

ANGUS COUNCIL

SCRUTINY AND AUDIT COMMITTEE – 3 DECEMBER 2024

INTERNAL AUDIT ACTIVITY UPDATE

REPORT BY CATHIE WYLLIE – SERVICE LEADER - INTERNAL AUDIT

1. ABSTRACT

- 1.1 This report provides assurance through an update on Internal Audit matters including main findings from reports issued since the date of the last Scrutiny and Audit Committee and progress with implementation of agreed Internal Audit and Counter Fraud actions.

2. ALIGNMENT TO THE COUNCIL PLAN AND COUNCIL POLICIES

- 2.1 The contents of this report contribute to the achievement of the corporate priorities set out in the Angus Community Plan and the Council Plan. This is achieved through this report providing the Scrutiny & Audit Committee with information and assurance about council internal control systems, governance and risk management.

3. RECOMMENDATIONS

- 3.1 It is recommended that the Scrutiny and Audit Committee:
- (i) Considers and notes the update on progress with the planned Internal Audit work (Appendix 1);
 - (ii) Considers and notes management's progress in implementing Internal Audit and Counter Fraud recommendations (Appendix 1), and
 - (iii) Notes the position regarding the External Quality Assessment (EQA) of Internal Audit at section 5 below.

4. BACKGROUND

- 4.1 Annual Internal Audit plans are approved by the Scrutiny and Audit Committee and a progress report is submitted to each meeting of the Committee. This report outlines progress in delivering the agreed 2024/25 plan (agreed at the Scrutiny & Audit Committee in April 2024 Report 123/24) and items from the 2023/24 plan that were incomplete in June 2024.
- 4.2 Internal Audit issues a formal report for each review undertaken as part of the annual audit plan. Each report contains an action plan which incorporates all the recommendations made. This action plan, prepared under SMART (Specific, Measurable, Achievable, Realistic, Timed) criteria, is agreed with management within the relevant services who nominate persons responsible for taking forward the actions and who set their own completion date for each action. This agreed action plan forms an integral part of the final audit report and audit recommendations are ranked to indicate materiality. SMART internal control actions are also agreed following Counter Fraud investigations.
- 4.3 As part of the on-going audit process, Internal Audit reviews the implementation of recommendations and reports the results to each meeting of the Scrutiny and Audit Committee.
- 4.4 Ad-hoc requests for advice are dealt with as they arise.

5. EXTERNAL QUALITY ASSESSMENT (EQA)




- 5.1 Public Sector Internal Audit Standards (PSIAS) require that an external assessment of the Internal Audit service is undertaken at least every five years. The Council uses the SLACIAG (Scottish Local Authority Chief Internal Auditors group) peer review process to undertake the assessment. The last EQA, which was due in 2020 and was delayed due to Covid, was reported in January 2021.
- 5.2 In order to manage the timetable our EQA is scheduled to be undertaken between mid-October 2024 and March 2025. Work on the self-assessment for validation is well underway. Reporting is planned for the April meeting of the Scrutiny and Audit committee.


6. CURRENT POSITION

- 6.1 The latest results are included in the Update Report at **Appendix 1** and summarised in section 6 below.

7. SUMMARY OF ASSURANCES

- 7.1 The following table summarises the conclusions from audit work completed since the last Scrutiny and Audit Committee. Further information on each audit, and definitions of control assurances, are provided in Appendix 1.
- 7.2 Recommendations from consultancy work are not graded. The number of recommendations made are noted under the Grade 4 column. * In the final column denotes that the service already has actions in place to address weaknesses identified in the audit or has action plans for other improvements in progress.

Audit	Overall control assurance	Control assessment by objective	No. of Audit Actions by Priority			
			1	2	3	4
Tayside Contracts – Invoice & Processing & Monitoring (2023/24) - Cleaning (facilities & Council offices)	Substantial		1	2	1	1
Tayside Contracts – Invoice & Processing & Monitoring (2023/24) - Schools	Comprehensive		-	1	-	1
Council Tax Refunds – review of process and controls	N/A	N/A	-	-	-	-
Continuous Auditing – Payroll July – Sept. 2024	Comprehensive		-	-	-	*

Audit	Overall control assurance	Control assessment by objective	No. of Audit Actions by Priority			
			1	2	3	4
Continuous Auditing – Creditors Duplicate Payments July – Sept. 2024	Comprehensive		-	-	-	-

8. FINANCIAL IMPLICATIONS

8.1 There are no direct financial implications arising from the recommendations of this report.

9. RISK MANAGEMENT

9.1 The overall impact on risk management and recommendations made to mitigate risks identified during the audit are covered in each individual audit report.

