



AUDIT & PERFORMANCE COMMITTEE

13 September 2021

INTERNAL AUDIT PROGRESS REPORT

Report by Chief Internal Auditor (Report No. G/21/110)

PURPOSE OF REPORT

The purpose of this report is to provide the Audit & Performance Committee with an update on progress in relation to Internal Audit's planned activity.

1. BACKGROUND

The Public Sector Internal Audit Standards (PSIAS) require that the Chief Internal Auditor reports periodically to the Audit and Performance Committee in internal activity and on performance relative to the approved annual plan.

2. PROGRESS

Since the last report to the Audit and Performance Committee, Internal Audit has continued to work on the remaining assignment from the 2020/21 Internal Audit Plan (Report [G/20/83](#) refers), relating to Corporate Support. It is anticipated that this will be reported to the next meeting of the Audit & Performance Committee.

Discussions have taken place with regard to the timing of two additional audits included within the approved Internal Audit Plan (Report [G/21/81](#) Refers). The anticipated reporting dates have been updated in Appendix 1 to reflect these discussions, which take into account anticipated recruitment activity within Perth & Kinross Council's Internal Audit team.

Work to deliver the Plan will be undertaken through a Joint Working Protocol agreed by the Chief Internal Auditors of both statutory partners.

3. PERFORMANCE INDICATORS

The Audit and Performance Committee has previously raised whether performance indicators could be developed for the provision of the Internal Audit Service. Discussions have taken place within the Partnership on both local measures and more strategic indicators for reporting. In order to ensure

that these remain at an appropriate level of scrutiny, the following have been developed for consideration:

1. The Internal Audit Service(s) undertaking work for the Partnership should be externally validated as compliant with the Public Sector Internal Audit Standards
2. Reports are available for consideration at the targeted Audit & Performance Committee; and
3. Assignments are complete in order for the Chief Internal Auditor to provide a timely Annual Report and Opinion.

With regard to the second Performance Indicator, it is however appreciated that matters outwith Internal Audit's control may affect this, including the ability for the Partnership to engage with auditors due to unforeseen circumstances.

4. REPORTS FROM PARTNER BODIES

There will be occasions where internal audit activity undertaken as part of the approved plans for partner bodies will have relevance for the Integration Joint Board. An Information Sharing Protocol exists to enable the sharing of these reports with partners where appropriate.

In order to ensure that a systematic approach is taken to identify such reports, the Chief Internal Auditor has reviewed the approved Internal Audit Plan for Perth & Kinross Council. The following audits have been identified as potentially having an interest for this Committee, depending upon the final scoping of the assignments:

1. Partnership Working;
2. IT Assets; and
3. Payroll.

A review of the Internal Audit Plan for NHS Tayside has identified the following audits as potentially having an interest for this Committee, depending upon the final scoping of the assignments:

1. Primary Care Services;
2. Clinical Strategy;
3. Clinical Governance; and
4. Workforce Planning.

When reports are completed these will be considered and, where relevant, shared with the Audit and Performance Committee of the Integration Joint Board.

5. RECOMMENDATION

The Audit & Performance Committee is asked to:

- (i) Note the progress made in the delivery of the 2020/21 and 2021/22 plans;
- (ii) Agree the Performance Indicators as described in Section 3; and
- (iii) Note the outcome of the review of the Internal Audit Plan for Perth & Kinross Council and NHS Tayside in Section 4.

6. CONSULTATION

The Chief Finance Officer has been consulted on the content of this paper.

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APPENDICES

1. Internal Audit Plan Progress