

# The Highland Council

Agenda Item	5
Report No	AC/17/25

**Committee:** Audit Committee

**Date:** 20 August 2025

**Report Title:** Action Tracking Report

**Report By:** Strategic Lead (Corporate Audit)

## 1. Purpose/Executive Summary

- 1.1 The Global Internal Audit Standards (the GIAS) require the Chief Audit Executive to establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. Details of this process known as action tracking, is provided at section 5 of this report.
- 1.2 The outcome of this process is reported to each meeting of the Audit Committee. This report provides details of the action tracking completed for all actions that had passed their agreed target date at the end of June 2025. In addition, to the summary information previously reported to the Committee at 6.1, this report includes additional information to assist understanding of the profile in days of open actions to completion dates, and trend information showing agreed action completion rates.

## 2. Recommendation

- 2.1 The Committee is invited to scrutinise, comment upon and note the action tracking information provided including the revised target dates for the completion of outstanding actions.

## 3. Implications

- 3.1 Resource – any resource implications arising from audit actions should be addressed by the relevant Services and where required, will be reported to Committee.
- 3.2 Risk – the implementation of the management agreed actions will improve the control environment and assist in reducing the risk exposure to the Council.
- 3.3 There are no Legal, Health and Safety or Gaelic implications arising from this report.

## 4. Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is an update report and therefore an impact assessment is not required.

## 5. Action Tracking Process

- 5.1 The action tracking process operates as follows:
  - (1) Audit reports contain an action plan which details the areas of concern; management agreed action; target date for implementation; and the title of the Officer responsible for implementation.
  - (2) On a monthly basis those actions which have passed their agreed target dates are action tracked. This involves contacting the appropriate Manager(s) to confirm that their actions have been implemented. If a timely response is not received the matter is escalated to the appropriate Assistant Chief Executive.
  - (3) Where the agreed management action has not been undertaken, an explanation is requested. However, if this response is considered unsatisfactory, it is subject to further audit enquiry and/ or investigation. Where delays have occurred and the explanation provided is considered reasonable, a revised implementation date is agreed, and this is action tracked once this date has expired.
- 5.2 In addition to the above, monthly reports are provided to each of the Assistant Chief Executives detailing all outstanding recommendations within their service cluster which enables them to monitor progress leading up to the target dates when these should be completed. The monthly reports also detail the number of times a revised action date has been applied. As agreed at the September 2024 Audit Committee, where a second revised action date is requested by the responsible officer, approval is now required from the appropriate Assistant Chief Executive before this is agreed.

## 6. Action Tracking Results

### 6.1 Summary report

There are currently 55 agreed actions in progress, of which 32 (58%) have revised action dates.

The report attached at **Appendix 1** provides a summary of actions which have been subject to the action tracking outlined above. This details the audits where management agreed actions had passed their agreed target date and were subject to action tracking at the end of June 2025. Overall, this shows that 13 (65%) of the 20 actions tracked had been completed, with revised target dates agreed for the remainder.

In response to a request from Committee, additional information, is now provided in tables 1 and 2 below.

Table 1 profiles all open agreed management actions (as at 15/07/25) by the number of days until they are due to be completed.

**Table 1 – Open management actions**

	0 - 30 Days	30-60 days	60-90 days	Over 90 days	Total
<b>High</b>	3	2	0	10	<b>15</b>
<b>Medium</b>	1	9	9	16	<b>35</b>
<b>Low</b>	0	2	0	3	<b>5</b>
<b>Total</b>	<b>4</b>	<b>13</b>	<b>9</b>	<b>29</b>	<b>55</b>

Table 2 shows the action tracking completion rates previously reported to the Audit Committee over the last year. This details the number of actions tracked at the end of the month showing: number tracked (Due), number completed (C) and percentage completed (% C).

**Table 2 – Completion performance**

	September 24			November 24			March 25			June 25		
	Due	C	% C	Due	C	% C	Due	C	% C	Due	C	% C
<b>High</b>	4	3	75%	2	1	50%	9	4	44%	7	5	71%
<b>Medium</b>	12	3	25%	9	5	56%	29	18	62%	12	7	58%
<b>Low</b>	6	0	0%	4	3	75%	9	8	89%	1	1	100%
<b>Total</b>	<b>22</b>	<b>6</b>	<b>27%</b>	<b>15</b>	<b>9</b>	<b>60%</b>	<b>47</b>	<b>30</b>	<b>64%</b>	<b>20</b>	<b>13</b>	<b>65%</b>

## 6.2 Actions with revised target dates

Action tracking at the end of June 2025 resulted in revised target dates being agreed for 7 actions. These are in respect of 6 audits, further details provided below. The original target date for implementation and the most recent revised date are also shown in brackets. Further information has also been provided by way of management updates.

