

South Ayrshire Council

**Report by Chief Internal Auditor
to Audit and Governance Panel
of 4 September 2024**

Subject: Internal Audit – Progress Report (Quarter 1 2024/25)

1. Purpose

- 1.1 The purpose of this report is to advise Members of progress of the 2023/24 internal audit plan, progress of the 2024/25 internal audit plan, Directorates' progress against implementation of internal audit action plans and the status of the current Quality Assurance and Improvement Action Plan.

2. Recommendation

- 2.1 It is recommended that the Panel considers the content of this report, noting the changes to the format and contents from the previous progress reports to reflect the improvement actions from the External Quality Assessment.**

3. Background

- 3.1 Progress against the Internal Audit annual plan and implementation of actions is reported to the Audit and Governance Panel on a quarterly basis. The last quarterly progress report was reported to Panel on 22 February 2024 and included progress for the third quarter of 2023/24 to 31 December 2023. The 2023/24 annual report was presented to the Panel on 26 June 2024 and detailed the progress of the 2023/24 Internal Audit Plan up to 31 May 2024.
- 3.2 This report provides an update on the progress of the 2023/24 and the 2024/25 Plans for the first quarter to 30 June 2024 and the progress of implementation of Internal Audit actions as at 30 July 2024.
- 3.3 The Public Sector Internal Audit Standard (PSIAS) requires the Chief Internal Auditor to maintain a Quality Assurance and Improvement Programme (QAIP) that covers all aspects of the internal audit activity including both periodic internal self-assessments and five-yearly External Quality Assessments (EQA). The latest EQA was completed in February 2024 and an action plan agreed to address the improvement areas identified. The full EQA report and action plan were presented to this Panel on 29 May 2024. It was agreed that progress of the implementation of the EQA action plan would be included within these Internal Audit quarterly progress reports until fully implemented. Progress against the action plan is detailed at paragraphs 4.16 – 4.19.

4. Proposals

- 4.1 As agreed as part of the EQA action plan, the quarterly progress reports to panel have been updated to include new KPIs and more information on the results of completed assignments. The summary of progress against the annual Internal Audit Plans has also been updated to show the status of each assignment. It is proposed that Members note the updates and consider the progress made by internal audit to deliver the 2023/24 and 2024/25 Internal Audit plans in the period to 30 June 2024. It is also proposed that Members consider the progress made by directorates to implement Internal Audit actions and by Internal Audit to implement the EQA Action plan as at 30 July 2024.

Progress of Internal Audit Plan 2023/24

- 4.2 Fourteen final reports for South Ayrshire Council (SAC) have been issued since the last quarterly update report in February 2024. A Network Support Grant claim was also certified in this period and a briefing note (2023-30-04 EE Mast – Riverside Place) was shared with Members in March 2024. Of the 14 SAC reports issued for 2023/24, six reported substantial assurance, six reasonable assurance and two limited assurance. A total of 65 improvement actions was raised within these reports and all were accepted by management.
- 4.3 In addition to the fourteen SAC audit reports issued, audit reports were also issued for the IJB (Workforce Planning) and the Ayrshire Rural and Island Ambition fund (Grant Claim). There is one assignment (HSCP Premises) from the 2023/24 Audit Plan which has not started. A further five draft reports have been issued and are currently being cleared with service management. A summary of the status of all 2023/24 assignments as at 30 June 2024 can be found in [Appendix 1](#).

Internal Audit Annual Audit Plan 2024/25 Progress

- 4.4 Two final SAC reports have been issued and four SAC assignments started during the first quarter of 2024/25. One assignment for the Ayrshire Valuation Joint Board was also started during this period. Of the two 2024/25 reports issued, one reported substantial assurance and one reported reasonable assurance. A total of four audit improvement actions was raised within these two reports and all were accepted by management.
- 4.5 A summary of the of the status of all 2024/25 assignments as at 30 June 2024 can be found in [Appendix 2](#).
- 4.6 A summary of the findings for each assignment completed between 1 January 2024 has been included in [Appendix 3](#). The full audit report for these assignments was shared with all Members after issued to management.

Performance Indicators 2024/25

- 4.7 As agreed as part of the EQA Action Plan (action 1), performance indicators in relation to the delivery of the overall Internal Audit Service have been developed. These are detailed in the table below and will be included in all quarterly progress reports to this Panel going forward. They will also be reported within the Internal Audit Annual Report. Performance of members of the team and identification of training needs will continue to be monitored by the Chief Internal Auditor.

Measure	Description	Target	Actual
1. Working Draft Report	Percentage of working draft reports issued within 3 weeks of completion of fieldwork. <i>(Quarterly Indicator)</i>	90%	100% (2/2)
2. Final Report	Percentage of final reports issued within 2 weeks of agreeing draft report. <i>(Quarterly Indicator)</i>	100%	100% (2/2)
3. Audit Plan Delivery	2023/24 Audit Plan completed to draft by 30 April 2024 <i>(Annual Indicator)</i>	90%	87%
4. Audit Budget	Percentage of audits completed within budgeted days. <i>(Quarterly indicator)</i>	80%	50% (1 of 2 completed assignments)
	Direct Audit Days delivered <i>(Quarterly indicator)</i>	85%	86%
5. Audit Recommendations	Internal Audit recommendations agreed (measured from 1 April 2024) <i>(Quarterly indicator)</i>	90%	100% (4/4)
7. Client Feedback	Percentage of respondents who rated the overall quality of internal audit as satisfactory or above. <i>(Quarterly Indicator)</i>	100%	No responses received as at 30 June 2024
8. Delivery of Annual Report	Annual opinion /report presented to AGP <i>(Annual Indicator)</i>	By 30 June annually	Target Met Reported 26 June 2024 <i>(Annual Indicator)</i>
9. Audit Plan	AGP Approval of audit charter and annual plan <i>(Annual Indicator)</i>	By 31 March annually	Target Met Approved 20 March 2024 <i>(Annual Indicator)</i>

- 4.8 The internal audit plan for 2024/25, approved by the Panel on 20 March 2024, includes 28 deliverable assignments for South Ayrshire Council. There is also an allocation of time for Internal Audit to deliver audit plans for the IJB and the AVJB (assignments number 30 and 31 in the audit plan) and to audit the Ayrshire Rural and Island Fund (ARIA) 2024/25 Grant Claim. A summary of the status of 2024/25 plan for SAC deliverable assignments as at 30 June 2024 is included in the table below:

Status	No. of Deliverables	Percentage
Complete	2	7%
Work in progress	4	14%
Not started	22	79%
Total	28	100%

- 4.9 In addition to planned Internal Audit assignments, allocations of time are included within the plan for ad-hoc requests for advice and guidance, contingency assignments and investigations. There was one request for advice and guidance in the period to 30 June 2024. This request was in relation to changes to the operation of imprest accounts resulting from bank branch closures. There was one contingency assignment (Community Council appeal) completed in the period and a further two contingency assignments (audit of East Renfrewshire Trust Accounts and a review of the Council Tax Refund procedures) are currently ongoing.
- 4.10 There were no referrals for investigations received in the period to 30 June 2024.

Implementation of Internal Audit Action Plans

- 4.11 Six follow up assignments are included in the 2024/25 internal audit plan. One assignment is currently in progress. The remaining assignments will be programmed into the Internal Audit work plan in line with agreed action implementation dates.
- 4.12 The follow up of all other internal audit actions is undertaken through review of Ideagen, where all recommendations are uploaded for management action. Quarterly alerts are issued from Ideagen to action owners requesting action status to be updated.
- 4.13 There are currently 14 overdue actions and 20 actions due for completion in the next six months. Full details of these action points are included in [Appendix 4](#).
- 4.14 Extensions to implementation dates may be requested by Services where progress of implementation has been impacted by factors outwith their control and/or which were not known at the time of agreeing the original due date. Up to two extensions may be agreed between the Service and the Chief Internal Auditor. An extension to the due date has been requested for all fourteen outstanding actions. Four extensions were requested to allow the Service to deal with issues arising following the implementation of Oracle Fusion, one extension was required to allow for the Energy Strategy to be updated by external consultants to reflect revisions requested by the Council, one was required to allow a full audit of user access to be completed prior to the introduction of an annual review, two were requested to allow the service to explore electronic solutions to the proposed action, one was to allow the

improvement to be evidenced for the full year, two extensions were requested to allow for further work to be undertaken by the service in relation to the potential of removing cash from activity centres, one extension was required due to staff absence impacting on the implementation, one action was extended to enable further work to be conducted to ensure regular uplift of funds and one extension was requested due to a lack of availability of training on standing orders.

- 4.15 Where more than two extensions to due dates have been requested, a representative from the Service will be asked to attend the AGP and provide an explanation for the request. There has been four such requests made during this reporting period. These requests relate to the four outstanding actions from audit assignment IA2021/40 Main Accounting System Review.

