

North Lanarkshire Council

Report

Audit and Scrutiny Panel

for approval for noting

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Internal Audit Annual Plan 2020-21

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Executive Summary

The purpose of this report is to present for approval the proposed Internal Audit Annual Plan for 2020-21.

The report sets out the background and context within which the internal audit planning process is undertaken and provides a high-level overview of how it is proposed Internal Audit resources will be allocated in 2020-21.

The Plan follows a well-established planning methodology to ensure cyclical internal audit coverage of key corporate risks, key corporate priorities (as outlined in the approved Programme of Work), key governance arrangements and key financial systems. For 2020-21 it also incorporates reflects the impact of the Council's response to the COVID-19 pandemic.

This report was originally prepared in April 2020 and would have been submitted to the Panel for approval at its June meeting if committee meetings had not had to be cancelled as a result of the public health emergency. The report was submitted to, and considered by, the Corporate Management at its meeting on 21 April 2020.

Recommendations

The Panel is invited to:

- (1) Note the approach adopted to produce the 2020-21 Internal Audit Annual Plan;
- (2) Consider the detailed list of proposed Internal Audit assignments for the 2020-21 Plan (at Appendix 1); and
- (3) Subject to any changes agreed by the Audit and Risk Manager arising from discussions with the Panel during consideration of the proposed assignments at (b) above, approve the 2020-21 Internal Audit Annual Plan.

Links

The Plan for North Lanarkshire:

Priority: All priorities

Ambition statement All ambition statements

1. Background

- 1.1 The Audit and Scrutiny Panel is required annually to consider and approve the Internal Audit Annual Plan for the coming financial year.
- 1.2 Responsibility for the production and execution of the audit plan and subsequent audit activities rests with the Council's Audit and Risk Manager (who fulfills the role of the 'Chief Audit Executive' as defined by the Public Sector Internal Audit Standards). Although senior management is consulted in the development of the plan, the Audit and Risk Manager is solely responsible for determining the content of Internal Audit's plans.
- 1.3 This report sets out the background and context within which the Internal Audit planning process is undertaken and provides a high-level overview of how Internal Audit resources will be allocated in 2020-21.
- 1.4 In line with best professional practice, the draft plan has been discussed with the Council's Corporate Management Team before it is presented to the Panel for consideration and approval. The main objectives of the Council's Internal Audit service are outlined in the Internal Audit Strategy 2019-20 to 2021-22 (approved by the Panel in June 2019) and the Internal Audit Charter (approved by the Panel in February 2018).
- 1.5 Internal Audit activity is governed by policies, procedures, rules and regulations established by the Council including the Council's Financial Regulations and Internal Audit Charter which is approved by the Panel, the Council's s95 officer and the Chief Executive. The Internal Audit service is expected to comply with the standards laid down by the *Public Sector Internal Audit Standards (PSIAS)*.
- 1.6 The planned work of the Internal Audit service is outlined in the Internal Audit Annual Plan which is submitted to, and approved by, the Panel annually. Any proposed programme of work must be appropriate and sufficient to support the preparation of an opinion on the overall soundness of the Council's corporate governance, risk management and internal control systems.

2. Report

- 2.1 Internal Audit is an independent and objective assurance function whose work is designed to evaluate and improve the effectiveness of the Council's risk management, control and governance processes. The service aims to provide a high quality and customer-focused internal audit service which is responsive and flexible, consistent with best professional practice, aims to focus on areas that matter, to use resources efficiently and effectively and to be seen by stakeholders as adding value, providing valuable insights and making a vibrant and relevant positive contribution to the Council's activities.

The audit environment

- 2.2 There continues to be a significant level of change within the Council following the adoption of a new strategic-level plan ('*The Plan for North Lanarkshire*') and its associated '*Programme of Work*' which sets out the Council's new strategic-ambitions. These ambitions and the associated programmes represent a bold and challenging approach to addressing the challenges facing the Council and the people and communities of North Lanarkshire. The Council also continues to seek to achieve its ambitions against a backdrop of significant financial pressures which are likely to continue for the foreseeable future.

- 2.3 At the same time the Council faces increasing demands for many key services and will also have to respond to ever-changing expectations about how services will be delivered. There also continue to be significant changes in governance structures and some key governance processes across the Council. Finally, events surrounding the current COVID-19 pandemic, as well as posing an immediate challenge to which the Council is responding, also create considerable additional risks and uncertainty.
- 2.4 Internal Audit has an unusual and, in many ways, unique, role within any organisation. Its independence provides a core basis for its work and its objectivity is an important element in ensuring that it can be effective and meet stakeholders' needs and expectations. Providing commentary on the adequacy and effectiveness of risk management, internal controls and governance arrangements remains central to our purpose, but it is important that while providing an internal audit opinion, we also focus of that on helping secure improvements and assisting the Council in delivering its corporate ambitions and in ensuring best value.

Planning considerations

- 2.5 Internal Audit will meet this objective by operating in accordance with the *Public Sector Internal Audit Standards* (PSIAS) and the associated *CIPFA Local Government Application Note* (LGAN) which will enable the section to fulfil the roles and responsibilities given to it by the Council as laid out in the Internal Audit Charter.
- 2.6 Internal Audit will undertake a risk-based work programme focused on cyclical coverage of the Council's core corporate governance processes, key corporate risks, significant programme of work activities and (in line with external audit expectations) key financial systems. In doing so, elected members and senior management will be supported in undertaking their roles by Internal Audit providing assurance on the management of key strategic priorities and risks which could impact on the achievement of the Council's objectives.
- 2.7 The Internal Audit Annual Plan for 2020-21 (at Appendix 1) has been prepared in accordance with well-established planning methodology which includes consideration of a wide range of factors including the relative scale, significance and complexity of systems, previous experience of the control environment, proposed or known changes in the environment within which the Council operates, the potential financial, operational and reputational consequences of any significant failures in relevant internal controls and the possible impact of any failures on the achievement of the Council's objectives, priorities and ambitions.
- 2.8 The Council's risk management arrangements continue to improve, but are not yet sufficiently mature and embedded to enable me to align our audit planning entirely with management's assessment of the risks facing the Council, although careful consideration has been given to the key corporate risks identified by senior management (see Appendix 2). We will continue look to more closely align our planning with the corporate risk management processes from 2021-22 onwards.
- 2.9 Internal Audit will continue to work closely with the Council's external auditors to ensure that all audit activities are properly coordinated to minimise any duplication of work and that the external auditors are able to continue to place reliance on our work. We will also seek to ensure that reliance is placed upon alternative sources of assurance (e.g. from external regulators and selected relevant internal sources) where it is appropriate to do so.

- 2.10 As part of planning considerations, I have considered the level of resources and the experience and skills available to Internal Audit. The section's staffing complement for 2020-21 is unchanged from the prior year and I remain satisfied that the resources available are adequate for the function to carry out its role effectively. This assessment is based on the level of available resources enabling adequate coverage of core corporate governance processes, key corporate risks and key financial systems over a rolling three-year period. As I have previously outlined to the Panel, I continue to review the Section's ability to deliver the range of ICT audit work necessary and will bring forward to the Panel detailed proposals where I consider additional resources, skills or expertise may be required to supplement the core team.
- 2.11 I am also content that the Chief Executive and s95 officer have indicated that additional resource will be made available to Internal Audit in the event of any significant unexpected demands (such as for example, any major investigations). If any concerns relating to resources arise during the course of the year which might be seen as impacting on this assessment, these will be discussed initially with the Convener and, if necessary, highlighted at the next subsequent Panel meeting.
- 2.12 I can also confirm the continuing independence of the Internal Audit service and its ability to act in accordance with best professional practice free from undue interference by management and/or senior elected members. The Audit and Risk Manager continues to report directly to the Chief Executive and is a member of the Corporate Management Team and no concerns over the role and/or status of the function have arisen. If any such matters arise during the course of the year which might be seen as compromising Internal Audit's independence or ability to discharge its role, these will be discussed initially with the Convener and if necessary, highlighted at the next subsequent Panel meeting.
- 2.13 As the Panel are aware, I also have management responsibility for the Council's risk management team. This creates a potential conflict of interest which could be seen as compromising my independence when Internal Audit is reviewing the Council's risk management arrangements, but I have previously outlined to the Panel that I consider that this risk can be effectively managed. Appropriate arrangements to ensure the Panel can have confidence in the independence and robustness of future Internal Audit reviews of the risk management function were set out in the Internal Audit Charter approved by the Panel in February 2018.

