

**REPORT TO: SCRUTINY COMMITTEE – 9 FEBRUARY 2022**

**REPORT ON: INTERNAL AUDIT PLAN PROGRESS REPORT**

**REPORT BY: ACTING SENIOR MANAGER – INTERNAL AUDIT**

**REPORT NO: 41-2022**

**1.0 PURPOSE OF REPORT**

To submit to Members of the Scrutiny Committee a further update on the progress towards delivering 2021/22 Internal Audit Plan.

**2.0 RECOMMENDATIONS**

Members of the Committee are asked to note the information contained within this report.

**3.0 FINANCIAL IMPLICATIONS**

None

**4.0 MAIN TEXT**

4.1 Standard 2060 of the Public Sector Internal Audit Standards (PSIAS) entitled Reporting to Senior Management and the Board states that “the chief audit executive must report periodically to senior management and the board on...performance relative to its plan” and that “reporting and communication to senior management and the board must include information about the audit plan and progress against the plan”. In addition, Standard 1110 of the PSIAS entitled Organisational Independence supports this requirement, stating that “examples of functional reporting to the Board involve the Board receiving communications from the chief audit executive on the Internal Audit Activity’s performance relative to its plan”.

4.2 At a senior management level, this requirement is discharged by the Acting Senior Manager – Internal Audit through established direct reporting channels to the Chief Executive, Executive Director of Corporate Services, Head of Corporate Finance (to whom the Acting Senior Manager – Internal Audit reports administratively) and the Corporate Finance Management Team. This is the third report submitted to Scrutiny Committee during 2021/22 providing a progress update against individual audit assignments.

4.3 The 2021/22 Internal Audit Plan continues to be actively delivered, with 21 (70%) of the 30 individual assignments and 3 (60%) of the 5 formal follow-ups having started and at various stages of the internal audit process. Discussions are continuing with management in relation to the audit areas that haven’t yet commenced to determine when these can best be carried out. The annual progress review exercise from the 2021/22 Internal Audit Plan which was reported to the September 2021 Scrutiny Committee is also complete. Appendix 1 provides further information in relation to progress towards delivering the individual assignments within the 2021/22 Internal Audit Plan.

**5.0 POLICY IMPLICATIONS**

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

**6.0 CONSULTATIONS**

The Chief Executive, Executive Director of Corporate Services, Head of Corporate Finance and Head of Democratic and Legal Services have been consulted on the content of this report.

**7.0 BACKGROUND PAPERS**

None

David Vernon, Acting Senior Manager – Internal Audit

DATE: 19 February 2022



## 2021/22 Internal Audit Plan – Progress Report

Not Yet Commenced	Planning	Fieldwork	Reviewing	Draft Report Issued	Planned Days Utilised / Scrutiny Committee Date
2021/22 INTERNAL AUDIT PLAN		Proposed Coverage			Status
<b><i>Governance Reviews</i></b>					
Dundee Integration Joint Board	To support the Dundee Integration Joint Board (IJB) Chief Internal Auditor through the provision of internal audit reviews on the IJB Internal Audit Plan.				
Covid-19 Recovery	Further review to ensure that key business operations and their associated governance and control frameworks are appropriately and timeously established / re-established.				
Legislative and Regulatory Updates	Review of the arrangements in place within a sample of services to ensure that relevant new or changed legislative and regulatory requirements are identified and, where appropriate, addressed timeously.				
Staff Wellbeing	Review of the governance arrangements in place throughout the Council to promote and support staff wellbeing.				
Workforce Management	Review of the arrangements in place for workforce management throughout the pandemic, including the development and implementation of remobilisation plans.				
Tayside Contracts	High level review of the governance arrangements in place to manage and monitor the Council's partnership with Tayside Contracts, including current billing arrangements.				
Business Continuity Planning	Review of service-level business continuity plans to ensure they have been updated in the context of Covid-19 and reflect, where appropriate, lessons learned locally, nationally and internationally.				
<b><i>ICT Reviews</i></b>					
Cyber Security	Further review of key elements of the Council's cyber security arrangements, in place to ensure that cyber-crime and other associated security risks are appropriately mitigated.				
Schools IT Network	Review of information security and remote access controls on devices used on the school network.				

