
**INTERNAL AUDIT REPORTS TO AUDIT AND SCRUTINY COMMITTEE
2020/2021**

1. EXECUTIVE SUMMARY

- 1.1 There are six audits being reported to the Audit and Scrutiny Committee.
- 1.2 The table below provides a summary of the conclusions for the audits performed. The full reports are included as appendices to this report.

Audit Name	Level of Assurance	High Actions	Medium Actions	Low Actions	VFM Actions
Interfaces/Reconciliation	Substantial	0	2	0	0
Oban Airport	High	0	0	0	0
Scottish Welfare Fund	Substantial	0	0	4	0
Welfare Rights	Substantial	0	2	1	0
LEADER	High	0	0	1	0
Homelessness	Substantial	0	1	0	0

- 1.3 Internal Audit provides a level of assurance upon completion of audit work. A definition for each assurance level is documented in each audit report.

2. RECOMMENDATIONS

- 2.1 Audit and Scrutiny Committee to review and endorse this summary report and the detail within each individual report.

3. DETAIL

- 3.1 A high level summary of each completed audit report is noted below:

Interfaces/Reconciliation: This audit has provided a substantial level of assurance. This means that internal control, governance and the management of risk is sound, however, there are minor areas of weakness which put some system objectives at risk. Logical access to information before, during and after interfaces are performed is appropriate. Interfaces are reconciled for all sub-systems that feed invoice data to Oracle payables, however, the processes vary for each and these are not fully documented for six of the eight sub-systems. Balance sheet reconciliations are not performed following interfaces for ResourceLink and three sub-systems.

Oban Airport: This audit has provided a high level of assurance as internal control, governance and the management of risk are at a high standard. The audit covered eight of the 21 operating instructions contained within the

aerodrome operating manual and all were found to be operating satisfactorily. No audit issues have been raised

Scottish Welfare Fund (SWF): This audit has provided a substantial level of assurance. This means that internal control, governance and the management of risk is sound, however, there are minor areas of weakness which put some system objectives at risk. Council policies and procedures are in place for the administration of the SWF with claims assessed and grants calculated in accordance with regulations, although it was noted that benefit assessors have some discretion, within the guidance, when applying awards. Training is provided to staff, however training records should be maintained. Diary notes require to be maintained in relation to any communication with applicants and where deviation from standard grant amounts are paid the reasons for this recorded.

Welfare Rights: This audit has provided a substantial level of assurance. This means that internal control, governance and the management of risk is sound, however, there are minor areas of weakness which put some system objectives at risk. Welfare Rights have a service plan that sets out the aims of the service. Appropriate training is given to relevant personnel and information on any new legislation and guidance is readily available. Quarterly audits are carried out but conclusions are not documented. Debt counselling and welfare rights advice is provided by an external contractor and performance monitoring is in line with contractual arrangements though a risk assessment should be carried out. Performance data is discussed at quarterly team meetings and a comprehensive annual report is published. Reporting on customer satisfaction surveys should be re-instated in Pyramid.

LEADER: This audit has provided a high level of assurance as internal control, governance and the management of risk are at a high standard. No material issues were identified during the audit. Appropriate checklists and procedural documents are in place to ensure that all applications meet both the technical and financial requirements stipulated by the LEADER programme. All projects tested were fully compliant. Access to LEADER records is restricted to appropriate officers via logical access controls.

Homelessness: This audit has provided a substantial level of assurance. This means that internal control, governance and the management of risk is sound, however, there are minor areas of weakness which put some system objectives at risk. The Council has well established partnership arrangements to deliver a wide range of homeless and housing related services that are required by statute and appropriate policies, procedures and arrangements are in place to manage and record homelessness applications. Furthermore new processes have been implemented as a direct response to the COVID pandemic to ensure services can still be delivered whilst adhering to social distancing restrictions. Monthly quality assurance audits have been out in hold due to the resource pressures created by the COVID pandemic and have not yet been reinstated.

4. CONCLUSION

- 4.1 Management has accepted each of the reports submitted and have agreed responses and timescales in the respective action plans.

5. IMPLICATIONS

- 5.1 Policy - None
- 5.2 Financial - None
- 5.3 Legal - None
- 5.4 HR – None
- 5.5 Fairer Scotland Duty - None
 - 5.5.1 Equalities – None
 - 5.5.2 Socio-Economic Duty – None
 - 5.5.3 Islands Duty - None
- 5.6 Risk - None
- 5.7 Customer Service – None

Laurence Slavin
Chief Internal Auditor
15 December 2020

For further information contact:

Laurence Slavin, Chief Internal Auditor, 01436 657694

APPENDICES

1. Interfaces/Reconciliation Report
2. Oban Airport Report
3. Scottish Welfare Fund Report
4. Welfare Rights Report
5. LEADER Report
6. Homelessness Report