

COMMITTEE:	Audit & Governance Committee
MEETING DATE:	16 June 2026
BY:	Deputy Chief Executive Resources & Economy
REPORT TITLE:	Service Manager Internal Audit Interim Arrangements
REPORT STATUS:	Public

1 PURPOSE OF REPORT

- 1.1 To Inform the Audit & Governance Committee of the temporary arrangements that have been put in place to manage the absence of the Service Manager Internal Audit for 9 Months, to ensure ongoing resourcing of the Internal Audit, Counter Fraud and Whistleblowing.

2 RECOMMENDATIONS

Members are recommended to:

- 2.1 Note the Temporary Arrangements that have been put in place to provide continued Internal Audit, Counter Fraud and Whistleblowing Services for East Lothian Council and East Lothian Integrated Joint Board (IJB).

3 BACKGROUND

- 3.1 A requirement for a Service Manager to undertake the management of and an improvement project on the Information Governance Team within East Lothian Council has been identified for an initial 9-month period. The skills and experience of the Service Manager Internal Audit have been established as a good fit to take this piece of work on, and it was agreed to commence the work on the 27 April 2026.
- 3.2 As a result of this additional management responsibility and project work it was agreed that the Service Manager Internal Audit post required to be filled for the 9 Month period for East Lothian Council and East Lothian IJB. Stuart Allan as Principal Auditor has agreed to take this role on and as such be

the appointed Chief Audit Executive for East Lothian Council and East Lothian IJB for the 9 Month Period starting on the 27 April 2026.

- 3.3 The Service Manager Internal Audit is currently providing Chief Internal Auditor Services to Midlothian Council and Midlothian IJB under an SLA agreement. Arrangements have been made to provide Line Management support to the Internal Audit, Counter Fraud and Whistleblowing staff within Midlothian Council, however no formal cover is available in Midlothian for the 9-month period for the Chief internal Auditor (Chief Audit Executive) role. As a result, The Current Service Manager Internal Audit will continue to provide half a day a week support for Midlothian Council a Chief Internal Auditor, further arrangements are being made with NHS Lothian to cover the Midlothian IJB Chief Internal Auditor position.
- 3.4 As a result of these changes there will be a reduction in available resource within the Internal Audit, Counter Fraud and Whistleblowing teams equivalent to 0.5FTE for East Lothian Council and 0.4FTE for Midlothian Council. It is proposed that the Annual Self-assessment of the Audit & Governance Committee (East Lothian Council) and the Audit Committee (Midlothian Council) is postponed from September 2026 to March 2027, The work to create an Assurance Map for both councils be delayed until the 2027/28 financial year, and a further review of the Internal Audit Plans for both Councils is completed to present to the September Audit & Governance and Audit Committee.
- 3.5 Following agreed completion of the project work then the substantive positions would resume.

4 POLICY IMPLICATIONS

- 4.1 None

5 RESOURCE AND OTHER IMPLICATIONS

- 5.1 Finance: Staffing underspend will be noted for both councils within the Internal Audit & counter Fraud teams, however, increases in expenditure will be offset in Information Governance.
- 5.2 Human Resources: Staff involved have been communicated with appropriately and effective arrangements put in place.
- 5.3 Other (e.g. Legal/IT): None
- 5.4 Risk: reduced staffing within the Internal Audit and Counter Fraud teams reduces resilience in these teams during the year, however this reduces the larger risk of resourcing in the Information Governance Team in East Lothian Council.

6 INTEGRATED IMPACT ASSESSMENT

6.1 **Select the statement that is appropriate to your report by placing an 'X' in the relevant box.**

An Integrated Impact Assessment screening process has been undertaken, and the subject of this report does not affect the wellbeing of the community or have a significant impact on: equality and human rights; tackling socio-economic disadvantages and poverty; climate change, the environment and sustainability; the Council's role as a corporate parent; or the storage/collection of personal data.

or

The subject of this report has been through the Integrated Impact Assessment process and impacts have been identified as follows:

Subject	Impacts identified (Yes, No or N/A)
Equality and human rights	
Socio-economic disadvantage/poverty	
Climate change, the environment and sustainability	
Corporate parenting and care-experienced young people	
Storage/collection of personal data	
Other	

[Enter information on impacts that have been identified]

The Integrated Impact Assessment relating to this report has been published and can be accessed via the Council's website:

https://www.eastlothian.gov.uk/info/210602/equality_and_diversity/12014/integrated_impact_assessments

7 APPENDICES

7.1 None

8 BACKGROUND PAPERS

8.1 None

9 AUTHOR AND APPROVAL DETAILS

Report Author(s)

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Date	17 April 2026

Head of Service Approval

Name	Sarah Fortune
Designation	Deputy Chief Executive Resource & Economy
Confirmation that IIA and other relevant checks (e.g. finance/legal) have been completed	Yes
Approval Date	4 June 2026