

REPORT TO: Audit and Governance Committee

MEETING DATE: 25 March 2025

BY: Service Manager – Internal Audit

SUBJECT: Internal Audit Strategy and Plan 2025/26

1 PURPOSE

- 1.1 To inform the Audit and Governance Committee of Internal Audit's operational plan for 2025/26.

2 RECOMMENDATION

- 2.1 The Audit and Governance Committee is asked to:
- Approve the Internal Audit Plan for 2025/26; and
 - Approve the Internal Audit Strategy 2025/26.

3 BACKGROUND

- 3.1 The Local Authority Accounts (Scotland) Regulations 2014 that came into force on 10 October 2014 require a local authority to operate a professional and objective internal auditing service. This service must be provided in accordance with recognised standards and practices in relation to internal auditing. Recognised standards and practices are those set out in the Global Internal Audit Standards (GIAS) as adjusted by the UK Public Sector Application note.
- 3.2 The East Lothian Council Internal Audit function is planning to follow the professional standards as set out in the Global Internal Audit Standards (GIAS) as adjusted by the UK Public Sector Application note, from the 1 April 2025, where resources allow. In accordance with GIAS to develop an effective internal audit strategy and plan, the chief audit executive must understand the organization's governance, risk management, and control processes.

- 3.3 GIAS also requires that the chief audit executive must develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the organization and aligns with the expectations of the board (the Audit Committee acting on behalf of the Council), senior management, and other key stakeholders, including Audit Scotland and the East Lothian Public.

4 Internal Audit Strategy

- 4.1 GIAS Standard 9.2 Internal Audit Strategy states, that; “the chief audit executive must develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the organization and aligns with the expectations of the board, senior management, and other key stakeholders.”
- 4.2 The Service Manager Internal Audit has developed the Internal Audit Strategy at Appendix 1. It outlines the strategic direction for how Internal Audit will achieve its objectives, which are set out in the Internal Audit Charter, in conformance with GIAS. It guides the Internal Audit function in delivering high quality internal audit services to East Lothian Council and the East Lothian Integration Joint Board (ELIJB).
- 4.4 The Internal Audit Strategy:
- Outlines the assurance framework, providing clarity of the respective responsibilities of Management for designing and monitoring governance and control systems and of the role of Internal Audit in providing independent assurance thereon;
 - States how the key themes which are integral to the assurance gathering process across the organisation’s activities will be covered to inform the annual Internal Audit opinion statement;
 - Describes the approach to the development of the risk based Internal Audit annual plan;
 - Sets out the relative allocation of Internal Audit resources;
 - Outlines how the Internal Audit programme of work will be delivered to add value; and
 - Describes the monitoring and reporting of Internal Audit findings from its work and progress with its plans to the relevant organisation’s audit committee/board.

5 Internal Audit Annual Plan 2025/26

- 5.1 The key standards within the GIAS relating to the Internal Audit Plan is Standard 9.4 Internal Audit Plan, which states the following: The chief audit executive must create an internal audit plan that supports the achievement of the organization’s objectives. The chief audit executive must base the internal audit plan on a documented assessment of the organization’s strategies, objectives, and risks. This assessment must be informed by input from the board and senior management as well as the

chief audit executive's understanding of the organization's governance, risk management, and control processes. The assessment must be performed at least annually.

