BÒRD NA GÀIDHLIG Comataidh Sgrùdaidh is Dearbhachd Air-loidhne Diardaoin 28/01/2021 09.50 – 12.30 CLÀR-GNOTHAICH		Audit and Assurance Committee Online Thursday 28/01/2021 09.50 – 12.30 AGENDA	
	SEISEAN FOSGAILTE	OPEN SESSION	09.50-12.15
3	SGRÙDADH BHON TAOBH A-MUIGH	EXTERNAL AUDIT	09-50-10.20
	AIRSON FIOSRACHADH* Planadh aithisg sgrùdaidh airson bliadhna a' crìochnachadh 31-03-2021 *Conor Healy & Jordan Cook, Deloitte LLP*	FOR INFORMATION* Planning report on the audit for the year ending 31-03-2021 *Conor Healy & Jordan Cook, Deloitte LLP*	
4	BUIDHEANN-STIÙIRIDH A' PHLANA LEASACHAIDH	IMPROVEMENT PLAN STEERING GROUP	10.20-10.45
	AIRSON FIOSRACHADH* Ri leanntainn Buidheann-Stiùiridh a' Phlana Leasachaidh PT1. Plana Leasachaidh *Jennifer Gilmour, Cathraiche a' Bhuidheann-Stiùiridh Plana Leasachaidh*	FOR INFORMATION* To follow Improvement Plan Steering Group PT1. Improvement Plan *Jennifer Gilmour, Chair, Improvement Plan Steering Group*	
	Beàrn	Break	10.45-11.00
5	IN-SGRÙDADH	INTERNAL AUDIT	11.00-11.30
5.1	RI AONTACHADH Aithisgean In-sgrùdaidh PT1. Ath-bheothachadh bho Mhòr-thubaistean is Leantainneachd Gnothaich PT2. Rianachd Mhì-Chinntean PT3. MFOan – Stiùireadh Coileanadh PT4. Tabhartasan gu Buidhnean Gàidhlig *Scott McCready, Wylie & Bisset, Luchd In-sgrùdaidh*	FOR DECISION Internal Audit Reports PT1 – Disaster Recovery & Business Continuity PT2 – Risk Management PT3 – MFOs – Performance Management PT4 – Grants to Gaelic Organisations *Scott McCready from Wylie & Bisset, Internal Auditors*	
5.2	AIRSON FIOSRACHADH* Aithisg air Molaidhean Luchd In-sgrùdaidh *Mairianne Stiùbhairt, Ceann an Ionmhais is Cùisean Corporra (Eadar-amail)*	FOR INFORMATION* Internal Audit Recommendations Report *Mairianne Stewart, Head of Finance and Corporate Services (Interim)*	
6	RIAGHLADH	GOVERNANCE	11.30-11.40
6.1	RI AONTACHADH Brath Luach as Fheàrr *Shona NicIllinnein, Ceannard*	FOR DECISION Best Value Statement *Shona MacLennan, Ceannard*	
6.2	AIRSON FIOSRACHADH* Aithisg Cyber Resilience *Louise NicIlleathain, Manaidsear Gnìomhan*	FOR INFORMATION* Cyber Resilience Report *Louise Maclean, Operations Manager*	
7	RIANACHD MHÌ-CHÌNNTEAN	RISK MANAGEMENT	11.40-11.55
	RI DHEASBAD Rianachd Mhì-chinntean PT1. Clàr Mhì-chinntean Ro-innleachdail *Shona NicIllinnein, Ceannard*	FOR DISCUSSION Risk Management PT1. Strategic Risk Register *Shona MacLennan, Ceannard*	
8	AITHISGEAN EILE	OTHER REPORTS	11.55-12.10

For Information Papers

- '*For Information*' papers are for noting and time for debate or discussion is not allocated in the agenda.
- Where there is an opportunity to debate and discuss '*For Information*' papers, these papers will be marked with an asterisk * on the agenda.
- Members will have the opportunity to request a discussion on unstarred '*For Information*' papers * by notifying the Chair of the Committee at least one day in advance of the meeting.
- Where Members have questions related to items such as agendas, policies, plans or financial matters contained in the papers, they are encouraged to email these questions to oifis@gaidhlig.scot at least two working days in avance of the meeting. The administrative team will forward that question to the appropriate officer for an answer, and in the interests of fairness, the answer will be circulated to all Members so that everyone has the same understanding.

8.1	**RI AONTACHADH** Aithisg is Cunntasan Bhliadhnail PT1. Plana phròiseict airson deisealachadh cunntasan bhliadhnail *Shona NicIllinnein, Ceannard*	**FOR DECISION** Annual Report & Accounts PT1. Project plan for preparation of annual accounts *Shona NicIllinnein, Ceannard*	
8.2	**RI AONTACHADH** Plana Obrach 2020/21 *Shona NicIllinnein, Ceannard*	**FOR DECISION** Work Plan 2020/21 *Shona NicIllinnein, Ceannard*	
9	**GISBE**	**AOCB**	12.10-12.15
	Ceann-latha na h-ath choinneimh: 26/05/2021 09.30 - 12.30	Date for the next meeting: 26/05/2021 09.30 – 12.30	
10	**SEISEAN PRÌOBHAIDEACH**	**PRIVATE SESSION**	12.15-12.30
	Coinneamh dhùinte le luchd sgrùdaidh/in-sgrùdaidh	**Closed meeting with auditors & internal auditors**	
	Lèirmheas den choinneimh às dèidh làimh	*Post-meeting Review of meeting*	

For	Audit & Assurance Committee
Date of Meeting	28/01/2021
Location:	Online
Item on Agenda	3 (CS-04-2021-03)

Title	Planning Report on the audit for the year ending 31-03-2021	
Request	For approval	
Spokesperson	Shona MacLennan, Ceannard	
Governance route for the report	**Date**	**Type of Governance**
Leadership Team	15/01/2021	For approval
Appendices	PT 1 – Draft External Audit Plan	

1.0	**Adhbhar/Reason**
1.1	The paper presents the draft external audit plan prepared by Deloitte for the year 20/21.
2.0	**Cùl-fhiosrachadh/Background**
2.1	n The paper is in English as the Plan and the meeting are held in English.
3.0	**Prìomh Aithris/Fiosrachadh / Main points**
3.1	n/a
4.0	**Moladh /Recommendation**
4.1	The Committee is requested to: - debate the draft plan at Appendix 1 - agree the draft plan for external audit for 2020-21
5.0	**Prìomh Bhuaidhean Ro-innleachdach**
5.1	**Buaidhean air Ionmhas**
	The fees for the audit work are included in the budget.
5.2	**Buaidhean air Luchd-obrach/Impact of Staff**
	The external audit is a normal part of the organisation's work and scheduled into staff work programmes.
5.3	**Buaidhean air Trèanadh/Impact on Training**
	Updates in audit standards and FReM will be required for staff involved in the preparation of the Annual Report and Accounts
5.4	**Ceanglaichean ri Amasan Ro-innleachadh agus Corporra/Links to Strategic and Corporate Aims**
	Corporate Plan Aim: 4 That Bòrd na Gàidhlig will continue to improve how it works.
5.5	**Ceanglaichean ri Frèam-obrach Coileanaidh Nàiseanta/Links to the National Performance Framework**
	n/a
5.6	**Buaidhean air Cliù/Impact on Reputation**
	It is important the BnG continues to demonstrate improvement and the external audit will be one mechanism which contributes to this.
5.7	**Buaidhean air Slàinte is Sàbhailteachd/Impact on Health and Safety**

		n/a
5.8	**Buaidhean Laghail/Legal Impacts**	
	BnG is required to publish an annual report and accounts, and that these are audited by Audit Scotland (or a body on their behalf). The Annual Report and Accounts are considered by the Auditor General for Scotland and laid before Parliament.	
5.9	**Buaidhean air Co-ionannas**	
	n/a	
5.10	**Buaidhean air Àrainneachd/Impacts on Environment**	
	The annual audit plan contains a section on climate change.	

Bòrd na Gàidhlig

Planning report to the Audit & Assurance Committee on the 2020/21 audit

Issued on 19 January 2021 for the meeting on 28 January 2021

Contents

Planning report

Introduction
The key messages in this report

Audit quality is our number one priority. We plan our audit to focus on audit quality and have set the following audit quality objectives for this audit:

- A robust challenge of the key judgements taken in the preparation of the Annual Report and Accounts.

- A strong understanding of your internal control environment.

- A well planned and delivered audit that raises findings early with those charged with governance.

I have pleasure in presenting our planning report to the Audit and Assurance Committee ('the Committee') of Bòrd na Gàidhlig ('BnaG') for the 2020/21 audit. I would like to draw your attention to the key messages of this paper:

Audit plan

We have updated our understanding of BnaG, including discussion with management and review of relevant documents. This has included consideration of the impact the COVID-19 pandemic has had on BnaG. Based on these procedures, we have developed this plan in collaboration with BnaG to ensure that we provide an effective audit service that meets your expectation and focuses on the most significant areas of importance and risk to BnaG.

Key risks

We have taken an initial view as to the significant audit risks BnaG faces. These are presented as a summary dashboard on page 12.

Audit dimensions

The Code of Audit Practice sets our four audit dimensions which set a common framework for all public sector audits in Scotland. Our planned audit work is risk based and proportionate. Our initial assessment builds upon our work in prior years, and in particular the conclusions from our 2019/20 audit where we followed up on progress against the recommendations made in the 2018/19 audit. Given the significant improvement noted in 2019/20, the extensive work we have already performed, and the involvement of external assistance in further progressing the recommendations, we have concluded it is not necessary to apply the full wider scope requirements, and have determined it is appropriate to apply the small bodies exemption, as set out our audit dimension significant risks on page 24.

Furthermore, we will continue to follow up on progress against the outstanding recommendations from our 2018/19 audit, and monitor progress against the revised Improvement Plan.

Introduction (continued)

The key messages in this report (continued)

Regulatory change

The implementation of the new standard on leases, IFRS 16, has been deferred again for another year, with a revised implementation date of 2022/23 and will require adjustments to recognise on balance sheet arrangements currently treated as operating leases.

Our audit approach reflects changes to International Standards on Auditing (UK) on going concern (ISA (UK) 570) and management estimates (ISA (UK) 540), and Practice Note 10, effective for this year.

Our commitment to quality

We are committed to providing the highest quality audit, with input from our market leading specialists, sophisticated data analytics and our wealth of experience.

As part of our planning discussions with management, we have shared our "*Key Lessons from 2019/2020 Audits*" to help prepare for the 2020/21 audit, ensuring a focus on quality.

Added value

Our aim is to add value to BnaG through our external audit work by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way, we aim to help BnaG promote improved standards of governance, better management and decision making and more effective use of resources.

We have also shared our recent research, informed perspectives and best practice from our work across the wider public sector on pages 27 to 32 of this paper.

Pat Kenny
Audit Director

Responsibilities of the Audit and Assurance Committee

Helping you fulfil your responsibilities

Why do we interact with the Audit and Assurance Committee?

To communicate audit scope

To provide timely and relevant observations

To provide additional information to help you fulfil your broader responsibilities

We use this symbol to highlight areas of our audit where the Committee needs to focus attention.

As a result of regulatory change in recent years, the role of the Audit and Assurance Committee has significantly expanded. We set out here a summary of the core areas of the Committee's responsibility to provide a reference in respect of these broader responsibilities and highlight throughout the document where there is key information which helps the Committee in fulfilling its remit.

- At the start of each annual audit cycle, ensure that the scope of the external audit is appropriate.

- Implement a policy on the engagement of the external auditor to supply non-audit services.

Oversight of external audit

Integrity of reporting

- Review the internal control and risk management systems (unless expressly addressed by separate risk committee).

- Explain what actions have been, or are being taken to remedy any significant failings or weaknesses.

Internal controls and risks

Oversight of internal audit

Whistle-blowing and fraud

- Ensure that appropriate arrangements are in place for the proportionate and independent investigation of any concerns raised by staff in connection with improprieties.

- Impact assessment of key judgements and level of management challenge.

- Review of external audit findings, key judgements, level of misstatements.

- Assess the quality of the internal team, their incentives and the need for supplementary skillsets.

- Assess the completeness of disclosures, including consistency with disclosures on business model and strategy and, where requested by the Board ('the Bòrd'), provide advice in respect of the fair, balanced and understandable statement.

- Consider annually whether the scope of the internal audit programme is adequate.

- Monitor and review the effectiveness of the internal audit activities.

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Your control environment

What we consider when we plan the audit

We expect management and those charged with governance to recognise the importance of a strong control environment and take proactive steps to deal with deficiencies identified on a timely basis.

Responsibilities of management

Auditing standards require us to only accept or continue with an audit engagement when the preconditions for an audit are present. These preconditions include obtaining the agreement of management and those charged with governance that they acknowledge and understand their responsibilities for, amongst other things, internal control as is necessary to enable the preparation of Annual Report and Accounts that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Audit and Assurance Committee

As explained further in the Responsibilities of the Audit and Assurance Committee slide on the previous page, the Audit and Assurance Committee is responsible for:

- Reviewing the internal control and risk management systems (unless expressly addressed by a separate risk committee).

- Explaining what actions have been, or are being taken to remedy any significant failings or weaknesses.

As stakeholders tell us that they to wish to understand how external audit challenges and responds to the quality of an entity's control environment, we are seeking to enhance how we plan and report on the results of the audit in response. We will be placing increased focus on how the control environment impacts the audit, from our initial risk assessment, to our testing approach and how we report on misstatements and control deficiencies.

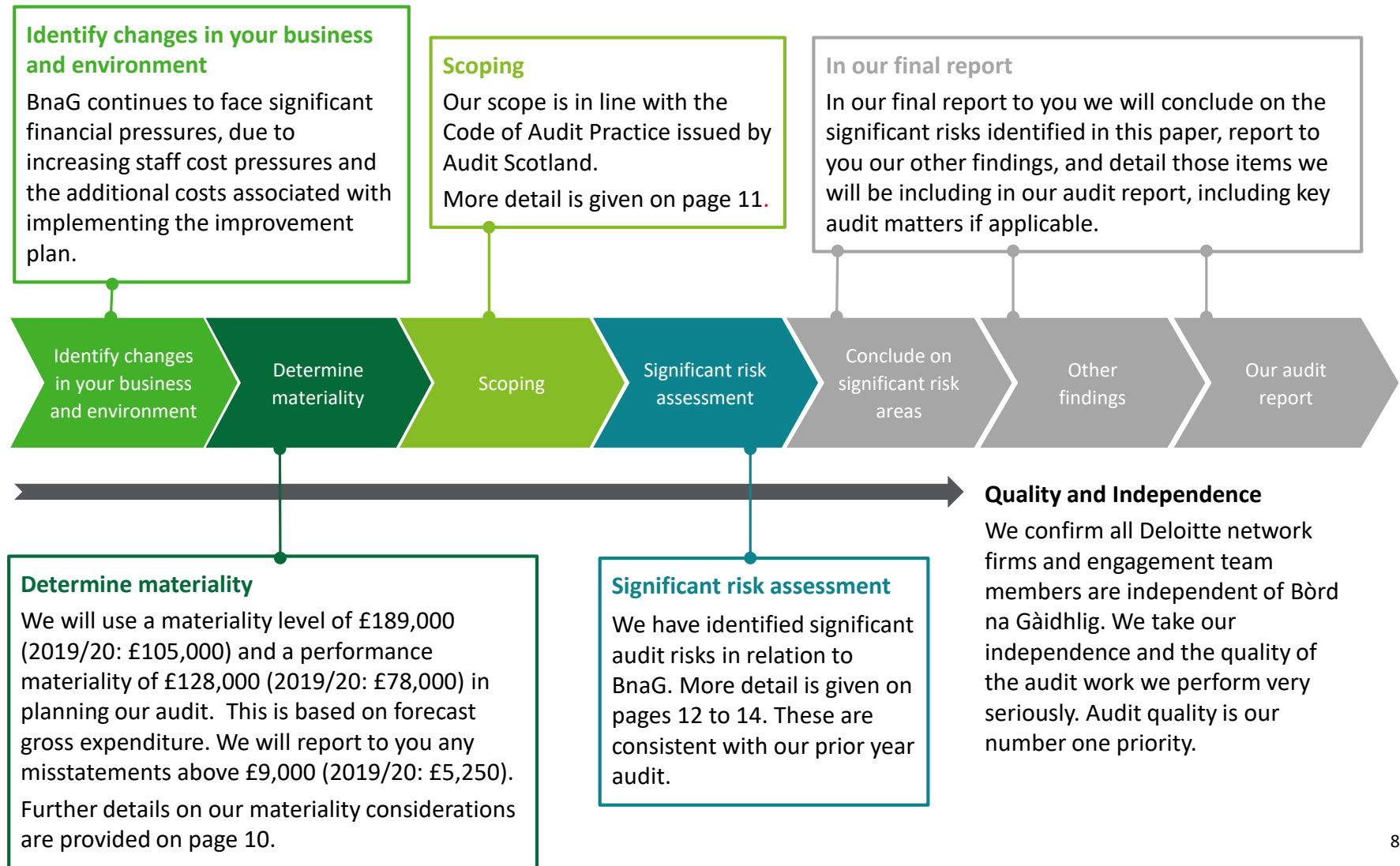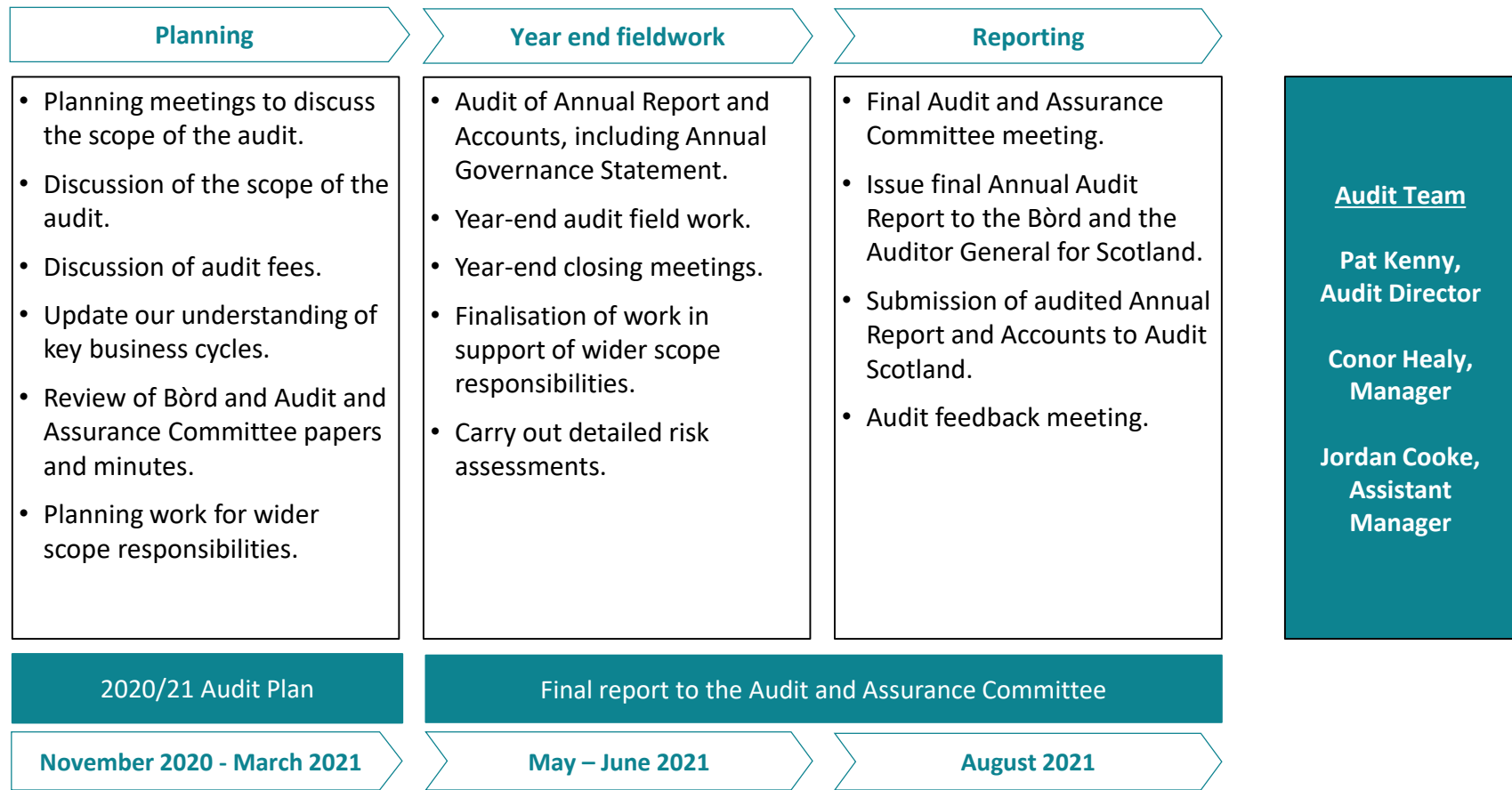|		
Reliance on controls		We will seek to undertake design and implementation testing on controls in respect of our identified significant risk areas. In accordance with forthcoming revisions to ISAs, we will assess inherent risk and control risk associated with accounting estimates.
Performance materiality		We set performance materiality as a percentage of materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed materiality. We determine performance materiality, with reference to factors such as the quality of the control environment and the historical error rate. Where we are unable to rely on controls, we may use a lower level of performance materiality.

Our audit explained

We tailor our audit to your business and your strategy

Identify changes in your business and environment

BnaG continues to face significant financial pressures, due to increasing staff cost pressures and the additional costs associated with implementing the improvement plan.

Scoping

Our scope is in line with the Code of Audit Practice issued by Audit Scotland.

More detail is given on page 11.

In our final report

In our final report to you we will conclude on the significant risks identified in this paper, report to you our other findings, and detail those items we will be including in our audit report, including key audit matters if applicable.

Identify changes in your business and environment

Determine materiality

Scoping

Significant risk assessment

Conclude on significant risk areas

Other findings

Our audit report

Determine materiality

We will use a materiality level of £189,000 (2019/20: £105,000) and a performance materiality of £128,000 (2019/20: £78,000) in planning our audit. This is based on forecast gross expenditure. We will report to you any misstatements above £9,000 (2019/20: £5,250).

Further details on our materiality considerations are provided on page 10.

