

Agenda Item 8

Internal Audit Plan 2020/21

CENTRAL SCOTLAND VALUATION JOINT BOARD

Subject: Internal Audit Plan 2020/21
Meeting: Central Scotland Valuation Joint Board
Date: 25 September 2020
Author: Internal Audit Manager

1. Introduction

- 1.1 This paper provides details of the development of the 2020/21 Internal Audit Plan, summarises planned work, and sets out the mechanism for reporting on findings arising from that work.

2. Development of the Internal Audit Plan

- 2.1 Annual Internal Audit coverage is based on discussion with the Assessor, review of relevant documentation, and Internal Audit's own assessment of risk. In addition, Internal Audit review, on an ongoing basis, emerging and developing risks for consideration in current and future years' Internal Audit Plans.
- 2.2 Clearly, this Plan must also be considered within the context of the impact of the COVID-19 pandemic. Priorities, resource, and capacity will fluctuate and change over the course of 2020/21, and so this Plan should be considered indicative and flexible.

3. Planned Internal Audit Coverage

- 3.1 Notwithstanding the caveat at paragraph 2.2, it is intended that the focus of Internal Audit's work during 2020/21 will be on:

- Valuation Process: we will review the process for ensuring that, on receipt of relevant information (eg a Planning or Building Warrant), a survey is created on the core system to assess whether there is any impact on the Rateable Value (RV) or Council Tax (CT) Band, or if a new entry needs to be created. We will check whether the survey is subsequently cancelled if there is no impact on RV or CT Band, or that it is monitored and updated as work progresses, then completed once the work is finished.

Our focus will be on verifying whether all information relating to potential changes is recorded, that decisions are documented, and that procedures are being followed. Finally, we will review how access to the system is controlled, to ensure that only valid changes are made to data.

- Governance: We will review and challenge the conclusions reached by the Assessor in his completion of the Annual Governance Statement Assurance Questionnaire.

- 3.2 In addition, time will, as normal, be allocated to the provision of ad hoc consultancy and advice. This will allow Internal Audit to provide advice on guidance and controls and input to short term assignments requested by the Assessor. This may be in relation to new ways of working as a result of COVID-19.

4. Reporting Arrangements

- 4.1 Matters arising from Internal Audit work will be reported to the Assessor in the form of a draft report. This will provide a statement on the level of assurance that can be provided on the systems of risk management, governance, and control, as well as an action plan setting out specific audit recommendations. The overall assurance will be provided in line with the definitions set out at **Appendix 1**, and the Assessor will be expected to provide responses to each recommendation in line with timeframes agreed prior to the commencement of the review. The report and completed action plan will form the final record of the audit, and the basis for subsequent follow-up work.
- 4.2 Periodic reports may be provided to the Board detailing progress in completing the 2020/21 Internal Audit Plan and highlighting any key findings or emerging themes.
- 4.3 Internal Audit will produce an Annual Assurance Report providing an opinion on the overall adequacy and effectiveness of the Board's control environment. This report will include a summary of work undertaken and a comparison of work completed against work planned.

5. Recommendations

- 5.1 The Board is asked to agree planned Internal Audit coverage for 2020/21.**

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Internal Audit Manager

Date: 17 September 2020

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Appendices:

Appendix 1 – Internal Audit Assurance Categories

List of Background Papers:

No papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973.

INTERNAL AUDIT ASSURANCE CATEGORIES

Level of Assurance	Definition
Substantial assurance	Largely satisfactory risk, control, and governance systems are in place. There may be some scope for improvement as current arrangements may undermine the achievement of objectives or leave them vulnerable to error or abuse.
Limited assurance	Risk, control, and governance systems have some satisfactory aspects. There are, however, some significant weaknesses likely to undermine the achievement of objectives and leave them vulnerable to an unacceptable risk of error or abuse.
No assurance	The systems for risk, control, and governance are ineffectively designed and operated. Objectives are not being achieved and the risk of serious error or abuse is unacceptable. Significant improvements are required.