Reporting the audit

- 2.14 Internal Audit will report regularly on the results of its work in line with the reporting protocol approved by the Panel in February 2018. Each individual Internal Audit report will be issued to the relevant Executive Director and Head of Service. Reports on the work of Internal Audit will also be presented regularly during the year to the Council's Corporate Management Team.
- 2.15 The Internal Audit service will continue to report progress against the plan during 2020-21 to the Audit and Governance Panel. In line with the Internal Audit reporting protocol agreed by the Panel in February 2018, full copies of all substantive audit reports will normally be made available to the Panel and progress reports will include the high-level reporting of all audit outputs included in the approved plan together with more detailed consideration of all significant matters arising from those reports that the Audit and Risk Manager considers necessary to bring to the attention of the Panel.
- 2.16 An annual report prepared by the Audit and Risk Manager on the adequacy and effectiveness of the Council's internal controls will also be presented to the Panel and the Chief Executive. The opinion in relation to 2020-21 will be included in my Annual Report for that year which will be presented to the Panel in June 2021.

Main areas of the 2020-21 Annual Plan

- 2.17 The proposed programme of Internal Audit activity is detailed at Appendix 1. There are a number of major categories of work within the Annual Plan. These include:
- **Work on core governance matters** including the Council's wider corporate governance, risk management and performance management arrangements. In 2020-21 this will include work associated with the Council's strategic governance, strategic performance and strategic self-evaluation frameworks.
 - **Work examining a sample of key strategic/corporate risks, key programmes of work and/or service risks** as part of regular cyclical audit coverage. In 2020-21, this will include work on the Council's management of strategic change, work reviewing the Council's Digital NL change programme, reviews of the Council's arrangements in respect of public protection and health and safety and consideration of how key projects such as community hubs, the economic regeneration delivery plan, the enterprise strategic commercial partnership contract and asset rationalisation are being managed;
 - **Work examining the Council's finances and key financial systems** including, as part of regular cyclical audit coverage, work on financial systems such as general ledger, payroll, creditors and council tax. A particular focus this year will be on the Council's financial management arrangements, including the extent to which the Council's financial sustainability has been impacted by recent events and how the Council is responding;
 - **A range of follow-up work** to ensure that previously agreed management actions in respect of both internal and external audit recommendations are being implemented by management. In addition to detailed follow-up work on specific audit reviews, we will also provide quarterly updates in respect of management implementation of actions agreed in response to 'Red' and 'Amber' audit recommendations; and
 - **Work examining the Council's anti-fraud arrangements** providing independent assurance annually on the Council's fraud resilience and including an allowance for dealing with the need for Internal Audit to investigate frauds and irregularities which may arise during the year.
- 2.18 We will also continue to contribute to a number of corporate working groups and to provide internal audit services to the North Lanarkshire Health and Social Care Integrated Joint Board.
- 2.19 In line with good practice, the plan will be reviewed on a regular basis and may be adjusted where necessary in response to changes in the Council's business, risks, operations, programmes, systems and controls. Any material changes and the rationale for such changes will be reported to the Panel.

3 Equality and diversity

Fairer Scotland Duty

There is no requirement to carry out a Fairer Scotland assessment in this instance.

Equality Impact Assessment

There is no requirement to carry out an equality impact assessment in this instance.

4. Implications

Financial impact	None identified
HR/Policy/Legislative Impact	None identified
Environmental Impact	None identified
Risk impact	Any failure to operate an effective internal audit service could impact on the effectiveness of the Council's risk management and corporate governance processes.

5. Measures of success

- 5.1 Internal Audit reports annually on its performance to the Panel and is also subject to review annually by the Council's appointed external auditors.

6. Supporting Documents

- Appendix 1** Proposed Internal Audit Plan 2020-21
- Appendix 2** Internal Audit coverage of current key corporate risks over the last 5 years
- Appendix 3** Internal Audit coverage of key financial systems over the last 5 years
- Appendix 4** Consideration of Programme of Work items for inclusion in the 2020-21 Plan



Ken Adamson, Audit and Risk Manager

Appendix 1 Proposed Internal Audit Plan 2020-2021

Topic	Days	Rationale and proposed scope
Corporate governance		
Risk management	30	Core corporate governance process. Follow-up of work undertaken in 2019-20 to review the adequacy and effectiveness of the Council's risk management arrangements.
Corporate governance	40	Core corporate governance process. Aim will be to review the adequacy and effectiveness of the Council's corporate governance arrangements and compliance with the relevant Code/Framework As well as following-up previous recommendation, work in 2020-21 will include a particular focus on the adequacy, robustness and effectiveness of the Council's strategic governance framework and self-evaluation framework.
Performance management	80	Core corporate governance process. Internal Audit work will focus on the adequacy, robustness and effectiveness of the Council's strategic performance framework (and include work on both Service and corporate-level arrangements and on the accuracy of reporting performance data and compliance with statutory obligations). Likely to involve more than one assignment/review.
Key strategic / corporate risks / programmes of work		
Management of strategic change	25	Remains a significant key risk and relevant management arrangements continue to merit high-level review on an annual basis. This work will focus on reviewing and assessing developments in relevant management arrangements and considering the Council's response to issues raised by Internal Audit work on this topic in 2019-20
Digital NL and change programme	100	Key element in enabling the achievement of much of the Council's ambitions and delivering future efficiencies. To review the Council's approach to, and progress in, delivering transformational change and key service review projects. More than one output/deliverable planned with work expected on overall governance arrangements and management of selected associated programme of work areas.
Enterprise contract – strategic procurement	20	Large, significant, innovative and complex project. Ongoing work will focus on providing assurance to the Audit and Scrutiny Panel that the project, as it develops, is being appropriately progressed and that key risks are being effectively managed.
Asset rationalisation	30	Significant programme of work item. Work will focus on providing assurance to the Audit and Scrutiny Panel that the programme of work, as it develops, is being appropriately progressed and that key risks are being effectively managed.
Information governance and information security	40	Key corporate risk. Work will focus on providing an assessment of the adequacy and effectiveness of the Council's arrangements and include a review of key areas against expected good practice.
Public Protection	30	Key corporate risk. Work will focus on providing independent assurance of the adequacy and effectiveness of the Council's own arrangements for assessing compliance/performance in this key area of responsibility.