10. ENVIRONMENTAL IMPLICATIONS

10.1 There are no direct environmental implications arising from the recommendations of this report.

11. EQUALITY IMPACT ASSESSMENT, HUMAN RIGHTS AND FAIRER SCOTLAND DUTY

11.1 A screening assessment has been undertaken, and a full Equality Impact Assessment is not required for the following reason: - this report is providing reflective information for elected members.

12. CHILDRENS RIGHTS AND WELLBEING IMPACT ASSESSMENT

12.1 A Children's Rights and Wellbeing Impact Assessment has been undertaken, and a full assessment is not required as the "General Principles" do not apply to this proposal.

13. CONSULTATION

13.1 This report was circulated for consultation to all Directors of the Council.

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

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Appendix 1 Internal audit update report

Angus Council Internal Audit



Update Report

Scrutiny & Audit Committee

3 December 2024

Cathie Wyllie
Service Leader – Internal Audit
Chief Executive's

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INTRODUCTION

This report presents the progress of Internal Audit activity within the Council from August 2024 and provides an update on progress with:




- planned audit work, and
- implementing internal audit and counter fraud recommendations




AUDIT PLAN PROGRESS REPORT


The table below notes the stage of progress of all audits in the agreed 2024/25 plan and those carried forward from 2023/24 in June 2024. Timetabling of audits is being discussed with services and the dates planned for work and reporting to Scrutiny and Audit will be updated as this is finalised.

Definitions for control assurance assessments are shown at the end of this report.

Progress with Internal Audit Plan 2024/25

Audits	Planned	WIP status	Overall control assurance	Control assessment by objective	S&A committee date / <i>(target in italics)</i>
Corporate Governance					
Corporate Governance annual review – 2023/24	May/June	Complete	N/A	N/A	June 2024 Report 191/24
Performance Management & Monitoring (2023/24)	April/May 2024	Final report issued and with CLT	Limited		Aug 2024
Financial Governance					
Payroll continuous auditing April to June 2024 July to Sept. 2024	On-going	Complete Complete	Comprehensive Comprehensive		Aug 2024 Dec. 2024
Payroll audit of overtime payments added April 2024 September 2023 to June 2024	On-going	Draft report issued			<i>Jan. 2025</i>
Creditors continuous auditing Duplicate Payments April to June 2024 July to Sept. 2024	On-going	Complete Complete	Comprehensive Comprehensive		Aug 2024 Dec. 2024

Audits	Planned	WIP status	Overall control assurance	Control assessment by objective	S&A committee date / (target in italics)
Creditors continuous auditing Same person registration and authorisation (2023/24) April 2023 – Mar. 2024	June/July 2024	Complete	Substantial		Aug. 2024
Creditors continuous auditing Same person registration and authorisation April 2024 – Mar 2025	April/May 2025				<i>June 2025</i>
Supplier Bank Details – process for changes (2023/24). May need to be dealt with as exempt item	June/July 2024	Draft report issued			<i>Jan. 2025</i>
Tayside Contracts – Invoice Processing & Monitoring (2023/24) - Cleaning (facilities & Council offices)	July - Sept. 2024	Complete	Substantial		Dec. 2024
Tayside Contracts – Invoice Processing & Monitoring (2023/24) - Schools	July - Sept. 2024	Complete	Comprehensive		Dec. 2024
Tayside Contracts – Invoice Processing & Monitoring (2023/24) - Roads	Aug. – Nov. 2024	Draft report under review			<i>Jan. 2025</i>
Tayside Contracts – Invoice Processing & Monitoring (2023/24) - Fleet	Aug. – Nov. 2024	Draft report under review			<i>Jan. 2025</i>
Council Tax Refunds – review of process and controls	Sept. 2024	Complete	N/A	N/A	Dec. 2024
External Placements (Children)	Sept.– Nov. 2024	In Progress			<i>Jan. 2025</i>
Self-Directed Support (SDS)	Dec. 2024– Jan.2025				<i>Mar. 2025</i>
Programme of random cash counts	Intermittent	Draft report issued			<i>Jan. 2025</i>
Purchase ledger invoice processing & authorisation	Oct.- Dec. 2024	In Progress			<i>Jan. 2025</i>

