



Comhairle nan Eilean Siar
Internal Audit Review
Cleaning – TRADING ORGANISATION
Final Report –2025/26 - 08

19 August 2025

**COMHAIRLE NAN EILEAN SIAR
INTERNAL AUDIT FINAL REPORT**

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Date of Visit	June 2025
Draft Report Issued	17 July 2025
Management Response Received	16 August 2025
Final Report Issued	19 August 2025

Issued to:	
Chief Executive	Malcolm Burr
Chief Financial Officer	Sandy Gomez
Chief Officer for Education & Children's Services	Donald A Macleod
Service Manager	Iain G Smith
Operations Manager	Diane Campbell
External Audit	Martin Devenny

SECTION 1: EXECUTIVE SUMMARY

Introduction

1.1 The Report has been prepared following an internal audit review of the Cleaning Trading Organisation as part of the operational annual internal audit plan for 2025/26. The purpose of the Report is to provide an overview of the Comhairle's arrangements for the operation and management of Cleaning TO. The scope of the audit included a review of the following objectives:

- The organisation demonstrates VFM in all the services provided/supported and evidences that alternatives have been adequately considered, where available and appropriate;
- Appropriate arrangements are in place with regards to budgeting and monitoring of income/expenditure;
- Financial and service performance is reported to the appropriate Comhairle committee on a regular basis;
- All staff have received suitable training and have completed disclosures;
- There are designated procedures for the handling and storage of cleaning materials with access restricted as necessary;
- There are mechanisms in place to allow staff and other users to provide feedback regarding the cleanliness of buildings;
- There is an inspection programme in place to monitor performance with random checks undertaken;
- Stock is controlled and monitored with annual stock reconciliations undertaken; and
- The purchase of stock is in accordance with the standard procurement procedures in place within the Comhairle.

Background Information

1.2 The Comhairle's Building Cleaning is undertaken in-house under the control of the Education Children's Services Department and is managed by the Operations Manager. The main remit of the service is to provide a quality service to 16 schools throughout Lewis, Harris, Uist & Barra, 14 nurseries and 29 council owned offices in the Western Isles. The service has approximately 86 people who are employed on a permanent basis with an additional pool of 74 relief workers.

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Concluding Remarks

1.3 Our detailed findings are included in the body of the Report. We would point out that the most significant issues arising from our review which require management attention are:

- Unsustainable staffing pressures resulting in a compromise to the level of service. The manager is unable to manage operations effectively and maintain quality standards;
- Monthly budget monitoring meetings to be re-instated. Regular budget monitoring will give the opportunity to make necessary adjustments to any significant variances which allow the manager to make informed decisions and ensure continuity of service; and
- Mandatory training should be introduced for all employees, in line with corporate onboarding procedures.

SECTION 2: RECOMMENDATIONS AND AUDIT OPINION

- 2.1 We have graded our detailed findings and recommendations, based on the likelihood of the identified weakness occurring and the impact on the Comhairle if it should occur.

The following table contains the definitions applied by Internal Audit in rating audit findings/actions and the number of recommendations in each rating.

Definition of recommendation	Grade	No.
Major weaknesses that could have a significant impact on the Comhairle if not addressed and contained urgently.	High	0
Important issues relating to controls being absent, not operating as expected or could be improved.	Medium	5
The weakness is unlikely to have a material impact on the Comhairle. These are not critical but management should address.	Low	2

- 2.2 Based on the audit work carried out our overall opinion is that a **Reasonable Assurance** level of assurance can be placed upon the control environment of the service/area under review.

There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

It should be noted that our findings and conclusions are based on the information made available to us at the time of our review.

