
Report to: Audit & Scrutiny Committee

Date of Meeting: 29 October 2026

Subject: Internal Audit Progress Report

Report by: Internal Audit Manager

1.0 Purpose

- 1.1 This report provides an update on progress with completion of the 2026/27 Internal Audit Plan.

2.0 Recommendations

- 2.1 It is recommended that the Committee notes:

- the finalisation of the 2025/26 Internal Audit Plan and progress with the completion of the 2026/27 Internal Audit Plan;
- the update on capacity / resources impacting the completion of the 2026/27 Internal Audit Plan; and
- the action taken on duplicate payments.

3.0 Background

- 3.1 The 2025/26 Internal Audit Plan was agreed at Committee on [12 June 2025](#). It set out seventeen assignment areas to be completed by the team during the year. This included eight audit reports to be issued to Clackmannanshire Council. In June 2026, we reported that of these eight audit reports:

- four audit reviews (Building Security, Climate Change, Council Tax Refunds, and Follow Up of the Review of Purchase Order Arrangements at Clackmannanshire Council for Adult Social Care) had been completed to final report stage as part of our committed assignment programmes of work;
- one audit review (Medication in Schools) was at draft report stage and would be reported to a future Committee; and
- three had not been started. These reviews included Stirling and Clackmannanshire City Region Deal, Stores Management, and Disposal of IT Equipment.

- 3.2 The 2026/27 Internal Audit Plan was agreed at Committee on [11 June 2026](#). It set out eighteen assignment areas to be completed by the team during the

year. This included six audit reports to be issued to Clackmannanshire Council (those six audit reports do not include those assignments or reports undertaken and issued to the Central Scotland Valuation Joint Board¹). Committee agreed that the three audits not yet started in 2025/26 (at paragraph 3.1) would be deferred into the 2026/27 Internal Audit Plan.

- 3.3 Members are aware that the delivery of Internal Audit services to Clackmannanshire Council is via a Joint Working Agreement with Falkirk Council, however, this is currently being reviewed due to ongoing transformation discussions.

4.0 Finalisation of the 2025/26 Internal Audit Plan

- 4.1 Paragraph 3.1 highlights that one audit review was reported as in progress at the Audit and Scrutiny Committee in June 2026. This report on Medication in Schools has now been finalised.
- 4.2 A summary of progress is set out at **Appendix 1**. Details on the scope of, and findings arising, from the finalised review since the last Committee we reported to is at **Appendix 2**. The assurance is provided in line with the definitions at **Appendix 3**.

Progress with completion of the 2026/27 Internal Audit Plan

- 4.3 Of the six audit reviews agreed as part of this year's Internal Audit Plan:
- Two audit reviews (Climate Change, and Stirling and Clackmannanshire City Region Deal) are in progress and will be reported to an upcoming Committee; and
 - Four have not been started. These reviews include Stores Management, Disposal of IT Equipment, Payroll Transactional Testing, and Clackmannanshire Council Adult Social Care: Care Plan Quality and Governance Arrangements.
- 4.4 A summary of progress is set out at **Appendix 1**.
- 4.5 As reported to the June 2026 Audit and Scrutiny Committee, we experienced some delays in completing the Internal Audit Plan for 2025/26. This was in part due to capacity issues at Falkirk Council. We, therefore, recently re-advertised for the third time for a Senior Internal Auditor post to increase capacity at Clackmannanshire Council.
- 4.6 At the time of writing this report, however, we have not successfully recruited to the post and will be undertaking further interviews. We also have a vacancy for the Internal Auditor position from the beginning of November, which means that there is no local Internal Audit resource at Clackmannanshire Council from that date. Unfortunately, the resources at Falkirk Council are not available to undertake this additional workload due to the Internal Audit Plan commitments there.

¹ Other client work in 2026/27 only includes the Central Scotland Valuation Joint Board and not the Clackmannanshire and Stirling Integration Joint Board. For three years from 2025/26, the internal audit provision for Clackmannanshire and Stirling Integration Joint Board has passed to Stirling Council.

- 4.7 This development has the potential to have a significant impact on the completion of the Internal Audit Plans for both Councils in 2026/27. These circumstances could impact on the provision of the 2026/27 annual assurance opinion on risk management, governance, and control. Clackmannanshire Council are, therefore, actively seeking to identify an alternative delivery model for the remainder of 2026/27. A verbal update will be given at Committee by the Head of Corporate Services.