Audits	Planned	WIP status	Overall control assurance	Control assessment by objective	S&A committee date / (target in italics)
Travel Expense Claims	Oct. – Dec. 2024	In Progress			<i>Jan. 2025</i>
IT Governance					
IT User Access Administration – Integra (2023/24)	Feb 2024 (Delayed)	Draft Report Issued			<i>Jan. 2025</i>
Digitisation of Services (2023/24)	March/April 2024	In Progress			<i>Jan. 2025</i>
IT User Access Administration (Eclipse)	Feb. / Mar. 2025	Planned			<i>Apr. 2025</i>
Use of Cloud Computing	Jan. / Feb. 2025	Planned			<i>Apr. 2025</i>
Application Consolidation Strategy/Delivery	Mar. 2025	Planned			<i>June 2025</i>
Continuous Auditing – IT System Access	Feb. / Mar. 2025				<i>Apr. 2025</i>
Internal Controls					
AWI Follow-up (2023/24)	Feb./Mar. 2024	Complete	Substantial		<i>Aug. 2024</i>
Contract Management Procedures	Dec. 2024– Jan.2025	Planning			<i>Apr. 2025</i>
Procurement	Mar.-May 2025				<i>June 2025</i>
Asset Management					
Management/ supervision of empty Council premises	Feb. 2025				<i>Apr. 2025</i>
Fleet Management	Feb. 2025				<i>Apr. 2025</i>
Housing Void Management	Feb./Mar. 2025				<i>Apr. 2025</i>
Legislative and other compliance					

Audits	Planned	WIP status	Overall control assurance	Control assessment by objective	S&A committee date / (target in italics)
Health & Safety – Evolve System (for risk assessments on school trips, excursions, etc.)	Jan. / Feb. 2025				<i>Apr. 2025</i>

Angus Alive and Angus Health & Social Care IJB

Angus Council’s Internal Audit staff work on the audit plans for both ANGUSalive and Angus Health & Social Care IJB. Reports for both bodies are presented to their respective audit committees throughout the year. Where IJB audit reports are particularly relevant to the Council they will also be reported to the Scrutiny & Audit committee.



The ANGUSalive Annual Internal Audit Plan for 2024/25 was agreed at their Finance & Audit Sub-committee on 14 June 2024. The 2023/24 plan, agreed 9 June 2023, has been fully completed.

SUMMARY OF FINDINGS OF INTERNAL AUDIT REVIEWS

This section provides a summary of the material findings of internal audit reviews concluded since the last meeting. It also provides information on the number of recommendations made. Recommendations are ranked in order of importance, with Priority 1 being the most material. Execution of recommendations is followed up by Internal Audit and reported to this Committee.

Members are asked to consider the following summaries and provide any commentary thereon.

Audit	Overall control assurance	Control assessment by objective	No. of Audit Actions by Priority			
			1	2	3	4
Tayside Contracts – Invoice & Processing & Monitoring (2023/24) - Cleaning (facilities & Council offices)	Substantial		1	2	1	1
Tayside Contracts – Invoice & Processing & Monitoring (2023/24) - Schools	Comprehensive		-	1	-	1
Council Tax Refunds – review of process and controls	N/A	N/A	-	-	-	-

Audit	Overall control assurance	Control assessment by objective	No. of Audit Actions by Priority			
Continuous Auditing – Payroll July – Sept. 2024	Comprehensive		-	-	-	*
Continuous Auditing – Creditors Duplicate Payments July – Sept. 2024	Comprehensive		-	-	-	-

Tayside Contracts Invoice Processing & Monitoring 2023/24 – Cleaning of Non-School Facilities

Introduction & Background

As part of the 2023/24 annual plan, Internal Audit has completed a review of the Council's procedures for the monitoring and processing of invoices received from Tayside Contracts.

The audit was requested due to concerns raised during audit planning discussions regarding the transparency of what the Council is being charged for and why. There have been some ongoing issues with regard to lack of detail provided with invoices, as well as invoices being delayed, and charge rates not being updated timeously.

Tayside Contracts Joint Committee was set up in its present form in 1996 by 3 Councils, Angus, Dundee City and Perth & Kinross, to provide specialist services in areas such as construction, catering and facilities management. The Joint Committee is made up of 18 Elected members from the 3 Councils. Tayside Contracts operate as a business and carry out work for other public bodies, private firms and the wider public; all surpluses made are returned to the 3 constituent Councils, based on their agreed share of investment in Tayside Contracts for that year, for reinvestment in public services.

Tayside Contracts currently provides Angus Council with the following services:

Catering, Cleaning, Janitorial Services, Crossing Patrollers (Schools)
Cleaning (Facilities/Council offices)
Fleet Management & Maintenance
Roads Maintenance & Winter Maintenance

This report is for invoice processing and monitoring of Cleaning (Facilities and Council Officers); other services provided by Tayside Contracts will be reported separately.

Scope

The audit reviewed the procedures currently in place for monitoring, authorisation, and payment of invoices from Tayside Contracts against the following objectives:

- Invoices received from Tayside Contracts provide sufficient detail to allow Council officers to verify the charges being made, prior to authorising the invoices for payment.
- Adequate procedures are in place for the receipt, review, authorisation, and payment of invoices for all services provided by Tayside Contracts.
- Adequate procedures are in place to resolve queries or disputed invoices.
- Procedures in place are being followed by Council services to ensure payments are only being made for services received / work done to the required specification.

