

**South Ayrshire Council**

**Report by Chief Internal Auditor  
to Audit and Governance Panel  
of 6 November 2024**

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**Subject: Internal Audit – Progress Report (Quarter 2 2024/25)**

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**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, directorate's 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.**

**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 4 September 2024 and included progress for the first quarter of 2024/25 to 30 June 2024.
- 3.2 This report provides an update on the progress of the 2023/24 and the 2024/25 Plans for the second quarter to 30 September 2024 and the progress of implementation of Internal Audit actions as at 1 October 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 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 September 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 2 October 2024.

### **Progress of Internal Audit Plan 2023/24**

- 4.2 Four final reports for South Ayrshire Council (SAC) have been issued since the last quarterly update report in September 2024. Of the four SAC reports issued for 2023/24, one reported substantial assurance and three reported reasonable assurance. A total of 14 improvement actions were raised within these reports and all were accepted by management
- 4.3 In addition to the four SAC audit reports issued, one audit report was also issued for the IJB (Follow Up – Performance Monitoring Arrangements). There is one assignment (HSCP Premises) from the 2023/24 Audit Plan which has not started. A summary of the status of all 2023/24 assignments as at 30 September 2024 can be found in [Appendix 1](#).

### **Internal Audit Annual Audit Plan 2024/25 Progress**

- 4.4 One final SAC reports has been issued and seven SAC assignments started during the second quarter of 2024/25. This assignment, Council Tax Refunds Anti-fraud Review, was completed using time from the allocation to contingency included within the audit plan. This assignment reports reasonable assurance and a total of four audit improvement actions were raised, three of which were accepted by management. The action not accepted was rated medium risk and related to reviewing the Council Tax Overpayments list. The Service accepted the risk in this area and advised that they were currently unable to allocate staff resource to checking the overpayment report on an ongoing basis but would allocate resources to this task if/when resources became available.
- 4.5 A summary of the of the status of all 2024/25 assignments as at 30 September 2024 can be found in [Appendix 2](#).
- 4.6 A summary of the findings for each assignment completed between 1 July 2024 and 30 September has been included in [Appendix 3](#). The full audit report for these assignments was shared with all Members after they were 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 and are included in all quarterly progress reports to this Panel. Performance of members of the team and identification of training needs will continue to be monitored by the Chief Internal Auditor.

<b>Measure</b>	<b>Description</b>	<b>Target</b>	<b>Actual</b>
1. Working Draft Report	Percentage of working draft reports issued within 3 weeks of completion of fieldwork.	90%	100% (3/3)
2. Final Report	Percentage of final reports issued within 2 weeks of agreeing draft report. <i>(Quarterly Indicator)</i>	100%	100% (3/3)

Measure	Description	Target	Actual
3. Audit Plan Delivery	2023/24 Audit Plan completed to draft by 30 April 2024	90%	87% <i>(Annual Indicator)</i>
4. Audit Budget	Percentage of audits completed within budgeted days.	80%	66% (2 of 3 completed assignments)
	Direct Audit Days delivered	85%	86%
5. Audit Recommendations	Internal Audit recommendations agreed (measured from 1 April 2024)	90%	88% (7/8)
7. Client Feedback	Percentage of respondents who rated the overall quality of internal audit as satisfactory or above.	100%	100% (1 response received in period)
8. Delivery of Annual Report	Annual opinion /report presented to AGP	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	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 September 2024 is included in the table below:

Status	No. of Deliverables	Percentage
Complete	2	7%
Work in progress	11	39%
Not started	15	54%
<b>Total</b>	<b>28</b>	<b>100%</b>

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 were four request for advice and guidance in the period to 30 September 2024. The requests were in relation to changes to the operation of imprest accounts resulting from bank branch closures, Hardship Fund procedures, procurement and the Ambition Fund. There were three

contingency assignments completed in the period, a Community Council appeal, the Independent Examination of East Renfrewshire Council Trusts 2023-24 Accounts and a review of the Council Tax Refund procedures.