- 5.2** GIAS Standard 9.4 also states that; The internal audit plan must:
- Consider the internal audit mandate and the full range of agreed-to internal audit services.
 - Specify internal audit services that support the evaluation and improvement of the organization's governance, risk management, and control processes.
 - Consider coverage of information technology governance, fraud risk, the effectiveness of the organization's compliance and ethics programs, and other high-risk areas.
 - Identify the necessary human, financial, and technological resources necessary to complete the plan.
 - Be dynamic and updated timely in response to changes in the organization's business, risks operations, programs, systems, controls, and organizational culture.
- 5.3** GIAS Standard 9.5 Coordination and Reliance states that, "The chief audit executive must coordinate with internal and external providers of assurance services and consider relying upon their work. Coordination of services minimizes duplication of efforts, highlights gaps in coverage of key risks, and enhances the overall value added by providers. If unable to achieve an appropriate level of coordination, the chief audit executive must raise any concerns with senior management and, if necessary, the board." The audit plan has been developed with coordination and reliance on the work of Audit Scotland as the appointed external auditor, specifically in relation to work on transformation covering many of the key identified Council risks. However, Coordination and reliance on other assurance providers including Education Scotland, Care Commission, health and safety inspectorate, has not been possible for the 2025/26 plan. Full compliance with this element of the standards has not been completed as East Lothian Council does not yet have a full assurance map.
- 5.4** The Service Manager Internal Audit has developed the Internal Audit Annual Plan 2025/26 at Appendix 2, based on the Internal Audit staff resources set out in 5.9. It sets out the proposed range and breadth of audit activity to be undertaken to provide the independent and objective audit opinions to East Lothian Council and the ELIJB.
- 5.5** As part of the Internal Audit planning process, it was necessary to consider each organisation's priorities, plans, strategies, objectives, risks and mitigating controls, and the internal and external assurances provided to determine the priorities of the Internal Audit activity consistent with the organisation's goals, as follows:
- Analysis was undertaken of Internal Audit work during the past 5 years against the Audit Universe reflecting current strategic and

operational management arrangements and approach to service delivery to ensure appropriate coverage.

- corporate and service area risk registers have been reviewed and high-risk areas considered for inclusion when recent work has not been completed in the area.
- Account was taken of known external audit and inspection activities to avoid duplication of assurance work.
- Review of the Council objectives expressed in the Council Plan 2022-27, and reprioritisation in February 2024;
- Identified changes in service delivery and risk areas identified by senior management. and
- the need to incorporate some flexibility for reactive/investigatory work.

5.6 It is envisaged that 2025/26 will continue to be a year of change for the Council and other partner organisations. Therefore, the Internal Audit Annual Plan 2025/26 should be considered to be flexible and will be periodically reviewed, and amended as required, to reflect any new arrangement or changing risks and priorities or available resources. Any amendments relating to the Council will be brought to Council Senior Management and the Audit Committee for approval.

5.7 The Non-ELC days reflect the Council's partnership working commitment to provide Internal Audit resource and services to the East Lothian Integration Joint Board (ELIJB). A separate Internal Audit Annual Plan 2025/26 has been presented to the ELIJB Audit and Risk Committee for approval.

5.8 Internal Audit are required to give an opinion on the Council's, Governance Risk Management and Internal Control environment in the annual Controls Assurance Statement and the audit work carried out will contribute to this opinion.

5.9 The provision of the Internal Audit service is on an in-house basis by the Council's Internal Audit Unit. The resources available are Service Manager Internal Audit 0.5 FTE, Principal Auditor 1 FTE, Senior Auditor 1 FTE, and Senior Audit Assistant 0.6 FTE, currently 3.1 FTE. It is anticipated prior to the start of work on the 2025/26 Internal Audit Plan that 1 further Auditor at 1FTE will be added to the Internal Audit resource.

5.10 Internal Audit will adopt a risk-based approach to audit assignments as the principal means of providing assurance on the adequacy, reliability and effectiveness of governance, risk management and internal controls. Testing of controls will be carried out on a sample basis. Samples are selected according to an agreed sampling methodology.

5.11 For each individual audit, a detailed audit report is prepared for the relevant member(s) of the Council Management Team (CMT). Copies of the audit report are provided to the Chief Executive, External Audit and to members of the Audit and Governance Committee.

- 5.12 Follow-up audits will be carried out to review the implementation of the recommendations made.
- 5.13 Internal Audit will report on the completion of the annual audit plan, the percentage of audit recommendations accepted by Management and the percentage of audit staff with CCAB or equivalent accounting qualifications.