Quality Assurance and Improvement Programme (Compliance with PSIAS)

- 4.16 The current Public Sector Internal Audit Standards (PSIAS) require that a Quality Assurance and Improvement Programme (QAIP) is developed to provide assurance that internal audit activity is conducted in accordance with the Internal Audit Charter, that it operates in an efficient and effective manner and that it is perceived to be adding value and improving operations.
- 4.17 The Quality Assurance and Improvement Programme (QAIP) covers all aspects of Audit Services and includes both periodic internal self-assessments and five-yearly External Quality Assessments (EQA). Since the PSIAS came into effect in April 2013, annual self-assessments have been performed by the Chief Internal Auditor and two EQAs have been completed. Time was allocated within the annual Internal Plans to complete this.
- 4.18 New Global Internal Audit Standards which become effective from January 2025 have been developed and PSIAS are currently being updated to reflect the new standards within a UK public sector context. The new PSIAS will be effective from 1 April 2025 and CIPFA have advised that updates will be subject to consultation prior to implementation. Consultation is expected to take place around September 2024. Time has been allocated within the 2024/25 Internal Plan to deliver the QAIP. This will involve completion of an annual self-assessment exercise to assess compliance with current standards and will also include further work to prepare for the implementation of the new Standards from April 2025. The results of the internal assessment will be included within the quarterly update report to Panel once completed.
- 4.19 The latest EQA was completed in February 2024 and was reported to this Panel on 29 May 2024. The results of the EQA were broadly in line with the 2023/24 self-assessment and concluded that Internal Audit fully conforms with ten areas and generally conforms with four areas. There were no areas assessed as partially or not conforming. An action plan containing seven improvement actions in relation to low priority areas was prepared and is being progressed by Internal Audit. Six of the seven actions have been fully completed. The remaining action is not yet due for implementation. The progress against implementation of each action is included at [Appendix 5](#).

5. Legal and Procurement Implications

- 5.1 There are no legal implications arising from this report.
- 5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 Not applicable.

7. Human Resources Implications

7.1 Not applicable.

8. Risk

8.1 Audit reports include, in the action plans, a separate risk assessment detailing the risk of not implementing each of the Internal Audit recommendation. A recommendation to consider whether the Directorate risk register requires to be updated to reflect issues raised within the report is also included in the report. In addition, quarterly meetings have been set up between Risk and Safety and Internal Audit to ensure new emerging risks are included in Council Risk Registers and the Annual Internal Audit Plan where required.

8.2 Risk Implications of Adopting the Recommendations

8.2.1 There are no risks associated with adopting the recommendations.

8.3 Risk Implications of Rejecting the Recommendations

8.3.1 Rejecting the recommendation could result in failure to perform a scrutiny role in relation to the application of the Public Sector Internal Audit Standards (PSIAS).

9. Equalities

9.1 The proposals in this report allow scrutiny of performance. The report does not involve proposals for policies, strategies, procedures, processes, financial decisions and activities (including service delivery), both new and at review, that affect the Council's communities and employees, therefore an equality impact assessment is not required.

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to the three priorities in the Council Plan; Spaces and Places; Live, Work, Learn and, Civic and Community Pride.

13/

13. Results of Consultation

- 13.1 There has been no public consultation on the contents of this paper.
- 13.2 Consultation has taken place with Councillor Ian Davis, Portfolio Holder for Finance, Human Resources and ICT, and the contents of this report reflect any feedback provided.

Background Papers [Public Sector Internal Audit Standard \(PSIAS\)](#)

Report to Audit and Governance Panel of 22 March 2023 – [Proposed Internal Audit Plan 2023/24 \(including Annual Review of Internal Audit Charter\)](#)

Report to Audit and Governance Panel of 20 March 2024 – [Proposed Internal Audit Plan 2024/ 25 \(including Annual Review of Internal Audit Charter\)](#)

Report to Audit and Governance Panel of 29 May 2024 - [External Review of Internal Audit Compliance with Public Sector Internal Audit Standards](#)

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Date: 27 August 2024

PROGRESS AGAINST INTERNAL AUDIT PLAN 2023/24 (AS AT 30 JUNE 2024)

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issued	Final report Issued	Included in AGP Progress Report	
Key Corporate Systems											
1	Main Accounts	Obtain assurance that there are adequate controls included in updated procedures following implementation of Oracle Fusion and that the controls are operating effectively.		✓	✓	✓					
2	HR & Payroll	Obtain assurance that there are adequate controls included in updated procedures following implementation of Oracle Fusion and that the controls are operating effectively.		✓	✓	✓					
	Procurement	Obtain assurance that there are adequate controls included in updated procedures following implementation of Oracle Fusion and that the controls are operating effectively.		✓	✓	✓	✓	✓			
Governance/Best Value											
4	National Fraud Initiative	Co-ordination and Monitoring of Exercise and review of Procurement Matches.								N/A	29 May 2024
5	Following the Public Pound	Ayrshire Growth Deal - Follow Up of actions from 2022/23 Assignment. Objective of the assignment to be agreed when the outcome of the 2022/23 assignment is known. Potentially review		✓	✓	✓	✓	✓	✓		4 Sept 2024

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issued	Final report Issued	Included in AGP Progress Report
		arrangements with consultants/suppliers/contractors or project management.								
6	Procurement	Review of "Off Contract Spend" to obtain assurance that spend is properly authorised and that standing orders in relation to contracts and/or procurement legislation is being adhered to.		✓	✓	✓	✓	✓	✓	4 Sept 2024
7	Participatory Budgets	Obtain assurance that there are adequate arrangements in place to meet the National target for at least 1% of Local Government Budgets to be subject to participatory budgeting		✓	✓	✓	✓	✓		
	Records Management	Obtain assurance that services are complying with SCARRS/the Councils records management procedures, retention schedules are up to date, relevant and adhered to.		✓	✓	✓	✓	✓		
ICT Auditing										
9	Social Media Accounts	Obtain assurance that there are adequate controls in place around; access to Social Media Channels; creation and deletion of Social Media pages/channels and monitoring of content/ followers/ following		✓	✓	✓	✓	✓	✓	4 Sept 2024
Directorates										
10	Housing, Operations and Development	Review of Waste Management procedures to obtain assurance that controls are in place and operating effectively		✓	✓	✓	✓	✓	✓	4 Sept 2024

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issued	Final report Issued	Included in AGP Progress Report
11	Housing, Operations and Development	Anti-Fraud Review - Review of Housing Let procedures to ensure they include adequate controls to identify and prevent fraud (testing will be carried out jointly by Internal Audit and the Corporate Fraud Team)		✓	✓	✓	✓	✓		
12	Education	Review the use of funding allocated to South Ayrshire Council from the Attainment Scotland Fund (ASF) to confirm it complies with the condition of the fund/national guidance and ensure there are adequate arrangements in place to monitor and report impacts and outcomes		✓	✓	✓	✓	✓	✓	4 Sept 2024
13	HSCP	External Providers - Confirm there are adequate arrangement in place to undertake pro- active due diligence on external provider's financial stability	Advice and Guidance Assignment – no audit report required							
	HSCP	Premises - Confirm there are adequate arrangement in place to ensure the HSCP have adequate premises to provide services/operate its business	✓							
15	Change and Communities	Follow up of Actions from 2022/23 Audit Assignment and review of annual Climate Change Duty Compliance return for 2022/23		✓	✓	✓	✓	✓	✓	4 Sept 2024
16	Change and Communities	Review of Cash Collection Arrangements in Leisure Facilities and sample testing		✓	✓	✓	✓	✓	✓	4 Sept 2024

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issued	Final report Issued	Included in AGP Progress Report
Regularity										
17	Continuous Auditing	Accounts Payable, Payroll and Debtors (including Housing Rent Debtors)		✓	✓	✓	✓	✓		4 Sept 2024
18	Grants	Audit of claims and annual review of procedures, Ayrshire Rural and Island Ambition Fund (ARIA)		✓	✓	✓	✓	✓	✓	4 Sept 2024
	Grants	Review of evidence to support Network Support Grant claim		✓	✓	✓	✓	N/A – Objective of the assignment was to verify contents of grant claim. Audit report not required.		4 Sept 2024
	Schools	Internal Control Self Assessment Toolkit - Management of the Annual Process		✓	✓	✓	✓	✓	✓	4 Sept 2024
21	Social Work Locations	Internal Control Self Assessment Toolkit - Management of the Annual Process		✓	✓	✓	✓	✓	✓	4 Sept 2024
Follow Up Reviews¹										
22	Regularity	Follow Up of actions from 2021/22 Audit Assignment - Museum Stores		✓	N/A	✓	✓	✓	✓	4 Sept 2024
23	Main accounting	Follow up of Actions from 2020/21 Audit Assignment - Main Accounting Review	Testing included in Fusion – Main Accounting Review							
24	ICT Auditing	Follow up of Actions from 2022/23 Audit Assignment - Systems Access Controls	Deferred to 2024/25 Plan							

¹ Terms of Reference are not required for follow up assignments

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issued	Final report Issued	Included in AGP Progress Report
25	Directorate	Follow up of Actions from 2022/23 Audit Assignment - Void repairs		✓	N/A	✓	✓	✓	✓	4 Sept 2024
26	Directorate	Follow up of Actions from 2022/23 Audit Assignment - Fostering and Adoption		✓	N/A	✓	✓	✓	✓	4 Sept 2024
27	Main Accounting	Follow up of Actions from 2022/23 Audit Assignment - NDR Relief Review		✓	N/A	✓	✓	✓	✓	8 Nov 2024
28	Directorate	Follow up of Actions from 2022/23 Audit Assignment - Implementation of Care Inspectorate/Scottish Government Improvement Plans	Not required, original audit gave substantial assurance							
29	Governance and Best Value	Follow up of Actions from 2022/23 Audit Assignment - arrangements in place around the use of SWHub	Deferred to 2024/25 Plan							
30	Contingency	Follow up of Actions from 2022/23 Audit Assignment - Golf Club House Income Controls		✓	N/A	✓	✓	✓	✓	4 Sept 2024
Other Entities										
31	AVJB	Review of implementation of Voters Authority Certificate (VAC) process		✓	✓	✓	✓	✓	✓	8 Nov 2024
		Review of implementation of Non Domestic Rate (NDR) legislative changes		✓	✓	✓	✓	✓	✓	22 Feb 2024
32	IJB	Workforce Planning			✓	✓	✓	✓	✓	4 Sept 2024