- 4.10 As a result of a fraudulent change to SAC grant recipient bank details by an external party, Internal Audit is working in conjunction with Thriving Communities, Procurement and Finance to strengthen procedures in relation to managing the payment of Thriving Communities grants.

#### ***Implementation of Internal Audit Action Plans***

- 4.11 Six follow up assignments are included in the 2024/25 internal audit plan. Three assignment are 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 4 overdue actions and 19 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 has been requested for all four outstanding actions. A first extension was granted for three actions, one was requested as, although work has progressed to implement the action, the ICT element of the action is now being covered by a transformation project which is due to be completed in 2025/26, one was requested to allow for the release of a new procurement training module and one was as a result of a delay by the third party supplier to provide user access to a screen for payments. A second extension was granted for one action to allow for further training on the cash handling procedures within leisure facilities to enable employees to complete the cash handling declaration.
- 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 no such request made during this reporting period.

#### ***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 is allocated within the annual Internal Plans to complete this.
- 4.18 The latest EQA completed in February 2024 and reported to this Panel on 29 May 2024. The action plan resulting from the EQA contained seven improvement actions in relation to low priority areas. Six of the seven actions have been fully completed. The remaining action is not yet due for implementation. The detail of progress made against each action in the EQA action plan is included at [Appendix 5](#).
- 4.19 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. 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 including participating in the CIPFA consultation.
- 4.20 The 2024/25 self-assessment has commenced and the results will be included within the quarterly update report to Panel once completed.

## **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. **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:** 25 October 2024

## PROGRESS AGAINST INTERNAL AUDIT PLAN 2023/24 (AS AT 30 September 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	
<b>Key Corporate Systems</b>											
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.		✓	✓	✓	✓	✓	✓	6 Nov 2024	
<b>Governance/Best Value</b>											
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 arrangements with		✓	✓	✓	✓	✓	✓	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
		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		✓	✓	✓	✓	✓	✓	6 Nov 2024
	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.		✓	✓	✓	✓	✓		
<b>ICT Auditing</b>										
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
<b>Directorates</b>										
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)		✓	✓	✓	✓	✓	✓	6 Nov 2024
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
<b>Regularity</b>										
17	Continuous Auditing	Accounts Payable, Payroll and Debtors (including Housing Rent Debtors)		✓	✓	✓	✓	✓	✓	6 Nov 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
<b>Follow Up Reviews<sup>1</sup></b>										
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							

<sup>1</sup> 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 2023
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
<b>Other Entities</b>										
31	AVJB	Review of implementation of Voters Authority Certificate (VAC) process		✓	✓	✓	✓	✓	✓	8 Nov 2023
		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	✓	✓	✓		
<b>Other</b>										
33	Investigations	Allowance for investigations of irregularities.	Three concluded as at 30 June 2024							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/recoding 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 September 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
<b>Key Corporate Systems</b>										
1	Main Accounts	Follow up actions from 2023/24 audit work if required and obtain assurance controls are operating effectively.		✓	✓	✓				
2	HR & Payroll	Follow up actions from 2023/24 audit work if required and obtain assurance controls are operating effectively.		✓	✓	✓				
3	Procurement	Follow up actions from 2023/24 audit work if required and obtain assurance controls are operating effectively.	✓							
<b>Governance/Best Value</b>										
4	National Fraud Initiative (NFI)	Co-ordination and Monitoring of Exercise.		✓	N/A					
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	Governance 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 Issued	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.	✓							
<b>ICT Auditing</b>										
8	Access Controls	Obtain assurance that there are adequate controls in place over the employee access to Council networks, systems and devices within schools.		✓						
<b>Directorates</b>										
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 Issued	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.		✓	✓	✓	✓			
<b>Regularity</b>										
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 Issued	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
<b>Follow Up Reviews</b>										
24	Directorates	Follow up of Actions from 2023/24 Audit Assignment - <b>Waste Management.</b>		✓						
25	ICT Auditing	Follow up of Actions from 2023/24 Audit Assignment- <b>Social Media.</b>		✓	N/A	✓				
26	ICT Auditing	Follow up of Actions from 2022/23 Audit Assignment - <b>Systems Access Controls.</b>	✓							
27	Governance and Best Value	Follow up of Actions from 2023/24 Audit Assignment- <b>Participatory Budgets.</b>	✓							
28	Directorates	Follow up of Actions from 2023/24 Audit Assignment- <b>Cash income at Leisure facilities.</b>		✓	N/A	✓				
29	Governance and Best Value	Follow up of Actions from 2023/24 Audit Assignment - <b>Procurement - Framework Agreements.</b>	✓							
<b>Other Entities</b>										
30	AVJB	<b>Elections Act 2022</b> - To provide assurance that the		✓	✓	✓				

