Agenda Item	**4**
Report No	**AC/23/25**

The Highland Council

Committee: **Audit Committee**

Date: **12 November 2025**

Report Title: **Action Tracking Report**

Report By: **Strategic Lead (Audit and Risk)**

1. Purpose/Executive Summary

1.1 The Global Internal Audit Standards (the GIAS) require the Chief Audit Executive to establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. Details of this process known as action tracking, is provided at section 5 of this report.

1.2 The outcome of this process is reported to each meeting of the Audit Committee. This report provides details of the action tracking completed for all actions that had passed their agreed target date at the end of September 2025. In addition to the summary information reported, section 6.1 includes additional information to assist understanding of the profile in days of open actions to completion dates, and trend information showing agreed action completion rates.

2. Recommendation

2.1 The Committee is invited to **scrutinise**, **comment** upon and **note** the action tracking information provided including the revised target dates for the completion of outstanding actions.

3. Implications

3.1 Resource: any resource implications arising from audit actions should be addressed by the relevant Services and where required, will be reported to Committee.

3.2 Risk: the implementation of the management agreed actions will improve the control environment and assist in reducing the risk exposure to the Council.

3.3 There are no Legal, Health and Safety or Gaelic implications arising from this report.

4. Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This is an update report and therefore an impact assessment is not required.

5. Action Tracking Process

5.1 The action tracking process operates as follows:

(1) Audit reports contain an action plan which details the areas of concern; management agreed action; target date for implementation; and the title of the Officer responsible for implementation.

(2) On a monthly basis those actions which have passed their agreed target dates are action tracked. This involves contacting the appropriate Manager(s) to confirm that their actions have been implemented. If a timely response is not received the matter is escalated to the appropriate Assistant Chief Executive.

(3) Where the agreed management action has not been undertaken, an explanation is requested. However, if this response is considered unsatisfactory, it is subject to further audit enquiry and/ or investigation. Where delays have occurred and the explanation provided is considered reasonable, a revised implementation date is agreed, and this is action tracked once this date has expired.

5.2 In addition to the above, monthly reports are provided to each of the Assistant Chief Executives detailing all outstanding recommendations within their service cluster which enables them to monitor progress leading up to the target dates when these should be completed. The monthly reports also detail the number of times a revised action date has been applied. As agreed at the September 2024 Audit Committee, where a second revised action date is requested by the responsible officer, approval is now required from the appropriate Assistant Chief Executive before this is agreed.

6. Action Tracking Results

6.1 <u>Summary report</u>

There are currently 54 agreed actions in progress, of which 25 (46%) have revised action dates.

The report attached at **Appendix 1** provides a summary of actions which have been subject to the action tracking outlined above. This details the audits where management agreed actions had passed their agreed target date and were subject to action tracking at the end of September 2025. Overall, this shows that 7 (78%) of the 9 actions tracked had been completed, with revised target dates agreed for the remainder.

In response to a request from Committee, additional information, is now provided in tables 1 and 2 below.

Table 1 profiles all open agreed management actions (as at 21/10/25) by the number of days until they are due to be completed.

Table 1 – Open management actions

	0 - 30 Days	30-60 days	60-90 days	Over 90 days	Total
High	3	1	5	7	16
Medium	8	8	12	7	35
Low	0	0	1	2	3
Total	11	9	18	16	54

Table 2 shows the action tracking completion rates previously reported to the Audit Committee over the last year. This details the number of actions tracked at the end of the month showing: number tracked (Due), number completed (C) and percentage completed (% C).

Table 2 – Completion performance

	November 24			March 25			June 25			September 25		
	Due	C	% C	Due	C	% C	Due	C	% C	Due	C	% C
High	2	1	50%	9	4	44%	7	5	71%	0	-	-
Medium	9	5	56%	29	18	62%	12	7	58%	8	6	75%
Low	4	3	75%	9	8	89%	1	1	100%	1	1	100%
Total	**15**	**9**	**60%**	**47**	**30**	**64%**	**20**	**13**	**65%**	**9**	**7**	**78%**

6.2 Actions with revised target dates

Action tracking at the end of September 2025 resulted in revised target dates being agreed for 2 actions. These are in respect of 2 audits, further details provided below. The original target date for implementation and the most recent revised date are also shown in brackets. Further information has also been provided by way of management updates.

Review of purchase to pay arrangements (One Medium action)
The instructions supporting Financial Regulations should set out any valid exemptions where purchase orders are not expected, otherwise orders should be raised in advance of requesting goods or services. Where confirmation orders are required then these should be issued promptly. The Shared Procurement Service provided an example document 07/10/25, this will be refined by the team to consider the Highland context following completion of the Q2/Local Financial Return reporting cycle currently underway. (Original target date 31/10/2021. Revised action date 31/12/2025).

Review of the use and control of imprests in H&SC establishments (One Medium action)
Health and Social Care should implement arrangements to ensure appropriate control and recording of monies held for or received on behalf of young people. Residential sites should set up standard recording sheets and procedures to cover money being taken in and to administer additional monies held on behalf of young people. The Business Manager, Health and Social Care is seeking confirmation

from Unit Managers that the action has been implemented. (Original target date 31/03/2024. Revised action date 30/11/2025).

Designation: Strategic Lead (Audit and Risk)

Date: 21 October 2025

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Appendix 1 - Audits where actions have passed their agreed target date and were subject to action tracking

Audit Name	Service Cluster	High		Medium		Low		Action Tracking Results			
		Due	Complete	Due	Complete	Due	Complete	**Due**	**Complete**	**Revised action date**	**% complete**
ICT arrangements in schools	Corporate			1	1			**1**	**1**	**0**	100%
Review of Financial Arrangements in Primary Schools	People					1	1	**1**	**1**	**0**	100%
Review of Health & Safety Arrangements	Corporate			1	1			**1**	**1**	**0**	100%
Review of purchase to pay arrangements	Corporate			2	1			**2**	**1**	**1**	50%
Review of the use and control of imprests in H&SC establishments	People			2	1			**2**	**1**	**1**	50%
Workforce Planning Arrangements	Corporate			2	2			**2**	**2**	**0**	100%
Grand Total		**0**	**0**	**8**	**6**	**1**	**1**	**9**	**7**	**2**	**78%**
Percentage complete			**-**		**75%**		**100%**				