

# ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

<b>Report Name</b>	ACRD Internal Audit Action Plan
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<b>Date of Report</b>	6 September 2024
<b>Governance</b>	City Region Deal Joint Committee

<b>1:</b>	<b>Purpose of the Report</b>
	<ul style="list-style-type: none"><li>i. Provide an update on the decisions taken by Audit Committees of Aberdeen City and Aberdeenshire Council by way of an Action plan of all agreed actions.</li></ul>

<b>2:</b>	<b>Recommendations for Action</b>
	<p>It is recommended that the Joint Committee:</p> <ul style="list-style-type: none"><li>i. Notes progress made towards implementing agreed recommendations of the Internal Audit report dated 25 March 2024 and;</li><li>ii. Instructs the Aberdeen City Region Deal Programme Manager to continue to report on progress at each Joint Committee until all the agreed recommendations of the Internal Audit report have been accepted as implemented by the Internal Audit team.</li></ul>

<b>3:</b>	<b>Summary of Key Information</b>
	<ul style="list-style-type: none"><li>i. An Internal Audit is undertaken every 2 years on the Aberdeen City Region Deal (ARCD) to assess and review the effectiveness of control measures which Aberdeen City and Aberdeenshire Council ("the Local Authorities) put in place to administer ACRD funding.</li><li>ii. The recent Internal Audit report highlighted a number of areas where it is recommended that further steps should be taken to provide an enhanced level of assurance over the governance of public funds.</li><li>iii. Both Local Authority Audit Committees have now agreed the report and it is for Programme Management Office (PMO) to implement the agreed recommendations. The agreed recommendations are taken from the Internal Audit report to form an action plan.</li></ul>

**3: Summary of Key Information**

- iv. PMO will present evidence of implementation to Internal Audit to review, and it will be the decision of Internal Audit as to whether the recommendations have been implemented, or if further action is still necessary to provide greater assurance over the identified risk.
- v. Internal Audit team will provide updates to both Local Authority Audit Committees, and the PMO intend to continue to update ACRD Joint Committee on the implementation of the Internal Audit Action Plan until fully implemented.
- vi. The table below provides a summarised version of the Action Plan, to give an overview as to the progress made to date.

<b>Risk</b>	<b>Status</b>	<b>Actions to Date</b>	<b>Further Action Required</b>	<b>Expected Resolution Date</b>
Funding Agreements	Ongoing	Annual Grant Letter was signed off 26 <sup>th</sup> June	Existing grant agreements to be reviewed	September 2024
Delegated Powers	Implemented	ACRD Joint Committee approved an explicit delegation of power in February 2024	Implemented	Implemented
Progress Reporting	Ongoing	PMO quarterly update to Joint committee will now be in the form of a dashboard to give greater clarity over progress of projects	PMO presented this to Internal Audit mid July 2024. It is anticipated that this will change status to implemented, but decision lies with Internal Audit	August 2024
Performance and Benefits Reporting	Risk Not Agreed	None	None	Risk Not Agreed – no resolution required
Expenditure records	Ongoing	A template has been developed to enable the documentation of all checks undertaken	This template is in testing with partners and if considered appropriate it will then be shared with	

3: Summary of Key Information				
			Internal Audit for review	
Mitigation of Variances	Ongoing	Change control process has been drafted and approved by ACRD Joint Committee on 9 February 2024	PMO highlighted this to Internal Audit for their consideration, and to advise if considered implemented or further action required.	August 2024
Project Closure Reports	Implemented	Project closure template has been updated	Implemented	Implemented
<p>vii. In addition to the Internal Audit Report recommendations both Audit Committees have the authority to instruct officers of their own Councils to take further action. Aberdeen City Council Audit Committee instructed the Chief Executive Officer to write to partners to remind them of their obligations as set out within legal agreements to provide information on request. This letter has been issued.</p>				

4: Finance and Risk	
<p>i. There are no financial implications arising from this report at this time.</p> <p>ii. Risks associated with the content of this report are already logged within the ACRD Risk Register, and contained within the ACRD Quarterly Programme report.</p>	