Significant risk assessment

We have identified significant audit risks in relation to BnaG. More detail is given on pages 12 to 14. These are consistent with our prior year audit.

Quality and Independence

We confirm all Deloitte network firms and engagement team members are independent of Bòrd na Gàidhlig. We take our independence and the quality of the audit work we perform very seriously. Audit quality is our number one priority.

Continuous communication and reporting
Planned timing of the audit

As the audit plan is executed throughout the year, the results will be analysed continuously and conclusions (preliminary and otherwise) will be drawn. The following sets out the expected timing of our reporting to and communication with you.

Planning	Year end fieldwork	Reporting
• Planning meetings to discuss the scope of the audit. • Discussion of the scope of the audit. • Discussion of audit fees. • Update our understanding of key business cycles. • Review of Bòrd and Audit and Assurance Committee papers and minutes. • Planning work for wider scope responsibilities.	• Audit of Annual Report and Accounts, including Annual Governance Statement. • Year-end audit field work. • Year-end closing meetings. • Finalisation of work in support of wider scope responsibilities. • Carry out detailed risk assessments.	• Final Audit and Assurance Committee meeting. • Issue final Annual Audit Report to the Bòrd and the Auditor General for Scotland. • Submission of audited Annual Report and Accounts to Audit Scotland. • Audit feedback meeting.

Audit Team

Pat Kenny, Audit Director

Conor Healy, Manager

Jordan Cooke, Assistant Manager

2020/21 Audit Plan	Final report to the Audit and Assurance Committee
November 2020 - March 2021	**May – June 2021** / **August 2021**

Ongoing communication and feedback

Materiality

Our approach to materiality

Basis of our materiality benchmark

- The Audit Director has determined materiality as £189,000 (2019/20: £105,000) and performance materiality as £128,000 (2019/20: £78,000) , based on professional judgement, the requirements of auditing standards and the financial measures most relevant to users of the Annual Report and Accounts.

- We have used 3.5% of forecast gross expenditure as the benchmark for determining materiality and applied 68% as performance materiality. We have judged expenditure to be the most relevant measure for the users of the accounts.

- The approach is consistent with previous years. However, the percentages applied have been revisited to take into account our knowledge of BnaG and our understanding of the control environment, including the increased fraud risks as a result of the pandemic and changes to the finance function in the year.

Reporting to those charged with governance

- We will report to you all misstatements found in excess of £9,000 (2019/20: £5,250).

- We will report to you misstatements below this threshold if we consider them to be material by nature.

- Our approach to determining the materiality benchmark is consistent with Audit Scotland guidance which states that the threshold for clearly trivial above which we should accumulate misstatements for reporting and correction to the Committee must not exceed £250k.

Our Annual Audit Report

We will:

- Report the materiality benchmark applied in the audit of BnaG;

- Provide comparative data and explain any changes in materiality compared to prior year;

- Explain any normalised or adjusted benchmarks we use; and

- Explain the concept of performance materiality and state what percentage of materiality we used, with our rationale.

Materiality

Forecast gross expenditure

Forecast gross expenditure

Materiality £189,000

Audit Reporting Threshold £9,000
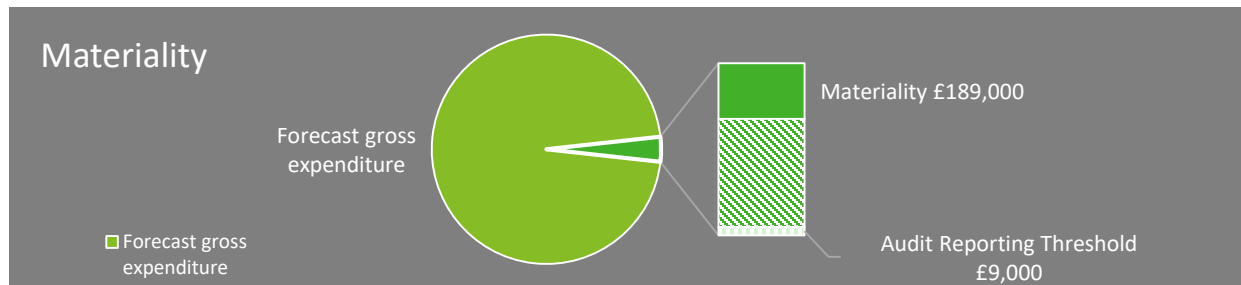
Although materiality is the judgement of the Audit Director, the Audit and Assurance Committee must satisfy themselves that the level of materiality chosen is appropriate for the scope of the audit.

Scope of work and approach

Our key areas of responsibility under the Code of Audit Practice

Core audit work	Planned output	Timeline
1. Auditing the Annual Report and Accounts	Annual Audit Plan	28 January 2021
	Independent auditor's report	26 August 2021
2. Audit dimensions	Annual Audit Plan	28 January 2021
	Annual Audit Report	26 August 2021
3. Provide information on cases of fraud	Fraud Returns	Quarterly:
		30 November 2020
		28 February 2021
		31 May 2021
		31 August 2021

Significant risks

Significant risk dashboard

Risk	Fraud risk	Planned approach to controls	Level of management judgement	Page no
Operating within the expenditure resource limits	✓	DI	⚠	13
Management override of controls	✓	DI	⚠	14

Level of management judgement

⚠ High degree of management judgement

⚠ Some degree of management judgement

⚠ Limited management judgement

Controls approach adopted

DI Assess design and implementation

12

Significant risks (continued)

Operating within the expenditure resource limits

Risk identified and key judgements

Under Auditing Standards there is a rebuttable presumption that the fraud risk from revenue recognition is a significant risk. In line with previous years, we do not consider it to be a significant risk for BnaG as there is little incentive to manipulate revenue recognition with the majority of revenue being from the Scottish Government which can be agreed to confirmations supplied.

We therefore consider the fraud risk to be focused on how management operate within the expenditure resource limits set by the Scottish Government. Given the financial pressures across the whole of the public sector, there is a risk that expenditure could be materially misstated in relation to year end transactions in an attempt to align with tolerance targets or achieve a breakeven position.

The significant risk is therefore pinpointed to the completeness of accruals and the existence of prepayments made by management at the year end and invoices processed around the year end as this is the area where there is scope to manipulate the final results. There is an inherent fraud risk associated with the recording of accruals and prepayments around year end.

Deloitte response and challenge

We will evaluate the results of our audit testing in the context of the achievement of the limits set by the Scottish Government. Our work in this area will include the following:

- Evaluating the design and implementation of controls around monthly monitoring of financial performance;
- Obtain independent confirmation of the resource limits allocated to BnaG by the Scottish Government;
- Perform focused testing of accruals and prepayments made at the year end; and
- Performing focused cut-off testing of invoices received and paid around the year end.

Significant risks (continued)

Management override of controls

Risk identified

Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent Annual Report and Accounts by overriding controls that otherwise appear to be operating effectively.

Although management is responsible for safeguarding the assets of the entity, we planned our audit so that we had a reasonable expectation of detecting material misstatements to the Annual Report and Accounts and accounting records.

Deloitte response and challenge

In considering the risk of management override, we plan to perform the following audit procedures that directly address this risk:

Test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the Annual Report and Accounts. In designing and performing audit procedures for such tests, we plan to:

- Test the design and implementation of controls over journal entry processing;
- Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments;
- Select journal entries and other adjustments made at the end of a reporting period; and
- Consider the need to test journal entries and other adjustments throughout the period.

Review accounting estimates for biases and evaluate whether the circumstances producing the bias, if any, represent a risk of material misstatement due to fraud. In performing this review, we plan to:

- Evaluate whether the judgments and decisions made by management in making the accounting estimates included in the Annual Report and Accounts, even if they are individually reasonable, indicate a possible bias on the part of the entity's management that may represent a risk of material misstatement due to fraud. If so, we will re-evaluate the accounting estimates taken as a whole; and
- Perform a retrospective review of management judgements and assumptions related to significant accounting estimates reflected in the Annual Report and Accounts of the prior year.

For significant transactions that are outside the normal course of business for the entity, or that otherwise appear to be unusual given our understanding of the entity and its environment and other information obtained during the audit, we shall evaluate whether the business rationale (or the lack thereof) of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets.

Other areas of focus (continued)
Pension liability

Risk identified and key judgements

BnaG participates in one defined benefits scheme:

- The Highland Pension Fund, administered by the Highland Council.

The net pension liability has decreased from £1.258m in 2018/19 to £0.884m in 2019/20. The decrease is as a result in changes in assumptions, specifically driven by reduced inflation assumptions, resulting in a reduction in the value of pension liabilities, partly offset by a reduction in the return on Scheme assets, resulting in the change in the value of the pension assets. The liability also continues to be affected by the McCloud and Goodwin legal cases.

Hymans Robertson LLP are BnaG's appointed actuary, who produce a detailed report outlining the estimated liability at the year-end along with the associated disclosure requirements.

The pension liability valuation is an area of audit focus due to the material value and significant assumptions used in the calculation of the liability. The valuations are prepared by a reputable actuary using standard methodologies which have been considered as appropriate in previous years and no significant changes in the membership of the scheme or accrued benefits are expected in the current year. As a result, we have not identified this as a significant risk.

Deloitte response and challenge

We will perform the following procedures to address the risk:

- Assess the independence and expertise of the actuary supporting the basis of reliance upon their work;
- review and challenge the assumptions made by Hymans Robertson;
- Obtain assurance from the auditor of the pension fund over the controls for providing accurate data to the actuary;
- Consider the impact of the Triennial Review of the pension fund;
- Assess the reasonableness of BnaG's share of the total assets of the scheme with the Pension Fund financial statements;
- Review and challenge the calculation of the impact of the McCloud and Goodwin cases on pension liabilities; and
- Review the disclosures within the accounts against the FReM.

Coronavirus (COVID-19) outbreak

Impact on our audit

Requirements

The COVID-19 pandemic had a significant impact on the 2019/20 audit process, despite impacting relatively late in the year. We would expect there to be guidance as we approach year-end on accounting and disclosure requirements for 2020/21, where the impact has been much more extensive on all organisations.

A key element of this will be communicating risks and governance impacts in narrative reporting, consistent with the Financial Reporting Council's guidance to organisations on the importance of communicating the impact of COVID-19 and related uncertainties, including their impact on resilience and going concern assessments.

Entity-specific explanations of the current and expected effects of COVID-19 and BnaG's plans to mitigate those effects should be included in the narrative reporting (including where relevant the Annual Governance Statement), including in the discussion on Key Risks and Issues impacting an organisation.

Actions

While there may be greater clarity as we approach year-end, we would expect organisations as part of their reporting to conduct a thorough assessment of the current and potential future effects of the COVID-19 pandemic including:

- Consideration of the impact across BnaG's operations, including on its income streams, supply chains and cost base, and the consequent impacts on financial position;

- The scenarios assumed in making forecasts and on the sensitivities arising should other potential scenarios materialise (including different funding scenarios); and

- The effect of events after the reporting date, including the nature of non-adjusting events and an estimate of their financial effect, where possible.

Coronavirus (COVID-19) outbreak (continued)

Impact on our audit (continued)

Impact on BnaG and management actions	Impact on Annual Report and Accounts	Impact on our audit
We will consider the key impacts on BnaG such as: • Interruptions to service provision • Supply chain disruptions • Unavailability of personnel • Reductions in income	We have considered the impact of the outbreak on the Annual Report and Accounts, discussed further below including: • Narrative reporting, including disclosures on financial sustainability • Principal risk disclosures • Events after the reporting period and relevant disclosure	We will continue to assess the impact on the audit including: • Resource planning • Timetable of the audit • Impact on our risk assessment • Logistics including meetings with entity personnel

Impact on Annual Report and Accounts

Narrative and other reporting issues	The following areas will need to be considered by BnaG: • Narrative reporting as well as the usual reporting requirements will need to cover the effects of the pandemic on services, operations, performance, strategic direction, resources and financial sustainability. • Reporting judgements and estimation uncertainty, BnaG will need to report the impact on material transactions including decisions made on the measurements of assets and liabilities.
Going concern assessment	The Annual Report and Accounts should include disclosure on the basis of BnaG's going concern assessment, including related uncertainties. The BnaG also needs to report on the impact of financial pressures and its financial sustainability in the narrative report, as well as any relevant liquidity reporting requirements under IFRS 7 Financial Instruments: Disclosures.
Events after the reporting period and relevant disclosures	Events are likely to continue to move swiftly, and BnaG will need to consider the events after the reporting period and whether these events will be adjusting or non-adjusting and make decisions on a transaction by transaction basis.

Reporting hot topics

Increased focus on quality reporting

> **Deloitte view**
> The expectations of corporate reporting, reflected in the Financial Reporting Council's ('the FRC') monitoring and enforcement priorities, are increasing. While the focus is primarily on corporate entities, we highlight these areas where improved disclosures would help meet stakeholder expectations.

The potential impacts of Brexit

Depending upon events, organisations may be preparing Annual Reports and Accounts against the backdrop of continued uncertainty around the UK's future relationship with the EU. Even with a deal, the future basis of UK-EU trade will affect the longer-term viability period of 3-5 years and a longer consideration of prospects.

ACTION: Depending upon events through to the date of signing, we would expect to see Annual Reports and Accounts reflecting at least:

- relevant risks and uncertainties, and actions taken to manage those risks; and
- consideration of whether there is any impact on critical accounting judgements and areas of estimation uncertainty.

We will discuss with BnaG closer to the time areas where disclosures may be appropriate.

Climate-related risks

The report by the Intergovernmental Panel on Climate Change (IPCC) has made it clear that prompt and decisive action on climate change is required from governments, businesses and individuals alike.

The recommendations of the Taskforce on Climate-related Financial Disclosure (TCFD) are gaining momentum. The government has proposed mandatory TCFD disclosures by 2022, and the FRC is undertaking a major review of how organisations assess and report the impact of climate change. The FRC expects organisations to disclose how they have taken climate change into account in assessing the resilience of the business model, its risks, uncertainties and viability both in immediate and longer term.

Investors are challenging companies that are not factoring the effects of the Paris Climate Agreement into their critical accounting judgements and are not disclosing comprehensively these judgements, assumptions, sensitivities and uncertainties.

ACTION: Clearly articulate how your organisation is addressing climate change e.g.
- whether this is a principal risk and how it is being managed; and
- its impact on the business model, the viability statement and the key assumptions and projections in impairment reviews and valuations (including in assessing remaining asset lives).

Revisions to auditing standards coming into effect

ISA (UK) 570 – Going concern

The FRC issued a revised going concern standard in September 2019, that takes effect for periods commencing on or after 15 December 2019. For public sector bodies, this will be March 2021 year ends and later.

The revision was made in response to recent enforcement cases and well-publicised corporate failures where the auditor's report failed to highlight concerns about the prospects of entities which collapsed shortly after.

We have summarised below the key areas of change in the standard – however, the Public Audit Forum is also consulting on changes to Practice Note 10, with the intention of reflecting public sector considerations in the approach to going concern, and so the ultimate impact of ISA (UK) 570 changes will be affected by this.

The key changes affect:

- Risk assessment procedures and related activities, increasing consideration of the entity's business model, operations and financing;

- The auditor's evaluation of management's assessment of the going concern assumption (which therefore requires a clearly documented assessment to be prepared by management);

- Enhanced professional scepticism requirements, including around the evaluation of the sufficiency and appropriateness of audit evidence;

- Considering the appropriateness of disclosures; and

- Reporting in enhanced audit reports.

"The revised standard means UK auditors will follow significantly stronger requirements than those required by current international standards."

FRC's press release, 30 September 2019

Revisions to auditing standards coming into effect (continued)

ISA (UK) 540 – Auditing Accounting Estimates and Related Disclosures

Since 2015, the International Auditing and Assurance Standards Board (IAASB) has sought to identify audit issues relating to accounting estimates for financial institutions and other entities. Initially, this focused on the impact of IFRS 9 *Financial Instruments*, because it would fundamentally change the way that banks and other entities account for loan assets and other credit exposures.

However, the IAASB concluded that most, if not all, issues identified for expected credit losses would be equally relevant when auditing other complex accounting estimates. Accordingly, a holistic revision of ISA 540 was undertaken and the new standard takes effect for periods commencing on or after 1 January 2020. For public sector bodies, this will be March 2021 year ends and later.

We summarise on the next few slides how this will impact our audit.

> *"There is a clear need to update ISA 540 to support better quality audits of increasingly complex accounting estimates"*
>
> FRC letter to the IAASB, July 2017

Area of change	Impact on our audit	Impact on BnaG
Assessment of oversight and governance relating to estimates	In connection with our planning work to understand the entity and its environment, including internal control, we will specifically enquire regarding management's processes, and the oversight and governance of those processes relating to accounting estimates.	You will need to consider the adequacy of your processes and controls over estimates, and documentation thereof.

Revisions to auditing standards coming into effect (continued)

ISA (UK) 540 – Auditing Accounting Estimates and Related Disclosures (continued)

Area of change	Impact on our audit	Impact on BnaG
Identification of inherent risk factors; separate assessment of inherent risk and control risk Objectives-based work effort requirements	Recognising a spectrum of inherent risk, we will assess risks of material misstatement in estimates with reference not only to estimation uncertainty, but also complexity, subjectivity or other inherent risk factors, and the interrelationship among them. We will specifically assess control risk relating to estimates, which may require us to evaluate the design and determine implementation of an increased number of internal controls. Our subsequent audit procedures will be responsive to this assessment, and designed to obtain evidence around the methods, significant assumptions, data and (where applicable) the selection of a point estimate and related disclosures about estimation uncertainty.	You will need to provide clear documented rationale for (a) the selection and application of the method, assumptions and data in making the accounting estimate, including any changes in the current year, and controls relating to those aspects; and/or (b) the selection of a point estimate and related disclosures for inclusion in the Annual Report and Accounts.
Enhanced "stand back" requirement, to evaluate the audit evidence obtained	We will specifically design our procedures, to enhance our application of professional scepticism, so that they are not biased towards finding corroborative evidence; our overall evaluation of the evidence obtained will weigh both corroborative and contradictory evidence.	You should expect more challenge of the evidence provided in support of accounting estimates, use of external data sources and your consideration of contradictory evidence.

Revisions to auditing standards coming into effect (continued)

ISA (UK) 540 – Auditing Accounting Estimates and Related Disclosures (continued)

Area of change	Impact on our audit	Impact on BnaG
Enhanced requirements about whether disclosures are "reasonable"	The extant ISA 540 required us to evaluate whether disclosures were "adequate". The change to "reasonable" will involve greater consideration of the overall meaning conveyed through disclosures. For example, where estimation uncertainty associated with an estimate is multiple times materiality, we will consider whether the disclosures appropriately convey the high degree of estimation uncertainty and the range of possible outcomes.	You should expect more challenge on disclosures relating to estimates, particularly for where you have selected a point estimate from a range and those with high estimation uncertainty.
New requirements when communicating with those charged with governance	In accordance with ISA (UK) 260 and ISA (UK) 265, our communications from the audit have included significant qualitative aspects of your accounting practices and significant deficiencies in internal control. With the revised ISA (UK) 540, these communications will specifically include matters regarding accounting estimates and take into account whether the reasons for our risk assessment relate to estimation uncertainty, or the effects of complexity, subjectivity or other inherent risk factors.	You should expect increased reporting in relation to accounting estimates which may be mirrored in our Annual Audit Report.

Areas where we consider the impact to be greatest:

The key area impacted will be pension valuations.

- The net pension asset valuations are provided by BnaG's appointed actuary, Hymans Robertson LLP, who produce a detailed report outlining the estimated liability at the year-end along with the associated disclosure requirements. The valuations are prepared by a reputable actuary using standard methodologies which have been considered as appropriate in previous years. We expect to receive similar reports as last year, setting out the basis for the valuations, including the assumptions and methodologies.

Management should ensure that this information is available in advance of the 2020/21 audit fieldwork.

Audit Quality

Our commitment to audit quality

Our objective is to deliver a distinctive, quality audit to you. Every member of the engagement team will contribute, to achieve the highest standard of professional excellence.

In particular, for your audit, we consider that the following steps will contribute to the overall quality:

We will apply professional scepticism on material issues and significant judgements by using our expertise in the central government sector and elsewhere to provide robust challenge to management.

We have obtained a deep understanding of your business, its environment and of your processes in income and expenditure recognition and payroll expenditure enabling us to develop a risk-focused approach tailored to BnaG.

Our engagement team is selected to ensure that we have the right subject matter expertise and industry knowledge. We will involve pensions specialists to support the audit team in our work on net pensions liability valuations.

In order to deliver a quality audit to you, each member of the core audit team has received tailored learning to develop their expertise in audit skills, delivered by Pat Kenny (Audit Director) and other sector experts. This includes sector specific matters and audit methodology updates.

Engagement Quality Control Review

We have developed a tailored Engagement Quality Control approach. Our dedicated Professional Standards Review (PSR) function will provide a 'hot' review before any audit or other opinion is signed. PSR is operationally independent of the audit team, and supports our high standards of professional scepticism and audit quality by providing a rigorous independent challenge.

Wider scope requirements

Overview

The Code of Audit Practice sets out four audit dimensions that frame the wider scope of the audit of the accounts. These are financial sustainability, financial management, governance and transparency and value for money. The audit dimensions provide a common framework for all the audit work conducted for the Auditor General and for the Accounts Commission.

Due to the significant improvement noted in 2019/20, the extensive work we have already performed, the involvement of external assistance in further progressing the recommendations and given the relative size and operations of BnaG, we have concluded it is not necessary to apply the full wider scope requirements. BnaG has a budget of £5,125k, transactions are generally routine in nature and the majority of funding is received from the Scottish Government. We have updated our risk assessment which included consideration of BnaG's risk registers and have concluded that the "small body" exemption is appropriate. In accordance with the Code, our work in this area will therefore be restricted to following up on our recommendations from the 2019/20 Annual Audit Report and concluding on the following:

Audit dimension	Significant risk identified	Planned audit response
Governance statement	There is a risk that the disclosures in the governance statement do not meet the requirements of the Scottish Public Finance Manual (SPFM) or are inconsistent with our knowledge of the Commission.	We will review the draft governance statement and assess whether there are any inconsistencies or omissions based on other audit evidence obtained throughout the audit.
Financial sustainability	As reported in the 2019/20 Annual Audit Report, BnaG achieved short-term financial balance and is forecasting that it can achieve financial balance in 2020/21. However BnaG faces a challenging medium-term financial position with increased cost pressures over the medium term, with no certainty of additional funding being made available to cover the increase. As such there is a risk that BnaG may not be in a position to continue to deliver planned services over the medium-term.	We will review the revised Medium-Term Financial Plan ('MTFP'), which takes into consideration the changes that have occurred since the Draft MTFP was prepared. We will review BnaG's response to the COVID-19 pandemic and the impact it has had on BnaG's financial position.

Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties

What we report

Our report is designed to establish our respective responsibilities in relation to the audit of the Annual Report and Accounts, to agree our audit plan and to take the opportunity to ask you questions at the planning stage of our audit. Our report includes:

- Our audit plan, including key audit judgements and the planned scope; and

- Key regulatory and corporate governance updates, relevant to you

What we don't report

As you will be aware, our audit is not designed to identify all matters that may be relevant to BnaG.

Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.

Finally, the views on internal controls and business risk assessment in our final report should not be taken as comprehensive or as an opinion on effectiveness since they will be based solely on the audit procedures performed in the audit of the Annual Report and Accounts and the other procedures performed in fulfilling our audit plan.

Use of this report

This report has been prepared for the Audit and Assurance Committee, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. Except where required by law or regulation, it should not be made available to any other parties without our prior written consent.

We welcome the opportunity to discuss our report with you and receive your feedback.

Other relevant communications

We will update you if there are any significant changes to the audit plan.
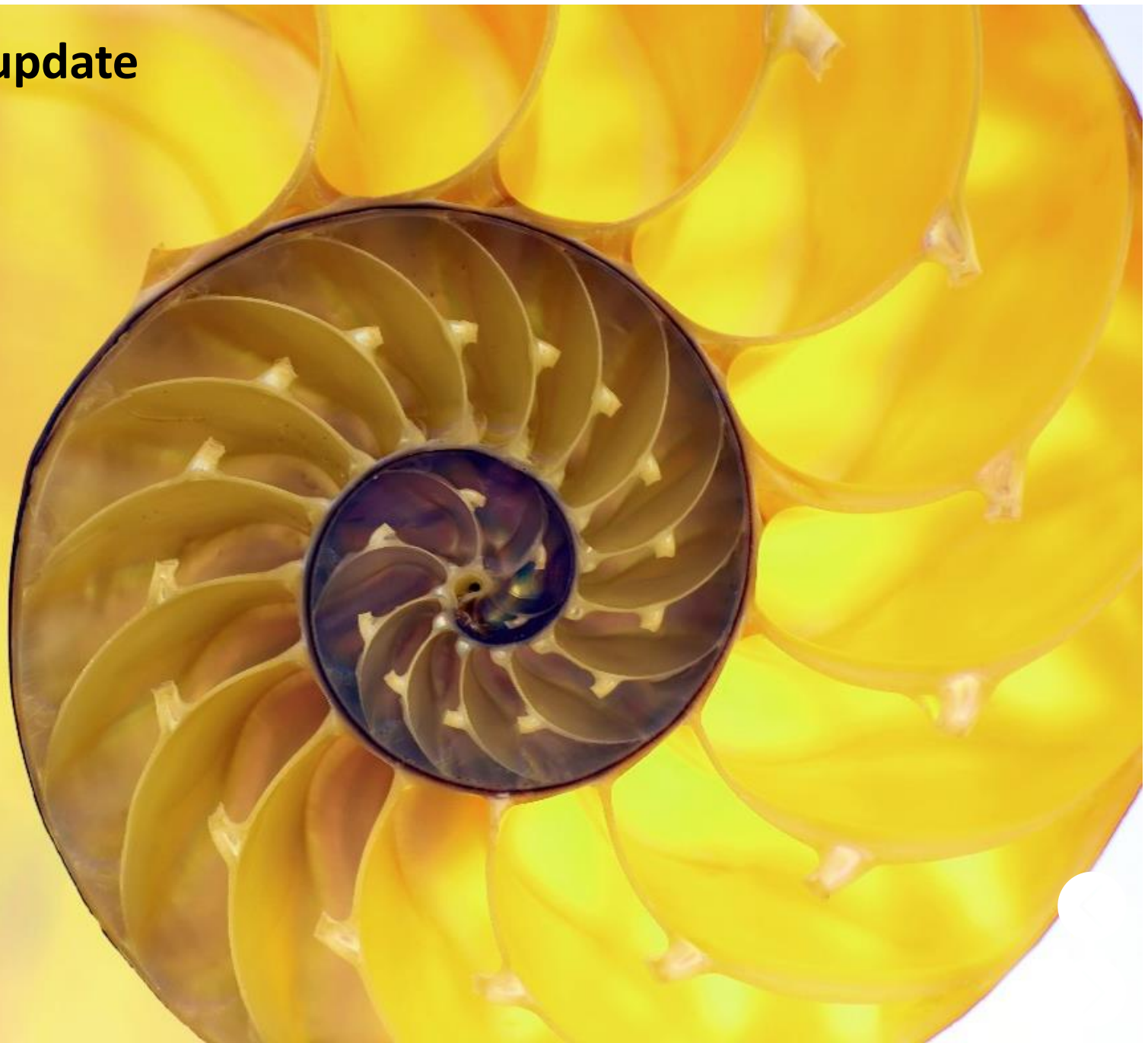
Pat Kenny

for and on behalf of Deloitte LLP

Glasgow | 19 January 2021

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Technical update

What does climate change mean for business?

New website – learning, interviews and resources

Climate change is likely to drive some of the most profound changes to businesses in our lifetimes.

Impacts on products and services, supply chains, loss of asset values and market dislocation are already being caused by more frequent and severe climate-related events.

Discover how to think through the challenges and futureproof your business.

The time to act is now!

Visit: www.deloitte.co.uk/climatechange

Changes to accounting standards

IFRS 16 - Leases

Background

The implementation of the new standard has been deferred again for another year, with a revised implementation date of 2022/23 and will require adjustments to recognise on balance sheet arrangements currently treated as operating leases.

For 2021/22, BnaG will need to include disclosures on the expected impact of the standard, but not make any adjustments in the Annual Report and Accounts in respect of IFRS 16. However, many organisations have identified previously unidentified leases (or arrangements that contain a lease, such as service contracts) as part of their transition project, and so there may be some 2021/22 impact.

Separate to the financial reporting impact, but potentially more critical, budgets for 2022/23, particularly capital budgets, will need to reflect the impact of the new standard (and require submissions well ahead of year-end).

In the central government relatively small effects from standards can have a significant impact against performance metrics and targets, and so it is important to clearly understand the impact of the standards.

While the deferral of implementation means there is no direct impact on the 2020/21 annual accounts, finance teams should use this additional time to continue their preparation for implementation.

Next steps

We recommend that the Audit and Assurance Committee review the impact of IFRS 16, including calculating any adjustments that will be required as at 31 March 2022 for transition. We would suggest that the Audit and Assurance Committee receive reporting from management on the implementation of the new standard, and we will report specifically on the findings from our audit work in this area.

Changes to the Government Financial Reporting Manual (FReM)
2020/21 Edition

Background

HM Treasury has issued a revised version of the FReM for the financial year 2020/21. The FReM is the technical accounting guide to the preparation of financial statement and complements guidance on the handling of public funds published by the Scottish Government.

The 2020-21 edition has a revised structure and is now separated into four sections:
- Part A: Principles, purpose and best practice.
- Part B: The form and content of government Annual Report and Accounts.
- Part C: Application of accounting standards to government Annual Report and Accounts.
- Part D: Further guidance for government Annual Report and Accounts.

Other changes include:
- A new chapter addressing best practice in narrative reporting.
- Clearer guidance on the performance report, including specific mandatory requirements.
- Introduction of 'comply or explain' requirements in certain areas including the structure of the organisation, risks faced, unit cost data and relevant trend data.

A full amendments log has been published which explains the changes from 2019/20 and the reason for the change https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/853244/2020-21_Amendment_Record.pdf

In response to the continuing impact of COVID-19, HM Treasury has issued an addendum setting out minimum requirements for 2020/21. The addendum permits, but does not require, bodies to omit the performance analysis section of the Performance Report. Where relevant performance information has already been published elsewhere, bodies are encouraged to refer to the relevant publications. In addition, where unaudited information otherwise required to be included in the Accountability Report is already published elsewhere, bodies are permitted to refer to the relevant publication rather than including the information in their Accountability Report.

Next steps

We recommend that management review the changes to the FReM at the earlier opportunity. In particular the new chapter on narrative reporting best practice and the guidance on the performance report should be reviewed to understand the mandatory requirements and those which require to 'comply or explain'. This can then be compared this with the published 2019/20 Annual Report and Accounts to identify any amendments required. We are happy to have early discussion on this to agree proposed amendments.

The State of the State 2020-21

Government in the pandemic and beyond

Now in its ninth year, this report brings together Deloitte and Reform to reflect on new research into the issues facing government and public sector across the UK. This year, that research focuses on the impact of the coronavirus pandemic both on the public sector and the public it services. It comes as all nations of the UK faces new lockdown measures designed to reduce transmission, manage demand on health services and ultimately saving lives.

At the heart of the report is our exclusive citizen survey, which offers insight into perceptions of public services and public spending beyond COVID-19, as well as a public perspective on the government's 'levelling up' agenda.

That survey is complemented by our interviews with public sector leaders. This year, we spoke to 40 senior figures in government and public services, producing the most extensive qualitative research of its kind.

Next steps

A summary of the key conclusions are provided on the next page. The full report is available at https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/public-sector/deloitte-uk-state-of-the-state-2020.pdf

The State of the State 2020-21 (continued)

Government in the pandemic and beyond (continued)

The state according to the public

A survey of more than 5,000 members of the public shows how people feel about tax, spending and public service priorities amid the COVID-19 pandemic. We also explore attitudes towards data sharing with and across government, and unpick what the public across each nation and region wants to see levelled up

58% of the public believe opportunities for young people will be worse as a result of coronavirus.

42% of the public believe that community spirit will have improved after the pandemic

The state according to the people who run it

Over 40 senior public sector figures in England, Scotland, Wales and Northern Ireland talked with us about the issues that matter to them. We explore their views on the legacy of COVID-19, levelling up, EU Exit and creating a data-driven government.

Our interviews of **40** senior public sector figures found that many want to retain the agility of new ways of working however, many sense a gravitational pull back to normality.

Fast forward to the past

Is automation making organisations less diverse?

Robotics and intelligent automation are in the process of transforming the nature of work and the skills required to do it. Whilst there is a clear risk of reinforcing structural inequalities there is also an opportunity to address diversity issues within automation programmes to ensure public sector organisations can capitalise on the benefits that both automation and diversity bring to business outcomes.

For many public sector organisations implementing automation whist considering diversity is new and unchartered territory. We would like to encourage our public sector clients to consider and discuss this crucial issue.

Based on exclusive client interviews, insight from public sector projects and extensive desk research, our report explores the potential risks of not considering the implications of automation on workforce diversity and inequality. It also identifies the barriers to embedding diversity in automation programmes.

The report provides a practical four stage framework to integrate diverse groups to not only survive but thrive in a new automated and digital world.

Next steps

The full report is available at https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/public-sector/deloitte-uk-diversity-and-automation-brochure-landscape.pdf

Appendices

Prior year audit adjustments

Uncorrected misstatements

The following uncorrected misstatements were identified during the course of our prior year audit:

		Debit/ (credit) SoCNE £k	Debit/ (credit) SoCTE £k	Debit/ (credit) in net assets £k	Debit/ (credit) reserves £k	If applicable, control deficiency identified
Pension Liability – Goodwin	[1]	7	(7)	(7)	7	N/A
Total						

[1] The actuary did not make any allowance within the pension liability for the impact of the Goodwin judgement. The actuary estimated that the potential impact of the judgement was a £7k understatement of the liability. As the pension liability is fully mitigated by statutory adjustments, this misstatement had no impact on the overall General Fund position.

Our other responsibilities explained

Fraud responsibilities

Your Responsibilities:

The primary responsibility for the prevention and detection of fraud rests with management and those charged with governance, including establishing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

Our responsibilities:

- We are required to obtain representations from your management regarding internal controls, assessment of risk and any known or suspected fraud or misstatement.

- As auditors, we obtain reasonable, but not absolute, assurance that the Annual Report and Accounts as a whole are free from material misstatement, whether caused by fraud or error.

- As set out in the significant risks section of this document, we have identified risks of material misstatement due to fraud in relation to operating within the expenditure resource limit, and management override of controls.

- We will explain in our audit report how we considered the audit capable of detecting irregularities, including fraud. In doing so, we will describe the procedures we performed in understanding the legal and regulatory framework and assessing compliance with relevant laws and regulations.

Fraud Characteristics:

- Misstatements in the Annual Report and Accounts can arise from either fraud or error. The distinguishing factor between fraud and error is whether the underlying action that results in the misstatement of the Annual Report and Accounts is intentional or unintentional.

- Two types of intentional misstatements are relevant to us as auditors – misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets.

Whilst this requirement has been in place for a few years for public interest entities (as defined by the EU Audit Regulation), recent changes to ISAs (UK) mean it will apply to **all** entities for periods **commencing on or after 15 December 2019.**

Our other responsibilities explained (continued)

Fraud responsibilities (continued)

We will make the following inquiries regarding fraud and non-compliance with laws and regulations:

Management:

- Management's assessment of the risk that the Annual Report and Accounts may be materially misstated due to fraud, including the nature, extent and frequency of such assessments.

- Management's process for identifying and responding to risks of fraud.

- Management's communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud.

- Management's communication, if any, to employees regarding its views on business practices and ethical behaviour.

- Whether management has knowledge of any actual, suspected or alleged fraud affecting the entity.

- We plan to involve management from outside the finance function in our inquiries, in particular Shona MacLennan (CEO).

Internal audit

- Whether internal audit has knowledge of any actual, suspected or alleged fraud affecting the entity, and to obtain its views about the risks of fraud.

Those charged with governance

- How those charged with governance exercise oversight of management's processes for identifying and responding to the risks of fraud in the entity and the internal control that management has established to mitigate these risks.

- Whether those charged with governance have knowledge of any actual, suspected or alleged fraud affecting the entity.

- The views of those charged with governance on the most significant fraud risk factors affecting the entity.

Independence and fees

As part of our obligations under International Standards on Auditing (UK), we are required to report to you on the matters listed below:

Independence confirmation	We confirm the audit engagement team, and others in the firm as appropriate, Deloitte LLP and, where applicable, all Deloitte network firms are independent of BnaG and will reconfirm our independence and objectivity to the Audit and Assurance Committee for the year ending 31 March 2021 in our final report to the Audit and Assurance Committee.
Fees	The fee range for the 2020/21 audit was provided by Audit Scotland in December 2020 and will be discussed and agreed with management and the Audit and Assurance Committee in early 2021. There are no non-audit services fees proposed for the period.
Non-audit services	In our opinion there are no inconsistencies between the FRC's Ethical Standard and the company's policy for the supply of non-audit services or any apparent breach of that policy. We continue to review our independence and ensure that appropriate safeguards are in place including, but not limited to, the rotation of senior partners and professional staff and the involvement of additional partners and professional staff to carry out reviews of the work performed and to otherwise advise as necessary.
Relationships	We have no other relationships with BnaG, its directors, senior managers and affiliates, and have not supplied any services to other known connected parties.

Our approach to quality

AQR team report and findings

Audit quality remains our number one priority and we have a relentless commitment to it. We continue to invest in and enhance our Audit Quality Monitoring and Measuring programme.

In July 2020 the Financial Reporting Council ("FRC") issued individual reports on each of the seven largest firms, including Deloitte, on Audit Quality Inspections providing a summary of the findings of its Audit Quality Review ("AQR") team for the 2019/20 cycle of reviews.

We greatly value the FRC reviews of our audit engagements and firm wide quality control systems, a key aspect of evaluating our audit quality.

We are pleased with our results for the inspections of FTSE 350 entities achieving 90% assessed as good or needing limited improvement, which included some of our highest risk audits. Our objective is for 100% of our audits to be assessed as good or needing limited improvement and we know we still have work to do in order to meet this standard. We are however, extremely disappointed one engagement received a rating of significant improvements required during the period. This is

viewed very seriously within Deloitte and we have worked with the AQR to agree a comprehensive set of swift and significant firm wide actions.

We are also pleased to see the impact of our previous actions on prior year adjustments is reflected in the results of current year inspections with no findings in this areas. In addition the FRC identified good practice examples including in: risk assessment, group oversight, our comprehensive IFRS9 expected credit loss audit programme and our audit committee reporting.

Embedding a culture of challenge in our audit practice underpins the key pillars of our audit strategy. We invest continually in our firm wide processes and controls, which we seek to develop globally, to underpin consistency in delivering high quality audits whilst ensuring engagement teams exercise professional scepticism through robust challenge.

All the AQR public reports are available on its website. https://www.frc.org.uk/auditors/audit-quality-review/audit-firm-specific-reports

Our approach to quality (continued)

AQR team report and findings (continued)

The AQR's 2019/20 Audit Quality Inspection Report on Deloitte LLP

"We reviewed 17 individual audits this year and assessed 13 (76%) as requiring no more than limited improvements. Of the ten FTSE 350 audits we reviewed this year, we assessed nine (90%) as achieving this standard."

"We have highlighted in this report aspects of firm-wide procedures which should be improved, including strengthening the monitoring of the firm's audit quality initiatives."

"Our key findings related principally to the need to:

- Improve the extent of challenge over cash flow forecasts in relation to the impairment of goodwill and other assets.

- Enhance the effectiveness of substantive analytical review and other testing for revenue.

- Improve the assessment and extent of challenge regarding management's estimates, particularly for model testing."

"The firm has taken steps to address the key findings in our 2019 public reports, with actions that included focused training and standardising the firm's audit work programs. We have identified improvements, for example in the audit of potential prior year adjustments and related disclosures, a key finding last year. We also identified good practice in a number of areas of the audits we reviewed (including effective group oversight and robust risk assessment) and in the firm-wide procedures (including the firm's milestone program, with expected dates for the phasing of the audit monitored by the firm)."

Deloitte.

For	Audit & Assurance Committee
Date of Meeting	28/01/2021
Location:	Online
Item on Agenda	5.1 (CS-04-2021-05.1)

Title	Internal Audit Reports
Request	For Decision
Spokesperson	Ailig Greumach / Shona C NicIllinnein

Governance route for the report	Date	Type of Treatment
-	-	-

Appendices	Yes Eàrr-ràdh A – Internal Audit Reports PT1 – Disaster Recovery & Business Continuity PT2 – Risk Management PT3 – Main Funded Organisations – Performance Management PT4 – Grants to Gaelic Organisations

1.0	Adhbhar/Reason
1.1	The paper presents the first batch of reports on internal audit carried out by Wylie & Bisset during September and October 2020.

Areas Covered	Rating
Disaster Recovery & Business Continuity	Substantial
Risk Management	Strong
Main Funded Organisations – Performance Management	Strong
Grants to Gaelic Organisations	Strong

The paper is in English due to the appendices being in English. They have been prepared by the Internal Auditors.

2.0	Cùl-fhiosrachadh/Background
2.1	This is the second of three sets of reports which will come to the Audit and Assurance Committee.

3.0	Prìomh Aithris/Fiosrachadh / Main points
3.1	A summary of recommendations, benchmarking and areas of good practice is given below.

Recommendations	High	Medium	Low	Total
Disaster Recovery & Business Continuity	0	3	1	4
Benchmark	*0*	*2*	*3*	*5*
Risk Management	0	0	1	1
Benchmark	*0*	*2*	*1*	*3*

Main Funded Organisations – Performance Management	0	0	0	0
Benchmark	*n/a*	*n/a*	*n/a*	*n/a*
Grants to Gaelic Organisations	0	0	0	0
Benchmark	*n/a*	*n/a*	*n/a*	*n/a*

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Good Practice	No of Areas
Disaster Recovery & Business Continuity	8
Risk Management	8
Main Funded Organisations – Performance Management	6
Grants to Gaelic Organisations	4

Work has already begun on implementing these recommendations and all will be included in the register of internal audit recommendations to monitor progress.

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4.0	**Moladh /Recommendation**	
4.1	The Committee is requested to: - Approve the reports presented.	
5.0	**Prìomh Bhuaidhean Ro-innleachdach**	
5.1	**Buaidhean air Ionmhas/Impact on Finance**	
	Internal audit fees are included in the budget.	
5.2	**Buaidhean air Luchd-obrach/Impact on Staff**	
	The recommendations in the reports will impact on a range of staff, particularly those involved with IT systems and administration where the recommendatiion will result in additional work relating in particular to business contnuity.	
5.3	**Buaidhean air Trèanadh/ Impact on Training**	
	There are no recommendations within the reports which relate to further training and development. Should any specific training needs be identified then these will require to be addressed.	
5.4	**Ceanglaichean ri Amasan Ro-innleachadh agus Corporra/Links to Strategic and Corporate Aims**	
	Corporate Plan Aim: 4 That Bòrd na Gàidhlig will continue to improve how it works.	
5.5	**Ceanglaichean ri Frèam-obrach Coileanaidh Nàiseanta/ Links to the National Performance Framework**	
	n/a	
5.6	**Buaidhean air Cliù/Impacts on Reputation**	
	It is important the BnG continues to demonstrate improvement and these internal audit reports contribute to this.	
5.7	**Buaidhean air Slàinte is Sàbhailteachd/Impacts on Health and Safety**	
	n/a	
5.8	**Buaidhean Laghail/Legal Impacts**	
	n/a	
5.9	**Buaidhean air Co-ionannas/Impacts on Equality**	
	n/a	

Bòrd na Gàidhlig

Internal Audit 2020-21

Business Continuity & Disaster Recovery
December 2020

Overall Conclusion
Substantial

The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Bòrd na Gàidhlig's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

Overview

Purpose of review

The purpose of this review was to ensure that the Organisation has appropriate disaster recovery and business continuity planning and procedures in place which are being adequately tested. This review sought to provide assurance that the disaster recovery and business continuity arrangements are adequate. Our review considered whether there is sufficient contingency planning in place to address the possibility of an unforeseen event. This review took specific focus on the arrangements in place with regards to Covid-19, analysing the impact this had on the Organisation's operations.

This assignment forms part of our 2020/21 Annual Internal Audit Plan.

Scope of review

Our objectives for this review were to ensure:

➢   Roles for disaster recovery and business continuity are clearly defined and are appropriate.

➢   Business Critical IT systems are located in suitable environments.

➢   Appropriate training for business continuity and disaster recovery is being provided.

