
NORTH AYRSHIRE COUNCIL

5 September 2023

Audit and Scrutiny Committee

Title: **Internal Audit and Corporate Fraud Action Plans:
Quarter 1 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 June 2023.

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 as at 30 June 2023.

2. Background

- 2.1 The last report to the Audit and Scrutiny Committee on 30 May 2023 highlighted that there were 18 actions outstanding at the end of March 2023: four that had not been started or were only partially implemented and 14 where the due date had not yet passed.

- 2.2 In addition to these 18 carried forward actions, there have been 14 new actions agreed, giving a total of 32 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 9 actions, one was partially complete at 30 June 2023 and the remaining eight actions 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 2023-2028.

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 Risk)**, on **01294 324524**.

Background Papers

None.

Actions due by 30th June 2023 but not started or partially complete

Code	IA2023PA014a	Description	<p>Action Description: The Assurance Toolkit should be updated each when completing the Annual Assurance Statement. The toolkit should provide audit evidence of the current processes and procedures within the Council.</p> <p>Finding: The SFHA Assurance Toolkit wasn't updated when completing the 2021/22 Annual Assurance Statement.</p> <p>Risk: Prior year toolkits may not reflect current processes.</p>		
Priority	3	Latest Note	It has not been possible to go to Audit & Scrutiny prior to summer recess as there were no dates available that tied in to the ARC submission date of 31/05/23. The Annual Assurance Statement has been scheduled to go to Audit & Scrutiny on 5 September 2023. The toolkit to be used for the update is currently being updated and will be used to inform the return.		
Progress Bar	<input type="text" value="50%"/>	Original Due Date	30-Jun-2023	Due Date	30-Jun-2023
Parent Code & Title	IA2023PA014 Scottish Housing Regulator Annual Assurance Statement			Managed By	Yvonne Baulk
				Assigned To	Fiona Ellis