

Governance, Risk and Best Value Committee

10.00am, Thursday, 23 January 2025

Internal Audit Open and Overdue Internal Audit Actions – Performance Dashboard as at 7 January 2025

Executive/routine

Wards

1. Recommendations

- 1.1 It is recommended that the Committee:
 - 1.1.1 notes the status of open and overdue Internal Audit (IA) actions and key performance indicators as at 7 January 2025
 - 1.1.2 refers this paper to the relevant Council Executive committees for ongoing scrutiny of the overdue IA actions relevant to their respective remits, and
 - 1.1.3 refers this paper to the Edinburgh Integration Joint Board Audit and Assurance Committee for information in relation to the current Health and Social Care Partnership position.

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Report

Internal Audit Open and Overdue Internal Audit Actions – Performance Dashboard as at 7 January 2025

2. Executive Summary

- 2.1 This report provides an update to Committee on progress of open and overdue Internal Audit (IA) management actions and key performance indicators as at 7 January 2025.
- 2.2 As at 7 January 2025 there were a total of 364 open IA management actions, with 20 of these overdue (5%), an increase of 8 compared to September 2024 (12).
- 2.3 Further detail on the status of open and overdue actions as at 7 January 2025 is provided in the open and overdue performance dashboard at [Appendix 1](#). This includes a comparison with September 2024.

3. Background

- 3.1 Progress in implementing open and overdue management actions raised in IA reports are reported monthly to Executive Directors and quarterly to the GRBV Committee.
- 3.2 This report specifically excludes open and overdue findings that relate to the Edinburgh Integration Joint Board (EIJB) and the Lothian Pension Fund (LPF). These are reported separately to the EIJB Audit and Assurance Committee, and the Pensions Audit Sub-Committee respectively.
- 3.3 IA Key Performance Indicators (KPIs) to support effective and timely delivery of the IA Annual Plan were agreed by CLT and GRBV in May 2024 as part of the Internal Audit Charter.
- 3.4 IA issues end of audit surveys which provide feedback on the audit process and contribute towards continuous improvement in the audit team. Results of end of audit surveys are reported to Committee every six months.

4. Main report

Open and overdue management actions

- 4.1 [Figure 1](#) of the IA activity dashboard at [Appendix 1](#) illustrates that as at 7 January 2025 there were 364 actions across the Council, with 20 actions (5%) overdue, and 344 actions (95%) not yet due.
- 4.2 The movement in open and overdue IA actions for the period 13 September to 7 January 2025 is reflected in [Figure 2](#) which highlights that the total number of open actions increased by 162, as a result of the creation of 238 new actions from the audits completed and closure of 76 actions during the period (see [Figure 2](#)).
- 4.3 It should be noted that 71 of the new actions are as a result of the directorate wide actions agreed for the Directorate Cyber Incident Response audit, reported to Committee in October 2024. A further 19 new actions are as a result of the creation of the new Chief Executive's office and assignment of relevant actions.
- 4.4 [Figure 2](#) also highlights that the number of overdue actions have increased from 12 to 20 since the last update to Committee in September 2024. IA has continued to achieve the agreed KPI for reviewing all implemented management actions and no overdue actions are currently with IA for evidence review.
- 4.5 [Figure 3](#) and [Figure 4](#) illustrate the allocation of the 20 overdue management actions across all directorates. [Figure 4](#) shows the composition of the 20 overdue management actions as 12 High, 7 Medium and 1 Low rated management actions.

Ageing profile of overdue actions

- 4.6 [Figure 5](#) compares the ageing profile of current (January 2025) overdue management actions with the last reported period (September 2024) and shows actions overdue for:
- less than three months have increased from 5 to 12
 - three to six months have decreased from 4 to 2
 - six months to one year have increased from 0 to 3
 - more than 1 year have remained constant at 3.
- 4.7 The analysis of the ageing of the 20 overdue management actions across directorates shown at [Figure 6](#).

- 4.8 Appendix 2 provides details of all overdue management actions as at 7 January 2025 together with an update from management on progress with the action.

Management actions closed based on management's acceptance of risk

- 4.9 Two management actions were closed based on management's acceptance of risk during the period 14 September to 7 January 2025. Please refer to Appendix 3 for details.

IA Annual Plan Delivery

- 4.10 40% of the 2024/25 IA plan is complete with 20 audits completed, 10 audits in fieldwork, 13 audits in planning, 1 audit in reporting and a further 6 audits not yet started (see [Figure 7](#)). Further detail on plan delivery and audit outcomes is provided in the IA Activity and IA outcomes reports.

