

INTERNAL AUDIT AND COUNTER FRAUD SUMMARY OF ACTIVITIES

1. SUMMARY

- 1.1 The objective of the report is to provide the Audit and Scrutiny Committee (the Committee) with a summary of Internal Audit activity and progress during quarter four of 2023/24.
- 1.2 Core activities together with a progress update statement are shown below:
- **2023/24 Audit Plan progress:** The plan is on track subject to available resources being in place for the full period of the approved plan. One review relating to Building Cleaning has been postponed at the request of the service department due to resources, together with a review within the Education Service due to staff sickness to

3. DETAIL

3.1 Three audits have been completed since the previous Committee in December 2023.

Audits Completed

- Piers and Harbours
- Pupil and Public Transport
- Human Resources – Casual Workers

Audits in Planning / in Progress

reported to a future meeting of the Committee

- Client Funds – work in progress
- Learning and Disability Care Packages – Awaiting management comments
- Financial Ledger – field work completed - draft report being prepared
- Scottish Social Services Council (SSSC) Registration – work in progress
- Freedom of Information Requests – work in progress
- Cloud Based Computer Services – Terms of Reference issued

3.2 In addition to those already in progress, indicative audits planned for 2023/24 are:

- Stores – year-end

3.3 2023/24 Audit Plan

- Work is progressing on the approved plan and outlined in paragraphs 3.1 – 3.2.
- A request has been made by senior management to postpone the planned review on Building Cleaning and similarly a review within the Education service due to staff sickness and external inspections which are ongoing. We will consider these areas in future plans and would note this as an amendment to the current Plan for 2023/24.

Scrutiny

3.4 It was agreed in June 2023 that scrutiny work for 2023/24 will focus on the outstanding review concerning 'Fly Tipping'. Work had previously been postponed until data became available to the Panel. Discussions have been ongoing with staff within the Council to ensure data was made available in January for further analysis and consideration at a meeting of the Panel to conclude on this review. In February 2024 the Scrutiny Panel met, along with staff responsible for this area of activity within the Council. An updated and final report has been prepared for consideration by the Audit and Scrutiny Committee.

Counter Fraud

- 3.5 The CFT is progressing well with both team members fully CIPFA accredited fraud investigators. The current investigator has taken on a 2 year secondment to empty homes for further skills development. The investigators post was filled again on a secondment basis. The new member of staff will undertake the above CIPFA accreditation and is booked onto this course commencing in the latter half of 2024.

Both team members will revert to substantive post circa sept 2025.

Continued routine work is still progressing to accurately track the full income

Additional Updates from Quarter Four

3.6 Staff continue to work from home or on a hybrid approach and

National Reports

- 3.12 A follow up process for national reports is in place whereby management are advised of national reports published and asked to confirm what, if any, action is planned as a result of the report. Table 2 details the national reports issued during quarter three/four 2023/24

carried out. A reminder process is in place to ensure that matches are reviewed on a timely basis. NFI have provided new data throughout 2023/24 and these have been matched and closed.

- 3.14 The current NFI exercise has been released after some technical delays from the Cabinet Office. This exercise is conducted throughout the year by officers and matches checked and closed accordingly. NFI provided additional data releases over the course of the exercise and matches are addressed when these become available. The current NFI matches are detailed below. The CFT are reviewing the information received from the NFI matching service, work has commenced to follow these up locally. Existing users have been reviewed and new users added where requested, all users have been informed that matches are available for review and progress will be monitored monthly by the Counter Fraud team and reported quarterly to the Audit and Scrutiny Committee.

New HMRC data has been uploaded and released back to us, and teams have been contacted to start matching this data.

Table 4: National Fraud Initiative Progress at 11/02/2024

Operational Area	Total Matches	Recommended/Very High / High/Medium Risk Matches	Matches Complete	* WIP	Match Description
CT to Electoral Register	2155	0	2155	0	CT records to Electoral Register/ other data sets to ensure d.05 .47 4

Table 6: Internal Audit Team Scorecard

Internal Audit Team Scorecard 2023– 24 – FQ3 23/24 (as at December 2023)			
BO115 We Are Efficient And Cost Effective			
Internal Audit Level of Satisfaction	Actual	92%	G
	Target	80%	
Review of Strategic Risk register	Status	On Track	G
	Target	On Track	