

APPENDIX 1

AUDIT	DAYS	COMMENTARY	STATUS
Assurance - Cyclical			
Annual Assessment of Internal Control and Governance	20	Prepare an annual assurance report for Management and the Audit Committee summarising the work undertaken by Internal Audit during the year and forming an opinion on adequacy of the Council's arrangements for risk management, governance and internal control based on key elements in the Local Code of Corporate Governance.	Continuous audit approach to follow-up on implementation of actions on Areas of Improvement set out in the Annual Governance Statement 2019/20; work with CMT August to December 2020 on 7 core principles to refresh Local Code of Corporate Governance. Annual evaluation scheduled 4th Qtr.
Income Collection	30	Review the collection of income and the Council's compliance with the Payments Card Industry Standards. The audit will include a review of the Parent-pay system, rechargeable repairs, car parking and licensing.	** Defer to 2021/22 - Rely on assurance from other income based audits in 2020/21 (Council Tax and Social Housing Rents) thus alleviating impact on Business Applications team on request from Management.
Fleet Management	30	Review the asset management planning and maintenance of the Council's fleet ensuring that fleet repairs and replacement decisions represent value for money. Include a review of the controls over fuel management.	Scheduled 3rd Qtr.
Property Maintenance	30	Review of the in-house building maintenance team undertaking repairs to the Council's housing and non-housing buildings. This will include a review of jobs from creation through to billing.	* Audit scope expanded on request by Management to cover specific risks in light of Budget Outturn 2019/20. Audit work nearly completed though slight delay compared to schedule in programme of work. Report to be issued 3rd Qtr.
Roads Maintenance Service	30	Review of the Roads Maintenance service including both capital and revenue jobs ensuring that the service is complying with the relevant code of practice / risk based inspection regime.	** Defer to Q1 2021/22 - Request from Management to defer by a few months to avoid potential peak winter maintenance period.
Council Tax	30	Review the adequacy of controls over the Council Tax System with coverage limited to liability, billing and collection.	Scheduled 3rd Qtr.
Information Governance	20	Continual audit approach to review the information governance framework including roles and responsibilities, policy development and implementation, specifically on information security.	Internal Auditor attends Information Management Group. ICT Security Controls six audit actions assessed as satisfactory in spot check of completed audit recommendations. Assessment scheduled 4th Quarter.
Schools	30	Review of internal financial controls and business administrative procedures in place to ensure the efficient and effective use of resources in the school establishments (sample of 2 High Schools and 2 Primary Schools), to complement the assurance received from Education Scotland arising from their inspection programme of schools.	Scheduled 3rd Qtr. Due to Covid-19 Pandemic restrictions, establishment visits will not be undertaken. Internal Audit will carry out data analytical work covering all schools regarding School Finance and Business Administration processes.
Homelessness	30	Review of controls in place to ensure the achievement of statutory obligations for the Homelessness service, including a focus on prevention and support.	** Defer to 2021/22 - Rely on assurance provided to Scottish Housing Regulator in 2020/21.
Social Housing Rents	30	Review the management arrangements and the adequacy of controls over the collection of Council house and garage rents.	Scheduled 3rd Qtr.
Trading Standards	30	To review the business practices and ways of working within Trading Standards to ensure that regulatory obligations are met and risks are appropriately managed.	Scheduled 3rd Qtr.
DSM Budgets	30	Ensure that DSM budgets set for 2020/21 are sustainable and based on realistic plans and that appropriate scrutiny is undertaken to enable service delivery within approved budget.	Scheduled 4th Qtr.
	340		

AUDIT	DAYS	COMMENTARY	STATUS
Assurance - Risk-Based			
Change and Transformation Programme	20	Continual audit approach to monitor implementation of improvements to the governance and accountability arrangements for the change and transformation programme including processes for benefit (financial and other) identification, tracking and realisation.	Final Report issued 11 November 2020, and Executive Summary to Audit Committee 8 December 2020.
Business Planning, Budget Setting and Monitoring	20	Evaluate the implementation of improvements to ensure that budgets set for 2020/21 are sustainable and based on realistic plans, and that appropriate scrutiny and challenge is undertaken on revenue budget monitoring reports to enable service delivery within approved budget.	Final Report issued 11 November 2020, and Executive Summary to Audit Committee 8 December 2020.
Procurement and Management of Contracts	20	Continual audit approach to monitor the implementation of improvements recommended and quality assurance arrangements.	Follow-up ongoing; Formal review scheduled 4th Qtr.
Workforce Planning	20	Review the Service workforce planning processes to provide skills, knowledge and competency requirements for service delivery to meet the Council's objectives, and to address issues such as recruitment and retention.	Incorporated within audit on Business Planning, Budget Setting and Monitoring.
Passenger Transport	30	Review over the governance, controls, costs and management of passenger transport services across the Council including end to end processes for client and provider.	Scheduled 3rd Qtr.
Learning and Physical Disabilities Services	30	Review of the governance and accountability arrangements and partnership working in place to ensure obligations are met to deliver services.	** Defer to 2021/22 - Request from Management to alleviate impact on Service capacity.
Capital Investment	20	Continual audit approach to assess compliance with established good practice by Accounts Commission - review, scrutiny and challenge; capital financial budget monitoring; delivery of the capital programme/projects. Specific focus on monitoring and scrutiny of delivery.	Chief Internal Auditor attends Capital Planning and Asset Management Board to monitor implementation of actions to address Areas of Improvement. Evaluation scheduled 4th Qtr.
School Excursions	30	Assess what policies and produres are in place to ensure the inclusion and safety of children on excursions.	** Defer to 2021/22 - Low risk due to Covid-19 pandemic restrictions in 2020/21.
Early Years	20	Review of the Council's progress with delivering the expansion in early learning and childcare to 1140 hours and the allocation of the capital funding received to deliver the additional capacity required.	Scheduled 4th Qtr.
Automated Invoice Payments	10	Assess the authorisation controls, including segregation of duties, and security controls over payments.	Brought forward from 2019/20 to reflect timing of planned system development. Scheduled 4th Qtr.
	220		

