



**Item: 4**

**Monitoring and Audit Committee: 14 November 2024.**

**Internal Audit Plan Progress Report.**

**Report by Chief Internal Auditor.**

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## **1. Overview**

- 1.1. The Public Sector Internal Audit Standards include the requirement for the Chief Internal Auditor to report on progress against the annual audit plan and to ensure that the annual audit plan remains consistent with the Council's goals
- 1.2. Audit planning is a continuous process, and the plan can be reviewed and adjusted as required in response to changes in business, risks, operations and priorities.
- 1.3. At its meeting held on 28 March 2024, the Monitoring and Audit Committee noted that a comprehensive planning process had been undertaken by the Chief Internal Auditor for the year 2024/25. The Committee recommended that the Internal Audit Annual Strategy and Plan for 2024/25 be approved.
- 1.4. The progress made to date against each item included in the approved plan, is detailed in Appendix 1 to this report. In summary, at approximately mid-point in the year, 29% of the audits in the 2024/25 plan have been completed with a further 17% in progress.
- 1.5. There are two points of clarification in respect of the table on page 2. Firstly, the audit of the Pickaquoy Centre agreement has been delayed as there is currently a review of the service level agreement being carried out. The second point is that the timing of the Strategic Projects review has still to be confirmed. The review(s) will be performed at a point in the project(s) where most value can be added.

## **2. Recommendations**

- 2.1. It is recommended that members of the Committee:
  - i. Scrutinise progress made to date in completing the Internal Audit Plan for 2024/25, as detailed in Appendix 1 to this report, in order to obtain assurance regarding delivery of the plan.

## **For Further Information please contact:**

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## **Implications of Report**

- 1. Financial:** None directly related to the recommendations in this report.
- 2. Legal:** None directly related to the recommendations in this report.
- 3. Corporate Governance:** In terms of the Scheme of Administration, consideration of Internal Audit findings and recommendations and to review actions taken on recommendations made, is a referred function of the Monitoring and Audit Committee.
- 4. Human Resources:** None directly related to the recommendations in this report.
- 5. Equalities:** An Equality Impact Assessment is not required in respect of Internal Audit Reporting.
- 6. Island Communities Impact:** An Island Communities Impact Assessment is not required in respect of Internal Audit Reporting.
- 7. Links to Council Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
  - Growing our economy.
  - Strengthening our Communities.
  - Developing our Infrastructure.
  - Transforming our Council.
- 8. Links to Local Outcomes Improvement Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
  - Cost of Living.
  - Sustainable Development.
  - Local Equality.
- 9. Environmental and Climate Risk:** None directly related to the recommendations in this report.
- 10. Risk:** Internal Audit evaluates the effectiveness and contributes to the improvement of the risk management processes.
- 11. Procurement:** None directly related to the recommendations in this report.
- 12. Health and Safety:** None directly related to the recommendations in this report.
- 13. Property and Assets:** None directly related to the recommendations in this report.
- 14. Information Technology:** None directly related to the recommendations in this report.

**15. Cost of Living:** None directly related to the recommendations in this report.

**List of Background Papers**

Internal Audit Plan 2024/25

**Appendix**

Appendix 1: Internal Audit Plan Progress Report 2024/25



## Internal Audit

# Audit Plan Progress Report 2024/25

Issue date: 15 October 2024

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## Introduction

The Internal Audit Charter requires that Chief Internal Auditor provides the Monitoring and Audit Committee with a mid-year report on progress made against the audit plan including any material changes made or proposed to the plan.

Since the Internal Audit Plan was approved at the Monitoring and Audit Committee held on 28 March 2024 there have been no changes.

All work that was carried over from the 2023/24 financial year has been completed. Seven audits from the 2024/25 plan have been completed, four are in progress and 13 have yet to be started.

The table below shows the audit plan and the status of the individual audits.

The charts on page 3 give a visual representation of the position at approximately half-way through the year. The first chart shows the position for all audits in the table, including work carried over from 2023/24 and the second chart shows the position of audits from the 2024/25 plan.

