

**A meeting of the Audit Committee will be held on Tuesday 9 September 2025 at 3pm.**

**Members may attend the meeting in person or via remote online access. Webex joining details have been sent to Members and officers. Members are requested to notify Committee Services by 12 noon on Monday 8 September 2025 how they intend to access the meeting.**

**In the event of connectivity issues, Members are asked to use the *join by phone* number in the Webex invitation and as noted above.**

**Please note that this meeting will be live-streamed via YouTube with the exception of any business which is treated as exempt in terms of the Local Government (Scotland) Act 1973 as amended.**

**Further information relating to the recording and live-streaming of meetings can be found at the end of this notice.**

LYNSEY BROWN  
Head of Legal, Democratic, Digital & Customer Services

## **BUSINESS**

<b>1. Apologies, Substitutions and Declarations of Interest</b>	<b>Page</b>
<b>PERFORMANCE MANAGEMENT</b>	
<b>2. Internal Audit Progress Report – 1 April 2025 to 31 July 2025</b> Report by Chief Internal Auditor	<b>p</b>
<b>3. External Audit Action Plans – Current Actions</b> Report by Chief Internal Auditor	<b>p</b>
<b>NEW BUSINESS</b>	
<b>4. Annual Report on Risk Management Activity 2024/2025</b> Report by Head of Legal, Democratic, Digital & Customer Services	<b>p</b>
<b>5. Interim Update of the Corporate Risk Register</b> Report by Head of Legal, Democratic, Digital & Customer Services	<b>p</b>

The reports are available publicly on the Council's website and the minute of the meeting will be submitted to the next standing meeting of the Inverclyde Council. The agenda for the meeting of the Inverclyde Council will be available publicly on the Council's website.

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Enquiries to – Lindsay Carrick - Tel 01475 712114
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<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>9 September 2025</b>
<b>Report By:</b>	<b>Chief Internal Auditor</b>	<b>Report No:</b>	<b>FIN/52/25/APr</b>
<b>Contact Officer:</b>	<b>Andi Priestman</b>	<b>Contact No:</b>	<b>01475 712251</b>
<b>Subject:</b>	<b>INTERNAL AUDIT PROGRESS REPORT – 1 APRIL TO 31 JULY 2025</b>		

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## 1.0 PURPOSE AND SUMMARY

- 1.1 ☐ For Decision ☒ For Information/Noting
- 1.2 The purpose of this report is to enable Members to monitor the performance of Internal Audit, to discharge their scrutiny and performance monitoring roles and gain an overview of the overall control environment throughout the Council.
- 1.3 The Monitoring Report from 1 April to 31 July 2025 is attached at Appendix 1 since its content is essential to the understanding of the Council's control environment.
- 1.4 Appendix 2 provides an update on current Red and Amber Internal Audit actions at 31 July 2025.

## 2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Committee note the progress made by Internal Audit in the period from 1 April to 31 July 2025.

Andi Priestman  
Chief Internal Auditor

### 3.0 BACKGROUND AND CONTEXT

- 3.1 In June 2025, the Audit Committee approved the Internal Audit Annual Plan which detailed a programme of activity to be undertaken during 2025/26.
- 3.2 Internal Audit regularly reports findings and action plans to relevant Council Officers and the Audit Committee as part of the annual audit plan. A process is in place to allow follow up of current internal audit actions to be co-ordinated and updated by Internal Audit on a monthly basis with regular reporting to CMT and the Audit Committee.
- 3.3 There were 4 audit reports finalised since the last progress update to Audit Committee in May 2025.
- 3.4 The 2024/25 audit plan is almost complete. The draft report has now been received for the Cyber Risk Management Audit for management comment. The audit plan 2025/26 now underway and the current status is as follows:

Stage	Number of Reports
Final Report	0
Draft Report	0
Fieldwork Complete – report N/A	0
Fieldwork Complete	0
Fieldwork in Progress	2
Planning	1
Not Started	7
Deferred	0
<b>Total</b>	10

- 3.5 In relation to internal audit action plans there were 4 actions due for completion by 31 July 2025. All actions have been reported as completed by management. The current status report is attached at Appendix 2.
- 3.6 The CMT has reviewed and agreed the current status of actions.
- 3.7 The 2024/25 National Fraud Initiative exercise is underway. All matches have now been received and investigations are being progressed by responsible services.

### 4.0 PROPOSALS

- 4.1 It is recommended that Committee agree to note the progress made by Internal Audit in the period from 1 April to 31 July 2025.

## 5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation is agreed:

SUBJECT	YES	NO
Financial		X
Legal/Risk	X	
Human Resources		X
Strategic (Partnership Plan/Council Plan)	X	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		X
Environmental & Sustainability		X
Data Protection		X

### 5.2 Financial Risk

There are no financial implications arising directly from this report.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

### 5.3 Legal/Risk

Where delays arise in delivering the Internal Audit Plan, there is a risk that this may result in an inability to provide a reasonable level of assurance over the Council's system of internal control to those charged with governance. The main basis for providing assurance is coverage of the planned risk-based audits. Every endeavour is therefore made to ensure that no material slippage occurs in risk-based audits by concentrating resources on these audits.

### 5.4 Human Resources Risk

There are no human resources implications arising directly from this report.

### 5.5 Strategic

This report helps ensure strong governance, and its findings will help support delivery of the Council Plan adopted by Inverclyde Council on 20 April 2023, and in particular outcome theme 3: Performance, with the Council seeking to provide high quality and innovative services that deliver value for money.

## **6.0 CONSULTATION**

6.1 Relevant officers have been consulted on the contents of this report.

## **7.0 BACKGROUND PAPERS**

7.1 File of completed internal audit reports: Available from the Chief Internal Auditor.



**Audit Committee Report  
Report on Internal Audit Activity from  
1 April to 31 July 2025**

Section	Contents
1	Audit work undertaken in the period
2	Summary of main findings from reports issued since previous Audit Committee
3	Audit Plans for 2024-2025 and 2025-26 – progress to 31 July 2025
4	Corporate Fraud Activity
5	Ad hoc activities undertaken since the previous Audit Committee



## 1 Audit work undertaken in the period

### Reports issued since last update

1.1 In each audit, one of 4 overall opinions is expressed:

<b>Strong</b>	In our opinion there is a <b>sound</b> system of internal controls designed to ensure that the organisation is able to achieve its objectives.
<b>Satisfactory</b>	In our opinion <b>isolated</b> areas of control weakness were identified which, whilst not systemic, put some organisation objectives at risk.
<b>Requires improvement</b>	In our opinion <b>systemic and/or material</b> control weaknesses were identified such that some organisation objectives are put at significant risk.
<b>Unsatisfactory</b>	In our opinion the control environment was considered <b>inadequate</b> to ensure that the organisation is able to achieve its objectives.

