

# **PERTH AND KINROSS COUNCIL**

## **Audit Committee**

**18 September 2019**

### **INTERNAL AUDIT UPDATE**

**Report by Chief Internal Auditor (Report No. 19/253)**

#### **PURPOSE OF REPORT**

This report presents a summary of Internal Audit's work.

#### **1. BACKGROUND / MAIN ISSUES**

- 1.1 The Public Sector Internal Audit Standards (PSIAS) require that the Chief Internal Auditor reports periodically to the Audit Committee on internal audit activity and on performance relative to the approved plan.
- 1.2 Internal Audit has been undertaking work associated with the assessment of risk arising from the Annual Governance Statement process. Assignments for inclusion within planned audit activity for 2019/20 were also identified during 2018/19 and have been progressed further. In addition, consultation regarding planned activity for 2019/20 has revealed some areas which would benefit from an early view from Internal Audit and these are being progressed.
- 1.3 Since April 2019, Internal Audit has been contacted 13 times for advice/guidance. Internal Audit will follow up on these areas during the year, where necessary. Where control issues arise as a result of this work, Internal Audit will provide the Audit Committee with a report.
- 1.4 In June 2019, the Chief Internal Auditor for Perth & Kinross Council was appointed to the role of Chief Internal Auditor for the Integration Joint Board. Work is being undertaken to develop an Internal Audit Plan for the Health & Social Care Partnership and to complete assignments from previous Plans.
- 1.5 In addition, Internal Audit has continued to work with Council Services to ensure that matches arising from the National Fraud Initiative are being investigated appropriately and in a timely manner.
- 1.6 Appendix 1 shows the areas of work which have been undertaken since the last Audit Committee.

#### **2. CONCLUSION AND RECOMMENDATIONS**

- 2.1 This report presents a summary of Internal Audit's work.
- 2.2 It is recommended that the Committee notes the assignments undertaken by Internal Audit since the last meeting of the Audit Committee.

**Author(s)**

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	None
Strategic Plan	Yes
<b>Resource Implications</b>	
Financial	None
Workforce	None
Asset Management (land, property, IST)	None
<b>Assessments</b>	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	None
Legal and Governance	None
Risk	Yes
<b>Consultation</b>	
Internal	Yes
External	None
<b>Communication</b>	
Communications Plan	None

### 1. Strategic Implications

Community Plan/Single Outcome Agreement

Corporate Plan

- 1.1 The Council's Corporate Plan 2018 – 2022 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

- 1.2 This report relates to all of these objectives.

### 2. Assessments

Equality Impact Assessment

- 2.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations

between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.

- 2.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

#### Risk

- 2.3 The risks are associated with the level of assurance provided on the control environment in the event that Internal Audit's planned work is not completed on time.

### **3. Consultation**

#### Internal

- 3.1 The Chief Executive and Head of Legal and Governance have been consulted in the preparation of this report.

### **2. BACKGROUND PAPERS**

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

### **3. APPENDICES**

Appendix 1 – Internal Audit Activity