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
		changes required to processes around on-line postal voters and divergence of Scottish/UK Postal and Overseas have been implemented and are operating effectively								
		<b>Staff Training - Council Tax System</b> - To provide assurance that training has been fully carried out on the new Council Tax system.	✓							
31	IJB	<b>Business Continuity and Resilience</b> – To provided assurance that there are adequate arrangements in place to ensure business continuity and resilience within the HSCP	✓							
<b>Other</b>										
32	Investigations	Allowance for investigations of irregularities.	One investigation relating to changes in bank details is currently ongoing in conjunction with other services							
33	Advice and Guidance	Client requests, advice and consultancy - including participation on working groups.	Ongoing throughout the year. As at 30 Sept 2024 A&G provided in relation to imprest account changes resulting from Bank branch closures, hardship fund procedures, procurement and the ambition fund.							
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 September 2024 Three contingency assignment concluded, community council appeal, Independent Examination of East Renfrewshire Council Trusts 2023-24 Accounts and a Council Tax Refund Anti-Fraud Review							
36	Closure of prior year assignments	Allowance of time for the closure of prior year audit work into 2024/25.	Ongoing							

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
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.	✓	✓	N/A	✓				

2023/24 Internal Audit Reports Issued in period 1 July 2024 to 30 September 2024

Assignment Name/Ref	Assurance <sup>2</sup>	No of Actions
<p><b>2024-03 Procurement – Fusion Controls</b></p> <p><i>Assignment Summary</i></p> <p>The objective of this audit was to obtain assurance that there are adequate system controls within Procurement, specifically the Purchase to Pay (P2P) and the Accounts Payables processes, following the implementation of Oracle Fusion. The assignment sought to provide assurances that there are adequate procedures, training and support in place which cover the changes resulting from the implementation of Fusion, and that controls are in place in the following areas:</p> <ul style="list-style-type: none"> <li>• Adding and changing creditors details.</li> <li>• Recording transactions, including the order, receipt and payment of goods and services.</li> <li>• Creditor payments.</li> <li>• Reconciliations.</li> <li>• User access rights and permission.</li> <li>• Monitoring and Reporting.</li> <li>• Performance management.</li> </ul> <p>This assignment did not involve testing of the operation of the controls. Testing to assess the effectiveness of the controls is included within the 2024/25 Audit Assignment in this area.</p> <p>Overall reasonable assurance was obtained in the areas within the scope of the assignment.</p>	<p>Reasonable</p>	<p>6 (3 Medium risk, 3 Low)</p>