IA Key Performance Indicators (KPIs)

- 4.11 Meeting the KPIs set out in the [agreed audit journey map](#) within the IA Charter is essential to support on-time delivery of the 2024/25 plan and timely preparation of the annual audit report for committee.
- 4.12 KPI performance to date is set out at [Figure 8](#). There have been some delays noted in:
- Heads of Service and Director approval of the audit terms of reference
 - Internal Audit's scheduling of fieldwork close-out meeting and issue of draft report
 - Service response to audit surveys
- 4.13 IA is reviewing its internal processes to ensure timely completion of close-out meetings and issuing of draft reports and will continue to remind officers of the agreed KPIs and will escalate delays to Executive Directors as required to ensure timely completion and reporting on the outcomes of the 2024/25 IA plan.

Audit surveys

- 4.14 Between 1 May to 30 November, audit surveys were issued for 22 audits to a total of 56 key contacts and a total of 20 responses (36%) across 12 audits (55%) were received.

A summary of responses is set out below:

- 90% agreed that the audit objectives and scope were clear and focused on the key risks
 - 85% agreed that recommendations were factually accurate, addressed the risks identified, and were relevant and achievable
 - 85% agreed their views were considered and reflected in the final report (where appropriate) and
 - 95% agreed there was regular contact throughout the audit the audit team was professional, engaged effectively with their team, and demonstrated a willingness to understand their perspective.
- 4.15 Informal positive feedback was also received directly from a number of services. IA will continue to remind services to complete audit surveys to enable the team to improve where required.

5. Next Steps

- 5.1 IA will continue to monitor the open and overdue actions position and performance against KPIs providing monthly updates to Executive Directors and quarterly updates to the GRBV Committee.

6. Financial impact

- 6.1 There are no direct financial impacts arising from this report, although failure to close management actions and address the associated risks in a timely manner may have some inherent financial impact.

7. Equality and Poverty Impact

- 7.1 None. An assessment is not required because the reason for this report is to report Internal Audit activity to Committee. Consequently, there will be no differential equality or poverty impacts, as a result of the proposals in this report.

8. Climate and Nature Emergency Implications

- 8.1 None. The reason for this report is to report Internal Audit activity to Committee. Consequently, there will be no differential climate or nature emergency implications, as a result of the proposals in this report.

9. Risk, policy, compliance, governance, and community impact

- 9.1 This report identifies several specific impacts on, and areas of improvement for the Council's risk, policy, compliance, and governance frameworks. Management should seek to take adequate steps to reduce the impacts across the key risk areas set out.
- 9.2 Council officers and elected members are consulted on the findings of Internal Audit throughout the year. No specific consultations have taken place in relation to this report.

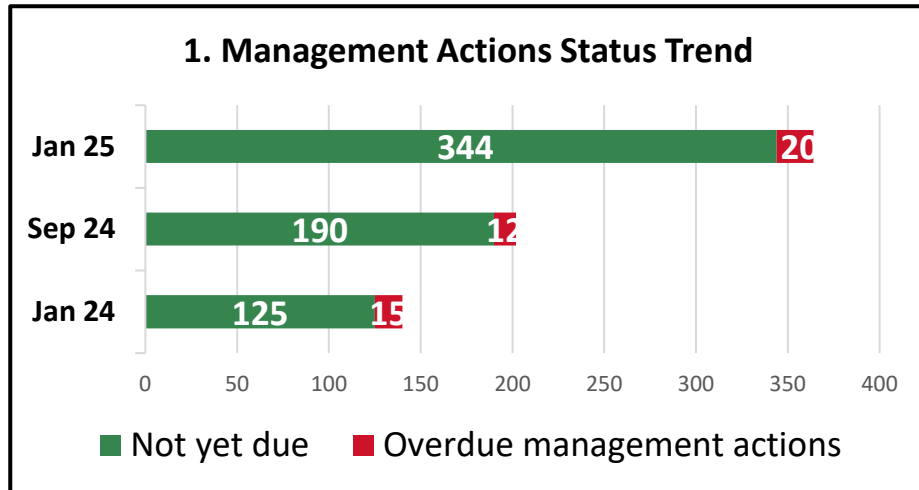
10. Background reading/external references

- 10.1 [Open and Overdue IA Findings – Performance Dashboard as at 13 September 2024 – GRBV October 2024](#) – item 8.3
- 10.2 [Internal Audit 2024/25 Annual Plan](#) – updated May 2024
- 10.3 [Internal Audit Charter: IA journey map and key performance indicators](#) – May 2024

