ABERDEEN CITY COUNCIL

COMMITTEE	Audit, Risk and Scrutiny Committee
DATE	12 February 2020
REPORT TITLE	Internal Audit Plan 2020/21
REPORT NUMBER	IA/20/003
DIRECTOR	N/A
REPORT AUTHOR	David Hughes
TERMS OF REFERENCE	2.1

1. PURPOSE OF REPORT

1.1 The purpose of this report is to seek approval of the attached Internal Audit plan for 2020/21.

2. RECOMMENDATION

2.1 It is recommended that the Committee approve the attached Internal Audit Plan for 2020/21.

3. BACKGROUND/MAIN ISSUES

3.1 It is one of the functions of the Audit, Risk and Scrutiny Committee to review the activities of the Internal Audit function, including the approval of the Internal Audit Plan. The proposed plan for 2020/21 is attached as appendix B and includes the Aberdeen City Integration Joint Board and North East of Scotland Pension Fund for information.

3.2 All audits included in the attached plan, as well as those in future plans, will help inform Internal Audit's opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control, which is expressed in an annual report, and provide assurance to the Audit, Risk and Scrutiny Committee. Where opportunities for improvement in controls and their application, or improvements in value for money, are identified these will be reported along with recommendations for management to consider.

3.3 The time allocation for all audits assumes that systems to be reviewed are adequately documented, detailing the controls put in place by management, and that testing identifies that these controls are being complied with. If this is not the case, there will be an impact on the time taken to review planned areas and on the plan's achievability.

3.4   When the shared Internal Audit Service was introduced between Aberdeenshire and Aberdeen City Councils it was planned to have rolling three-year plans, with those of both Councils linked as far as possible to improve efficiency and help share best practice. This has not, at present, been possible to achieve. The Councils have different risk profiles and assurance needs (although Internal Audit needs to gain its own assurances in order to complete its annual report). This means that, although similar services are being provided, the timing of reviews often varies. However, it is still possible to draw on and share best practice where this is identified.

3.5   The Audit, Risk and Scrutiny Committee agreed at its meeting on 26 June 2018 that single year plans continue to be developed as, due to the pace of change facing Local Government, it was considered too early to start developing three-year plans. It was agreed that this would result in agreed plans being subject to constant change as new risks were identified and addressed in a climate of constant change.

3.6   During the planning process, Internal Audit reviewed the Council's approved Risk Registers (where available) and consulted with the Chief Executive, Directors, and Chief Officers (specifically through Internal Audit attending Extended Corporate Management team on 14 November 2019) to ensure that areas which Officers consider to be of risk to their business operations were considered for inclusion in the plan. Each of the planned audits have been allocated to a target Committee date. The plan was circulated to Chief Officers on 12 December 2019 and CMT on 13 December 2019, discussed with the Chief Executive on 17 December 2019, and members of CMT between 18 December 2019 and 8 January 2020.

3.7   The above considerations, and those detailed in Appendix A, have resulted in a draft Internal Audit plan being produced (Appendix B). The plan details what Internal Audit anticipates being able to review in the year, assuming stability in resources available to the Section. The plan is flexible and can be amended to reflect changes in priority or because of new risks being introduced or identified, although consideration needs to be given to the requirement for Internal Audit to complete sufficient work to provide an evidence based annual opinion.

3.8   During the drafting of the plan it was too soon to determine whether progress with the 2019/20 Internal Audit Plan would impact on the resources available for 2020/21. Internal Audit progress reports to the Audit, Risk and Scrutiny Committee during 2019/20 have stated that there have been delays with progressing work for a variety of reasons. If, nearer the end of the 2019/20 financial year, it becomes apparent that completion of the 2019/20 planned works would impact significantly on the resource available for 2020/21, a report will be submitted to the Audit, Risk and Scrutiny Committee on 7 May 2020 making proposals to resolve any issues.

3.9   When commencing each planned audit, Internal Audit contacts the Director and Chief Officer responsible for the area to be reviewed along with any other nominated contact officer. They are reminded of the objective and scope of the review and of how Internal Audit intends to achieve the level of

assurance required. Officers are invited to identify any specific aspects of the area to be reviewed that are of particular concern. Once fieldwork has been completed, a draft report is issued to the Director and Chief Officer responsible for the area to be reviewed along with any other nominated contact officer. Prior to issuing the final report, Internal Audit seeks confirmation from the Director involved that they are satisfied with the report and actions agreed to address any identified issues.

3.10   Whilst undertaking planned work, it is possible that Internal Audit may identify governance issues that are not within the stated scope of the review being undertaken. Public Sector Internal Audit Standards require that Internal Audit report such instances to those charged with charged with governance. In this respect, Internal Audit's reports may contain issues that appear to be "outwith scope".

3.11   In order to undertake the attached plan, Internal Audit has an establishment of thirteen posts. The annual budgeted cost for 2019/20 was £573,000 and it is anticipated that the budget for 2020/21 will provide for a similar level of resource. It is anticipated that this will be split between Aberdeenshire and Aberdeen City Councils on a 2:1 ratio.

4.   FINANCIAL IMPLICATIONS

4.1   There are no direct financial implications arising from the recommendations of this report.

5.   LEGAL IMPLICATIONS

5.1   There are no direct legal implications arising from the recommendations of this report.

6.   MANAGEMENT OF RISK

6.1   The Internal Audit process considers risks involved in the areas subject to review. Any risk implications identified through the Internal Audit process are detailed in the resultant Internal Audit reports. The purpose of this report is to seek approval for the Internal Audit plan

6.2   In order to ensure a risk-based approach to the Council's Internal Audit activities, reference has been made in compiling the Internal Audit Plan to the Corporate Risk Register and Cluster Risk Registers, overseen by CMT and Chief Officers respectively. It is acknowledged that these are live documents, from which risks are escalated and de-escalated depending on management's assessment of the effectiveness of controls. It is therefore expected that management will consider that the risks informing the Internal Audit Plan will become more or less significant over the course of the year. When responding to Internal Audit reports, Chief Officers have been instructed by CMT to refer to their current risk registers. This is intended to ensure that the management response to each audit is considered by management to be proportionate to the risk in that area. This may include Chief Officers proposing not to accept and implement an internal audit

recommendation.

7. OUTCOMES

7.1 There are no direct impacts, as a result of this report, in relation to the Local Outcome Improvement Plan Themes of Prosperous Economy, People or Place, or Enabling Technology, or on the Design Principles of the Target Operating Model.

7.2 However, Internal Audit plays a key role in providing assurance over, and helping to improve, the Council's framework of governance, risk management and control. These arrangements, put in place by the Council, help ensure that the Council achieves its strategic objectives in a well-managed and controlled environment.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	An assessment is not required because the reason for this report is for Committee to approve the annual Internal Audit plan. As a result, there will be no differential impact, as a result of the proposals in this report, on people with protected characteristics.
Privacy Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not applicable

9. APPENDICES

9.1 Appendix A – Internal Audit Plan 2020/21 – Strategy and Risk Assessment.

9.2 Appendix B – Internal Audit Plan 2020/21 including process of development.

10. REPORT AUTHOR DETAILS

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APPENDIX A

INTERNAL AUDIT PLAN 2020/21
STRATEGY AND RISK ASSESSMENT

This document details the process adopted for developing the Internal Audit plan for 2020/21, which is the same as approved by the Audit, Risk and Scrutiny Committee previously when it considered plans for previous years.

It is a requirement of the Public Sector Internal Audit Standards that the Internal Audit plan is based on a risk assessment. Many Internal Audit Sections will define the whole audit universe (all auditable Services or systems) and apply a score against each component for various criteria including the inherent risk in the system, and the quality of management and mitigating controls in place.

Whilst an audit universe has been identified, based on previous work undertaken by Internal Audit in Aberdeenshire and Aberdeen City, to apply scores against various criteria is considered, by Internal Audit, to be too subjective and adds little value to the process.

In developing the plan, consideration was given to the Council's risk registers, the Council's Strategic Priorities, and a listing of previous audits undertaken within both Aberdeenshire and Aberdeen City Councils, and the outcome of these. The Chief Executive, Directors, and Chief Officers were invited to provide input to the plan to help ensure that the right areas were targeted for review. The detail of this is included in further appendices attached to this report.

Prior to commencing each planned audit, Internal Audit will discuss the area with Service Directors, Chief Officers, and other nominated officers to further develop the scope of the review. However, if areas are identified through testing that fall outwith that scope, which impact on governance, they will still be reported on.

In order to achieve its strategic priorities and outcomes, the Council allocates its budget to Functions and Clusters and enables service delivery through delegated authority detailed in its governance arrangements.

For Internal Audit to fulfil its objective of providing independent assurance over the Council's framework of governance, risk management and control to those charged with governance (the Audit, Risk and Scrutiny Committee), the internal controls put in place to protect the Council's assets have to be evaluated and tested. Taking this into account, along with the contents of the documents detailed above, Internal Audit considers that the main risks to the Council's control environment and achieving its Strategic Priorities and Outcomes relate to the key areas detailed in the following table.