<sup>2</sup> **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 <sup>2</sup>	No of Actions
<p>The audit gave rise to six recommendations which management agreed to implement. The main recommendations related to ensuring; approval levels are appropriate; budget overspend warnings and check funds functions are operational; and purchases are authorised by appropriate budget holders. Unless these recommendations are addressed, there is a risk that all spend is not properly authorised and of budgets being overspent.</p>		
<p><b>2024-07 Participatory Budgeting</b></p> <p><i>Assignment Summary</i></p> <p>The objective of this audit was to obtain assurance that there are adequate policies and procedures in place to ensure the Council meets its Participatory Budgeting (PB) target and that PB is imbedded within decisions on the allocation of budget where appropriated and to gain assurance that there is evidence to support the values included within the PB Activity Report 2023/24. The assignment sought to provide assurances that:</p> <ul style="list-style-type: none"> <li>• There are adequate policies and procedures in place to ensure the Council meets its PB target for the financial year and includes the seven key features of a fair and high quality PB process as detailed in the Participatory Budgeting Charter for Scotland.</li> <li>• The Council complies with principles and reporting requirements within the COSLA and Scottish Government PB framework (Community Choices 1% Framework).</li> <li>• Steps are being taken towards mainstreaming PB within decisions on the allocation of existing resources across council services.</li> <li>• The values recorded in the 2023/24 Activity Report are accurate and have been subject to public consultation.</li> </ul> <p>The assignment concluded in reasonable assurance as the Council exceeded the 1% annual target for 2023/24 and there was evidence that the community had been consulted in the areas recorded on the COSLA proforma. It was noted however that currently there is a lack of a strategic approach to PB throughout the Council. In Internal Audit's opinion it appears that PB is not fully considered by all services until they are requested to complete the COSLA proforma on a six monthly basis. This led to various updates to the proforma being required before a final position for 2023/24 was established. In addition, without a strategic approach to PB, there may be a lack of understanding of service responsibilities regarding PB. This increases the risk that the Council could fail to meet the PB target in future years if this is not implemented by all applicable Services. Internal Audit was able to obtain assurance through discussions with Senior Management and attendance at Improvement Services PB briefing delivered to relevant officers in the Council, that steps are being taken to develop a strategic approach to PB.</p> <p>The audit gave rise to 2 recommendations which management agreed to implement. The main recommendations relate to developing a Council wide strategy for Participatory Budgeting and ensuring the COSLA return included all relevant information. Unless these recommendations are addressed, there is a risk that the Council will not meet its obligations to promote and facilitate public participation in its decisions and activities and to give communities more powers to achieve their own ambitions or face reputational damage through reporting inaccuracies in PB returns.</p>	<p>Reasonable</p>	<p>2 (2 medium risk)</p>

Assignment Name/Ref	Assurance <sup>2</sup>	No of Actions
<p><b>2024-11 Housing Let Anti-Fraud Review</b></p> <p><i>Assignment Summary</i></p> <p>The objective of the audit was to obtain assurance that the procedures in place relating to the process of letting Council Houses include adequate and effective controls to mitigate, detect and deter fraud in applications submitted for Council Houses<sup>3</sup> and that there are effective controls in place to identify and detect fraudulent activities in relation to tenancy succession and the sub-letting/unauthorised occupancy of council houses The assignment sought to provide assurance that:</p> <ul style="list-style-type: none"> <li>• The existing Council house letting procedure includes adequate and effective controls to mitigate, detect and deter fraud in housing applications.</li> <li>• The existing verification checks, made by the service to confirm housing applicant information/circumstances, are sufficient, relevant and effective and include various options such as references to credit checks, council tax, council data matching and social media information.</li> <li>• The measures taken by the service to identify or mitigate instances of fraud in sub-letting, tenancy succession and unauthorised occupancy are effective and timeous.</li> </ul> <p>Overall reasonable assurance was obtained in the areas within the scope of the assignment.</p> <p>The audit gave rise to six recommendations which management agreed to implement. The main recommendations relate to updating Housing Management Policies, incorporating asylum and immigration questions in the current application process, strengthening current processes in relation to undertaking annual reviews of applicant’s circumstances and considering anti-fraud measures within other similar organisations. Unless these recommendations are addressed, there is a risk that policies will be outdated, non-compliance with asylum and immigration requirements will exist and tenancies could be awarded to applicants who have not declared material changes in circumstances via the annual review process.</p>	Reasonable	6 (1 high risk, 2 medium risk, 3 low risk)
<p><b>2024–17 Continuous Auditing</b></p> <p><i>Assignment Summary</i></p> <p>The objective of the audit was to is to assess the risk of undetected duplicate supplier payments using audit Data Analysis Software (IDEA) to review vast volumes of data.</p> <p>Testing was conducted on invoices from 1 March 2023 to 17 March 2024. Five invoices were identified which had been paid twice. This represented an overpayment of £11,139. We consider this to be immaterial in the context of invoices recorded on both Oracle EBS and Oracle Fusion over the period of</p>	Substantial	0 Actions

