
NORTH AYRSHIRE COUNCIL

16 November 2021

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 2021.

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 2021.

2. Background

- 2.1 The last report to the Audit and Scrutiny Committee on 14 September 2021 highlighted that there were 27 actions outstanding at the end of June 2021: 5 that had not been started or were only partially implemented and 22 where the due date had not yet passed.
- 2.2 In addition to these 27 'carried forward' actions, there have been 18 new actions agreed, giving a total of 45 action points for review.

- 2.3 Services have completed 11 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 34 actions, three were either not started or only partially complete at 30 September and the remaining 31 were not due for completion until after that date.
- 2.5 Appendix 1 to this report provides the Committee with full details of the three 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 30th September but not started or partially complete

Code	IA2019IJB001c	Description	HSCP Management should work with officers from East and South Ayrshire HSCPs to progress the risk sharing arrangements at the earliest opportunity.		
Priority	1	Latest Note	The Pan Ayrshire work on Directions, including lead partnership arrangements, was paused during the pandemic. This work was restarted in September but due further service pressures as a result of COVID, the work has paused again. The plans span 2021-22 with the lead partnership arrangements planned to now be bedded in by March 2022.		
Progress Bar	<input type="text" value="20%"/>	Original Due Date	30-Sep-2019	Due Date	30-Sep-2021
Parent Code & Title	IA2019IJB001 IJB Lead Partnership Arrangements			Managed By	Caroline Cameron
				Assigned To	Caroline Cameron

Code	IA2020PA023g	Description	<p>Audit Action: Password controls should be amended to be in line with best practice guidance.</p> <p>Audit Finding: Password controls for network logons are weak and are not in line with best practice. There is no requirement to use a mix of special characters, numbers, uppercase, lowercase etc or to change the password periodically or get locked out after a specified number of failed login attempts.</p> <p>Risk: Increased vulnerability to hacking or other forms of cyber-attack, which could lead to data breach or inability to undertake duties.</p>		
Priority	1	Latest Note	The rollout is taking longer than anticipated due to configuration settings on teaching staffs network accounts. This was due to unforeseen configuration making the rollout extremely staggered. And therefore, we won't meet the completion date of the 30/09/21. The team are hoping that the rollout will be completed by December 31st.		
Progress Bar	<input type="text" value="10%"/>	Original Due Date	30-Apr-2021	Due Date	27-Sep-2021
Parent Code & Title	IA2020PA023 Remote Access Controls around the Education Network			Managed By	Andrew McClelland; Brendan Quigley; Fiona Walker
				Assigned To	Rosslyn Lee; James McNeil

Code	IA2021PA020a	Description	<p>Audit Action: The Corporate Information Governance Group should review the privacy information produced for children and ensure that best practice is followed.</p> <p>Audit Finding: Survey respondents stated that no privacy information specifically for children has been produced. In discussion with the Information Management Officer, it seems likely that some individual establishments and teams have produced such information, but that officers completing the survey were unaware of this.</p> <p>Risk: Children and young people do not receive appropriate information to make them aware of how their information is handled by the Council, leading to a potential breach of the GDPR. Information given to children and young people is inconsistent or not appropriately worded. Officer time is spent producing such information when examples of good practice already exist.</p>		
Priority	2	Latest Note	<p>The outstanding work required to complete this action is:</p> <ul style="list-style-type: none"> - Create a Privacy Notice specific for children and publish on Council website - Develop a tailored DPIA process specific for processing of children's data <p>Estimated date of completion - 17th November 2021</p>		
Progress Bar		Original Due Date	31-Aug-2021	Due Date	31-Aug-2021
Parent Code & Title	IA2021PA020 Information Governance & Data Protection			Managed By	Aileen Craig
				Assigned To	Kirsty Hamilton; Lauren Lewis