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issued	Final report Issued	Included in AGP Progress Report
		Follow Up – Performance Monitoring Arrangements			N/A	✓	✓	✓		
Other										
33	Investigations	Allowance for investigations of irregularities.	Three concluded as at 30 June 2023							26 June 2024
34	Advice and Guidance (general)	Client requests, advice and consultancy - including participation on working groups	Advice and Guidance provided in seven separate areas; safe checks, anti-fraud checks within the grant process in Thriving Communities, the treatment/recording of Museum archives, advice on proposed changes to employability grant procedures and the process to award grants to businesses impacted by the transport restrictions as a result of the former Ayr Station Hotel fire, the proposed guidance note, application form and operational procedures for the Communities Empowerment Fund and on financial limits and process for requesting budget virement							
	Advice and Guidance (Service Reviews/ Redesign)	Allocate Time to allow Internal Audit to respond to requests from services to provide advice & guidance or to review updated/changes to procedures following Service redesigns, or implementation of new processes or ICT Systems	Initial meeting with Service to discuss audit participation in the project to replace Carefirst within HSC							
36	Contingency	Contingency budget for unplanned commitments arising during the year	2 assignments completed. Review of HSC procurement of Training Courses and review of grant award process							4 Sept 2024
37	Closure of prior year assignments	Allowance of time for the closure of prior year audit work into 2022/23	One assignment (HubSw) to be concluded							
38	Management and Audit development	Internal Audit planning, annual reporting, and quarterly reporting and Chief Internal Auditor Review of assignments	Ongoing throughout the year							
39	QAIP	Annual self-assessment of compliance with PSIAS		✓	✓	✓	✓	✓	✓	29 May 2024

PROGRESS AGAINST INTERNAL AUDIT PLAN 2024/25 (AS AT 30 JUNE 2024)

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issues	Final report Issued	Included in AGP Progress Report
Key Corporate Systems										
1	Main Accounts	Follow up actions from 2024/25 audit work if required and obtain assurance controls are operating effectively.	✓							
2	HR & Payroll	Follow up actions from 2024/25 audit work if required and obtain assurance controls are operating effectively.	✓							
3	Procurement	Follow up actions from 2024/25 audit work if required and obtain assurance controls are operating effectively.	✓							
Governance/Best Value										
4	National Fraud Initiative (NFI)	Co-ordination and Monitoring of Exercise.	✓							
5	Following the Public Pound	Ayrshire Growth Deal - Follow Up of actions from 2023/24 Assignment (if required). Review of contract management within the AGD programme.	✓							
6	Government and Best Value	Obtain assurance that adequate arrangements are in place for the use of consultancy services throughout the Council.		✓						

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issues	Final report Issued	Included in AGP Progress Report
7	Following the Public Pound	Obtain assurance that there are adequate arrangements in place across the Council to monitor the receipt and issue of grants.	✓							
ICT Auditing										
8	Access Controls	Obtain assurance that there are adequate controls in place over the employee access to Council networks, systems and devices within schools.	✓							
Directorates										
9	Health and Social Care Partnership	Financial Intervention Orders/Corporate Appointeeship - Review of the financial intervention orders/corporate appointeeship procedures to confirm carried out timeously.	✓							
10	Health and Social Care Partnership	CM 2000 review to confirm it meets expected objectives and that outputs from the system are reliable.		✓						
11	Education	Review the use of Pupil Equity Fund (PEF) to confirm compliance with the conditions of the fund/national guidance.	✓							
12	Strategic Change and Communities	Climate Change - scope to be agreed following development of national audit programme.	✓							
13	Chief Executives (Human Resources)	Using Data analytics to confirm all employees have a current/valid Protection of Vulnerable Groups (PVG)	✓							

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issues	Final report Issued	Included in AGP Progress Report
		Certificate in place where required.								
14	Housing Operations and Development	Review of Transport Management System post implementation to confirm it meets expected objectives.	✓							
15	Housing Operations and Development	Review Performance information included in the Annual Return on the Charter (ARC).	✓							4 Sept 2024
16	Housing Operations and Development	Review of Scottish Housing Regulator - Annual Assurance Statement.	✓							
17	Housing Operations and Development	Obtain assurance that the new procedure for malicious damage invoices includes adequate controls and is operating effectively.		✓						
Regularity										
18	Continuous Auditing	Account Payables, Payroll and Debtors and develop the use of Continuous Audit throughout the Council.	✓							
19	Grants	Audit of claims and annual review of procedures, Ayrshire Rural and Island Ambition Fund (ARIA).	✓							
20	Grants	Review of evidence to support Network Support Grant claim.	✓							
21	Self-Assessment Checklist	Internal Control Self Assessment Toolkit - Management of the Annual Process - Social Work Locations.	✓							

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issues	Final report Issued	Included in AGP Progress Report
22	Self-Assessment Checklist	Internal Control Self Assessment Toolkit - Management of the Annual Process - Schools.	✓							
23	Stores	Obtain assurance that there are adequate controls in place to ensure Property Maintenance stock adjustments between the stock count and end and 31/3/2024 are correctly recorded.		✓	✓	✓	✓	✓	✓	4 Sept 2024
Follow Up Reviews										
24	Directorates	Follow up of Actions from 2023/24 Audit Assignment - Waste Management.	✓							
25	ICT Auditing	Follow up of Actions from 2023/24 Audit Assignment- Social Media.	✓							
26	ICT Auditing	Follow up of Actions from 2022/23 Audit Assignment - Systems Access Controls.	✓							
27	Governance and Best Value	Follow up of Actions from 2023/24 Audit Assignment- Participatory Budgets.	✓							
28	Directorates	Follow up of Actions from 2023/24 Audit Assignment- Cash income at Leisure facilities.		✓	N/A	✓				
29	Governance and Best Value	Follow up of Actions from 2023/24 Audit Assignment - Procurement - Framework Agreements.	✓							
Other Entities										
30	AVJB	Elections Act 2022 - To provide assurance that the		✓						

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issues	Final report Issued	Included in AGP Progress Report
		changes required to processes around on-line postal voters and divergence of Scottish/UK Postal and Overseas have been implemented and are operating effectively								
		Staff Training - Council Tax System - To provide assurance that training has been fully carried out on the new Council Tax system.	✓							
31	IJB	Business Continuity and Resilience – To provided assurance that there are adequate arrangements in place to ensure business continuity and resilience within the HSCP	✓							
Other										
32	Investigations	Allowance for investigations of irregularities.	✓							
33	Advice and Guidance	Client requests, advice and consultancy - including participation on working groups.	Ongoing throughout the year. As at 30 June 2024 A&G provided in relation to imprest account changes resulting from Bank branch closures.							
34	Transformation Programme	Allocation of time to allow Internal Audit to provide advice & guidance and support to the Transformation Programme.	✓							
35	Contingency	Contingency budget for unplanned commitments arising during the year.	Ongoing throughout the year. As at 30 June 2024 one contingency assignment concluded (community council appeal) and two in progress (audit of East Renfrewshire Trust Fund and review of Council Tax Refund Process)							
36	Closure of prior year assignments	Allowance of time for the closure of prior year audit work into 2024/25.								

No	Audit Area	Objectives	Not Started	Planning	Terms of reference Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report Issues	Final report Issued	Included in AGP Progress Report
37	Management and Audit development	Internal Audit planning, annual reporting, and quarterly reporting and Chief Internal Auditor Review of assignments.	Ongoing throughout the year.							
38	Quality Assurance Improvement Programme (QAIP)	Annual self-assessment of compliance with PSIAS.	✓							

2023/24 Internal Audit Reports Issued in period 1 January 2024 to 30 June 2024

Assignment Name/Ref	Assurance ²	No of Actions
<p>2024-06 Procurement – Framework Agreements</p> <p><i>Assignment Summary</i></p> <p>The objective of this audit was to obtain assurance that that work allocated through Framework Agreements in Property Maintenance Services complies with the agreed tendering procedures. The assignment sought to provide assurances that controls are in place and working satisfactorily to ensure work is allocated to approved suppliers in line with the tendering procedures as laid out within the Domestic Property Maintenance, Minor Works Framework Agreement, Statement of Requirements (SOR) and Tender Outcome Report. The scope of this assignment was limited to a review of procedures followed in relation to allocating work through this Framework Agreement. It did not involve a review of the process for setting up the Framework.</p> <p>The assurance provided in this report related to the operation of the previous Framework Agreement and the control gaps identified were mainly as a result of the Service failing to put works to mini competition before award. It was accepted that due to the volume of void repairs, the tendering arrangements in place within this Framework, specifically the requirement to go out to mini competition, through the Quick Quote process, for work estimated at £1,000 to £49,999, may have been resource intensive for the Service and could have impacted on service delivery. It is believed this will improve under the new Framework as the value for work requiring to go out to mini competition has increased to between £5,000 and £49,999.</p> <p>The following areas were identified as having scope for improvement:</p> <ul style="list-style-type: none"> • The Service met its internal targets for completing void property repairs in 2022/23. However, the amount of work allocated to external contractors through this Framework may have contributed to significantly higher costs than the estimated value of the Framework being incurred. • The spend against contractors included on the Framework for void repairs was over three times higher than was estimated. However, it is accepted that, as this work is reactive, it may not be possible to ensure the original estimated cost are achieved. • Reference to the Framework was not included within Purchase Orders. It is therefore difficult to accurately calculate the total value of orders placed through this Framework. • The Service used knowledge built up over the term of the framework in relation to availability, quality and cost, to allocate void repair work to external contractors. However, there was no audit trail to support the decision maintained. 	<p>Limited</p>	<p>5 (2 high risk, 3 Medium risk)</p>

² **Substantial Assurance.** A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Reasonable Assurance. There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

Limited Assurance. Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.