11. Appendices

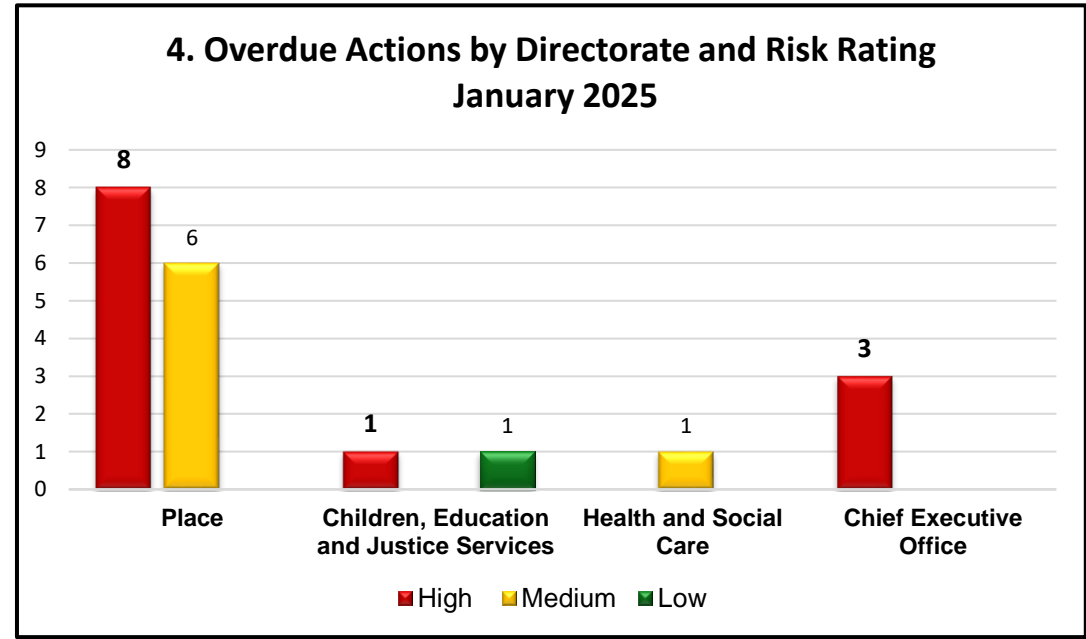
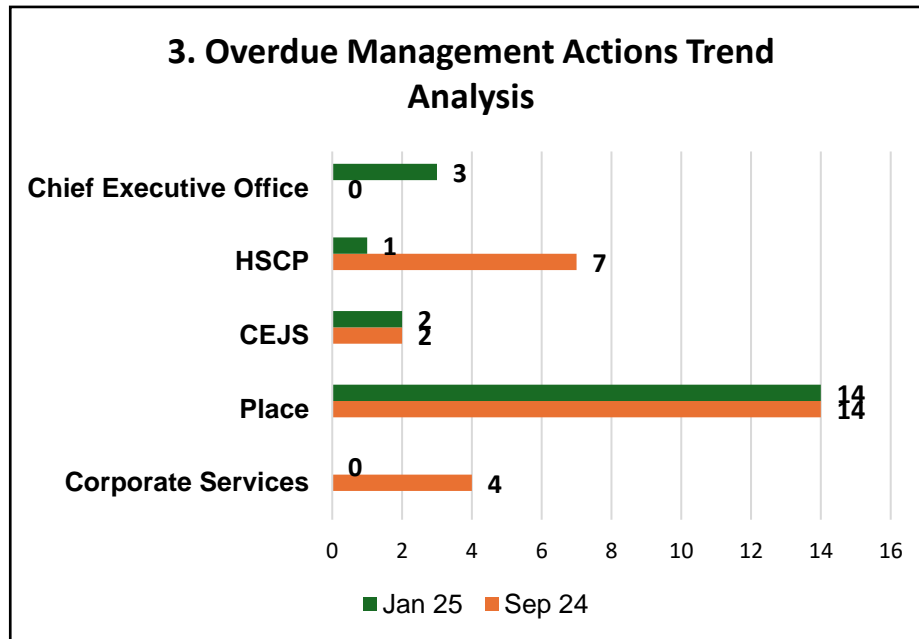
- 11.1 Appendix 1: IA Performance Dashboard as at 7 January 2025
- 11.2 Appendix 2: Overdue IA actions as at 7 January 2025
- 11.3 Appendix 3: Actions closed - management accepts risk 14 September to 7 January 2025

