

AUDIT	2016/17	COMMENTARY	STATUS
Corporate Governance			
Corporate Governance - annual evaluation and statement 2016/17	20	Interim review of the Local Code of Corporate Governance and progress on improvement action plans. Annual evaluation against Local Code of Corporate Governance covering the corporate whole and individual Service Directorates.	Continuous audit approach including follow-up on areas of improvement as part of other planned audit work; Annual evaluation scheduled 4th Qtr.
Information Governance	20	Review of the Information Governance framework including roles and responsibilities, policy development and implementation, and assess progress with implementation of improvement actions including transformation project.	Continuous audit approach including follow-up on areas of improvement as part of assurance role on the Information Governance Group and the Information Management Project Board.
Performance Management	30	Provide independent validation of performance indicators and benchmarking information to support self-assessment and continuous improvement of the Council's services.	Final report on Statutory Performance Indicators (SPIs) and Local Government Benchmarking Framework (LGBF) issued 15 September 2016.
Workforce Planning	10	Review of approach to workforce development in alignment with business and financial planning processes to provide skills, knowledge and competency requirements for service delivery to meet the Council's objectives.	Scheduled 4th Qtr
Corporate Transformation	50	Review of governance and accountability arrangements for the Corporate Transformation programme including programme and project management. Review of processes for benefit (financial and other) identification, tracking and realisation.	Scheduled 3rd Qtr; selection of projects for detailed review.
Adult Social Care Services	30	Review of governance and accountability arrangements for the provision of Adult Social Care Services commissioned by the Integration Joint Board, including compliance requirements of the specific Scottish Government funding distributed to support the delivery of outcomes from health and social care integration.	Scheduled 3rd Qtr
Roads Services	30	Review governance arrangements being developed as part of proposals for alternative service delivery models for Roads services, and utilisation of best practice guidance and lessons learned.	Continuous audit approach as part of assurance roles on the Alternative Service Delivery Board and Roads Services Review Project Team.
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Financial Governance			
Financial key processes and controls, policies and procedures	45	Assess design of key processes and controls by Management and progress with review and update of Financial Regulations and associated procedures and guidelines as part of the implementation project for the new Financial system.	Continuous audit approach including follow-up on areas of improvement as part of assurance roles on the Business World ERP Project Board and other groups
Counter Fraud, Theft, Corruption & Crime	20	Review of fraud prevention controls and detection processes put in place by management, and progress with Improvement Plan actions.	Corporate Fraud & Compliance Officer is the Lead engaging with Corporate Fraud Working Group, and liaising with Internal Audit on any key control issues.
Income Charging, Billing & Collection	35	Review of income management controls in place throughout the Council to set fees and charges for services, raise invoices promptly, and collect debts efficiently resulting in debtors' balances that are complete, accurate and recoverable.	Continuous audit approach including follow-up on areas of improvement as part of assurance roles on the Business World ERP Project Board and other groups
VAT	20	Completion of the review of the VAT treatment of supplies and services made by the Council to customers using a variety of sources such as HMRC VAT Notices, Case Law, Sector guidance and peer expertise to establish whether the correct VAT treatment has been applied.	Completed over 12 months to July 2016. Outline of key matters included in committee report commentary to Audit and Risk Committee 26 September 2016.
Procure to Pay service	20	Review of purchase to payments processes at Service level including authorisation.	Scheduled 3rd Qtr
Salaries (incl expenses)	20	Review of controls at Service level.	Scheduled 3rd Qtr
Revenues (Council Tax)	20	Assess completeness and accuracy of Revenues (Council Tax) income associated with the new 2016/17 approved policy, and key controls introduced including application of discretionary exemptions.	Final report issued 16 September 2016
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ICT Governance

ICT Change Programme	30	Within the next phase of transition associated with Gate Review Milestones set out in Project Plan, evaluate the role of the ICT Board, CMT and Executive Committee as part of governance, monitoring and review arrangements.	Previously ICT Review Project, and including ICT Security Controls and ICT Operational Processes. Final Report issued 16 September 2016; specific assurance work in 4th Qtr on Contract Management arrangements with CGI.
ICT Security Controls	5	Assess the adequacy of the physical access and environmental controls to the Council's ICT equipment, software and data to prevent unauthorised access and damage including third party access agreements.	Incorporated in scope of ICT Change Programme audit work - Final Report issued 16 September 2016.
Public Services Network (PSN) Compliance	5	Examine the Council's compliance with the requirements of the Public Services Network (PSN) and progress with implementation of actions required to achieve full compliance.	Final report issued 12 September 2016
ICT Operational Processes	20	A review of the change / incident / problem management operational controls to ensure they are designed appropriately and that all parties are adhering and complying with them.	Incorporated in scope of ICT Change Programme audit work - Final Report issued 16 September 2016.
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Internal Controls