NOTE: Internal Audit's risk assessment based on evaluation of mitigating controls in the following table is based on Internal Audit work undertaken previously. The areas of risk identified are generic in nature and are relevant to the system of control and application thereof, on which Internal Audit bases its annual opinion. These differ from risks detailed in management's risk registers which focus on more specific risks.

KEY TO RISK RATING:

High   There is a high probability, before mitigating controls are applied, of errors being made which would expose the Council to an unacceptable level of risk which may impact on the Council's finances and or reputation, and its ability to achieve its Strategic Priorities.

Medium   There is a risk, before mitigating controls are applied, of errors being made which would expose the Council to an element of risk which may impact on the Council's finances and or reputation, and its ability to achieve its Strategic Priorities.

Low   There is a low probability, before mitigating controls are applied, of errors being made which would expose the Council to an unacceptable level of risk which may impact on the Council's finances and or reputation, and its ability to achieve its Strategic Priorities.

TBC   To be confirmed – insufficient Internal Audit work completed in these areas to date.

Key Area	Risk	Internal Audit's Inherent Risk Assessment Before Mitigating Controls Applied	Internal Audit's Risk Assessment Based on Evaluation of Mitigating Controls
Corporate Governance	Failure to have arrangements in place that specify the overall control environment and delegated authority across the whole Council.	High	Low
	Failure to comply with the requirements of the corporate governance arrangements including Financial Regulations, the Officers Scheme of Delegation, and other Council Policies.	High	Medium (due to compliance)

Key Area	Risk	Internal Audit's Inherent Risk Assessment Before Mitigating Controls Applied	Internal Audit's Risk Assessment Based on Evaluation of Mitigating Controls
Budget Setting	Failing to ensure that a sustainable budget is set which allows for delivery of a defined service including everything that will be required to deliver that service.	High	Low
Budget Monitoring	Failing to ensure that budgets are monitored with the involvement of Service staff involved in service provision.	Medium	Low
Budget Management	Failing to ensure that budgets are used only for service provision and are not spent because they exist.	Medium	Medium
	Failing to have outcome measures to demonstrate service provision.	Medium	TBC
	Failing to achieve Best Value / Value for Money.	High	Medium
Procurement	Failing to comply with procurement legislation.	High	Medium (due to compliance)
Payments	Failing to ensure that the correct suppliers are paid for services or goods supplied.	Low	Low
	Failing to ensure that payment of statutory benefits are controlled in accordance with legislative requirements.	High	Low
Payroll	Failing to ensure that employees are paid their basic pay correctly.	Medium	Low
	Failing to ensure that employees are paid allowances / enhancements correctly.	Medium	Medium (due to compliance)

Key Area	Risk	Internal Audit's Inherent Risk Assessment Before Mitigating Controls Applied	Internal Audit's Risk Assessment Based on Evaluation of Mitigating Controls
Income	Failing to collect statutory income (Council Tax, Business Rates, Housing Rent).	High	Low
	Failing to identify and recover sundry debts due to the Council.	Medium	Medium
	Failing to control cash income received.	Medium	Medium (based on limited testing)
Assets	Failing to ensure that assets are managed, recorded and protected.	Medium	Medium (based on limited testing)
Bond Governance	Failing to ensure that the Council has appropriate governance arrangements and practice to minimise the risk to the Council.	High	Low
	Failing to ensure compliance with the London Stock Exchange requirements.	High	Low
Cyber Security	Failing to have adequate arrangements in place to safeguard the Council's ongoing business arrangements.	High	Medium (due to dynamic nature of risk)
Health and Safety	Failing to have adequate arrangements in place to safeguard the Council's workforce and clients.	High	Medium
Business Operations	Failing to have appropriate measures in place to ensure that services are provided in accordance with regulatory requirements.	Medium	TBC

Internal Audit Plan 2020/21

Having considered the above issues, it has been determined that audits will be developed in the detailed Internal Audit plan to ensure that periodic assurance is provided over the following areas.

- Various aspects of procurement, payroll, and income collection will be reviewed on an annual basis.

- Various aspects of Budget Setting, Monitoring and Management will be covered across all Functions on a rolling basis over a three-year period.

- The main IT systems of the Council (Financial Ledger, Council Tax System, Business Rates, Receivables, Housing Rents, Payroll, Payables, Housing Benefit, Care First, etc) will each be covered once every four to five years.

- Main financial systems (eg Treasury Management, Bank Reconciliations, Payment of Housing Benefits / CTR, Housing Rent Collection, Council Tax / Business Rates Billing & Collection) will each be covered once every three to four years.

The above approach was confirmed in a report relating to Internal Audit Planning which was agreed by the Audit, Risk and Scrutiny Committee on 26 June 2018.

Area	2019/20	2020/21	2021/22	2022/23	2023/24
Procurement	X	X	X	X	X
Payroll	X	X	X	X	X
Income Collection	X	X	X	X	X
Various aspects of Budget Setting, Monitoring and Management	X	X	X	X	X
Main IT Systems – each system to be covered once in every four to five years	X	X	X	X	X
Main Financial Systems	X	X	X	X	X

Audits will be designed to cover specific key areas across Functions / Clusters or the Council, whilst Function / Cluster or location-oriented audits will also be undertaken to test a range of these areas. In doing so, assurance will be gained as to whether controls in place are operationally effective and efficient, and whether they are being complied with. Whilst undertaking audits, Internal Audit will consider opportunities to improve systems and processes, effect change and achieve value for money.

The outcome from all audits will feed into an overall evaluation of the Council's framework of governance, risk management and control, and compliance therewith.

ABERDEEN CITY COUNCIL – INTERNAL AUDIT PLAN 2020/21

(Incorporating Aberdeen City IJB and NESPF)

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PROCESS FOLLOWED IN DEVELOPING THE PLAN

All Chief Officers were requested to input to the planning process and offered a meeting with their management teams with a deadline of 31 October 2019.

Current versions of Risk Registers were obtained and analysed.

Internal Audit attended Extended Corporate Management Team on 14 November 2019 to describe the Internal Audit planning process and seek input to the plan for 2020/21. Outline suggestions were made by officers which have been considered and, in some cases, included in the plan or combined with other suggestions to form a more substantive review.

KPMG provided input to planning consideration.

Internal Audit Plan proposals submitted to CMT on 19 December 2019

Meetings offered to Vice-Convener of Audit Risk and Scrutiny Committee and Co-Leaders to discuss planning process and content in early January 2020

AREAS TAKEN FORWARD FOR CONSIDERATION FOR INCLUSION IN 2020/21 INTERNAL AUDIT PLAN

CROSS SERVICE

Area	Scope	Objective	Source	Target Committee Date
Financial Sustainability	Risk identified in Corporate RR Corp001	To provide assurance that the Controls and Assurance Actions detailed in the Corporate Risk Register are operating as expected in ensuring that the identified risk is adequately mitigated. Where controls have been examined by Internal Audit recently, assurance will be taken from that previous work.	Corporate RR Corp001	February 2021
Climate Change	Actions being taken by the Council to mitigate the effects of climate change as detailed in Corporate RR Corp 008	To provide assurance that the Council is taking appropriate measures to comply with its statutory obligations in addressing climate change and that progress is being monitored.	Corporate RR Corp008	December 2020
Vehicle Usage	Use of Council Vehicles	To provide assurance that adequate procedures are in place to effectively manage the Council's vehicle fleet. To include a review of non-business use, including the business case for such use and authorisation thereof. The review will also review procedures, and vehicle and driver records to ensure that appropriate arrangements are in place to safeguard the Council's goods vehicle operator's licence. This will include procedures relating to driver self-declarations and management controls relating to fitness to drive.	ECMT Operations RR O&PS 10	June 2020

Area	Scope	Objective	Source	Target Committee Date
Agency Staff	Procurement of Agency Staff by all Functions	To provide assurance that agency staff are being appointed through appropriate channels and that arrangements for their induction are robust. This will involve reviewing written procedures; authorisation of agency staff requests; procurement processes and agency staff induction. *(Links to Internal Audit Strategy to include aspects of Procurement in each year's Internal Audit plan.)*	Internal Audit	December 2020
Timesheets and Allowances	Timesheets and Allowances paid to Council staff including Craft Workers, but excluding Teachers	To provide assurance that payments are accurate and justified, and that improvements recommended in previous reviews have been fully implemented. *(Links to Internal Audit Strategy to include aspects of Payroll in each year's Internal Audit plan. The 2019/20 review of this area is identifying a higher number of errors and some issues with processes.)*	Internal Audit	May 2021

CUSTOMER

Area	Scope	Objective	Source	Target Committee Date
Housing	Waiting List and Allocations	To provide assurance that the Housing Waiting List is maintained efficiently and allocations are made in accordance with policy. *(Proposed for inclusion in 2019/20 Internal Audit Plan but removed following additional proposals from management. AR&SC was keen that this audit be included at that time.)*	Internal Audit	May 2021
Academy System	Control over Academy System used for Revenues and Benefits	To provide assurance over system controls (to include access controls, system security and backups, interfaces, business continuity and contingency plans). *(Links to Internal Audit strategy of including Main IT Systems in each year's plan with each system being reviewed once in every four to five years. This system has not been reviewed previously.)*	Internal Audit	October 2020