<sup>3</sup> Council Houses are taken to include all forms of domestic properties


Assignment Name/Ref	Assurance <sup>2</sup>	No of Actions
<p>review (£290m) however the CAP team are currently following up with the suppliers to return the funds paid in error. All invoices identified where duplicate payment had been made were recorded on</p> <p>Six duplicate payments were also identified as part of testing which had previously been identified by the CAP team/ Service and Debit Memos (totalling £53,843) had already been raised on the system to record return of funds which were paid in error.</p> <p>Non-PO stats continue to be monitored by the Procurement team to reduce these instances and increase compliance with the Council's Financial Regulations December 2023 (s14.2).</p> <p>Supplier invoices held in Oracle were identified from review containing personal client information such as names and dates of birth. In accordance with General Data Protection Regulations, the Council has a responsibility to limit unnecessary access to personal data. This finding was reported to the Procurement team to follow-up with the relevant suppliers.</p> <p>The audit gave rise to no further recommendations therefore no further action is required.</p>		



**2024/25 Internal Audit Reports Issued in period 1 July 2024 to 30 September 2024**

Assignment Name/Ref	Assurance	No. of Actions
<p><b>2025-35-04 – Council Tax refunds Anti-Fraud Review</b></p> <p>Assignment Summary</p> <p>The objective of this assignment was to obtain assurance that assurance that there are adequate controls in place and operating effectively to guard against fraudulent award of Council Tax (CT) refunds within South Ayrshire Council. The review was completed using time allocated from the contingency balance included in the 2024/25 Internal Audit Plan. The assignment sought to provide assurance that that controls are in place and working satisfactorily in the following areas;</p> <ul style="list-style-type: none"> <li>• Identification of and requests for CT refunds</li> <li>• Authorisation of CT refunds</li> <li>• Payment of CT refunds</li> </ul> <p>Overall assurance was obtained that there are appropriate and proportional controls in place to guard against the fraudulent payment of CT refunds and there were no significant issues or errors identified through audit testing.</p> <p>The audit gave rise to four recommendations, three of which management have agreed to implement. The action not accepted was rated medium risk and related to reviewing the Council Tax Overpayments list. Management has accepted this as an ongoing risk and will allocate resources to this task if/when available. The main recommendations relate to restricting the use of the shared login, ensuring endorsers’ approval limit controls are not circumvented, confirming approval limits are appropriate, reviewing the CT Overpayments list and making refunds where required. Unless these recommendations are addressed, there is a risk that fraudulent activity may not be identified, refunds may not be properly approved and the Council could suffer reputational damage through failure to make refunds where CTPs have overpaid their CT liability.</p>	<p>Reasonable</p>	<p>4 (1 high risk, 2 Medium Risk and 1 low risk)</p>




## Overdue Actions (As At 2 October 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	03-Oct-2024 Although work has been ongoing in this area, the Starters, Movers and Leavers' is now a year 2 transformation project which should be concluded by end of FY 25/26 and should deliver efficiencies in terms of the Councils approach. Therefore an extension to March 26 is requested.		55%	1 <sup>st</sup> Extension Granted to 31/3/2026