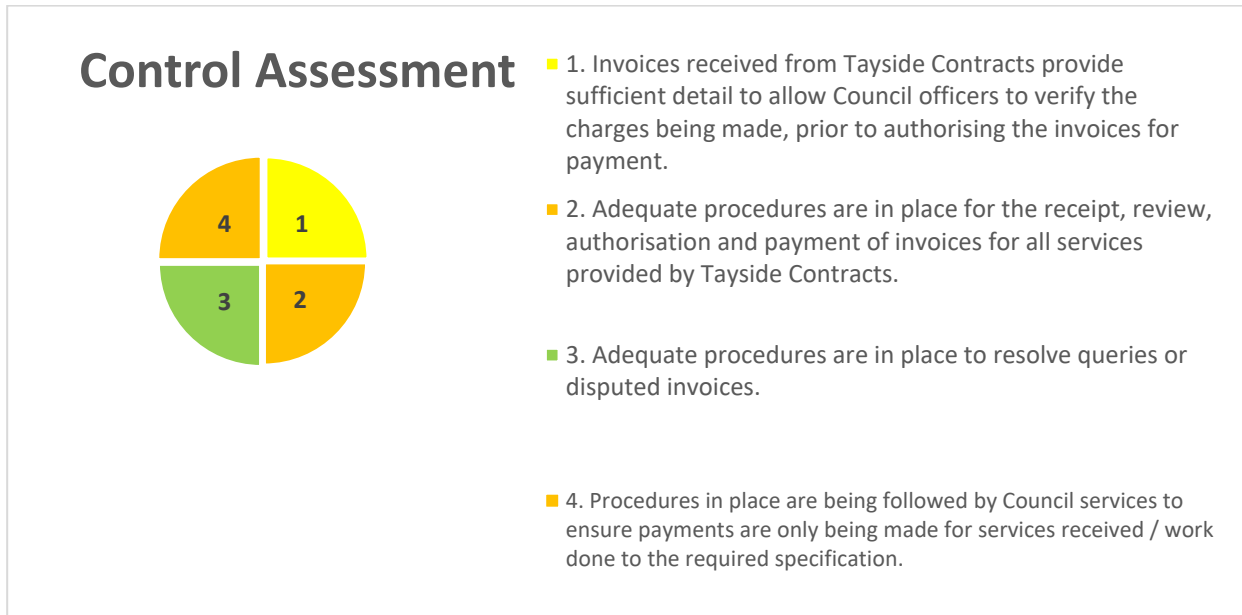
Conclusion

The overall level of assurance given for this report is **'Substantial Assurance'**.

Overall assessment of Key Controls

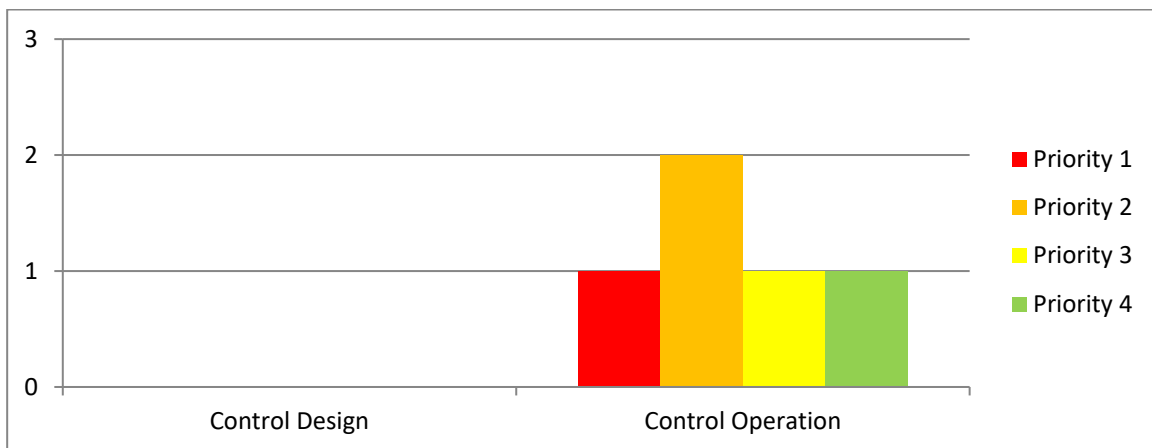
The audit reviewed and assessed the controls in place to manage the following Key Control Objectives:

Overall Assessment of Key Controls



Audit Recommendations summarised by Type & Priority

Improvement Actions by type and priority



There are five operational control recommendations in this report, one priority 1, two priority 2, one priority 3 and one priority 4.

Key Findings

Areas Identified for Improvement:

We have made 5 recommendations to address low to high-risk exposure which are:

Level 1

- An agreement between Tayside Contracts and Angus Council for facility cleaning in non-school premises should be drafted and agreed by both parties.