No Assurance. Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Assignment Name/Ref	Assurance ²	No of Actions
<ul style="list-style-type: none"> The tendering procedures as laid out in the Framework were always not adhered to. <p>The audit gave rise to five recommendations which management have agreed to implement. The main recommendations resulting from this review related to ensuring tendering procedures as laid out in the new Framework are adhered to and maintaining records of decisions made in relation to allocating work to external contractors. Unless these recommendations are addressed, there is a risk that the Service will fail to secure Best Value and the Council may suffer reputational damage, should they be unable to provide evidence to support decisions to allocate work to external contractors if challenged.</p>		
<p>2024-09 Social Media Accounts</p> <p><i>Assignment Summary</i></p> <p>The objective of this audit was to assess the controls in place regarding the set up and management of the Council's social media accounts. The assignment sought to provide assurances that controls are in place and working satisfactorily in the following areas:</p> <ul style="list-style-type: none"> Set-up of South Ayrshire Council social media accounts, ensuring appropriate governance and approval process in place and adhered to. Council employee access to and use of social media accounts, including system controls, user records and password controls. Management of social media accounts regarding controls over content published. Monitoring social media accounts to assess its effectiveness as a communication tool. <p>Assurance was obtained in the following areas:</p> <ul style="list-style-type: none"> Social media sites (both permitted and non-permitted by SAC) could not be accessed from a standard network account. There is a clearly defined process on the set-up of a "local" social media account by a Service. The Process is documented within the "Managing Work-related Social Media - Guidance for Employees" and instructions are on the Core along with access to the form to be completed. Comments social media site from the public were found to be handled appropriately in a professional manner. RIPSA (Regulation of Investigatory Powers (Scotland) Act) COAST training was completed for all employees with access to SAC Social Media sites for such investigatory purposes. The RIPSA COAST module and the "Procedure for Authorisation of Covert Surveillance" available on the Core refer to the use of "open source" information including social media. Reach and engagement of Corporate Accounts and campaigns are monitored and communicated through monthly reports and specific campaign evaluations. The results are published on the Core. <p>The following areas were identified as having scope for improvement:</p>	<p>Reasonable</p>	<p>15 (5 high risk, 8 medium risk, 2 low risk)</p>

Assignment Name/Ref	Assurance ²	No of Actions
<ul style="list-style-type: none"> • Review of Social Media access rights on SAC network • Annual review of Social Media access rights • Oversight of Social Media Accounts held by SAC • Updates required to Policies • Social Media Access Controls • Communication of Social Media Guidance 2023/ training available to users • Periodic review of unofficial Pages • SAC Social Media pages – following • Privacy of Education social media sites/ photo permissions • Managing audience expectations to maximise use as a communication tool • Monitoring of Account Engagement to assess effectiveness of social media pages managed by Services • Monitoring and Managing content and comments from public • Responsibilities of employees regarding personal use of Social Media • Use of WhatsApp <p>The audit gave rise to 15 recommendations which management have agreed to implement. The main recommendations relate to having oversight of all SAC Social Media accounts held, improving Social Media access controls and increasing compliance with SAC Social Media Guidance. Unless these recommendations are addressed, there is a risk that Social Media will not be used as an effective communication tool. Use of Social Media in some circumstances may be detrimental to the reputation of the Council, particularly where the Social Media Guidance is not adhered to. If access controls are not sufficient, there is risk of unauthorised access to Social Media and potential ICT Security risks.</p>		
<p>2024-10 Waste Management Review</p> <p><i>Assignment Summary</i></p> <p>The objective of the audit was to obtain assurance that there are adequate controls in place and operating effectively within Waste Management. The assignment sought to provide assurance that controls are in place and working satisfactorily in the following areas:</p> <ul style="list-style-type: none"> • Collection and disposal of household waste. • Collection and disposal of commercial waste. • Special and other uplifts. • Landfill and recycling facilities. • Income collection from services provided, including internal recharges. • Performance measures. 	<p>Reasonable</p>	<p>9 (3 high risk, 4 medium risk, 2 low risk)</p>

Assignment Name/Ref	Assurance ²	No of Actions
<ul style="list-style-type: none"> • Risk management within the service. <p>Assurance was obtained in the following areas:</p> <ul style="list-style-type: none"> • The council's Planning Service consults and informs the Waste Management Service on proposed new housing developments which will have an impact on Waste Management Services. • Access to Household Waste Recycling Centres (HWRC) is restricted to South Ayrshire Council residents through the use of household e-permits. • "In cab systems" have been installed in bin lorries and are operating and used to record various aspects of service delivery such as the location of assisted bin uplifts and those household bins not collected due to contamination issues etc. • Section 46 Environmental Notices can be issued to householders where there are issues of contamination or bins being overweight. • Household and special uplift complaints are dealt with timeously, in line with Council procedures and satisfactorily resolved. • Only commercial customers with e-permits can deposit waste at SAC facilities. • The service is proactive in its approach to dealing with commercial customer contamination issues. • Details of bins not collected, due to contamination etc are passed to the Waste Awareness Team who take appropriate action by contacting the customer to discuss any issues. • The service does not use route optimisation software on commercial uplift routes as these can change frequently with customers coming on and leaving on a constant basis. However crews are involved in arranging the order of collection to ensure best use of resources and delivery of customer service. • There are adequate controls in place over the special uplift service. • Reasonable steps are taken to trace where the waste came from and who was responsible for waste. • There is segregation of duties in operation to ensure that creditors payments were authorised by the correct officer. • Internal income levels are discussed, and any actions are followed up by service as required. • There is adequate and proportionate security in place at the recycling facility. • There are adequate arrangements in place to monitor and report progress of actions within both the Council and the Service Plans. <p>The following areas were identified as having scope for improvement:</p> <ul style="list-style-type: none"> • Written procedures for the main areas of service delivery within Waste Management to be developed and circulated. • Periodic reconciliations between the customers included on commercial route sheets and the customers contained in the commercial customers spreadsheet to be completed. • Implement procedures/processes to comply with CCTV. • Implement a suitable stock control system. • Update procedures to ensure invoices are fully reconciled to the relevant back up such as weighbridge tickets before processing for payment. • Periodic reconciliations between the actual income received for the sale of waste and the weighbridge tickets should be completed. • Confirm the correct treatment of VAT for the sale of bins to developers. • Amend Service Improvement Plan, to include a specific dates for completion of each action rather than having an indicative priority of high, medium or low without a specific completion date. 		

Assignment Name/Ref	Assurance ²	No of Actions
<p>The service does not routinely rotate waste collection crews other than when needed to meet operational requirements, this is to ensure continuity of routes and familiarity with service areas. There therefore remains an inherent risk of staff developing inappropriate customer/service provider relationship.</p> <p>The audit gave rise to nine recommendations which management have agreed to implement The main recommendations relate to a lack of procedures, absence of income reconciliations, accessing CCTV procedures, processing invoices and the application of VAT on the sale of bins to developers. Unless these recommendations are addressed, there is a risk of loss of income, non-compliance with Council internal CCTV procedures and non-compliance with VAT rules/regulations.</p>		
<p>2024 – 12 Attainment Scotland Fund (Strategic Equity Fund Review)</p> <p><i>Assignment Summary</i></p> <p>The objective of the audit was to obtain assurance that the Scottish Government’s terms and conditions in relation to Strategic Equity Funding (SEF) component of Attainment Scotland Funding (ASF) as specified in the grant award letter are fully complied with. The assignment sought to provide assurances that:</p> <ul style="list-style-type: none"> • The terms and conditions of the Scottish Government funding are complied with; and, • Only eligible expenditure is included within the funds reclaimed from the Scottish Government. <p>As this assignment was carried out prior to the 2023/24 financial year end it was not possible to included the final Statement of Compliance with the Conditions of Grant in audit testing. Testing concentrated on obtaining assurance that the grant terms and conditions were adhered to in relation to the mid-financial year draw down for the period 1 April 2023 to 31 October 2023 submitted to Scottish Government on 16 November 2023.</p> <p>Assurance was obtained in the following areas;</p> <ul style="list-style-type: none"> • The use of the SEF in South Ayrshire complies with the purpose as detailed in national guidance. • Overall assurance was obtained that the terms and conditions as detailed in the Grant Offer Letter on 31 October 2023 were complied with for the period of this review. • All expenditure included in the mid financial year draw down was allowable and had been incurred in line with the objectives/expected outcomes detailed within the terms and conditions of the grant. • There are procedures in place to ensure the total SEF is properly monitored. 	<p style="color: green;">Substantial</p>	<p>1 (low risk)</p>

