
INTERNAL AUDIT REPORTS TO AUDIT COMMITTEE 2015 - 2016

1. EXECUTIVE SUMMARY

- 1.1 There are 8 audits being reported to the Audit Committee. 2 audits have a high level of assurance with 6 being rated as substantial assurance.
- 1.2 Internal Audit provides a level of assurance upon completion of audit work, this is evaluated as follows:

Level of Assurance	Reason for the level of Assurance given
High	Internal Control, Governance and the Management of Risk are at a high standard with only marginal elements of residual risk, which are either being accepted or dealt with.
Substantial	Internal Control, Governance and the Management of Risk have displayed a mixture of little residual risk, but other elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.
Limited	Internal Control, Governance and the Management of Risk are displaying a general trend of unacceptable residual risk and weaknesses must be addressed within a reasonable timescale, with management allocating appropriate resource to the issues.
Very Limited	Internal Control, Governance and the Management of Risk are displaying key weaknesses and extensive residual risk above an acceptable level which must be addressed urgently, with management allocating appropriate resource to the issues.

- 1.3 The attached reports contain the action plans which detail those recommendations where Internal Audit in agreement with management has classified the findings either high or medium. Recommendations classified as low have been removed.
- 1.4 A high level summary of each report is noted below:
- **AIRPORTS:** This audit has provided a Substantial level of assurance. It was evidenced that logs and records were available in respect of Airfield Inspections, Incidents and Accidents, Aerodrome Safeguarding and Generic Airside Safety. Weakness were identified in respect of the accuracy of information, clarity of information and a lack of impact or residual risk assessment specifically related to a defects log.

- **LEADER:** This audit has a High level of assurance. It was evidenced that all elements of the Service Level Agreement (SLA) are adhered to. Project files were reviewed and found to adhere to the claims processes and procedures. The LEADER programme for 2015 – 2020 is still under development.
- **FLAG:** This audit has a High level of assurance. It was evidenced that there is full compliance with the SLA and the claims processes and procedures.
- **EDUCATION** - Scottish Qualification Authority submissions: This audit provided a Substantial level of assurance. The Council complies with submission requirements and appropriate governance and control arrangements are in place. A minor weakness was identified in relation to post submission evaluation protocols.
- **ELECTRONIC SIGNATURES:** This was a consultancy review of the Council's use of Electronic Signatures. The main findings indicate that services have naturally migrated to electronic forms of authorisation via their specific management information systems. A number of cross-service processes were identified where "wet signatures" are still being used and these will be subject to follow up work to identify opportunities for automated processes.
- **HEALTH AND SOCIAL CARE GOVERNANCE:** This audit provided a substantial level of assurance. Plans are at different stages of completion in respect of meeting the various requirements of the Scheme of Integration. It was evidenced that numerous workstreams have been set up to take forward specific actions and overall governance arrangements are in place to monitor these. A residual risk remains in relation to the volume of work yet to be completed and the timeline for 'go live' which will require to be monitored. A risk also remains around the timeline for the appointment of a Chief Financial Officer.
- **PLANNING ENFORCEMENT:** This audit provided a substantial level of assurance. An Enforcement and Monitoring charter is in place which details procedures and service standards. The charter was also reviewed and found to be aligned with Scottish Government guidelines. There were 2 low level recommendations relating to consistency and format of counter signatories and the availability / publishing of the Charter.
- **SINGLE OUTCOME AGREEMENT:** This audit provided an overall substantial level of assurance with evidence of good governance arrangements in place including clear terms of reference and detailed delivery plans. However elements of residual risk were identified which need to be addressed by management within a reasonable timescale. These were in relation to performance reporting arrangements including critical activity identification and data collection protocols.

2. RECOMMENDATIONS

- 2.1 Audit Committee note the content of this summary report and detail within each individual report.

3. CONCLUSION

3.1 Management has accepted each of the reports submitted and has agreed responses and timescales in the respective action plans. The total number of recommendations made within the 8 audits was 20 with 3 of these being rated high.

4. IMPLICATIONS

4.1 Policy - None

4.2 Financial - None

4.3 Legal - None

4.4 HR - None

4.5 Equalities - None

4.6 Risk - None

4.7 Customer Service – None

Kevin Anderson, Chief Internal Auditor

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**For further information contact: Kevin Anderson, Chief Internal Auditor
01369 708505**

