
NORTH AYRSHIRE COUNCIL

15 November 2022

Audit and Scrutiny Committee

Title: Internal Audit and Corporate Fraud Action Plans:
Quarter 2 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 30 September 2022.

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 30 September 2022.

2. Background

- 2.1 The last report to the Audit and Scrutiny Committee on 27 September 2022 highlighted that there were 28 actions outstanding at the end of June 2022: nine that had not been started or were only partially implemented and 19 where the due date had not yet passed.

- 2.2 In addition to these 28 carried forward actions, there have been eight new actions agreed, giving a total of 36 action points for review.
- 2.3 Services have completed 23 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 13 actions, one was either not started or only partially complete at 30 September 2022 and the remaining 12 were not due for completion until after that date.
- 2.5 Appendix 1 to this report provides the Committee with full details of the action that was 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.

Climate Change and Carbon

- 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 30th September but not started or partially complete

Code	IA2020PA032a	Description	Audit Action: Arran should be aligned with the mainland's processes and procedures. Audit Finding: Staff on the mainland and Cumbrae are managing the interment process electronically, whilst staff on Arran continue to use manual records. Risk: Business continuity issues due to operating a completely separate system on Arran; manual records are not backed-up in the same way that electronic records are.		
Priority	2	Latest Note	The Service is working with IT to complete the Data Protection Impact Assessment in order to progress with the upgrade, we are confident this will be completed and processed by end of December 2022.		
Progress Bar	<div><div>95%</div></div>	Original Due Date	31-Mar-2021	Due Date	31-Jul-2022
Parent Code & Title	IA2020PA032 Bereavement and Burial Services			Managed By	David Hammond
				Assigned To	Mark McNeil