
Report To:	Policy and Resources Committee	Date:	24 March 2015
Report By:	Head of Legal and Property Services	Report No:	LP/048/15/GM/APr
Contact Officer:	Andi Priestman	Contact No:	01475 712251
Subject:	UPDATE – AUDIT SCOTLAND REPORT: MAJOR CAPITAL INVESTMENT IN COUNCILS		

1.0 PURPOSE

- 1.1 The purpose of this report is to update members on the action plan progress in relation to the Audit Scotland Major Capital Investment In Councils report of March 2013.

2.0 SUMMARY

- 2.1 The Council undertook a self-assessment against the Audit Scotland report which was reported to Committee in August 2013 along with a number of improvement actions which were identified as good practice.
- 2.2 An action plan (APPENDIX 1) has now been agreed in relation to the recommendations made in the External Auditor's report and the Chief Internal Auditor will monitor progress of the actions and report to the Audit Committee as part of the regular External Audit Action Plan follow up report.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee members note that the action plan will be monitored as part of the regular External Audit Action plan follow up report to the Audit Committee.

Gerard Malone
Head of Legal and Property Services

4.0 BACKGROUND

- 4.1 Audit Scotland issued a national report on Major Capital Investment in Councils in March 2013. The report covered three areas: Capital investment in councils; delivering major capital projects within cost and time targets; and managing capital projects and investment programmes.
- 4.2 The Council undertook a self-assessment against the Audit Scotland report which was reported to Committee in August 2013 along with a number of improvement actions which were identified as good practice.

5.0 CURRENT STATUS

- 5.1 The Council's External Auditors Grant Thornton were required by Audit Scotland to carry out a review of how the Council responded to the report and their targeted follow up audit report was considered in detail by the Audit Committee at its meeting on 6th January 2015.
- 5.2 The follow up exercise reported positively overall in relation to the Council's progress against the planned improvement actions, observing a number of areas of good practice but also where some improvement actions still require to be implemented.
- 5.3 An action plan (APPENDIX 1) has now been agreed in relation to the recommendations made in the External Auditor's report and the Chief Internal Auditor will monitor progress of the actions and report to Audit Committee as part of the regular External Audit Action Plan follow up report.
- 5.4 In terms of current status: Action 1 of the action plan is now complete; Action 2: the Asset Management Corporate Improvement Group work is progressing for completion by the financial year end 2015/2016; and Action 3: The training element has already been the subject of specific discussion with the External Auditors for delivery on programme.

6.0 IMPLICATIONS

6.1 Finance

There are no direct financial implications arising from this report.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

6.2 Legal

There are no direct legal implications arising from this report.

6.3 Human Resources

There are no direct HR implications arising from this report.

6.4 Equalities

There are no direct equalities implications arising from this report.

6.5 Repopulation

There are no direct repopulation implications arising from this report.

7.0 CONSULTATIONS

7.1 None.

8.0 LIST OF BACKGROUND PAPERS

8.1 Report to Policy and Resources Committee 13 August 2013: Report reference PR/095/13/AF/ag. Audit Scotland Report: Major Capital Investment in Councils

8.2 Report to Audit Committee 6 January 2015: Report reference FIN/81/14/JB/LA. Targeted Follow Up to Audit Scotland Report on Major Capital Investment in Councils

Action	Owner	Expected Date	Current Status
Targeted Follow Up to Audit Scotland Report on Major Capital Investments in Councils (December 2014)			
An update on the action plan will be submitted to April 15 Policy and Resources Committee	Head of Legal and Property Services	15.04.15	Complete
The cross directorate Asset Management Corporate Improvement Group will establish a post implementation review process together with supporting policies during 2015/16 to identify good practice and benefits accruing completed projects.	Asset Management CIG	31.03.16	The Asset Management CIG work is progressing for completion by the end of the financial year 2015/2016.
Specific training on capital investment will be delivered to Elected Member before the summer recess.	Corporate Director ERR	30.06.15	This has been the subject of specific discussion with the External Auditors for delivery on programme.