➢   There is appropriate testing and reporting of business continuity and disaster recovery procedures.

➢   There are appropriate Business Continuity and Disaster Recovery Plans and Procedures in place.

➢   The business continuity arrangements in place in respect of Covid-19 were robust and enabled the Organisation to continue to operate with minimal disruption.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

There was no limitation of scope.

Background

The Organisation currently operate from several locations across Scotland with offices in:
- Great Glen House, Inverness;
- The Optima, Glasgow;
- King's House, Portree; and
- Bun Sgoil Ghàidhlig Loch Abair, Fort William.

The Organisation currently has a total of 25 staff members and 6 board members who operate throughout the locations listed above, however, due to the Covid-19 pandemic, the majority of staff now work remotely from home, which is facilitated by the Organisation's IT support provider, Tecnica.

Policies and Procedures
The Organisation has a Business Continuity Plan in place which integrates disaster recovery procedures. The Plan was recently written by an outside contractor, Thystle Ltd, and is due to be presented to the Audit & Assurance Committee for approval in January 2021. Prior to this, the Organisation followed a similar Disaster Recovery Plan which had been in draft-form since 2013. The Plan included key information such as key contact details and actions for recovery but failed to reflect the current needs and processes of the Organisation. As such, the updated Plan seeks to rectify this, and includes information on the following:

- Roles and Responsibilities;
- Invoking the Plan;
- Service that can be provided;
- Communications;

➢ Process for Recovery;
➢ Testing of the Plan; and
➢ Key Contact Information.

Although robust, the Plan does not cover measures regarding the Coronavirus outbreak and remote working. Please see Section 3: Detailed Recommendations for further information.

IT Support Provider
The Organisation's IT Systems are supported by Tecnica, a support company based in Dunfermline that provides tailored IT solutions to companies. As a pre-requisite to joining their services, the Organisation moved all services online, including the server. Tecnica provide support for the Organisation's software and hardware, ensuring that patch updates and anti-malware protection are rolled out appropriately, and that data backups are carried out daily to ensure continuity is possible.

Covid-19
As Bòrd na Gàidhlig staff work from 4 different sites, the shift to remote working due to the Covid-19 pandemic for staff members was relatively straightforward. Laptops were purchased for staff members who did not already have access to laptops. Each device was then configured with relevant updates and anti-malware protection software by Tecnica before being given to staff. The Organisation's network can be accessed remotely through the VPN and so staff have been able to work from home since March 2020. The system continues to be monitored and protected by Tecnica who use a central management system to push out network patches to connected devices.

Roles and Responsibilities
The Business Continuity Plan details the staff members responsible for invoking the plan and carrying out response actions. The Business Continuity Team is comprised of the following members of staff:

➢ Overall Incident Co-ordinator – Bòrd na Gàidhlig Operations Manager;
➢ Incident Technical Co-ordinator – Bòrd na Gàidhlig Office Manager;
➢ Incident Communications Officer - Bòrd na Gàidhlig Communications Officer; and
➢ Incident Support staff - Liaison with affected building's Facilities Manager.

The Communications Officer is responsible for obtaining relevant event information from staff members and recounting this appropriately to relevant persons, such as clients and the media.

Training and Testing

The Operations Manager noted that no formal disaster recovery training has been conducted; however, staff members have adapted successfully to the challenges brought about by the current pandemic in real-time, which has reduced the need for such training. The need for testing has been outlined in the Plan, but formal testing is yet to be conducted. As such, 2 observations have been raised as both training and testing should be completed once the Plan has been approved by the Audit & Assurance Committee in January 2021.

Work Undertaken

Our work for this review included the following:

➢ Discussions with relevant staff the arrangements in place regarding business continuity & disaster recovery.

➢ Reviewing business continuity & disaster recovery planning, documentation, and processes.

➢ Reviewing the support and maintenance arrangements for business-critical services to ensure these are sufficient.

➢ Discussions with relevant staff and the IT support provider over the testing arrangements in place to ensure that backups are tested.

➢ Discussions regarding the training arrangements in place for staff in relation to business continuity.

➢ Discussions regarding the business continuity arrangements for the Covid-19 Pandemic and ensuring that the Organisation had put suitable arrangements in place to continue its operations.

Conclusion

Overall conclusion

Overall Conclusion: Substantial
We can provide a substantial level of assurance over the disaster recovery and business continuity arrangements in place at the Organisation. However, we have raised 4 recommendations for improvement. Please see section 3 for further information.

Summary of recommendations

Grading of recommendations				
	High	**Medium**	**Low**	**Total**
Business Continuity & Disaster Recovery	0	3	1	4

As can be seen from the above table there were no recommendations made which we have given a grading of high.

Areas of good practice

The following is a list of areas where the Organisation is operating effectively and following good practice.	
1.	Should a disaster scenario arise, the roles and responsibilities for the Organisation's Business Continuity Team are clearly detailed within the Business Continuity Plan. Information including key functions, key business continuity risks, mitigations and priorities for recovery have been included to ensure that staff are aware of the specific risks and priorities within their department.
2.	The Organisation's Business Continuity Plan outlines appropriate information with regards to the communication of events following the implementation of the Plan. The Communications Officer is responsible for obtaining necessary information from the Business Continuity Team which is then relayed to the relevant persons, including customers, suppliers, employees, and media.
3.	The Organisation's IT service provider, Tecnica, is responsible for ensuring a suitable backup and restoration strategy is in place. Currently, data is held on Office365 and BNG109 while the cloud management platform VEEAM is used to back up both locations. Backups are carried out every weekday at 4:15pm and files from the entire Organisation are backed up on weekdays at 9pm. Backups are checked daily to rectify any issues that may arise.
4.	The Organisation's disaster recovery arrangements are integrated within the Business Continuity Plan which is retained in hard copy format by the CEO, Operations Manager and Office Manager. The Plan is due to be approved by the Audit & Assurance Committee in January 2021.

	The following is a list of areas where the Organisation is operating effectively and following good practice.	
5.	The Organisation has included a list of key contact information in the Business Continuity Plan to ensure that the relevant persons can be contacted in a disaster scenario. The list includes contact details for the following persons: ➢ Facilities Managers from each site; ➢ Website Manager; ➢ PR Advice Contact; and ➢ IT Support.	
6.	The Organisation outsource their IT work to their support provider, Tecnica, who are responsible for assisting the Organisation with any IT issues which may arise. As part of this support, Tecnica have extensive knowledge of business continuity and disaster recovery plans and would therefore be able to direct the Organisation in case of emergency. This provides greater assurance that an IT disaster scenario could be dealt with appropriately.	
7.	All Organisation staff now work remotely and have done since March 2020. Remote working arrangements were supported by Tecnica who are responsible for setting up new and existing devices with the appropriate software, including anti-malware protection. The Organisation moved all their services online prior to Covid-19, meaning the transition to remote working was straightforward. Tecnica have a central management control system which is used to manage devices remotely. This is cloud-based, meaning that once the device is connected to the network, this reports back to the management system and updates are pushed through to the device. Tecnica can therefore, oversee which devices are connected to the network for increased security.	
8.	The Organisation's Business Continuity Plan includes a list of key reference documents and their SharePoint location to ensure that staff members have access to key disaster recovery and business continuity information when working off site. As SharePoint is cloud-based, risk of file loss and inaccessibility is mitigated.	

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

Business Continuity & Disaster Recovery

Benchmarking				
	High	**Medium**	**Low**	**Total**
Average number of recommendations in similar audits	0	2	3	5
Number of recommendations at Bòrd na Gàidhlig	0	3	1	4

From the table above it can be seen that the Organisation has a lower number of recommendations compared to those organisations it has been benchmarked against.

Business Impact Analysis			
Ref.	Finding and Risk	Grade	Recommendation
1.	A Business Impact Analysis (BIA) identifies the operational impacts which would result from a disruption to business systems. It is good practice for a BIA to be completed and included within the Organisation's Business Continuity Plan. During our review, we found that the Organisation has not undertaken a BIA for business systems currently in place. There is the risk that the Organisation are unaware of the level of impact the loss of key systems would have on services, as well as the expected recovery times of systems if they were lost.	**Medium**	We recommend that the Organisation conducts a BIA and includes this within the Business Continuity Plan, to provide further assurance that the continuity of operations would not come under threat during a period of disruption.

Management response	Responsibility and implementation date
We accept the recommendation and will update the Business Continuity Plan before submitting it to the Audit and Assurance Committee.	*Responsible Officer:* Operations Manager *Implementation Date:* Updated Plan submitted to Audit and Assurance Committee in May 2021.

Disaster Scenarios			
Ref.	Finding and Risk	Grade	Recommendation
2.	It is good practice for a Business Continuity Plan to include information surrounding specific disaster scenarios and the steps to control and mitigate risk to ensure the Organisation's operations can continue. Within the Plan, there should be specific mention to scenarios such as flood, loss of building, and remote working. The Plan should also include information regarding the Organisation's backup and restorations process. During our review, we found that the Organisation's Business Continuity Plan does not include specific disaster scenarios and the steps that should be taken, or sufficient information regarding backups and the retention process. There is the risk that in a disaster scenario, staff may not be as prepared to respond as they could be.	**Medium**	We recommend that the Organisation include specific disaster scenarios and the steps that should be taken within the Plan to ensure that staff are confident in their roles. There is currently information regarding remote working arrangements in section 4.4 of the Plan. This should be expanded and added as an example of a disaster scenario. We also recommend that the Organisation include information regarding the backup and restoration of data. Tecnica may be consulted to provide clarification before adding this information to the Plan.

Management response	Responsibility and implementation date
We accept the recommendations to include specific disaster scenarios and the steps that should be taken within the Plan to ensure that staff are confident in their roles. The information regarding remote working arrangements in section 4.4 of the Plan will be expanded and added as an example of a disaster scenario. We will also include information regarding the backup and restoration of data. Tecnica will be consulted to provide clarification before adding this information to the Plan and will update the Business Continuity Plan before submitting it to the Audit and Assurance Committee.	*Responsible Officer:* Operations Manager *Implementation Date:* Updated Plan submitted to Audit and Assurance Committee in May 2021.

IT Equipment Warranties			
Ref.	Finding and Risk	Grade	Recommendation
3.	It is essential that the Organisation retains warranties on all important equipment to ensure hardware is adequately protected. During our review, we found that the Organisation does not appropriately retain warranties for IT equipment. There is the risk that the Organisation's IT equipment may not be protected by a warranty.	**Medium**	We recommend that the Organisation retains all warranty information and adds this to the asset list so it can be monitored. This will provide further assurance of equipment protection.
Management response		Responsibility and implementation date	
We will ensure that all warranty information is retained and included in the asset register so that it can be monitored.		*Responsible Officer:* Office Manager *Implementation Date:* Commencing immediately and completed by May 2021. Thereafter updated as new warranties are purchased.	

Definition of a Major Incident			
Ref.	Finding and Risk	Grade	Recommendation
4.	It is good practice for a Disaster Recovery Plan to include specific criteria to determine whether a situation should be considered a disaster. This may include classifying incident levels and assigning them to scenarios or setting a timeframe e.g., if the issue could lead to an outage of 24 hours or longer, it will be deemed a major incident. During our review, we found that although the Plan gives examples of disaster scenarios, such as flooding or loss of a building, there is no set criteria to help staff determine whether a situation qualifies as a disaster. There is the risk that staff may find it difficult to classify the situation as a disaster without set criteria in place to follow.	**Low**	We recommend that the Organisation include specific criteria to determine whether a situation qualifies as a disaster in their Disaster Recovery and Business Continuity Plan.

Management response	Responsibility and implementation date
We will include specific criteria to determine whether a situation qualifies as a disaster in their Disaster Recovery and Business Continuity Plan.	*Responsible Officer:* Operations Manager *Implementation Date:* The updated Business Continuity Plan will be submitted to the Audit and Assurance Committee in May 2021.

The following is a list of observations from our review
1.	The Organisation's Business Continuity Plan is to be reviewed and approved by the Audit & Assurance Committee in January 2021. Following this, staff should be provided with the relevant training through internal exercises conducted by the Business Continuity Team. This will ensure that staff members are comfortable with their role in the Plan.
2.	The Organisation's Business Continuity Plan is still to be reviewed and approved by the Audit & Assurance Committee in January 2021. Following its approval, the Plan should be subject to regular testing. The Organisation should carry out an annual desk-based walk-through of the plan to ensure that all processes and procedures are up to date.

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit & Assurance Committee meeting.

Audit stage	Date
Fieldwork start	1 December 2020
Closing meeting	4 December 2020
Draft report issued	16 December 2020
Receipt of management responses	11 January 2021
Final report issued	12 January 2021
Audit & Assurance Committee	28 January 2021
Number of audit days	4

We detail below our staff who undertook the review together with the Organisation staff we spoke to during our review.

Wylie & Bisset LLP			
Partner	Graham Gillespie	Partner	graham.gillespie@wyliebisset.com
Manager	Scott McCready	Internal Audit Manager	scott.mccready@wyliebisset.com
IT Auditor	Annie Benzie	IT Auditor	annie.benzie@wyliebisset.com

Bòrd na Gàidhlig			
Key Contacts:	Louise NicIlleathain	Operations Manager	louise@gaidhlig.scot
	Shona McLennan	Chief Executive	shona@gaidhlig.scot
Wylie & Bisset appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

APPENDICES

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit & Assurance Committee and addressed by senior management of the Organisation as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the Organisation as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

Purpose of review

The purpose of this review is to ensure that the Organisation has appropriate Disaster Recovery and Business Continuity planning and procedures in place which are being adequately tested. This review aims to provide assurance that the Disaster Recovery and Business Continuity arrangements are adequate. Our review will consider whether there is sufficient contingency planning in place to address the possibility of an unforeseen event. This review will take specific focus on the arrangements in place with regards to Covid-19 analysing the impact this had on the Organisation's operations.

This assignment forms part of our 2020/21 Annual Internal Audit Plan.

Scope of review

Our objectives for this review are to ensure:

➢ Roles for business continuity and disaster recovery are clearly defined and are appropriate.

➢ Business Critical IT systems are located in suitable environments.

➢ Appropriate training for business continuity and disaster recovery is being provided.

➢ There is appropriate testing and reporting of business continuity and disaster recovery procedures.

➢ There are appropriate Business Continuity and Disaster Recovery Plans and Procedures in place.

➢ The business continuity arrangements in place in respect of Covid-19 were robust and enabled the Organisation to continue to operate with minimal disruption.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

Limitation of scope

There is no limitation of scope.

Audit approach

Our approach to the review will be:

- Discussion with staff involved to establish the current arrangements in place at the Organisation for Disaster Recovery & Business Continuity.

- Review of Disaster Recovery & Business Continuity planning, documentation, and processes.

- Review of support and maintenance for business-critical services.

- Review of environment for business-critical services.

- Review of Disaster Recovery and Business Continuity training arrangements.

- Review of the arrangements in place with regards to COVID-19 analysing the impact this had on the Organisations operations.

Potential key risks

The potential key risks associated with the area under review are:

- Roles for business continuity and disaster recovery are not clearly defined and are not appropriate.

- IT systems are located in insecure or inadequate environments.

- No training has been provided for business continuity and disaster recovery procedures.

- There is no formal testing being carried out for business continuity and disaster recovery procedures.

- There is no Business Continuity Procedures and Plan and Disaster Recovery Plan in place.

- The business continuity arrangements in respect of Covid-19 are not robust and did not enable the Organisation to continue to operate with minimal disruption.

Bòrd na Gàidhlig

Internal Audit 2020-21

Risk Management
December 2020

Overall Conclusion
Strong

The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Bòrd na Gàidhlig's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

Overview

Purpose of review

The purpose of this review was to provide assurance that the Organisation has appropriate risk management arrangements in place and that these have been embedded throughout the whole Organisation. This was a detailed review to provide assurance that the risk management arrangements are adequate.

This assignment forms part of the 2020/21 Annual Internal Audit Plan.

Scope of review

Our objectives for this review were to ensure:

➢ The Organisation has set out clearly its strategic direction in relation to risk management (including policy, roles and responsibilities, objectives, and communications).

➢ The Organisation has adopted a systematic process in identifying, evaluating, and measuring its strategic and operational risks.

➢ The Organisation has adequate reporting in relation to risk management activities.

➢ The Organisation is providing appropriate risk management training.

Limitation of scope

There were no limitations of scope.

Background Information

The Organisation's Risk Management Strategy was revised to take account of our recommendations from our January 2020 Risk Management Review. This was updated in May 2020 and presented to the Audit & Assurance Committee and the Board for consideration and approval.

The Risk Management Strategy has the following sections:
1. Introduction;
2. Strategic Risk Management;
3. Risk Appetite;
4. Risk Assessment;
5. Roles and Responsibilities;
6. Operational Risks; and
7. Review.

Strategic Risk Management

This section outlines the following:
➢ Risk management at the Organisation is led from the strategic level. The Organisation has a statutory responsibility for the submission of a National Gaelic Language Plan. This must be submitted to the Scottish Ministers every 5 years.
➢ The Board agrees a 5-year Corporate Plan and establishes a Strategic Risk Register. This identifies the main risks that could impact on the achievement of the long-term objectives and aims of the National and Corporate Plans.
➢ The Board has the overall responsibility for managing the approach to the strategic risk. The Board will review the status of the strategic risks quarterly. This is completed alongside the regular reviews of the Corporate Plan delivery.
➢ At these reviews, any emerging risks or opportunities can be added together with any approach to mitigate these. Any risks which have been adequately mitigated or reduced can be removed from this risk register at these reviews.
➢ Between Board meetings, the responsibility for monitoring strategic risks is delegated to the Board's Audit & Assurance Committee.

Risk Appetite

This section states that the Organisation has a "dynamic rather than formulaic approach to risk appetite". It also states that the Organisation has a "low risk appetite for corporate and financial matters, as befits a public body" and that it has "an increased risk appetite in our development functions, enabling us to innovate and test approaches across a wider range of situations and scenarios."

Risk Assessment

This section sets out how the Organisation quantifies risk and how this is calculated. Each risk is categorised as high, medium, or low based on the risks impact x likelihood. The Organisation uses a scoring scale of 1 to 5 for its impact and likelihood.

It includes a table relating to the categories and scoring of the impact of the risk split across the following headings:

➢ Financial;
➢ Operational;
➢ Stakeholder;
➢ Media;
➢ People; and
➢ Budget Reduction.

It also gives details of risk ratings and 5 potential ways to manage risk. These are:

➢ Tolerate;
➢ Treat;
➢ Transfer;
➢ Terminate; and
➢ Take an opportunity.

Risk Register

The Organisation has 2 risk registers, namely a Strategic Risk Register and an Operational Risk Register.

Risks on the Strategic Risk Register are grouped under 5 strategic aims as follows:

1. Covid-19 - this is a new risk which has been added to the Strategic Risk Register.
2. More People are using and benefiting from Gaelic at work, at home, and in the community.
3. Opportunities for people to develop their Gaelic skills at any age have increased and are more accessible.
4. More people in Scotland are positive about Gaelic language and culture.
5. Bòrd na Gàidhlig continues to develop how it grows.

The Leadership Team, including the Managers from the 6 individual Departments will review both the Strategic Risk Register and the Operational Risk Register monthly. At these meetings they will consider whether the risk is still valid and that it has been given the correct and appropriate risk rating/scoring. They will also consider the controls in place to mitigate the risk to assess if these are still appropriate or if other controls should be in place. Each of the risks are assigned a Leadership Team lead who is required to ensure that the risk is appropriately scored, and the controls are still appropriate. Although there is an assigned member of the Leadership Team, all risks are considered by all of the extended team.

In April/May 2020 time the Leadership Team decided that Covid-19 should have a separate section on the risk registers instead of being included under one of the other strategic aims' sections. This was presented to the Audit & Assurance Committee and then the Board in May 2020, who agreed that this would improve the reporting of these risks and keep the pandemic and actions taken to the forefront of the management, Committee, and the Boards minds.

The Covid-19 risk was added in light of the ongoing pandemic. There are 4 risks included under this section which relate to the following:

➢ Impact of Covid-19 on elderly;
➢ Downturn in the economy, leading to reducing public funds and greater need for funding in critical care services (this was 4.2 in previous register). This could also be seen to relate to Brexit, where the main risk to the Organisation is reduction in public funding and downturn in the economy;
➢ Partners unable to deliver projects (funded by the Organisation); and
➢ Loss of staff due to illness.

The Organisation has also considered the impact that Brexit might have on its operations. Generally, it was thought that the main impact would arise from a cut in public funding and the home of the communities with highest levels of Gaelic speakers, could suffer as they receive funding from the European Union. If this funding is no longer available this could result in a downturn in the economy, housing, connectivity, and transport which could result in people leaving these Isles. This would have an impact on the Gaelic language, and consequently on the projects and grants provided by the Organisation.

The Board have a standing agenda item at each of their quarterly meetings relating to risk and the review of the Strategic Risk Register. This is an opportunity for the members to challenge any risks, risk scores or controls in place in respect of specific risks.

Follow Up of 2019/20 Recommendation

During our 2019/20 Risk Management review, we raised 2 medium grade recommendations, namely:

1. During our review of the Risk Management Strategy, we found that it does not provide clear information on the roles and responsibilities of Board and staff members within the Organisation. We also found that the Risk Management Strategy does not provide any information on the Organisation's Operational Risk Register.

   We recommend that the Organisation review and update the Risk Management Strategy to clearly outline Board and staff members roles and responsibilities. We also recommend that the Risk Management Strategy is updated to include guidance on the operational risk register.

From our work undertaken during our 2020/21 review, we can confirm that the Organisation has revised its Risk Management Strategy to include information on the roles and responsibilities of the Board and staff members. As such, we are satisfied that this recommendation has been fully implemented.

2. During our review, we found that while the Risk Management Strategy has a section called Risk Appetite, the Organisation's risk appetite is not specifically outlined within this section and there is no information provided on how the Organisation would manage risks above the risk appetite level.

   We recommend that the Organisation fully documents its risk appetite. This should be included within the Risk Management Strategy.

From our work undertaken during our 2020/21 review, we can confirm that the Organisation has revised its Risk Management Strategy, and this now specifically outlines the Organisation's risk appetite. As such, we are satisfied that this recommendation has been fully implemented.

Work Undertaken

Our work for this review included the following:

➢ A review of the Risk Management Strategy to ensure it adheres to best practice.