Assignment Name/Ref	Assurance ²	No of Actions
<p>One area of improvement was identified. The audit gave rise to one recommendation which management have agreed to implement The recommendation relates to including more detail in relation to budget forecasts in budgetary control reports. Unless this recommendation is addressed, there is a risk that SEF may not be adequately monitored, and corrective action take where required.</p>		
<p>2024-15 Climate Change Duty Return</p> <p><i>Assignment Summary</i></p> <p>The main objective of the audit was to obtain assurance that the South Ayrshire Council Annual Climate Change Duty Report 2022-23 was submitted to the Sustainable Scotland Network (SSN) within the required timescales and that there was evidence to support the information included in the report. The actions raised in the 2022-23 Internal Audit Report were also followed up during this assignment to ensure that have been sufficiently implemented. The assignment sought to provide assurances that:</p> <ul style="list-style-type: none"> • The Climate Change Duty Report 2022/23 is submitted to the SSN in the correct format and by the due date of 30 November 2023. • There is evidence support the information included in Report. • Internal Audit actions arising from the 2022-23 Internal Audit Report have been implemented. <p>Assurance was obtained that the Climate Duty Change Annual Report 2022-23 was properly approved and submitted to the SSN in the correct format by the due date. Evidence was also provided to support the information included in the report.</p> <p>Due to limited staff resources within sustainability and climate change team during the period of this review it has not been possible for them to provide information and support on carbon budgets to services. Internal Audit has been advised that this will be resumed once vacancies have been filled.</p> <p>The audit gave rise to no recommendations therefore no further action is required.</p>	<p>Substantial</p>	<p>0</p>
<p>2024- 16 Cash Collection Arrangements – Leisure Facilities</p> <p><i>Assignment Summary</i></p> <p>The objective of the audit was to obtain assurance that sufficient controls are in place and operating effectively over the cash collection arrangements at leisure facilities. The assignment sought to provide assurances that controls are in place and working satisfactorily in the following areas:</p> <ul style="list-style-type: none"> • Collection and recording of income transactions. 	<p>Reasonable</p>	<p>10 (4 high risk, 3 medium risk, 3 low risk)</p>

Assignment Name/Ref	Assurance ²	No of Actions
<ul style="list-style-type: none"> • Reconciliation of income transactions (both till and bank) • Physical Security of cash and banking • Till System Access <p>Assurance was obtained in the following areas:</p> <ul style="list-style-type: none"> • There are policies and procedures in place to inform staff of their cash handling responsibilities. These documents are available to relevant staff and are accessible to staff through MS Teams. • Staff are required to confirm they have read and fully understood Cash Handling Procedure (April 2023) by completing a declaration through MS forms. • The Legend operating system aids in minimising manual input into the system and controlling access to specific levels of operations for individuals. • There is clear audit trail showing till transactions. • There is clear responsibility of employees over till contents/ cash handling. • There is adequate physical security in areas where cash is collected. • Audit testing confirmed till balances were complete and accurate. • There are adequate cash income reconciliation processes in place and identified variances are reported to management. • A clear audit trail of the daily takings and bag reference numbers for G4S collection was available through Legend. <p>The following areas were identified as having scope for improvement:</p> <ul style="list-style-type: none"> • Panic alarms are installed in all visited facilities for security purposes, however regular tests should be conducted to ensure they are operating. • Keys to access till drawers should be held securely. • Security staff ID verification. • Service to review cash floats on site to determine if appropriate. • Secure storage of cash and regular G4S collection. • Prompt upload of information to paye.net and timely bank reconciliations. • Sufficient detail should be uploaded to the system for all variance explanations. • Review of access to Leisure System Legend to ensure all users appropriate. • Reminder to be issued that cheques should not be pre-signed. • Service to ensure that all staff handling cash have confirmed their understanding cash handling procedures by completing the declaration form. <p>The audit gave rise to 10 recommendations which management have agreed to implement. The main recommendations relate to ensuring timely upload of income data to the cash receipting system paye.net, prompt completion of bank reconciliations and the correction of variance reports to ensure accurate and sufficient detail is added by users on the reasons driving any till variances. Unless these recommendations are addressed, there is a risk of cash theft/ financial loss to the Council being undetected.</p>		

Assignment Name/Ref	Assurance ²	No of Actions
<p data-bbox="114 236 954 268">2024-21 Internal Control Self Assessment Toolkit – Schools</p> <p data-bbox="114 320 416 352"><i>Assignment Summary</i></p> <p data-bbox="114 371 2132 507">The aim of the assignment was to collate and report the results of the annual Schools self-assessment exercise. The assignment sought to provide assurance that there is an awareness of relevant governance arrangements, key controls in relation to security of cash and assets are in place and to highlight areas for improvement where required. This assignment did not include testing of the controls in place so assurance cannot be provided that the controls identified as part of the self-assessment exercise are operating effectively.</p> <p data-bbox="114 523 2132 587">The Schools Self Assessment toolkit is split into six control areas: Governance, Security, Imprest, School Funds, School Meals Income, Inventory and ICT applications and Social Media.</p> <p data-bbox="114 627 954 659">The results of the self assessment exercise indicate that overall:</p> <ul data-bbox="114 675 2132 1297" style="list-style-type: none"> • There was a high level of awareness of the Council’s Governance framework in all responses. Unfamiliarity with several of the key Council policies was highlighted by several schools. • Controls regarding the physical storage, access and banking of cash were overall good, with areas of improvement identified and presented in the action plan. • There were sufficient controls in place over the security and use of the imprest account. Responses indicated that some schools held petty cash but that this was no longer required. • There were sufficient controls in place regarding reconciliation of School funds, use of cheques, audit trail for cash transfers and retention of receipts. All responses indicated that they were familiar with the Management Guidelines on School funds (v6 Oct 2023). Areas for improvement to increase compliance with the Management Guidelines on School Funds and to update the guidelines to include the use of bank cards and online banking have been raised. • There has been an improvement in the number of schools who hold inventory records from the 2022-23 Self Assessment results. 96% of responses hold inventory records, and 94% of these stated that they were updated regularly. Some recommended improvements to inventory records and records held of ICT applications/licenses and subscription have been suggested. • Generally good controls are in place regarding social media administrator access, password controls and management of social media pages. All schools advised that social media users are aware of SAC’s social media guidance. There were specific actions for Education Support Services which will be addressed through the Social Media Action Plan (IA2024/09). Some other areas of improvement were identified through this assignment (specifically relating to schools and EYCs) and it is anticipated that the majority of these points will be addressed as part of the 2024-09 Social Media Accounts internal audit report issued March 2023. <p data-bbox="114 1313 2132 1439">The audit gave rise to nine recommendations which management have agreed to implement. The main recommendations relate to establishing accurate and up-to-date inventory records and records of ICT applications/ licenses and subscriptions held) and improving compliance with the School Fund Management Guidelines. It is also recommended that schools with both public and private social media pages review followers on a periodic basis. Unless these recommendations are addressed, there is a risk of loss or misappropriation of assets and a risk that the School Fund is not clearly distinct from the</p>	<p data-bbox="1189 228 1357 260">Reasonable</p>	<p data-bbox="1512 236 1888 268">9 (2 medium risk, 7 low risk)</p>

Assignment Name/Ref	Assurance ²	No of Actions
<p>school /EYC and not utilised in accordance with SAC School Fund Guidance. If social media followers are not reviewed there is a risk of unauthorised or inappropriate access to the school/ EYC social media page and the content shared.</p>		
<p>2024-21 Internal Control Self Assessment Toolkit – Social Work Locations</p> <p><i>Assignment Summary</i></p> <p>The aim of the assignment was to collate and report the results of the annual Social Care locations self-assessment exercise. The assignment sought to provide assurance that there is an awareness of relevant governance arrangements, key controls in relation to security of cash and assets are in place and to highlight areas for improvement where required. This assignment did not include testing of the controls in place so assurance cannot be provided that the controls identified as part of the self-assessment exercise are operating effectively.</p> <p>The Social Care Self Assessment Toolkit is split into six control areas: Governance, Cash Holding, Stock of Equipment, Inventory, Imprest and Client Accounts. 18 (69%) locations returned a completed assessment. An action has been raised to address the low participation in this exercise.</p> <p>The results of the School self assessment exercise indicate that overall, for the locations who completed the toolkit:</p> <ul style="list-style-type: none"> • There was a good level of awareness of the Governance Framework. One respondent requested training in two separate areas and awareness could be raised in three separate areas. • There is adequate security over cash held. However, five areas were identified where improvements in controls could be strengthen • There is adequate security over access to stock of equipment held at locations. However, stock checks were not documented in all locations. • Of the 18 returns received, only eight (44%) respondents noted that inventory records were held. There were adequate arrangements in place to maintain inventory records in these locations. Improvement is required in relation to the ten locations which do not hold inventory records. • In the locations who use imprest there are sufficient controls in place over the security and use of the imprest account. Two locations noted that they use Commercial Banking and/or virtual credit, both confirmed that they had been provided with written procedures in relation to this and have received training. • There are adequate controls in place over client funds. <p>The assignment gave rise to six recommendations which management have agreed to implement. The main areas where improvements are required are in relation to increasing the rate of completion of the self-assessment within locations, raising staff awareness of key Governance Strategies and Policies, improving the controls around cash holding and to maintaining inventory records in all Social Care locations. Unless these actions are implemented there is a risk that there will be a lack effective internal controls within the service area and possible financial loss and reputational damage to the Council.</p>	<p>Reasonable</p>	<p>6 (1 medium risk, 5 low risk)</p>
<p>2024 – 05 Ayrshire Growth Deal (Follow Up of 2022/23 Actions/testing of process changes)</p>	<p>100% Sufficiently Implemented</p>	<p>0</p>