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, to complement the assurance received from Education Scotland arising from their inspection programme of schools.	Scheduled 3rd Qtr; sample of primary and secondary schools selected for visits.
Community Safety	15	Review of operational and financial controls in place for the effective delivery of services and use of resources including the specific grant funding received.	Deferred from 2016/17 on request by Management.
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Asset Management

Fixed Asset Registers	25	Review of processes and controls management have implemented to ensure complete and accurate records of all Property, Fleet, and IT assets that underpin Asset Management Plans to deliver Council's strategies, plans and priorities.	Outline of key matters included in committee report commentary to Audit and Risk Committee 26 September 2016.
Capital Investment	30	Review of strategic asset planning and capital investment to ensure these are based on the priorities and outcomes set by the Council. Review of governance in place to ensure that capital projects are being managed efficiently and effectively from inception to completion. Assess progress with implementation of identified improvement actions to ensure compliance with established good practice.	Scheduled 3rd Qtr.
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Legislative & Other Compliance

Selkirk Conservation Area Regeneration Scheme (CARS)	15	Review as part of programme compliance and evaluation requirements of the external funders including audit requirements.	Final report issued 2 August 2016
LEADER	15	Annual review of LEADER programme required by the Service Level Agreement (SLA) between Scottish Ministers (Managing Authority and the Paying Agency (RPID)) and Scottish Borders Council (Lead Partner for Scottish Borders Local Action Group (LAG)) to assess compliance by SBC with the terms of the SLA.	Draft report on EU Funded Programmes 2014-2020 LEADER and EMFF issued 7 October 2016 - awaiting formal Management Response. Audit Assurance Report issued to Scottish Government 31 October 2016 to comply with Audit terms in SLA.
European Maritime and Fisheries Fund	10	Annual audit under the terms of the SLA and legislative compliance including an assessment of compliance with the requirements of the SLA and the relevant EC Regulations.	
Carbon Reduction	10	Annual audit as part of the requirement under the Carbon Reduction Commitment Energy Efficiency Scheme (CRC) prior to the Council's annual submission to Department of Energy and Climate Change (DECC).	Final report issued 5 August 2016
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Consultancy			
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Reviews	50	Provision of internal audit advice, facilitation and consultancy support to management at an early stage in new developments and within change and transformation programmes and projects.	Ongoing
Specific Requests	20	Highlight opportunities to reduce costs through greater economy and efficiency within systems and activities as part of strategic and service reviews.	Ongoing
Project Boards / Teams e.g. - Information Governance - Welfare Reform - Serious Organised Crime	20	Provision of internal audit advice, support and challenge to management within change and transformation programmes and projects including provision of 'critical friend' role.	Ongoing
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Other			
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Contingency	30	Investigations and other reactive work to ensure high risk issues and concerns identified by Management during the year are appropriately addressed.	On request and in agreement by Chief Officer Audit & Risk.
Follow-Up	30	Recommendations are followed-up to ensure Management implementation to improve the internal control and governance arrangements.	Ongoing
National Fraud Initiative	9	Submission of data sets and case management of data matches arising from NFI exercise.	Corporate Fraud & Compliance Officer is the Lead engaging with key service contacts and Corporate Fraud Working Group, and liaising with Internal Audit on any key control issues.
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SBC Total	739
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Non Scottish Borders Council			
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SB Cares	25	To be determined and agreed with SB Cares Board and Management for review of the adequacy of the arrangements for risk management, governance and control of SB Cares.	SB Cares Internal Audit Annual Plan 2016/17 approved by SB Cares Board and Management on 29 September 2016; audit work underway.
Scottish Borders Pension Fund	10	To be determined and agreed with Pension Fund Committee and Management.	Attendance at Pension Fund Committee and Board to assess governance arrangements.
Scottish Borders Health and Social Care Integration Joint Board	35	To be determined and agreed by the Scottish Borders Health and Social Care Integration Joint Board for review of the adequacy of the arrangements for risk management, governance and control of the delegated resources.	Scottish Borders Health and Social Care Integration Joint Board (IJB) Internal Audit Annual Plan 2016/17 approved by IJB Audit Committee on 26 September 2016. In respect of joint services, assurances will be sought as appropriate from partner internal audit service providers (e.g. NHS Borders - PwC; SBC - SBC IA) and Management.
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Overall Total	809
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