



Internal Audit Consultancy Report
Assignment Number – 15-25
Property Information System (c)
November 2015

Final Report

Internal Audit

“Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”. Public Sector Internal Auditing Standards (PSIAS)

On 27th March 2013, the Council’s Audit Committee approved the PSIAS as the relevant standard for its Internal Audit activity.

Background and Scope

This review was carried out as part of the audit plan approved for 2015/16 by the Audit Committee on 1st April 2015. The indicative scope of the review, agreed by the Committee, is to continue to provide advice and assurance over the arrangements for the roll out of the property system for use within the Environment Service (TES).

As noted in reports from previous Internal Audit work (Reports 14/394 and 15/267 refer), in 2014/15 TES procured a corporate asset management information system (CAMIS) through a competitive dialogue process. The tender specified a commercial off-the-shelf modular web-based product, with proven capacity in a local authority environment requiring minimal customisation and development. TES selected Concerto which met all the specified requirements of the tender documents and was demonstrated to be an intuitive and flexible system which is able to be accessed remotely by property officers and by contractors, using dedicated portals.

The purpose of this report is to provide an update to the Audit Committee of the subsequent progress on the development of the system.

Integra Interface

Data was imported from legacy Property systems to enable Concerto to go live on 1st April 2015 and it has successfully been used to handle all property help desk enquiries and process Property works orders.

The system has been further developed to interface with Integra, the council’s financial reporting system, for the payment of invoices arising from works orders processed through Concerto. Working together with the Systems team in Corporate and Democratic Services, Concerto engineers have developed the interface between the two systems to ensure the processing of payments to suppliers and the provision of consistent, accurate Purchase Ledger information to both systems. In addition, TES finance team users have identified specific transaction types to be used by Concerto to develop User Acceptance Testing (UAT) schedules. These transactions have been the basis of system trials, in the test environment, prior to full demonstration to the Finance Team, in advance of going live in December 2015.

To ensure accurate future reporting, information relating to purchase orders processed prior to the implementation of Concerto, and relating to payments made through Integra prior to the activation of the interface, is being populated in Concerto. This will also enable reconciliation at year-end for Asset Management and Finance.

Internal Audit Report (Consultancy)

A framework for structured, accurate, consistent financial reports and restrictions on access to the reporting functions, are priorities for the development of the system over the next three months.

In addition, development work for another interface is ongoing to enable the production of Sales Invoices by Integra for commercial rents, which will further enhance the control environment.

Other Further Developments

The Compliance module of Concerto now creates flags on each order to provide information for contractors regarding the presence of hazardous materials. This will be further refined in the supplier portal development to provide more complete information.

Detailed Stock Condition Survey information is to be further developed to enable the Service to provide a formal framework to prioritise maintenance and improvement work to the Council's property assets.

Opinion

It is the opinion of the Auditor that the ongoing implementation of the property asset management system is successfully fulfilling the requirements of the original specification. Future development is proceeding to meet the requirements of the Service and may be the subject of further report to the Committee.

Acknowledgements

Internal Audit acknowledges with thanks the co-operation and assistance of the officers working in the TES Corporate Asset Management and Finance teams, and Corporate and Democratic Service's Finance Division during this review.

Feedback

Internal Audit welcomes feedback from management, in connection with this review or with the Internal Audit service in general.

Distribution

This report has been distributed to:

B Malone, Chief Executive

J Valentine, Depute Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development)

B Renton, (Director, The Environment Service)

S MacKenzie, Head of Performance and Resources;

S Crawford, Head of Property;

Internal Audit Report (Consultancy)

J Symon, Head of Finance

S Terras, Corporate Asset Management Team Leader;

G Taylor, Head of Democratic Services

P Dickson, Complaints & Governance Officer

External Audit

Authorisation

The Auditor for this assignment was A Gallacher. The supervising Auditor was M Morrison.

Jackie Clark

Chief Internal Auditor

Date: 7 January 2015