1.2 Detailed findings and recommendations reported to management are currently graded using the following criteria:

<b>Red</b>	<ul style="list-style-type: none"> <li>In our opinion the control environment is insufficient to address the risk and this could impact the Council as a whole.</li> <li>Corrective action must be taken and should start immediately.</li> <li>Overseen to completion by Corporate Management Team.</li> </ul>
<b>Amber</b>	<ul style="list-style-type: none"> <li>In our opinion there are areas of control weakness which we consider to be individually significant but which are unlikely to affect the Council as a whole.</li> <li>Corrective action must be taken (some exceptions may be agreed with IA) within reasonable timeframe.</li> <li>Overseen to completion by Head of Service.</li> </ul>
<b>Green</b>	<ul style="list-style-type: none"> <li>In our opinion the risk area is well controlled or our audit highlighted areas for minor control improvement and/or areas of minor control weakness.</li> <li>Process improvements/efficiencies may be actioned at management discretion in consultation with Internal Audit (IA).</li> <li>Managed by service owner.</li> </ul>

1.3 There were 4 audit reviews finalised since the last progress update to Audit Committee, which are identified below, together with a summary of the gradings of the issues identified. In Section 2 we have provided a summary of the main findings from the reviews.

		Grading			Total Number of Issues
Reports finalised since previous Audit Committee	Overall Opinion	Red	Amber	Green	
ASN Transport Policy Compliance	Strong	0	0	2	2
HSCP Strategic Commissioning	Satisfactory	0	1	2	3
Vehicle Maintenance	Satisfactory	0	1	2	3
Governance of External Organisations	Strong	0	0	1	1
<b>Total</b>		<b>0</b>	<b>2</b>	<b>7</b>	<b>9</b>

### Internal Audit Action Plan Follow Up

1.5 There were 4 actions due for completion by 31 July 2025 and all actions have been reported as completed by management. The current status of Internal Audit Action plans is set out at Appendix 2.

## 2 Audit work undertaken in the period

- 2.1 We have provided below a summary of the key findings from the final reports issued during the period.

### ASN Transport Policy Compliance Review (Report issued April 2025)

- 2.2 This audit was conducted between January and March 2025 in accordance with the 2024/25 Internal Audit Plan, as agreed by the Inverclyde Council Audit Committee.
- 2.3 Inverclyde Council recognises that some pupils with additional support needs (ASN) require assistance with travel due to the nature of their disabilities, or whether or not they live within the statutory walking distance of their school. In these cases, a decision as to whether transport should be provided is assessed by the ASN Forum, taking into account the mobility, sensory impairment and vulnerability of each pupil. The distance that the pupil has to travel is also considered as it could be unreasonable to expect a pupil with additional support needs to walk to school or undertake the journey by public transport due to the length or complexity of the journey.
- 2.4 The budget for ASN Transport for 2024/25 was £454,000 and the total number of children and young people supported in 2024/25 was 370, an increase of 34 since 2023/24.
- 2.5 The objective of this audit was to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key compliance risks in relation to the ASN Transport Policy.
- 2.6 The review focused on the high-level processes and procedures in relation to the ASN Transport Policy and concentrated on identified areas of perceived higher risk areas of non-compliance, such as the adequacy of policy and procedural documentation and the adequacy and effectiveness of the initial assessment and ongoing re-assessment processes. The review excluded the review of value for money aspects of the ASN Transport provision as this was subject to a separate internal review by Education Services.
- 2.7 The overall control environment opinion for this audit was **Strong**.

Some areas of good practice were identified as follows:

- the ASN Transport section demonstrated a strong overall commitment to providing an effective service to process ASN transport applications on a regular basis and in a timely manner; and
  - robust arrangements are in place to review and re-assess the temporary ASN transport provision for non-specialist placements.
- 2.8 Two GREEN issues were identified in relation to improving policy and procedural documentation and evidencing checks carried out by officers when processing approved applications. An action plan has been agreed by management to implement all actions by February 2026.

## 2 Summary of main findings from reports issued since previous Audit Committee (Continued)

### HSCP Strategic Commissioning (Report Issued April 2025)

- 2.9 This audit was conducted between January and March 2025 accordance with the 2024/25 Internal Audit Plan, as agreed by the Inverclyde Council Audit Committee.
- 2.10 The Inverclyde IJB requires its HSCP to provide residents with defined health and social care services. Various third sector and private providers help to deliver some of those services at a cost of approximately £51m each year. Arrangements to commission those providers must adequately align with the recently updated Market Facilitation & Commissioning Plan for 2024-27.
- 2.11 In addition, commissioning arrangements must adequately align to the four priorities within the Strategic Plan for 2024-27. Those priorities include early intervention, supporting mental health, building community resilience and supporting families and carers. Commissioned providers must adequately meet HSCP service users assessed care needs in ways which deliver positive outcomes.
- 2.12 The objective of this audit was to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key risks faced by Inverclyde Council in relation to the HSCP's strategic commissioning arrangements.
- 2.13 The review focused on the high-level processes and procedures in relation to the HSCP's strategic commissioning arrangements and concentrated on identified areas of perceived higher risk, such as not adequately ensuring that commissioned services align to priorities within the Strategic Plan and not adequately arranging joint commissioning via other HSCPs.
- 2.14 The overall control environment opinion for this audit was **Satisfactory**. In terms of good practice, we found that there is effective collaboration between the HSCP's Senior Management Team and Strategic Commissioning Team to combine operational knowledge with commissioning practice. However, there was one AMBER issue identified as follows:

#### Managing HSCP eligibility criteria within the Commissioning Plan

The HSCP seeks to meet the assessed health and social care needs of service users via internal and external service provision. Within available resources, strategic commissioning matches those care needs with suitable external providers. For some service users' eligibility criteria are relevant to the management of their care needs. Through our discussions with senior HSCP officers we found some issues involving eligibility criteria as follows:

- existing criteria do not fully meet current HSCP service provision, especially for complex care packages;
- community level interventions to reduce demand for HSCP services must fully support the management of eligibility criteria;
- there is a need for more transparent communication of eligibility criteria to help manage unrealistic care expectations;
- criteria are not always consistently applied throughout relevant service users' care journeys when their assessed care needs reduce; and
- some external providers do not always promptly inform relevant HSCP officers when service users require less support.

Issues regarding eligibility criteria may complicate efforts to effectively manage external care providers whilst also meeting service users assessed care needs within current budgets.

- 2.15 The review identified 3 issues, one of which we consider to be individually significant and an action plan is in place to address all issues by 30 September 2026.