Area	Scope	Objective	Source	Target Committee Date
Teachers Payroll	Payments made via the Payroll System to Teachers	To provide assurance that all aspects of payroll administration are adequately controlled and that payment is being made accurately to bona fide employees. To cover new starts, change of circumstance, and leavers along with the payment of additional hours and allowances (previous review April 2016). *(Links to Internal Audit Strategy to include aspects of Payroll in each year's Internal Audit plan (not covered by proposed or previous audits of Timesheets and Allowances)).*	Internal Audit	December 2020
Housing Benefit and Council Tax Reduction	Housing Benefit and Council Tax Reduction	To provide assurance that entitlement is being calculated correctly based on appropriate documentary evidence and recorded accurately for subsidy purposes. *(Links to Internal Audit strategy of including main financial systems in each year's plan with each system being reviewed once in every three to four years. Previous review – July 2017).*	Internal Audit	February 2021

OPERATIONS

Area	Scope	Objective	Source	Target Committee Date
Health and Safety	Health and Safely arrangements within Operations and Protective Services	To provide assurance that appropriate processes are being employed in managing health and safety within the Cluster. This follows on from a corporate review and is intended to provide assurance that corporate processes are being employed in managing the risks. This review will also cover two aspects of public safety – water safety and cemetery headstones – to provide assurance that the Council has appropriate arrangements in place to mage these areas.	Corporate RR Corp002	May 2021
Recruitment	Recruitment of teachers	To provide assurance that appropriate processes are being employed in the recruitment of teaching staff and that arrangements are in place to address the risks identified in the Operations Risk Register (ICFS005).	Operations RR ICFS005	February 2021
Vehicle Replacement	Vehicle Replacement Policy and Procurement	To provide assurance that the Council has an appropriate vehicle replacement policy, and that procurement complies with policy and procurement regulations / governance. *(Links to Internal Audit Strategy to include aspects of Procurement in each year's Internal Audit plan.)*	Internal Audit	February 2021

Area	Scope	Objective	Source	Target Committee Date
School / Pupil Security	School Estate / Pupil Safety	To provide assurance that the Council has adequate arrangements regarding school security to include those in place to: • Control access to schools • Ensure that knives / weapons are not brought into schools • Know where pupils are during the school day • Escort vulnerable young people	ECMT	February 2021
Garden Waste Income	Payments through on-line payment option	To provide assurance that payments received through on-line only option are adequately managed and controlled.	ECMT	October 2020

RESOURCES

Area	Scope	Objective	Source	Target Committee Date
Treasury Management	Treasury Management	To provide assurance that the Council's Treasury Management procedures follow best practice and are being complied with. *(Links to Internal Audit strategy of including main financial systems in each year's plan with each system being reviewed once in every three to four years. Previous review – February 2017).*	Internal Audit	October 2020
Bank Reconciliations	Bank Reconciliations	To provide assurance that the Council's main bank accounts are reconciled on a regular and timely basis and that the methodology is robust. *(Links to Internal Audit strategy of including main financial systems in each year's plan with each system being reviewed once in every three to four years. Previous review – November 2016).*	Internal Audit	June 2020
Land and Property	Sale of Land and Property	To provide assurance over the processes in place for the sale of land and property assets. Review to include arrangements made for security of vacant properties.	Resources RR – CL02	February 2021
Capital Project Management	Capital Project Management	To provide assurance that the management and reporting of on-going capital projects is adequate and that appropriate post completion reviews are completed so that lessons learned can be recorded and acted upon.	Management	May 2021

Area	Scope	Objective	Source	Target Committee Date
Consilium System	Control over Consilium System (HRA Building maintenance System)	To provide assurance over system controls (to include access controls, system security and backups, interfaces, business continuity and contingency plans). *(Links to Internal Audit strategy of including Main IT Systems in each year's plan with each system being reviewed once in every four to five years. This system has not been reviewed previously.)*	Internal Audit	October 2020

GOVERNANCE

Area	Scope	Objective	Source	Target Committee Date
Licensing	Licensing Income	To provide assurance over the processes in place for controlling income from licensing applications. *(Links to Internal Audit Strategy to include aspects of income collection in each year's Internal Audit plan.)*	Internal Audit	December 2020

PLACE

Area	Scope	Objective	Source	Target Committee Date
Income	Planning and Building Standards fee income	To provide assurance that there are adequate systems in place to control fee income and that they are being complied with. *(Links to Internal Audit Strategy to include aspects of income collection in each year's Internal Audit plan.)*	Place RR SPP003 Internal Audit	February 2021
Interreg Projects	Interreg Projects where Aberdeen City Council is involved as a Lead Partner and / or Project Partner	To certify required grant claims in accordance with Programme Secretariat requirements: • ACE Retrofitting • BEGIN • Fuel Cell Cargo Pedelec (FCCP) • HeatNet • HECTOR / HyWAVE • HyTrEc2 • SCORE • Smart HY Aware *There will be no specific reporting to management and / or Audit, Risk and Scrutiny Committee in relation to these grant claims unless a significant issue is identified.*	Place RR CG001	Not applicable

HEALTH AND SOCIAL CARE PARTNERSHIP

Area	Scope	Objective	Source	Target Committee Date
Contributing to Your Care Policy	Contributing to Your Care Policy	To provide assurance that the Contributing to Your Care Policy has been implemented and that the requirements of the Policy are being complied with. This will include ensuring that adequate training has been provided and that progress is being made with completing new financial assessments for all clients based on the new Policy requirements. *(The inclusion of a review to provide assurance over progress with implementing the new Policy in the 2020/21 Internal Audit Plan was agreed at the Audit, Risk and Scrutiny Committee on 25 September 2019.)*	Management AR&SC	October 2020
Information exchange between Housing / IJB	Information exchange between Housing / IJB (Adult Protection)	To provide assurance regarding the flow of data regarding the customer journey through Council systems and consider possible misunderstandings relating to the requirements of GDPR.	Management	June 2020
Mental Health and Substance Abuse	Mental Health and Substance Abuse	To provide assurance that appropriate processes are in place to manage and record support arrangements and that expenditure is adequately controlled, including approval / management of discretionary support.	Management	December 2020
Bon Accord Care	Budget Monitoring to include monitoring of savings programme.	To provide assurance over Bon Accord Care's budget monitoring procedures including monitoring of savings programme.	Management	October 2020

ABERDEEN CITY INTEGRATION JOINT BOARD

Area	Scope	Objective	Source	Target Committee Date
Performance Management	Performance Management Reporting via the Tableau System	To provide assurance that data is robust and is reported accurately and timeously to the Board in order to provide an appropriate level of assurance regarding service performance and delivery of the IJB Strategic Plan.	Management	To be reported to the Aberdeen City Integration Joint Board Audit and Performance Systems Committee prior to the Audit, Risk and Scrutiny Committee

NORTH EAST OF SCOTLAND PENSION FUND

Area	Scope	Objective	Source	Target Committee Date
Pensions Payroll	Pensions payroll	To provide assurance that appropriate arrangements are in place to ensure the accuracy and appropriateness of payments made to scheme members. This will include testing of new and on-going pensions, and transfer and termination of pension payments.	NESPF RR 22 Internal Audit	To be reported to the Pensions Committee only.

GENERAL

Area	Scope	Objective	Source	Target Committee Date
Reporting to Audit Risk and Scrutiny Committee	Reporting Internal Audit outputs to Audit Risk and Scrutiny Committee	To report the outcome of Internal Audit assignments to the Audit Risk and Scrutiny Committee	Internal Audit	Each Meeting
Follow up of Agreed Recommendations	Recommendations agreed in final Internal Audit reports	To provide assurance (as required by the Public Sector Internal Audit Standards) to the Audit Risk and Scrutiny Committee that actions agreed in Internal Audit reports are completed within agreed timescales.	Internal Audit	Each Meeting
Additional Work and Investigations	Additional Work and Investigations as identified through Internal Audit work, requested by the Audit Risk and Scrutiny Committee, or requested by management	To provide an allocation of time as a contingency in relation to any additional work or investigation requests received. Any such requests may impact on progress with planned work.	Internal Audit	Each Meeting

ANALYSIS OF RISK REGISTERS: CONSIDERATION FOR 2020/21 INTERNAL AUDIT PLAN

Key

■■■	**No Previous IA Coverage**
■■■	**Some Previous IA Coverage**
■■■	**Previous IA Coverage as Detailed**
■■■	**Proposed Inclusion in 2020/21 IA Plan**

CORPORATE RISK REGISTER
As at 6 November 2019

Risk No.	Risk	Definition	CMT Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2020/21 Internal Audit Plan
Corp001	Financial Sustainability	The Council must deliver significant savings over the next five years and beyond to ensure continued financial sustainability. A transformation portfolio has been established with programmes of work to align finite financial resources to desired outcomes.	Fully Effective – 9 Partially Effective – 3 *Six Assurance Actions detailed in RR ranging from 20% to 80% complete.*	Budget Setting (May 2017) and Budget Monitoring (Nov 2016).	As the Council has undergone significant change since the audits referred to have been completed, it is proposed that a high-level audit covering the Controls and Assurance Actions detailed in the Risk Register is undertaken. Links to Internal Audit Strategy of including various aspects of Budget Setting, Monitoring and Management in each year's plan.
Corp002	Health and Safety Compliance	The council must comply with Health and Safety legislation to prevent harm to employees and/or members of the public	Fully Effective – 2 Partially Effective – 4 *Three Assurance Actions detailed in RR ranging from 70% to 92% complete.*	Health and Safety Arrangements (February 2019)	The 2019/20 Internal Audit plan referred to the fact that there was a corporate review of H&S being undertaken by Internal Audit and that this would help inform future Cluster specific reviews. Recommended improvements are due to be complete by July 2020 and it is proposed that a review of Health and Safety arrangements in a "higher risk" Cluster – Operations and Protective Services – be undertaken.