Internal Audit
Comhairle Nan Eilean Siar
Sandwick Road
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HS1 2BW

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SECTION 3 – FINDINGS, RECOMMENDATIONS AND ACTION PLAN

GRADE	FINDINGS & IMPLICATIONS	RECOMMENDATION	MANAGEMENT COMMENT	RESPONSIBLE OFFICER	TARGET DATE FOR IMPLEMENTATION
M1	<p>In the last five years, the number of staff employed in Cleaning TO on a permanent basis has dropped from 108 people to approximately 86. There are approximately 18 vacancies that are currently on hold. The number of relief workers has increased from 30 people to 74.</p> <p>A significant amount of time is used daily trying to cover staff absences and there is now a greater reliance on relief staff.</p> <p>This is resulting in unsustainable staffing pressures which is resulting in a compromise to the level of service. The manager is unable to manage operations effectively and maintain quality standards.</p>	Consideration should be given to releasing vacancies to help alleviate pressure and allow the manager to focus on development, performance management and improve overall efficiency.	The Department were required to make £66k of cuts to cleaning staff in 2024/25 and to make a further £45k of cuts to cleaning staff in 2025/26. The majority of vacancies currently held are to achieve the required service cuts. The T.O. could not achieve the bulk of the cuts required in 2024/25 through vacancies, as they didn't occur at the right sites. This is being revisited in 2025/26 and the proposed level of cut will mean less staff / hours. Vacancies will be considered for release at the appropriate number of hours where the service cuts for the site can be achieved.	Operations Manager	End October 2025

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GRADE	FINDINGS & IMPLICATIONS	RECOMMENDATION	MANAGEMENT COMMENT	RESPONSIBLE OFFICER	TARGET DATE OF IMPLEMENTATION
M2	<p>Previously, budget monitoring meetings were held monthly. At present, budget monitoring meetings are now only held on an ad-hoc basis. Part of the budget monitoring process includes payroll reporting. We were advised that monthly payroll reports are being sent to the manager for checking. Any queries or anomalies identified are reported back to the to the service accountant for correction.</p> <p>Budget monitoring is important for maintaining financial health and achieving organisational goals.</p> <p>Regular budget monitoring will enhance the managers awareness of financial performance, giving the opportunity to make necessary adjustments to any significant variances and enabling more informed decision making to ensure continuity of service.</p>	Monthly budget monitoring meetings to be re-instated.	<p>The Cleaning budget is under constant scrutiny due to the requirement to make service cuts. There is a high turnover of staff and release of posts. The Department's weekly Vacancy Panel where the viability of releasing vacant cleaning posts is considered, requires examination of the staffing budgets of the Cleaning T.O. by the Service Manager Education Resources and the ECS Department Service Accountant every time a release of post is requested. Budget monitoring meetings stopped following the cyberattack as data was not available to discuss. Meetings failed to re-start following this incident and data becoming available again. Meetings are re-starting with the first scheduled for Friday 15th August.</p>	Senior Accountant / Operations Manager	15 August 2025

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GRADE	FINDINGS & IMPLICATIONS	RECOMMENDATION	MANAGEMENT COMMENT	RESPONSIBLE OFFICER	TARGET DATE OF IMPLEMENTATION
M3	<p>Employees are not required to complete any mandatory training courses. New employees are provided with on-the-job training which covers the essential areas of their role. All employees are encouraged to complete some employment related training courses on LearnPro, but these are all desirable.</p> <p>Training is provided but there does not seem to be an overall structured programme in place. In addition to this, SDA's are no longer compulsory, the manager does try to encourage employees to participate by sending out SDA information, but the uptake is relatively low. Stopping SDA's may have created a void for constructive feedback and development opportunities for employees.</p> <p>Lack of mandatory training in workplace Health & Safety may lead to safety risks and errors. Competence at work is essential.</p>	<p>Mandatory training to be completed by all new and existing employees in line with corporate onboarding procedures. Training should include and is not limited to:</p> <ul style="list-style-type: none"> • Health & Safety • COSHH • Fire Safety Awareness • Reporting Concerns at Work • Equality & Diversity <p>Accurate training records should also be kept of all training completed.</p>	<p>There are logistical issues with arranging for training for so many staff who do not have access to a PC at work. Training not possible during work hours so additional budget will be identified to fund training hours for mandatory courses. This will be progressed throughout the rest of the year due to the number and geographic spread of individual staff involved.</p> <p>The Department have a system to ensure the accurate recording of training for all staff. PDA forms are required to request and get approval for training and all applications are routed through the Business Support Officer who maintains the records for the Department.</p>	Assistant Trading Operations Manager / Senior Admin Assistant	March 2026

