



Engagement follow-up performance April to August 2021

Committee Audit and Standards

Date of meeting 27 August 2021

Date of report 18 August 2021

Report by Acting Chief Executive

1. Object of report

To advise the committee on the performance and implementation rate of recommendations from follow-up engagements undertaken between April and August 2021. Planned resource is included in the annual Internal Audit plan 2021/2022 for these reviews.

2. Background

In accordance with the Public Sector Internal Audit Standards (PSIAS) and the Internal Audit Charter, a follow-up process to monitor and ensure that management actions have been effectively implemented must be established. These good practice requirements also state that the results will then be presented to the Audit and Standards committee.

The objective of each follow-up engagement is to test and evaluate management actions taken to address the agreed identified areas for improvement from the initial engagement.

3. Outline of findings

Audit and Assurance completed three follow-up performance reviews between April and August 2021.

The management actions taken to implement the recommendations in each engagement were evaluated and tested by Audit and Assurance. The findings of the follow-up reviews are as follows:

| | |
|--|-----|
| Number of follow-up engagements completed April to August 2021 | 3 |
| Total number of recommendations contained in these assurance engagements | 10 |
| Total number of recommendations implemented | 8 |
| Percentage implementation rate | 80% |

A summary of the three follow-up engagements completed between April and August 2021 is presented at Appendix 1.

Where the recommendation(s) has not been implemented as at the date of the follow-up engagement, a Client Assurance Statement has been agreed with the lead officer(s) to record a revised timescale(s) to complete the outstanding recommendation(s).

4. Conclusions

Audit and Assurance has completed follow-up reviews for three engagements between April and August 2021. The percentage implementation rate of the recommendations from the three follow-up engagements was found to be 80%.

5. Committee action

The committee is asked to note the contents of this report and the implementation rate of the recommendations from assurance engagements previously reported to the committee.

6. Consequences

| | |
|-------------------------|--|
| Policy consequences | <i>In accordance with the Public Sector Internal Audit Standards 2017.</i> |
| Legal consequences | <i>None.</i> |
| Financial consequences | <i>None.</i> |
| Personnel consequences | <i>None.</i> |
| Equalities consequences | <i>None.</i> |
| Risk consequences | <i>The implementation of agreed recommendations from assurance engagements mitigates risk.</i> |

Name Neil Wylie

Name Valerie Davidson

Title Director of Finance

Title Acting Chief Executive

For further information, please contact Iain McNicol, Audit and Assurance Manager.

Audit and Standards committee – 27 August 2021
Internal Audit plan 2021/2022

Follow-up performance report – April to August 2021

| Engagement title | Date reported to Audit & Standards Committee | Number of recommendations from initial engagement | | | | Date of Follow up review | Number of recommendations implemented | | | | % Implemented | % Not Implemented |
|--|--|---|----------|------------|-----------|--------------------------|---------------------------------------|----------|------------|----------|---------------|-------------------|
| | | High | Medium | Low | Total | | High | Medium | Low | Total | | |
| Regularity audit of Subway annual stock count | 28 August 2020 | Nil | 1 | Nil | 1 | April 2021 | Nil | Nil | Nil | Nil | Nil% | 100% |
| Regularity audit of the administration of smartcards | 19 February 2021 | Nil | 3 | Nil | 3 | June 2021 | Nil | 3 | Nil | 3 | 100% | Nil% |
| Subway infrastructure and maintenance overtime administration: controls report | 19 February 2021 | 2 | 4 | Nil | 6 | July 2021 | 2 | 3 | Nil | 5 | 83% | 17% |
| Total(s) | | 2 | 8 | Nil | 10 | | 2 | 6 | Nil | 8 | 80% | 20% |