plan has been put in place to manage the process.

1727	Burial Grounds Strategy	March 2017	7	7	6	1	1 Important
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Roads, Landscape Services and Waste Management	The Service should ensure it can evidence that it has taken steps to minimise indigent funeral related costs (2.1.8)	Important March 2018	The latest update from the Service, as reported to Committee in May 2018, is that the policy is still being worked on and will be complete by November 2018.

			Number of Recommendations				
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Report Number	Report Title	Date Issued	Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	Grading of overdue recommendations
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INFRASTRUCTURE SERVICES (continued)

1740	Transportation Purchasing and Creditors	July 2017	19	18	15	3	2 Significant 1 Important
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Transportation	In conjunction with the Estates Section, the Service should ensure that the lease arrangement in place for Peterhead Lorry Park is reviewed in respect of its value for money as was intended (2.3.6)	Significant March 2018	The latest update from the Service, as reported to Committee in May 2018, is that it has confirmed the need for the lorry park but not yet reviewed the cost to ensure value for money. This will be completed by the end of September 2018.
Head of Property and Facilities Management	Estates should ensure all Services are aware of the requirement for details of existing and proposed property lease arrangements to be provided to them (2.3.10)	Significant September 2017	As reported to Committee in December 2017, the Service is undertaking additional work in this area to ensure that it captures all leases entered into by Services along with all facilities used on a regular basis. Given the expansion in the scope of the work being undertaken the Service will be issuing information to Services in November with a return date in January 2018. The Committee was advised in March 2018 that the Service had stated that they were in correspondence with Services over queries raised during the above exercise and that this would be completed by the end of March 2018. The latest update from the Service, as reported to Committee in May 2018, is that there are still some queries to be resolved and this will now be complete by the end of May 2018.

Number of Recommendations

Report Number	Report Title	Date Issued	Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	Grading of overdue recommendations
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INFRASTRUCTURE SERVICES (continued)

<i>(1740 – Transportation Purchasing and Creditors – Continued)</i>			
Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Transportation	In consultation with Corporate Finance, the Service should consider whether the invoicing process could be enhanced through further invoicing requirements being detailed in operator contracts (2.5.2)	Important April 2018	The Service has advised that this will completed by the end of September 2018, following completion of a procurement exercise to replace the Trapeze system.

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INFRASTRUCTURE SERVICES (continued)

1747	Housing Repairs Year End Stock Checks	August 2017	6	6	3	3	1 Significant 2 Important
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The position with the overdue recommendations is as follows:

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Housing	A full review of the year end procedures should be undertaken, to include conforming with the Corporate year end timetable (2.1.3)	Important March 2018	The Service has advised, as reported to Committee in May 2018, that an interim review of year end procedures has been undertaken to reflect delays in SAVE replacement implementation. Interim arrangements reflect stocktake processes for both SAVE and Northgate systems. Northgate processes remain underdeveloped at the present time due to the delays outlined but will be finalised on completion of roll out to all areas of Aberdeenshire. The full requirements as outlined in the original response to the recommendation will be implemented by March 2019.
Head of Housing	Stock count procedures should be updated to highlight the importance of counting stock in the absence of stock system totals (2.2.2)	Important March 2018	The Service has advised, as reported to Committee in May 2018, that delays in implementing the SAVE replacement has led to the introduction of interim procedures. Housing therefore remains in a transitional phase and anticipated enhancements have yet to be fully introduced. Pre-stocktake presentations held within each Housing Repairs depots have been utilised to ensure that all those involved in the process are fully aware of the importance of this requirement. It is anticipated that procedural enhancements will be fully implemented by 1 March 2019.

Report Number	Report Title	Date Issued	Number of Recommendations				Grading of overdue recommendations
			Agreed in Report	Due for implementation by 30.04.18	Confirmed Implemented by Service	Not implemented by original due date	

INFRASTRUCTURE SERVICES (continued)

(1747 – Housing Repairs Year End Stock Checks – Continued)

Chief Officer	Overdue Recommendation	Grading / Due Date	Position
Head of Housing	The Service should investigate current stock price variations compared to average stock prices which exceed 10% on a regular basis (2.6.3)	Significant March 2018	The Service has advised, as reported to Committee in May 2018, that delays in implementation of SAVE replacement mean that full implementation of proposals will now be completed by 1 March 2019

1748	Car Park Income	March 2018	11	1	1	0	0
1813	EAFRD Grant Claim	October 2017	18	17	17	0	0
1826	Recycling	January 2018	5	3	3	0	0
1828	Vehicle Usage	November 2017	8	4	4	0	0

APPENDIX C

Grading of Recommendations

GRADE	DEFINITION
Major at a Corporate Level	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, to the Council.
Major at a Service Level / within audited area	The absence of, or failure to comply with, an appropriate internal control which could result in, for example, a material financial loss to the Service/area audited. Financial Regulations have been consistently breached.
Significant within audited area	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 within audited area	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.