Appendix 1 Proposed Internal Audit Plan 2020-2021 (continued)

Topic	Days	Rationale and proposed scope
Key strategic / corporate risks / programmes of work (continued)		
Health and Safety	40	Key corporate risk. Work will focus on providing an assessment of the adequacy and effectiveness of the Council's arrangements and include a review of the Council's arrangements in selected key areas/aspects against expected good practice.
City Deal	20	Significant external funding scheme. Provide assurance to Glasgow City Council Internal Audit in accordance with the Glasgow City Region City Deal Assurance Framework.
Economic Regeneration Development Plan (ERDP)	30	Significant and challenging range of work designed to impact on the economic wellbeing of North Lanarkshire and which forms an important part of the Council's ambitions. Work will focus on providing assurance to the Audit and Scrutiny Panel that the programme of work, as it develops, is being appropriately progressed and that key risks are being effectively managed.
COVID-19	30	Significant event from which lessons should be learned to inform future decisions and management arrangements around resilience issues. Work will either involve contributing resources, as appropriate, to a management-led review or undertake an independent post-event review of the adequacy and effectiveness of the Council's resilience arrangements and its response to the COVID-19 pandemic. Approach to be confirmed
HR – management of sickness absence	40	Continues to be a key issue. Work will focus on assessing the adequacy and effectiveness of the Council's arrangements and will include testing to assess compliance with expected procedures and the robustness of relevant performance reporting.
Hub development and delivery programme	20	Significant programme of work item. Work will focus on providing assurance to the Audit and Scrutiny Panel that the programme of work, as it develops, is being appropriately progressed and that key risks are being effectively managed.
Early Learning and Childcare: 1140 hours	20	Internal Audit will follow-up previous work on this area to provide independent assurance on the performance and governance arrangements associated with the implementation of this high-profile policy initiative.
Scottish Attainment Challenge (SAC) and Pupil Equity Funding (PEF)	25	Internal Audit will follow-up previous work to provide independent assurance on the performance and governance arrangements associated with the implementation of this high-profile policy initiative.
Governance – local community engagement	20	Work on Community Engagement and Participatory Budgeting was included in the 2019-20 Annual Plan. Further work will be undertaken in 2020-21 to follow-up agreed management actions and to provide assurance on the adequacy and effectiveness of developing arrangements particularly in relation to local Boards.

Appendix 1 Proposed Internal Audit Plan 2020-2021 (continued)

Topic	Days	Rationale and proposed scope
Financial management and key financial systems		
Financial management and financial sustainability	40	Assessing the adequacy and robustness of the Council's approach to financial management and financial sustainability (include assessing compliance with relevant good practice/CIPFA Code), with a particular focus on the impact of recent events on the Council's financial position and how the Council is responding.
Community Investment Fund	20	Assessing the adequacy and robustness of the Council's approach to determining resources available through the CIF to support the Council's ambitions. Will focus on providing independent commentary on the Council's approach and the reasonableness or otherwise of the Council's methodology and key working assumptions.
Financial systems key controls – Council tax	40	Focused on the adequacy and effectiveness of key controls associated with management arrangements for the billing and collection of Council Tax income.
Financial systems key controls – Treasury management	30	Focused on the adequacy and effectiveness of key controls associated with management arrangements in respect the Council's treasury management activities (to include assessment of compliance with relevant good practice/CIPFA Code).
Regularity work - financial systems – General ledger	30	Substantive testing on selected key controls associated with the maintenance and operation of the Council's financial ledger system.
Regularity work - financial systems - Payroll	40	Substantive testing on selected key controls associated with the authorisation, regularity and processing of payroll.
Regularity work - financial systems - Creditors	40	Substantive testing on selected key controls associated with authorisation, regularity and processing of creditor payments.
Fraud and irregularity		
Review of the Council's Anti-Fraud arrangements	20	Annual review to support annual opinion on corporate fraud arrangements.
Allowance for fraud and irregularity investigations	80	Demand-led allowance to enable investigations to be undertaken as required
Provision of IA services to third parties		
Integrated Health and Social care - North Lanarkshire JIB	70	Annual programme of work to be agreed with relevant senior management and NL JIB Performance, Finance and Audit Sub-Committee.

Appendix 1 Proposed Internal Audit Plan 2020-2021 (continued)

Topic	Days	Rationale and proposed scope
Audit Committee and External Audit		
Liaison with external audit	5	To ensure the external audit process can proceed efficiently and effectively. Assisting external audit to undertake their role including assisting with finalisation of audit outputs.
Facilitating the work of the Audit and Scrutiny Panel	30	To enable the Audit and Scrutiny Panel to fulfil its role. Preparation of agendas and reports and attendance at meetings.
Follow-up of IA and EA recommendations	60	To enable the Audit and Scrutiny Panel to fulfil its role. To monitor and report on whether management has implemented actions agreed by senior management in response to audit reports.
Follow-up: Audit Scotland/Accounts Commission national reports	5	To ensure national audit reports are given proper consideration by management and to enable the Audit and Scrutiny Panel to fulfil its role in considering such reports and the Council's responses. Focusing on how the Council is responding to key issues highlighted in national audit outputs.
Other		
PSIAS self-assessment and Quality Assurance Programme	25	To ensure that the service provided is consistent with expectations. Continuous improvement activity to progress recommendations arising from the PSIAS EQAR. To enable necessary work to ensure on-going PSIAS compliance can be substantiated.
Provision of ad hoc advice on systems development and control issues	25	To reflect the provision of input into systems development and ongoing ad hoc advice to management on specific control and risk issues
Participation in a range of Corporate Working Groups	45	To ensure that Internal Audit contributes, as appropriate, to corporate arrangements for the oversight and/or development of any relevant control, risk and governance issues.
Community Councils	5	Facilitating the audit of community councils and liaising with external auditor on issues arising.
Contingency	100	To deal with additional unplanned work
Total	1350	

Appendix 2 Internal Audit coverage of current key corporate risks in the last five years

Key Corporate Risk	Include in 2020-21	2019/20	2018/19	2017/18	2016/17	Comments (including date any relevant assignments reported to the Audit & Governance/Scrutiny Panel)
1. Risk management	YES	√	√	In plan but deferred	√	Include as annual standing item until such time as confident that risk management arrangements are embedded and sufficiently mature. <u>Previous reports:</u> Risk management June 2020 (expected), Risk management (November 2018), Risk management (May 2017) and Risk management (August 2016).
2. Information security and information governance	YES	-	√	√	-	Remains a significant key risk with ongoing and ever-changing threats, audit work focus on the effectiveness of recent changes in associated governance arrangements. <u>Previous reports:</u> Information Governance (May 2019) and Information Governance (October 2017).
3. Public protection	YES	-	-	√	-	Audit work will focus on the adequacy and effectiveness of management arrangements designed to provide assurance on this key risk (and will also include the adequacy and effectiveness of actions taken in response to relevant external inspections <u>Previous reports:</u> SW - Quality assurance arrangement (April 2018).
4. Inability to manage strategic change	YES	√	√	√	√	Remains a significant key risk and continues to merit high-level review of relevant management arrangements on an annual basis given the Council's ambitions and the challenging environment in which it is operating. <u>Previous reports:</u> Managing Strategic Change (February 2020), Managing Strategic Change (March 2019) and Transformational change (February 2017), Project management (May 2017).
5. Health & Safety	YES	-	-	√	-	Recent audit work has provided sufficient recent assurance on this key risk. Routine follow-up work will monitor implementation of any agreed management actions. <u>Previous reports:</u> Health and Safety (April 2018).