5.0 Continuous Auditing

- 5.1 Our work to identify duplicate creditor payments is conducted on a six monthly basis. All payments are reviewed to identify, for example, cancelled payments; credit notes; refunds; and duplicates.
- 5.2 For the period 01 April to 30 September 2026 we identified 46 potential duplicate payments with a gross value of £88,630 (0.1% of total payments). After further investigation by the Corporate Accountancy Team, 23 transactions have been confirmed as duplicates, with a value c£62,364. Of these, 14 have been recovered with a gross value of £42,018 and 9 are awaiting recovery.

6.0 Conclusions

- 6.1 The 2026/27 Internal Audit Plan workload is underway. This includes a six monthly update on duplicate creditor payments above. The work undertaken in 2026/27 should contribute to a balanced and evidenced based year-end opinion on arrangements for risk management, governance, and control, however, the current resourcing issues may impact on the provision of the 2026/27 annual assurance opinion.
- 6.2 Clackmannanshire Council are, therefore, actively exploring alternative delivery arrangements for the remainder of 2026/27. A verbal update will be provided at Committee by the Head of Corporate Services.

7.0 Sustainability Implications

- 7.1 None Noted.

8.0 Resource Implications

Financial Details

- 8.1 The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes ☐
- 8.2 Finance have been consulted and have agreed the financial implications as set out in the report. Yes ☐

Staffing

- 8.3 No implications other than those set out in the report.

9.0 Exempt Reports

9.1 Is this report exempt? Yes ☐ (please detail the reasons for exemption below) No ☐

10.0 Declarations

10.1 The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box ☒)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all ☐

Our families; children and young people will have the best possible start in life ☐

Women and girls will be confident and aspirational, and achieve their full potential ☐

Our communities will be resilient and empowered so that they can thrive and flourish ☐

(2) **Council Policies**

Complies with relevant Council Policies ☐

11.0 Impact Assessments

11.1 Have you attached the combined equalities impact assessment to ensure compliance with the public sector equality duty and fairer Scotland duty? (All EFSIAs also require to be published on the Council's website)

Yes ☐

11.2 If an impact assessment has not been undertaken you should explain why:

Not necessary as this report does not require a decision.

12.0 Legality

12.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes ☐

13.0 Appendices

13.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

- Appendix 1: Progress with Internal Audit Plan 2025/26
- Appendix 2: Definition of Internal Audit Assurance Categories and Classification of Recommendations

14.0 Background Papers

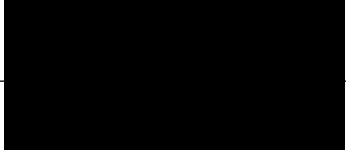
14.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes ☐ (please list the documents below) No ☐

Author(s)

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Isabel Wright	Internal Audit Manager	

Approved by

NAME	DESIGNATION	SIGNATURE
Chris Alliston	Head of Corporate Services	
Nikki Bridle	Chief Executive	

INTERNAL AUDIT PLAN

Completion of the 2025/26 Internal Audit Plan

Planned Assignments (as per 2025/26 Internal Audit Plan)			
	Directorate	Assignment	Progress Status
Committed Assignments			
17.	People	Medication in Schools	Final Report Issued

Summary of Progress with 2026/27 Internal Audit Plan

Planned Assignments (as per 2026/27 Internal Audit Plan)			
	Directorate	Assignment	Progress Status
Committed Assignments			
1.	Internal Audit	Global Internal Audit Standards: Self-Assessment	Ongoing
2.	Internal Audit	Strategic Annual Planning and Annual Assurance Work	Ongoing
3.	Internal Audit	Audit Committee / Working Group preparation and attendance	Ongoing
4.	Internal Audit	Team Management and other related tasks	Ongoing
5.	All Directorates	Continuous Auditing	Ongoing Assurance
6.	All Directorates	National Fraud Initiative	Ongoing Assurance
7.	All Directorates	Consultancy Work	Ongoing Assurance
8.	All Directorates	Work on Recommendations Outstanding	Ongoing Assurance
9.	Place	Validation Work Requests	Ongoing Assurance
Committed Assignments			
10.	All Directorates	2025/26 Carry Forward	Completed
11.	Corporate	Disposal of IT Equipment	Not Started
12.	Place and Economy	Stores Management	Not Started
13.	All Directorates	Stirling and Clackmannanshire City Region Deal	In Progress