Appendix 1: IA Performance dashboard as at 7 January 2025

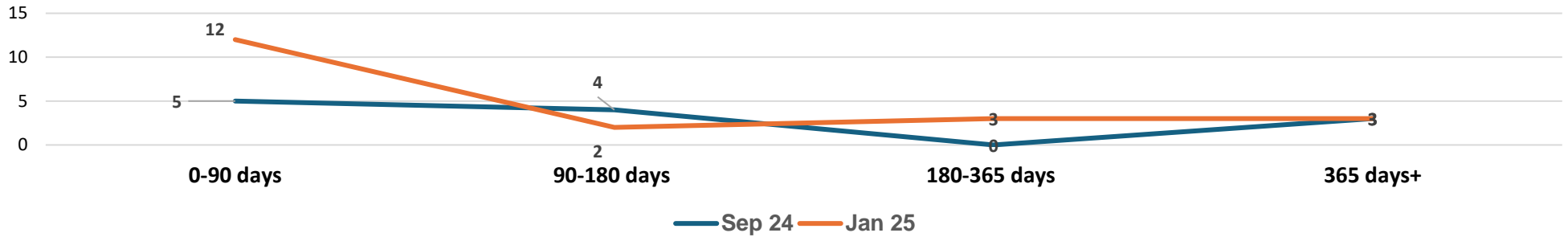


2. Analysis of changes in management actions between September 2024 to January 2025

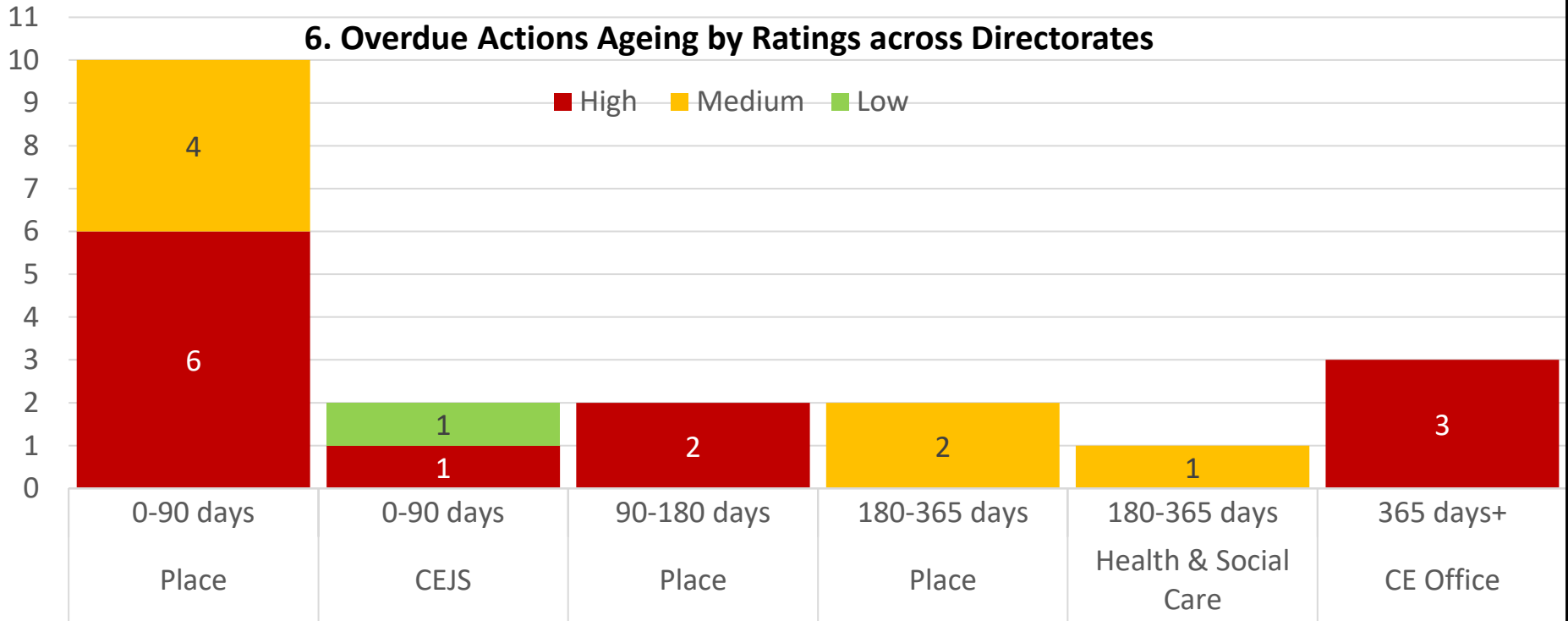
	13/09/2024	New	Closed	07/01/2025	Trend
Open Actions	202	238	76	364	↑
Overdue Actions	12	14	6	20	↑