IA2024/03 Procurement - Fusion Controls							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/03.05 Carry out a survey of procurement users	30-Sep-2024	David Alexander	Stephen Simpson	02-Oct-2024 A report has been created within Fusion to display outstanding orders and invoices. This is available for any member of staff who has access to the procurement screens within the system. Procurement have been informing staff that this report is available. Procurement are producing a new training module for Fusion, that all staff on the system will be required to complete, regarding the ordering and invoicing process and this report will be mentioned and highlighted within this training module. This module is due to be released later in 2024/25, hence the 90% completion.		90%	1 <sup>st</sup> Extension Granted to 31/12/2024
IA2024/03.06 Restrict the ability to amend cost centres	30-Sep-2024	David Alexander	Stephen Simpson	02-Oct-2024 Procurement are considering the level of access currently granted vs the level of access actually required for each member of staff to complete their job. Communications have been drafted for service leads in regard to reviewing procurement users within each of their services.		75%	1 <sup>st</sup> Extension Granted to 31/12/2024

				Procurement are however awaiting a helpdesk call to be completed via our third party supplier in regards to procurement user access to a screen for payments. This affects what procurement users can do on Fusion and we are awaiting completion of this call prior to sending out communications in regard to a survey.			
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IA2024/16 Cash Collection Arrangements -Leisure Facilities							
Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/16.10 Cash Handling Declaration	31-Aug-2024	Alistair Mutch	Fiona Campbell	01-Oct-2024 Some staff have requested further clarification re the content of the cash handling guide - efforts ongoing to reach 100%.		90%	1st extension granted to 31/08/2024 2 <sup>nd</sup> Extension granted to 31/12/2024

## Actions Due within next 6 Months (As At 2 Oct 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-2025	Tim Bauk	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 2nd extension granted to 31/3/24 3rd extension granted to 31/3/2025 at AGP 4 Sept 2024
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-2025	Tim Bauk	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 2nd extension granted to 31/3/24 3rd extension granted to 31/3/2025 at AGP 4 Sept 2024
IA2021/40.11 Format of budget monitoring reports to be reviewed to enable budget holders to drill down on the information presented. Consideration should be given to providing budget holders with real time budget and expenditure information.	31-Mar-2025	Tim Bauk	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 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.		85%	1st extension granted to Oracle Fusion go live dated 31/3/2023 2nd extension granted to 31/3/24 3rd extension granted to 31/3/2025 at AGP 4 Sept 2024
IA2021/40.15 Basis of internal recharges to be reviewed where based on historic pre-approved rates	31-Mar-2025	Tim Bauk	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		35%	1st extension granted to 31/12/2022 2nd extension granted to 30/3/2023 3rd Extension Granted to

				31 March 2025 is requested, which will align with the 2025/26 budget-setting process.			31/3/2024 (AGP 6/9/2023) 4th extension granted to 31/3/2025 at AGP 4 Sept 2024
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### 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-Oct-2024	Christina Cox; Neil Grant	Tom Burns; Neil Grant	27-Sep-2024 The AEM draft final report and work package outputs have been received and commented upon. The AEM Recommendations Action Plan is being finalised and following this the consultant will prepare the overarching AEM document.		90%	1st extension granted to 31/10/2024

### 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
IA2024/09.14 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
IA2024/10/01 Develop written procedures/processes for all key business operations	31-Mar-2025	Fiona Ross; NS Training	John Morrison	02-Oct-2024 We have begun process mapping procedures for key operations tasks and have officers working on their own specific areas to complete them.		60%	
IA2024/10/02 Undertake periodic reconciliations between the customers on commercial route sheets to commercial customers spreadsheet	31-Mar-2025	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%	1st extension granted to 31/3/2025

IA2024/10/04 Implement a suitable stock control system	31-Mar-2025	Fiona Ross; NS Training	Paul Dougall	24-Jul-2024 Team leader will be visiting building works to look at there 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%	1st extension granted to 31/3/2025
IA2024/10/05 Ensure booking system shows details of all advanced payments	31-Mar-2025	Fiona Ross; NS Training	Paul Dougall	24-Jul-2024 Sample of data to take every 1/4 to ensure no anomalies in payments.		10%	1st extension granted to 31/3/2025

