



REPORT TO: AUDIT, PERFORMANCE AND RISK COMMITTEE ON 25 JULY 2019

SUBJECT: INTERNAL AUDIT UPDATE

BY: CHIEF INTERNAL AUDITOR

1. REASON FOR REPORT

1.1 To provide an update on audit reports issued as part of the delivery of the agreed audit plan for 2018/19.

2. RECOMMENDATION

2.1 **It is recommended that the Audit, Performance and Risk Committee considers and notes the contents of this update report.**

3. BACKGROUND

3.1 In line with the approved internal audit plan for the year, internal audit projects were completed in respect of

- **Contributions Policy:** Where applicable, service users are required to make a contribution toward the costs of agreed care packages. This audit reviewed a sample of financial assessments for service users to confirm the correct and consistent application of the contributions policy. The audit report Executive Summary and Action Plan is provided as **Appendix 1.**
- **Payroll testing:** this work was twofold regularity testing of payroll costs across various service areas taking in issues such as starters leavers, accuracy of financial coding etc. through to a review of payroll system access controls. The audit report Executive Summary and Action Plan is provided as **Appendix 2.**

3.2 The outcomes from these audits, already reported to the council's Audit and Scrutiny Committee, conclude the planned work agreed for the 2018/19 financial year. In respect of the current year programme some discussion has taken place with Moray Integration Joint Board (MIJB) management around topics to be covered in year. In addition to revisiting progress being made around the commissioning and procurement of learning disabilities services,

management have requested further work to be carried out in relation to care homes and residential nursing (excluding assessment criteria), adaptations governance and equipment. The scope for each individual audit has yet to be worked up.

4. KEY MATTERS RELEVANT TO RECOMMENDATION

- 4.1 This report provides an update on audits progressed in relation to the planned work for 2018/19; and notes the work taking place to inform planned audits and audit assurances that will be provided for the incoming financial year.

5. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP)) and Moray Integration Joint Board Strategic Commissioning Plan 2016 – 2019

Internal audit work supports good governance and assists in securing appropriate systems of internal control.

(b) Policy and Legal

Internal audit provides independent assurances in line with Integrated Resource Advisory Group guidance.

(c) Financial implications

No direct implications.

(d) Risk Implications and Mitigation

Audit reports highlight risk implications and contain recommendations for management to address as a means of mitigating risk.

(e) Staffing Implications

No implications.

(f) Property

No implications.

(g) Equalities/Socio Economic Impact

An equality impact assessment is not required as there will be no impact on people with protected characteristics as a result of consideration of this report.

(h) Consultations

The Chief Officer has been consulted in respect of this report, any comments have been considered in writing the report.

6. CONCLUSION

- 6.1 This report provides the Committee with the final reporting on projects from the 2018/19 internal audit plan and notes that preparation work to inform internal audit coverage for the current financial year remains under consideration.**

Author of Report: Atholl Scott
Background Papers: Internal audit files
Ref: MIJB/ap&rc/250719