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## NORTH AYRSHIRE COUNCIL

14 September 2021

### Audit and Scrutiny Committee

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<b>Title:</b>	<b>Internal Audit and Corporate Fraud Action Plans: Quarter 1 update</b>
<b>Purpose:</b>	To advise the Audit and Scrutiny Committee on the progress made by Council Services in implementing the agreed actions from Internal Audit and Corporate Fraud reports as at 30 June 2021.
<b>Recommendation:</b>	That the Committee (a) notes the current position with the implementation of Internal Audit and Corporate Fraud actions; and (b) challenges those Services that have not implemented actions within the previously agreed timescales.

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#### 1. Executive Summary

- 1.1 The CIPFA document 'Audit Committee Principles in Local Authorities in Scotland' highlights that Audit Committees should monitor and review the progress made in implementing audit recommendations.
- 1.2 Service managers are responsible for ensuring that agreed actions arising from Internal Audit and Corporate Fraud reviews are implemented. This provides assurance that identified control weaknesses have been addressed and are being managed effectively.
- 1.3 All actions are monitored on the Pentana system and service managers are responsible for updating Pentana as they progress each action. This enables Internal Audit to monitor progress on a 'real-time' basis and address any delays in implementation.
- 1.4 This report details the position at 30 June 2021.

#### 2. Background

- 2.1 The last report to the Audit and Scrutiny Committee on 1 June 2021 highlighted that there were 27 actions outstanding at the end of March 2021: 11 that had not been started or were only partially implemented and 16 where the due date had not yet passed.
- 2.2 In addition to these 27 'carried forward' actions, there have been 22 new actions agreed, giving a total of 49 action points for review.

- 2.3 Services have completed 22 actions since the last report. All Council Services are required to retain evidence of work carried out in completing their actions and Internal Audit carries out 'spot-checks' on a sample of completed actions on an ongoing basis.
- 2.4 Of the remaining 27 actions, five were either not started or only partially complete at 30 June and the remaining 22 were not due for completion until after that date.
- 2.5 Appendix 1 to this report provides the Committee with full details of the five actions that were not complete within the agreed timescales.

### **3. Proposals**

- 3.1 It is proposed that the Committee (a) notes the current position with the implementation of Internal Audit and Corporate Fraud actions; and (b) challenges those Services that have not implemented actions within the previously agreed timescales.

### **4. Implications/Socio-economic Duty**

#### **Financial**

- 4.1 None.

#### **Human Resources**

- 4.2 None.

#### **Legal**

- 4.3 None.

#### **Equality/Socio-economic**

- 4.4 None.

#### **Environmental and Sustainability**

- 4.5 None.

#### **Key Priorities**

- 4.6 The effective implementation of agreed Internal Audit and Corporate Fraud actions helps to support the efficient delivery of the strategic priorities within the Council Plan 2019-2024.

#### **Community Wealth Building**

- 4.7 None.

## **5. Consultation**

- 5.1 Council Services are consulted during the completion of each Internal Audit and Corporate Fraud review and have also provided updates on progress made in implementing action points.

**Mark Boyd**  
**Head of Service (Finance)**

For further information please contact **Laura Miller, Senior Manager (Audit, Fraud, Safety and Insurance)**, on **01294-324524**.

### **Background Papers**

None.

### Actions due by 30<sup>th</sup> June 2021 but not started or partially complete

<b>Code</b>	CFT2250b	<b>Description</b>	The Service should identify and recover any overpayment by the Council to the care provider		
<b>Priority</b>	2	<b>Latest Note</b>	Payment not yet settled as provider is disputing payment. A further meeting has been arranged with the provider to resolve. Anticipated completion date 30 <sup>th</sup> September 2021.		
<b>Progress Bar</b>	<div><div>90%</div></div>	<b>Original Due Date</b>	31-Dec-2020	<b>Due Date</b>	30-Jun-2021
<b>Parent Code &amp; Title</b>	CFT2250 Allegation against contracted care provider			<b>Managed By</b>	Caroline Cameron
				<b>Assigned To</b>	Caroline Cameron

<b>Code</b>	IA2017PA020b	<b>Description</b>	Data protection information awareness for schools training should be agreed and implemented as soon as possible.		
<b>Priority</b>	1	<b>Latest Note</b>	This training cannot be carried out until school staff are allowed to sit in a meeting due to COVID. Estimated completion date April 2022.		
<b>Progress Bar</b>	<div><div>94%</div></div>	<b>Original Due Date</b>	01-Jun-2018	<b>Due Date</b>	30-Jun-2021
<b>Parent Code &amp; Title</b>	IA2017PA020 Email Controls In Education			<b>Managed By</b>	Andrew McClelland
				<b>Assigned To</b>	Rosslyn Lee

<b>Code</b>	IA2019PA014b	<b>Description</b>	Social Work Resources should complete and publish the ' HSCP Eligibility for Transport Assistance' Policy.		
<b>Priority</b>	2	<b>Latest Note</b>	Meeting taking place in the next few weeks to review this policy. Following that, it will then go through the Health and Social Care Partnership governance structures. Sign off is expected by October.		
<b>Progress Bar</b>	<div><div>75%</div></div>	<b>Original Due Date</b>	31-Mar-2019	<b>Due Date</b>	30-Jun-2021
<b>Parent Code &amp; Title</b>	IA2019PA014 Transportation			<b>Managed By</b>	Thelma Bowers
				<b>Assigned To</b>	Jan Thomson

<b>Code</b>	IA2020PA031c	<b>Description</b>	<p><b>Audit Action:</b> A risk analysis to identify all the potential issues with moving from PCs to tablets and other portable devices should be undertaken. Options to mitigate these risks should be investigated before going ahead with the rollout.</p> <p><b>Audit Finding:</b> There are new risks to the Service which need to be considered when planning a move from PC suites to tablets.</p> <p><b>Risk:</b> Theft of tablets; loss of corporate browser filtering allows inappropriate or illegal activities to be undertaken using Council IT facilities</p>		
<b>Priority</b>	2	<b>Latest Note</b>	A risk analysis has been created for individual laptop use connected to the public network and approved by Audit on 22/7/21. Library and Information Service are liaising with IT Services to develop a risk analysis for using laptops with the public wi-fi in a group setting, with a deadline of 30/9/21.		
<b>Progress Bar</b>	<div><div>50%</div></div>	<b>Original Due Date</b>	31-Mar-2021	<b>Due Date</b>	30-Jun-2021
<b>Parent Code &amp; Title</b>	IA2020PA031 Library and Information Service			<b>Managed By</b>	Rhona Arthur
				<b>Assigned To</b>	Heather Benson; Alison McAllister

<b>Code</b>	IA2021PA014a(2)	<b>Description</b>	<b>Audit Action:</b> Detailed written procedures should be completed for system users within Education. <b>Audit Finding:</b> Written procedures are not available for users of ParentPay <b>Risk:</b> Errors are made due to a lack of written guidance for ParentPay users; inconsistent approach when dealing with pupil debt		
<b>Priority</b>	2	<b>Latest Note</b>	This project is co-dependent on the procurement and implementation of the new cashless catering system- currently scheduled for Oct 21. The revised completion date is October 2021.		
<b>Progress Bar</b>	<div><div>50%</div></div>	<b>Original Due Date</b>	31-May-2021	<b>Due Date</b>	31-May-2021
<b>Parent Code &amp; Title</b>	IA2021PA014 Facilities Management ParentPay System			<b>Managed By</b>	Andrew McClelland
				<b>Assigned To</b>	Lynn Taylor