Assignment Name/Ref	Assurance ²	No of Actions
<p><i>Assignment Summary</i></p> <p>The objective of this audit was to follow up the eight action plan points raised in report IA2023/03 Ayrshire Growth Deal – Compliance with Governance Arrangements to assess that they have been effectively implemented. Seven Actions were fully implemented the remaining action was sufficiently implemented with some further action advised. The further action advised relates to improvements around the purchase order process.</p>		
<p>2024- 22 Follow Up of actions from 2021/22 Audit Assignment - Museum Stores</p> <p><i>Assignment Summary</i></p> <p>The aim of this audit was to follow up the seven action plan points raised in report AI/2022/31 - Museum Store Control to assess that they have been effectively implemented. Five actions were fully implemented and two were sufficiently implemented with some further action required. The further actions advised relate to adding permanent marking to all items where required, completion of the accession register and ensuring all updated policies are properly approved and made available to all relevant staff.</p>	<p>100% Sufficiently Implemented</p>	<p>0</p>
<p>2024- 25 Follow up of Actions from 2022/23 Audit Assignment - Void repairs</p> <p><i>Assignment Summary</i></p> <p>The aim of this audit was to follow up the seven action plan points raised in report Void Repairs - IA2023/08 to assess that they have been effectively implemented. Five actions were fully implemented and two were sufficiently implemented with some further action required. The further actions advised relate to completing the strategic review of the charging methodology once the electronic job scheduling solution has been implemented and adjusting the labour rates held within the servitor job costing system and the schedule of rates/walk in documents to reflect the financial implications of the pay award.</p>	<p>100% Sufficiently Implemented</p>	<p>0</p>
<p>2024- 26 Follow up of Actions from 2022/23 Audit Assignment - Fostering and Adoption</p> <p><i>Assignment Summary</i></p> <p>The aim of this audit was to follow up the six action plan points raised in report IA2023/09 Fostering and Adoption Payments to assess that they have been effectively implemented. Four actions were fully implemented and two were sufficiently implemented with some further action required. The</p>	<p>100% Sufficiently Implemented</p>	<p>0</p>

Assignment Name/Ref	Assurance ²	No of Actions
further actions advised relate to reconciling the information within the record of placement files to the financial ledger transactions and to obtaining explicit confirmation of the Chair's approval of the Matching Panel minutes.		
<p>2024-30 Follow up of Actions from 2022/23 Audit Assignment - Golf Club House Income Controls</p> <p><i>Assignment Summary</i></p> <p>The aim of this audit was to follow up the 23 action plan points raised in report IA2023/28/04 Golf Clubhouse Cash Handling Controls to assess that they have been effectively implemented. Nine actions were fully implemented, 8 were sufficiently implemented with some action advised and 5 were partially implemented with further action required. The further actions advised relate to ensuring that all staff have completed their staff declaration with regards to their cash handling responsibilities and acceptance of their allocated PIN, continuing to maintain management oversight of the till reports available/ subsequently produced by the till providers for any activity that warrants further attention, updating current procedures as a reminder to staff to process cash timeously, considering updating the Daily Cash sheet template to include the Z-totals vs contents of the till counted and to preparing a P&L account to assess profitability of cafes and to enable management to identify any trends in data/ problem areas where further action is required. The five actions required relate mainly to the update of procedures to ensure all staff responsibilities regarding cash handling are clearly documented and that all staff have confirmed that they have read and understood their responsibilities as documented. These actions have been raised in Ideagen and implementation will be monitored by Internal Audit.</p>	<p>77% Sufficiently Implemented</p>	<p>5 (low risk)</p>
<p>2024-36-01 Procurement of Training Service (HSC)</p> <p><i>Assignment Summary</i></p> <p>The Health and Social Care Partnership (HSCP) identified a potential weaknesses in the procurement of training within the Partnership which was raised with Internal Audit. The main objective of the audit is to review the arrangements in place for the procurement and payment of training services from third parties. Where required, this review will aim to identify any areas for improvement in the control environment. The assignment sought to:</p> <ul style="list-style-type: none"> • Establish the current arrangements in place for procuring training services from third parties. • Identify any control weaknesses within the process and any issues in relation to adherence to Council policies and procedures. • Confirm that adequate steps are taken by the Service to ensure Best Value when procuring training services. 	<p>Limited</p>	<p>5 (2 high risk, 3 medium risk)</p>

Assignment Name/Ref	Assurance ²	No of Actions
<p>This review concentrated on training procured in 2022-23 and 2023/24. The Service were aware of the non-compliance with Financial Regulations in relation to prepayments and had taken steps to ensure this does not occur in future. The Service also arranged procurement training for the Practice Development team to increase awareness of SAC procurement procedures.</p> <p>Internal Audit identified improvements in the following areas:</p> <ul style="list-style-type: none"> • Increasing compliance with the Council's Standing Order's Relating to Contracts. • Creating a template to detail the considerations in the procurement of training suppliers. • Increasing staff awareness regarding the implications of payments made in advance and the requirements of the Council's Financial Regulations. • Reminding staff of the requirements of the Council's Financial Regulations regarding Purchase Orders. • Reassessing the allocation of training budget between Practice Development Budget Managers. <p>The audit gave rise to five recommendations which management have agreed to implement. The main recommendations relate to increasing compliance with the Council's Standing Orders Relating to Contracts, specifically adhering to the specified procurement routes. Recommendations also relate to increasing awareness of the risks of paying suppliers in advance and ensuring compliance with the requirements of the Council's Financial Regulations. Unless these recommendations are addressed, there is a risk of breaches of the Standing Orders Relating to Contracts and Financial Regulations. Best value may not be achieved, and financial loss could occur.</p>		




2024/25 Internal Audit Reports Issued in period 1 April 2024 to 30 June 2024


Assignment Name/Ref	Assurance	No. of Actions
<p>2025/15 - Annual Return on Housing Charter Review</p> <p><i>Assignment Summary</i></p> <p>The objective of this assignment was to obtain assurance that there are adequate procedures in place for the collection of information included in the Annual Return on Housing Charter (ARC) 2023/24 and that reported Charter and contextual indicators are accurate. The assignment sought to provide assurance that there are adequate controls in place to ensure the indicators included within the ARC are correct and the return is submitted to the Scottish Housing Regulator (SHR) by the due date.</p>	<p>Substantial</p>	<p>1 (low risk)</p>


Assignment Name/Ref	Assurance	No. of Actions
<p>Assurance was obtained in the following areas:</p> <ul style="list-style-type: none"> • There are adequate procedures in place for the collection, calculation, review and reporting of the indicators included in audit testing. • The indicators were shared with tenants’ representatives prior to submission Scottish Housing Regulator (SHR). • The indicators were submitted to meet the deadline of by 31 May 2024. and outlined how the Council has performed in 2023/24 against the set of standards that are set out by the SHR. • Assurance was also obtained through sample testing that the data used in the calculations covered the correct period and could be supported by documentary and/or system evidence and the indicators included within the return to the SHR had been correctly calculated in line with SHR technical guidance. <p>One area was identified as having potential for improvement. The audit gave rise to one audit recommendations which management have agreed to implement. The recommendation relates to increasing the £1,000 threshold for identifying and excluding complex jobs for indicator 10 “<i>Percentage of reactive repairs carried out in the last year completed right first time</i>”. Unless this recommendation is addressed, there is a risk that the indicator calculated for 2024/25 will exclude more reactive repair jobs than is necessary and not reflect the true performance of the Service.</p>		
<p>2025/23 Property Maintenance Stores Year-end Balance</p> <p><i>Assignment Summary</i></p> <p>The objective of the audit was to obtain assurance that the Property Maintenance stock value, to be included in the Council’s Balance Sheet as at 31 March 2024, accurately reflects the movement of stock between the date of the stock count and the year end. The assignment sought to provide assurances that all stock received into and issued from stores from the date of the stock count 23 March 2024 to the 31 March 2024 is correctly reflected in the year end stock balances reported to Finance for inclusion in the Council’s Balance sheet as at 31 March 2024.</p> <p>There were differences identified in this review however they are considered to be immaterial in the context of the annual accounts.</p> <p>The findings indicate that improvements are required to ensure that the Property Maintenance stock held is complete, accurate and valued appropriately. In particular it was found that:</p> <ul style="list-style-type: none"> • The stock value reported to Finance was at 28 March 2028. Stock movements for emergency works over the Easter weekend (29 – 31 March 2024) were not accounted for as part of 2024-25 stock movements. It is anticipated that these movements would have been immaterial in the context of the stock balance. • Errors in relation to qualities and values of stock recorded in the stock system were identified through audit testing 	<p>Reasonable</p>	<p>3 (medium risk)</p>


Assignment Name/Ref	Assurance	No. of Actions
<p>The audit gave rise to three recommendations which management have agreed to implement. The main recommendations relate to the valuation of stock and ensuring that stock is held at the lower of cost and NRV. Year-end stock counts should include all stock movements up to the 31 March and supporting documents held to evidence all adjustments. Unless these recommendations are addressed, there is a risk that the year-end stock balance is misstated.</p>		




Overdue Actions (As At Date of Report 30 July 2024)