## 2 Summary of main findings from reports issued since previous Audit Committee (Continued)

### Vehicle Maintenance (Report Issued May 2025)

- 2.16 This audit was conducted between January 2025 and April 2025 in accordance with the 2024/25 Internal Audit Plan, as agreed by the Inverclyde Council Audit Committee.
- 2.17 Fleet Services within the Environmental & Regeneration Directorate is responsible for the maintenance, servicing and repair of council vehicles and equipment on behalf of other council services. For 2024-25, the service had a net budget of £1.1m to provide these services.
- 2.18 The objective of this audit was to provide management and the Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key risks in relation to vehicle maintenance.
- 2.19 The review focused on the high-level processes and procedures in relation to vehicle maintenance and concentrated on identified areas of perceived higher risk, such as not ensuring council vehicles are adequately maintained in accordance with relevant legislation, not ensuring adequate security of vehicles when being repaired and not ensuring fees and charges for servicing and maintenance are completely and accurately recharged in a timely manner. We excluded the review of budgetary control processes in relation to vehicle maintenance as a separate audit of the council's overall budget control processes was carried out as part of the 2024/25 Internal Audit Plan.
- 2.20 The overall control environment opinion for this audit was **Satisfactory**.

A number of areas of good practice were identified including:

- arrangements are in place to ensure council vehicles are adequately maintained in accordance with relevant legislation;
- there is adequate security of vehicles when being repaired;
- adequate stock procedures are in place; and
- fees and charges for servicing and maintenance are completely and accurately recharged in a timely manner.

However, one AMBER issue was identified as follows:

#### Lack of management sign-off of driver's annual risk assessment

Within the Workplace Transport and Operational Risk Policy which governs the Vehicle Maintenance service, all drivers must complete an annual driver risk assessment stage 1 form which is checked and signed off by the assessor and passed to the relevant manager for review and sign-off.

Audit testing of 7 cases identified that 5 out of 7 forms had not been signed off as reviewed by management and in one case, the relevant form had not been completed at all.

Where the annual driver risk assessment forms are not completed or are not signed off by management, there is a risk that errors or risk factors may not be identified which may lead to non-compliance of the Health and Safety at Work Act to provide a safe working environment.

- 2.21 The review identified 3 issues, one of which we consider to be individually significant and an action plan is in place to address all issues by 31 May 2026.

## 2 Summary of main findings from reports issued since previous Audit Committee (Continued)

### Governance of External Organisations (Report Issued May 2025)

- 2.22 This audit was conducted during March and April 2025 in accordance with the 2024/25 Internal Audit Plan as agreed by the Audit Committee.
- 2.23 The Council works with twelve local organisations which deliver a variety of community, leisure or economic regeneration services across Inverclyde. These organisations include Craigend Resource Centre, Inverclyde Leisure and Riverside Inverclyde. For the Council there are risks and benefits from working with such organisations, especially when they receive public funding. Therefore, an external governance oversight policy is applied to each of these organisations. The policy allows for factors such as their funding model and business continuity arrangements.
- 2.24 The governance oversight policy includes reviewing those organisations annual accounts and promptly identifying any performance issues. It is therefore important that all relevant officers effectively implement this policy. In addition, those officers must also maintain appropriate evidence which demonstrates compliance with the policy.
- 2.25 The objective of this audit was to provide management and Audit Committee with an assessment of the adequacy and effectiveness of the governance, risk management and controls surrounding the key compliance risks in relation to the governance of external organisations policy.
- 2.26 The review focused on the high-level processes and procedures in relation to the governance of external organisations policy and concentrated on identified areas of perceived higher risk, such as not complying with the governance policy and not maintaining adequate evidence of compliance. We excluded two aspects of governing external organisations which both the CMT and elected members were already aware of. Namely, Council funded organisations which do not pay the Real Living Wage and the role of elected members on boards of organisations which tender for Council contracts. We understand that these issues will be reported by officers to elected members during 2025.
- 2.27 The overall control environment opinion for this audit review was **Strong**. In terms of good practice, we found that:
- experienced officers demonstrated a practical understanding of the governance policy along with the actions which are required to implement it
  - adequate arrangements are in place to demonstrate compliance with the governance policy; and
  - elected members are being provided with relevant and timely information regarding those organisations which are subject to the governance policy.
- 2.28 The audit identified one GREEN issue highlighting some areas for consideration within the overall policy framework. An action plan is in place to address this issue by 31 March 2026.

# INVERCLYDE COUNCIL – REPORT ON INTERNAL AUDIT ACTIVITY FROM 1 APRIL TO 31 JULY 2025

## APPENDIX 1

### 3 Audit Plan for 2024/2025 – Progress to 31 July 2025

Planned Audit Coverage	Not started	Planning	TOR Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report	Report Finalised	Reported to Audit Committee
<b>Risk-Based Reviews</b>								
Supplier Management (b/f from 2023/24)		✓	✓	✓	✓	✓	✓	September 2025
ASN Transport Policy (b/f from 2023/24)		✓	✓	✓	✓	✓	✓	March 2025
Care and Support at Home – Delayed Discharge		✓	✓	✓	✓	✓	✓	September 2025
HSCP Strategic Commissioning		✓	✓	✓	✓	✓	✓	September 2025
Vehicle Maintenance		✓	✓	✓	✓	✓	✓	September 2025
Cyber Security		✓	✓	✓	✓	✓	✓	
Payroll – Chris21 System Upgrade								
Audit support and advice was provided to the working group. Terms of Reference has been issued and issues arising have been communicated to the project team.								
<b>Limited Scope Financial System Reviews</b>								
Budgetary Control		✓	✓	✓	✓	✓	✓	March 2025
<b>Compliance Reviews</b>								
Records Management								
Governance of External Organisations		✓	✓	✓	✓	✓	✓	September 2025
<b>Corporate Fraud Reviews</b>								
Discretionary Payments								
Not started. Resource has been focussed on progressing the NFI matches.								
<b>Regularity Audits</b>								
Education Control Self-Assessment		✓	✓	✓	✓	✓	✓	March 2025
Cost of Living Payments								
C/f to 2025/26 Audit Plan								
Catering Stock Control								
Due to external review of catering by APSE this audit will be deferred to a future audit plan.								
Corporate Purchase Cards – Quarterly Checks								
Quarterly checks have been undertaken with no significant issues arising.								
<b>Corporate Governance</b>								
Annual Governance Statement 2023/24								
Complete.								
<b>Other Work</b>								
National Fraud Initiative								
24/25 Exercise is being progressed – see sections 4 of report for more information.								
Completion of 2023/24 Audit Plan								
Reports finalised: Succession Planning; Building Standards; UK Shared Prosperity Fund.								
Inverclyde IJB								
20 days allocated to IJB audit plan. Audit of Budgetary Control Arrangements is complete.								