### ICT Arrangements in Schools (One Medium action)

Requirements around monitoring and managing print quotas/ budgets should be communicated to Head Teachers to ensure accountability. A reminder will be sent out to all Head Teachers of their responsibility to monitor and manage printing and copying. This will be followed up with a comparison report on print usage covering a similar time period based on figures provided by ICT Services.

A reminder was issued to Head Teachers as agreed but now requires use of the monitoring report on printing from ICT to fully complete. This action will be progressed when schools return. (Original target date 31/12/2024. Revised action date 30/08/2025).

### In-house bus operation income systems (One High priority action)

A clear strategy (business and financial) for the in-house bus service should be developed to ensure it can benchmark the cost avoidance model and deliver the intended performance and outcomes.

A consultant's report 'in-house buses strategic plan' has now been received, which provides advice / recommendations on the future operating model of the in-house bus operation, and the development/ measurement of performance and financial targets. This report is being considered, following which an implementation plan will be developed. (Original target date 30/06/2025. Revised action date 31/12/2025).

#### Review of Financial Procedures in Schools (One Medium Priority)

Schools should be instructed to comply with Section 19 of Financial Regulations and the associated Instruction notes for the maintenance of inventories.

Further consideration is being given to what items are already catalogued within schools such as IT equipment, technical and PE equipment. It will then be decided what, if any other equipment needs to be included in an inventory. Appropriate advice will be provided to schools that are closing/ merging in terms of disposal of excess furniture and equipment. We are also in the process of determining ongoing responsibilities as a result of the recent Education restructure which will be progressed when schools return. (Original target date 30/06/2024. Revised action date 30/08/2025).

#### Review of Health & Safety Arrangements (One Medium Priority)

Gaps in the current Responsible Property Officers (RPO) provision should be identified and filled to ensure that there is an assigned RPO for each Council workplace.

An RPO update report will be presented to the Corporate Management Team in August 2025 with agreed actions being taken forward by Chief Officers by 30th August 2025. (Original target date 30/06/2025. Revised action date 30/08/2025).

#### Review of the use and control of imprests in HSC establishments (Two Medium Priority)

H&SC should work with Finance to review current use of imprests and identify alternative cash payment options or other payment methods to enable service delivery going forwards. This should include developing a short-term action plan to aid implementation. It was agreed that:

- i. An action plan will be developed setting out the possible alternatives and what work would be needed to implement these. Health and Social Care will hold meetings with peers in other local authorities to explore how services can be, or are already delivered using alternative methods of payment. This knowledge sharing will feed into the action plan.
- ii. Part of the action plan will involve deciding where to use existing options to a greater extent for example targeted use of purchase cards or using official orders for some items. Finance have established a new resource to look more closely at imprests and purchase cards in conjunction with one another and will assist Health and Social Care with the action plan.

Revised to 30/11/2025 to align with other outstanding interrelated actions for this audit. (Original target date 31/03/2024. Revised action date 30/11/2025).

#### Roads Maintenance (One High priority action)

Management must prepare, approve and distribute a suite of policies, procedures and guidance that will allow all roads teams to manage and control their activities in a transparent and consistently controlled manner.

The management of road and amenity operations is being re-structured to deliver efficiencies through greater collaborative working. The recent appointment of the new Chief Officer for Operations and Maintenance should now enable this to be

progressed at pace. (Original target date 30/06/2025. Revised action date 31/12/2025).

Designation: Strategic Lead (Corporate Audit)

Date: 16 July 2025

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**Appendix 1 - Audits where actions have passed their agreed target date and were subject to action tracking**

Audit Name	Service Cluster	High		Medium		Low		Action Tracking Results			
		Due	Complete	Due	Complete	Due	Complete	Due	Complete	Revised action date	% complete
Council Tax refunds	Corporate					1	1	1	1	0	100%
Efficiency of Debt Recovery Arrangements	Corporate			1	1			1	1	0	100%
ICT arrangements in schools	People			1				1	0	1	0%
ICT Asset Registers	Corporate	2	2	2	2			4	4	0	100%
In-house bus operation income systems	Place	1						1	0	1	0%
Justice Services - Supervision of CPOs	People	1	1	1	1			2	2	0	100%
Review of Financial Procedures in Schools	People	1	1	1				2	1	1	50%
Review of Health & Safety Arrangements	Corporate	1	1	3	2			4	3	1	75%
Review of the use and control of imprests in HSC establishments	People			2				2	0	2	0%
Roads Maintenance	Place	1		1	1			2	1	1	50%
<b>Grand Total</b>		<b>7</b>	<b>5</b>	<b>12</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>20</b>	<b>13</b>	<b>7</b>	<b>65%</b>
<b>Percentage complete</b>			<b>71%</b>		<b>58%</b>		<b>100%</b>				