Appendix 2 Internal Audit coverage of current key corporate risks in the last five years (continued)

Key Corporate Risk	Include in 2020/21	2019/20	2018/19	2017/18	2016/17	Comments (including date any relevant assignments reported to the Audit & Governance/Scrutiny Panel)
6. Community Partnership Planning	NO	-	√	-	-	Recent audit work has provided sufficient recent assurance on this key risk. Previous reports: Follow-up of Audit Scotland 2013 report on Community Planning Partnerships (November 2018)
7. Business continuity planning	NO	-	√	In plan but deferred	√	Recent events have provided sufficient recent assurance on the adequacy and effectiveness of management arrangements relating to this key risk. <u>Previous reports:</u> Business continuity planning (November 2018) and Business continuity planning (February 2017)
8. Human Resources	YES	-	-	√	√	Specific audit work is proposed in relation to reviewing compliance with expected management arrangements in relation to sickness absence although a high-level watch will also be kept on the monitoring and delivery of the approved 'Workforce for the Future' strategy and associated strategic workforce priorities and programmes of work. <u>Previous reports:</u> Education Recruitment Investigation (March 2019), Pre-employment verification checks (April 2018), Equal pay (February 2017), Sickness absence (May 2016).
9. Financial sustainability	YES	-	√	√	√	Although previous audit work and external inspections have provided significant recent assurance on this key risk, work will be undertaken examining the adequacy and robustness of the Council's arrangements focusing on how financial sustainability is being managed in light of the current emergency situation. Separate and specific work proposed on individual financial systems is also shown below. <u>Previous reports:</u> Financial savings and financial sustainability (March 2019), Financial savings and financial planning (December 2017) and Financial savings (February 2017), work for Audit Scotland on key financial controls (April 2017) and Budgetary control (February 2017). See also work on key financial systems below.

Appendix 2 Internal Audit coverage of current key corporate risks in the last five years (continued)

Key Corporate Risk	Include in 2020/21	2019/20	2018/19	2017/18	2016/17	Comments (including date any relevant assignments reported to the Audit & Governance/Scrutiny Panel)
10. Engagement and consultation	NO	√	-	√	-	Routine follow-up work will monitor implementation of any relevant agreed management actions. Planned follow-up work on community engagement and community empowerment will cover elements of this risk. Previous reports: Community Engagement and empowerment (June 2020 expected) and elements covered by work on Corporate Governance Principle B Openness and stakeholder engagement (December 2017 and March 2019).
11. Procurement risks	YES	-	√	√	√	Although recent audit work has provided sufficient recent assurance, this remains a high-profile key risk which warrants coverage during 2020-21. This will be addressed by consideration of procurement activities as part of work on a number of Programme of Work items. Routine follow-up work will monitor implementation of any agreed management actions. <u>Previous reports:</u> Housing Investment Programme (expected June 2020) Contract management (Jan 2018), Follow-up Corporate Property and Procurement investigation (Oct 2017), Corporate Property and Procurement investigation (Sep 2016) and Procurement – progressing improvement actions (Aug 2016). Assurance also obtained via work on Creditors (see below) and through recent work on the Housing Investment Programme and on the Enterprise Contract.
12. EU Exit	NO	-	-	-	-	No specific audit work has been done on this issue although the Audit and Risk Manager is a member of the relevant Corporate Working Group. Commentary will be provided to the Panel and senior management, where appropriate, via Internal Audit progress reports <u>Previous reports:</u> None
13. Enterprise Strategic Partnership Contract	YES	√	-	-	-	See commentary at relevant Programme of Work item. <u>Previous reports:</u> ESCP (March 2020)

Appendix 2 Internal Audit coverage of current key corporate risks in the last five years (continued)

Key Corporate Risk	Include in 2020/21	2019/20	2018/19	2017/18	2016/17	Comments (including date any relevant assignments reported to the Audit & Governance/Scrutiny Panel)
14. Criminal activity fraud, corruption, serious organised crime and terrorism	NO	√	√	√	-	No specific audit work is proposed on what is quite a difficult issue to formally audit but a high-level watch will be kept on the issue, through attendance at the relevant corporate working group, and commentary included, as appropriate, in IA progress reports and the IA Annual Report. <u>Previous reports:</u> Review of anti-fraud arrangements (expected June 2020), NFI 2018 exercise and Review of anti-fraud arrangements (October 2017).
15. Governance, leadership and decision-making	NO	√	√	-	√	No specific audit work is proposed on what is quite a difficult issue to formally audit but a high-level watch will be kept on the issue and commentary included, as appropriate, in IA progress reports and the IA Annual Report. <u>Previous reports:</u> Corporate Governance (March 2020), Corporate Governance Principles A and B (March 2019) and Corporate Governance: Good Governance Framework – Principles 2 and 5 (August 2016)
16. Climate change	NO	√	-	-	√	No specific audit work is proposed. Recent audit work has provided sufficient recent assurance on this key risk. Routine follow-up work will monitor implementation of any agreed management actions. <u>Previous reports:</u> Carbon management (February 2020 and June 2016)
17. ALEO Risk	NO	-	-	√	√	No specific audit work is proposed. This key risk has reduced as a result of Council decisions to rationalise and/or insource some key ALEOs. <u>Previous reports:</u> ALEOs and Following the Public Pound (January 2018) and ALEOs: review of monitoring arrangements (November 2016)

Appendix 2 Internal Audit coverage of current key corporate risks in the last five years (continued)

Key Corporate Risk	Include in 2020/21	2019/20	2018/19	2017/18	2016/17	Comments (including date any relevant assignments reported to the Audit & Governance/Scrutiny Panel)
18. Capital and Revenue Grant Funded Programmes	YES	√	√	√	√	Recent audit work has provided sufficient assurance on this risk but the Audit and Risk Manager is required as part of the City deal governance framework to provide Glasgow City Council Internal audit with annual assurance on the Council's management arrangements and compliance with key City Deal requirements. <u>Previous reports:</u> City Deal (May 2019), City Deal (May 2018) City Deal (Apr 2018) and City Deal (May 2017).
19. Resilience Planning - Civil Contingencies	NO	-	√	-	√	Although no audit work has been undertaken for some time on this specific risk, some aspects have been covered by recent work on business continuity arrangements. Recent events have also provided some evidence of the adequacy and effectiveness of the Council's arrangements. <u>Previous reports:</u> Some aspects covered by work on corporate BCP arrangements (November 2018 and February 2017).
20. Digital and IT Strategy	YES	-	√	-	√	Internal Audit work in this area will continue to focus on providing ongoing assurance in relation to the implementation and governance of the approved DigitalNL transformation programme and the ongoing digitalisation of Council services. Other aspects have been covered by work on IT DR/BCP (February 2017) and key financial systems. <u>Previous reports:</u> Digital NL (June 2020 expected), Network controls (September 2019), Digital NL FBC (March 2019), Digital NL governance arrangements (November 2018), IT DR/BCP (February 2017) and Use of cloud based services (Feb 2017).
21. Tackling poverty	NO	-	-	-	-	Previous work focused on specific operations and activities designed to mitigate the impact of welfare reform. Given the wide-ranging nature of this risk and the Council's approach to mitigating it, no specific audit work is currently proposed. <u>Previous reports:</u> Welfare reform (Aug 2015), Scottish Welfare Fund (Apr 2014) and Prevention/Sustainability Fund (Jun 2014).