5. Overdue management actions ageing (September 24 vs January 25)

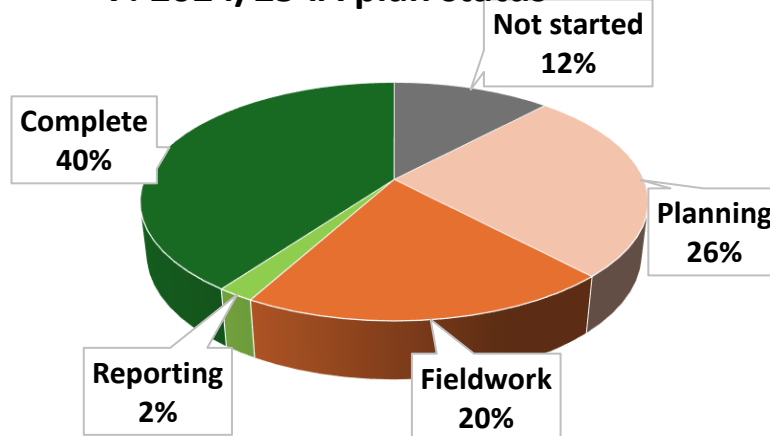


6. Overdue Actions Ageing by Ratings across Directorates

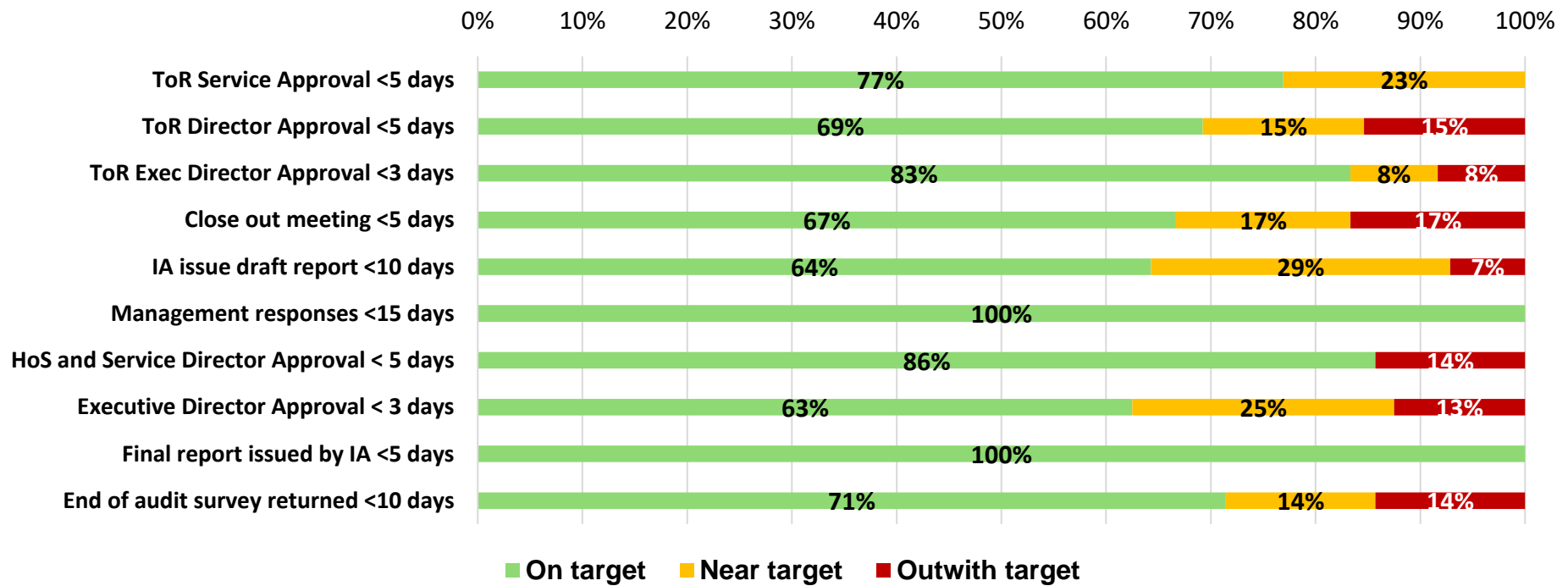


	0-90 days	0-90 days	90-180 days	180-365 days	180-365 days	365 days+
	Place	CEJS	Place	Place	Health & Social Care	CE Office
Low	0	1	0	0	0	0
Medium	4	0	0	2	1	0
High	6	1	2	0	0	3