➢ A review of the structure of the roles and responsibilities of the Board, Audit & Assurance Committee, and the Leadership Team.

➢ A review of the arrangements in place for the identification, evaluation, and monitoring of risk for the Organisation.

➢ A review of the reporting arrangements for risk management via the Leadership Team, the Audit & Assurance Committee & the Board. This included a review to ensure they are robust and that there is sufficient challenge to risks.

➢ We reviewed what risk management training has taken place in the past and the requirement for future training following the review of the Risk Management Strategy.

➢ Reviewing the implementation of our 2019/20 recommendations.

1   EXECUTIVE SUMMARY

Conclusion

Overall conclusion

Overall Conclusion: Strong
We can provide a strong level of assurance that the Organisation's risk management arrangements are adequate and are embedded throughout the Organisation. We can also confirm that the 2 recommendations raised as part of our 2019/20 Risk Management audit report have been fully implemented by the Organisation. We have, however, raised 1 new low-grade recommendation for improvement. Please see section 3 for further information.

Summary of recommendations

Grading of recommendations				
	High	**Medium**	**Low**	**Total**
Risk Management	0	0	1	1

As can be seen from the above table there were no recommendations made which we have given a grading of high or medium.

Areas of good practice

The following is a list of areas where the Organisation is operating effectively and following good practice.	
1.	Following our review, we can confirm that the review of the Strategic Risk Register is a standing agenda item for both the Audit & Assurance Committee and the Board at each of their quarterly meetings. We can also confirm, via review of a sample of Audit & Assurance Committee and Board minutes, that there is evidence of review and challenge by members on the risk register. We also attend the Audit & Assurance Committee meetings and can confirm that at these meetings there is challenge by members on the risk register presented.
2.	There is clear linkage of the risks on the Strategic Risk Register and the Organisation's Corporate Plan with the risks being grouped under each of the 4 strategic aims.
3.	The Organisation has a Strategic Risk Register which is considered by the extended Leadership Team monthly and presented to the Audit & Assurance Committee and Board quarterly for consideration and comment. The Organisation also has an Operational Risk Register which is considered by the extended Leadership Team monthly. Both risk registers contain details of the risk description, consequences of the risk, controls measures, action, current risk assessment, unmitigated risk score, date of last review and risk owner.
4.	The Organisation has revised its Risk Management Strategy to incorporate the recommendations raised in our 2019/20 Risk Management Review. From our review of the Risk Management Strategy, we can confirm that this is robust and fit for purpose.
5.	The roles and responsibilities in relation to risk management are detailed within the Risk Management Strategy. The Organisation also has an Assurance Framework in place which includes details of the roles and responsibilities in respect of risk management.

	The following is a list of areas where the Organisation is operating effectively and following good practice.
6.	As a result of the Covid-19 pandemic, the Organisation decided to include a section on its Strategic Risk Register for the risks specifically associated with Covid-19 and the impact this may have on the Organisation. There are 4 risks under this heading relating to: ➢ The impact of Covid-19 on the elderly. ➢ Downturn in the economy, leading to a reduction in public funds and greater need for funding in critical care services. ➢ Partners unable to deliver projects (funded by the Organisation). ➢ Loss of staff due to illness.
7.	The Organisation presented a paper to the Board in relation to the impact Brexit might have on the Organisation. The main impact was the reduction to public spending and hence funding for the Organisation. There is already a risk in the risk register relating to reduction in funding, thus no new risk was added in respect of the impact of Brexit. The Organisation will continue to monitor the impact of Brexit to ensure that no further risks should be added to the risk register.
8.	The Organisation has a clear and robust process in place for identifying, evaluating and measuring risks. Both strategic and operational risks are identified, evaluated and measured by the Leadership Team before being reported to the Audit & Assurance Committee for addition within the risk register.

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

Risk Management

Benchmarking				
	High	**Medium**	**Low**	**Total**
Average number of recommendations in similar audits	0	2	1	3
Number of recommendations at Bòrd na Gàidhlig	0	0	1	1

From the table above it can be seen that the Organisation has a lower number of recommendations compared to those organisations it has been benchmarked against.

Refresher Training			
Ref.	Finding and Risk	Grade	Recommendation
1.	Members of the Board and senior staff to manager level should receive regular risk management refresher training to ensure that they are being kept up to date with current development and techniques. From our discussion with the Ceannard, we were informed that the last Board risk management training was delivered during 2018. The 3 members of the Audit & Assurance Committee received effectiveness of the Audit Committee training during 2019, which included risk management. The managers and senior staff have not received any official risk management training. Their training tends to be 'on-the-job' training when they are reviewing the risk registers. There is the risk that staff and Board members are not kept up to date with the latest developments and techniques in risk management.	**Low**	We recommend that refresher training is provided to the members of the Board and the Management Team (members of the extended Leadership Team) every 2 years. This will ensure that all are kept up to date with any new developments in risk management arrangements. The refresher training can take the form of a 30 minute to 1-hour session delivered as part of one of the scheduled monthly (for the Leadership Team) or quarterly Board and Audit & Assurance Committee meetings.

Management response	Responsibility and implementation date
This recommendation is accepted and the training will be delivered for board members and managers.	*Responsible Officer:* Head of Finance and Corporate Services *Implementation Date:* by October 2021

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit & Assurance Committee meeting.

Audit stage	Date
Fieldwork start	1 December 2020
Closing meeting	4 December 2020
Draft report issued	16 December 2020
Receipt of management responses	11 January 2021
Final report issued	12 January 2021
Audit & Assurance Committee	28 January 2021
Number of audit days	2 days

We detail below our staff who undertook the review together with the Organisation's staff we spoke to during our review.

Wylie & Bisset LLP			
Partner	Graham Gillespie	Partner	graham.gillespie@wyliebisset.com
Manager	Scott McCready	Internal Audit Manager	scott.mccready@wyliebisset.com
Supervisor	Audrey Cowan	Internal Audit Supervisor	audrey.cowan@wyliebisset.com

Bòrd na Gàidhlig			
Key Contact	Shona McLennan	Ceannard	shona@gaidhlig.scot
Wylie & Bisset appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

APPENDICES

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit & Assurance Committee and addressed by senior management of the Organisation as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the Organisation as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

Purpose of review

The purpose of this review is to provide assurance that the Organisation has appropriate risk management arrangements in place and that these have been embedded throughout the whole Organisation. This will be a detailed review to provide assurance that the risk management arrangements are adequate.

This assignment forms part of the 2020/21 Annual Internal Audit Plan.

Scope of review

Our objectives for this review are to ensure:

➢ The Organisation has set out clearly its strategic direction in relation to risk management (including policy, roles and responsibilities, objectives, and communications).

➢ The Organisation has adopted a systematic process in identifying, evaluating, and measuring its strategic and operational risks.

➢ The Organisation has adequate reporting in relation to risk management activities.

➢ The Organisation is providing appropriate risk management training.

Limitation of scope

There are no limitations of scope.

Audit approach

Our approach to the review will be:

➢ Discussion with key personnel to establish the current risk management arrangements.

➢ Evaluating these arrangements to confirm their adequacy and whether they comply with current guidance and good practice.

➢ Review of documentation to confirm that policies and procedures are in place and that current arrangements comply with good practice.

➢ Review of training records for Board & Staff members to confirm whether risk management training has been provided.

Potential key risks

The potential key risks associated with the area under review are:

➢ The Organisation may not have set out clearly its strategic direction in relation to risk management (including policy, roles and responsibilities, objectives, and communications), which could result in potential risks being omitted.

➢ The Organisation may not have adopted a systematic process for identifying, evaluating, and measuring its key strategic and operational risks, which could result in all risks not being identified and mitigated as appropriate.

➢ The Organisation may not have adequate reporting in relation to risk management activities, which could result in the Board being unaware of the risks of the Organisation and the controls in place to mitigate these risks.

➢ The Organisation may not be providing appropriate risk management training which could result in ineffective assessment of risks and controls by the Organisation's management and Board.

Bòrd na Gàidhlig

Internal Audit 2020-21

External Organisations (MFOs) - Performance
Management
December 2020

Overall Conclusion
Strong

The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Bòrd na Gàidhlig's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

Overview

Purpose of review

The purpose of this assignment was to review the processes and procedures in place for the confirmation of receipt of performance reports for major Gaelic development partners (MFO)s. We also reviewed the procedures and processes applied by the grant's management Team.

This assignment forms part of our 2020/21 Annual Internal Audit Plan.

Scope of review

Our objectives for this review were to ensure:

➢ The Organisation has robust processes and procedures in place for the confirmation of receipt of performance reports from MFOs.

➢ Staff members are adhering to the processes and procedures applied by the Grant's Management Team.

➢ MFOs are adhering to the performance requirements set out within their grant award.

➢ MFOs performance is reported to Senior Management and the Board.

Limitation of scope

There were no limitations of scope.

Background Information

In June 2018, the Organisation changed its funding arrangements for its Main Funded Organisations (MFOs) with funding being awarded for a 3-year period from 2019/20 to 2021/22. The Board reviewed the applications and funding was approved by the Board during January and February 2020. The following table details the MFOs 3-year funding and their funding for 2020/21:

MFO	Total Funding	Funding for 2020/21
Stòrlann Nàiseanta na Gàidhlig	£939,482	£314,741
Ionad Chaluim Chille Ìle	£313,420	£104,960
An Lòchran	£105,000	£35,000
Comunn na Gàidhlig	£1,382,400	£463,700
An Comunn Gàidhealach	£301,700	£100,850
Fèisean nan Gàidheal	£431,200	£145,600
Comhairle nan Leabhraichean	£540,540	£180,770
Ainmean-Àite na h-Alba	£243,200	£81,600
Faclair na Gàidhlig	£228,000	£76,500
Cànan - FilmG	£57,000	£19,000
Ceòlas	£172,400	£57,700
Acair	£172,080	£57,540
Theatre Gu Leòr	£166,740	£55,870
Total	**£5,053,162**	**£1,693,831**

Any funding awarded to MFOs is subject to the Organisation receiving its annual funding from the Scottish Government. Payment of the Grants to the MFOs is subject to receipt of satisfactory progress reports showing that the MFO is adhering to the key performance indicators set out in the award contract.

The Director of Language Planning & Community Development is responsible for the management of the funding agreements with the MFOs while the Funding & Projects Officer has responsibility for the day-to-day management of the agreements.

The Organisation has produced Desktop Instructions in respect of its main funded organisations (MFOs). These were produced by the Funding & Projects Officer on 2 November 2020 and approved by the Director of Languages, Planning and Community Development on 3 November 2020. These will be reviewed in October 2021. The Instructions include the following:

➢ Purpose;
➢ Definition of Roles;
➢ Other Definitions;
➢ Applications process;
➢ Approval process;
➢ Contracts; and
➢ Progress Monitoring and Evaluation.

The MFOs must submit a performance report to provide updates on the progress, spending, and achievement of the key performance indicators. These reports include:
➢ The reports provide information on the MFO's performance against their KPI target and how their work is progressing the Organisation's strategic aims. There is also a finance section for the MFO to provide an overview of how the funds have been spent.
➢ The first part of the report is a summary of the work being undertaken and the organisation achievements in the period.
➢ The second part is the MFO's performance against KPIs.
➢ Third part is how the MFO is achieving the Organisation's corporate plan objectives.
➢ Finance summary.
➢ How they acknowledge the Organisation's support and funding.
➢ Checklist of documents required.

The Director of Language Planning & Community Development provides the Board with an annual report outlining each MFOs performance report and recommending whether funding should be continued for the following year. This report is presented to the Board in February each year. Due to the time of our audit visit, the 2020/21 report had not been completed and presented to the Board.

Covid-19 Impact

During the period from March 2020 to the time of our review, December 2020, of the MFOs the Organisation awarded grants to, 3 had not received any payment. The reasons for this were:

➢ One had shown insufficient progress. The Organisation had issues and concerns around the performance of this MFO during 2019/20. As a result, no payments have been made to this MFO for 2020/21. The Organisation note that this has now been resolved.

➢ One has not returned the signed contract or any performance reports, thus no payment has been made to this client. The Organisation note that this has now been resolved.

➢ One has not provided completed performance reports due to its staff being on furlough since March 2020 because of the Covid-19 lockdown. As such, this MFO has not been operating since March 2020. The decision was taken by the Board to withhold grant instalment payments until performance reports were received. The Organisation note that this has now been resolved, however, the latest Covid-19 lockdown is having a further impact.

During the Covid-19 period, if an MFOs contacted the Organisation to inform them that due to the pandemic they would like to use the funds for something other than their agreed purpose, this would be assessed by the Organisation and a decision made on whether to approve the request or not. The MFOs are also required to show that they have examined alternative purposes and uses of their grant during the Covid-19 period rather than just stating that they have not met the initially agreed KPIs because of Covid-19.

For the 2020/21 grant awards, the Organisation will consider the progress made during the Covid-19 period for the applicants to help assess whether they should be awarded a grant. This will include whether or not they put forward alternative uses for the grant funding as a result of lockdown and ongoing remote working.

Follow Up of 2019/20 Recommendation

During our 2019/20 Grants to Gaelic Organisations review, we raised one recommendation for improvement, namely:

• During our review, we found that the Organisation did not have an agreed response in place for the late submission of performance reports from MFOs. The general approach was that the Organisation would contact the MFO and discuss this with them on the first 2 occasions then on the third occasion the Chief Executive would issue a formal letter to the MFO. The Organisation should document a formal procedure for the late submission of performance reports within its desktop instructions.

We recommend that the Organisation include its approach to the late submission of performance reports within its desktop procedures.

From our work undertaken during our 2020/21 review, we can confirm that the Organisation updated its desktop procedures to include its approach to the late submission of performance reports. As such we are satisfied that this recommendation has been fully implemented. From our testing during our 2020/21 audit, we can confirm that the Organisation has used this process during 2020/21 and in all instances the correct process was followed.

Work Undertaken

Our work for this review included the following:

➢ Reviewing and undertaking a walkthrough test of the Organisations processes and procedures for the receipt of performance reports from MFOs.

➢ Testing of all payments made to MFOs for 2019/20 to ensure that they were made following adherence to the terms of the contract and the Organisation's procedures. This included ensuring that payments were only made to MFOs following receipt of performance reports and that the Organisation were happy with the information within the report.

➢ Reviewing the performance reports received by the Organisation to ensure that the MFOs are adhering to the agreed performance requirements and that these are closely monitored by the Organisation. This included reviewing the reports and ensuring that MFOs were being challenged on performance and evidence was being provided where required to highlight performance.

➢ Ensuring the Organisation takes the appropriate action for late return of performance reports for MFOs whose performance is of concern. This included a review of the steps taken by the Organisation for late submissions of performance reports.

➢ Reviewing the reporting arrangements in place to the Senior Management Team and the Board regarding MFO performance.

➢ We also considered whether the recommendation raised in our 2019/20 Report had been implemented by the Organisation.

Conclusion

Overall conclusion

Overall Conclusion: Strong
We can provide a strong level of assurance over the processes and procedures in place for the approval of grants, the confirmation of receipt of performance reports for major Gaelic development partners (MFOs) and the release of instalments. We can also provide a strong level of assurance that the processes and procedures are being adhered to. We are also able to confirm that the Organisation has implemented the one recommendation raised in our 2019/20 report.

Summary of recommendations

Grading of recommendations				
	High	**Medium**	**Low**	**Total**
External Organisations (MFOs) - Performance Management	0	0	0	0

As can be seen from the above table we have raised no recommendations from our audit work.

Areas of good practice

	The following is a list of areas where the Organisation is operating effectively and following good practice.
1.	The Organisation has produced Desktop Instructions for the MFO Grant Schemes. These include details on the application process, the approval process, the contracts, and progress monitoring and evaluation. The progress monitoring and evaluation sections includes the approach to be taken in respect of the late submission of progress reports.
2.	The Organisation issue a standard reporting template to all MFOs for completion to show performance and progress to date. These reports are completed by the MFOs and submitted to the Organisation, who will evaluate these prior to any payment being made to the MFOs. The MFOs must provide details of progress made, performance against agreed KPIs, a financial summary, and how the MFO's work helps the Organisation in achieving its strategic objectives.
3.	Following our testing, we can confirm that staff are adhering to the process as documented in the Desktop Instructions.
4.	The Organisation closely monitor the MFOs adherence to the performance requirements set out within their grant award. This is undertaken by both the Funding & Projects Officer and the Director of Language Planning & Community Development. The Organisation actively monitor the MFOs performance and seek clarifications where required. We were able to confirm this during our testing for all MFOs.
5.	The Funding & Projects Officer and the Director of Language Planning & Community Development hold progress meetings with MFOs throughout the year to review performance, discuss the funding and the work of the MFO.
6.	The Organisation provide a detailed annual report to the Board on the performance of MFOs. This allows the Board to review the performance and confirm the MFOs funding for the following year. The latest report was presented to the Board in February 2020. The Director of Language Planning & Community Development confirmed that the Organisation are planning to present update reports to the Policy & Resources Committee following the Governance restructure.

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit & Assurance Committee meeting.

Audit stage	Date
Fieldwork start	1 December 2020
Closing meeting	4 December 2020
Draft report issued	16 December 2020
Receipt of management responses	12 January 2021
Final report issued	12 January 2021
Audit & Assurance Committee	28 January 2021
Number of audit days	3 days

We detail below our staff who undertook the review together with the Organisation's staff we spoke to during our review.

Wylie & Bisset LLP			
Partner	Graham Gillespie	Partner	graham.gillespie@wyliebisset.com
Manager	Scott McCready	Internal Audit Manager	scott.mccready@wyliebisset.com
Supervisor	Audrey Cowan	Internal Audit Supervisor	audrey.cowan@wyliebisset.com

Bòrd na Gàidhlig			
Key Contacts:	David Boag	Director of Language Planning and Community Developments	daibhidh@gaidhlig.scot
	Steven Kellow	Funding & Projects Officer	stevenk@gaidhlig.scot
Wylie & Bisset appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

APPENDICES

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
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No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit & Assurance Committee and addressed by senior management of the Organisation as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the Organisation as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

Purpose of review

The purpose of this assignment is to review the processes and procedures in place for the confirmation of receipt of performance reports for major Gaelic development partners (MF)s). We will also review the procedures and processes applied by the grant's management Team.

This assignment forms part of our 2020/21 Annual Internal Audit Plan.

Scope of review

Our objectives for this review are to ensure:

➢   The Organisation has robust processes and procedures in place for the confirmation of receipt of performance reports from MFOs.

➢   Staff members are adhering to the processes and procedures applied by the Grant's Management Team.

➢   MFOs are adhering to the performance requirements set out within their grant award.

➢   MFOs performance is reported to Senior Management and the Board.

Limitation of scope

There are no limitations of scope.

Audit approach

Our approach to the review will be:

➢   Reviewing and evaluating the Organisation's processes and procedures relating to the receipt of performance MFO reports.

➢   Completing a walkthrough of the process to ensure that this is robust.

➢ Undertaking sample testing of MFO performance reports to ensure processes and procedures are being adhered to.

➢ Reviewing MFO performance reports to ensure that they adhering to the terms of the grant and that plans have been put in place where performance targets are not being met.

➢ Reviewing the reporting arrangements to Senior Management and the Board to ensure they are receiving sufficient information.

Potential key risks

The potential key risks associated with the area under review are:

➢ The Organisation does not have robust processes and procedures in place for the confirmation of receipt of performance reports from MFOs, which could result in the non-receipt of these performance reports going unnoticed by the Organisation.

➢ Staff members are not adhering to the processes and procedures applied by the Grant's Management Team.

➢ MFOs are not adhering to the performance requirements set out within their grant award.

➢ MFOs performance is not reported to Senior Management and the Board which could result in them making decisions without all relevant facts and performance information of the MFOs.

Bòrd na Gàidhlig

Internal Audit 2020-21

Grants to Gaelic Organisations
December 2020

Overall Conclusion
Strong

The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

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Overview

Purpose of review

The purpose of this assignment was to review the process and procedures in place for the approval of grants and the release of instalments. We undertook testing of the grants released to ensure that the Organisation's procedures are being adhered to.

This assignment forms part of our 2020/21 Annual Internal Audit Plan.

Scope of review

Our objectives for this review were to ensure:

➢ The Organisation has robust processes and procedures in place for the approval of grants and the release of instalments.

➢ The Organisation are adhering to the processes and procedures relating to the approval of grants and the release of instalments.

➢ The Organisation are providing sufficient information to Senior Management and the Board regarding grants being made.

Limitation of scope

There were no limitations of scope.

Background Information

The Organisation receive Grant-in-Aid funding from the Scottish Government to allow them to offer grants to numerous different initiatives that promotes the longevity of Gaelic as a language.

During 2020/21, the Organisation had the following funding schemes on offer:
1. Gaelic Immersion Course Funding for Teachers;
2. Tabhartasan Foghlaim/Gaelic Education Grants;
3. Early Years Grants;
4. Taic Freumhan Coimhearsnachd (Community Roots Support);
5. Gaelic Language Act Implementation Fund (GLAIF);
6. Colmcille;
7. Eile/Others; and
8. Buidhnean Com-pairteach – Main Funded Organisations (PBG).

The Organisation has procedures for the operation and processes used for the grants in each of these funding schemes. These take the form of Desktop Instructions. All the Desktop Instructions follow the same layout, namely:

➢ Purpose;
➢ Definition of Roles; and
➢ Process.

These were reviewed and updated by the Projects & Funding Officer during October 2020, with these being approved by the Director of Planning, Language and Community Development. From our review, we found that the Desktop Instructions are sufficient to provide guidance on the steps to be followed when processing grants.

The Organisation's website has a Funding Scheme page which states:
"Bòrd na Gàidhlig receives a Grant-in-Aid award from the Scottish Government for each financial year so that it can meet its aims and obligations.

It is through funding the main Gaelic organisations and other agreed contractors that the Bòrd carries out the majority of the work for which it is responsible. However, sometimes the Bòrd will award contracts to relevant individuals and organisations in order to accomplish a specific strategic goal, and the Bòrd also funds initiatives in partnership with other organisations. Bòrd na Gàidhlig distributes funding to public bodies who are drafting and implementing Gaelic language plans."

From our review of the Organisation's website, we found that within the Funding Scheme page there are sections relating to the grants noted above. Within each individual grant section there is information and links to documentation required for each of the schemes.

