



---

**REPORT TO: MORAY INTEGRATION JOINT BOARD AUDIT, PERFORMANCE AND RISK COMMITTEE ON 24 NOVEMBER 2022**

**SUBJECT: INTERNAL AUDIT SECTION - UPDATE REPORT**

**BY: CHIEF INTERNAL AUDITOR**

**1. REASON FOR REPORT**

1.1 To provide an Internal Audit update to Committee members.

**2. RECOMMENDATION**

2.1 **The Audit, Performance and Risk Committee is asked to consider and note this audit update.**

**3. BACKGROUND**

3.1 Public Sector Internal Audit Standards (PSIAS) require the Chief Internal Auditor to prepare and present reports to committee on internal audit's activity relative to the audit plan and on any other relevant matters.

**4. KEY MATTERS RELEVANT TO RECOMMENDATION**

4.1 In accordance with the Audit Plan for 2022/23, a review has been undertaken into the systems and procedures in the management and security of data, including the transfer of data between the Council and Care Providers. Further to discussions with the Internal Audit Providers of NHS Grampian, Aberdeen City and Aberdeenshire Councils, it was agreed to coordinate the audit process in order to provide an overall opinion on the control environment. Further to a recent communication, it has not proved possible for the NHS Grampian Internal Audit Provider to participate as a review by the Information Commissioner has taken precedence. I am pleased to report the audit within Moray has been completed, and the draft report issued to the Service. I intend to provide the executive summary and recommendations to the next meeting of the Audit, Performance and Risk Committee.

**Audit Plan 2023/24**

4.2 Preparation has begun to agree on the Audit Plan for 2023/24. Internal Audit's approach to annual audit planning is risk-based with all areas which may be subject to audit review contained within an 'audit universe.' The audit universe

is reviewed and updated on an ongoing basis to include all significant activities and systems.

- 4.3 The consultation process with officers has also provided the opportunity to establish timescales for responding to requests for information during an audit review and in responding to recommendations.

#### **Public Sector Internal Audit Standards**

- 4.4 The Local Authority Accounts (Scotland) Regulations 2014 require that 'a local authority must operate a professional and objective internal auditing service in accordance with recognised standards and practices in relation to internal auditing'. The recognised standards adopted by all Scottish Councils are the Public Sector Internal Audit Standards (PSIAS) developed by the Chartered Institute of Public Finance and Accountancy and the Chartered Institute of Internal Auditors. The standards include a requirement for an annual self-assessment.
- 4.5 Internal monitoring of performance against these standards has been ongoing in previous years. However, a more structured self-assessment has recently been undertaken in preparation for the next External Quality Assessment, scheduled for 2023.

### **5. SUMMARY OF IMPLICATIONS**

#### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP)) and Moray Integration Joint Board Strategic Plan "Moray Partners in Care 2019 – 2029"**

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

#### **(b) Policy and Legal**

The internal audit service is provided in terms of paragraph 7:1 of the Local Authority Accounts (Scotland) Regulations 2014, and there is a requirement to provide a service in accordance with published Public Sector Internal Audit Standards.

#### **(c) Financial Implications**

No implications directly arising from this report.

#### **(d) Risk Implications**

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

#### **(e) Staffing Implications**

No implications directly arising from this report

#### **(f) Property**

No implications.

#### **(g) Equalities/ Socio Economic Impacts**

No implications.

#### **(h) Climate Change and Biodiversity Impacts**

None directly arising from this report.

**(i) Directions**

None directly arising from this report.

**(j) Consultations**

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

**6. CONCLUSION**

**6.1 This report provides committee with an update on internal audit work progressed in the latest review period.**

Author of Report:	Dafydd Lewis, Chief Internal Auditor
Background Papers:	Internal Audit Files
Ref:	mijb/ap&rc/24112022