IA2021/40 Main Accounting System Review							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2021/40.06 Format of service level budget monitoring reports for all SAC services to be reviewed to include commitments and obligations to present complete spend against budget.	31-Mar-2024	Tim Baulk	Tom Simpson	26-Aug-2024 While many of the teething issues following the implementation of Oracle Fusion have been resolved, a few continue to persist with some directly related to commitments and obligations. We understand these issues to be linked to new processes surrounding the opening and closing of accounting periods and chart of accounts segments and they continue to be investigated between Finance, ICT and Procurement colleagues and our Fusion external support partners. The implementation of Fusion has been a very significant and steep learning curve and while much progress has been made, these remaining issues require to be ironed out before we can confidently include them in budget monitoring reports. An extension is requested to 31 March 2025.		90%	1st extension granted to Oracle Fusion Go Live date 31/3/23 2 nd Extension Granted to 31/3/2024 3rd extension requested to 31 March 2025
IA2021/40.10 Internal training to be made available to those with budget monitoring responsibilities to enhance their knowledge and skills to effectively manage their budget.	31-Mar-2024	Tim Baulk	Tom Simpson	26-Aug-2024 Existing training material is currently being reviewed and refreshed in line with current Oracle Fusion practices. This will form the basis of both face-to-face and online COAST training sessions across the organisation. An extension is requested until 31 March 2025 by which point the rollout is expected to be complete.		78%	1st extension granted to Oracle Fusion Go live date 31/3/23 2 nd Extension Granted to 31/3/2024 3rd extension requested to 31 March 2025
IA2021/40.11 Format of budget monitoring reports to be reviewed to enable budget holders to drill down on the	31-Mar-2024	Tim Baulk	Tom Simpson	26-Aug-2024 Following a period of time where the priority was identifying, understanding and resolving a number of post Go-Live teething issues with Oracle		85%	1st extension granted to Oracle Fusion go live dated 31/3/2023


information presented. Consideration should be given to providing budget holders with real time budget and expenditure information.				Fusion, consideration is now required as to how financial information can be most effectively presented to budget holders within the resource constraints of licensing costs. We are only now at a stage where solutions can be explored between Finance and ICT colleagues. An extension to 31 March 2025 is requested in order to identify and consider viable and affordable options.			2 nd Extension Granted to 31/3/2024 3 rd extension requested to 31 March 2025
IA2021/40.15 Basis of internal recharges to be reviewed where based on historic pre-approved rates	31-Mar-2024	Tim Baulk	Tom Simpson	26-Aug-2024 Work has stalled in this area while the resolution of Oracle Fusion teething issues took a necessary priority. With many of those issues now resolved, the question of internal charging can now take a higher priority as part of budget-setting considerations for the 2025/26 and 2026/27 budgets. An extension until 31 March 2025 is requested, which will align with the 2025/26 budget-setting process.		35%	1st extension granted to 31/12/2022 2nd extension granted to 30/3/2023 3rd Extension Granted to 31/3/2024 (AGP 6/9/2023) 4 th extension requested to 31 March 2025

IA2023/12 Climate Change Duty Report							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2023/12/04 Review and update of Energy Strategy	31-Mar-2024	Christina Cox; Neil Grant	Tom Burns; Neil Grant	26-Jul-2024 EAC as procurement lead for this strategy issued a contract failure notice to the consultants on 7/6/24. Since this date 2 workshops have been held with relevant officers to facilitate a resolution to the outstanding performance issues with the strategy report output received to date. SAC officers have spent considerable time reviewing and adding comments to the draft documents issued to date. A further workshop is to be scheduled with the final output expected in September.		90%	1 st extension requested to 31 October 2024


IA2024/09 Social Media Accounts							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/09.02 Annual review of Social Media Access Rights	31-Jul-2024	Kevin Mullen	Anne Yeo	04-Jul-2024 Audit is under way.		10%	1 st extension requested to 31 August 2024


IA2024/10 Waste Management Procedures							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/10/02 Undertake periodic reconciliations between the customers on commercial route sheets to commercial customers spreadsheet	31-Jul-2024	Fiona Ross; NS Training	Paul Dougall	24-Jul-2024 Commercial Team currently checking cancelled customers from 1/4/24 to ensure removed from route sheets and any other documents. Annual billing now completed so team will start monitoring payments throughout the year and debt recover as required working along side legal. We are currently looking at a system to digitalise all process in relation to commercial waste which will reduce the possibility of manual error.		50%	1 st extension requested to 31 March 2025
IA2024/10/04 Implement a suitable stock control system	31-Jul-2024	Fiona Ross; NS Training	Paul Dougall	24-Jul-2024 Team leader will be visiting building works to look at their systems, however the bigger issues are around staffing levels and who in the site is responsible for the distribution of stock. This is something the service is reviewing.		20%	1 st extension requested to 31 March 2025
IA2024/10/05 Ensure booking system shows details of all advanced payments	31-Jul-2024	Fiona Ross; NS Training	Paul Dougall	24-Jul-2024 Sample of data to take every 1/4 to ensure no anomalies in payments.		10%	1 st extension requested to 31 March 2025


IA2024/16 Cash Collection Arrangements -Leisure Facilities							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/16.02 Keys to access till drawers	30-Apr-2024	Alistair Mutch	Fiona Campbell	30-Jul-2024 Key Safe installed at all pools - code shared with Reception and Supervisors only. In relation to Activity Centres, we are looking to complete a much larger piece of work to remove the risk and have proposed removing cash completely from the site due to the low cash income, high collection costs and issues linked with IA2024/16.05. Activity Centres - awaiting outcome of removing cash.		80%	1 st extension requested to 30 September 2024
IA2024/16.05 Cash Collections	30-Apr-2024	Alistair Mutch	Fiona Campbell	30-Jul-2024 Actioned for Pools. This is an ongoing issue for Activity Centres (per IA2024/16.02), and we continue to work with Cashiers and G4S to arrange collections		60%	1 st extension requested to 30 September 2024
IA2024/16.06 Upload of information to paye.net and bank reconciliations	30-Jun-2024	Alistair Mutch	Denise Love	20-Aug-24 - Pay.net transactions for Leisure are being uploaded on a regular basis by a dedicated team member in Corporate team. The reconciliation is being prepared and approved regularly. Queries relating to the reconciliation are raised with the department or Cashiers where necessary. There is still some improvement required with the regular uplift of funds and Finance is working with the department to resolve this. Resolution anticipated by end of November 2024.		90%	1 st extension requested to 30 November 2024
IA2024/16.10 Cash Handling Declaration	30-Apr-2024	Alistair Mutch	Fiona Campbell	30-Jul-2024 – Declaration currently being developed		60%	1 st extension requested to 31 August 2024


IA2024/36/01 Procurement of Training Services (HSC)							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/36/01.02 Procurement of Training Template	01-Jul-2024	Gary Hoey	Billy Fisher; Meg Williams	29-Jul-2024 We now have a spreadsheet available which details all of our Training and Development spend. There is evidence of all purchase orders, what they relate too (goods and services) and when these have been paid. Team Members are aware through communication from the Service Manager that only under exceptional circumstances must goods or services be paid in advance of receipt. We can now clearly evidence details of all purchase orders created and completed for procured goods and services.		50%	1 st extension requested to 31 October 2024

Actions Due within next 6 Months (As At Date of Report 30 July 2024)

IA2023/07 System Access Controls							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2023/07.05 Employee Movers	30-Sep-2024	Tim Baulk	Kevin Mullen; Wendy Wesson	26-Jul-2024 A mover's report is currently being developed, which will be cascaded, weekly, to devolved systems administrators. The report will contain detail for administration changes to all devolved systems.		50%	



IA2023/11 Implementation of progress against CI/SG Reports							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2023/11.02 Improvement Priority	30-Sep-2024	Tim Eltringham	Sheila Tyeson			90%	





IA2023/30/04 EE Masts Riverside Place							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2023/30/04.01 Document and implement contract management procedures	31-Dec-2024	Christina Cox	Pauline Bradley	23-Jul-2024 The review and update of contract management procedures is progressing well.		30%	



IA2024/09 Social Media Accounts							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/09.01 Social Media Access Rights on SAC network	30-Aug-2024	Kevin Mullen	Anne Yeo	04-Jul-2024 It is necessary to work through all names of individuals who appear in the social media groups to determine if they need access to social media or to external storage. An assessment needs to be made about whether the access is appropriate or can be managed in a different way so adjustments can be made. All social media users and all users of external storage are exceptions to the allowed policy and		15%	


				for as many as possible access needs to be removed.			
IA2024/09.04 Updates to Policies	31-Dec-2024	Jane Bradley; Kevin Mullen	Gillian Farrell; Anne Yeo	26-Jul-2024 The Communications team have made advised amendments, and these will be put before Council on 19 August for final approval.		90%	
IA2024/09.05 Social Media Access Controls	31-Aug-2024	Jane Bradley; Kevin Mullen	Gillian Farrell; Anne Yeo	19-Jun-2024 First extension granted as action can not be completed until after election which is outwith the control of Service		95%	
IA2024/09.10 Education photo permissions	30-Sep-2024	Lyndsay McRoberts	Gavin Cockburn	25-Jul-2024 On target for completing for due date		65%	
IA2024/09.13 Monitoring and Managing pages	30-Sep-2024	Jane Bradley	Gillian Farrell	26-Jul-2024 Coast module launched including agreed guidance on monitoring and managing pages. Yearly review to take place in January 2025.		90%	
IA2024/09.14 Responsibilities regarding personal use of Social Media by employees	30-Nov-2024	Mike Newall	Wendy Wesson	26-Jul-2024 Wording has been developed and awaiting sign-off with Legal services.		75%	