All funding schemes are approved by the Board prior to grants being awarded to the individual applicants. The Scheme of Delegated Authority specifies the governance route for approval of grants according to amount of funding being considered. The papers presented for approval of the applications for grants show the date that the application was considered and approved, where relevant, by both the Management Team and the Policy & Resources Committee. These reports include the following details:

➢ Reason for paper;
➢ Background information;
➢ Key Statement/Information;
➢ Outcome of assessment with conditions etc; and
➢ Key Strategic Implications:
  o Financial Implications;
  o Impact on/of Staff;
  o Effects on Training;
  o Links to Strategic and Corporate Objectives;
  o Links to National Performance Framework;
  o Effects on Reputation;
  o Health & Safety Effects;
  o Legal Implications; and
  o Equality impacts/implications.

Every grant that the Organisation offered and provided is reported to the Board on a quarterly or bi-annual basis depending on the size of the grant.

The status of the grants is reported to the Board via a series of spreadsheets, one for each grant scheme.   These spreadsheets include all data relating to the grants from the very beginning when the grant was logged to its current status. These spreadsheets are regularly updated by the Administration Team.

In February 2020, the Organisation presented an annual report to the Board on the main funded organisations (Delivery Partners) Grant Schemes. This was due to these schemes being extended to three-year schemes (in 2019). As such, the Board accepted this on the basis that they would receive annual reports on the Scheme discussing the progress and determining whether the Organisation receiving the grant will continue to be funded.

Follow Up of 2019/20 Recommendation

During our 2019/20 Grants to Gaelic Organisations review, we raised one recommendation for improvement, namely:

➢ During our review, we found that there were no desktop procedures for the PBG and Eile grant schemes and that the process in place for both schemes was different from the other 6 schemes.

   We recommend that the Organisation produce a set of desktop procedures for both Eile and PBG grant schemes.

From our work undertaken during our 2020/21 review, we can confirm that the Organisation has produced a set of desktop procedures for both PBG and Eile grant schemes. As such, we are satisfied that this recommendation has been fully implemented.

Work Undertaken

Our work for this review included the following:

➢ A review of the Desktop Instruction Procedures to ensure that they provide clear guidance for staff members.

➢ Walkthrough testing on two different types of grants to ensure that they adhered to the relevant Desktop Instruction Procedure.

- A sample of 28 grant awards in 2020/21 (approximately 9% of total grants awarded) was selected to ensure that:
  - o The information recorded on the finance system matched the payment made and the original grant documentation;
  - o Grants paid received the correct level of authorisation; and
  - o The Organisations Desktop Procedures were being adhered to.

- A review of the reporting arrangements for the grant schemes in place via the Leadership Team and the Board.

- A review of the grant monitoring arrangements in place.

- We also considered whether the recommendation raised in our 2019/20 Report had been implemented by the Organisation.

Conclusion

Overall conclusion

Overall Conclusion: Strong
We can provide a strong level of assurance over the processes and procedures in place for the approval of grants and the release of instalments. We can also provide a strong level of assurance that the processes and procedures are being adhered to. We are also able to confirm that the Organisation has implemented the one recommendation raised in our 2019/20 Grants to Gaelic Organisations Report.

Summary of recommendations

Grading of recommendations				
	High	**Medium**	**Low**	**Total**
Grants to Gaelic Organisations	0	0	0	0

As can be seen from the above table we have raised no recommendations.

Areas of good practice

	The following is a list of areas where the Organisation is operating effectively and following good practice.
1.	Following our review, we can confirm that the Organisation has Desktop Instructions for all its funding schemes. The Organisation has also produced Desktop Instructions for its grants to Main Funded Organisations and other grants, i.e., for projects which do not fit any of the current funding schemes, but which align with the Organisation's core aims and objectives. From our walkthrough testing of the process used, we found that the grant applications were reviewed, processed, and approved in line with the Desktop Instructions.
2.	The Organisation's website contains robust information on all its Funding Schemes. This includes individual sections for each scheme with links to downloadable documents relating to each scheme.
3.	Following our testing, we can confirm that staff are adhering to the documented procedures for each of the grants tested.
4.	Each grant application once assessed and agreed by the Organisation's Management Team is presented to the Policy & Resources Committee and the Board for consideration and approval. As such, Board members are made aware of the grants being awarded. Each Grant Scheme is reported to the Board on a quarterly, bi-annually, or annual basis depending on the size of the grant. This provides the Board with an update on the progress of the grant schemes provided by the Organisation.

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit & Assurance Committee meeting.

Audit stage	Date
Fieldwork start	1 December 2020
Closing meeting	4 December 2020
Draft report issued	16 December 2020
Receipt of management responses	11 January 2021
Final report issued	12 January 2021
Audit & Assurance Committee	28 January 2021
Number of audit days	2 days

We detail below our staff who undertook the review together with the Organisation's staff we spoke to during our review.

Wylie & Bisset LLP			
Partner	Graham Gillespie	Partner	graham.gillespie@wyliebisset.com
Manager	Scott McCready	Internal Audit Manager	scott.mccready@wyliebisset.com
Supervisor	Audrey Cowan	Internal Audit Supervisor	audrey.cowan@wyliebisset.com

Bòrd na Gàidhlig			
Key Contacts:	David Boag	Director of Language Planning and Community Developments	daibhidh@gaidhlig.scot
	Steven Kellow	Funding & Projects Officer	stevenk@gaidhlig.scot
	Helen Walker	Finance Administrator	helen@gaidhlig.scot
Wylie & Bisset appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

APPENDICES

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
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Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit & Assurance Committee and addressed by senior management of the Organisation as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the Organisation as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

Purpose of review

The purpose of this assignment is to review the process and procedures in place for the approval of grants and the release of instalments. We will undertake testing of the grants released to ensure that the Organisation's procedures are being adhered to.

This assignment forms part of our 2020/21 Annual Internal Audit Plan.

Scope of review

Our objectives for this review are to ensure:

➢ The Organisation has robust processes and procedures in place for the approval of grants and the release of instalments.

➢ The Organisation are adhering to the processes and procedures relating to the approval of grants and the release of instalments.

➢ The Organisation are providing sufficient information to Senior Management and the Board regarding grants being made.

Limitation of scope

There are no limitations of scope.

Audit approach

Our approach to the review will be:

➢ Review and assess the processes and procedures in place for awarding grants to Gaelic organisations.

➢ Completing a walkthrough of the process to ensure it is robust.

➢ Sample testing of grants awarded to ensure the Organisation are adhering to their processes and procedures.

> Review of the information provided to the Board and Committees to ensure they are fully informed of grants awarded and paid.

Potential key risks

The potential key risks associated with the area under review are:

> The Organisation does not have robust processes and procedures in place for the approval of grants and the release of instalments which could lead to poor decisions being made with potential financial loss and reputational damage to the Organisation.

> The Organisation are not adhering to the processes and procedures relating to the approval of grants and the release of instalments which could result in inappropriate grants being approved and/or instalments being released for grants which have not been appropriately approved.

> The Organisation are not providing sufficient information to Senior Management and the Board regarding grants being made.

For	Audit & Assurance Committee
Date of Meeting	28/01/2021
Location:	Online
Item on Agenda	5.2 (CS-04-2021-05.2)

Title	Internal Audit Recommendations		
Request	For Information *		
Spokesperson	Mairianne Stewart		
Governance route for the report	**Date**		**Type of Governance**
Leadership Team	19/01/2021		For approval
Appendices	Yes – Appendix 1 – Register of Actions		

1.0	**Adhbhar/Reason**
1.1	The purpose of this report is to present information on progress on the actions arising from Internal Audit reports to the Audit and Assurance Committee.
2.0	**Cùl-fhiosrachadh/Background**
2.1	The report is presented to the Committee at each meeting.
3.0	**Prìomh Aithris/Fiosrachadh / Main points**
3.1	It is important the Audit and Assurance Committee assures itself that there is progress in working methodology and improvements following on from audit reports.
4.0	**Moladh /Recommendation**
4.1	The Committee is requested to:

- Consider the register, and with the agreement of the Internal Auditor, any completed actions be removed from the register and be kept on a separate historic register.
- Consider overall progress made as noted below:

20/21 Internal Audit [Ref: 1 – 11]	High	Medium	Low	TOTAL
In progress on time		2	2	**4**
In progress post-target date		1	2	**3**
Not started within target date			1	**1**
Not started beyond target date				
Completed on time		1	1	**2**
Completed post-target date			1	**1**
		4	**7**	**11**

19/20 Internal Audit [Ref: 12 – 31]	High	Medium	Low	TOTAL
In progress on time			1	1
In progress post-target date		1		1
Not started within target date				
Not started beyond target date				
Completed on time		7	8	15
Completed post-target date		3		3
		11	9	20

18/19 Internal Audit [Ref: 32 – 41]	High	Medium	Low	TOTAL
In progress on time				
In progress post-target date	1	1	2	4
Not started within target date				
Not started beyond target date				
Completed on time	2		2	4
Completed post-target date	1		3	2
	4	1	7	12

- Overall there remain 1 High, 5 Medium and 8 Low findings open (of a total 43 findings);
- Since the last Audit Committee (12 Nov 20), 7 findings have been closed. Refer to Appendix 1 – actions 2, 6, 10, 16, 17, 38 & 42 for details;
- The open High finding relates to the development of a database to manage Gaelic language plans. Elements of the original recommendation are no longer relevant and that alternative courses of action are being progressed.   It is recommended that the audit area remains as is but that the action and time scale columns are revised for next Audit Committee to accurately reflect the work being undertaken. In the meantime, the existing excel spreadsheet remains operational. Refer to Appendix 1 – action 34 for further details on progress to date.

4.2	There were previously two external audit recommendations on this register. These have been removed from the internal audit register and will be collated with actions from the 2019-20 external audit which are not included in the Improvement Plan. This will form a separate monitoring system.
5.0	**Prìomh Bhuaidhean Ro-innleachdach/ Key Strategic Impacts**
5.1	**Buaidhean air Ionmhas/Impact on Finance**
	The Internal Audit programme is already included in the organisation's budget.
5.2	**Buaidhean air Luchd-obrach/Impact on Staff**
	The register is reviewed by Leadership Team and managers on a monthly basis to ensure that progress is made with the actions.
5.3	**Buaidhean air Trèanadh/ Impact on Training**
	There are recommendations for training and development for board members arising out of the reviews.

5.4	**Ceanglaichean ri Amasan Ro-innleachadh agus Corporra/Links to Strategic and Corporate Aims**
	Corporate Plan Aim: 4 That Bòrd na Gàidhlig will continue to improve how it works.
5.5	**Ceanglaichean ri Frèam-obrach Coileanaidh Nàiseanta/ Links to the National Performance Framework**
	n/a
5.6	**Buaidhean air Cliù/Impacts on Reputation**
	It is important the BnG continues to demonstrate improvement and these internal audit reports contribute to this.
5.7	**Buaidhean air Slàinte is Sàbhailteachd/Impacts on Health and Safety**
	n/a
5.8	**Buaidhean Laghail/Legal Impacts**
	n/a
5.9	**Buaidhean air Co-ionannas/Impacts on Equality**
	n/a
5.10	**Buaidhean air Àireannachd/Impacts on Environment**
	n/a

Bòrd na Gàidhlig

Internal Audit 2020-21   -   Position as at 20.01.2021

Part 1 - 2020-21 Recommendations									
Item	Audit Area	Priority	Action	Owner	Time scale*	Current position	Complete	In Progress	Not Started
1	**Corporate Governance** (WB Oct 2020)	M	**Recommendation:** We recommend that the Organisation consider the skills mix on the Board and Committees and seek to hold discussions with the Scottish Government about recruiting additional members. **Management Response:** Scottish Government is about to recruit three new board members and is seeking skills in change management expertise, corporate governance and financial scrutiny, strategic planning as well as corporate communications. These needs were identified from the skills matrix review carried out by the board. The person specification has been reviewed and aligned with the board's current needs identified through self-evaluation and external audit processes. These new members will increase capacity and resilience as well as enable succession planning and ensure that the board delivers its functions, including scrutiny, effectively and collaboratively. It was planned to carry out this recruitment earlier, but the work of the Public Appointments Unit was affected by COVID-19 and Bòrd na Gàidhlig urged that the appointments' process should be implemented with speed. The process is underway with the closing date for applications set for 18/12/2020 and appointments taking effect from 1 April 2021.	Scottish Government	01/04/2021	07/01/2021 The vacancies were advertised with a closing date of 18/12/2020 and interviews are being held at end January 21.		√	
3	**Corporate Governance** (WB Oct 2020)	L	**Recommendation:** We recommend that an induction checklist is produced to be completed when the new member is undergoing the induction. We also recommend that consideration be given to having a catch-up meeting with the Chair and/or Chief Executive after the new Board member has attended a few meetings. This will give the Chair and/or Chief Executive the chance to make sure the new member is aware and understands their role and responsibilities and what is expected of them as a Board member. It will also give the new Board member the opportunity to raise any comments/concerns/queries on the operation of the Board and the governance arrangements away from the meetings. **Management Response:** An induction checklist will be developed and put in place prior to the new board members joining the board. An evaluation template to monitor effectiveness of induction processes has been developed to be used within 6 months of appointment. This has been completed by the most recent appointment to the board.	Operations Manager / Chair	Induction Checklist by 28/02/2021 Post Induction Review Mtg by Oct 2021	20/01/2021 An induction evaluation template was developed and used to evaluate the most recently appointed board member's induction. Board induction checklist has not been prepared yet, but will be complete, agreed and ready to use by 28/02/2021.		√	
4	**Corporate Governance** (WB Oct 2020)	L	Recommendation: We recommend that Bòrd na Gàidhlig continue to develop its training programme with on-going refresher training being given to the Board members at least every couple of years on areas such as Risk Management, Fraud Awareness, Finance for non-Financial Board members, corporate governance training and GDPR amongst others. These could be delivered as short sessions either before or after the Board or Committee meetings. The training could include training for any new Chairs on how to run and control a meeting.	Ceannard	25/11/2020	18/01/2021 The training session with the facilitator was held on 25/11/2020. The timescale for this action was not amended after the additional sentence on the annual training plan was amended. The annual training plan is in development and board members will be asked to contribute their training needs to it.		√	

Bòrd na Gàidhlig

Part 1 - 2020-21 Recommendations									
Item	Audit Area	Priority	Action	Owner	Time scale*	Current position	Complete	In Progress	Not Started
			Management Response: Board members were provided with guidance on chairing meetings and effective scrutiny and this material is available on the SharePoint site for board members. Information on additional training resources appropriate to board members was also provided Board members also have access to the SG governance hub which provides information for board members of any public body on a wide range of matters including training. Board members receive information on training courses available on a wide range of topics including chairing meetings and all other topics recommended. In addition, some board members have carried out self-development through attending board and committee meetings of other public bodies. A training session with an experienced facilitator is scheduled for 25 November for board members to develop their skills in effective challenge and related areas. The annual training plan is being developed and board member training needs will be included in this plan.						
5	**Corporate Governance** (WB Oct 2020)	L	**Recommendation:** We recommend that consideration should be given to members meeting for 5-10 minutes after the Board/Committee meetings to discuss and assess the meetings and papers presented. This will allow any issues identified to be resolved quickly and will give members a chance to discuss any concerns etc they have in respect of the meetings and/or the information presented. **Management Response:** This will be proposed to the committees and board with the aim of implementing the review at the next cycle of meetings, starting with the board meeting on 2 December 2020. It will be an informal review at the conclusion of the formal meeting.	Ceannard	2/12/2020	18/01/2021 This review was carried out after the board meeting on 02/12/2020 and also the Audit and Assurance Committee meeting on 12/11/2020. The next stage is to ensure that it takes place consistently with it being an informal item on committee and board meeting agendas.		√	
7	**Shared Services and General Procurement** (WB Oct 2020)	M	**Recommendation:** We recommend that the Organisation establishes and assesses its spend profiles to ensure that contractors and approved suppliers are being used. We recommend that the Organisation considers its annual cumulative spend with all of its individual suppliers to establish any that have annual orders totally more than £50,000. We also recommend that for any that have orders totalling over £25,000 (the Organisation's tendering threshold) and which are not already subject to a contract or framework, the Organisation undertakes a tender exercise for these goods/services. **Management Response:** As 95%+ of suppliers provide annual orders below £25,000 it would not be cost effective to schedule and monitor cumulative annual spend for all suppliers. Initially we will profile spend for Top Twenty suppliers and monitor their spend plus ensure that any other suppliers that exceed £25,000 are tendered unless the purchases are under Scottish Government collaborative contracts.	Head of Finance	31/12/2020	20/01/2021 Top 20 supplier schedule as at 31 Dec 2020 has been prepared and is currently being monitored. At the year end, any suppliers that exceed £25,000 will be reviewed to ascertain whether a tendering process is required.		√	

Bòrd na Gàidhlig

Part 1 - 2020-21 Recommendations									
Item	Audit Area	Priority	Action	Owner	Time scale*	Current position	Complete	In Progress	Not Started
8	**Shared Services and General Procurement** (WB Oct 2020)	M	**Recommendation:** We recommend that to ensure that the purchase order system is operating effectively and providing the necessary control, all purchase orders should be raised and authorised prior to the order being placed, the only exception being emergency orders. In all instances, purchase orders should be raised and authorised prior to the invoice being received. **Management Response:** A review is being carried out of the Purchase Order system to ensure that, where appropriate, all Purchase Orders are raised and authorised prior to orders being place or invoices being received. Currently some Purchase Orders perform the function of payment authorisation of a previously authorised item of expenditure, and the revised system will ensure that this different function is clarified.	Head of Finance	28/02/21	20/01/2021 This work is underway. The PO system actually fulfils a number of functions and discussions are being held with the IT company who provide it to ascertain how these functions can be differentiated to better reflect processes in place.		√	
9	**Shared Services and General Procurement** (WB Oct 2020)	L	**Recommendation:** We recommend that the Board or one of its Committees are provided with a report which details the Organisation's procurement activities on at least an annual basis. **Management Response:** Agreed that an Annual Procurement Report be prepared for each financial year, commencing with y/e 31 March 2021, and submitted to the Policy & Resources Committee.	Head of Finance	30/04/2021	20/01/2021 An annual procurement report will be prepared for Year Ending 31 March 2021, after the end of the financial year.			√
11	**Shared Services and General Procurement** (WB Oct 2020)	L	**Recommendation:** We recommend that any quotes obtained from suppliers are attached to the Organisation's purchase order system to confirm that the appropriate number of quotes were obtained and that the order was placed with the most appropriate supplier. **Management Response:** The number of suppliers for which tenders have been/should be obtained is relatively small. It is not necessary or practical for obtaining best value to attach a tender check to every purchase order. This check should be carried out when the purchase order is being prepared i.e., before it enters the P.O. system. We will investigate ways in which this could be done for the small number of suppliers involved.	Head of Finance	01/01/2021	20/01/2021 Currently investigating the operation of the Purchase Order system (refer to action 8 above) and this recommendation will be implemented once any changes are made to the purchase order system.		√	

Part 1 – 2020-21 Recommendations Completed									
Item	Audit Area	Priority	Action	Owner	Time scale*	Current position	Complete	In Progress	Not Started
2	**Corporate Governance** (WB Oct 2020)	L	**Recommendation:** We recommend that Board and Committee members and senior staff are requested to complete the Code of Conduct Declaration each year. We also recommend that the Organisation review its Code of Conduct document periodically to ensure that it is still relevant and conform with good practice and is in line with the conduct the Organisation wishes its members and staff to uphold. **Management Response:** The Model Code of Conduct is a document which is published by Scottish Ministers and was last updated in 2014. A consultation has opened to review and update the	Ceannard	24/12/2020	08/02/2021 The Code of Conduct was sent to all members of SMT and board using Docusign to record signatures. It was completed on 08/01/2021.	√		

Bòrd na Gàidhlig

Part 1 – 2020-21 Recommendations Completed									
Item	Audit Area	Priority	Action	Owner	Time scale*	Current position	Complete	In Progress	Not Started
			Model Code of Conduct. Once the revised Code is published, Bòrd na Gàidhlig in conjunction with update its Code and will submit its Code to Scottish Ministers and the Standards Commission for approval. There is no implementation date for this as it is dependent on parliamentary process. All board members and members of the Senior Management Team will be requested to sign the Code of Conduct and this will be an annual process at the start of each financial year.						
6	**Shared Services and General Procurement** (WB Oct 2020)	M	**Recommendation:** We recommend that the Organisation prepare a comprehensive register of all contracts held. This should include all contracts arising from tender awards, service agreements and any other contract entered into. We also recommend that this is kept up to date to show the end date of the contract period and responsible person. In this way any contracts which are coming to an end can be readily identified and arrangements can be made to either retender, renegotiate, or extend (if allowable) the contract. **Management Response:** Agreed that a Contract Register, separate from that held on the Public Contracts Scotland portal, be established, and updated as contracts change (award, termination, amendment etc). This Register will be reviewed on a quarterly basis.	Head of Finance	30/11/2020	10/12/2020 A single register of contracts (excel) has now been compiled. The next step is to ensure that it is updated quarterly.	√		
10	**Shared Services and General Procurement (WB Oct 2020)**	L	**Recommendation:** **We recommend that the Organisation undertakes refresher training of its procurement arrangements on an annual basis to ensure that staff are kept up to date on these arrangements and any new legislation or guidance.** **Management Response:** **Agreed that procurement training, especially for staff directly involved in that activity, should be programmed on a structured basis. More widely, other staff and Board Members will be provided with an annual refresher on procurement processes and activity.**	Business Manager	31/03/2021	07/01/2021 A procurement refresher session was delivered by the Head of Finance to all staff at a training session on 08/12/2020. A request has been made to Central Government Procurement Shared Services to provide further training for staff at a future training session or at the annual staff conference in April 2021. An annual procurement report will be prepared for the Board at the end of each financial year.	√		

Part 2 - Internal Audit Recommendations from 2019-20 - Position as at 14.01.2021									
Item	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
14	**Information Security and Management:** (WB Feb 2020)	M	**Recommendation:** We recommend that the Organisation continue to work with the IT Support Company to implement a Data Leakage Prevention solution. **Management Response:** Recommendation noted and accepted	Office Manager	30/04/2020	**19/01/2021** Encrypted pen drives have been distributed to staff who required them for testing. Further training on relevant policies has been provided for staff, including a session on cyber resilience at the ½ day staff development session on 08/12/2020. This is also being arranged for Board Members before the end of March 2021, and to be delivered by BOH.		√	