Appendix 2 Internal Audit coverage of current key corporate risks in the last five years (continued)

Key Corporate Risk	Include in 2020/21	2019/20	2018/19	2017/18	2016/17	Comments (including date any relevant assignments reported to the Audit & Governance/Scrutiny Panel)
22. Scottish Child Abuse Inquiry	NO	-	-	-	-	Addressing historical issues – IA role limited to high-level monitoring of the Council response to, and engagement with, the enquiry. <u>Previous reports</u> : None
23. 1140 hours	YES	√	√	-	-	See commentary at relevant Programme of Work item. <u>Previous reports</u> : 1140 Early Years expansion (December 2019 and August 2018).
24. Implementation of ERDP	YES	-	-	-	-	See commentary at relevant Programme of Work item. <u>Previous reports</u> : None
25. Asset management	YES	-	-	-	-	See commentary at relevant Programme of Work item. <u>Previous reports</u> : None
26. Pandemic: COVID-19	YES	-	√	-	√	A post-implementation review of the adequacy and effectiveness of the Council's handling of events will be required at the conclusion of current circumstances. Internal Audit will either (1) contribute resources, as appropriate, to a management-led review or (2) undertake an independent assessment. Approach to be confirmed. <u>Previous reports</u> : Some aspects covered by work on Business continuity planning (November 2018) and Business continuity planning (February 2017)

Appendix 3 Internal Audit coverage of key financial systems in the last five years

Key Financial Systems	Include in 2020/21	2019/20	2018/19	2017/18	2016/17	Comments (including date any relevant assignments reported to the Audit & Governance/Scrutiny Panel)
1. General ledger	YES	-	-	-	√	Previous audit work and external inspections have provided positive assurance but recent events may have resulted in an increased risk profile. <u>Previous report:</u> General ledger (February 2017)
2. Payroll	YES	√	√	√	√	Ongoing audit focus in prior years given previous audit work and external inspections having provided evidence of significant control weaknesses arising from (then) new systems and organisational arrangements. Risk profile has reduced following management improvement actions but limited further work in 2020-21 will remain justified. <u>Previous reports:</u> Payroll – overtime (expected June 2020), Payroll – selected key controls (November 2019), Payroll – selected key controls (May 2019), Payroll regularity: VER (November 2018), Payroll follow-up (April 2018), 3 x reports: Starters and leavers, Non-core HED codes and Overtime (all October 2017).
3. Creditors	YES	√	√	√	√	Recent audit work indicates that the control environment is inconsistent and the volume and value of transactions justifies further limited substantive work. <u>Previous reports:</u> Creditors selected key controls (March 2020 and May 2019), Creditors regularity (Apr 2018), Controls relating to payments/BACS files (August 2017), Creditors (August 2016) and Creditors payments more than £25,000 (July 2016)
4. Council Tax	YES	-	-	√	√	Significant financial system where key controls have not been tested for a number of years. <u>Previous reports:</u> Council Tax Reduction Scheme (April 2018) and Council Tax liability, billing and discounts (February 2017).
5. Non-domestic rates	NO	-	√	-	-	Subject of most recent audit work which provided sufficient recent assurance. <u>Previous report:</u> NDR billing and collection (November 2018) and NDR valuation.
6. Housing Rents	NO	-	√	-	-	Subject of most recent audit work which provided sufficient recent assurance. <u>Previous reports:</u> Housing Rents (Nov 2018).

Appendix 3 Internal Audit coverage of key financial systems in the last five years (continued)

Key Financial Systems	Include in 2020-21	2019-20	2018-19	2017-18	2016-17	Comments (including date any relevant assignments reported to the Audit & Governance/Scrutiny Panel)
7. Municipal Bank	NO	-	√	-	-	Previous audit work has provided sufficient recent assurance. <u>Previous reports:</u> Municipal Bank (July 2018).
8. Treasury management	YES	-	-	√	-	Although previous audit work has consistently indicated this area is well controlled, it is an area with high inherent risks and the most recent audit work was now undertaken sometime ago. <u>Previous report:</u> Treasury management (December 2017)
9. Financial management	YES	-	√	√	√	Previous audit work and external inspections have provided positive assurance on this key risk area. The ongoing financial impacts of responding to Covid-19 and the increased pressures to financial governance and financial sustainability surrounding this issue mean it merits review in 2020-21. <u>Previous reports:</u> Financial savings and financial sustainability (March 2019), Financial savings and financial planning (December 2017), Financial savings (February 2017) and Budgetary control (December 2016).
10. Housing Benefit	NO	√	√	√	-	Previous audit work has provided sufficient recent assurance. <u>Previous reports:</u> Housing Benefit (September 2019), Housing Benefits Overpayments (May 2018), Housing Benefit management checks (July 2017).
11. Cash/income collection	NO	√	-	√	√	Previous audit work has provided sufficient recent assurance. <u>Previous reports:</u> Cash collection offices (August 2019), Cash collection offices (May 2017) and Cash collection offices (April 2016).

Appendix 4 Internal Audit consideration of 2020 Programme of Work for inclusion in the 2020-21 Plan

Programme of work to support the shared ambition		Internal Audit commentary	Include in 2020-21 Plan
P001	<p>Strategic commercial partnership for the enterprise project</p> <p>Report to seek approval of Outline Business Case which will identify the finalised scope, duration, pipeline value, procurement method, delivery, and operating models that will be taken forward to establish the programme.</p> <p>Report to seek approval of Full Business Case (at conclusion of procurement) and establishment of partnership with successful bidder.</p>	Internal Audit has previously examined the project management and governance arrangements of the ESCP and, given the scope, scale and complexity' will undertake additional work as this project is progressed in 2020-21.	YES
P013	<p>New housing supply programme</p> <p>Report on progress to deliver 5,000 new council homes by 2035, including estimated split between off the shelf purchases from developers, open market purchase scheme acquisitions (buy back), and traditional new build on council sites.</p> <p>Update on open market purchase scheme to enable the council to extend off the shelf purchases, buy back ex council stock to meet identified need, and progress common property works by purchasing flats which give the council 100% (or at least majority ownership) within a block.</p> <p>Report on progress with delivery of the current Strategic Housing Investment Plan (SHIP), and approval of priorities for the new SHIP to help deliver Local Housing Strategy (LHS) priorities and maximise resources from the Affordable Housing Supply Programme.</p>	Internal Audit work on New housing supply programme was undertaken in 2019-20. Follow-up of issues arising will be done as part of standard follow-up arrangements and no further specific Internal Audit coverage is planned in 2020-21.	NO
P014	<p>Tower strategy - Report on progress within tower strategy and demolition programme.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P015	<p>Housing investment programme</p> <p>Annual budget report to secure approval of HRA capital programme.</p> <p>Annual financial progress report on deliverables from HRA capital programme.</p> <p>Outline of 5 and 30 year long-term financial plan for housing investment.</p>	Internal Audit work on the Housing investment programme was undertaken in 2019-20. Follow-up of issues arising will be done as part of standard follow-up arrangements and no further specific Internal Audit coverage is planned in 2020-21.	NO
P018	<p>Economic Regeneration Delivery Plan (ERDP)</p> <p>Report on finalised town visions, following stakeholder consultation and further development, presented for approval to allow development of associated action plans.</p> <p>Report on development of delivery programme for town visions and update on current town centre projects.</p> <p>Report on annual review/update of the ERDP action plan and on plans to develop business / industrial areas.</p>	Significant range of activities being progressed to support the delivery of the Council's ambitions. Audit work will review progress and provide assurance on the relevant project management and governance arrangements.	YES
P019.1	<p>Planning and place making</p> <p>Report on outcome of statutory consultation and next steps, and to seek approval of adopted Local Development Plan, the 5-10 year strategy for physical local development.</p> <p>Commence development of the new Local Development Plan; to take account of the changes in legislation to be implemented through the Planning (Scotland) Act 2019. Develop policies, procedures, and protocols in response to regulations and guidance to implement the Planning (Scotland) Act 2019.</p> <p>Report on <i>Connecting North Lanarkshire: A Blueprint</i>, the framework to facilitate the creation of a network of connected places/spaces. This includes an audit of open space provision and of current and future requirements.</p>	Programme of work activity does not currently require or justify Internal Audit coverage in 2020-21, although it is likely to do so as proposals and projects are firmed-up.	NO

Appendix 4 Internal Audit consideration of 2020 Programme of Work for inclusion in the 2020-21 Plan (continued)