7. 2024/25 IA plan status



8. Internal Audit Key Performance Indicators



Appendix 2: Overdue audit actions as at 7 January 2025

Ref:	Directorate	Committee	Audit Code	Audit Name link to report and date	% Progress	Recommendation Title	Priority Rating	Status	Expected Date	Revised Date	Days Overdue	Status Update	Lead Director
1	Cross Directorate	Governance, Risk and Best Value Committee	CD2306	Overtime and Expense Payments May 2024	<div style="width: 50%;"><div style="background-color: #28a745; height: 10px;"></div></div> 50% 18 Actions 9 closed 5 in progress 4 Not Started 1 overdue	4.2c CEJS Expense reports at directorate level	Low Priority	In Progress	30/11/2024	31/07/2025	38	Expenses report is not a standard report like Overtime - we receive an overtime report from Business Hub Management Information - an expenses report needs to be requested, we received our last one In March 2024 and have requested one from March - Oct 2024. This has been delayed up until recently due to system changes - up to date report is due to be reported at our next SMT Performance Meeting in December 2024 and evidence will be uploaded once available.	Executive Director of Childrens, Education and Justice Services
2	Cross Directorate	Governance, Risk and Best Value Committee	CD2310	Corporate Property Helpdesk February 2024	<div style="width: 55%;"><div style="background-color: #ffc107; height: 10px;"></div></div> 55% 11 Actions 6 closed 5 in progress 1 overdue	2.3 Records Retention	Medium Priority	In Progress	31/10/2024	30/05/2025	68	Due to a number of systems related integration issues, we will need to push back this a little as we will need a working group setup to go through the various options in terms of repairs and comms strategy and resolution of the system integration issues. No specific timings, however, this audit action will need to be pushed back to the end of the financial year at least. Date revised to 30 May 2025.	Interim Executive Director of Place
3	Cross Directorate	Policy and Sustainability Committee	CD2311	Cross Directorate: Health and Safety - Findings Only October 2023	<div style="width: 95%;"><div style="background-color: #28a745; height: 10px;"></div></div> 95% 21 Actions 20 closed 1 in progress 1 overdue	1.2c Review of H&S Regulatory obligations - CEJS	High Priority	In Progress	31/10/2024	31/01/2025	68	The Operations Manager progressing the Education risk profile however has been absent due to long term absence. Health & Safety colleagues will be picking up with Education colleagues to resume this work after a delay due to absences. Date revised to 31 January 2025.	Executive Director of Childrens, Education and Justice Services
4	CE Office	Governance, Risk and Best Value Committee	CW2001	Arms length external organisations (ALEOs) August 2021	<div style="width: 29%;"><div style="background-color: #ffc107; height: 10px;"></div></div> 29% 7 Actions 2 closed 4 in progress 1 Not Started 3 overdue	1.1 ALEO Governance Framework	High Priority	In Progress	30/09/2022	30/04/2025	830	Work is progressing with the review. Paper will be presented to Committee in January 2025.	Chief Executive
5						2.1 - Conflicts of Interest and Appointments	High Priority	In Progress	30/06/2023	30/04/2025	557	Date revised to 30 April 2025 to allow sufficient time for completion of associated work.	Chief Executive
6						2.2 - Training	High Priority	In Progress	30/06/2023	30/04/2025	557		Chief Executive
7	Health and Social Care Partnership	Policy and Sustainability Committee	HSC1902	Health and Social Care - Lone Working July 2020	<div style="width: 95%;"><div style="background-color: #28a745; height: 10px;"></div></div> 95% 21 Actions 20 closed 1 in progress 1 overdue	1 - Operational procedures and monitoring controls	Medium Priority	In Progress	31/03/2024	31/03/2025	282	Work continues to ensure full implementation and assurance in line with revised date of 31 March 2025.	Chief Officer, Health and Social Care Partnership
8	Place	Governance, Risk and Best Value Committee	PL2302	Management of Ad Hoc Mixed Tenure Works November 2023	<div style="width: 67%;"><div style="background-color: #28a745; height: 10px;"></div></div> 67% 9 Actions 6 closed 3 in progress 2 overdue	2.1 Records of Decision Making	Medium Priority	In Progress	31/05/2024	31/01/2025	221	A review of the of Emergency TMS process will be completed in December 2024 which will include a sample audit of decisions no yet recorded on NEC to sample. Date revised to 31 January 2025 to allow time to review outcomes.	Interim Executive Director of Place