Level 2

- Tayside Contracts Facilities Business Manager should be contacted to request that ad-hoc cleaning invoices should record the hours worked and rate for any additional cleaning in order for the invoice amount to be checked as correct.
- Each invoice should be pdf stamped as reviewed and authorised. Segregation of duties should be observed with different members of staff reviewing, approving, registering, and authorising an invoice.

Level 3

- Services should be advised to contact the Facilities Management Team to request ad-hoc cleaning in order for them to monitor the total cost of this Tayside Contracts service. Tayside Contracts Facilities Business Manager should also be advised that any ad-hoc requests should only be accepted from the Council's Facilities Management Team.

Level 4

- A log should be kept for any queries/disputes regarding invoices in case there are recurring issues. Individual emails do not need to be kept once the log is updated and the issue is resolved.

Impact on Risk Register

The Corporate Risk Register held on Pentana includes the following risk which relates to this audit: -

CORRR0001 – Financial Sustainability

Risk Description: The Council does not plan and implement the necessary changes in its services to deliver its priorities within the resources available and/or local government funding for core services reaches levels which make it impossible to deliver all statutory duties. This results in a financially unsustainable Council unable to meet all its statutory duties including the requirement to set and maintain a balanced budget each year. Risk Scoring: Likelihood – 5, Impact – 5, Overall Current Risk Score 25, Target Score 9.

The key risks associated with this audit are that without proper procedures and controls in place invoices may be paid for services which have not been provided or have not been provided in line with required specifications, resulting in financial loss to the Council.

Tayside Contracts Invoice Processing & Monitoring 2023/24 – Schools

Introduction & Background

As part of the 2023/24 annual plan, Internal Audit has completed a review of the Council's procedures for the monitoring and processing of invoices received from Tayside Contracts.

The audit was requested due to concerns raised during audit planning discussions regarding the transparency of what the Council is being charged for by Tayside Contracts and why. There have been some ongoing issues with regard to lack of detail provided with invoices, as well as invoices being delayed, and charge rates not being updated timeously.

Tayside Contracts Joint Committee was set up in its present form in 1996 by 3 Councils, Angus, Dundee City and Perth & Kinross, to provide specialist services in areas such as construction, catering and facilities management. The Joint Committee is made up of 18 Elected members from the 3 Councils. Tayside Contracts operate as a business and carry out work for other public bodies, private firms and the wider public; all surpluses made are returned to the 3 constituent Councils, based on their agreed share of investment in Tayside Contracts for that year, for reinvestment in public services.

Tayside Contracts currently provides Angus Council with the following services:

- Roads Maintenance & Winter Maintenance
- Fleet Management & Maintenance
- Cleaning (Schools and Facilities/Council offices)
- Janitorial Services (Schools)
- Catering (Schools)
- School Crossing Patrollers

This report is for invoice processing and monitoring of Schools Catering, Cleaning, Janitorial Services and Crossing Patrollers; other services provided by Tayside Contracts will be reported separately.

Scope

The audit reviewed the procedures currently in place for monitoring, authorisation, and payment of invoices from Tayside Contracts against the following objectives:

- Invoices received from Tayside Contracts provide sufficient detail to allow Council officers to verify the charges being made, prior to authorising the invoices for payment.
- Adequate procedures are in place for the receipt, review, authorisation, and payment of invoices for all services provided by Tayside Contracts.
- Adequate procedures are in place to resolve queries or disputed invoices.
- Procedures in place are being followed by Council services to ensure payments are only being made for services received / work done to the required specification.