Programme of work to support the shared ambition		Internal Audit commentary	Include in 2020-21 Plan
P021	<p>City Deal</p> <p>Progress delivery of the realigned City Deal programme, including development and approval (by GCR Cabinet) of outline and full business cases for all remaining projects, alongside associated feasibility, design, and procurement activity:</p> <ul style="list-style-type: none"> East Airdrie Link Road (EALR), Ravenscraig Infrastructure Access (RIA) North and South, Motherwell Town Centre Interchange (MTCI), Orchard Farm roundabout and Eurocentral Park, Ride, and Share 	Internal Audit work required annually to support preparation of assurance statement required to be provided by Internal Audit to the City Deal PMO as part of the City Deal assurance framework.	YES
P022	<p>Business development and support</p> <p>Manage delivery of the Business Gateway contract and progress procurement arrangements for future delivery of Business Gateway services post February 2021.</p> <p>Report on support for local businesses, including proposed use of West of Scotland Loan Fund resources to identify and develop opportunities to support growth of local businesses.</p> <p>Develop and implement a new social enterprise framework to support social enterprises.</p> <p>Develop and implement a film charter to support and facilitate requests from film production companies and support growth of the creative sector in North Lanarkshire.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P023	<p>Marketing and tourism</p> <p>Approve the updated Lanarkshire Area Tourism Strategy (linking in with the approved Events Strategy).</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P025	<p>Country parks for the future</p> <p>Report on the business case to seek approval of next phase of delivery. Update report on implementation of the country parks for the future delivery plan. Report on further development of the use of greenspace to improve health, wellbeing, and social outcomes. Report on study into feasibility of Strathclyde Park as a source of renewable energy.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P047.1	<p>Hub development and delivery programme</p> <p>Update report on the implementation of the town / community hub strategy. Update on progress of the hub development and delivery programme.</p>	Significant activity being progressed to support the delivery of the Council's ambitions. Audit work will review progress and provide assurance on the relevant project management and governance arrangements.	YES
P076	<p>One Place - One Plan</p> <p>Report to seek approval of the overarching approach for the economic, social, and environmental regeneration of North Lanarkshire; this includes approval of the guiding principles and prioritisation matrix for the town / community hubs strategy, town vision concepts, and development of a phased programme of delivery for the parks masterplans. This will enable work to move to the next phase to allow engagement to take place with all stakeholders to inform the development of the respective business case and delivery plans and move to the implementation phase.</p> <p>Provide an annual report updating on the delivery of P076 as a composite programme of work (note - individual components within this will continue to be reported under the respective Programme of Work elements (i.e. P018.1, P047.1, P025, P019) to the relevant committee.</p>	Significant range of activities being progressed to support the delivery of the Council's ambitions. Audit work will review progress and provide assurance separately as appropriate on the adequacy and effectiveness of relevant individual workstream project management and governance arrangements (i.e. P018.1, P047.1, P025, and P019).	NO

Appendix 4 Internal Audit consideration of 2020 Programme of Work for inclusion in the 2020-21 Plan (continued)

Programme of work to support the shared ambition		Internal Audit commentary	Include in 2020-21 Plan
P077	<p>Workforce for the Future Report on the outcomes of the employability review with phase 1 priorities and deliverables and the Workforce for the Future strategy. Report on progress with delivery of the Workforce for the Future priorities (including workforce plans presented to service committees) and approval of future priorities / actions.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P078	<p>Local Housing Strategy Develop, consult, and implement on the new Local Housing Strategy 2021-26, to provide a strategic plan for North Lanarkshire that aims to meet current and future housing needs and demand and ensure effective delivery of housing related services over the lifetime of the strategy.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P030.1	<p>1140 early learning and childcare expansion programme Report on progress made against the programme to phase in the delivery of 1140 hours across early learning and child care settings by August 2020. Report on delivery thereafter.</p>	Internal Audit will follow-up previous work on this area to provide independent assurance on the performance and governance arrangements associated with the implementation of this high-profile policy initiative.	YES
P031.1	<p>Getting it Right for Every Child (GIRFEC) Report on refresh of GIRFEC systems as part of the wider review of planning for the health and wellbeing of all children and young people in conjunction with the Children's Services Partnership. Report on delivery thereafter.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P032.1	<p>Mental health, well-being, and resilience Report on implementation of the mental health, well-being, and resilience delivery plan to help address the growing concerns of mental health in children and young people. Report on delivery thereafter.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P034.1	<p>Improving outcomes Annual Standards and Quality report on educational outcomes in line with priorities and statutory legislation.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P035.1	<p>Additional Support Needs (ASN) provision Report on implementation of the new ASN programme following review and remodeling of the service provision, strategic approach, systems, processes, and the ASN sector estate. Report on delivery thereafter.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P039	<p>Scottish Attainment Challenge (SAC) and Pupil Equity Fund (PEF) Annual report on the redeveloped SAC and PEF plan to ensure an increased focus on research and evidence based practice and a more explicit outcomes focus.</p>	Internal Audit will follow-up previous work on this area to provide independent assurance on the adequacy and effectiveness of performance and governance arrangements associated with these funding streams.	YES
P044.1	<p>Care experienced children and young people Report on development of a delivery plan with a range of linked initiatives aimed at improving outcomes for children experiencing care, and care experienced and young people at risk. Report on delivery thereafter.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO

Appendix 4 Internal Audit consideration of 2020 Programme of Work for inclusion in the 2020-21 Plan (continued)

Programme of work to support the shared ambition		Internal Audit commentary	Include in 2020-21 Plan
P079	<p>Curricular review</p> <p>Conduct review to inform a revised curricular model to enable a more effective set of pathways for young people, with greater emphasis on tackling bureaucracy and school week alignment to meet priorities. Report on delivery thereafter.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P080	<p>Support for families</p> <p>Conduct review to inform an overview of support for families to ensure a planned approach to providing holistic support is in place. Report on delivery thereafter.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P081	<p>Leadership Model</p> <p>Report on the development of the Leadership Model to support co-production and ensure effective management, operation, and governance structures within each hub. Provide an update on the implementation of the Leadership Model.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P005.1	<p>Tackling poverty</p> <p>Seek approval of the Tackling Poverty Strategy as the overarching corporate and partnership approach to tackling poverty. This will demonstrate the commitment to reduce poverty and ensure activities have a positive impact upon local people. Includes key activities such as financial inclusive, food poverty, money advice, club 365, sanitary provision, and employability.</p> <p>Report on implementation of Tackling Poverty Strategy and demonstrate improved outcomes achieved. Produce an annual Child Poverty Action Report, which covers previous year's activities and outlines future plans, in line with The Plan for North Lanarkshire and statutory requirements.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P016	<p>Homelessness and related support</p> <p>Deliver on the intentions laid out in the Rapid Rehousing Transition Plan (RRTP) which aims to rehouse people that have experienced homelessness by ensuring settled housing as an option as soon as possible, rather than lengthy stays in temporary homeless accommodation.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P045.1	<p>Tackling domestic abuse and gender based violence - support for adults and families</p> <p>Development of local strategy and delivery plan focusing on enhancing prevention, reducing harm and improving outcomes through a coherent cross service and partnership. Complete review of commissioned domestic abuse services. Report on delivery thereafter.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P048	<p>Framework for physical activity</p> <p>Report on the physical activity strategy, in light of the decision to insource culture and leisure services.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P049	<p>Prevention and early intervention</p> <p>Report on progress across a wide range of activities implemented to maximise independence and support individuals to remain active members of their communities; this will involve prioritising work in terms of prevention, early intervention, and community capacity building and focusing on promoting health and well-being, and addressing inequalities.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO

Appendix 4 Internal Audit consideration of Programme of Work for inclusion in the 2020-21 Plan (continued)