6 POLICY IMPLICATIONS

- 6.1 None

7 INTEGRATED IMPACT ASSESSMENT

- 7.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

8 RESOURCE IMPLICATIONS

- 8.1 Financial – None
- 8.2 Personnel – None
- 6.3 Other – None

9 BACKGROUND PAPERS

- 9.1 None

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1. STRATEGIC VISION

1.1. The vision of this strategy is to guide East Lothian Council (ELC) Internal Audit function in delivering a high-quality internal audit service to ELC and East Lothian Integration Joint Board (ELIJB), which is capable of:

- providing the statutory annual assurance and audit opinion on the adequacy of each organisation's risk management, internal control and governance arrangements to the relevant organisation's senior management and board/audit committee;
- carrying out all other objectives contained in Internal Audit's Charter; and
- adding value to each organisation by influencing and offering ways to enhance the governance and internal control environment in alignment to their strategic priorities.

2. STRATEGY OBJECTIVES

2.1. The objectives of this strategy are to:

- Outline the assurance framework which comprises assurances from within the organisation and from external providers of assurance to improve the organisational understanding of the expectations of Internal Audit;
- State how the key themes which are integral to the assurance gathering process across the organisation's activities will be covered to inform the annual audit opinion statement;
- Describe the approach to the development of the risk based Internal Audit annual plan;
- Set out the relative allocation of Internal Audit resources;
- Outline how the Internal Audit programme of work will be delivered to add value and will be prioritised to ensure those areas of greatest risk are covered during the audit year; and
- Describe the monitoring and reporting of the Internal Audit findings from its work and progress with its plans to the relevant organisation's audit committee/board.

3. ASSURANCE FRAMEWORK

3.1. It is Management's responsibility to design and maintain proper risk management, governance and internal control processes and systems to ensure probity in systems and operations, and mitigation of risks, including the prevention, detection and resolution of fraud and irregularities. Management is also responsible for checking that the arrangements and controls are operating effectively and obtaining assurances from internal compliance, risk, inspection, quality, and control functions. These are known as the first and second lines of assurance. Internal Audit, as the third line of assurance, is the review function which will provide independent assurance on the effectiveness of the first and second lines of assurance, challenge current practices, recommend best practice and improvements to lead to a strengthening of the control environment and management of risks, thus assisting the organisation in achieving its objectives.

3.2. The organisation's assurance framework is the means by which the relevant organisation's Senior Management and Audit Committee/Board ensures that they are properly informed on the risks of not meeting objectives or delivering appropriate outcomes and that it has adequate assurances on the design and operation of systems in place to mitigate those risks.

3.3. The assurance framework comprises assurances from within the organisation (from Management and compliance functions, and independent and objective assurance from Internal Audit) and from external providers of assurance. Examples of the latter include the Accounts Commission, External Audit (Audit Scotland for ELC and ELIJB), Education Scotland, Care Inspectorate, Scottish Housing Regulator, and other regulators.

3.4. The assurances are considered during the annual review of the effectiveness of each organisation's overall governance framework carried out by officers of each organisation and supported by Internal Audit. The output is the Annual Governance Statement which is included within the relevant organisation's Annual Report and Accounts.

3.5. Where audit assurance is required on services that are delivered jointly by public sector joint working arrangements which include the organisation as a partner, these assurances will be sought as appropriate from partners' Internal Audit service providers and Management.

4. KEY THEMES INTEGRAL TO INTERNAL AUDIT ASSURANCE

4.1. Each organisation is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Fundamentally corporate governance is about the systems and processes, and cultures and values that are used by the organisation to discharge those responsibilities in a timely, inclusive, open, honest and accountable manner. This includes setting the strategic direction, vision, culture and values of the organisation; effective operation of corporate systems; processes and internal controls; engaging with and, where appropriate, lead communities; monitoring whether strategic objectives have been achieved and services delivered cost effectively; and ensuring that appropriate arrangements are in place for the managing risks.

4.2. The organisation's statutory financial officer, Section 95 Officer or equivalent, i.e. Executive Director for Resources (ELC) and Chief Finance Officer (ELIJB), is responsible for the proper administration of the organisation's financial affairs. Under their direction, the organisation's system of internal financial control is based on a framework of Financial Regulations (rules and regulations for financial management or administration arrangements linked to other key financial documents that set out the policy framework, associated strategy, and the more detailed procedures and guidelines), regular Management Information, administrative procedures (including segregation of duties), Management Supervision, and a system of Delegation and Accountability.

