



REPORT TO: AUDIT AND SCRUTINY COMMITTEE ON 28 JUNE 2022

SUBJECT: REPORT ON THE WORK OF THE INTERNAL AUDIT SECTION IN THE PERIOD FROM 1 APRIL 2022 TO 28 JUNE 2022

BY: DEPUTE CHIEF EXECUTIVE (EDUCATION, COMMUNITIES AND ORGANISATIONAL DEVELOPMENT)

1. REASON FOR REPORT

- 1.1 The report advises Committee on the work of the Internal Audit Section for the period from 1 April 2022 to 28 June 2022.
- 1.2 This report is submitted to Committee in terms of Section III (I)(2) and (7) of the Council's Scheme of Administration relating to consideration of reports from the Council's Internal Auditor and monitoring delivery of the audit service carried out by Internal Audit.

2. RECOMMENDATION

- 2.1 **That Committee consider the contents of this report, seeks clarification on any points noted and otherwise notes the report.**

3. BACKGROUND

- 3.1 This report provides details of the internal audit work concluded during the period 1 April 2022 to 28 June 2022.

Departmental Systems – Health & Social Care Moray - Client Monies

- 3.2 An audit review has been undertaken into the management and accounting systems of social care clients monies held under corporate appointeeship arrangements. Individuals assessed as requiring assistance in the financial management of welfare benefits received, the Department for Work and Pensions (DWP) can appoint a Social Work Officer to become the 'Corporate Appointee' and have legal authority for fund administration. The scope of the audit was to ensure funds were appropriately handled, stored, recorded and administered on behalf of clients, in line with agreed policy and procedures. The executive summary and recommendations for this project are given in **Appendix 1**.

- 3.3 Departmental Systems – Primary School Estates Security**
This audit reviewed the controls to restrict unauthorised access to primary school buildings and grounds. It was found that the age, type of school buildings and locations of play areas do vary considerably across the Authority. This does present challenges in ensuring the implementation of consistent security arrangements. The audit reviewed policies, procedures, and an appraisal of the security controls operating within a sample of primary schools. The audit found examples of good practices and improvements that have been made to the physical security of the primary school estates. However, the review has also highlighted where further improvements should be considered. The executive summary and recommendations for this project are given in **Appendix 2**.

- 3.4 Departmental Systems – Building Services Stores**
A review was undertaken of the Building Services Stores. The audit reviewed the systems and controls in managing materials and equipment (stock) stored to meet the repairs and maintenance requirements of Council housing. Individual stock items can vary in value from a few pounds to upwards of £1,000. Materials and equipment with a cumulative value of approximately £700 000 are issued annually from Stores. The executive summary and recommendations for this project are given in **Appendix 3**.

- 3.5 Departmental Systems – Roads Maintenance - Planned**
The Roads Maintenance Capital Plan budget for 2021/22 amounted to £4.282 million. This included planned projects for resurfacing, surface dressing programme, footway and drainage works. This is part of an agreed 10 year Capital Plan to address Moray's deteriorating road conditions. The audit undertook an overview of the 2021/22 capital plan and selected individual projects where more detailed audit checks were undertaken. Testing involved a review of the contract management arrangements and how individual schemes are costed, agreed and monitored. The executive summary and recommendations for this project are given in **Appendix 4**.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcome Improvement Plan (LOIP))

Internal audit work supports good governance and the delivery of efficient services.

(b) Policy and Legal

No implications.

(c) Financial Implications

No implications directly arising from this report.

(d) Risk Implications

The independent review of selected systems and procedures mitigates the risks associated with inadequate or ineffective control procedures.

(e) Staffing Implications

No implications.

(f) Property

No implications.

(g) Equalities/ Socio Economic Impacts

No implications.

(h) Climate Change and Biodiversity Impacts

No implications.

(i) Consultations

There have been no direct consultations during the preparation of this report.

5. CONCLUSION

5.1 This report provides Committee with a summary of findings arising from an audit project completed during the review period.

Author of Report: Dafydd Lewis, Audit and Risk Manager
Background Papers: Internal audit files
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