Risk No.	Risk	Definition	CMT Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2020/21 Internal Audit Plan
Corp003	Workforce of the future	The Council must ensure that it has a workforce with the capability and capacity to deliver our Strategic Outcomes	Fully Effective – 8 Partially Effective – 6 *Five Assurance Actions detailed in RR ranging from 25% to 75% complete.*	2019/20 Internal Audit Plan has a review of Workforce Planning that is due to be reported to the Audit, Risk and Scrutiny Committee in May 2020.	None
Corp004	Civil Contingencies	The Council must ensure that it puts in place adequate training, planning and testing for civil contingency events and other incidents	Full Effective – 4 Partially Effective – 4 *Five Assurance Actions detailed in RR ranging from 70% to 80% complete.*	Business Continuity Planning (Aug 2017). 2019/20 Internal Audit Plan has a review of Civil Contingencies that is due to be reported to the Audit, Risk and Scrutiny Committee in February 2020.	None
Corp005	Information Governance	Information governance protocols and processes do not provide the appropriate framework to facilitate optimum information management in support of decision making and resource allocation based on a Business Intelligence culture.	Fully Effective – 8 Partially Effective – 1 *Three Assurance Actions detailed in RR ranging from 19% to 100% complete.*	Public Records (Scotland) Act Compliance (Aug 2016). Data Protection (Sept 2016). GDPR (Sept 2018). 2019/20 Internal Audit Plan has a review of Information Governance that is due to be reported to the Audit, Risk and Scrutiny Committee in February 2020.	None

Risk No.	Risk	Definition	CMT Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2020/21 Internal Audit Plan
Corp006	Cyber Security	Cyber Security threats must be mitigated to protect the Council, its essential functions and customer data.	Fully Effective – 12 Partially Effective – 4 *Six Assurance Actions detailed in RR ranging from 50% to 100% complete.*	Major Business systems (Dec 2017). Data Security in a Cloud Based Environment (May 2019) Cyber Security (August 2019)	None
Corp007	Contract Management	There is a need to have effective contract management across the Council, undertaken by skilled staff working and working to a consistent and proportionate model.	Fully Effective – 4 Partially Effective – 3 *One Assurance Action detailed in RR 90% complete.*	Reports to AR&SC: February 2017 – 3rd Don Crossing and Gas Central Heating Contract, June 2017 – Photovoltaic Panels. National Care Home Contract (January 2019). Capital Contract Management (October 2019). 2019/20 Internal Audit Plan has a review of H&SCP Commissioned Services – Contract Monitoring that is due to be reported to the Audit, Risk and Scrutiny Committee in May 2020.	None

Risk No.	Risk	Definition	CMT Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2020/21 Internal Audit Plan
Corp008	Climate Change	ACC must comply with a duty under the Climate Change (Scotland) Act 2009, to reduce emissions to contribute to national targets, adapt to climate change in contribution to the national adaptation programme and report annually on this work. Climate change will increase the severity and frequency of severe weather events, in Aberdeen (heavy winter rainfall, flooding, a rise in sea level, reduction summer rainfall, higher temperatures).	Fully Effective – 2 Partially Effective – 5 *Nine Assurance Actions detailed in RR ranging from 25% to 95% complete.*	None	Proposed review to provide assurance that appropriate action is being taken by the Council to ensure that its statutory responsibilities are being addressed and that progress is being monitored.

COMMISSIONING RISK REGISTER
As at 7 November 2018

Risk No.	Risk	Definition	Function Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
Corp005	Information Governance	Information governance protocols and processes do not provide the appropriate framework to facilitate optimum information management in support of decision making and resource allocation based on a Business Intelligence culture.	Fully Effective – 5 Partially Effective – 1 *Four Assurance Actions detailed in RR ranging from 25% to 70% complete.*	Public Records (Scotland) Act Compliance (Aug 2016). Data Protection (Sept 2016). GDPR (Sept 2018). 2019/20 Internal Audit Plan has a review of Information Governance that is due to be reported to the Audit, Risk and Scrutiny Committee in February 2020.	See Corp005 in Corporate Risk Register.

COMMERCIAL AND PROCUREMENT

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
Corp007	Contract Management	There is a need to have effective contract management across the Council, undertaken by skilled staff working and working to a consistent and proportionate model.	Fully Effective – 2 Partially Effective – 4 *Four Assurance Actions detailed in RR ranging from 30% to 70% complete.*	Reports to AR&SC: February 2017 – 3rd Don Crossing and Gas Central Heating Contract, June 2017 – Photovoltaic Panels. National Care Home Contract (January 2019). Capital Contract Management (October 2019). 2019/20 Internal Audit Plan has a review of H&SCP Commissioned Services – Contract Monitoring that is due to be reported to the Audit, Risk and Scrutiny Committee in May 2020.	None

BUSINESS INTELLEGENCE AND PERFORMANCE MANAGEMENT

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
BIPM001	Negative external inspections	There is a risk that we fail to respond effectively, including with partner organisations, to external inspection and scrutiny	Fully Effective – 6 Partially Effective – 3	None	None
BIPM002	Community Planning is not effective	There is a risk that we fail to work with public services and communities to achieve improved outcomes	Effective – 2 Partially Effective – 4	None	None

CUSTOMER RISK REGISTER
As at 13 November 2019

CUSTOMER EXPERIENCE

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
CEXP001	Customer Experience Service Delivery	Risk to delivery of key front-line services in the event of failures of systems or processes	Fully Effective – 1 Partially Effective – 4 *No Control Actions detailed*	Business Continuity Planning (Aug 2017). Major Business systems (Dec 2017). Data Security in a Cloud Based Env (May 2019) Cyber Security (August 2019)	See Corp006 in Corporate Risk Register

DIGITAL AND TECHNOLOGY

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
DT001	Digital and Technology Service Delivery	The impact of IT service disruption on the ability of the Council to deliver key services to customers.	Fully Effective – 10 Partially Effective – 3 *No Control Actions detailed*	Business Continuity Planning (Aug 2017). Major Business systems (Dec 2017). Data Security in a Cloud Based Env (May 2019) Cyber Security (August 2019)	See Corp006 in Corporate Risk Register

EARLY INTERVENTION AND COMMUNITY EMPOWERMENT

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
EICE001	Universal Credit	Universal Credit full roll out may reduce tenancy sustainment and increase rent arrears and homeless applications.	Fully Effective – 3 Partially Effective – 4 *No Control Actions detailed*	Housing Rent Collection and Arrears (September 2019). Housing Rent – Management of Impact of UC (August 2018). Housing Support Budget (April 2018). Housing Rent Collection (April 2016)	None.
EICE002	Void Properties	Level of void properties affecting rental income and availability of homes available to let	Partially Effective – 3 *No Control Actions detailed*	Voids – Housing Repairs (November 2019)	None.
EICE003	Commissioning Intentions – Children and Young People	Failure to meet commissioning intentions may lead to increased demand on services	Effective – 4 Partially Effective – 3 *No Control Actions detailed*	Partially covered by 2019/20 planned audit of Social Work Commissioning	None.
EICE004	Commissioning Intentions – Adults	Failure to meet commissioning intentions may lead to increased demand on services	Effective – 4 Partially Effective – 3 *No Control Actions detailed*	Partially covered by 2019/20 planned audit of Social Work Commissioning	None.

OPERATIONS RISK REGISTER
As at 6 November 2019

INTEGRATED CHILDREN'S AND FAMILY SERVICES

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
ICFS002	Performance management arrangements are not robust	Performance management supports an effective compliance culture and change and continual improvement processes.	Fully Effective – 2 Partially Effective – 2 *No Control Actions detailed*	2019/20 Internal Audit Pan has a review of Performance Management that is due to be reported to the Audit, Risk and Scrutiny Committee in May 2020.	None.
ICFS005	Service delivery is hindered by staff recruitment and retention issues	The quality of the workforce is key to the delivery of high quality services and to implementing the transformation and improvement agendas. With high staff vacancies the pace of change may be slowed and more pressure put on the staff in post.	Fully Effective – 4 *No Control Actions detailed*	November 2015 – IA Report AC1601 – Council wide "Recruitment and Selection"	See Corp003 – Cross Service review of Workforce Planning Proposed review of teacher recruitment process in view of reported difficulties in this area.