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GRADE	FINDINGS & IMPLICATIONS	RECOMMENDATION	MANAGEMENT COMMENT	RESPONSIBLE OFFICER	TARGET DATE OF IMPLEMENTATION
M3 (cont)	Ensuring safety at work, awareness of potential hazards and how to respond in emergency situations, protects employees and all other members of staff.				
M4	<p>The section does not have any Performance Indicator's in place. This should be considered as an area of development so that areas for improvement can be identified and services enhanced.</p> <p>The lack of measurable PI's makes it difficult to objectively assess how well the section is performing. Without PI's there is less incentive to improve, and it may be more difficult to address performance issues.</p>	<p>Client satisfaction surveys to be reinstated and sent to all schools and all other areas cleaned by the section to help identify areas of improvement.</p> <p>Performance Indicators to be shared with employees, explaining their purpose and how they will contribute to the overall efficiency and quality of service provided.</p>	The Department are about to consult on a reduced standard and frequency of cleaning to make the service cuts for this year. The cuts required in 2024/25 through vacancies could not be fully achieved, as they didn't occur at the right sites. The proposals for 2025/26 will mean less staff with less time to clean. The current cleaning standard will be adjusted down to suit resources available and be notified to schools and other clients.	Operations Manager	October 2025

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GRADE	FINDINGS & IMPLICATIONS	RECOMMENDATION	MANAGEMENT COMMENT	RESPONSIBLE OFFICER	TARGET DATE OF IMPLEMENTATION
M4 (cont)	<p>We were also informed by the manager that there are currently no complaints or feedback procedures in place. The section used to send out a survey once a year to all schools to gain feedback on the cleaning service and take any necessary action required, but this has not taken place since post Covid, around 2020/21.</p> <p>Although staff within the service can highlight issues at any time, surveys can provide important information and should be conducted regularly.</p> <p>Consideration should also be given to widening the circulation of the surveys to all areas that are cleaned by the service.</p> <p>Issuing satisfaction surveys will give the manager an all-round picture of how the service is performing and could be converted into an effective performance Indicator, enabling the manager to optimize resource allocation more effectively, particularly in light of the financial challenges faced by the service.</p>		<p>The follow on from this lowering of service standards will be the issuing of satisfaction surveys and complaint forms for staff to fill in. The impact of service cuts will be measured to ensure they are tolerable for the clients of the service and can be maintained in the longer term.</p>	<p>Assistant Trading Operations Manager / Senior Admin Assistant</p>	<p>March 2026</p>

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GRADE	FINDINGS & IMPLICATIONS	RECOMMENDATION	MANAGEMENT COMMENT	RESPONSIBLE OFFICER	TARGET DATE OF IMPLEMENTATION
M5	<p>The section would like to carry out inspections but due to workload pressures there is not a structured programme of inspections in place. One-off inspections take place when an issue has been raised by either an employee or establishment.</p> <p>Although capacity is an issue, it is important that inspections/spot checks are conducted to identify any issues at the earliest opportunity, these can then be dealt with quickly. This especially important given that feedback surveys have not been issued for a number of years.</p>	Inspection programme to be implemented and incorporated into workloads.	<p>Inspections stopped during covid. In April 2023 the planned reinstatement of the inspections was paused due to the Assistant Manager in Uist retiring and the post being covered from Stornoway up to Feb 2025 until permanently replaced. The cyberattack stopped the use of the purchasing system, so all school invoices have been processed manually by staff in Stornoway. These two incidents increased the office workload to an unbearable level. The Department are in the process of employing a Business Admin Apprentice for the Cleaning and Catering T.O. This additional member of staff will help with the operational admin burden currently shouldered by management. This will free up management time for site visits, service and performance monitoring.</p>	Service Manager	December 2025

