

#### **A4. Internal Audit Progress Report**

The committee considered a report by the Internal Audit, Risk, and Corporate Fraud Manager providing an update on progress with completing the 2022/23 Internal Audit Plan.

The Internal Audit Plan had been agreed by Audit Committee on 7 November 2022. It set out 20 assignment areas to be completed by the team during the year. This included 2 audits that were deferred from 2021/22. In addition, there had been an audit ongoing from 2021/22 giving a total of 21 assignment areas (including other client work: Strathcarron Hospice and Falkirk Integration Joint Board work).

Of these 21 assignment areas the team would complete 14 Falkirk Council audit reports:-

- 5 audit reports had been completed to final report stage. Details on the scope of, and findings arising, from the 5 finalised reviews were set out in an appendix to the report
- 7 assignments would be completed as part of the 2022/23 programme of work. These included pieces of work that were ongoing throughout the year; or were at draft report stage; or were in progress at fieldwork stage; and
- 2 reviews had yet to be started. These were 'Procurement and Housing Property Support and Follow Up Stage Two' and 'Fleet Management and Monitoring Arrangements: Follow-up of 2021/22 Recommendations Stage Two'. Both these service areas had had stage one audit reviews completed, with recommendations made for management to address with the stage two follow up audit reviews deferred into the 2023/24 Internal Audit Plan.

In addition to progress on the Audit Plan the report provided detail on those recommendations that remained outstanding beyond their agreed implementation date.

At the last committee in November 2022, the committee had requested more information relating to the findings from an audit review in 2021/22 on 'Following the Pandemic Pound: Covid-19 Costs'. An update was provided.

The committee noted that work remained outstanding from the 2022/23 Plan and sought assurance that the 2023/24 was deliverable. The Internal Audit Manager confirmed that, in her view, it was realistic and would be delivered. The team had previously had resource issues, but was now fully staffed. The two audits which had been deferred into the 2023/24 Plan were stage 2 audits and would be accommodated earlier in the Plan.

The committee then turned to the work carried out on Covid payments and asked if comparisons had been made with other Local Authorities. The Internal Audit Manager confirmed that, at the time, the team had worked with other Local Authorities particularly around the payments made.

Following questions on the uptake of benefits the Director of Transformation, Communities and Corporate Services confirmed that the Executive had agreed an Income Maximisation Strategy.

The committee noted in regard to the outstanding recommendations from the Equalities Act Arrangements audit that while there had been progress made in embedding Equality and Poverty Impact Assessments (EPIAs) within the reporting processes in the Council there was more work to be done and suggested that it would be helpful to members if the EPIAs could be appended to committee reports. Ms Algie confirmed that a working group had been established by Council to look at Committee Structures, including report formats and agreed to relay this suggestion to the group. She added that there was scope to build on the training that had already been delivered to members and officers.

### **Decision**

**The committee noted:-**

- (1) the progress being made with completing the 2022/23 Internal Audit Plan;**
- (2) the number of outstanding recommendations;**
- (3) the actions taken regarding duplicate creditor payments; and**
- (4) the actions taken regarding 'Following the Pandemic Pound: Covid-19 Costs' elected Member queries.**