

PERTH AND KINROSS COUNCIL

Audit Committee

20 November 2019

INTERNAL AUDIT UPDATE

Report by Chief Internal Auditor (Report No. 19/337)

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 Since April 2019, Internal Audit has been contacted 16 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.
- 1.3 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. This exercise is now close to conclusion and a report on the outcomes for Perth & Kinross Council will be brought to a future meeting of the Audit Committee.
- 1.4 In addition, the Chief Internal Auditor has continued to undertake work in connection with the Integration Joint Board, including developing an Internal Audit Plan for 2019/20 and overseeing the completion of assignments from previous years' plans.
- 1.5 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.

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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