Programme of work to support the shared ambition		Internal Audit commentary	Include in 2020-21 Plan
P050.1	<p>Do the right thing, first time</p> <p>Report on the progress of work at both locality and area-wide levels to further develop frontline services that are integrated at the first point of contact and at delivery; this aims to ensure that wherever people make contact with the system as a whole, they receive a consistent and correct response which has a focus on preventative and anticipatory care approaches.</p> <p>Report on progress to create a range of prevention and early interventions set within a wider multidisciplinary approach, in line with the Primary Care Improvement Plan and Lanarkshire Mental Health and Wellbeing Strategy 2019-24.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P051	<p>Focus on what matters to people (outcomes)</p> <p>Report on the re-tender of the self-directed support and home support frameworks (within the next two year cycle) to ensure a wide range of quality providers are available for people to choose locally.</p> <p>Report on work monitoring the impact of local responses to improve the support/recognition of unpaid carers.</p>	Work on SDS carried out in 2019-20. Programme of work activity does not require or justify further Internal Audit coverage in 2020-21.	NO
P052	<p>Support people to live well connected lives</p> <p>Report on progress of further developments to maximise the use of electronic scheduling and remote working, in line with DigitalNL, to improve both the quality and efficiency of the service on offer.</p> <p>Report on progress of the relocation of the home support management to a central base; this will enable development work to commence on the next stages of the evolving model.</p> <p>Report on a whole system approach to supporting people effectively to minimise use of hospital or care settings and maximise support at home.</p>	This specific programme of work will be considered as part of Internal Audit's overall planned coverage of the governance of the Digital NL programme.	YES
P054	<p>Technology and sustainable solutions</p> <p>Report on progress of developments of information and digital technology, and digital access and solutions as they support transformational change. Detail will include the further development of self-help platform Making Life Easier, development of integrated communications, and upgrade of the eCare system.</p>	This specific programme of work will be considered as part of Internal Audit's overall planned coverage of the governance of the Digital NL programme.	YES
P082	<p>Work, volunteer, and care</p> <p>Report on the progress of the development of the Care Academy for Health and Social Care.</p> <p>Report on the progress of the requirements of the Carers Act.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P007.1	<p>Annual corporate communications plan</p> <p>Report on outputs from the annual communications plan from the previous year (in line with the council's Communication Strategy), and present the new annual plan for the year ahead stating the priority campaigns for delivery under the <i>Live, Learn, Work, Invest, and Visit</i> themes.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO

Appendix 4 Internal Audit consideration of Programme of Work for inclusion in the 2020-21 Plan (continued)

Programme of work to support the shared ambition		Internal Audit commentary	Include in 2020-21 Plan
P003.1	<p>Transformation programme</p> <p>Outline of DigitalNL work packages which aim to deliver service, business, and technological changes internally and externally, to improve service delivery, drive efficiencies, and realise the benefits to the council and the people and communities of North Lanarkshire.</p> <p>Report on the implementation and alignment of other emerging technologies, in line with the Digital and ICT Strategy, to deliver on the council's wider service redesign and transformation programme including Programme of Work elements for 2020 and beyond.</p> <p>Update of changes implemented as a result of service redesign to transform the way services are delivered and integrate within the digital and wider council transformation programme.</p> <p>Report on the delivery of the projects within the Digital Economy and Place (SmartNL) programme to improve connectivity within the council's own estate and across North Lanarkshire's communities to support inward investment and economic regeneration.</p>	<p>This specific programme of work will be considered as part of Internal Audit's overall planned coverage of the governance of the Digital NL programme.</p>	YES
P056.1	<p>Working with communities model and supporting governance structure</p> <p>Report on proposals to establish Boards to empower communities as key partners and enable local people to have a direct say in the design, development, and delivery of services and the town and community hubs strategy outlined in P076.</p> <p>Report on development of governance structure to support the Boards.</p> <p>Report on establishment and integration of locality delivery plans (in line with the town visions) into the democracy / governance model.</p> <p>Report on further development of approaches to participatory budgeting in localities in line with statutory requirements.</p>	<p>Work on Community Engagement and Participatory Budgeting was included in the 2019-20 Annual Plan. Further work will be undertaken in 2020-21 to follow-up agreed management actions and to provide assurance on the adequacy and effectiveness of developing arrangements.</p>	YES
P066	<p>Modernisation and long-term sustainability of the electoral structure</p> <p>Report on completion of work to review current resources and processes to ensure modernisation and long-term sustainability of the electoral system.</p>	<p>Programme of work activity does not require or justify Internal Audit coverage in 2020-21.</p>	NO
P069	<p>Digital NL communication and engagement activity</p> <p>Report on the implementation of a communication and engagement plan with a rolling programme of activity for 2020 and beyond, to enable people to be involved, informed, and committed to the programme of change.</p> <p>Provide an update on the communication and engagement plan. Provide feedback to show how communication and engagement has improved the knowledge, involvement, and appetite for change internally with staff and externally with communities.</p>	<p>Programme of work activity does not require or justify Internal Audit coverage in 2020-21.</p>	NO

Appendix 4 Internal Audit consideration of Programme of Work for inclusion in the 2020-21 Plan (continued)

Programme of work to support the shared ambition		Internal Audit commentary	Include in 2020-21 Plan
P083	<p>Customer services hub</p> <p>Report on the development and implement of an online hub as the focal point for all customer activities, supporting the initial point of contact for enquiries regarding all council services, offering a range of channels to improve customer contact and provide self-service options, and supporting local community engagement.</p> <p>Report on the impact of the customer services hub on council policies and operating models.</p> <p>Provide an update on the design and implementation of the technology for the customer services hub.</p> <p>Report on the progress to implement the customer services hub and the integration, as appropriate, with the BI hub.</p>	<p>This specific programme of work will be considered as part of Internal Audit's overall planned coverage of the governance of the Digital NL programme.</p>	YES
P084	<p>Building community capacity and capabilities</p> <p>Report on implementation of national Adult Learning Strategy which includes adult literacy and numeracy and English as a second language; this will inform a delivery plan for adult learning in North Lanarkshire that contributes to the Workforce for the Future strategy. Develop and implement an Adult Learning Delivery Plan and report on outcomes achieved; focused on improving North Lanarkshire's community based adult learning offer. This is targeted at adults aged 16-64 with no formal qualifications and aims to contribute to the Workforce for the Future strategy.</p> <p>Co-produce, with young people, a strategic approach to Working with Young People in line with the National Youth Work Strategy 2020-25. Develop and implement a North Lanarkshire Working with Young People Delivery Plan 2020-25 and report on outcomes achieved.</p> <p>Report on progress in relation to community learning and development activity, including both universal and targeted work with an emphasis on engagement with vulnerable people living in the lowest 20% data zones.</p> <p>Report on the implementation of a commissioning approach to investing in the local community and voluntary sector to shape and guide relationships and approaches and support the voluntary sector as a delivery partner.</p> <p>Report on development of a North Lanarkshire Volunteering Development Plan focusing on young people and the council workforce.</p>	<p>Programme of work activity does not require or justify Internal Audit coverage in 2020-21.</p>	NO
P085	<p>Tenant Participation Strategy</p> <p>Report on development, consultation, and production of Tenant Participation Strategy 2020-25; in line with the co-production and engagement aims of The Plan for North Lanarkshire (as well as statutory requirements). This will set out information on participation and how tenants and residents can get involved and influence housing and related services.</p>	<p>Programme of work activity does not require or justify Internal Audit coverage in 2020-21.</p>	NO
P086	<p>Equalities</p> <p>Report on work to review existing outcomes in consultation with communities and partners, in line with the public sector equality duty and within the context of the shared ambition for inclusive growth and prosperity for all set out in The Plan for North Lanarkshire.</p>	<p>Programme of work activity does not require or justify Internal Audit coverage in 2020-21.</p>	NO