# INVERCLYDE COUNCIL – REPORT ON INTERNAL AUDIT ACTIVITY FROM 1 APRIL TO 31 JULY 2025

## APPENDIX 1

### 3. Audit Plan for 2025/2026 – Progress to 31 July 2025

Planned Audit Coverage	Not started	Planning	TOR Issued	Fieldwork in Progress	Fieldwork Complete	Draft Report	Report Finalised	Reported to Audit Committee
Risk-Based Reviews								
Payroll	✓							
Supplier Management (b/f from 2024/25)	✓							
Risk Management	✓							
Planning Applications		✓						
Compliance Reviews								
Records Management (b/f from 2024/25)		✓	✓	✓				
ALEO Reviews								
Inverclyde Leisure Trust	✓							
Corporate Fraud Reviews								
Council Tax Exemptions	Ongoing exercise throughout 2025-26. See Section 4 for more details.							
Regularity Audits								
Education Control Self-Assessment	✓							
HSCP Section Payments (b/f from 2024/25)		✓	✓	✓				
Overtime and other allowances (quarterly review)	✓							
Recruitment Reference Checks (quarterly review)	✓							
Corporate Governance								
Annual Governance Statement 2024/25	Complete.							
Other Work								
National Fraud Initiative	24/25 Exercise is being progressed – see section 4 of report for more information.							
Completion of 2024/25 Audit Plan	Reports finalised: ASN Transport Policy; HSCP Strategic Commissioning; Vehicle Maintenance; Governance of External Organisations.							
Inverclyde IJB	The 2025-26 audit plan will be reported to IJB Audit Committee for approval in September.							

#### **4 Corporate Fraud Activity**

- 4.1 The undernoted table sets out progress to date on corporate fraud activity in the period 1 April to 31 July 2025:

<b>National Fraud Initiative Exercise</b>					
In relation to the 2024/2025 Exercise, a number of matches have now been received and investigations are underway as follows:					
Matches received	Number investigated	No issues	Fraud	Error	Value of Fraud/Error
2364	365	350	2	13	£4710.59
<p>Fraud:</p> <ul style="list-style-type: none"> <li>– 2 cases relate to CTR cases where income had not been declared. CTR has been cancelled in both cases and action to recover the overpayment is underway.</li> </ul> <p>Error:</p> <ul style="list-style-type: none"> <li>- 3 cases refer to CTR cases where income had not been declared. CTR has been cancelled in all cases and action to recover the overpayment is underway.</li> <li>- 2 SPD cases where HB claim was processed identifying a second adult in the household. SPD cancelled and action to recover the overpayment is underway-</li> <li>- 8 cases refer to Blue Badges which matched DWP deceased records. Badges have now been cancelled on the system.</li> </ul> <p>The Council Tax Single Person Discount recheck exercise was refreshed in December 2024 and the results to date are as follows:</p>					
Matches received	Number investigated	No issues	Fraud	Error	Value of Fraud/Error
6904	776	0	7	9	£21,006.43
These matches relate to addresses where the householder is claiming a council tax single person discount on the basis that they live alone yet other data suggests that there is more than one person in the household aged 18 or over.					
<b>Council Tax Exemptions</b>					
A proactive exercise is underway to review the ongoing validity of Council Tax Exemptions. For the current financial year to date, these enquiries have resulted in the identification of overpayments of council tax exemptions totalling £60,716.					

- 4.2 The team also progressed Whistleblowing and Corporate Fraud Referrals as follows:

File Ref	Description	Status
<b>Whistleblowing Enquiries</b>		
25/18	Allegation that occupier of property was not paying Council Tax.	Closed – fraud established.
25/19	Allegation of illegal sub-letting.	Closed – No fraud established.
<b>Corporate Fraud Referrals</b>		
25/02	Finance referral regarding validity of Single Person Discount	Ongoing
25/07	Finance referral regarding validity of Council Tax exemption	Closed – error identified.
25/48	Finance referral regarding validity of Single Person Discount	Ongoing



**4 Corporate Fraud Activity**

- 4.3 Between 1 April 2025 and 31 July 2025, there were 2 whistleblowing enquiries investigated by the team.

**5 Ad hoc activities undertaken since the previous Audit Committee**

- 5.1 From time to time, management will request the assistance of Internal Audit in certain activities that are in addition to the annual Operational Plan. Examples of such activities include investigations of alleged irregularities, review of changes in system procedures etc.
- 5.2 Contingency has been made available in the Operational Plan for such ad hoc activities. Since the previous Audit Committee, ad hoc activity undertaken in the period is as follows:
- Providing relevant information in relation to FOI requests.
  - Investigations and other work as set out at section 4 of Appendix 1.
  - Provision of ongoing advice and support to services.

**INVERCLYDE COUNCIL INTERNAL AUDIT**  
**REPORT TO AUDIT COMMITTEE ON**  
**STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)**  
**AT 31 JULY 2025**

**Summary: Section 1 Summary of Management Actions due for completion by 31/07/2025**

There were 4 actions due for completion by 31 July 2025 and all actions have been reported as completed by management.

**Section 2 Summary of Current Management Actions Plans at 31/07/2025**

At 31 July 2025 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3 Current Management Actions at 31/07/2025**

At 31 July 2025 there were 4 current audit action points.

**Section 4 Analysis of Missed Deadlines**

At 31 July 2025 there were no audit action points where the original due date had been missed.

**Section 5 Summary of Action Plan Points by Audit Year**

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
SUMMARY OF MANAGEMENT ACTION PLANS DUE FOR COMPLETION BY 31.07.2025**

**SECTION 1**

<b>Directorate</b>	<b>No. of Actions Due</b>	<b>No. of Actions Completed</b>	<b>Deadline missed Revised date set*</b>	<b>No update received*</b>
HSCP	2	2		
Environment and Regeneration	2	2		
<b>Total</b>	<b>4</b>	<b>4</b>		

\* These actions are included in the Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
SUMMARY OF CURRENT MANAGEMENT ACTION PLANS AS AT 31.07.2025**



**SECTION 2**




**CURRENT ACTIONS BY DIRECTORATE**

<b>HSCP</b>	
Due for completion August 2025	1
Due for completion March 2026	1
<b>Total Actions</b>	<b>2</b>
<b>Education Communities and Organisational Development</b>	
Due for completion September 2025	2
<b>Total Actions</b>	<b>2</b>
<b>Total current actions:</b>	<b>4</b>

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
CURRENT MANAGEMENT ACTIONS AS AT 31.07.2025**

**SECTION 3**

 Client Accounts – Quarterly Checks 2022/23 (Report Issued September 2023)				
Description	Status	Original Due Date	Due Date	Assigned To
<b>Inaccurate Transaction Records (Amber)</b> Management have agreed that a review will be undertaken of the overall management of the corporate appointee process with a view to streamlining and modernising the functions.		30-Apr-2024	31-Jul-2025*	Head of Finance, Planning and Resources, HSCP



 Attendance Management (Report Issued December 2023)				
Description	Status	Original Due Date	Due Date	Assigned To
<b>Security, retention and disposal of attendance management files (Amber)</b>  All service-based electronic attendance management files will be reviewed and retained for one year and destroyed in accordance with the Council's retention and disposal of Documents and Records (electronic/paper) policy.  Any existing duplicate paper files in relation to attendance management are destroyed.		30-Sep-2025	30-Sep-2025	ECMT
		30-Sep-2025	30-Sep-2025	ECMT