**IA2024/11 Housing Lets - Anti Fraud Review**

Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/11/01 Housing Services should take action to ensure that the policy is reviewed every two years	31-Jan-2025	Michael Alexander	Chris Carroll	01-Oct-2024 Housing Policy and Strategy have engaged with Housing Services early September 2024 outlining lead Policy Officers to work with colleagues across Housing Operations to refresh and update the Housing Management Policy. An agreed workplan is to be created and actioned on.		20%	
IA2024/11/06 Housing Services should consider incorporating a section into the policy document in relation to prevention/detection of fraudulent activities or attempted fraud when applying for Council houses.	31-Jan-2025	Kenny Dalrymple	Michael Alexander	01-Oct-2024 Consideration will be given to incorporating a section into the policy document in relation to prevention/detection of fraudulent activities or attempted fraud when applying for Council houses.  Additionally, consideration will be given to strengthening existing anti-fraud measures taking account of established good practice and any data sharing restrictions.		20%	

**IA2024/16 Cash Collection Arrangements -Leisure Facilities**

Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2024/16.06 Upload of information to paye.net and bank reconciliations	30-Nov-2024	Alistair Mutch	Denise Love	21-Aug-2024 Per Kate Copland 21/08/2024 - 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.		90%	1st extension granted to 30/11/2024

				Resolution anticipated by end of November 2024. Progress now 90%.			
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**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	27-Sep-2024 We are on track for completing this action by the due date in November 2024		75%	

**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%	

**IA2024/36/01 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-Oct-2024	Gary Hoey	Sheila Tyeson; Meg Williams	01-Oct-2024 the current Standing Order processes are still being refreshed, however are now close to approval. Last update outlined that Standing Order Training will be undertaken as soon as the revised processes have been approved, in order that the information received by staff is up to date and accurate. It was therefore agreed by Internal Audit that an extension for completion until the 31st October 2024 be given to this action as progression of this was out with the control of the Practice Development Team. All other training has however been complete.		85%	1 <sup>st</sup> Extension granted to 31 October

**IA2025/23 Property Maintenance Stores Yearend Balance**

Action	Due Date	Managed By	Assigned To	Latest Note	Status	Progress	Agreed Revisions
IA2025/23.02 Year End Stock Reports	31-Mar-2025	Kenny Dalrymple	William Andrew	27-Sep-2024 Stock checks are now being carried out and we have now fully completed all electrical stock, all PPE and all timber in our Joinershop in addition to this		50%	

				all stock that is slow moving or has not been used in a 12 month period has now all been removed for the stores.			
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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><b>Recommendation Accepted</b></p> <p>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	<b>Fully Implemented</b>
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><b>Recommendation Accepted</b></p> <p>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><b>Fully Implemented</b></p> <p><b>Not started – due to start January 2025</b></p>
3	The Chief Audit Executive plans to update the risk and control analysis (RACA) process for minor changes identified.	<p><b>Recommendation Accepted</b></p> <p>Common risk areas will be added to the RACA template. The</p>	Chief Internal Auditor – 1 April 2024	<b>Fully Implemented</b>



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><b>Recommendation Accepted</b></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	<b>Fully Implemented</b>
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><b>Recommendation Accepted</b></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	<b>Fully implemented</b>
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><b>Recommendation Accepted</b></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 follow up using information recorded by services in Ideagen.</p>	Chief Internal Auditor – 30 June 2024	<b>Fully Implemented</b>

No.	Recommendation	Management Response	Responsible Officer / Agreed Completion Date	Current Status
7	<p>The regular progress reports to Audit &amp; 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><b>Recommendation Accepted</b>  The annual report for 2023/24 and going forward will note where the risk has been accepted by service managers.</p>	<p>Chief Internal Auditor  – 30 June 2024</p>	<p><b>Fully Implemented</b></p>

Critical	Critical
Significant	Significant
Routine	Routine