Bòrd na Gàidhlig

Part 2 - Internal Audit Recommendations from 2019-20 - Position as at 14.01.2021									
Item	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
18	**Corporate Governance** (WB Feb 2020)	L	**Recommendation:** We recommend that the Organisation consider implementing and monitoring environmental targets. **Management Response:** The Leadership Team will review Bòrd na Gàidhlig's response to our contribution to environmental targets and will discuss appropriate targets for the organisation, taking into consideration that most of our contribution to sustainable development and carbon management is monitored as party of the work undertaken by other lead public organisations within the shared building spaces we work in. Bòrd na Gàidhlig currently has no environmental targets set by the Scottish Government. The organisation does take environmental matters seriously and adopts environmentally focused practices where possible. We work to operate in an environmentally sustainable manner and encourage environmentally sustainable behaviours in our activities and within our sharing of office space within buildings operated by other public organisations.	Ceannard / Partnerships Manager	30/06/2020 for setting 2020/21 targets and 30/06/2021 for reporting progress	**18/01/2021** Targets were set in the 20/21 Operational Plan. These will be reported on in June 2021. This action will not be considered to be completed until after June 2021.		√	

Part 2 – Internal Audit Recommendations 2019-20 Completed									
Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
12	**Financial Governance** (WB Oct 2019)	M	We recommend that the Organisation review the information provided within the financial reports to include a summary income and expenditure statement, cashflow, creditors and debtors.	Head of Finance	01/11/2019	**01.10.2020** Discussion held with Internal Auditors about the cost benefit of this recommendation and a revised approach was agreed by the Audit and Assurance Committee meeting on 27.08.2020. The revised formatting was introduced for the September 2020 finance report.	√		
13	**Grants to Gaelic Organisations:** (WB Feb 2020)	L	**Recommendation:** We recommend that the Organisation produce a set of desktop procedures for both Eile and PBG grant schemes. **Management Response:** Agreed that desktop procedures for the PBG and Eile grant schemes will be produced.	Director of Language Planning and Community Developments	01/06/2020	**03/06/2020** Complete	√		
15	**Information Security and Management:** (WB Feb 2020)	L	**Recommendation:** We recommend that the Organisation create a Data Sharing Agreement Register.	Office Manager	28/03/2020	**04/06/2020** A data sharing agreement register was created and populated on 02/04/2020.	√		
16	**Corporate Governance:** (WB Feb 2020)	M	**Recommendation:** We recommend that the Organisation review and update the Best Value Statement annually and that targets for the Organisation to achieve are included. We also recommend that the Organisation prepare an annual report on best value and how this has been achieved with consideration given to the Best Value Statement. **Management Response:** We will review and update the Best Value Statement annually and incorporate targets in future Statements. A report will be prepared annually on the achievement of best value with particular reference to the Best Value Statement.	Head of Finance	30/09/2020	**20/01/2021** A draft Best Value Statement was presented to the Audit & Assurance Committee on 12/11/2020. The Committee requested that the further work be done to create SMART targets in the Statement. A revised paper is on the agenda for the AAC on 28/01/2021. Revised Best Value Statement including SMART targets submitted to Committee dated 28/01/2021.	√		
17	**Corporate Governance:** (WB Feb 2020)	M	**Recommendation:** We recommend that the Organisation update its Best Value Statement to comply with the guidance issued by the Scottish Government.	Head of Finance	30/09/2020	**20/01/2021** A draft Best Value Statement was presented to the Audit & Assurance Committee on 12/11/2020. The Committee requested that the further	√		

Part 2 – Internal Audit Recommendations 2019-20 Completed									
Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
			Management Response: The Best Value Statement will be updated to comply with Scottish Government guidance and checked against such guidance at each future update issued by the Scottish Government.			work be done to create SMART targets in the Statement. A revised paper is on the agenda for the AAC on 28/01/2021. Revised Best Value Statement including SMART targets submitted to Committee dated 28/01/2020.			
19	**Employee Performance Management**	M	We recommend that the Organisation update the Performance Management Policy to state the frequency of the PWP meetings. We also recommend that the Organisation ensure PWP meetings are being held for all staff members.	Operations Manager	01/07/2020	02/06/2020 Performance Management Policy has been updated (BnG-01-2021-3.2). Functions within People HR will be used to track the PWP process, including reporting. Reports will be submitted to the Leadership Team on a quarterly basis.	√		
20	**Employee Performance Management**	M	We recommend that the Organisation investigate and resolve the security issue on the People HR system. We also recommend that once the issue is resolved that all completed PWP are stored on individual employee files on PWP where only the staff member, their Line Manager and the Chief Executive will have access.	Operations Manager	June 2020	02/06/2020 Following the internal audit, an investigation was completed into the security of the online HR system and it was found that it was secure. The guidance for the PWP was updated to reflect that each PWP should be stored on People HR (the online system), accessible only by the employee, their line manager and the Ceannard.	√		
21	**Employee Performance Management**	L	We recommend that the Organisation update the Performance Management Policy to ensure it reflects current practice regarding the recording of Personal Work Plans.	Operations Manager	May 2020	02/06/2020 The Performance Management Policy was updated (BnG-01-2021-3.2) to reflect the current practice whereby all PWP conversations are recorded.	√		
22	**External Organisation Performance Management**	L	We recommend that the Organisation include its approach to the late submission of performance reports within its desktop procedures.	Director of Language Planning and Community Developments	29/05/2020	03/06/2020 Completed.	√		
23	**Risk Management** (WB Feb 2020)	M	Recommendation: We recommend that the Organisation review and update the Risk Management Strategy to provide clearly outlined Board and staff members roles and responsibilities. We also recommend that the Risk Management Strategy is updated to include guidance on the operational risk register. Management Response: Recommendation noted and accepted. Updates will be made to the Risk Management Strategy and submitted to the Audit & Assurance Committee on 07/05/2020.	Ceannard	30/04/2020	02.06.2020 Updated strategy presented to Audit and Assurance Committee on 7/5/2020 and to the Board on 26.05.2020 (BnG-01-2021-12.1)	√		
24	**Risk Management** (WB Feb 2020)	M	Recommendation: We recommend that the Organisation fully documents its risk appetite. This should be included within the Risk Management Strategy. Management Response: Recommendation noted and accepted. The risk appetite will be reviewed, and the Risk Management Strategy will be updated to reflect this.	Ceannard	30/04/2020	02.06.2020 Updated strategy presented to Audit and Assurance Committee on 7/5/2020 and to the Board on 26.05.2020 (BnG-01-2021-12.1)	√		
25	**Financial Governance** (WB Oct 2019)	M	We recommend that the Organisation ensure that the Policy & Resources Committee Terms of Reference are drafted for review at the November 2019 meeting prior to be being approved by the Board.	Head of Corporate Services	12/12/2019	**03.03.20** TofR were approved at the full board meeting on 11/12/2019.	√		
26	**Financial Controls** (WB Oct 2019)	L	We recommend that the Organisation include a review date for all procedures, this could be annually or biannually to ensure that they reflect current practice. We also recommend that the Organisation ensure all procedure documents highlight their purpose to ensure this is clear to all users.	Grants Officer	Nov 2019	**01.11.2019** Review dates will be included for all procedures, and this has been implemented for the 12 Desktop instructions. The purpose of the procedure documents is highlighted, with the addition of a sentence at the start of the document.	√		

Bòrd na Gàidhlig

Part 2 – Internal Audit Recommendations 2019-20 Completed									
Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
			We also recommend that the Organisation ensure that the procedure documents include the date they were approved by management and the manager who approved them.			The date of approval of procedure documents by management and the manager who approved them will be included in the documents.			
27	**Financial Controls** (WB Oct 2019)	L	We recommend that the Organisation update the Drawdown of Grant-in-Aid from the Scottish Government Procedure to include details on how to post the income on the finance system.	Financial Administrator	Oct 2019	**01.11.2019** Guidance for the user has now been included to detail how the GIA should be recorded and posted onto the finance system.	√		
28	**Financial Controls** (WB Oct 2019)	L	We recommend that the Organisation review the grant payments process to remove the duplication of tasks.	Director of Language Planning & Community Developments	Nov 2019	**01.11.2019** This process has been reviewed and is now in place.	√		
29	**Risk Management** (WB Feb 2020)	M	Recommendation: We recommend that the Organisation review and update the Risk Management Strategy to provide clearly outlined Board and staff members roles and responsibilities. We also recommend that the Risk Management Strategy is updated to include guidance on the operational risk register. Management Response: Recommendation noted and accepted. Updates will be made to the Risk Management Strategy and submitted to the Audit & Assurance Committee on 07/05/2020.	Ceannard	30/04/2020	**02.06.2020** Updated strategy presented to Audit and Assurance Committee on 7/5/2020 and to the Board on 26.05.2020 (BnG-01-2021-12.1)	√		
30	**Risk Management** (WB Feb 2020)	M	Recommendation: We recommend that the Organisation fully documents its risk appetite. This should be included within the Risk Management Strategy. Management Response: Recommendation noted and accepted. The risk appetite will be reviewed, and the Risk Management Strategy will be updated to reflect this.	Ceannard	30/04/2020	**02.06.2020** Updated strategy presented to Audit and Assurance Committee on 7/5/2020 and to the Board on 26.05.2020 (BnG-01-2021-12.1)	√		
31	**Information Security and Management** (WB Feb 2020)	L	Recommendation: We recommend that the Organisation develop an overarching framework document that outlines the Organisation's approach to information security and management while providing links to the relevant policies in place. Management Response: Recommendation accepted. Overarching framework document being developed.	Ceannard	28/03/2020	**03.03.2020** The Information Governance Framework was approved at the Audit and Assurance Committee on 6th February 2020 (CS-05-1920-08).	√		

Bòrd na Gàidhlig

Part 3 – Internal Audit Recommendations 2018-19									
Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current Position	Complete	In Progress	Not Started
34 (Oct 2018)	Workload Management Records, Public Bodies Language Plans	H	**Original Recommendation** A Plans Portal is at present under preparation which will as a store of information and data on the GLPs for the BnG staff who are working in the area and for management, and also hold information to which access can be provided to the public bodies concerned. As well as securely storing information it would also facilitate reporting. It is recommended that this Portal be progressed as a matter of urgency. **Finding from WB 2019/20 Follow Up** The Organisation are currently updating and redeveloping the Gaelic Language Portal on the website. The Organisation has appointed a new Communications Officer from 06/01/2020 and a graduate placement will also be appointed to redevelop the Organisation's website during 2021. This time frame was approved by the Board at the meeting on 11 December 2019. **Management Response** This recommendation is accepted. The appointment of an Executive Assistant in December 2019 has been an important development in progressing this project. Discussions are on-going at a technical level to ensure that the website structure is in place to host the portal. The project will still require a reasonable amount of time from the team to ensure that the aims of the project are fulfilled.	Director of Language Planning and Community Developments	01/08/2020	19/01/21 Whilst we had originally aimed to undertake this task in-house, time constraints have meant that we have opted to hire an external company to complete this work. After a tender process via the Public Contracts Scotland quick quotes facility, Tecnica were successful in their bid and have started work on creating a user-friendly internal database aimed at rationalising the information we hold about Gaelic language plans. This will address facilitating administration and reporting. The team were of the view that the benefits of providing access for public bodies to the database would be outweighed by the time spent on creating this. The focus is developing a tool which will assist the BnG staff. It is scheduled that the work will be completed by July 2021. In the meantime, the existing excel spreadsheet is operational.		√	
36 (Oct 2018)	Contracting and purchasing	M	**Original Recommendation** The use of electronic and/or digital signatures should be investigated, and a policy prepared to manage the introduction and usage of these, particularly where electronic documents with financial and/or contractual obligations are being signed by staff members on behalf of the Bòrd or are being received. **Finding from WB 2019/20 Follow Up** The Organisation completed an investigation into the use of electronic and/or digital signatures and a policy is being drafted to manage the introduction and usage of these. This will be completed by the end of March 2020. **Management Response** Legal advice has been obtained on the use of electronic and/or digital signatures, and a policy on their use will be drafted in the light of that advice.	Head of Finance	31/03/2020	20/01/2021 Legal advice was obtained on the use of electronic and/or digital signatures. In light of COVID-19 and practices which others, including our external auditors, use for electronic signatures we are now using the software Docusign as a facility for electronic signatures. A policy which reflects this usage is to be drafted.		√	

Bòrd na Gàidhlig

Part 3 – Internal Audit Recommendations 2018-19										
Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current Position	Complete	In Progress	Not Started
37 (Oct 2018)	Gaelic Language Plans Website,	L	**Original Recommendation** There is merit in having GLP information provided on a separate channel from the BnG main website. However, that makes updating and maintenance more difficult. It is recommended that in the short term the www.gaeliclanguageplansscotland.org.uk website be updated. In the longer term its functions could be provided within the proposed Plans Portal (see para 2.3). **Finding from WB 2019/20 Follow Up** The Organisation are currently updating and redeveloping the Gaelic Language Portal on the website. The Organisation has appointed a new Communications Officer from 06/01/2020 and a graduate placement will also be appointed to redevelop the Organisation's website during 2021. This time frame was approved by the Board at the meeting on 11 December 2019. **Management Response** This recommendation is accepted. The appointment of an Executive Assistant in December 2019 has been an important development in progressing this project. It has been decided that the Gaelic Language Plans information aspect of the portal will be brought fully within the www.gaidhlig.scot website. Discussions are on-going at a technical level to ensure that the website structure is in place to host the information and with the Gaelic Language Plans team to ensure that the most appropriate and up-to-date materials are on the site. A new version of the statutory guidance on Gaelic language plans has been submitted to the Scottish Government and this, along with other key documents and templates, will form the core of this site.	Director of Language Planning and Community Developments	01/08/2020	19/01/2021 The BnG Communications team is currently leading on a project to update the Bòrd na Gàidhlig website www.gaidhlig.scot, with input from across the organisation, including the Gaelic Language Plans team. The Plans team have worked through the existing content and have rationalised this under the three headings of: • Approved plans • Information for the public • Information for professional users The aim is that the work on the revised website will be completed by 31st March 2021.		√	
39 (Aug 2018).	Corporate Performance	L	**Original Recommendation** Although the nature of Bord na Gàidhlig's activities means that there is not always a straightforward relationship between performance outcome and financial results, the adoption of 4 main strategic priorities provides an opportunity for integrating reporting at higher levels than previously. A revised financial reporting framework is currently being introduced, and this provides an opportunity to investigate integrated performance and financial reporting, possibly on a limited or pilot basis. **Finding from WB 2019/20 Follow Up** The Organisation is developing new medium-term financial plans, this will allow for integrated performance and financial reporting. The Organisation expect the development of the new medium-term financial plans to be completed by March 2020. **Management Response** A Medium-Term Financial Plan will be submitted to the Board in February 2020, and after that has been done the introduction of an element of integrated performance and financial reporting will be carried out during the 2020-21 financial year.	Head of Finance	30/09/2020	10/12/2020 A revised draft Medium-Term Financial Plan (MTFP) was presented to the Board on 02/12/2020. The draft was approved for further development. The 20/21 Operational Plan is also currently being prepared. A detailed analysis of the updated MTFP will be undertaken, and budgets aligned to the key priorities on the proposed operational plan. These papers will be submitted to the February 21 Board.		√	

Bòrd na Gàidhlig

Part 3 – 2018-19 Recommendations - Completed										
Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
32 (Oct 18)	Information and Records	L	**Original Recommendation** A grants management portal which would make management easier and reduce paper usage is currently under development. In Finance, a definite move towards fewer paper records could be made by investigating whether invoices and expenses claims could be scanned and stored electronically as individual documents, allowing better access, and opening the possibility of electronic approval when appropriate. **Finding from WB 2019/20 Follow Up** The Organisation have yet to review or implement a process for scanning all financial records due to a lack of resources. This will be reviewed during the 2020/21 financial year. **Management Response** Staff resources did not permit implementation of this recommendation in 2020-21 financial year. A review will be carried out in to ascertain what will be possible to implement in 2021-22 financial year.	Head of FInance	31/01/2020	All invoices have been scanned and stored electronically since 1 April 2019.	√		
33 (Oct 18)	Resources Requirements, Public Bodies Language Plans	H	**Original Recommendation** Given the significance of the GLP element of the BnG remit, it is suggested that a long-term high level scoping exercise be carried out to estimate the GLPs likely to be processed and the consequent probable workload over the life of the NGLP, to ensure that sufficient resources are in place (or identified for obtaining) to confirm that GLPs can be delivered satisfactorily over the period to the end of the current NGLP in 2023. **Finding from WB 2019/20 Follow Up** The long-term scoping exercise is ongoing with the organisational structure review due to be complete by the end of December 2019 with work on the review of the workforce plan due to be completed within the first half of 2020. The new Gaelic Language Plan's statutory guidance was reviewed, updated, and was approved by the Board on the 11 December 2019 following public consultation. This included simplifying the guidance and making it more focused with the aim making the workload more manageable. **Management Response** Agreed that this review is completed and that the findings are fed into the medium to long-term work force plan.	Director of Language Planning and Community Developments Office	01/03/2020	**18/08/20** This high-level scoping exercise is complete, and the outcomes will be fed into the medium-term financial plan when it is updated shortly.	√		
35 (Oct 18)	Information Records	H	**Original Recommendation** ICT is critical to the daily operation of BnG. The organisation would benefit from a clarity of structure for managing records management and ICT, as there are risks arising from dispersed operational input and responsibility. The Data Protection Officer role is filled by the Head of Corporate Services. There is a need to have a Data Protection Officer who is independent of the organisation and reports to the Board. **Finding from WB 2019/20 Follow Up** The Organisation has provided various SharePoint training sessions to staff members. Work is ongoing on the new SharePoint file structure which is expected to be completed by June 2020. The Organisation are also currently tendering for a new Data Protection Officer. **Management Response** Agreed. Work ongoing to implement the new SharePoint file structure.	Office Manager	30/04/2020	29/07/2020 The project to move to the new Sharepoint structure is complete. The role of DPO was part of the data management service contract awarded to TKM Consultin in March 2020. – Completed within timescale	√		

Bòrd na Gàidhlig

Part 3 – 2018-19 Recommendations - Completed									
Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
38 (Oct 2018)	Introduction of Online Expense claims System; Review of Travel & Subsistence Policy, Expense Claims	L	**Original Recommendation** (a) Introduction of Online Expenses Claims System That the Board seek proceed with the development of an online expenses claim system at the earliest time this is possible. It is acknowledged that this will require staff resource and that there will be purchase and/or development costs. b) Submission of expenses claims That a reminder be issued regarding timeous submission of claims and that the requirement to submit claims within one month be made more prominent at the time of reviewing the Travel & Subsistence Policy. c) Review of Travel & Subsistence Policy The revised Travel & Subsistence Policy be finalised and issued, and that it incorporates set dates for review in the future. **Finding from WB 2019/20 Follow Up** The Organisation has implemented a People HR Portal to allow staff to electronically submit their expenses. This system went live in April 2019. Staff are reminded at the fortnightly meetings to submit expense claims in line with the Travel & Subsistence Policy. The Travel & Subsistence Policy is also currently being reviewed and due for submission to the Leadership Team in January 2020 for review. **Management Response** The Travel & Subsistence Policy will be fully updated and implemented	Head of Finance	31/03/2020	**9/10/2020** Travel & Subsistence Policy was approved by the Policy & Resources Committee on 24 August 2020 with some changes recommended. The policy is being updated to include those and will be translated into Gaelic. The proposed timescale for its completion is November 2020. At this point, it is unlikely that any travel will be undertaken by either Board members or staff for the foreseeable future due to COVID-19 restrictions. **07/01/2021** Travel and Subsistence Policy has been translated and finalised. All staff will be reminded to submit claims timeously when the policy is presented to staff at an all staff meeting on 28/01/2021. Although this recommendation has now been addressed, further work is underway with our ICT service provider to develop an online expense. It is expected that this will be implemented for staff and board members by 1 April 2021.	√		
40 (Oct 2018)	Payroll systems and procedures	L	**Original Recommendation** These are still outstanding, partly due to staff changes. The schedule of allowances has still to be updated however the allowance concerned is not currently being claimed by anyone. Sickness absence levels do not appear to be exceptional at present however the recommendation that this be calculated periodically and reported to the Leadership Team is re-iterated. **Finding from WB 2019/20 Follow Up** The Organisation are currently redrafting the Travel & Subsistence Policy and expect this to be presented to the Leadership Team in January 2020 for review. The new People HR system allows the Leadership Team real time reporting of sickness absence which is discussed at Leadership Team meetings throughout the year where the Head of Corporate Services notes any issues. **Management Response** As per the response on page 24, the Travel & Subsistence Policy will be fully updated and implemented.	Head of Finance	**31/03/2020**	**29.10.2020** Travel & Subsistence Policy was approved by the Policy & Resources Committee on 24 August 2020 with some changes recommended. The Policy is being revised to take account of those and will be translated into Gaelic. The proposed timescale for its completion is November 2020. At this point, it is unlikely that any travel will be undertaken by either Board members or staff for the foreseeable future due to COVID-19 restrictions. **07/01/2020** Travel and Subsistence Policy has been approved and translated. Operations Manager submits an HR report to the Leadsership Team on a quarterly basis, this includes sickness absence rates.	√		
41 (Oct 2018)	Procurement	L	Original Recommendation As part of the revision of Bòrd documentation proposed in 2.1 above, there should be specific guidance on using Scottish Government collaborative procurement contracts wherever possible to ensure appropriate use of these. Finding from WB 2019/20 Follow Up Work on this has been delayed until quarter 4 of 2019/20 due to a lack of resources, such as the Head of Finance being part time and the Organisations Improvement Plan taking priority. Management Response: This will be implemented in quarter 4 of 2019-20.	Head of Finance	31/03/2020	**25.03.2020** Desktop Instructions for the Use of Framework Contracts have been drafted, incorporating guidance on framework contracts and schedule of current active framework contracts.	√		

