



Contract audit of cleaning services

Committee Audit and Standards

Date of meeting 14 September 2018 **Date of report** 4 September 2018

Report by Assistant Chief Executive

1. Object of report

To advise the committee on the findings of a contract audit of cleaning services. This engagement is included in the annual Internal Audit plan for 2018/19.

2. Background

The Partnership awarded the consolidated cleaning contract for Subway, Bus and Consort House to Churchill's Services Group at its meeting of 21 February 2014. The contract commenced on 1 May 2014 initially for 3 years and was extended until 31 March 2019.

The Partnership awarded the Subway Car cleaning contract to Churchill's Services Group at its meeting of 19 December 2014. The Subway car cleaning contract commenced on 1 April 2015 initially for 3 years. This contract was extended by an additional year.

Both contracts are currently subject to a procurement exercise with a renewal date(s) of 1 April 2019.

The objective of this engagement was to review and evaluate the contract monitoring arrangements in place for cleaning services of SPT properties and site locations.

This engagement tested elements of the internal controls and mitigation against SPT 6: security as identified in the corporate risk register.

3. Outline of findings

Contract monitoring arrangements are administered by Customer Standards with input from operational staff at prescribed timescales.

Engagement testing (May 2018) identified a requirement to review and enhance cleaning checks/surveys by operational staff to improve consistency of reporting.

There are some areas for improvement, and these areas have been addressed by two audit recommendations. Customer Standards management have agreed to implement these recommendations, which are currently being actioned.

4. Conclusions

Audit and Assurance has undertaken a contract audit of cleaning services. Areas for improvement have been identified and two recommendations have been agreed.

Key controls exist and are applied consistently and effectively in the majority of areas tested.

Reasonable assurance can be taken from 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 meeting in approximately six months.

6. Consequences

Policy consequences	<i>None</i>
Legal consequences	<i>None</i>
Financial consequences	<i>None</i>
Personnel consequences	<i>None</i>
Social Inclusion consequences	<i>None</i>
Risk consequences	<i>As detailed in the report</i>

Name Valerie Davidson

Name Gordon Maclennan

Title Assistant Chief Executive

Title Chief Executive

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

Agreed action plan: contract audit of cleaning services

No.	Recommendation	Priority	Action Proposed	Lead Officer	Due date	Implemented
1.	<p><u>Procedural guidance</u></p> <p>The contract administrator should review the method of completing cleaning service checks and re-issue guidance for operational staff to enhance current arrangements.</p>	Medium	The contract administrator will review and re-issue guidance to operational staff on cleaning service checks reporting.	Customer Standards Officer	July 2018	Implemented
2.	<p><u>Service quality reviews</u></p> <p>The contract administrator should consider reviewing the approach taken to complete service quality reviews and customer perception checks to enhance current arrangements and provide consistency of reporting.</p>	Low	The contract administrator will review the approach taken to service quality reviews and customer perception checks.	Customer Standards Officer	September 2018	

High: A fundamental control that should be addressed as soon as possible;

Medium: An important control that should be addressed within three months;

Low: An issue which is not fundamental but should be addressed within six months to improve the overall control environment.