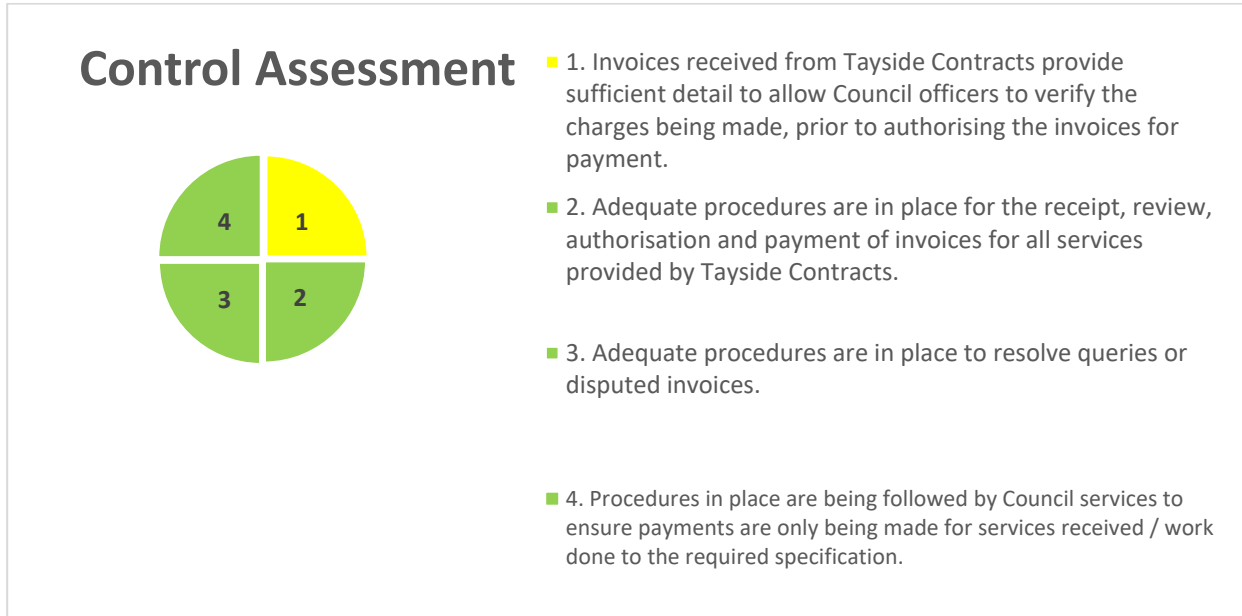
Conclusion

The overall level of assurance given for this report is **'Comprehensive Assurance'**.

Overall assessment of Key Controls

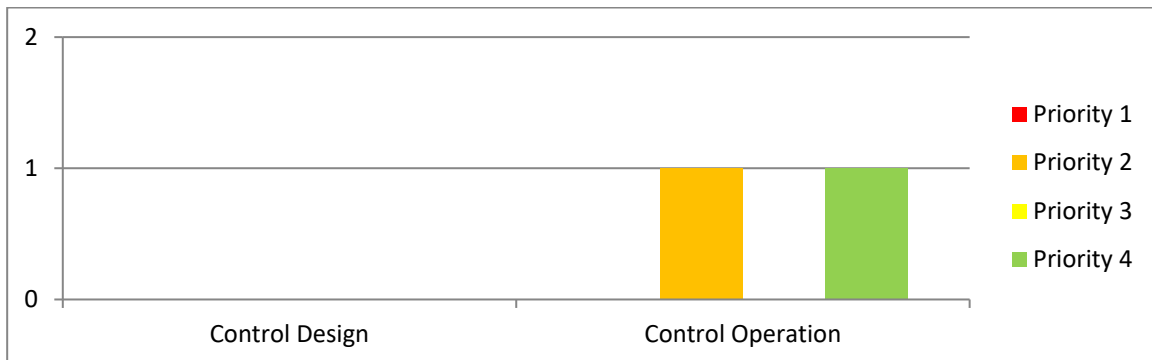
The audit reviewed and assessed the controls in place to manage the following Key Control Objectives:

Overall Assessment of Key Controls



Audit Recommendations summarised by Type & Priority

Improvement Actions by type and priority



There are two operational control recommendations in this report, one priority 2, and one priority 4.

Key Findings

Future Development

- The Tayside Contracts & Angus Council Facilities Management Services Partnership Agreement is currently being discussed and updated.
- Tayside Contracts are to develop a performance framework to supplement APSE (Association of Public Service Excellence) performance benchmarking reporting, of which catering, and FM will be a part.

Areas Identified for Improvement:

We have made 2 recommendations to address low to high risk exposure which are:

Level 2

- A supporting document for all invoices should be obtained to ensure correct amounts have been charged. Tayside Contracts should be asked to provide backup for the Facility Management charges being invoiced, which should include details of the volume of service provided (e.g. no. of hours cleaning, no. of toilet rolls supplied, etc.)

Level 4

- A log should be kept for any queries/disputes regarding invoices in case there are recurring issues. Individual emails do not need to be kept once the log is updated and the issue is resolved.

Impact on Risk Register

The Strategic Risk Register held on Pentana includes the following risk which relates to this audit: -

CORRR0001 – Financial Sustainability

Risk Description: The Council does not plan and implement the necessary changes in its services to deliver its priorities within the resources available and/or local government funding for core services reaches levels which make it impossible to deliver all statutory duties. This results in a financially unsustainable Council unable to meet all its statutory duties including the requirement to set and maintain a balanced budget each year.

Risk Scoring: Likelihood – 5, Impact – 5, Overall Current Risk Score 25, Target Score 9.

The Education and Lifelong Learning Service risk register includes the following risk which relates to this audit: -

R_ELL_00002 Delivery of directorate priorities. Risk Description: ELL is required to make £5.5m savings over 2023/24 and 2024/25. The reduction in resource is likely to impact on the delivery of directorate priorities and result in the contraction of some services.