AUDIT	DAYS	COMMENTARY	STATUS
Legislative & Other Compliance			
EU Funded Programme Tyne Esk LEADER	10	Annual requirement to review the controls in place to deliver the EU Funded Programme Tyne Esk LEADER and to undertake compliance related work as defined by the Service Level Agreement.	Final Report issued 4 November 2020, and Executive Summary to Audit Committee 8 December 2020.
	10		

AUDIT	DAYS	COMMENTARY	STATUS
Consultancy			
Consultancy	30	In its 'critical friend' role provide: an independent view and challenge of a sample of programmes and projects (including Learning Estate Strategy, Business Transformation Board, Information Management Group); and an objective assessment of self-evaluation arrangements.	Attended various forums including Business Transformation Board, Capital Plan and Asset Management Board, and Information Management Group as a critical friend. Audit Consultancy work carried out on request and in agreement by Chief Internal Auditor; undertaken audit consultancy work relating to community resilience funds, infrastructure developments, participatory budgeting, and housing allocation policy.
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Other

PSIAS Self-Assessment	10	Undertake annual self-assessment of the Internal Audit function against the Public Sector Internal Audit Standards (PSIAS) and report findings to the Audit Committee.	Scheduled 4th Qtr
MLC Audit Committee Self-Assessment	5	Provide assistance to Chair in undertaking a self-assessment of the Audit Committee against the CIPFA best practice guidance.	Audit Committee Annual Report 2019/20 presented by Chairman to Council in August 2020. Informal Sessions scheduled prior to each Committee meeting for learning, development and improvement. 2020/21 self-assessment scheduled 4th Qtr.
MLC Recommendation Follow Up Reviews	30	Undertake 2 reviews: the first includes a sample check on the adequacy of new internal controls for Audit Actions flagged as closed, and the second assesses performance against closing Audit Actions by the agreed due date.	Completed Recommendations Report to Audit Committee 13 October 2020. Second review scheduled 3rd Quarter.
Contingency	30	Support / undertake any investigations and other reactive work to ensure high risk issues and concerns identified by Management or Audit Committee during the year are appropriately addressed.	Utilised days to finalise parked audit reports 2019/20 due to Covid-19 response impact on Management capacity. Contingency work carried out in agreement by Chief Internal Auditor.
Help Desk Enquiry system	22	Provide guidance and advice to Management and Staff on internal controls. Manage any enquiries received through the whistle-blowing facilities offered by the Council.	Ongoing. Tracker in place to record enquiries and monitor response timelines and content.
MLC Administration of Audit Scotland Reports	2	Monitor publication of Audit Scotland reports and co-ordinate submission by Management of Audit Scotland Reports to the Audit Committee or other Committee as relevant.	Ongoing. Tracker in place to coordinate relevant Management presenting reports to relevant Committee.
Risk Management, SOC and Integrity Groups	5	Attend and provide support to the Risk Management Group, the Serious and Organised Crime Group, and the new Integrity Group.	Ongoing.
MLC Attendance at Boards / Committees	10	Prepare for and attend Audit Committee meetings and other Boards/Committees as relevant.	Ongoing.
MLC Audit Planning for 2021/22	10	Renew risk assessment, develop and consult on proposed coverage within the Internal Audit Annual Plan 2021/22.	Re-assessment of Audit Plan 2020/21 in light of the impact of Covid-19 has had implications for 2021/22 due to deferment of some audits. Formal engagement with Management on Audit Plan 2021/22 scheduled in 4th Qtr.
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MLC Total	724
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Non MLC

Midlothian Health and Social Care Integration Joint Board	70	Audit reviews and support to be determined and agreed by the Midlothian Health and Social Care Integration Joint Board Audit and Risk Committee for review of the adequacy of the IJB's arrangements for risk management, governance and internal control for delegated resources.	MIJB Internal Audit Annual Plan 2020/21 approved by MIJB Audit and Risk Committee on 5 March 2020. Audit work ongoing. In respect of joint services, assurances will be sought from partner Internal Audit service providers (i.e. NHS Lothian - GT; MLC - MLC IA). Progress against Plan will be presented in December 2020 and MIJB Internal Audit Annual Assurance Report will be presented in June 2021 to MIJB Audit and Risk Committee.
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Overall Total	794
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