Action Status			
	No response received		Missed original due date
	In Progress		Completed

\* See Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
CURRENT MANAGEMENT ACTIONS AS AT 31.07.2025**

**SECTION 3**

P	HSCP Care & Support At Home - Delayed Discharge (Report Issued – December 2024)				
Description		Status	Original Due Date	Due Date	Assigned To
<b>Managing Planned Date of Discharge from hospital for prospective HSCP Service Users (Amber)</b> Management will use existing joint working arrangements involving HSCP and NHS Acute staff to identify the action which could be taken to:  reduce the time lag between a patient being admitted to hospital and a referral being made to the HSCP;  align for each inpatient their planned date of discharge with their fit for discharge date, whenever possible; and  ensure that changes to planned dates of discharge are always promptly communicated to nominated HSCP officers.			31-Aug-2025	31-Aug-2025	Service Manager (CIL, Winter Planning & Discharge)
<b>Managing cases of inpatients who lack capacity and require HSCP services to leave hospital (Amber)</b> Management will use existing joint working arrangements involving HSCP and NHS Acute staff to examine the extent to which:  <ul style="list-style-type: none"><li>indicative timescales could be set for those parts of the guardianship process which officers can broadly control. In particular, the production and distribution of summary and full reports for case conferences and providing the multi-disciplinary team with regular updates on progress;</li><li>cases can be formally tracked to promptly identify delays, recurring issues and required follow-up action by specific NHS Acute and HSCP officers; and</li></ul>			31-Mar-2025	31-May-2025*	Service Manager (CIL, Winter Planning & Discharge)



Action Status			
	No response received		Missed original due date
	In Progress		Completed

\* See Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
CURRENT MANAGEMENT ACTIONS AS AT 31.07.2025**

**SECTION 3**




	HSCP Care & Support At Home - Delayed Discharge (Report Issued – December 2024)			
Description	Status	Original Due Date	Due Date	Assigned To
<ul style="list-style-type: none"> <li>they can prepare and agree local operational procedures to manage all aspects of guardianship cases involving hospital inpatients.</li> </ul>				

	HSCP Strategic Commissioning (Report Issued – March 2025)			
Description	Status	Original Due Date	Due Date	Assigned To
<p><b>Managing HSCP eligibility criteria within the Commissioning Plan (Amber)</b></p> <p>The Chief Officer (HSCP) will develop a plan to examine the management of eligibility criteria as follows:</p> <ul style="list-style-type: none"> <li>to more fully meet current HSCP service provision, including complex care packages</li> <li>interventions to reduce demand for HSCP services supports the management of criteria</li> <li>transparently communicating criteria to relevant service users</li> <li>consistently applying criteria throughout service users' care journeys when their care needs reduce; and</li> <li>ensuring that external care providers promptly inform relevant officers whenever service users require less support.</li> </ul>		31-Mar-2026	31-Mar-2026	Chief Officer (HSCP)

Action Status			
	No response received		Missed original due date
	In Progress		Completed

INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
CURRENT MANAGEMENT ACTIONS AS AT 31.07.2025

SECTION 3

This exercise will also be aligned to on-going implementation of the Strategic Plan and include appropriate input from the Senior Management Team (SMT).					
	Vehicle Maintenance (Report Issued – May 2025)				
Description	Status	Original Due Date	Due Date	Assigned To	
<b>Lack of Management sign-off of driver's annual risk assessment (Amber)</b> Management will ensure that: <ul style="list-style-type: none"><li>the driver annual risk assessment forms are signed off after completion; and</li><li>management liaise with Health and Safety to ensure that a reminder is issued to all relevant services to complete the driver risk assessment in an annual basis.</li></ul>	 	31-May-2025  30-Jun-2025	31-May-2025  30-Jun-2025	Team Leader, Transport & Waste Collection  Team Leader, Transport & Waste Collection	

Action Status		
	No response received	 Missed original due date
	In Progress	 Completed

\* See Section 4



INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (RED AND AMBER ONLY)  
ANALYSIS OF MISSED DEADLINES

SECTION 4

Report	Action	Original Due Date	Due Date	Management Comments
There are no current actions which have missed the original due date.				

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF INTERNAL AUDIT ACTION PLAN POINTS (GREEN ONLY)  
SUMMARY OF ACTION PLAN POINTS BY AUDIT YEAR**

**SECTION 5**

The following table sets out the total number of agreed actions raised by audit year together with their completion status at 31 July 2025.

<b>Audit Year</b>	<b>Total Agreed Actions</b>	<b>Total Actions Completed</b>	<b>Total Current Actions Not Yet Due*</b>		
			<b>Red</b>	<b>Amber</b>	<b>Green</b>
2017/2018	53	50	0	0	3
2018/2019	45	45	0	0	0
2019/2020	43	43	0	0	0
2020/2021	37	35	0	0	2
2021/2022	23	22	0	0	1
2022/2023	49	46	0	0	3
2023/2024	35	25	0	2	8
2024/2025	25	7	0	3	15
<b>Total</b>	<b>310</b>	<b>273</b>	<b>0</b>	<b>5</b>	<b>32</b>

\*This part of the table sets out the total number of current actions not yet due at the date of the follow up report. The RED and AMBER actions are included in Section 3 of the follow up report.

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<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>9 September 2025</b>
<b>Report By:</b>	<b>Chief Internal Auditor</b>	<b>Report No:</b>	<b>FIN/53/25/APr</b>
<b>Contact Officer:</b>	<b>Andi Priestman</b>	<b>Contact No:</b>	<b>01475 712251</b>
<b>Subject:</b>	<b>EXTERNAL AUDIT ACTION PLANS - CURRENT ACTIONS</b>		

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## 1.0 PURPOSE AND SUMMARY

- 1.1 ☐ For Decision ☒ For Information/Noting
- 1.2 The purpose of this report is to advise Members of the status of current External Audit actions at 31 July 2025.

## 2.0 RECOMMENDATIONS

- 2.1 It is recommended that Members note the progress in relation to the implementation of external audit actions.

Andi Priestman  
Chief Internal Auditor

### 3.0 BACKGROUND AND CONTEXT

- 3.1 External Audit report findings and action plans to relevant officers and the Audit Committee as part of their annual audit plan.
- 3.2 The Chief Internal Auditor co-ordinates follow up reporting on current actions arising from External Audit Action Plans with regular reporting to CMT and the Audit Committee.
- 3.3 There were 2 actions due for completion by 31 July 2025. One action has been reported as completed by management and for one action, the completion date has been revised.
- 3.4 There are 6 current external audit actions being progressed by officers. These are set out in the status report at Appendix 1.

### 4.0 PROPOSALS

- 4.1 The Audit Committee is asked to note the progress in relation to the implementation of external audit actions.