Risk Scoring: Likelihood - 5, Impact - 4, Overall Current Risk Score 20.

R_ELL_00011 Compliance with financial regulations

Risk Description: There is a risk that financial procedures are not being appropriately followed.

Risk Scoring: Likelihood - 4, Impact - 3, Overall Current Risk Score 12.

The key risks associated with this audit are that without proper procedures and controls in place invoices may be paid for services which have not been provided or have not been provided in line with required specifications, resulting in financial loss to the Council.

Council Tax Refunds

A major fraud was recently reported in another Scottish local authority, where a large sum of money was obtained by an employee who created false Council Tax refunds and paid these to their own bank account. Internal Audit has undertaken an unplanned, high-level review of the Council's processes for requesting and authorising Council Tax refunds, to ensure that adequate controls are in place to help prevent a similar type of fraud.

Our review found that there is robust segregation of duties in the process for requesting and authorising refunds; staff do not have permissions within the system to carry out both parts of the process, which are completed by different teams within Revenues & Benefits. User access is set up on the system to ensure staff only have the relevant permissions required for their job role. Access rights are the responsibility of the Revenues & Benefits team, not the Council Tax or Income staff. There are concise procedure notes for the process of requesting and authorising refunds.

We have therefore concluded that there is no need to carry out testing of Council Tax refund transactions at this time. Such testing will be carried out as part of a planned audit of Council Tax at a future date.

Data Analysis/Continuous Auditing

Continuous auditing analysing data extracted from Council systems is undertaken using the data analysis software, CaseWare IDEA (Interactive Data Extraction covering:

- Payroll
- Creditors (Accounts Payable) duplicate payments
- Creditors same person registration & authorisation
- System log-in access.

We are reporting on Payroll and Creditors duplicate payments.

Payroll – July to September 2024 - Comprehensive assurance

In April 2024 we began looking at overtime payments as an additional item of continuous payroll auditing. The draft report on this work has recently been issued to the service for agreement. To create capacity for this work testing on duplicate bank accounts has not been undertaken as the findings on this have consistently provided comprehensive assurance in the past.

The following Payroll areas have been completed for July to September 2024

No issues were identified relating to the top 10 payments or duplicate NI numbers. We queried 3 of the top 10 payments in July, and 4 in September, all were explained satisfactorily. There were no issues with duplicate or missing NI numbers.

Creditors – Duplicate Payments – July to September 2024 - Comprehensive Assurance

Two duplicate payments totalling £586 were identified in July; a refund for one was received in October, and in the other case the duplicate cheque was returned and cancelled. Two duplicate payments totalling £421 were identified in August; funds were recovered in November. Discussion is on-going with the service to identify improvements to help prevent duplicate payments in future.

Implementation of actions resulting from Internal Audit recommendations

Background

The summary report is presented below in accordance with the agreed reporting schedule.

Summary of Progress – Internal Audit

The figures presented in the tables below have been obtained after analysis of the audit actions recorded and monitored on the Pentana Performance system. The information presented below reflects the 60 (68 on 15 August 2024) Internal Audit actions outstanding on 25 November 2024 (excludes actions for Angus Alive and IJB). CLT receive and review regular detailed reports on the outstanding audit actions.

- Table 1 shows the number of actions which are overdue on 25 November 2024
- Table 2 shows the number of actions which would have been overdue but have had the **original completion date extended**.
- Table 3 shows the number of actions in progress which have not yet reached their due date.

Internal Audit Actions - Overdue – 25 November 2024

Directorate	Audit Year	Level 1	Level 2	Level 3	Level 4	Not Graded	Grand Total
HR, OD, DE, IT & Business Support	2019/20	-	1	-	-	-	1
	2020/21	-	-	-	-	-	-
	2021/22	-	-	-	-	-	-
Legal, Governance & Change	2019/20	-	-	-	-	-	-
	2020/21	-	-	-	-	-	-
	2021/22	-	-	1	-	-	1
Grand Total		-	1	1	-	-	2

Internal Audit Actions - In Progress – 25 November 2024 (due date extended)

Directorate	Audit Year	Level 1	Level 2	Level 3	Level 4	Not Graded	Grand Total
Education & Lifelong Learning	2020/21	-	-	-	-	-	-
	2021/22	-	-	-	-	-	-
	2022/23	-	-	-	-	-	-
	2023/24	1	-	-	-	-	1
	2024/25	-	-	-	-	-	-
Infrastructure & Environment	2020/21	-	1	-	-	-	1
	2021/22	-	-	-	-	-	-
	2022/23	-	-	-	-	-	-
	2023/24	-	-	-	-	-	-
	2024/25	-	-	1	-	-	1
Finance	2020/21	-	-	-	-	-	-
	2021/22	-	-	-	-	-	-
	2022/23	-	1	-	-	-	1
	2023/24	-	-	-	-	-	-
	2024/25	-	-	1	-	-	1
HR, OD, DE, IT & Business Support	2019/20	-	-	-	-	-	-
	2020/21	-	-	-	-	-	-
	2021/22	-	-	-	-	-	-
	2022/23	-	2	-	-	-	2
	2023/24	-	-	-	-	-	-
2024/25	-	-	-	-	-	-	
Grand Total		1	4	2	-	-	7