Planned Assignments (as per 2026/27 Internal Audit Plan)			
	Directorate	Assignment	Progress Status
14.	Place and Economy	Climate Change	In Progress
15.	Corporate / All Directorates	Payroll Transactional Testing	Not Started
16.	Corporate / HSCP	Clackmannanshire Council Adult Social Care: Care Plan and Governance Arrangements	Not Started
Other Client Work			
17.	Clackmannanshire and Stirling Integration Joint Board	As of 2025/26, the role has been transferred to Stirling Council's Internal Audit Service Manager. Clackmannanshire Council's Internal Audit service may still need to provide an audit resource to the annual programme of work.	Not Started
18.	Central Scotland Valuation Joint Board	The Internal Audit Plan for 2025/26 was presented to the Central Scotland Valuation Joint Board Audit Committee on 26 June 2026.	Not Started

INTERNAL AUDIT PLAN 2025/26 ASSIGNMENT OUTCOMES

Summary of Key Findings from Reviews Complete to Final Report Not Previously Reported to Committee

Review	Directorate	Assurance
Medication in Schools	People	Limited Assurance
Scope	Final Report Summary	
The aim of this audit was to obtain assurance that there is an up-to-date policy for medication management at schools and Early Learning Centres (ELCs), including adequate record-keeping detailing medication storage, dosage, and administration. Clackmannanshire Council's current medication policy: 'Policy for the Administration of Prescribed Medicines and Meeting the Health Care Needs of Children and Young People' (the Policy) covers all Council run educational establishments. This includes ELCs which are regulated by the Care Inspectorate, as well as Schools, regulated by His Majesty's Inspectorate of Education in Scotland (HMIE). The Policy supports the requirements of the Scottish Government; '2017 Supporting children and young people with healthcare needs in schools: guidance', document for NHS Boards, education authorities and schools and signposts Care Inspectorate Guidance for the Management of medication in daycare of children and childminding services. Our fieldwork included a review of the current guidance and policy updates, as well as a high-level gap analysis against current national guidelines (Scottish Government 2017 and Care Inspectorate 2025). We also conducted site visits to a sample of schools and an ELC, where we interviewed key staff about local procedures for medication management to assess compliance with the Policy. This involved reviewing medication storage	We were content that there are policies, procedures, and guidance in place governing medication management. All sites have access to the Clackmannanshire Council's Policy for the Administration of Prescribed Medicines and Meeting the Health Care Needs of Children and Young People (the Policy) and copies are readily available to all staff. The Policy clearly defines medication arrangements roles and responsibilities. The Head of Establishment is accountable for consenting on behalf of the school to administer medication and that proper arrangements are in place. There is evidence retained that the Policy had been read and understood by all staff. Medicine administration procedures are clearly set out in the Policy, which covers the step-by-step process and makes clear the forms used and the checks to be completed at the point of administration. From visiting Education establishments, we found the following good practice and compliance with the Policy: • The Policy's medical forms were appropriately completed. • All sites visited understood the need to provide specialist training for specific medical needs, such as diabetic injections, buccal midazolam², and auto-injector pens. • Individual Care Plans are in place for pupils requiring medication. • Medicines are returned to the parent over the summer holidays with new medication forms completed for the start of each school year. • In line with Care Inspectorate Guidance, we found that the ELC records the first dose of medicine on their 'Appendix 3' form along with a parent signature, and conducts a quality assurance review of medical records every three months. • For two sites (Sauchie ELC and Craigbank Primary School) we found a record of regular checks of expiry dates. In addition, from reviewing a sample of pupil records we found no medicines that were out of date. • The arrangements across the sites visited for self-administration of medication are clear. • For four sites we found for all pupils the dose of medication administered was signed by two designated staff members on the 'Appendix 3' form. • Medication was stored securely with restricted access to a limited number of staff. We did, however, find the following significant issues: • There are several areas where the Policy could be enhanced to bring it more into line with current national standards (Scottish Government 2017 and Care Inspectorate 2025 Guidance), with further operational detail to provide more clarity and consistency to Education Establishments when managing and administering medicine. • The staff responsible for the day-to-day administration of medicines were not always signing individual Care Plans and were not always specifically named as a designated responsible staff member on their 'Appendix 3' form.	

