



INTERNAL AUDIT OPERATIONAL PLAN 2024-25

Report by Chief Internal Auditor

PURPOSE

- 1.1 The purpose of the Report is to seek approval of the Comhairle's Audit and Scrutiny Committee of the Internal Audit Operational Plan covering period 2024-25.

EXECUTIVE SUMMARY

- 2.1 Public Sector Internal Audit Standards require that Internal Audit produce a risk based Internal Audit plan for each year and that this be approved by the Audit & Scrutiny Committee. The work undertaken allows the formation of the Annual Assurance Statement which seeks to provide assurance over the adequacy and effectiveness of the Comhairle's framework of governance, risk management and control.
- 2.2 The Comhairle's Audit and Scrutiny Committee approved a three-year Strategic Audit Plan covering the period 2023-2026 on the 9th of February 2023. It is noted that year one of that Strategic Audit Plan forms the Operational plan for the internal audit section for 2024-25.
- 2.3 Despite the effects of the cyber incident still being felt in the Comhairle as well as the Internal Audit section, we will ensure that work is targeted to ensure sufficient work is undertaken to support and form the annual assurance statement following the end of the 2024-25 year.

RECOMMENDATIONS

- 3.1 **It is recommended that the Audit and Scrutiny Committee approve the amended Operational Plan for 2024-25.**

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Appendix:	Internal Audit Operational Audit Plan 2024-25
Background Papers:	Internal Audit Strategic Plan 2023-26

IMPLICATIONS

4.1 The following implications are applicable in terms of the Report.

Resource Implications	Implications/None
Financial	None
Legal	Public Sector Internal Audit Standards (PSIAS) are mandatory. UK Public Sector PSIAS have been developed to apply across the whole of the public sector in all sectors of government. The PSIAS are based on standards issued by the Institute of Internal Auditors (IIA), with additional requirements and interpretations that make them directly applicable to the UK public sector. The PSIAS are developed jointly by the relevant internal audit standard setters (RIASS) which include local government.
Staffing	None
Assets and Property	None
Strategic Implications	Implications/None
Risk	<p>A three-year Strategic Audit Plan 2023-2026 was submitted to the Audit and Scrutiny Committee on 9 February 2023. The Operational Plan is reported to the Committee at every series of meetings and any impacts to the delivery of the plan are highlighted.</p> <p>The current complement of two qualified members of staff and one trainee are not sufficient to meet the needs of the Comhairle in addressing all High, Medium/High and Medium risk reviews. Any staff absences could impact on delivery of the Plan.</p>
Equalities	None
Corporate Strategy	By complying with the mandatory Public Sector Internal Audit Standards (PSIAS), the Internal Audit team work towards the outcomes to meet strategic priority <i>"4.1.1 The Comhairle has achieved a systematic approach to improving organisational effectiveness that aligns strategy, people and processes and the service provided is high quality, continually improving and cost effective."</i>
Environmental Impact	None
Consultation	<p>The following officers were included in the assessment of risk and formation of the Strategic Audit Plan:</p> <p>All of the Corporate Planning Team and Heads of Service, together with input from information contained within the Corporate Risk Registers.</p>

BACKGROUND

- 5.1 A professional, independent and objective internal audit service is one of the key elements of good governance, as recognised throughout the UK public sector. Appropriate plans must be prepared to provide those charged with governance the necessary assurance or otherwise that controls, governance and risk are being effectively managed within the Comhairle.
- 5.2 The Comhairle's internal Audit section have produced a risk based Strategic Internal Audit Plan in consultation with senior management of the Comhairle. In doing so, audit resources are focused on areas of high and medium-high risk based on available resources.

DETAIL

- 6.1 In preparing the Operational Internal Audit Plan for 2024-25, the Chief Internal Auditor has to consider the contents agreed within the approved Strategic Plan but also reflect on any new and conflicting pressures that the organisation is facing, its staff resources and any restrictions that may currently be in force.
- 6.2 The Operational Internal Audit Plan for 2024-25 outlines the areas we plan to review in the year. Although we are beginning to return to normal following the cyber incident, and review work is recovering and we anticipate being able to complete the 2024-25 operational plan as normal, the Trainee Auditor continues to undertake the necessary work to be able to contribute fully towards the Internal Audit planned work. Going forward the terms of references will be required to include specific elements relating to cyber incident recovery and risk assessment sufficiency.

CONCLUSION

- 7.1 The Operational Internal Audit Plan for 2024-25 is provided to acknowledge staffing resources, skills, internal and external pressures, and national/local restrictions and recommends that:
 - Approve the Operational Plan for 2024-25

Appendix 1 - Internal Audit Operational Plan 2024/25

Service	Audit Name	Audit Scope	Planned Days
Chief Executive	Organisational Change, Redesign and Corporate Improvement	Review of the corporate improvement processes, as well as the management arrangements for changes to the establishment, including departmental restructuring	20
Chief Executive	External Funding	High Level review of external funding arrangements and agreements	15
Chief Executive	Strategic Procurement - Including Revenue Contracts	VFM review of processes relating to tenders, including compliance with regulations and policies	15
Chief Executive	Partnership Working Charters	Provide assurance that there are adequate corporate arrangements in place to manage key partnership risks and that for individual partnership arrangements	10
Depute Chief Executive	Development Management (planning etc)	Review of policies and procedures to ensure compliance with legislation	15
Depute Chief Executive	Museum	High level VFM review	15
Depute Chief Executive	Marine Planning	Review of governance arrangements	15
Depute Chief Executive	Community Engagement Unit	High level review of the new Community Engagement Unit	25
Depute Chief Executive	Islands Deal - joint with Orkney & Shetland	Review of governance arrangements and claims processes	15
Education, Skills & Childrens Services	Special Education Compliance with Children (Scotland) Act & GIRFEC	Review of controls and procedures ensure reliability of statistical	20
Education, Skills & Childrens Services	Supply Teaching & Virtual teaching	High level review of Supply and Virtual teaching	10
Health & Social Care Partnership	Social Work Services – Commissioning and Partnership Services	Review of management and governance, including policies, procedures, training and protocols	20
Health & Social Care Partnership	Residential Care Services – Goathill Care Home and Housing with Extra Care	High level review of Care at Home provision at new facility	20
Health & Social Care Partnership	Social Work Transport - Policy & Implementation	High level review of the Social Work Transport Policy and working arrangements	10

Service	Audit Name	Audit Scope	Planned Days
Health & Social Care Partnership	Medication Management	Review of medication management in the Health and Social Care Partnership	15
Investment Delivery	Lewis Care Projects (Stornoway and Rural Lewis)	High level project review	20
Strategic Finance	Payroll/Expenses	High level review of Payroll function and controls processes including transaction testing	20
Strategic Finance	Financial Assessment (Social Care)	Cyclical review to ensure assurance of the arrangements for undertaking Financial Assessments	15
Strategic Finance	Non domestic rates	High level review of NDR function and controls processes including transaction testing	15
Strategic Finance	Budget Setting & Medium/Long Term Financial Planning Strategy	Review of processes	15
Assets & Infrastructure	Street lighting (Public lighting)	VFM Review	15
Assets & Infrastructure	Waste disposal & Refuse Collection (including Landfill Tax) incl Income Management	Review of service in relation to policies, priorities, risk assessments and delivery, and also the arrangements for the collection of income for Comhairle waste management	20
Assets & Infrastructure	Climate Change Net Zero Compliance	Review of compliance with Climate Change Net Zero policies	15
Corporate	Cyber-incident and response arrangements	Review of the Cyber-incident of November 2023 and the response arrangements	Contingency
Total Days			365