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GRADE	FINDINGS & IMPLICATIONS	RECOMMENDATION	MANAGEMENT COMMENT	RESPONSIBLE OFFICER	TARGET DATE OF IMPLEMENTATION
L1	<p>The Building Cleaning Health and Safety Manual 2023 contains various documents relating to the provision of a safe working environment. A manual is available to employees in each of the areas they work in throughout the Local Authority.</p> <p>It was noted that the Health and Safety Policy did not have the latest version number, various documents throughout the folder had not been completed, and a number of the COSHH Risk Assessment Substance Information forms were not signed or dated.</p> <p>Outdated Health & Safety documents in a manual can lead to increased risk of accidents or injuries and can also hinder efficient operations.</p>	The Building Cleaning Health and Safety Manual should be kept up to date with current policies. All documents that have a signature requirement must be signed.	All data from the Health & Safety folders was lost in the cyberattack. These folders will have to be built up again from scratch and will take significant staff time to complete, fully update and re-issue.	Operations Manager	March 2026

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L2	<p>We were also informed that cleaning materials are stored in locked cupboards. Employees have each been issued with a key for access</p> <p>On checking, the cupboard on the first floor of the main Council building, it was found that door did not have a locking mechanism. The cupboard on the second floor was ajar.</p> <p>There was one cleaning item identified that is not on the approved cleaning chemicals for the building list.</p>	<p>Storage cupboards containing cleaning materials, especially those containing hazardous substances, should be locked.</p> <p>All cleaning materials should be included in the approved cleaning chemicals for the building list and have a relevant safety sheet</p>	<p>Adequate and appropriate storage will have to be identified within the Sandwich Road site. The request for this locked storage facility for cleaning chemicals has been issued to the building management. The Cleaning Manager and the Comhairle Property Manager will need to identify an appropriate solution to meet this recommendation.</p>	Property Manager/ Operations Manager	October 2025

RESPECTIVE RESPONSIBILITIES OF MANAGEMENT AND INTERNAL AUDIT

Responsibility in Relation to Internal Controls

It is the responsibility of the Comhairle's management to maintain adequate and effective financial systems and to arrange for a system of internal controls. Our responsibility as internal auditors is to evaluate the financial systems and associated internal controls. In practice, we cannot examine every financial implication and accounting procedure within an activity, and we cannot substitute for management's responsibility to maintain adequate systems of internal controls over financial systems. We therefore may not identify all weaknesses that exist in this regard.

It is the responsibility of the Comhairle's management to consider the detailed findings of this Report, where such findings have a specific impact on risk registers. This may include a risk that has not yet been identified, or current risk controls which may be required to be updated to reflect any changes as a result of the findings contained in this report.

Responsibilities in Relation to Fraud and Corruption

The prime responsibility for the prevention and detection of fraud and irregularities rests with management. They also have a duty to take reasonable steps to limit the opportunity for corrupt practices. It is our responsibility to review the adequacy of these arrangements, but our work does not remove the possibility that fraud, corruption or irregularity may have occurred and remained undetected.

We nevertheless endeavour to plan our internal audit work so that we have reasonable expectation of detecting material fraud, but our examination should not be relied upon to disclose all such material frauds that may exist.

DEFINITION OF AUDIT OPINIONS AND RATINGS

The standard definitions for internal audit assurance over an engagement are as follows:

Level of Assurance	Definition
Full Assurance	Internal control, governance and risk management are of a high standard. A sound system of control to achieve the system objectives exists and the controls are being consistently applied.
Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.