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
ICFS007	Growing demographic demands result in service delivery pressures	Services are increasingly delivering to a greater number of looked after and accommodated children and to a greater number of school aged pupils.	Fully Effective – 3 Partially Effective – 1 *No Control Actions detailed*	December 2017 – IA Report AC1815 – Pre-school Commissioned Places. April 2018 – IA Report AC1826 – Out of Authority Placements	None
ICFS008	Financial planning is not robust	The Council faces continuing and increasing pressure to deliver services in an environment of reducing financial resources. Robust financial planning is essential to ensure that high class services are delivered to the citizens of Aberdeen.	Fully Effective – 4 Partially Effective – 1 *No Control Actions detailed*	May 2017 – IA Report AC1719 "Revenue Budget Setting" "Partially Effective" control relates to DEM Scheme which was reported on by Internal Audit in November 2018 (report AC1903).	See Corp001 in Corporate Risk Register

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
ICFS009	Major CareFirst systems failure	Secure, well-functioning IT systems are critical to carrying out statutory Education and Children's Social Work functions.	Fully Effective – 1 Partially Effective – 2 *No Control Actions detailed*	November 2016 – IA Report AC1709 "Care First System" October 2017 – Draft IA Report AC1810 "Major IT Business Systems"	Proposed review of controls over the CareFirst System to incorporate the accuracy of financial forecasting at year-end from data held within the system. Links to Internal Audit strategy of including Main IT Systems in each year's plan with each system being reviewed once in every four to five years.
ICFS010	Failure to deliver statutory obligations for early learning and childcare	Local authorities are required to deliver 600 hours per year of early learning and childcare for all 3 & 4 year olds and 27% of eligible 2 year olds and by 2020 this will increase to 1,140 per year by 2020.	Fully Effective – 2 Partially Effective – 3 *No Control Actions detailed*	December 2017 – IA Report AC1815 – Pre-school Commissioned Places 2016/17 IA Plan which included consideration of plans in place to deliver the Scottish Government's expansion in early education and childcare which comes into force in August 2020	None
ICFS011	Unaccompanied Asylum Seeking Children	UK Government keen for the dispersal of UASC from two English authorities to other parts of Country to allow for more equal distribution	Fully Effective – 2 Partially Effective – 2 *No Control Actions detailed*	None	None

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
ICFS012	Foster Carers being granted employment status.	Following a Court judgement in England this called into question the employment status of certain foster carers. Full implications of this judgement as it applies in Scotland is still to be determined.	Fully Effective – 2

No Control Actions detailed | None | None |
| ICFS014 | Increase in School Roll | There is a cost pressure of £500,000 resulting from an increase in school roll | Partially Effective – 3 Not Yet Effective – 1

No Control Actions detailed | None | None |
| ICFS015 | Major SEEMIS systems failure | Secure, well-functioning IT systems are critical to carrying out statutory Education functions. | Fully Effective – 2 Partially Effective – 4

No Control Actions detailed | 2019/20 Internal Audit Plan has a review of the SEEMIS System that is due to be reported to the Audit, Risk and Scrutiny Committee in February 2020. | None |

OPERATIONS AND PROTECTIVE SERVICES

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
O&PS001	Commodities market fluctuations	Commodities market fluctuations for Recyclate and RDF and impact of Deposit Return Scheme (DRS). Fluctuation in commodities markets impacting on budgets	Partially Effective – 4 Not assessed – 1 *No Control Actions detailed*	None	None
O&PS002	Brexit – Trans-frontier shipment of waste	End/delay of transfrontier shipment of waste within EU	Partially Effective – 2 Not assessed – 3 *No Control Actions detailed*	None	None
O&PS003	End of existing Suez Waste Management Contract	Impact of current contract coming to an end without a suitable replacement service in place	Fully Effective – 1 Partially Effective – 3 *No Control Actions detailed*	None	None
O&PS004	Failure of sea defences	Failure of sea defences within ACC's remit	Fully Effective – 2 Effective – 2 *No Action detailed in RR.*	None	None

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
O&PS005	Sustainable Urban Drainage System (SUDS) Section 7	Increased costs to ACC due to change in Policy by Scottish Water	Effective – 3 *No Action detailed in RR.*	None	None
O&PS006	Inability to respond to flooding and Winter incident	The Council must be aware and plan for and respond to Flooding instances across the City	Not Assessed – 3 *No Action detailed in RR.*	None	None
O&PS007	Reduction in partnership / collaboration working	Reduction in joint working with internal/external resources and Environmental Services	Fully Effective – 1 Partially Effective – 3 *No Action detailed in RR.*	None	None
O&PS008	Food Growing	*No page in RR covering this risk*	*No page in RR covering this risk*	N/A	None
O&PS009	Loss of UKAS accreditation	The Laboratory losing, temporarily, its external UKAS accreditation following findings raised at either an annual, or unannounced UKAS visit	Fully Effective – 5 *No Action detailed in RR.*	None	None

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
O&PS010	Loss of operator's licence	Effect of services inability to use goods vehicles through loss of operator's licence	Fully Effective – 4 *No Action detailed in RR.*	April 2016 – IA Report AC1618 – Vehicle and Driver Records. March 2017 – IA Report AC1720 - Vehicles	Proposed review to provide assurance that arrangements in place to mitigate the risk of loss of operator's licence are adequate
O&PS011	Fuel shortage	Fuel Shortage and rising costs leading to loss service	Fully Effective – 4 Partially Effective – 1 *No Action detailed in RR.*	None	None

RESOURCES RISK REGISTER
As at 6 November 2019

FINANCE

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
Fin001	Failure to deliver key services in the event of failures of plans, capabilities, systems and processes	Failure to deliver key services in the event of failures of plans, capabilities, systems and processes	Effective – 2 Partially Effective – 4 *Four Control Actions detailed in RR ranging from 30% to 50% complete.*	Budget Setting (May 2017) and Budget Monitoring (Nov 2016) have been reviewed. Various other audits that have reviewed compliance with Financial Regulations, etc.	See Corp001 in Corporate Risk Register There will be elements of financial compliance testing in various proposed audits which will be testing systems and processes.

CAPITAL
As at 9 January 2019

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
CP001	That management failures / slippage in the delivery of capital projects / failure to secure and or retain funding from external sources, impacts negatively on the Council's financial stewardship.	Failure to deliver a particular project could have an adverse impact on LOIP expectations, and could have an adverse impact on any external funding opportunities.	Partially Effective – 6 *No Action detailed in RR.*	February 2018 – Capital Contracts (AC1819.	None
CP002	Lack of staff resources which impacts on the delivery of capital projects	Failure to deliver the Council's strategic and capital planning priorities within time scale is a highly significant risk to the expectations as set out within the LOIP. Failure to deliver a particular project due to staff resource issues will have an adverse impact on LOIP expectations.	Partially Effective – 5 *No Action detailed in RR.*	None	See Corp003

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
CP003	Budget allocations within approved Outline Business Cases of projects are insufficient for project development / construction and any associated future maintenance obligations	Any significant changes following the review of a project may have an adverse impact on the LOIP expectations. For example, any forecast increase in costs may impact on the funding allocation of other projects across the whole portfolio.	Partially Effective – 6

No Action detailed in RR. | February 2018 – Capital Contracts (AC1819)

Capital Contract Management (October 2019). | None |

PEOPLE AND ORGANISATION
As at 23 January 2019

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
N/A	Risk to delivery of key services in the event of failures of systems, processes or capabilities.	Risk to delivery of key services in the event of failures of systems, processes or capabilities.	Partially Effective – 4 *Five Control Actions detailed in RR ranging from 0% to 80% complete.*	August 2017 – Business Continuity Planning 2019/20 Internal Audit Plan has a review of Workforce Planning that is due to be reported to the Audit, Risk and Scrutiny Committee in May 2020.	None

CORPORATE LANDLORD
As at 9 January 2019

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
Corp012	Non-compliance with Statutory Compliance with Council properties	The Council is required by law to safeguard its employees and members of the public to ensure their health and safety through effective implementation statutory maintenance and compliance checks such as asbestos management plans, gas safety certification legionella testing etc.	Partially Effective – 5 *No Action detailed in RR.*	September 2017 – Corporate Landlord Responsibilities (AC1806)	None
CL02	Delivery of Capital and Revenue Income	The Cluster has income targets around capital and revenue income.	Partially Effective – 5 *No Action detailed in RR.*	None	Sale of land and Property – in IA Proposals
CL03	Delivery of asset valuation	Failure to complete the asset valuation which is required for the council financial accounts purposes	Partially Effective – 3 *No Action detailed in RR.*	August 2018 – Fixed Asset Register (AC1823)	None

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
CL04	Inadequate Asset management planning	Resources not being allocated appropriately and efficiently if asset management plans are not in place and robust	Partially Effective – 5 Not Effective – 1

No Action detailed in RR. | February 2018 – Capital Contracts (AC1819)

Capital Contract Management (October 2019). | None |

PLACE RISK REGISTER
As at 6 November 2019

STRATEGIC PLACE PLANNING

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
SPP001	Failure to deliver key strategic plans – staff and process restructuring risks	Failure to deliver key strategic plans – staff and process restructuring risks	Effective – 2 Partially Effective – 1 *Three Control Actions detailed in RR, all 60% complete.*	None	None
SPP002	Failure to manage relationships with partners and stakeholders	Failure to manage relationships with partners and stakeholders	Effective – 2 *Two Control Actions detailed in RR, both at 60% complete.*	None	None
SPP003	Failure to maximise funding opportunities and achieve projected fee income	Failure to maximise funding opportunities and achieve projected fee income	Effective – 2 *Two Control Actions detailed in RR, both at 60% complete.*	None	Proposed review of Planning and Building Standards fee income. Links to Internal Audit strategy of including Income Collection in each year's plan.