Internal Audit Actions - In Progress – 25 November 2024 (not yet reached due date)

Directorate	Audit Year	Level 1	Level 2	Level 3	Level 4	Not Graded	Grand Total
Education & Lifelong Learning	2022/23	-	-	-	-	-	-
	2023/24	-	-	-	-	-	-
	2024/25	-	1	-	1	-	2
Children, Families & Justice	2022/23	-	-	-	-	-	-
	2023/24	-	-	-	-	-	-
	2024/25	-	2	1	-	-	3
Vibrant Communities & Sustainable Growth	2022/23	-	-	-	-	-	-
	2023/24	-	-	-	-	-	-
	2024/25	-	2	1	-	-	3
Infrastructure & Environment	2022/23	-	-	-	-	-	-
	2023/24	-	-	-	-	-	-
	2024/25	1	2	2	-	-	5
Chief Executive	2022/23	-	-	-	-	-	-
	2023/24	-	-	-	-	-	-
	2024/25	-	2	2	-	-	4
Finance	2022/23	-	-	-	-	-	-
	2023/24	-	-	-	-	-	-
	2024/25	-	9	4	-	-	13
Legal, Governance & Change	2022/23	-	-	-	-	-	-
	2023/24	-	-	-	-	-	-
	2024/25	-	9	2	-	-	11
HR, OD, DE, IT & Business Support	2022/23	-	1	-	-	-	1
	2023/24	-	-	-	-	-	-
	2024/25	-	5	3	1	-	9
Grand Total		1	33	15	2	-	51

Summary of Progress – Counter Fraud

Internal control actions resulting from counter fraud reviews are included in Pentana to allow them to be monitored more effectively. Counter Fraud recommendations are not assigned a priority. The information in the tables below represents the 7 Counter Fraud actions outstanding on 30 October 2024 (4 outstanding on 15 August 2024).

Counter Fraud Actions – Overdue – 25 November 2024

Directorate	Year Investigation Concluded	Total
Infrastructure & Environment	2024/25	3
Grand Total		3

Counter Fraud Actions - In Progress – 25 November 2024

Directorate	Year Investigation Concluded	Total
Education & Lifelong Learning	2024/25	3
Grand Total		3

DEFINITION OF ASSURANCE LEVELS, CONTROL ASSESSMENTS & RECOMMENDATION PRIORITIES

Level of Assurance definitions

Level of Assurance	Definition
Comprehensive Assurance	There is a sound control framework in place designed to achieve the system objectives, which should be effective in mitigating risks. Some improvements in a few, relatively minor, areas may be required, and any residual risk is either being accepted or addressed by management.
Substantial Assurance	The control framework in place is largely satisfactory, however there are a few areas where improvements could be made to current arrangements to reduce levels of risk, and/or there is some evidence that non-compliance with some controls may put some of the system objectives at risk.
Limited Assurance	Some satisfactory elements are evident within the control framework. However, some significant weaknesses have been identified which are likely to undermine the achievement of objectives, and/or the level of non-compliance with controls puts the system objectives at risk.
No Assurance	The control framework is ineffectively designed and operated. The issues identified require immediate attention to address the risks to the Council which are currently unacceptable. Significant improvements are required.

Control assessment definitions

Control Assessment	Definition
Red	Fundamental absence or failure of key control
Amber	Control objective not achieved – control is inadequate or ineffective
Yellow	Control objective achieved – no major weakness but scope for improvement
Green	Control objective achieved – control is adequate, effective & efficient

Recommendation Priority definitions

Priority	Definition
1	Recommendation concerning the absence/failure of fundamental control which is critical to the success of the system. Major weakness which significantly impairs the overall control framework. Immediate management action required. Very high-risk exposure.
2	Recommendation concerning absence or non-compliance with key control which creates significant risks within the organisation. Substantial weakness identified. Prompt management action required. High-risk exposure.
3	Recommendation concerning absence or non-compliance with lower-level control, or an isolated instance of non-compliance with a key control. The weakness identified is not necessarily great, but controls would be strengthened, and the risks reduced if it were rectified. To be addressed by management within a reasonable timescale. Moderate risk exposure.
4	Recommendation concerning minor issue, which is not critical, but implementation would improve the system and/or strengthen controls. To be addressed by management within a reasonable timescale. Limited risk exposure.