4.3. The continued use of and investment in technology to support service delivery, and digital change and transformation to improve operations is a key part of the vision for each organisation. Arrangements in place are underpinned by the overarching framework of the ICT security policy designed to ensure that computer systems are secure, reliable and conform to nationally agreed standards, and by the Digital Strategy linked to Corporate Priorities designed to support effective and modern service delivery and to meet service objectives.

5. APPROACH TO PERIODIC PLANNING

5.1. The Internal Audit Strategy and the Internal Audit Annual Plan 2025/26 has been prepared in conformance with the Global Internal Audit Standards to fulfil the requirement to produce the statutory annual assurance and audit opinion for each organisation.

5.2. As part of the Internal Audit planning process, it was necessary to consider each organisation's priorities, plans, strategies, objectives, risks and mitigating controls, and the internal and external assurances provided to determine the priorities of the Internal Audit activity consistent with the organisation's goals, as follows:

- Analysis was undertaken of Internal Audit work during the past 5 years against the Audit Universe, which reflects the current strategic and operational management arrangements and approach to service delivery, to ensure appropriate coverage;
- The Council and service risk registers have been reviewed to confirm coverage on key risks, as reliance is placed on the risk assessments carried out by the Risk Owners taking account of the risk ratings and mitigations;
- Account was taken of known external audit and inspection activities to avoid duplication of assurance work; however this may fall short of the level of co-ordination required under GIAS standard 9.5 Coordination and Reliance.

5.3. The audit planning process involves consultation with key stakeholders including discussions with Senior Management of each organisation to capture potential areas of risk and uncertainty more fully. This is of particular importance during a period of change and transformation as each organisation responds to new legislation or service delivery arrangements that might affect plans, priorities and resources.

6. ALLOCATION OF INTERNAL AUDIT RESOURCES

6.1. The current Internal Audit staff resource totalling 3.1 FTE comprises Service Manager Internal Audit (0.5 FTE), Principal Internal Auditor (1 FTE), Senior Internal Auditor (1 FTE), and Senior Audit Assistant (0.6 FTE), a further Auditor (1FTE) is hoped to commence prior to the start of 2025/26. Each member of the Internal Audit team has suitable experience, knowledge, skills and competencies (such as the training on the requirements of GIAS and the Seven Principles of Public Life) needed to deliver the plan 2.5 FTE of the team have a professional internal audit or accountancy qualification. The Available Days has been amended to reflect the Internal Audit resources after consideration of estimated annual leave, public holidays, absence, learning and development (including required professional CPD), management and supervision.

6.2. It is estimated that around 75% of Available Days will be spent on *assurance, and legislative and other compliance* activities combined. The Assurance work includes sufficient work across a range and breadth of audit areas which assure those processes that are currently in place and which Management rely on to deliver services, and to enable preparation of the required annual audit opinion on the adequacy of the organisation's control environment.

6.3. An estimate of 9% of Available Days will be spent on other activities in support of the Internal Audit function meeting its wider objectives as set out in the Internal Audit Charter.

6.4. An estimate of around 4% of Available Days will be utilised on *Consultancy* activities which support Management in delivering innovation, change and transformation. Management seek this value added activity during this period of change for Local Government though this allocation reflects a reasonable estimate of what is actually deliverable within the boundaries of the role of Internal Audit and the resources available.

6.5. It is estimated that around 12% of Available Days will be spent on the provision of Internal Audit services to East Lothian Integration Joint Board (MIJB). This reflects ELC's contribution of support resources as governance arrangements have changed in response to statutory partnership working for the provision of health and social care integration.

7. APPROACH TO DELIVERY OF PROGRAMME OF WORK

7.1. To facilitate operational delivery, an Internal Audit Programme of Work will be developed which provides an indication of when work will be scheduled during the year, taking account of discussions with Senior Management and the availability of Internal Audit resources.

