
NORTH AYRSHIRE COUNCIL

29 May 2018

Audit and Scrutiny Committee

Title: **Internal Audit and Corporate Fraud action plans: Quarter 4 update**

Purpose: 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 31 March 2018.

Recommendation: 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.

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 31 March 2018.

2. Background

- 2.1 The last report to the Audit and Scrutiny Committee on 27 March 2018 highlighted that there were 40 actions outstanding at the end of December 2017: 11 that had not been started or were only partially implemented and 29 where the due date had not yet passed.
- 2.2 In addition to these 40 'carried forward' actions, there have been 41 new actions agreed during quarter 4, giving a total of 81 action points for review.

- 2.3 Services have completed 52 actions since the last report. All 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 29 actions, 7 were either not started or only partially complete at 31 March 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 7 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

Financial:	None.
Human Resources:	None.
Legal:	None.
Equality:	None.
Children and Young People:	None.
Environmental & Sustainability:	None.
Key Priorities:	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 2015-2020.
Community Benefits:	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.



Laura Friel
Executive Director (Finance and Corporate Support)

For further information please contact **Paul Doak, Senior Manager (Internal Audit, Risk and Fraud)** on **01294-324561**.

Background Papers

N/A

Actions due by 31st March 2018 but not yet started or partially complete

Generated on: 23 May 2018

Code	IA2017PA021a	Description	IT Services and the Information Governance Team should work together to revise the Remote Access policy, to take into account data protection regulations and information governance requirements as well as the process for requesting and accessing remote access. It should be signed up to by remote access users and publicised on Connects, replacing existing guidance.		
Priority	1	Latest Note	2017/18 Q4 Update: This action was assigned to the new Data Service on 23rd April. Agreement has been reached that the Agile Working Policy should no longer reside with IT, but corporately with the Data Service. The Policy will be reviewed and updated by end-May 2018.		
Progress Bar	<div><div>10%</div></div>	Original Due Date	31-Mar-2018	Due Date	31-Mar-2018
Parent Code & Title	IA2017PA021 Agile Working			Managed By	Esther Gunn-Stewart
				Assigned To	Iona Carcary; Elizabeth Quinn

Code	IA2018PA003f	Description	The Check Sundry Transaction Bank Details report should be amended to show who keyed the sundry supplier invoice.		
Priority	3	Latest Note	2017/18 Q4 Update: Work is underway creating a new report to show who keyed the invoice. It is anticipated that this will be complete by end April.		
Progress Bar	<div><div>50%</div></div>	Original Due Date	28-Feb-2018	Due Date	28-Feb-2018
Parent Code & Title	IA2018PA003 Controls Around BACS Payments			Managed By	Laura Friel
				Assigned To	Anne Lyndon

Code	IA2018PA003q	Description	Resources should be allocated as a matter of urgency to allow the general income bank reconciliation process within Integra to be brought up to date and going forward to allow this reconciliation to be carried out in a timely manner. Any system issues with this process should be reported to Capita as a high priority.		
Priority	1	Latest Note	2017/18 Q4 Update: Staff resources have been allocated to ensure the monthly completion of all reconciliations. Priority has been given to clearing the backlog of reconciliations as part of the year end procedures. Expected completion date 31/5/18.		
Progress Bar	<div><div>75%</div></div>	Original Due Date	31-Mar-2018	Due Date	31-Mar-2018
Parent Code & Title	IA2018PA003 Controls Around BACS Payments			Managed By	Laura Friel
				Assigned To	David Forbes

Code	IA2018PA009a	Description	The charging policy for non-residential care needs to be updated.		
Priority	1	Latest Note	2017/18- Quarter Four Update: Benchmarking work has been completed looking at other authority areas and their charging rates. Care has been taken to benchmark with areas similar in socio-economic profile to North Ayrshire. The findings of this suggest that there is scope to refresh our charging policy. Work will now be undertaken to do this and we will take a revised Charging Policy to Cabinet for approval in September 2018.		
Progress Bar	<div><div>50%</div></div>	Original Due Date	31-Mar-2018	Due Date	31-Mar-2018
Parent Code & Title	IA2018PA009 Social Care Clients - Financial Assessments			Managed By	David Rowland
				Assigned To	Mary Francey

Code	IA2018PA009b	Description	The Council's website needs to be updated. As soon as the charging policy is updated (action a) it must be, but in the meantime it would be useful to load the 2017/18 COSLA guidance.		
Priority	1	Latest Note	Agreed – the website will now be updated as soon as possible.		
Progress Bar	<div><div>40%</div></div>	Original Due Date	31-Mar-2018	Due Date	31-Mar-2018
Parent Code & Title	IA2018PA009 Social Care Clients - Financial Assessments			Managed By	David Rowland
				Assigned To	Mary Francey

Code	IA2018PA034a	Description	The website is currently being reviewed. This review should take into consideration changing technologies, better customer information, more accessible booking forms and on-line payment processes. Regular seasonal updates will ensure that the information available to the public is up to date and links to online forms and documents work.		
Priority	2	Latest Note	2017/18- Quarter Four Update: The website has been reviewed and the content refreshed. The forms have been replaced as necessary. The on line payment systems have been investigated and developed by an external agency, they should be implemented by the end of May 2018.		
Progress Bar	<div><div>90%</div></div>	Original Due Date	31-Mar-2018	Due Date	31-Mar-2018
Parent Code & Title	IA2018PA034 Eglinton Country Park			Managed By	Audrey Sutton
				Assigned To	Lesley Forsyth

Code	IA2018PA034e	Description	A review of CCTV and relevant signage should be undertaken.		
Priority	2	Latest Note	2017/18- Quarter Four Update: The CCTV system has been costed, the asbestos report checked and the new system will be installed in April 2018 in the new financial year.		
Progress Bar	<div><div>90%</div></div>	Original Due Date	31-Mar-2018	Due Date	31-Mar-2018
Parent Code & Title	IA2018PA034 Eglinton Country Park			Managed By	Audrey Sutton
				Assigned To	Lesley Forsyth