Systems Review of Contract Register(s)

Committee Audit and Standards

Date of meeting 22 March 2013 Date of report 30 January 2013

Report by Assistant Chief Executive (Business Support)

1. Object of report

To advise the committee on the findings of a systems review of Contract Register(s). This engagement is included in the annual Audit Plan for 2012/13.

2. Background

SPT has contractual arrangements in place with external providers for a wide range of goods and services. These arrangements are recorded in contract registers.

SPT’s governance manual provides policy and procedural guidance on contract arrangements and maintenance of contract registers.

The objective of this audit engagement was to assess the process for identifying, recording and reviewing contracts.

This audit engagement tested elements of the internal controls and mitigation against SPT 22 Governance arrangements, as identified in the Corporate Risk register.

3. Outline of findings

Contract Registers are held in most services. However, the format and information provision is not held uniformly.

In March 2012, SPT carried out a self-assessment on the Procurement Capability Assessment. This exercise informed the on-going development of the Forward Planning Workflow document and the Procurement Strategy.

There are areas for improvement, and these areas have been addressed by seven audit recommendations. Departmental management have agreed to implement these recommendations, which are currently being actioned.
4. Conclusions

The Audit and Assurance team has undertaken a systems review of Contract Register(s). Areas for improvement have been identified and seven recommendations have been agreed. Key controls exist and are applied consistently and effectively in the majority of areas. Reasonable assurance can be taken from the controls in place for the areas covered in this engagement.

5. Committee action

The committee is asked to note the contents of this report and agree that the Audit and Assurance Manager submits a follow-up report on the implementation of the recommendations to a future meeting.

6. Consequences

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<td>Policy consequences</td>
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<td>Risk consequences</td>
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Name

Title Assistant Chief Executive (Business Support)

Name

Title Chief Executive

For further information, please contact Iain McNicol, Audit and Assurance Manager on 0141 333 3195