7.2. For each Internal Audit, in line with recognised good practice, an Audit Assignment detailing the scope, objectives and timing will be prepared and agreed with the relevant Head of Service(s) and Service Manager(s) prior to commencement of Internal Audit fieldwork. Within assurance work:

- The organisation's Code of Corporate Governance (ELLC/ELIJB) will be used by Internal Audit as an integrated toolkit to test the extent of compliance.
- End to end reviews of financial management and administration processes will be undertaken by Internal Audit to test the extent of compliance (as integral part of protecting public finances, safeguarding assets, and delivering services effectively and sustainably), and substantive testing of transactions including data analytics will be carried out where this is possible to ensure completeness and accuracy.
- The Plans (Financial and Asset Management) to deliver the organisation's strategies, plans and priorities will be reviewed against best practice standards.
- Internal Audit will consider fraud risk and prevention and detection controls, and other appropriate cross-cutting risks and controls (such as risk management, performance management, community engagement, equalities, business continuity, and health and safety), highlight examples of effective internal controls, and share good practice across service areas.
- The ICT arrangements in place to protect each organisation from attack in relation to data security, integrity and availability will be tested and ICT Plans will be reviewed to confirm they support delivery of the organisation's strategies and priorities.
- National reports that give rise to introducing best practice arrangements or lessons learned from other local authorities or other public sector bodies will be considered and applied by Internal Audit to influence and offer ways to enhance governance and internal controls.

7.3. The Legislative and Other Compliance work will include testing in accordance with the terms of the funders' service level agreements or legislative requirements, as part of the wider assurance framework.

7.4. Within Advisory activities, Internal Audit will add value to the Council as it transforms its service delivery models, re-designs its business processes, and utilises technology to automate processes by influencing and offering ways to ensure adequate governance, risk management and internal controls. Internal Audit in its 'critical friend' role will provide an independent view and challenge of a sample of programmes and projects, and an objective assessment of self-evaluation arrangements and improvement that underpin the provision of Best Value, when resources allow.

7.5. *Other* work will include:

- Carrying out Follow-Up to monitor Management's progress with implementation of Audit recommendations to ensure that improvement actions have been timeously and effectively implemented; check that these have had the desired effect to manage identified risks; and demonstrate continuous improvement in internal control and governance; and
- Performing Contingency advisory reviews on specific instruction from Members or Senior Management, investigations and review of sufficiently important issues highlighted during the year where resources allow.

8. MONITORING THE WORK OF INTERNAL AUDIT

8.1. The Global Internal Audit Standards (GIAS) requires periodic reporting on the Internal Audit activity to the relevant organisation's Senior Management and Audit Committee/Board.

8.2. Internal Audit assurance work completed and work in progress, and consultancy and other work for the Council associated with the delivery of the Plan will be outlined within regular reports to its Audit Committee. Specifically relating to Internal Audit assurance work, this report will include an Executive Summary of the audit objective, good practice, findings, recommendations, and audit opinion of assurance for each Final Internal Audit Report issued to relevant Senior Management in the period.

8.3. Regular progress updates on implementation by Management of relevant Audit recommendations will be reported periodically during the year to the relevant organisation's Senior Management and Audit Committee/Board.

8.4. Internal Audit's compliance with its Strategy, delivery of its risk-based Annual Plan, and outcomes of assessment(s) against GIAS will be considered by the Chief Internal Auditor on a regular basis and formally reported annually to the Council's Corporate Management Team and the Audit Committee, through the Annual Assurance Report.

8.5. The Internal Audit Annual Assurance Report for each organisation (East Lothian Council and ELIJB) to their respective Senior Management and Audit Committee/Board will provide the statutory annual audit opinion on the levels of assurance based on Internal Audit findings over the year to inform each organisation's Annual Governance Statement.