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
SPP004	That SPP development, transport and natural environment decisions fail to support the delivery of low emission and resilient places. That SPP fails to ensure compliance with the Climate Change (Scotland) Act 2009.	That SPP development, transport and natural environment decisions fail to support the delivery of low emission and resilient places. That SPP fails to ensure compliance with the Climate Change (Scotland) Act 2009.	Partially Effective – 5 *Five Control Actions detailed in RR ranging from 20% to 85% complete.*	None	See CORP008 – Climate Change – in Corporate Risk Register

CITY GROWTH

Risk No.	Risk	Definition	Cluster Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
CG001	Failure to maximise funding opportunities resulting in the vision for the City of Aberdeen not being realised	Failure to maximise funding opportunities resulting in the vision for the City of Aberdeen not being realised	Effective – 3 Partially Effective – 1 *Four Control Actions detailed in RR ranging from 50% to 100% complete.*	None – other than acting as "First Level Controller" in relation to European Interreg Projects.	Allocation of time to undertake First Level Controller work in relation to the following projects: • ACE Retrofitting • BEGIN • FCCP • HECTOR / HyWAVE • HeatNet • HyTrEc2, • SCORE • Smart HY Aware There will be no routine reporting to Committee unless significant control issues are identified.
CG002	Oil price fluctuation resulting in economic uncertainty and lower investor confidence	Oil price fluctuation resulting in economic uncertainty and lower investor confidence	Effective – 3 *Four Control Actions detailed in RR ranging from 60% to 75% complete.*	None	None
CG003	Brexit threat to the economy of Aberdeen	Brexit threat to the economy of Aberdeen	Effective – 1 Partially Effective – 2 *Three Control Actions detailed in RR ranging from 40% to 80% complete.*	None	None

ABERDEEN CITY HEALTH AND SOCIAL CARE PARTNERSHIP
RISK REGISTER
as at 12 November 2019

Risk No.	Risk Definition	Function Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
1	There is a risk that there is insufficient capacity in the market (or appropriate infrastructure in-house) to fulfil the IJB's duties as outlined in the integration scheme. This includes commissioned services and general medical services.	N/A	Review of National Care Home Contract in 2018/19	None
2	There is a risk of financial failure, that demand outstrips budget and IJB cannot deliver on priorities, statutory work, and projects an overspend.	N/A	Review of budget setting and monitoring in 2018/19	None
3	There is a risk that the outcomes expected from hosted services are not delivered and that the IJB does not identify non-performance through its systems. This risk relates to services that Aberdeen IJB hosts on behalf of Moray and Aberdeenshire, and those hosted b those IJBs and delivered on behalf of Aberdeen City.	N/A	None	Monitoring of hosted services

Risk No.	Risk Definition	Function Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
4	There is a risk that relationship arrangements between the IJB and its partner organisations (Aberdeen City Council & NHS Grampian) are not managed to maximise the full potentials of integrated & collaborative working. This risk covers the arrangements between partner organisations in areas such as governance; corporate service; and performance.	N/A	Health & Social Care Integration AC1609 January 2016; Post Integration Review AC1724 September 2017	None
5	There is a risk that the IJB, and the services that it directs and has operational oversight of, fail to meet both performance standards/outcomes as set by regulatory bodies and those locally-determined performance standards as set by the board itself. This may result in harm or risk of harm to people.	N/A	Post Integration Review AC1724 September 2017	None
6	There is a risk of reputational damage to the IJB and its partner organisations resulting from complexity of function, delegation and delivery of services across health and social care.	N/A	Post Integration Review AC1724 September 2017	None
7	Failure to deliver transformation at a pace or scale required by the demographic and financial pressures in the system.	N/A	December 2017 – IA Report AC1807 – Transformational Funding	
8	There is a risk that the IJB does not maximise the opportunities offered by locality working.	N/A	2018/19 review of New Models of Delivery / Co-location of Staff	None

Risk No.	Risk Definition	Function Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
9	There is a risk of failure to recruit and that workforce planning across the Partnership is not sophisticated enough to maintain future service deliver	N/A	November 2015 – IA Report AC1601 – Council wide "Recruitment and Selection" Cross Service review of Workforce Planning in 2019/20	See Corp003 – Cross Service review of Workforce Planning
10	There is a risk that ACHSCP is not sufficiently prepared to deal with the impacts of Brexit on areas of our business, including affecting the available workforce and supply chain.	N/A	None	None

NORTH EAST OF SCOTLAND PENSION FUND RISK REGISTER
as at 29 November 2019

Risk No.	Risk	Definition	NESPF Control Effectiveness Assessment	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
1	Lack of effective risk controls	Failure to implement risk management framework could result in operational, financial and reputational issues	Pension Fund Risk Register is reviewed and updated by management, and considered by Committee quarterly	Audit of Pensions Governance & Risk Management (March 2019)	None
2	Poor Governance	Lack of a robust and effective governance framework and suitable policies/procedures could create regulatory compliance issues, inability to determine policies and make effective decisions leading to poor service delivery and reputational risk	The Fund has in place an annual review of its governance statement and supporting policies and procedures, adherence to Council's Scheme of Governance, and a new Committee Effectiveness report to support good governance.	2018/19 audit of Pensions Governance & Risk Management AC1725 Pension Fund Payroll October 2017; AC1620 Pensions Investment Strategy & Management May 2016.	None
3	Lack of Performance Measures	Failure to develop performance reporting framework may result in a lack of transparency and poor performance could go unaddressed.	The Fund has in place both statutory and local KPI's, the Pension Administration Strategy is published quarterly, investment performance (against benchmark) is reported to Committee quarterly.	Looked at partly in AC1620 Pensions Investment Strategy & Management May 2016 (reporting of fund managers' performance)	None

Risk No.	Risk	Definition	NESPF Mitigating Controls	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
4	Failure of Pensions Committee and Pension Board to operate effectively	Poor attendance / commitment to role, high turnover of members, lack of training may result in non-compliance with regulatory requirements, inability to make decisions or policies, and reputational risk.	Publication of Pension Board Annual Report, training policy reviewed annually and training register in place, nomination and appointment procedure, and a new Committee Effectiveness report introduced.	Partially covered (training) in 2018/19 review of Pensions Governance	Review of annual reports as reported to Committee – no specific IA reporting.
5	Operational disaster, unable to access the workplace	A major incident / natural disaster could result in loss Service delivery and loss of service delivery, staff downtime.	ACC Disaster Recovery Policy in place, NESPF Business Continuity Plan to address loss / disruption to benefit administration system	ACC Business Continuity Planning (Aug 2017).

ACC 2019/20 Internal Audit Plan has a review of Civil Contingencies that is due to be reported to the Audit, Risk and Scrutiny Committee in February 2020. | See Corp004 in Corporate Risk Register |

Risk No.	Risk	Definition	NESPF Mitigating Controls	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
6	Failure to recruit, retain and develop staff	Limited pool of resources / competition with private sector, lack of training / development opportunities, resource drain from wider priorities could result in loss of Service delivery and risk to succession planning.	Individual staff training plans reviewed annually, training register in place, training staff and programme in place, future focused staffing structure subject to ongoing review.	ACC 2019/20 Internal Audit Plan has a review of Workforce Planning that is due to be reported to AR&SC in May 2020.	See Corp003 in ACC Corporate Risk Register
7	Pay and price inflation valuation assumptions either higher or lower	Economic factors could result in a potential increase in employer contribution rates and liabilities.	Funding updates reported to Committee quarterly (using FSM), tri-ennial valuation, individual employer contribution rates.	Audit of Pensions Investment Strategy & Management (May 2016) Planned audit of Investment Strategy and Performance in 2019/20	None
8	Failure to adhere to relevant pensions legislation and guidance	Political and legislative changes, increased administrative complexity, and staff training issues could result in audit criticism, legal challenge, reputational risk, financial loss / penalties	Six monthly compliance review and annual report to Committee, active participation at LGPS events, Testing Working Party for administrative software updates, established process for staff training, regular benefit admin team meetings to share knowledge.	Audit of Pensions Governance & Risk Management (March 2019)	None