Ref:	Directorate	Committee	Audit Code	Audit Name link to report and date	% Progress	Recommendation Title	Priority Rating	Status	Expected Date	Revised Date	Days Overdue	Status Update	Lead Director
9						3.1 - Quality Assurance Processes	Medium Priority	In Progress	31/05/2024	31/03/2025	221	Due to a number of pressures on the service and ongoing service review, where ongoing recruitment to appoint dedicated quality assurance staff is still underway, the estimated date for implementation of this process will be 31 March 2025.	Interim Executive Director of Place
10	Place	Culture and Communities Committee	PL2309	Community Centres March 2024	33%	1.2: Community Centre event booking process	Medium Priority	In Progress	31/12/2024	31/05/2025	7	The service is considering to risk-accept the pending implementation of this action. A risk acceptance template has been drafted and is pending Interim Executive Director approval.	Interim Executive Director of Place
11					12 Actions 4 closed 8 in progress 7 overdue	2.1a: Reconciliation of approved keyholder registers	High Priority	In Progress	31/12/2024	31/05/2025	7	Meeting will be held to explore what to do at the "unstaffed" premises. Keyholder registers will be updated to include date of keyholder training/refreshers. Date revised to 31 May 2025.	Interim Executive Director of Place
12				2.1b: Remind Committees of their responsibilities in relation to keyholding		High Priority	In Progress	31/12/2024	31/05/2025	7	Meeting will be held to explore what to do at the "unstaffed" premises. An mail will be issued to all management committees reminding them of their responsibilities for keyholding. Date revised to 31 May 2025.	Interim Executive Director of Place	
13				2.1c: Set up register of keyholders		High Priority	In Progress	31/12/2024	31/05/2025	7	Meeting will be held to explore what to do at the "unstaffed" premises. An mail will be issued to all management committees reminding them of their responsibilities for keyholding. Date revised to 31 May 2025.	Interim Executive Director of Place	
14				2.1d: Establish process to update keyholder records annually		High Priority	In Progress	31/12/2024	31/05/2025	7	Business Support Officers with locality oversight have yearly calendar reminders in place at beginning of January to contact M.Cs and update keyholder spreadsheets. This process will be formalised on what it is business support do as well as considering unstaffed premises. Date revised to 31 May 2025.	Interim Executive Director of Place	
15				2.2: Review of security keys in Community Centres		High Priority	In Progress	31/12/2024	31/05/2025	7	Meeting will be held to discuss security keys with Facilities Management. Date revised to 31 May 2025.	Interim Executive Director of Place	
16				3.1: Management Information arrangements for Community Centre duty holders		Medium Priority	In Progress	31/12/2024	31/05/2025	7	Work is on going . A meeting with relevant services will be convened in early January to assess progress made and address further steps required. Date revised to 31 May 2025.	Interim Executive Director of Place	

Ref:	Directorate	Committee	Audit Code	Audit Name link to report and date	% Progress	Recommendation Title	Priority Rating	Status	Expected Date	Revised Date	Days Overdue	Status Update	Lead Director	
17	Place	Policy and Sustainability Committee	PL2312	Health and Safety - Outdoor Infrastructure October 2023	67%	1.1 Public Art Register	High Priority	In Progress	30/09/2024	31/12/2025	99	The Draft Public Arts Action plan includes a specific action to establish clear processes to maintain the public arts register, which will clearly outline H&S responsibilities. This Action Plan is currently being finalised, but has been deferred to the February C&C to enable further refinement. Date revised to 31 December 2025.	Interim Executive Director of Place	
18						12 Actions 8 closed 4 in progress 4 overdue	1.2 Risk Based Inspection Programme for Public Art	High Priority	In Progress	31/10/2024	30/09/2025	68	Directorate is exploring efficient ways of conducting inspections. Date revised to 30 September 2025.	Interim Executive Director of Place
19							1.3 Process for Commissioning Public Art	High Priority	In Progress	30/09/2024	31/03/2025	99	Currently finalising the guidance. This has now been deferred to the February C&C to enable further refinement of the guidance for commissioning public art and monuments. Date revised to 31 March 2025.	Interim Executive Director of Place
20							5.1 - Consideration of resources for playground inspections	Medium Priority	In Progress	31/12/2024	30/09/2025	7	Park usage data to be collected during the summer months (higher frequency), following the organisational review this will dictate the workload priorities of the park rangers. Date revised to 30 September 2025.	Interim Executive Director of Place

Appendix 3: Actions Closed - Management acceptance of risk between 13 September 2024 and 7 January 2025