8.6. The GIAS requires an annual Internal Self-Assessment and an External Quality Assessment (EQA) each five years by appropriately qualified and independent reviewers to assess conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing; The Scottish Local Authorities Chief Internal Auditors Group (SLACIAG) have implemented a "peer review" framework, in which ELC participates, as a cost-effective means of complying with the EQA requirement. Reporting on outcomes includes a statement on conformance with GIAS and the quality assurance and improvement plan (QAIP) to enable an evaluation of the Internal Audit quality management framework and to identify opportunities for improvement.

SERVICE AREAS TO AUDIT	ALLOCATED AUDITOR DAYS	CURRENT PROPOSED AUDIT ASSIGNMENTS FROM RISK ANALYSIS
Council Resources	90 Days	<p>Transformation Projects: Continue ongoing support and involvement in stage gate processes and consider specific reviews of control process adjustments resulting from implementation of the new finance system. (Inherent Risk Assessment: High)</p> <p>Complaints: Review the Customer Feedback team processes and provide assurance that comments and complaints are processed in accordance with regulation, best practice and in line with the East Lothian Council complaints procedure. (Inherent Risk Assessment: Medium)</p> <p>Employee Performance Management: Review assurance that the council has adequate staff performance management processes in place within Council Personal review and Development processes to ensure compliance best practice and appropriate feed through to further appropriate Performance Management Processes. (Inherent Risk Assessment: High)</p>
Place (Infrastructure, Housing, Development, Communities & Partnerships)	120 Days	<p>Fleet Management and Planning: Provide assurance that best practice fleet management practices have been implemented across the Council and that fleet planning provides a sustainable best value. (Inherent Risk Assessment: High)</p> <p>Housing Rents: Assurance that housing rental charges are being set in accordance with Council Policy and regulatory best practice and that Governance and Control processes are in place in association with this process. (Inherent Risk Assessment: High)</p> <p>City Deal Innovation Hub: Provide assurance that the operational governance structures are in place and operating to ensure appropriate control and risk management for the Council investment in this project and to manage the expected delivery of outcomes. (Inherent Risk Assessment: High)</p> <p>Commercial Rents: Review the processes for ensuring that commercial rents are set collected and recovered in accordance with best practice and Council Income Policies to ensure best value. (Inherent Risk Assessment: Medium)</p>

SERVICE AREAS TO AUDIT	ALLOCATED AUDITOR DAYS	CURRENT PROPOSED AUDIT ASSIGNMENTS FROM RISK ANALYSIS
<p align="center">Education & Children's Services</p>	<p align="center">90 days</p>	<p>School Transport: Provide assurance that School Transport provision is being planned and provided for in accordance with Council Policy and appropriate legislation/ regulation, that routes are planned, procured and improved to provide best value to the Council. (Inherent Risk Assessment: High)</p> <p>PPP Contract Management: Provide assurance that the Council PP contracts are being managed effectively to ensure that services are being provided effectively and actions resulting in additional fees appropriately reviewed and authorised, and payments are being accurately made. (Inherent Risk Assessment: High)</p> <p>Early Years: Provide assurance on the appropriate planning of expenditure for development of appropriate provision of early years education in compliance with the appropriate legislation, regulations and guidance. (Inherent Risk Assessment: Medium)</p>
<p align="center">Adult Social Work</p>	<p align="center">60 Days</p>	<p>Care at Home: Review the Control processes in place to ensure that best value is being achieved in the utilisation of care at home provision from external providers and in house provision, and the control processes are in place to ensure that appropriately qualified staff are available to meet identified needs. (Inherent Risk Assessment: High)</p> <p>Direct Payments – Self Directed Support: Review the Control processes in place to ensure as much as regulation allows that needs are met through provision of self-directed support appropriate council processes that ensure appropriate, timely and accurate payments. (Inherent Risk Assessment: High)</p>
<p align="center">ALEO's (Arm's Length External Organisations)</p>	<p align="center">30 Days</p>	<p>Enjoy Leisure: Establish if Enjoy Leisure has appropriate Governance and Assurance Processes in place that provide assurance to the council that risks are being properly managed within the organisation, and that the Council has appropriate processes in place to ensure appropriate risk management of the Council risks within the transactions provided and the arrangements in relation to use of Council assets. (Inherent Risk Assessment: High)</p>