### 5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial		X
Legal/Risk	X	
Human Resources		X
Strategic (Partnership Plan/Council Plan)	X	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		X
Environmental & Sustainability		X
Data Protection		X

#### 5.2 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

### **5.3 Legal/Risk**

There is a risk that failure to implement agreed audit actions in a timely manner could result in an inability to provide a reasonable level of assurance over the Council's system of internal control to those charged with governance.

### **5.4 Human Resources**

There are no human resources implications arising directly from this report.

### **5.5 Strategic**

This report relates to strong corporate governance.

## **6.0 CONSULTATIONS**

- 6.1 Relevant Officers were asked to provide updates as appropriate and the Corporate Management Team have reviewed the responses and completion dates.

## **7.0 BACKGROUND PAPERS**

- 7.1 2023/24 External Audit Annual Report

**INVERCLYDE COUNCIL INTERNAL AUDIT**  
**REPORT TO AUDIT COMMITTEE ON**  
**STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS**  
**AT 31 JULY 2025**

**Summary:    Section 1    Summary of Management Actions due for completion by 31/07/2025**

There were 2 actions due for completion by 31 July 2025. One action has been reported as completed and for one action, a revised action date has been set.

**Section 2    Summary of Current Management Actions Plans at 31/07/2025**

At 31 July 2025 there were no audit reports delayed due to management not finalising the action plan within agreed timescales.

**Section 3    Current Management Actions at 31/07/2025**

At 31 July 2025 there were 6 current audit action points.

**Section 4    Analysis of Missed Deadlines**

At 31 July 2025 there was one audit action point where the agreed deadline has been missed.

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS**

**SUMMARY OF MANAGEMENT ACTION PLANS DUE FOR COMPLETION BY 31.07.2025**

**SECTION 1**

<b>Area</b>	<b>No. of Actions Due</b>	<b>No. of Actions Completed</b>	<b>Deadline missed Revised date set*</b>	<b>Deadline missed Revised date to be set*</b>	<b>No response received</b>
Chief Executive	2	1	1		
<b>Total</b>	<b>2</b>	<b>1</b>	<b>1</b>		

\* These actions are included in the Analysis of Missed Deadlines – Section 4

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS**

**SUMMARY OF CURRENT MANAGEMENT ACTIONS AS AT 31.07.2025**

**SECTION 2**

**CURRENT ACTIONS BY DIRECTORATE**




<b>Chief Executive</b>	
Due for completion September 2025	3
Due for completion November 2025	1
<b>Total Actions</b>	<b>4</b>
<b>Education and Communities</b>	
Due for completion April 2027	1
<b>Total Actions</b>	<b>1</b>
<b>Environment and Regeneration</b>	
Due for completion April 2026	1
<b>Total Actions</b>	<b>1</b>
<b>Total current actions:</b>	<b>6</b>





**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS**

**CURRENT MANAGEMENT ACTIONS AS AT 31.07.2025**

**SECTION 3**



Description	Status	Original Due Date	Due Date	Assigned to
<b>Annual Report to Members on the 2021/22 Audit (November 2022)</b>				
<b>Local Development Plan (B/f)</b> The preparation of the LDP will commence in February 2023 and be completed by April 2026.		30-Apr-2026	30-Apr-2026	Director, Environment & Regeneration
<b>Annual Report to Members on the 2022/23 Audit (November 2023) – Wider Dimension and Best Value</b>				
<b>Out of date policies (Priority 2 recommendation)</b> Recommendation: We recommend that all out-of-date policies are prioritised for updating and review/approval by Council or appropriate Committee as soon as is practicable.		31-Mar-2025	30-Nov-2025	Corporate Management Team
<b>Equality group involvement in plan (Priority 2 recommendation)</b>  Recommendation: We recommend that a specific equality group within the council is identified and involved in the strategy setting process.  <b>Management Response:</b> Equality groups will be involved in the development of the next Council Plan from 2027 and in the mid-term review of the Partnership Plan in 2028.		01-Apr-2027	01-Apr-2027	Head of OD, Policy and Communications



Action Status			
	No response received		Missed original due date
	In Progress		Completed

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS**

**CURRENT MANAGEMENT ACTIONS AS AT 31.07.2025**

**SECTION 3**



Description	Status	Original Due Date	Due Date	Assigned to
<b>Annual Report to Members on the 2023/24 Audit (October 2024)</b>				
<b>Savings Plans Recommendation:</b> We recommend that keeping in view the availability of medium term forecast, beyond the two year budget, saving plans should be considered and developed for medium term as well i.e. beyond the period covered by the latest budget.  <b>Management Response:</b> Officers will develop a medium-term savings strategy as part of the development of the 2026/27 Budget.		30-Sep-2025	30-Sep-2025	Chief Financial Officer
<b>Annual Report to Members on the 2023/24 Audit (October 2024) – Wider Dimension and Best Value</b>				
<b>Digital Modernisation Initiatives Recommendation:</b> We recommend that a system of overall assessment of the impacts (cost, time and quality) of the digital modernisation initiatives should be designed and implemented.  <b>Management Response:</b> Officers will examine the most appropriate format of a collated assessment of the impact of the Digital Modernisation investment including the quantification of any efficiencies, savings and associated service improvements.  Thereafter this will be reported to the Policy & Resources Committee.		30-Sep-2025	30-Sep-2025	Chief Executive/ Head of Legal, Democratic, Digital and Customer Services



Action Status			
	No response received		Missed original due date
	In Progress		Completed

**INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS**

**CURRENT MANAGEMENT ACTIONS AS AT 31.07.2025**

**SECTION 3**

Description	Status	Original Due Date	Due Date	Assigned to
<b>Annual Report to Members on the 2023/24 Audit (October 2024) – Wider Dimension and Best Value</b>				
<b>Assessing the impacts of hybrid working</b> We recommend that an overall assessment of the impact of the new flexible arrangements on service quality and outcomes, to provide greater insight into the achievement of the intended objectives, should be carried out. We further recommend, while in use, the documentation of the Council's expectations in relation to informal flexible working arrangements.  <b>Management Response:</b> Officers will carry out the assessment as indicated and thereafter report to the Policy & Resources Committee. The Flexible Working Policy will be reviewed to ensure that it reflects current practice in relation to informal flexible working.		30-Jun-2025	30-Jun-2025	Head of OD, Policy and Communications
<b>Joint Working and Collaboration</b> We recommend that Council should continue to explore opportunities for joint working and collaboration to build resilience and to make the best use of resources.  <b>Management Response:</b> The Council will consider potential joint working with other councils and other partners as part of the development of medium-term actions linked to Transformation and Delivering Differently. This to feed into the 2026/27 Budget process.		30-Sep-2025	30-Sep-2025	Chief Executive

Action Status			
	No response received		Missed original due date
	In Progress		Completed

INVERCLYDE COUNCIL INTERNAL AUDIT  
REPORT TO AUDIT COMMITTEE ON  
STATUS OF EXTERNAL AUDIT ACTION PLAN POINTS  
ANALYSIS OF MISSED DEADLINES

SECTION 4

Report	Action	Original Date	Revised Date	Management Comments
Annual Report to Members on the 2022/23 Audit (November 2023)	<b>Out of date policies (Priority 2 recommendation)</b> Recommendation: We recommend that all out-of-date policies are prioritised for updating and review/approval by Council or appropriate Committee as soon as is practicable.	31.03.24	30.11.25	A tracker is now in place which monitors review dates for all key policies which is reviewed quarterly by CMT. The majority of out-of-date policies identified by the audit have now been reviewed and approved by Committee or are due to be approved by 31 March 2025. There is one policy remaining which is currently being updated and is due to be reported to Committee by 30 November 2025.