Risk No.	Risk	Definition	NESPF Mitigating Controls	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
9	Failure to comply with FOI or SAR requests	Missed statutory deadlines due to training or resource issues could result in audit criticism, legal challenge, reputational risk	Internal written procedures in place, FOI / SAR log to record and monitor	None	None
10	Conflicts of Interest	Competing professional and personal interests of staff, Committee and Board members could result in audit criticism, legal challenge, reputational risk	Regular discussions between CO-Finance and Pension Fund Manager. Standing item at meetings. Conflicts policy and register in place with conflicts declared annually.	Audit of Pensions Governance & Risk Management (March 2019)	None
11	Requirement to complete GMP reconciliation	End of contracting out due to reforms of state pension could result in failure to calculate future benefits correctly, audit criticism, financial loss	Dedicated GMP project team reporting to Operations Manager and regular updates to Committee and Board.	None	None
12	Fraud/Negligence	Dishonesty or human error by staff, Scheme members could result in overpayment / unauthorised payments, system corruption, audit criticism, legal challenge, reputational risk	Segregation of duties for staff authorising / submitting lump sum payments, pension payments signed off by benefits senior, participation in National Fraud Initiative exercise, overseas pensioner existence checking, Breaches Policy and register, Internal Audit control reviews.	Audit of Pensions Payroll (October 2017).	None

Risk No.	Risk	Definition	NESPF Mitigating Controls	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
13	Insufficient assets to meet the Fund's long term liabilities	Failure of investment strategy or fund managers to produce expected returns could result in increase in employer contribution rates, investment risk, audit criticism, legal challenge, and financial loss	Quarterly assessment of investment performance and funding updates, tri-ennial valuation and investment strategy review, diversification of assets, due diligence of fund managers, external advisor for specialist guidance on strategy.	Audit of Pensions Investment Strategy & Management (May 2016) Planned audit of Investment Strategy and Performance in 2019/20	None
14	Failure to monitor investment managers and assets	Lack of internal procedures could result in audit criticism, legal challenge and reputational risk	Quarterly assessment and reporting of asset performance and regular meetings with investment managers	Audit of Pensions Investment Strategy & Management (May 2016) Planned audit of Investment Strategy and Performance in 2019/20	None
15	Failure of work stock markets	Increase in employer contribution rates, financial loss	Diversification of scheme assets, tri-ennial valuation and investment strategy review	Audit of Pensions Investment Strategy & Management (May 2016) Planned audit of Investment Strategy and Performance in 2019/20	None

Risk No.	Risk	Definition	NESPF Mitigating Controls	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
16	Negligence / fraud / default	Dishonesty by fund managers, lack of care or human error could result in financial loss, reputational damage	Due diligence on appointment and appropriate clause in legal agreements, fund management monitoring, SAS 70 reports	Audit of Pensions Investment Strategy & Management (May 2016) Planned audit of Investment Strategy and Performance in 2019/20	None
17	Failure of Global Custodian	Financial market crisis, regulatory / political could result in loss of assets or control of assets	Regular meetings with custodian, receipt of SAS 70 reports and monitoring	Audit of Pensions Investment Strategy & Management (May 2016) Planned audit of Investment Strategy and Performance in 2019/20	None
18	Failure to fulfil fiduciary duties with appropriate regard to ESG responsibilities	Lack of skills / knowledge, lack of transparency on practices or clear policy could result in reputational damage	Member training on roles and fiduciary duties and Policy incorporated within SIP.	Partially covered (training) in 2018/19 review of Pensions Governance.	None
19	Poor financial reporting	Lack of internal policies and procedures, failure to keep up to date with changes in the Code of Practice and other overriding changes, training issues could result in qualified accounts	Comprehensive policies and procedures in place and review of the *Code*, attending CIPFA meeting and reviews, regular reconciliations eg fund managers, custodian, Internal and External audits.	None	None. This would be picked up by external audit.

Risk No.	Risk	Definition	NESPF Mitigating Controls	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
20	Failure to secure and manage personal data in line with Data Protection requirements	Cyber-attack, human processing error could result in audit criticism, legal challenge, reputational risk, financial penalties	Annual information governance training for staff, policies and procedures in place and reviewed regularly (Breaches, Data Protection, Systems Access and Retention Schedule), secure physical storage measures, admin system providers implement range of protections against cyber threats including encryption, firewalls, annual 3rd party penetration testing etc	Public Records (Scotland) Act Compliance (Aug 2016). Data Protection (Sept 2016). GDPR (Sept 2018). 2019/20 Internal Audit Plan has a review of Information Governance that is due to be reported to the Audit, Risk and Scrutiny Committee in February 2020.	See Corp005 in Corporate Risk Register.
21	Failure of the Fund's administration system	Outages, hardware and software failures and cyber-attacks could result in staff downtime, loss of service delivery	The administration system is hosted externally with back-up in separate location, regular software updates, business continuity plan in place.	Audit of Pensions System (March 2018).	None
22	Failure to track member status and trace information	Poor record keeping could result in incorrect pension payments made, incorrect assessment of actuarial liabilities, tPR action.	Tracing Service in place (ATMOS), use of "Tell Us Once" service, data quality improvement plan in place including measures to trace, existing checking.	Audit of Pensions Payroll (October 2017).	Proposed review of Payroll to test calculation and payment of new and on-going pensions, and transfer and termination of pension payments.

Risk No.	Risk	Definition	NESPF Mitigating Controls	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
23	Failure to monitor employer covenant	Failure of internal procedures could result in orphaned liabilities falling on remaining employers.	Continued implementation of Covenant Assessment and Monitoring Policy (within FSS)	None	None
24	Changes in early retirement strategies by employers	Public service cuts to funding could result in pressure on cash flows	Management through Covenant Assessment and Monitoring Policy (within FSS)	None	None
25	Employers leaving Scheme / closing to new members	Public service cuts to funding, increased pension contribution costs could result in orphaned liabilities falling to remaining employers	Management through Covenant Assessment and Monitoring Policy (within FSS), Cost Cap mechanism introduced in LGPS regulations	None	None
26	Longevity	Increasing life expectancy rates could result in increase in employer contribution rates and liabilities	Tri-ennial valuation undertakes scheme specific analysis including review of life expectancy/mortality assumptions which are set with some allowance for increases	None	None
27	Employer contributions not received, collected or recorded accurately	Lack of staff resources, training issues could result in orphaned liabilities falling to remaining employers	Internal escalation procedures, Breaches Policy and register, monthly data submission reconciled by ERT, quarterly PAS reporting to Committee & Board, ongoing training provided by dedicated ERT to Scheme employers	Audit of Pensions System (March 2018).	None

Risk No.	Risk	Definition	NESPF Mitigating Controls	Previous Internal Audit Coverage	Proposed Inclusion in 2019/20 Internal Audit Plan
28	Failure to maintain member records; data incomplete or inaccurate	Lack of staff resources, training issues could result in incorrect pension payments made, incorrect assessment of actuarial liabilities, reputational damage, TPR action	Monthly data from employers which is reconciled by ERT, quarterly PAS reporting to Committee & Board, data quality improvement plan implemented	Audit of Pensions System (March 2018).	None

MANAGEMENT PROPOSALS NOT COVERED BY RISK REGISTERS

Key

	Proposed Inclusion in IA Plan
	Proposed No Specific Inclusion in IA Plan
	Further Information Required

EXTENDED CORPORATE MANAGEMENT TEAM

Area	Scope	Objective	Internal Audit Comment
School / Pupil Security	School Estate / Pupil Safety	To provide assurance that the Council has adequate arrangements regarding school / pupil security to include those in place to: • Control access to schools • Ensure that knives / weapons are not brought into schools • Know where pupils are during the school day • Escort vulnerable young people	Propose including in plan.
Garden Waste Income	Payments through on-line payment option	To provide assurance that payments received through on-line only option are adequately managed and controlled.	Propose including in plan.
Vehicle Usage	Use of Council Vehicles	To provide assurance that adequate procedures are in place to effectively manage the Council's vehicle fleet. To include a review of non-business use, including the business case for such use and authorisation thereof. This will include procedures relating to driver self-declarations and management controls relating to fitness to drive.	Propose including in plan.
CareFirst	CareFirst Data	To provide assurance from a financial perspective regarding commitments / financial monitoring. The system is due to be replaced in the coming years and this review will help identify weaknesses that need to be considered in commissioning a replacement system.	Following further discussion, management decided that a management review of the system prior to re-commissioning would be adequate

Area	Scope	Objective	Internal Audit Comment
Information exchange between Housing / IJB	Information exchange between Housing / IJB (Adult Protection)	To provide assurance regarding the flow of data regarding the customer journey through Council systems and consider possible misunderstandings relating to the requirements of GDPR.	Propose including in plan.
Public Safety	Water safety and safety relating to cemetery headstones	To provide assurance that the Council has adequate arrangements in place to manage these aspects of public safety.	Propose inclusion in Operations and Protective Services review of Health and Safety.
Financial Inclusion Team	Accreditation under Scottish National Standards for Information and Advice Providers: A Quality Assurance Framework.	A recent review completed by the Scottish National Standards for Information & Advice Providers (SNSIAP) recommended that an independent review and evaluation is undertaken at least once every three years which considers the relevance, efficiency and effectiveness of the advice service. The Service has requested that Internal Audit undertake such a review in 2020/21 for the following reasons: • At reaccreditation, the Council may not obtain accreditation, and • If the Council requires other funded projects to adhere to the standards it could have an impact on the organisation's credibility. SNSIAP has stated that such an independent review could be carried out by a senior member of staff who is not directly involved in the Financial Inclusion Team.	It has been agreed that an independent senior manager will undertake the necessary review of this area.