IA2024/10 Waste Management Procedures							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/10/06 Review current processes and procedures for invoice processing and implement changes	31-Oct-2024	Fiona Ross; NS Training	John Morrison			25%	
IA2024/10/07 Undertake reconciliations between income received for sale of waste to weighbridge tickets issued by company	31-Oct-2024	Fiona Ross; NS Training	John Morrison			25%	

IA2024/20 School Self-Assessment Checklist results 2023/24							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/20.01 Governance	31-Jan-2025	Lyndsay McRoberts	Gavin Cockburn			0%	
IA2024/20.08 Inventory	30-Nov-2024	Lyndsay McRoberts	Gavin Cockburn	25-Jul-2024 An updated reminder on control of inventory will be issued to schools in November 2024, on the anniversary of the last message sent. This message will include updated guidance on the 5 recommendations for schools from the 2024 SSAC Audit.		55%	

IA2024/21 Social Care - Self Assessment Toolkit 2023-24							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/21.01 Completion of Self Assessment - Management to ensure that all relevant locations complete the self-assessment on an annual basis.	30-Nov-2024	Tim Eltringham	Lisa Duncan	26-Jul-2024 CFO presented findings of 23-24 Audit to DMT. Email sent to Team Leaders stressing importance of completion of Self Assessment. Training to be arranged in November prior to Self Assessment 23-24 being distributed for completion.		0%	
IA2024/21.03 Cash and Key Holding instructions to be issued	30-Sep-2024	Tim Eltringham	Lisa Duncan	26-Jul-2024 All teams were informed of actions to be taken in relation to improving current practices in cash and key holding. Assurance has been received from teams improvements will be in place by September 2024. Follow up confirmation on completion of actions will be sought in September.		60%	
IA2024/21.04 Stock checks to be documented	30-Sep-2024	Tim Eltringham	Lisa Duncan	26-Jul-2024 Two teams who undertake stock counts are developing processes to record stock checks. These will be in place for the September deadline. Confirmation will be received in due course to complete this action.		50%	
IA2024/21.05 Inventory records to be maintained	30-Sep-2024	Tim Eltringham	Lisa Duncan	30-Jul-2024 Discussions held with Teams to ascertain their understanding of inventory and stock, guidance to be created and distributed.		50%	

IA2024/36/01 Procurement of Training Services (HSC)							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/36/01.01 Compliance with Standing Orders Relating to Contracts	31-Aug-2024	Gary Hoey	Sheila Tyeson; Meg Williams	16-Jul-2024 Training and awareness have been undertaken with regards to Standing Orders. Further training to be undertaken with relevant HSCP staff.		85%	
IA2024/36/01.03 Payments in Advance	31-Aug-2024	Gary Hoey	Billy Fisher; Meg Williams	29-Jul-2024 The Practice Development Team did complete Procurement Training in July 2023. Since then the team have undergone further training delivered on the 6th June 2024 by Mark Milligan, Stephen Simpson and Sheila Tyson in respect of all Procurement and Commissioning Processes, including the use of Fusion to raise Purchase Orders. This training was attended by all team members, even those who do not have any budget responsibility to ensure all staff are familiar with the processes for procuring goods and services. Standing Order training has been requested for the team. However we have been advised that this will be available following the refresher of the Standing Order processes. The Service Manager contacted Mark Milligan in mid July 2024 to ascertain when the refresher is likely to be completed in order that the necessary training can be booked. We are waiting confirmation of this, but are confident this training will be available before end October 2024. There is ongoing work to make SO training available as a COAST Module which, when available will be mandatory for all staff to complete.		70%	Consider whether extension to 31 October is necessary at next update

IA2025/15 Annual return on Housing Charter Review							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2025/15/01 Service review the £1,000 threshold applied to complex jobs to ensure it is appropriate.	31-Oct-2024	Michael Alexander	Fiona Scott	29-Jul-2024 As part of the reporting process for this indicator, the value of jobs has been analysed. A question has been raised through Scotland's Housing Network (SHN) by another		50%	

				landlord relating to practices used by Landlord relating to this indicator. Once responses are collated and published by SHN, these will be reviewed. Discussion will then take place with Property Maintenance to determine a criteria for identifying complex repairs and all feedback will be used to help determine the most appropriate value threshold to be used for repairs going forward.			
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PSIAS External Quality Assessment – Action Plan

No.	Recommendation	Management Response	Responsible Officer / Agreed Completion Date	Current Status
1	<p>The Chief Audit Executive has recognised the need to introduce client and other surveys to enhance the quality assurance and improvement framework. The peer review has identified that there is scope to consider additional key performance indicators to align to balanced scorecard reporting of performance promulgated by the Institute of Internal Auditors.</p> <p>Specifically, the annual internal audit report should be updated to include all KPIs and additional key performance indicators in relation to compliance with internal service standards e.g. timescales for issue of draft and final reports, number of audits completed on time and within budget as these can be helpful measures to assess the efficiency and effectiveness of internal audit as well as identifying any training needs, particularly for new members of staff.</p>	<p>Recommendation Accepted Additional KPIs in relation to the delivery of the overall Internal Audit Service will be developed. Performance of members of the team and identification of training needs will continue to be monitored by the Chief Internal Auditor.</p>	Chief Internal Auditor – 30 June 2024	Fully Implemented – new KPIs are included in 2024 Q1 Internal Audit progress report and will be included in all progress reports and the annual report going forward
2	<p>The Chief Audit Executive has recognised the need to introduce a formal assurance mapping process to enhance the preparation of the risk-based annual audit plan.</p> <p>The covering report in relation to the annual audit plan should also be updated to include current risk factors influencing the proposed audit coverage for the year ahead.</p>	<p>Recommendation Accepted An assurance mapping process has been introduced and was used as part of the 2024/25 Planning Process.</p> <p>The covering report in relation to the annual audit plan will be updated to include the risk factors influencing the proposed audit coverage for the year ahead going forward from the 2025/26 audit plan.</p>	<p>Complete</p> <p>Chief Internal Auditor – 31 March 2025</p>	<p>Fully Implemented</p> <p>Not started – due to start January 2025</p>
3	The Chief Audit Executive plans to update the risk and control analysis (RACA) process for minor changes identified.	<p>Recommendation Accepted Common risk areas will be added to the RACA template. The</p>	Chief Internal Auditor – 1 April 2024	Fully Implemented

No.	Recommendation	Management Response	Responsible Officer / Agreed Completion Date	Current Status
	The RACA should also be updated to include other standard risk areas such as management information, quality and effectiveness, systems and procedural documentation, business continuity planning arrangements, data protection arrangements and IT logical access controls which are common risk areas.	updated template will be used going forward from 2024/25.		
4	The RACA process should be updated firstly to include an initial risk assessment which would demonstrate audit scope is focussed on areas of higher risk and secondly, to provide no overall conclusion which would then support the overall opinion for the audit.	<p>Recommendation Accepted</p> <p>The RACA template will be updated to include an initial risk assessment and an overall conclusion. A column will be added to rank the risks recorded in the RACA and allow the auditor to ensure the scope is focussed on high risk areas. An overall conclusions section will also be added to the template which will support the audit opinion.</p> <p>The updated template will used going forward from 2024/25.</p>	Chief Internal Auditor – 1 April 2024	Fully Implemented
5	Summary of report findings should be included in internal audit progress reports to provide context to the audit report opinions being reported to the Audit & Governance Panel.	<p>Recommendation Accepted</p> <p>Progress reports will be updated to include a brief summary of audit findings and conclusions which led to the overall audit opinion for the audit assignment.</p>	Chief Internal Auditor – from September 2024 Progress report	Fully implemented – summary of audit findings included in 2024 Q1 Internal Audit progress report and will be included in all progress reports and the annual report going forward
6	Although the results of follow up actions are included in the internal audit progress reports, the annual report should be updated to include the results of follow up processes to support the overall audit conclusion. For example, number of recommendations made, agreed, implemented, overdue, not due at 31 March.	<p>Recommendation Accepted</p> <p>The annual report for 2023/24 and going forward will include a summary of the progress of the implementation of audit actions. This will be split between formal follow up of actions, through audit assignments, and informal</p>	Chief Internal Auditor – 30 June 2024	Fully Implemented – details of progress of actions raised in 2023/24 were included in the 2023/24 Annual Report (paragraph 5.7).

No.	Recommendation	Management Response	Responsible Officer / Agreed Completion Date	Current Status
		follow up using information recorded by services in Ideagen.		
7	<p>The regular progress reports to Audit & Governance Panel are updated to provide information on those recommendations where the risk has been accepted, particularly where the recommendations are high or medium risk and highlight to the Panel any concerns.</p> <p>The annual internal audit report should be updated to highlight any concerns regarding management's acceptance of risk which have previously been reported to the Panel.</p>	<p>Recommendation Accepted The annual report for 2023/24 and going forward will note where the risk has been accepted by service managers.</p>	Chief Internal Auditor – 30 June 2024	<p>Fully Implemented – managements' acceptance of the recommendations and/or of risks was included in the 2023/24 Annual Report (paragraph 5.7).</p>

Critical	
Significant	
Routine	