SERVICE AREAS TO AUDIT	ALLOCATED AUDITOR DAYS	CURRENT PROPOSED AUDIT ASSIGNMENTS FROM RISK ANALYSIS
Miscellaneous Grants	10 Days	Internal Audit are currently undertaking annual audits of the Tyne and Esk Communities Development Fund . (Inherent Risk Assessment: Low)
Scottish Housing Regulator (SHR) Annual Assurance Statement	20 Days	Work required to provide assurance on the regulatory requirements set out in the Scottish Housing Regulators Chapter 3 of the Regulatory Framework. (Inherent Risk Assessment: Low)
Fraud & Irregularity	10 Days	Internal Audit will assist in investigations of suspected fraud or irregularity to support the 1 FTE of Counter Fraud Officer availability over the next year when required
National Fraud Initiative (NFI)	10 Days	Time has been allocated for providing some assistance to the Corporate Fraud Officer in reviewing the NFI matches in particular the Creditors Matches.
Integration Joint Board	75 Days	Time has been allocated for work that will be undertaken by Internal Audit for the East Lothian Integration Joint Board (IJB). A separate audit plan will be prepared which will be presented to the IJB Audit and Risk Committee for approval.
Review of Previous Year's Work	30 Days	Internal Audit will review the outcome of our previous year's work to ensure recommendations have been actioned as agreed and that risks accepted by Management have been properly managed.
Attendance at Stocktakes	5 Days	Internal Audit will attend the year-end stocktakes at Property Maintenance, Road and Waste Services. We will review the final stock sheets.

SERVICE AREAS TO AUDIT	ALLOCATED AUDITOR DAYS	CURRENT PROPOSED AUDIT ASSIGNMENTS FROM RISK ANALYSIS
Annual Governance Statement	10 Days	Completion of the Activities to assist with the CMT review of Governance and the administration of Governance Information to provide a draft Annual Governance Statement for consideration by the Audit & Governance Committee and inclusion in the draft accounts.
Audit & Governance Committee Annual Review	4 Days	Assist the Chair and Audit & Governance Committee Members with the completion of the Annual review of the Committee in line with the CIPFA Statement and best practice
Annual Planning	10 Days	Complete the review of Risk Assessment processes, identification of key risk areas assessment against the audit universe and identification of the links between the Council Objectives and the Internal Audit work for the 2026/27 annual audit plan.
Attendance at Boards and Committees	20 Days	Attendance at EMT, CMT, SMT, Audit & Governance Committee, Corporate Risk Group and Linking Risks Group
Advice and Consultancy	10 Days	<p>Consultation on New Systems – for new systems implemented, Internal Audit will provide advice on internal control matters.</p> <p>Financial Reports – providing service areas with financial information about companies and offering advice where applicable.</p> <p>Consultancy – providing advice and consultancy on internal control issues.</p>

SERVICE AREAS TO AUDIT	ALLOCATED AUDITOR DAYS	CURRENT PROPOSED AUDIT ASSIGNMENTS FROM RISK ANALYSIS
Training	40 Days	An adequate allocation of budget resources and time will be given to maintaining and improving the knowledge base and quality of the staff resource. This includes time to attend the Scottish Local Authority Chief Internal Auditor Group (SLACIAG) and attend the Biannual Conference, ensure appropriate Ethics and Objectivity training in line with Global Internal Audit Standards and to ensure that all qualified staff to undertake continuous professional development in line with institute requirements and provide training towards qualification were necessary.
Quality Assessment	20 Days	The Global Internal Audit Standards that apply to the Council from the 1 April 2025 requires an annual Internal Quality Assurance review is completed by the Service Manager – Internal Audit on an annual basis and that the results are reported to the Audit & Governance Committee. the Internal Audit section will also be subject to an External Quality Assessment (EQA) at least every five years, by appropriately qualified and independent reviewers. EQA processes are completed by inclusion on the SLACIAG peer review process which provides substantial best value in ensuring this process is completed.
Total	651 Days	