Action Status			
	No response received		Missed original due date
	In Progress		Completed

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<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>9 September 2025</b>
<b>Report By:</b>	<b>Head of Legal, Democratic, Digital and Customer Services</b>	<b>Report No:</b>	<b>LS/103/25</b>
<b>Contact Officer:</b>	<b>Deborah Clark</b>	<b>Contact No:</b>	<b>01475 712137</b>
<b>Subject:</b>	<b>ANNUAL REPORT ON RISK MANAGEMENT ACTIVITY 2024/2025</b>		

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## **1.0 PURPOSE AND SUMMARY**

- 1.1 ☐ For Decision ☒ For Information/Noting
- 1.2 The purpose of this report is to present to Committee progress made in 2024/2025 in developing and monitoring a strategic approach to managing risks faced by the Council.

## **2.0 RECOMMENDATIONS**

- 2.1 The Committee is asked to note the progress made in 2024/2025 to maintain a coherent corporate approach to managing risks faced by the Council.

**Lynsey Brown**

**Head of Legal, Democratic, Digital and Customer Services**

### **3.0 BACKGROUND AND CONTEXT**

- 3.1 As stated in its Risk Management Strategy, Inverclyde Council is dedicated to the management of risks within its control to enhance the Corporate Governance process, and in doing so aims to:
- Identify, assess and manage risks;
  - Safeguard the Council's assets; and
  - Enhance the delivery of its services to the Community.
- 3.2 Risk Management is part of the overall Corporate Governance framework for the Council. The responsibility for managing risk lies with service management, with corporate consistency being supported through the Corporate Management Team, Corporate Risk Management Group and Corporate Risk Adviser.
- 3.3 The assurance role of Internal Audit in Risk Management is to provide an opinion of the adequacy and effectiveness of the processes by which risks are identified, prioritised, managed, controlled, mitigated and reported. The assurance extends principally to two main areas, firstly that major business risks are being managed and secondly that the Risk Management and Internal Control Framework is operating effectively.

### **4.0 PROPOSALS**

- 4.1 During 2024/2025 the Council continued to value the importance of maintaining the momentum on risk management and progress has been made in the following areas:
- **Risk Registers**
    - Review and update of terminology and format of risk registers to provide a more accurate and consistent approach to recording risk information.
    - Annual review session completed with CMT to review and update Corporate Risk register.
    - Recording, and ongoing update, of Corporate, Committee and Service risk registers via performance management system, Ideagen.
    - Review sessions completed with all services to refresh risk registers in line with service delivery plans, for inclusion into Service and Committee Delivery and Improvement Plans.
  - **Risk management training**
    - Risk training session completed for elected members and CMT.
    - Operational risk training sessions were completed for all service areas on online update of risk registers, supported by an operational risk guidance document.
    - Bespoke risk management training sessions completed for additional council services and HSCP.
  - **Risk mitigation**
    - The Council's Anti-Fraud and Corruption Policy was reviewed and updated and approved by Audit Committee in January 2025.
    - A programme of Safety management system audits has been introduced within the Education service to determine the effectiveness of Inverclyde Council's Health and Safety management system in each establishment.
    - Inverclyde Council continues to follow a comprehensive programme of training, exercising and plan development to support the delivery of its statutory obligations under the Civil Contingencies Act, and associated non-statutory obligations supported by the Joint Civil Contingencies Service (CCS).
    - Business Continuity and Incident Response Plans are regularly reviewed to take

cognisance of both changes in the wider risk landscape and to account for learning from recent incidents such as Storm Eowyn, for which a formal debrief was held and Action Plan developed, which is being monitored for progression through the Council Resilience Management Team.

- Planning and training continues to focus on key risks as identified in local, national and UK-wide assessment and analysis. This includes pandemic planning, for which a Council cohort will participate in Exercise SOLARIS in September 2025, being delivered through the multi-agency Resilience Partnership. Additionally, it should be noted that service areas, such as Digital are proactively developing resilience in risk specific areas such as cyber.
- Digital & Customer Services have been the subject of external Audit reviews and IT Health checks around Cyber security Readiness.
- A risk register for the Financial Strategy continues to be maintained which allows management to consider the risks to the overall financial position arising from matters contained within the Financial Strategy.

## 5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial		X
Legal/Risk	X	
Human Resources		X
Strategic (Partnership Plan/Council Plan)	X	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		X
Environmental & Sustainability		X
Data Protection		X

## 5.2 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

### 5.3 Legal/Risk

Effective risk management is an essential element of good management and a sound system of internal control and is a key contributor to good governance and the Annual Governance Statement.

### 5.4 Human Resources

There are no human resources implications arising directly from this report.

### 5.5 Strategic

The risk management framework enables the Council to effectively manage strategic decision- making, service planning and delivery to safeguard the wellbeing of its stakeholders. The likelihood of achieving outcomes is also increased.

This report helps ensure strong governance, and its findings will help support delivery of the Council Plan adopted by Inverclyde Council on 20 April 2023, and in particular outcome theme 3: Performance, with the Council seeking to provide high quality and innovative services that deliver value for money.

### 5.6 Equalities, Fairer Scotland Duty & Children/Young People

There are no Equalities, Fairer Scotland Duty & Children/Young People implications arising directly from this report.

#### (a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
NO	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required. Provide any other relevant reasons why an EqIA is not necessary/screening statement.

#### (b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
NO	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.



(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
NO	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

**5.7 Environmental/Sustainability**

Summarise any environmental / climate change impacts which relate to this report.

There are no environmental / climate change implications arising directly from this report.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
NO	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

**5.8 Data Protection**

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
NO	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

**6.0 CONSULTATION**

6.1 Relevant officers have been consulted on the report.

**7.0 BACKGROUND PAPERS**

7.1 Risk Management Strategy.

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<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>9 September 2025</b>
<b>Report By:</b>	<b>Head of Legal, Democratic, Digital &amp; Customer Services</b>	<b>Report No:</b>	<b>LS/105/25</b>
<b>Contact Officer:</b>	<b>Deborah Clark</b>	<b>Contact No:</b>	<b>01475 712137</b>
<b>Subject:</b>	<b>Interim Update of the Corporate Risk Register</b>		

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## 1.0 PURPOSE AND SUMMARY

- 1.1 ☒ For Decision ☐ For Information/Noting
- 1.2 The purpose of this report is to present an interim update of the Corporate Risk Register to the Audit Committee for its consideration and highlight key risk management developments since the last report. The Corporate Risk Register highlights the most significant corporate risks facing the Council, and the key actions being taken by the Council in response to them.