2021/22 INTERNAL AUDIT PLAN	Proposed Coverage	Status
<b>ICT Reviews (continued)</b>		
Gladstone MRM System	Review of the MRM system utilised by Leisure and Culture Dundee for customer booking, payment, management reporting and reconciliation purposes to ensure data integrity and income maximisation.	
<b>Systems Reviews</b>		
Electoral Registration*	Review of the arrangements in place for maintaining the electoral register in line with the 2020 revised annual canvassing arrangements and corresponding legislation.	
Self Directed Support	Review of the Council’s approach to fulfil its statutory obligation to offer, those who are eligible, greater choice and control over the support required to meet their needs.	
Low Emission Zones	Review of the forthcoming Low Emission Zone proposals to ensure they are in line with legislation, evidence based and effectively aligned to City Centre development plans.	
Corporate Complaints*	Review to assess compliance of the Council’s complaints handling and reporting arrangements against the revised Model Complaints Handling Procedures, due to be introduced this year.	22/09/21
Prescribed Medication*	Review of the arrangements in place within the Dundee Health and Social Care Partnership for administering prescribed medicines, including controlled drugs, for older people in care settings.	
Compliance	Review of area(s) yet to be determined following conclusion of the new Control Self-Assessment review process managed by the Council’s Compliance Group.	
MASH & Intake Service	Holistic review of the roles and responsibilities of the Multi-Agency Screening Hub and Intake Service within Children and Families, including how they interact with one another and the wider service.	
Permanence	High level review of the arrangements in place to support the decision-making process surrounding children being placed in permanent care and ensure compliance with relevant legislation.	
Early Learning and Childcare Expansion	Review of the arrangements in place to ensure that the Council’s statutory obligation of providing 1140 hours of funded early learning and childcare entitlement is available to all eligible children.	
Fire Risk Assessments	Review of the processes, procedures and controls in place within the Council to manage and monitor delivery of fire risk assessments in line with relevant legislation.	

2021/22 INTERNAL AUDIT PLAN	Proposed Coverage	Status
<b><i>Procurement / Contract Reviews</i></b>		
Government Procurement Cards	Review of the internal controls in place to manage and monitor the use of government procurement cards, including the authorisation of card transactions.	
Fleet Management Procurement	End to end review of the requisitioning, purchase ordering, invoicing and payment process in place for supplies, including vehicle parts, within Fleet Management.	
Social Work Contracts and Payments	Review of contract management and commissioning arrangements, including payments, within Dundee Health and Social Care Partnership to assess their adequacy and effectiveness.	
Purchasing*	Review to assess the adequacy and effectiveness of the purchasing controls in place within the Council, including responsibilities and associated authorisation levels and permissions.	09/02/22
<b><i>Financial Reviews</i></b>		
Payroll*	Review of the control framework in place to ensure ongoing accuracy of the Council's payroll, including arrangements for confirming active employees, rates of pay, variations and deductions.	
Interment Fees	End to end review of the Council's interment fees process, operated within Neighbourhood Services and Corporate Services, including how it interfaces with Civica Financials.	
Car Parking Income	Review of the processes and procedures operated in respect of contactless payments for car parking, including income reconciliation procedures.	
Covid-19 Funding	High level review of the arrangements in place within the Council to track and monitor the portfolio of different Covid-19 funding streams.	
Grant Claims	To provide confirmation as First Level Controller that the required terms and conditions have been complied with for the INTERREG Create Converge Project.	Work complete
Stocks and Inventories	Review of arrangements in place to ensure that procedures and processes are in line with Council guidance and records are complete and accurate.	22/09/21

2021/22 INTERNAL AUDIT PLAN	Proposed Coverage	Status
<b>Contingency</b>		
Advice and Guidance	Provision of ad-hoc support to assist services in respect of specific queries and contribute to the delivery of improvements in the Council's framework of governance, risk management and control. This will include the ongoing provision of advice and guidance surrounding the development of new or changed systems and processes established to respond to the continuously evolving Covid-19 environment, as well as the Covid-19 business support grants.	Ongoing
Follow-up Reviews	Specific reviews undertaken by internal audit staff to provide formal assurances to management and Elected Members that recommendations previously agreed have been implemented.	
	<ul style="list-style-type: none"> <li>Internal Audit Report No. 2018/07 - Climate Change</li> </ul>	
	<ul style="list-style-type: none"> <li>Internal Audit Report No. 2018/18 - Integrated Impact Assessments</li> </ul>	
	<ul style="list-style-type: none"> <li>Internal Audit Report No. 2018/30 - MOSAIC</li> </ul>	
	<ul style="list-style-type: none"> <li>Internal Audit Report No. 2019/05 - Travel and Subsistence</li> </ul>	
Progress Reviews	Completion of the annual exercise whereby formal assurances are obtained from management that internal audit recommendations have been implemented.	Complete
PSIAS Self-assessment	To ensure conformance with the PSIAS, conduct a self-assessment of the Council's Internal Audit Service against the PSIAS utilising the revised external quality assessment framework.	Complete
External Quality Assessment Process	As part of the peer review process developed to ensure conformance with the PSIAS, deliver an external quality assessment of the internal audit service provided in another Scottish Local Authority.	
Specific Investigations	To respond to requests for advice and assistance as required in respect of cases of suspected fraud, corruption or malpractice.	Ongoing
Internal Audit Tender Exercise	Completion of tender evaluation, including presentations and award.	