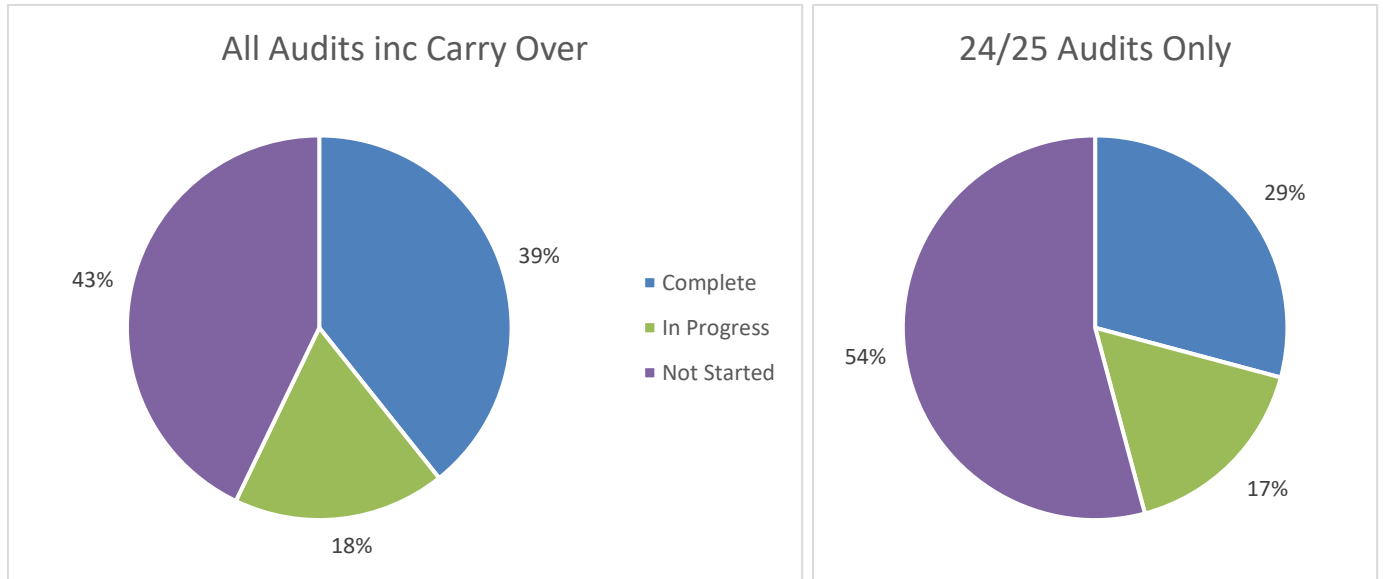
## Audit Plan

System	Status of Audit
<b>Carried Over from 2023/24</b>	
Sundry Debtors	Complete
Works Inspection Repairs and Maintenance	Complete
Cash and Income	Complete
Creditors	Complete
<b>2024/25 Plan</b>	
Council Tax	Q3
Payroll	Q4
Insurance	In Progress
Pension Investment	Q4
School Establishment Audit – Sanday Junior High	Complete
School Establishment Audit – Glaitness Primary	Complete
School Establishment Audit – Evie Primary	Q4
School Establishment Audit – Firth Primary	Q4
Roads Operations	In Progress
Fleet Management	Q3

<b>System</b>	<b>Status of Audit</b>
Operational Property	Q3
Improvement Service – Benefits Realisation	Q3
Sickness Absence Management	Q3
Pickaquoy Centre	Delayed by Service
OHASCP Payment Processes	In Progress
Strategic Projects	TBC
EDRMS Project	Ongoing
Orkney College Credits	Complete
Orkney College Discretionary & Childcare Funds	Complete
Stock Checks	Complete
Climate Change Reporting	In Progress
Use of Consultants	Q4
Capital Programme Slippage	Complete
Net Zero Ambitions	Q4
Orkney College Business Units Follow Up Audit	Complete
<b>Contingency</b>	
IJB Chief Internal Audit Function	Ongoing
IJB Financial Planning, Monitoring and Reporting	Q4
O&SVJB Chief Internal Audit Function	Ongoing
Performance Reporting	Q3
Budget Setting and Budgetary Control	Q3
Workforce Planning	Q4
UHI Shetland	Complete

# Audit Status

Status at 18 October 2024



# Conclusion

At mid-point in the year, Internal Audit are in a relatively good position. As well as completing all of the 2023/24 audits carried over, we have seven of the 2024/25 audits complete. Work will continue with the remaining audits in the plan together with our IJB and O&SVJB commitments and any emerging issues which we will undertake as part of our contingency allowance.