Risk Acceptance Proforma			
Directorate	Place	Action owner	Gareth Barwell, Interim Executive Director of Place
Audit / Recommendation	PL2307 Void Management - Rec 5.1: Performance Reporting Categories	Date raised	07/05/2024
Risk Description	<p>Housing Operations currently use the NEC Housing, Total Mobile systems, and Empty Homes Database to record and manage Void Housing properties, however, management have advised that the systems “cannot talk to each other” and do not adequately support the tracking of voids, and as a result, obtaining effective management information is difficult. Management have advised that the new Total Mobile Connect model (due to be implemented in June 2024), will address some of the issues identified.</p>		
Internal Audit Recommendation	<p>The sub heading reporting categories used for performance reporting should be reviewed to clearly reflect the current position of the property, including which team the keys are currently sitting with.</p>		
Management Action	<p>The current manual process of using comments to track the status of voids is an interim process in the absence of adequate tracking and reporting in systems. The use of ‘Repairs complete / Ready to Let’ as one of those statuses will be reviewed, and if decision is made to change it will be implemented.</p>		
Risk Rating	Rating in Audit report	Medium	Residual rating at closure Medium
Due Date	31/08/2024	Revised date	N/A
Mitigating Key Controls	<p>As minuted at the Voids Weekly Meeting 19 August 2024, it was discussed that while it is noted that the “Repairs complete / Ready to Let” comment does not always accurately describe the status of the void, it’s use as a way of tracking voids is currently understood by officers and is giving us accurate information to track movement between Voids Team and locality teams.</p> <p>The intention is to shortly move away from using comments to NEC void pathways and events. Implementing changes to NEC is on an ICT development pipeline and work will start on these once changes have been made to some reporting functions first. Considering this, it is not considered prudent or efficient to make an additional short-term change to change this descriptor only to stop using it shortly thereafter as it will take time for officers to adjust their practice.</p> <p>In addition, regular meetings happen with the Team Leaders from repairs and locality teams to check common understanding of keys held and keys returned. This decision has been approved by the Head of Housing Operations.</p>		
Residual Issue	<p>Management have made the decision to not change the sub-heading reporting category, on the basis that it’s not considered prudent or efficient to make an additional short-term change to this descriptor as it will take time for officers to adjust. Management accept the risk until NEC is implemented.</p>		
Further Actions	<p>The Head of Housing Operations agreed decision to continue with current method and move to full NEC pathway / event changes in due course. This will be kept under review and if the NEC changes are delayed for any reason, will be revisited.</p>		

Risk Acceptance Proforma			
Directorate	Corporate Services	Action owner	Executive Director of Corporate Services
Audit Code and title	CD2307 Recruitment and Selection Audit		Date raised
Finding Title	Recommendation 2.2: Service Job Approvers and Coding Checks		02/04/2024
Risk Description	Governance and Decision Making - vacancies are advertised that have not been approved. Service Delivery – retrospective checking could delay onboarding of new employees.		
Internal Audit Recommendation	Directorates should be reminded to: 1. regularly review their recruitment approvers and advise HR of any updates as necessary 2. ensure that post and position codes are in place, or have been created for any new roles, prior to commencing a recruitment process.		
Management Action	HR have recently introduced a quarterly HR deep dive communication for all managers. In response to this audit one of the deep dives will focus on recruitment.		
Risk Rating	Initial Rating in Audit report	Low Priority	Residual rating at closure
Due Date	31/12/2024	Revised date	N/a
Mitigating Key Controls in Place	HR have already communicated to all Directorates that that they must review their current list of recruitment approvers and advise HR of any updates (Bullet point 1 in the recommendation), evidence of this has been submitted to the Internal Audit team. The second bullet point referencing the position and post code related to the old HR and Payroll system (iTrent). The new HR and Payroll system was introduced in October 2024 and a new recruitment module will be launched in March 2025, the roll out of the new recruitment module will include new guidance and training for all recruiting managers. HR now plan to accept any risk in relation to this bullet point.		
Residual Issue	The original risk was rated low priority by the Internal Audit team and HR have already communicated with Directorates requesting that they review the list of approvers. With the roll out of the new recruitment module scheduled for March 2025 the residual issue / risk is now negligible.		
Further Actions	HR have already communicated to all Directorates that that they must review their current list of recruitment approvers and advise HR of any updates (Bullet point 1 in the recommendation), evidence of this has been submitted to the Internal Audit team. The second bullet point referencing the position and post code related to the old HR and Payroll system (iTrent). The new HR and Payroll system was introduced in October 2024 and a new recruitment module will be launched in March 2025, the roll out of the new recruitment module will include new guidance and training for all recruiting managers. HR now plan to accept any risk in relation to this bullet point.		