HEALTH AND SOCIAL CARE PARTNERSHIP

Area	Scope	Objective	Internal Audit Comment
Contributing to Your Care Policy	Contributing to Your Care Policy	To provide assurance that the Service is adhering to legal and procedural requirements, that eligibility criteria is being applied appropriately, and to compare against best practice. Review to include consideration of data flow regarding the customer journey through Council systems and consider whether data sharing arrangements comply with the requirements of GDPR. *(The inclusion of a review to provide assurance over progress with implementing the new Policy in the 2020/21 Internal Audit Plan was agreed at the Audit, Risk and Scrutiny Committee on 25 September 2019.)*	Propose including in plan.
Adult Support & Protection	Adult Support & Protection	To provide assurance that the Service is adhering to legal and procedural requirements, that eligibility criteria is being applied appropriately, and to compare against best practice.	Following further discussion, it was agreed that this falls within the remit of the Care Inspectorate.
Mental Health and Substance Abuse	Mental Health and Substance Abuse	To provide assurance that appropriate processes are in place to manage and record support arrangements and that expenditure is adequately controlled, including approval / management of discretionary support.	Propose including in plan.
Learning Disabilities	Learning Disabilities	To provide assurance that appropriate processes are in place to manage and record support arrangements and that expenditure is adequately controlled.	Not included in plan as management re-considered impact of the number of suggested reviews on same group of staff.

INTEGRATION JOINT BOARD

Area	Scope	Objective	Internal Audit Comment
Integration Scheme	Integration Scheme	To provide assurance that the planned review of the Integration Scheme is completed appropriately.	Assurance will be provided by Scottish Government sign-off of scheme.

INTERNAL AUDIT PROPOSALS NOT COVERED BY RISK REGISTERS

Key

	Proposed Inclusion in IA Plan

CROSS SERVICE

Area	Scope	Objective
Timesheets and Allowances	Timesheets and Allowances paid to Council staff	The 2019/20 review of this area identified a higher number of errors and some issues with processes. In view of this it is proposed that a further review be completed to provide assurance that payments are accurate and justified, and that improvements recommended in previous reviews have been fully implemented. Links to Internal Audit Strategy to include aspects of Payroll in each year's Internal Audit plan.
Agency Staff	Agency Staff	To provide assurance that agency staff are being appointed through appropriate channels and that arrangements for their induction are robust. This will involve reviewing written procedures; authorisation of agency staff requests; procurement processes and agency staff induction. Links to Internal Audit Strategy to include aspects of Procurement in each year's Internal Audit plan. *(This area was last reviewed by Internal Audit in February 2017 and there were issues relating to compliance procurement regulations and governance.)*

CUSTOMER

Area	Scope	Objective
Housing	Waiting List and Allocations	To provide assurance that the Housing Waiting List is maintained efficiently and allocations are made in accordance with policy. *(Proposed for inclusion in 2019/20 Internal Audit Plan but removed following additional proposals from management. AR&SC was keen that this audit be included at that time.)*
Housing Benefit and Council Tax Reduction	Housing Benefit and Council Tax Reduction	To provide assurance that entitlement is being calculated correctly based on appropriate documentary evidence and recorded accurately for subsidy purposes (previous review – July 2017).
Academy System	Control over Academy System used for Revenues and Benefits	To provide assurance over system controls, business continuity and contingency plans. Links to Internal Audit strategy of including Main IT Systems in each year's plan with each system being reviewed once in every four to five years. This system has not been reviewed previously.

OPERATIONS

Area	Scope	Objective
Teachers Payroll	Payments made via the Payroll System to Teachers	To provide assurance that all aspects of payroll administration are adequately controlled and that payment is being made accurately to bona fide employees. To cover new starts, change of circumstance, and leavers along with the payment of additional hours and allowances (previous review April 2016). Links to Internal Audit Strategy to include aspects of Payroll in each year's Internal Audit plan (not covered by proposed audit of Timesheets and Allowances).
Vehicle Replacement	Vehicle Replacement Policy and Procurement	To provide assurance that the Council has an appropriate vehicle replacement policy, and that procurement complies with policy and procurement regulations / governance. Links to Internal Audit Strategy to include aspects of Procurement in each year's Internal Audit plan.

RESOURCES

Area	Scope	Objective
Land and Property	Sale of Land and Property	To provide assurance over the processes in place for the sale of land and property assets. *(Proposed for inclusion in 2019/20 Internal Audit Plan but removed following additional proposals from management.)*
Treasury Management	Treasury Management	To provide assurance that the Council's Treasury Management procedures follow best practice and are being complied with (previous review – February 2017).
Bank Reconciliations	Bank Reconciliations	To provide assurance that the Council's main bank accounts are reconciled on a regular and timely basis and that the methodology is robust (previous review – November 2016).
Consilium System	Control over Consilium System used for Revenues and Benefits	To provide assurance over system controls, business continuity and contingency plans. Links to Internal Audit strategy of including Main IT Systems in each year's plan with each system being reviewed once in every four to five years. This system has not been reviewed previously.

GOVERNANCE

Area	Scope	Objective
Licensing	Licensing Income	To provide assurance over the processes in place for controlling income from licensing applications. Links to Internal Audit strategy of including Income Collection in each year's plan.

Area	Scope	Objective
Reporting to Audit Risk and Scrutiny Committee	Reporting Internal Audit outputs to Audit Risk and Scrutiny Committee	To report the outcome of Internal Audit assignments to the Audit Risk and Scrutiny Committee
Follow up of Agreed Recommendations	Recommendations agreed in final Internal Audit reports	To provide assurance (as required by the Public Sector Internal Audit Standards) to the Audit Risk and Scrutiny Committee that actions agreed in Internal Audit reports are completed within agreed timescales.
Additional Work and Investigations	Additional Work and Investigations as identified through Internal Audit work, requested by the Audit Risk and Scrutiny Committee, or requested by management	To provide an allocation of time as a contingency in relation to any additional work or investigation requests received. Any such requests may impact on progress with planned work.

OUTCOME FROM CONSULTATION WITH KPMG
(EXTERNAL AUDIT)

Key

	Proposed Inclusion in IA Plan
	Proposed No Specific Inclusion in IA Plan
	Further Information Required

External Audit Comment	Internal Audit Comment
TECA and all it encompasses is a new income source with various arrangements with the service providers. At some point a review of the arrangements to ensure completeness and accuracy of the income would be welcome, including sources of information and data integrity. Perhaps either end of 2020-21 or beginning of 2021-22.	Internal Audit has been making some enquiries regarding this in a current audit of Industrial and Commercial Property Income. Perhaps a review in a year's time when things have settled in would be more appropriate.
Also in respect of TECA, will there be a post-implementation review in respect of the capital spend and revenue streams? There is the opportunity for a review around actual cost and expected income to support future financial projections.	Internal Audit covered this project in a recent review of Capital Contract management. It is proposed that Post Implementation reviews in general be included in a review of Capital Project Management proposed by management.
The energy centre will also bring a new source of income/new energy purchase arrangements. Similar to the above, at some point a review of the arrangements would be welcome (governance, oversight and monitoring, robustness of financial information).	Again, probably something to look at in 2021/22, possibly along with some other projects.
The Council has a new performance management dashboard, the use of which external audit can see will contribute much to real-time monitoring of many aspects of the Council's performance. Perhaps a review of its use and data integrity would be helpful.	Internal Audit has a planned review of Performance Management in this year's plan which is due to the May 2020 meeting of AR&SC. Objective: "To provide assurance that the Council has effective performance management arrangements in place which produce accurate data". Hopefully this will cover this off.
I have seen Information Governance risks at IJBs being raised, not specific to AC IJB, with a suggestion that an internal audit may be helpful in this area. i.e. using information as an enabler for service redesign.	Internal Audit has reviewed transformation / service redesign progress previously. This will be considered for the 2021/22 plan.

External Audit Comment	Internal Audit Comment
An Audit Scotland focus area for 2019-20 and 2020-21 is in respect of fraud risks in procurement functions. Not sure when you last performed a fraud prevention and detection arrangements audit in respect of procurement/contracting.	It's not separately documented but it is a consideration in testing of procurement (within overall procurement audit and individual service areas). The systems and processes are there and if applied would reduce the risk but are currently insufficiently well adhered to to prevent or detect fraud. It's difficult to say at the moment whether omissions (e.g. from contracts registers etc) are indicative of fraud, capacity issues, or lack of care and attention. We'll likely be including something to this effect in the current Council-wide procurement audit.
We see a sustained level of cyber-attacks at our clients, via emails, with many threats being dormant on systems for months before being activated to monitor and then copy emails for fraudulent intent. I think you performed a cyber security review not long ago but highlight the continued cyber risks where the first line of defence is staff awareness.	Internal Audit has looked at this area recently but would accept this is one where ongoing monitoring is relevant due to constantly evolving cyber security threats, but it's probably too soon for us to revisit. Mandatory Information Governance training monitoring arrangements provide assurance in relation to staff awareness and, from previous reviews, management appear to have a good grasp on this area.