

# ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

<b>COMMITTEE</b>	Aberdeen City Region Deal (ACRD) Joint Committee
<b>DATE</b>	15 November 2024
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	ACRD Internal Audit Action Plan Update
<b>LEAD OFFICERS</b>	Stuart Bews
<b>REPORT AUTHORS</b>	Stuart Bews
<b>REPORT DATE</b>	24 October 2024

<b>1:</b>	<b>Purpose of the Report</b>
	<p>i. Provide an update on progress towards implementation of the agreed recommendations from the ACRD Internal Audit</p>

<b>2:</b>	<b>Recommendations for Action</b>
	<p>It is recommended that the Joint Committee:</p> <p>i. Note that the recommended actions within the Internal Audit report have been accepted as implemented by Internal Audit in the following areas: Delegated Powers, Mitigation of Variances, Project Closure Report and Progress Reporting.</p> <p>ii. Note the ongoing work to gain implemented status in the following areas: Funding Agreements, Expenditure Records.</p>

<b>3:</b>	<b>Summary of Key Information</b>
	<p>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.</p> <p>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.</p>

**3: Summary of Key Information**

- 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.
- 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.

Table 1 – Recommendations Implemented

<b>Risk</b>	<b>Status</b>	<b>Actions to Date</b>	<b>Further Action Required</b>
Delegated Powers	Implemented	ACRD Joint Committee approved an explicit delegation of power in February 2024.	N/A
Mitigation of Variances	Implemented	Change control process has been drafted and approved by ACRD Joint Committee on 9 February 2024.	N/A
Project Closure Reports	Implemented	Project closure template has been updated.	N/A
Progress Reporting	Implemented	Provided internal audit with written procedure of PMO for review of project status reports.	N/A

Table 2 – Recommendations in progress towards implementation status

<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	Variation of grant agreements signed by partners and accountable body, provided to internal audit for review.	November 2024

3: Summary of Key Information					
Expenditure records	Ongoing	A template has been developed to enable the documentation of all checks undertaken.	This template has been tested with partners and shared with Internal Audit for review.	December 2024	

4: Finance and Risk	
<ul style="list-style-type: none"> <li>i. There are no financial implications arising from this report at this time.</li> <li>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.</li> </ul>	