
NORTH AYRSHIRE COUNCIL

4 June 2026

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 of 31 March 2026.

Recommendation: That the Committee notes the current position with the implementation of Internal Audit and Corporate Fraud actions.

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 of 31 March 2026.

2. Background

- 2.1 The last report to the Audit and Scrutiny Committee on 12 March 2026 highlighted that there were 5 actions outstanding at the end of December 2025, with 3 having not passed their due date.
- 2.2 In addition to these 5 carried forward actions, there have been 9 new actions agreed, giving a total of 14 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 3 actions, 1 had yet to be completed as of 31 March 2026 and the remaining 2 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 1 action that was not completed 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.

Islands Communities Impact Assessment (ICIA)

4.8 None.

United Nations Rights of the Child (UNCRC)

4.9 None.

Consumer Duty

4.10 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 **Paul Brown, Senior Manager (Audit, Fraud, Safety, Risk and Insurance)**, on **01294324360**.

Background Papers

None.

Actions due by date

Generated on: 17 April 2026

Code	IA2026PA004a	Description	<p>Action Description: Processes relating to HRA capital should be incorporated into the Council's Code of Financial Practice during the next scheduled update.</p> <p>Finding: The Council's Code of Financial Practice does not define the process for budgeting and monitoring HRA capital expenditure.</p> <p>Risk: Lack of clarity surrounding the setting and monitoring of HRA capital budgets.</p>		
Priority	2	Latest Note	Amended wording has been drafted but the Codes of Practice won't be approved until September.		
Progress Bar		Original Due Date	31-Mar-2026	Due Date	31-Mar-2026
Parent Code & Title	IA2026PA004 Capital Monitoring			Managed By	Mark Boyd
				Assigned To	Alan Dunsmore