² Children and young people with severe epilepsy require emergency medication such as buccal midazolam.

Appendix 2

arrangements and conducting detailed testing of a sample of pupil medication records. The sites visited were: • Sauchie ELC; • Abercromby Primary School; • Craigbank Primary School; • Lornshill Academy; and • Lochies School.	• Record keeping of specialist medical training was inconsistent across the sites visited, with two sites recording staff who attended specialist training, but no corresponding official documentation was retained detailing training content and objectives. In addition, their 'Appendix 7' form was not being routinely completed to record staff training. • Only one site formally recorded medicine leaving the school through the signature of two staff members on a medication returning home form. The four other sites did not maintain a formal record of medicine leaving the school. If there is an incomplete audit trail recording the movement of medicine, there is an increased risk that if medicine was to be misplaced then it will be harder to identify where and when this occurred. • Medicine expiry dates and checks were not always recorded on the 'Appendix 3' form which risks medicine checks not being routinely made prior to administration of the dose and out of date medicine being potentially administered. The Policy requires that there is evidence of two members of staff being present and performing checks prior to and during the administration of medicine. One site (Sauchie ELC) clearly recorded the administration of medicine, but for the sample reviewed two out of fourteen doses had not been signed by the witnessing staff member. This could increase the risk of medicines being incorrectly administered without proper validation and could also impede the ability to identify what happened if an error occurs. We have made the following recommendations to address these issues and reduce the risk to the Council of inconsistencies in operational practice and misadministration of medication, as well as potential harm to children: • Consider revising the Policy to incorporate national guidance and further operational detail required to provide more clarity and consistency for managing and administering medicine. • All staff members who have potential to administer medicine should sign their establishment's forms at 'Appendix 2' and 'Appendix 3'. • A formal record of specialist training including content, learning objectives, and who delivered the training should be retained, along with signed staff lists for those who undertook the training. • A formal signed record should be retained of medicine leaving the school. This should be recorded on a medication returning home form / 'Appendix 3' by staff returning medicine and this is also signed by a parent upon receiving the medicine. • Medicine expiry dates should be regularly checked and recorded on a medicine expiry register / spot check record. In addition, for ease of checking the expiry date of medicine should be noted on the 'Appendix 3' form. This should be double checked prior to administering medicine and signed by the two responsible officers. • Staff who are administering medicine should be reminded to formally record this task by an administering signature and witness signature on the 'Appendix 3' form. We can provide LIMITED ASSURANCE in relation to medication management and record keeping at schools and early learning centres. Ten recommendations were made and accepted. There were eight recommendations at grade 2, and two recommendations at grade 3. Classification of grading is detailed at Appendix 3. All recommendations to be implemented by Responsible Owners by 31 August 2027, with the earliest recommendation being completed by 31 August 2026.
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DEFINITION OF INTERNAL AUDIT ASSURANCE CATEGORIES

Level of Assurance	Definition
Substantial assurance	Largely satisfactory risk, control, and governance systems are in place. There is, however, some scope for improvement as current arrangements could undermine the achievement of objectives or leave them vulnerable to error or abuse.
Limited assurance	Risk, control, and governance systems have some satisfactory aspects. There are, however, some significant weaknesses likely to undermine the achievement of objectives and leave them vulnerable to an unacceptable risk of error or abuse.
No assurance	The systems for risk, control, and governance are ineffectively designed and operated. Objectives are not being achieved and the risk of serious error or abuse is unacceptable. Significant improvements are required.

CLASSIFICATION OF RECOMMENDATIONS

Classification of Recommendations		
Grade 1: Key risks and / or significant deficiencies which are critical to the achievement of strategic objectives. Consequently, management needs to address and seek resolution urgently.	Grade 2: Risks or potential weaknesses which impact on individual objectives, or impact the operation of a single process, and so require prompt, but not immediate action by management.	Grade 3: Less significant issues and / or areas for improvement which we consider merit attention, but do not require to be prioritised by management.