## 2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Audit Committee:
- (i) considers and provides feedback on the updated format for interim reporting.
  - (ii) considers, provides feedback on and note the position on the most significant corporate risks facing the Council, and their current updates; included in the Corporate Risk heatmap and summary in Appendix 1 to this report.

Lynsey Brown  
Head of Legal, Democratic, Digital & Customer Services

### 3.0 BACKGROUND AND CONTEXT

- 3.1 Strategic risks in relation to the implementation of the Council Plan are monitored by the Corporate Risk Management Group and the Corporate Management Team.
- 3.2 The Corporate Risk Register details the most significant Strategic risks facing the Council, and the key actions being taken by the Council in response to them. Risk registers have also been developed at Committee, Directorate, Service and project level and continue to be monitored and updated.
- 3.3 An updated format for reporting interim updates, generated from the performance management system, Ideagen, has been designed to provide a succinct overview of the risks, their scores and current updated position.
- 3.4 There are currently 10 key corporate risks which sit above the Council's currently defined acceptable risk boundary for consideration by the Committee. There are also a further 4 lower rated risks which are also included in the Corporate Risk Register, including 1 new risk relating to the Council's statutory obligations in relation to the Prevent duty guidance.
- 3.5 Although there have been some updates in the underlying profile of some of the risks, there has been nothing material to require a change in the risk scores.
- 3.6 Mitigations are in place for each risk which are reviewed on an ongoing basis by the Corporate Risk Management Group and responsible officer(s).

### 4.0 PROPOSALS

- 4.1 The Audit Committee is asked to consider and provide feedback on the updated format for interim reporting, and to note the position on the most significant corporate risks facing the Council, and their current updates; included in the Corporate Risk heatmap and summary in Appendix 1 to this report.

### 5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial		✓
Legal/Risk	✓	
Human Resources		✓
Strategic (Partnership Plan/Council Plan)	✓	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		✓
Environmental & Sustainability		✓
Data Protection		✓

#### 5.2 Finance

Whilst there are no direct financial implications arising from this report, there may be resource implications associated with managing individual risks. Effective management of risks is part of good financial management and failure to manage them appropriately may have a range of financial consequences.

## One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

## Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

### 5.3 Legal/Risk

Having an up-to-date Corporate Risk Register allows the overall management of risk to support the Council's delivery of the Council Plan. Alongside Committee Risk Registers, the Corporate Risk Register provides a clear understanding of the Council's risk profile, and the work required across all service areas to ensure action is taken to mitigate the risk.

### 5.4 Human Resources

There are no Human Resource implications arising from this report.

### 5.5 Strategic

This report helps ensure strong governance to ensure the Council Plan 2023-28 is delivered in relation to:

**Theme 3** – Performance, with the Council seeking to provide high quality and innovative services that deliver value for money.

### 5.6 Equalities, Fairer Scotland Duty & Children/Young People

#### (a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required. Provide any other relevant reasons why an EqIA is not necessary/screening statement.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.

(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
X	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

**5.7 Environmental/Sustainability**

Summarise any environmental / climate change impacts which relate to this report.

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
X	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

**5.8 Data Protection**

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

## **6.0 CONSULTATION**

- 6.1 The review of the format of the risk register information and the draft corporate risk heatmap and summary have been presented to the Corporate Risk Management Group and Corporate Management Team, and feedback has been taken into consideration in producing this draft.

## **7.0 BACKGROUND PAPERS**

- 7.1 Corporate Risk Register.

Corporate risk heatmap and summary

Risk Matrix	Risk Code	Risk Title	Risk Trend	Latest Note	Last Modified Date	Risk Score	Impact Rating	L'hood Rating	Impact	L'hood
	CRR01	Significant budgetary pressures	<div><div></div></div> Constant	No changes to risk score. Savings plan drafted awaiting sign off by Members then onward submission to September 2025 P&R. No confirmation yet whether SG funding will be 1 year or multi year.	05-Aug-2025	16	4	4	Major	Probable
	CRR13	High level of children and families with complex packages of care and high demand for external residential placements	<div><div></div></div> Constant	This risk is live although reducing slightly (the financial overspend has been reduced from £4m to £3.5m). The complexity and scale of the challenge requires transformation of the system to re-balance care, as evidenced in The Promise. Change on this scale takes a number of years to sustain impact.	25-Jul-2025	16	4	4	Major	Probable
	CRR02	Inappropriately resourced or resilient workforce	<div><div></div></div> Constant	Risk is currently having an impact in some areas of the council. Some services are having to reprioritise work, deliver work over longer timescales and outsource some areas of work.	23-Jul-2025	12	3	4	Moderate	Probable
	CRR03	Council assets are not fit for purpose	<div><div></div></div> Constant	No change to risk profile or score.	05-Aug-2025	12	3	4	Moderate	Probable
	CRR04	ICT infrastructure is not innovative or does not fit end user needs	<div><div></div></div> Constant	No change to risk profile or score.	12-Aug-2025	12	3	4	Moderate	Probable
	CRR05	Increasing challenges to implement new legislation and regulatory changes relating to Climate Change	<div><div></div></div> Constant	No change to risk profile or score. Risk rating reflects the challenges of the changing regulatory landscape, making it more difficult to achieve the ultimate target date of 2045.	05-Aug-2025	12	3	4	Moderate	Probable
	CRR06	Major partner or supplier failure	<div><div></div></div> Constant	No change to risk profile or score. Impact & Likelihood scores reflect E&R Committee Plan.	18-Aug-2025	12	4	3	Major	Possible
	CRR07	Regulatory requirements on Information Governance are not adhered to	<div><div></div></div> Constant	No change to current risk score or profile. Principal Solicitor (Info Gov) in post since Dec 2024. While this has eased the workload burden by having the post vacant for so long, the risks highlighted remain - particularly when the volume and complexity of information governance matters, including requests, continues to increase.	11-Aug-2025	12	4	3	Major	Possible
	CRR09	Cyber attack	<div><div></div></div> Constant	Glasgow City Council led Audit has recommended review and redrafting of the Cyber Security entry in the risk register, with more comprehensive mitigations and devolution of risks to Service Risk registers.	12-Aug-2025	12	4	3	Major	Possible
	CRR08	Lack of resource to meet growing ASN needs	<div><div></div></div> Constant	The risk level remains the same. Whilst solutions have been identified and are underway to increase the ASN provision we have for August 25, a further options appraisal is being worked on by officers in relation to Aug 2026. The Education Committee was updated in relation to this in April 2025.	25-Jul-2025	12	3	4	Moderate	Probable