

REPORT TO: Audit and Governance Committee

MEETING DATE: 13 November 2012

BY: Executive Director (Support Services)

SUBJECT: Internal Audit Report – Statutory Performance Indicators
2011/12

1 PURPOSE

- 1.1 To inform the Audit and Governance Committee of the recently issued audit report on Statutory Performance Indicators 2011/12.

2 RECOMMENDATION

- 2.1 That the Audit and Governance Committee note the contents of the Executive Summary and Action Plan for Statutory Performance Indicators 2011/12.

3 BACKGROUND

- 3.1 In 2011/12 the Council reported on 25 Statutory Performance Indicators and as part of the audit plan we reviewed a sample of five indicators.
- 3.2 The main objective of the review was to ensure that adequate arrangements were in place for the preparation and reporting of Statutory Performance Indicators and that the information produced was accurate and complete.
- 3.3 The main findings from our audit work are outlined in the attached report.

4 POLICY IMPLICATIONS

- 4.1 None

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is not applicable to the well being of equalities groups and Equality Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial - None
6.2 Personnel - None
6.3 Other - None

7 BACKGROUND PAPERS

- 7.1 None

AUTHOR'S NAME	Mala Garden
DESIGNATION	Internal Audit Manager
CONTACT INFO	01620 827326
DATE	2 November 2012

**EAST LoTHIAN COUNCIL – INTERNAL AUDIT
STATUTORY PERFORMANCE INDICATORS – 2011/12**

1. EXECUTIVE SUMMARY

1.1 Introduction

As part of the Audit Plan for 2012/13, a review was undertaken of a sample of Statutory Performance Indicators reported by the Council for 2011/12.

1.2 Areas where Expected Controls were Met

- The Council has adequate arrangements in place to ensure that it complies with its obligations in respect of Statutory Performance Indicators.
- Departments were issued with detailed guidance on the preparation and submission of performance information.

1.3 Areas with Scope for Improvement

- There was a failure to follow verification procedures to ensure the accuracy and completeness of the performance information submitted – in some cases no verification had been undertaken, while in other cases the verification was not sufficiently robust to identify errors and anomalies prior to the submission of the performance information. *Risk – errors and anomalies may occur and remain undetected.*
- Equal Opportunities Policy – minor errors were identified in the calculation of this indicator resulting in the number and percentage of women in the top 2% and 5% of earners being slightly understated. *Risk – reported figures may be inaccurate.*
- Payment of Invoices – the payment date used to calculate the percentage of invoices paid within 30 days requires review. *Risk – reported figures may be inaccurate.*
- Domestic Noise Complaints – the arrangements in place for the recording of information and the calculation of response times require review. The spreadsheet used to calculate the average response times had not been correctly set up. *Risk – reported figures may be inaccurate.*
- Response Repairs – in a number of cases the performance information failed to accurately calculate response times. *Risk – reported figures may be inaccurate.*

1.4 Summary

Our review of Statutory Performance Indicators identified a number of areas with scope for improvement. Detailed recommendations and opportunities for improvement are contained in our main Audit Report.

**Mala Garden
Internal Audit Manager**

November 2012

ACTION PLAN

PARA REF	RECOMMENDATION	RESPONSIBLE OFFICER	AGREED ACTION	RISK ACCEPTED/ MANAGED	AGREED DATE OF COMPLETION
3.3.1	<p><u>Equal Opportunities Policy</u></p> <p>Management should ensure that the information produced meets the performance indicator definition and that effective verification is carried out to ensure the accuracy and completeness of the data. Evidence of checks carried out should be retained on file.</p>	Performance and Business Support Manager	Agreed		November 2012
3.4.1	<p><u>Payment of Invoices</u></p> <p>Management should review the payment date used to calculate the percentage of invoices paid within 30 days to ensure that it is consistent with the performance indicator definition.</p> <p>Management should ensure that the performance information produced is verified for accuracy and completeness. Evidence of checks carried out should be retained on file.</p>	Corporate Procurement Manager	Agreed		January 2013
3.5.1	<p><u>Processing Time – Planning Applications</u></p> <p>Management should ensure that the performance information produced is verified for accuracy and completeness by a person independent of the preparer. Evidence of checks carried out should be retained on file.</p>	Management System and Admin Officer	Agreed		June 2013

PARA REF	RECOMMENDATION	RESPONSIBLE OFFICER	AGREED ACTION	RISK ACCEPTED/ MANAGED	AGREED DATE OF COMPLETION
3.6.1	<p><u>Domestic Noise Complaints</u></p> <p>Management should review the arrangements in place for recording, classifying and calculating the performance information in respect of domestic noise complaints.</p> <p>The verifier should carry out detailed checks to ensure that all data produced in respect of the performance indicator is accurate and complete.</p>	Environmental Protection Manager	Agreed		January 2013
3.7.1	<p><u>Response Repairs</u></p> <p>Management should review the systems in place for calculating response times and ensure that the performance information produced is verified for accuracy and completeness.</p>	System Support Officer	Agreed		November 2012