Appendix 4 Internal Audit consideration of Programme of Work for inclusion in the 2020-21 Plan (continued)

Programme of work to support the shared ambition		Internal Audit commentary	Include in 2020-21 Plan
P002.1	<p>Asset rationalisation</p> <p>Report on the review of the office accommodation strategy.</p> <p>Report on the review of condition, suitability, and utilisation of all assets, linked into capital and revenue strategy.</p> <p>Report on completion of rationalisation process for fleet, waste, and environmental assets operational base to maximise use of the central depot at Bellshill.</p> <p>Provide progress update on work to develop Auchinlea / Dalmacoultter as a dedicated waste transfer facility and investigate extension of shared Clyde Valley waste arrangements.</p> <p>Report on progress to consolidate and rationalise environmental assets (e.g. trees, open spaces, bridges, lighting columns, and carparks, etc.) across the council to enable a holistic overview of the management and maintenance of environmental assets.</p> <p>Report on the implementation of the approved community asset mapping guidance to support engagement and delivery of town visions and town and community hubs strategy (P076), make best use of resources, and ensure local people and communities are involved and feel part of the process.</p>	<p>Work will be undertaken to provide assurance on the governance arrangements in place to progress this Programme of Work item.</p>	YES
P011	<p>Three year revenue budget strategy</p> <p>Provide an update on the ongoing development and implementation of the Revenue Resources Budget Strategy and budget setting for 2020/21 to 2022/23. This includes an update on the key principles established in the Revenue Resources Budget Strategy, and includes work to ensure savings are identified on a continuous basis through committee approval and active Member involvement.</p> <p>Provide update reports to committee on the implementation of savings - following establishment of a review and monitoring group to assess progress against the implementation of approved savings.</p> <p>Update the council's Medium-Term (five year) Financial Plan and identify scenarios relating to the anticipated budget gap from 2021/22 to 2025/26.</p> <p>Set an updated three year (rolling) budget 2021/22 to 2023/24.</p>	<p>This issue will be considered as part of our 2020-21 Plan linked to work on 'Financial management' and work on 'Financial Stability'</p>	YES
P012	<p>Community Investment Fund</p> <p>Produce annual Community Investment Fund progress report outlining updated financial projections linked to emerging economic trends.</p> <p>Provide an update on the development and delivery of capital investment plans supported by the Community Investment Fund.</p>	<p>Internal Audit will undertake work to provide independent assurance on the governance arrangements surrounding the CIF including the robustness of planning and other key operational assumptions</p>	YES
P059	<p>Improve procurement capacity and capability</p> <p>Report on work to improve procurement capacity and capability across council services, and review and update the Procurement Strategy and annual procurement report.</p>	<p>Programme of work activity does not require or justify Internal Audit coverage in 2020-21.</p>	NO

Appendix 4 Internal Audit consideration of Programme of Work for inclusion in the 2020-21 Plan (continued)

Programme of work to support the shared ambition		Internal Audit commentary	Include in 2020-21 Plan
P061.1	<p>Employee learning and development programmes - LearnNL</p> <p>Report on phase 2 of LearnNL plans to introduce a new Leadership Academy and transform the employee learning and development offering and delivery through implementation of Totara, the council's new Learning Management System.</p> <p>Provide an update on the implementation of Totara and the success and impact of the new Leadership Academy designed to improve manager capacity and capability. This report will also provide an update of progress against the Graduate and Modern Apprenticeship programmes and how they are enabling the council to build the workforce for the future.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P062.1	<p>Digital workforce and skills</p> <p>Report on phase 2 of the digital workforce and skills programme to build a digital ready workforce across North Lanarkshire.</p> <p>Provide an update on the progress of the digital workforce and skills programme and details of continued direction and further planned activity.</p>	This specific programme of work will be considered as part of Internal Audit's overall planned coverage of the governance of the Digital NL programme.	YES
P064.1	<p>Employee engagement and wellbeing</p> <p>Provide an update on the consolidated feedback from the full council Investors in People recommendations and the employee engagement and wellbeing programme.</p> <p>Provide a progress report on the employee engagement and wellbeing programme and associated impact on Investors in People feedback.</p>	Programme of work activity does not require or justify Internal Audit coverage in 2020-21.	NO
P072.1	<p>Business intelligence model</p> <p>Report on the outline design for an automated platform with integrated systems to provide a single source of data with a range of business intelligence (BI) tools that facilitates improved analysis, interpretation, and forecasting to inform evidence based decision making and service improvements.</p> <p>Provide an update on the implementation of the BI hub.</p>	This specific programme of work will be considered as part of Internal Audit's overall planned coverage of the governance of the Digital NL programme.	YES
P087	<p>Climate change : climate emergency declaration</p> <p>Outline plans for North Lanarkshire's COP26 event (i.e. the 26th conference of the parties/the major United Nations climate change summit which will take place in Glasgow from 9-19 November 2020).</p> <p>Outline proposals for action linked to the council's climate change emergency declaration made in June 2019, and provide regular progress updates.</p>	Report on this issue was done as part of the 2019-20 Internal Audit programme. Further work will focus on follow-up of the implementation of agreed actions.	NO

Appendix 4 Internal Audit consideration of Programme of Work for inclusion in the 2020-21 Plan (continued)

Programme of work to support the shared ambition	Internal Audit commentary	Include in 2020-21 Plan
<p>P075.1</p> <p>Strategic oversight and accountability</p> <p>Update on the monitoring and evaluation programme for the Strategic Policy Framework to ensure services and activities remain aligned to The Plan for North Lanarkshire and enable the required resources and working practices needed to facilitate delivery of the shared ambition.</p> <p>Seek approval of the Strategic Governance Framework to bring together legislative requirements, governance principles, management processes, and a regular programme of review to ensure delivery of The Plan for North Lanarkshire is supported by excellence in governance, accountability, and transparency.</p> <p>Update on the review programme to ensure each element in the Strategic Governance Framework is up to date, on a timetable for review at an appropriate interval, and subsequently reported to the relevant committee.</p> <p>Annual review of The Plan for North Lanarkshire, incorporating updates arising from the Strategic Self-Evaluation Framework programme of reviews for 2020, level 1 context indicators, level 2 and 3 performance results, and the Programme of Work for 2020 and beyond.</p> <p>Annual review and update of the Programme of Work to provide Members with a composite overview of progress to date, along with the future roadmap to ensure strategy remains connected to delivery and the Programme of Work enables the ongoing delivery of projects, activities, and services in support of The Plan for North Lanarkshire.</p> <p>Report on arrangements to ensure the council maintains adequate oversight of service delivery and governance while demonstrating where arm's length external organisations are supporting delivery of The Plan for North Lanarkshire.</p> <p>Regularly assess the effectiveness of the risk management arrangements which the council has in place to assist the identification and management of risks, strengthen organisational resilience, improve governance and stakeholder confidence and trust, and increase the likelihood of the council achieving its planned outcomes, priorities, and ambitions and report the results of that assessment to key stakeholders.</p> <p>Review and update of the Risk Management Strategy to ensure it remains up to date and consistent with the council's expectations.</p> <p>Provide a range of assurance outputs, in line with the approved Internal Audit Strategy and annual plan, focused on cyclical coverage of core corporate governance processes, key strategic priorities and programmes of work, corporate risks, and key financial systems.</p>	<p>Internal Audit will focus considerable attention in 2020-21 to the Council's developing arrangements, including, but not necessarily limited to, work providing independent assurance on the adequacy and effectiveness of the following key corporate governance areas:</p> <ul style="list-style-type: none"> • Strategic Policy Framework • Strategic Performance Framework • Strategic Governance Framework • Strategic Self-Evaluation Framework • Risk management arrangements 	<p>YES</p>