Bòrd na Gàidhlig

Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
42 (Oct 2018)	Information and Records – Operation and Resilience, Follow-up-Information Security & Record Management	L	**Original Recommendation** A grants management portal which would make management easier and reduce paper usage is currently under development. In Finance, a definite move towards fewer paper records could be made by investigating whether invoices and expenses claims could be scanned and stored electronically as individual documents, allowing better access, and also opening the possibility of electronic approval when appropriate. **Finding from Wylie Bisset 2019/20 Follow Up** The Organisation have yet to review or implement a process for scanning all financial records due to a lack of resources. This will be reviewed during the 2020/21 financial year. **Management Response** Staff resources did not permit implementation of this recommendation in 2020-21 financial year. A review will be carried out in to ascertain what will be possible to implement in 2021-22 financial year.	Head of Finance	31/03/2020	**20.01.2021** All invoices were scanned in the year 19/20 up to the date of closure of the office, due to Covid-19 All invoices for 20-21 up to end December have been scanned and this is a systematic process.	√		
43 (Oct 2018)	Resources Requirements, Public Bodies Language Plans	H	**Original Recommendation** Given the significance of the GLP element of the BnG remit, it is suggested that a long-term high level scoping exercise be carried out to estimate the GLPs likely to be processed and the consequent probable workload over the life of the NGLP, to ensure that sufficient resources are in place (or identified for obtaining) to confirm that GLPs can be delivered satisfactorily over the period to the end of the current NGLP in 2023. **Finding from Wylie Bisset 2019/20 Follow Up** The long-term scoping exercise is ongoing with the organisational structure review due to be complete by the end of December 2019 with work on the review of the workforce plan due to be completed within the first half of 2020. The new Gaelic Language Plan's statutory guidance was reviewed, updated and was approved by the Board on the 11 December 2019 following public consultation. This included simplifying the guidance and making it more focused with the aim making the workload more manageable. **Management Response** Agreed that this review is completed and that the findings are fed into the medium to long-term work force plan.	Director of Language Planning and Community Developments	01/03/2020	**18/08/20** This high-level scoping exercise is complete and the outcomes will be fed into the medium term financial plan when it is updated shortly.	√		

For	Audit & Assurance Committee
Date of Meeting	28/01/2021
Location:	Online
Item on Agenda	6.1 (CS-04-2021-06.1)

Title	Best Value Statement	
Request	For Approval	
Spokesperson	Shona MacLennan	
Governance route for the report	**Date**	**Type of Governance**
Leadership Team	04/11/2020	For approval
Appendices	Yes – Appendix 1 – Best Value Statement	

1.0	**Adhbhar/Reason**
1.1	The purpose of this paper is to present the draft Best Value Statement to the Audit and Assurance Committee.
	The paper is in English as the draft statement is in English. It was prepared by an external organisation. Once approved, the statement will be translated to Gaelic.
2.0	**Cùl-fhiosrachadh/Background**
2.1	Best Value is a requirement of public bodies. Guidance is provided in the Scottish Public Finance Manual and Audit Scotland (AS) defines it as follows:
	Best Value is about ensuring that there is good governance and effective management of resources, with a focus on improvement, to deliver the best possible outcomes for the public.
	The duty of Best Value applies to all public bodies in Scotland. It is a statutory duty for local authorities, such as councils. It is a formal duty for the Scottish Police Authority and Chief Constable, the Scottish Fire & Rescue Authority and Chief Fire Officer and in the rest of the public sector it is a formal duty on Accountable Officers, such as the chief executives of NHS bodies or of further education colleges.
2.2	The last Best Value statement was agreed by the Board in December 2018. Internal Audit made a recommendation that the statement be updated as part of the Corporate Governance review in February 2020.
2.3	Amendments are highlighted in red.
3.0	**Prìomh Aithris/Fiosrachadh / Main points**
3.1	The statement reflects the seven areas recommended by SG and AS guidance. These are: • **Vision and Leadership** • **Effective Partnerships** • **Governance and Accountability**

	• **Use of resources** • **Performance Management** And the two cross-cutting themes • **Equality**(*SPFM - "Equal Opportunities arrangements");* and • **Sustainability** (*SPFM - "A Contribution to Sustainable Development").*
3.2	Targets and metrics: In order to make most effective use of resources the measures suggested for monitoring targets are systems and processes that are already in place, rather than the creation of new, additional metrics.
4.0	**Moladh /Recommendation**
4.1	The Committee is requested to: - Consider the statement, make recommendations for improvement as appropriate; - Approve the statement and recommend it to the Board.
5.0	**Prìomh Bhuaidhean Ro-innleachdach/ Key Strategic Impacts**
5.1	**Buaidhean air Ionmhas/Impact on Finance**
	The statement relates to how the organisation uses its finances; it does not incur additional expenditure as a result of having the statement.
5.2	**Buaidhean air Luchd-obrach/Impact on Staff**
	The statement provides a concise and informative summary of what how the organisation achieves best value.
5.3	**Buaidhean air Trèanadh/ Impact on Training**
	A number of the metrics include impact actions for training and development but thestatement itself does not.
5.4	**Ceanglaichean ri Amasan Ro-innleachadh agus Corporra/Links to Strategic and Corporate Aims**
	Corporate Plan Aim: 4 That Bòrd na Gàidhlig will continue to improve how it works.
5.5	**Ceanglaichean ri Frèam-obrach Coileanaidh Nàiseanta/ Links to the National Performance Framework**
	n/a
5.6	**Buaidhean air Cliù/Impacts on Reputation**
	It is important the BnG continues to demonstrate improvement and the statement is a foundational part of this.
5.7	**Buaidhean air Slàinte is Sàbhailteachd/Impacts on Health and Safety**
	n/a
5.8	**Buaidhean Laghail/Legal Impacts**
	n/a
5.9	**Buaidhean air Co-ionannas/Impacts on Equality**
	n/a
5.10	**Buaidhean air Àrainneachd/Impacts on the Environment**
	The statement includes Sustainability as one of the key themes, and it describes how the organisation aims to address environmental matters.

Bòrd na Gàidhlig Best Value Statement

Introduction

The duty of Best Value in Public Services is to make arrangements to secure continuous improvement in performance whilst maintaining an appropriate balance between quality and cost, having regard to economy, efficiency, effectiveness and equal opportunities. Our Accountable Officer is responsible for the delivery of Best Value.

This statement sets out the approach and themes which are most relevant to Bòrd na Gàidhlig in achieving Best Value.

A big vision

We are a small organisation with a big vision - to strengthen and increase the use of Gaelic and to continue to develop its status as an official language of Scotland.   We work with our partners to ensure Gaelic is viewed by all as a social, cultural and economic asset, whether you speak the language or not.

Our role, as set out in the Gaelic Language (Scotland) Act 2005, comprises policy development, provision of advice and funder. It also includes strategic oversight of the National Gaelic Language Plan, with an important responsibility as the Scottish Ministers' advisors on the Gaelic language.

Full details of our vision and strategic priorities, and how we measure these are set out in our Corporate Plan 18 -23.

Target: the achievement of our Corporate and Operational Plans

Metric: Annual Report and Accounts

Our partners

At the heart of our vision and strategy are our partners. We recognise that to deliver the greatest impact, we need to focus our strategy on working with those key partner organisations who work across communities throughout Scotland, reaching current and future Gaelic speakers and those who are interested in Gaelic.

The Gaelic language does not exist in isolation – it is connected to the land, the people, our history, our music and literature. Our partners are working tirelessly to bring Gaelic culture to a wider audience and we aim to facilitate their work, in addition to delivering our own.

We align our choice of key partners with our strategic priorities and reach formal agreements in line with our own strategic plan. We promote a continual two-way dialogue with our partners and actively seek to participate in their strategic discussions.

Target: that our stakeholders provide positive feedback about how we work

Measure: annual stakeholder survey, achieving at least 83% satisfaction as in 2019/20

Governance and Accountability

We believe the key to effective governance and accountability lies in transparency and openness. We work hard to ensure that the public ~~have~~ has access to our key documents and papers and we strive to put as much information into the public domain as we can. We invite any interested parties to attend our meetings where possible and use digital mediums to ensure geography is no barrier to attendance.

We are open and honest about our decision-making process and we seek to measure each decision against our strategic priorities to ensure the greatest impact and value for money. Where possible, we publish our decisions on our website.

We measure our impact through engagement with our stakeholders and continually seek to benchmark our performance. Our Stakeholder Charter explains who our stakeholders are and how we engage, communicate and involve them in our work. Relevant surveys and data are used to identify where we need to concentrate our efforts.

Target: that our external and internal audits provide increasingly positive reports on how we work

Measure: Internal and external audit reports annually, with the Auditor General satisfied that the annual audit report raises no concerns that require further reporting; Improvement Plan annually receiving positive staff feedback

Use of resources

When developing the National Gaelic Language Plan, we map the current profile of activity around Gaelic across Scotland at all levels and seek to understand how we maximise the reach of our work and that of our partners.

Each individual and organsation we support, directly or indirectly, sits at a different point on the spectrum of fluency in Gaelic and it is our goal to facilitate people moving along that spectrum through our advisory, strategic ~~role~~ and funding roles.

Target: To continue to achieve our Key Performance Indicators and targets.

Measure: Annual Report and Accounts, with at least 80% of KPIs achieved annually

Equality

Gaelic belongs to all the people of Scotland and we will seek to ensure the relevance of our work across all communities, regardless of the status of Gaelic in that community. We will employ a diverse range of tools to reach those who may not be engaged by traditional methods and we will seek to promote the diversity of our staff team and continually foster innovation and creativity.

Target: Delivery of the outcomes in our Public Sector Equality Report

Measure: Public Sector Equality Report 2021 meeting the requirements of Scottish Government

Sustainability

Bòrd na Gàidhlig is committed to sustainable development. Our work means that we include language development as part of our definition of sustainability. Gaelic language and culture are closely entwined with the environment and in our work with partners we will ensure that those connections are communicated. The organisation reviews its operations to identify ways in which to increase positive actions for the environment and decrease those with negative impacts.

Target: Completion of environmental actions in 2020-21 Operational Plan

Measure: Biodiversity Report, meeting the requirements of Scottish Government

14.01.2021

For	Audit & Assurance Committee
Date of Meeting	28/01/2021
Location:	Online
Item on Agenda	6.2 (CS-04-2021-6.2)

Title	Cyber resilience report	
Request	For information	
Spokesperson	Louise Maclean	
Governance route for the report	**Date**	**Type of Governance**
Leadership Team	19/01/2021	For approval
Appendices	No	

1.0	**Adhbhar/Reason**
1.1	To provide the Committee with an update on work undertaken and ongoing in relation to Bòrd na Gàidhlig's cyber resilience.
2.0	**Cùl-fhiosrachadh/Background**
2.1	The Scottish Public Sector Action Plan on Cyber Resilience set out a commitment to develop a Scottish Public Sector Cyber Resilience Framework. The Framework seeks to: - Align with key wider cyber-related requirements under the General Data Protection Regulation (GDPR), the Security of Network and Information Systems (NIS) Directive and other standards; - As far as possible, minimise any additional burdens on Scottish public sector organisations, including by making clear how the Framework relates to existing standards or requirements, and taking account of these when providing guidance on compliance; - Provide a clear basis for internal and external audit and inspection activity, promoting greater consistency in the areas and issues covered by audit and inspection bodies when assessing Scottish public sector organisations; and - Help to provide clarity and assurance to individual organisations, Ministers, the Scottish Parliament and the public that appropriate levels of cyber resilience are in place across the Scottish public sector and its individual subsectors.
2.2	In conjunction with its ICT service provider, Bòrd na Gàidhlig revised its ICT strategy in 2020. During this, it was ensured that the revised strategy included developments in line with current recommendations.
2.3	The internal audit report on Business Continuity and Disaster Recovery that was conducted in December 2020 detailed that Bòrd na Gàidhlig's ICT service provider is responsible for ensuring a suitable backup and restoration strategy is in place. Backups are carried out every weekday at 4:15pm and files from the entire organisation are backed up on weekdays at 9pm. Backups are checked daily to rectify

	any issues that may arise. This provides greater assurance that an IT disaster scenario could be dealt with appropriately. The ICT service provider have a central management control system which is used to manage devices remotely. This is cloud-based, meaning that once the device is connected to the network, this reports back to the management system and updates are pushed through to the device. The ICT service provider can therefore oversee which devices are connected to the network for increased security.
3.0	**Prìomh Aithris/Fiosrachadh / Main points**
3.1	Bòrd na Gàidhlig's ICT service provider is currently working towards obtaining Cyber Essentials Plus accreditation for the organisation.
3.2	Regular meetings between the Operations manager and the Managing Director of out ICT service supplier ensure that we are kept up to date with any developments.
4.0	**Moladh /Recommendation**
4.1	The Committee is requested to: - Note the information contained within this report
5.0	**Prìomh Bhuaidhean Ro-innleachdach/ Key Strategic Impacts**
5.1	**Buaidhean air Ionmhas/Impact on Finance**
	There will be no impacts on finance. All of the developments noted above have had budget allocated to them.
5.2	**Buaidhean air Luchd-obrach/Impact on Staff**
	The impact on staff is kept to a minimum. A majority of developments are carried out remotely, with little or no staff input required.
5.3	**Buaidhean air Trèanadh/ Impact on Training**
	Cyber security training was provided for staff and further developmental needs will be monitored through personal development plans and the creation and monitoring of an organisational training pan.
5.4	**Ceanglaichean ri Amasan Ro-innleachadh agus Corporra/Links to Strategic and Corporate Aims**
	Corporate Plan Aim: 4 That Bòrd na Gàidhlig will continue to improve how it works.
5.5	**Ceanglaichean ri Frèam-obrach Coileanaidh Nàiseanta/ Links to the National Performance Framework**
	n/a
5.6	**Buaidhean air Cliù/Impacts on Reputation**
	It is important the BnG continues to demonstrate improvement and Cyber Essentials Plus accreadiation is a key indicator of this.
5.7	**Buaidhean air Slàinte is Sàbhailteachd/Impacts on Health and Safety**
	n/a
5.8	**Buaidhean Laghail/Legal Impacts**
	In order to maintain our data in line with legal requirements, we must ensure that our systems are robust.
5.9	**Buaidhean air Co-ionannas/Impacts on Equality**
	n/a
5.10	**Buaidhean air Àrainneachd/Impacts on the Environment**
	n/a

For	Audit & Assurance Committee
Date of Meeting	28/01/2020
Location:	Online
Item on Agenda	7.1 (CS-04-2021-07.1)

Title	Strategic Risk Register		
Request	For approval		
Spokesperson	Shona C NicIllinnein / Ailig Graham		
Governance route for the report		**Date**	**Type of Treatment**
Leadership Team/ Managers		13/01/2021	For Approval
Appendices		Yes PT 1 – Strategic Risk Register	

1.0	**Purpose**
1.1	The paper presents the strategic risk register. This was reviewed updated by the Leadership Team and managers at their meeting on 13/01/2021. This paper is in English to assist understanding by Internal and External Auditors as demonstration of competent risk management is central to their work.
2.0	**Cùl-fhiosrachadh/Background**
2.1	n/a
3.0	**Prìomh Aithris/Fiosrachadh / Main points**
3.1	A new section had been added to the register relating to risks arising from COVID-19. This included four risks identified; three which were new to the organisation and one which was already registered (ageing population). One risk has been upgraded: 1.4 – Probability increased to 3 due to increasing spread of COVID-19. Measures have been added or changed in the following risks: 2.1 – Aging and declining Gaelic speaking communities 3.3 - Incomplete Learning journey or Learning journey not started 4.2 - Politicisation of the language
4.0	**Moladh /Recommendation**
4.1	The Committee is requested to: - Discuss the register - Make recommendations for changes as viewed appropriate Approve the register.
5.0	**Key Strategic Impacts**

5.1	**Impact on Finance**			
	The register outlines the potential risk for funding of Bòrd na Gàidhlig in light of COVID-19 and pressures on public finances.			
5.2	**Impact on Staff**			
	The strategic risk register has an impact on the work that staff deliver in terms of ameliorating risks to the organisation or utilising opportunities. This risk around staff absence has been increased due to rising levels of COVID-19 infection.			
5.3	**Impact on Training**			
	Apart from increasing staff understanding of the issues raised by the risk register, there is not direct impact.			
5.4	**Links to Corporate Aims**			
	The report contributes to the corporate aim that BnG continues to develop how it works, and to the achievement of the three other corporate aims.			
5.5	**Links to the National Performance Framework**			

	Our Purose		**Our Values**	
	To focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth		We are a society which treats all our people with kindness, dignity and compassion, respects the rule of law, and acts in an open and transparent way	
	AR LUACHAN BUILEAN NÀISEANTA			
	Human Rights	☐	Children & Young People	☐
	Culture	☐	Communities	☐
	Environment	☐	Poverty	☐
	Health	☐	International	☐
	Learning	☐	Economy	☐
	Successful innovative businesses	☒		

5.6	**Impact on Reputation**
	Managing risk has a significant impact on the organisation. The regular review of the strategic risk registers ensure the organisation focuses on this.
5.6	**Impact on Health and Safety**
	n/a
5.7	**Legal Impact**
	n/a
5.8	**Impact on Equality**
	n/a
5.9	**Impact on Environment**
	n/a

STRATEGIC RISK REGISTER

Risk Ref. No.	Risk Description	Consequence of Risk (if the risk was to materialise, list the things that could happen)	Control Measures in Place (Using the consequences as a reference, list what needs to be put in place to minimise the impact of the risk)	Action Tolerate / Treat / Transfer / Terminate / Take an Opportunity	Date Identified	When control last reviewed	Current Risk Assessment			Previous Risk Rating	Risk Movement	Unmitigated Risk Score			Risk Owner
							Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	

1. Covid-19

							Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	
1.1	**Impact of Covid-19 on elderly**	Loss of substantial part of the generation of fluent Gaelic speakers with a richness of vocabulary and cultural knowledge, leading to an impoverished language base.	Ensuring that immediate work is done to maximise virtual contact between elderly and young people	**Treat:** With partners, encourage cross-generation communications to reduce elderly isolation and increase language transfer.	Mar 2020	Jan 2021	4	3	12	12	→	4	3	12	Director of Language Planning and Community Developments
1.2	**Downturn in the economy, leading to reducing public funds and greater need for funding in critical care services (**was 4.2 in previous register)	Less funding available for Gaelic development	Ensuring that Best Value is a key consideration in how Bòrd na Gàidhlig operates	**Treat:** Bòrd na Gàidhlig continues to operate on Best Value principles. **Tolerate** Prepare high-level scenarios based on development priorities in case of reduced funding **Take an opportunity** Collaborate with other public sector organisations to increase shared service options and consider increased collaborative working	April 2019	Jan 2021	4	4	16	16	→	4	4	16	Head of Finance
1.3	**Partners unable to deliver projects (funded by BnG)**	Reduced activity in Gaelic; reduced ability to deliver BnG strategic priorities.	Collaboration with partners to discuss and develop alternatives.	**Treat** Continue regular communication with main funded organisations. **Take an opportunity** Consider, with partners, alternatives or new developments to support delivery of Gaelic services.	April 2020	Jan 2021	4	3	12	12	→	4	4	16	Director of Language Planning and Community Developments
1.4	**Loss of staff due to illness**	Reduced ability to carry out BnG's work and impact on staff morale.	Programme of support for staff in working from home.	**Treat** Review organisational priorities. Ensure wellbeing is a priority for staff and board.	Mar 2020	Jan 2021	4	3	12	8	↑	4	4	16	Ceannard

STRATEGIC RISK REGISTER

Risk Ref. No.	Risk Description	Consequence of Risk (if the risk was to materialise, list the things that could happen)	Control Measures in Place (Using the consequences as a reference, list what needs to be put in place to minimise the impact of the risk)	Action Tolerate / Treat / Transfer / Terminate / Take an Opportunity	Date Identified	When control last reviewed	Current Risk Assessment			Previous Risk Rating	Risk Movement	Unmitigated Risk Score			Risk Owner
							Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	

2. More people are using and benefiting from Gaelic at work, at home, and in the community.

Risk Ref. No.	Risk Description	Consequence of Risk	Control Measures in Place	Action	Date Identified	When control last reviewed	Impact	Probability	Risk Rating	Previous Risk Rating	Risk Movement	Impact	Probability	Risk Rating	Risk Owner
2.1	**Ageing and declining traditional Gaelic-speaking communities**	Absence of economically active workforce will reduce ability for intergenerational transmission and usage	Ensuring that policies affecting Gaelic-speaking communities aim to retain and attract young people	**Treat:** Include Gaelic language in development of policies and contribute to public consultations **Take the Opportunity** Support initiatives aimed at retaining and attracting people to Gaelic speaking communities inluding encourage organisations to see current home-working as an opportunity for young people to live in the islands. Use existing consultations and the new work around preparing for NGLP#4 to engage further with traditional communities. Continue to emphasise the messages of the National Plan on the impact of socio-economic issues.	Nov 2019	Jan 2021	3	3	9	9	→	4	3	12	Director of Language Planning and Community Developments
2.2	**Scotland's Census 2021 (deferred to 2022)**	Continued deline of Gaelic speakers will negatively impact the view of the public and politicians	Encouraging Gaelic speakers to acknowledge their Gaelic skills in the census	**Tolerate:** Communication strategy to enourage people to acknowledge their Gaelic skills in Scotland's Census 2021 (*now 2022*). Communication strategy in place to prior to publication of census results **Take an Opportunity** Encourage anyone who has Gaelic skills to participate in the census process. process	Nov 2019	Jan 2021	3	2	6	6	→	4	3	12	Director of Language Planning and Community Developments
2.3	**Economy**	Reduced funding for public bodies will result in less spending on Gaelic	Cooperating with public bodies to encourage maintainance of support for Gaelic	**Treat:** Make the case for Gaelic as an economic asset Develop Gaelic Plans which progress essential priorities Use Gaelic Plans to encourage public bodies to normalise Gaelic spending in key areas such as education **Take the Opportunity** Continue to make the case that was made at CoHI that Gaelic be part of its work. Work towards the next Faster Rate of Progress meeting in February 2021	Nov 2019	Jan 2021	4	4	16	16	→	4	4	16	Director of Language Planning and Community Developments

Very High	Risk Score **20-25**	Unacceptable level of risk exposure that requires immediate mitigating action and monthly monitoring	
High	Risk Score **12-19**	Unacceptable level of risk which requires controls to be put in place to reduce exposure and monthly monitoring	
Medium	Risk Score **6-11**	Controls can be put in place or the risk accepted. Subjected to quarterly monitoring.	
Low	Risk Score **1-5**	Acceptable level of risk subject to six monthly monitoring	

Once a risk has been assessed it is necessary to determine the most appropriate response to managing it. There are five potential ways to manage risks. These are:
Tolerate - Accept the consequences of the risk should it occur. If the risk is tolerated no control measures require to be implemented and therefore the risk only requires to be monitored on quarterly basis.
Treat - Take action to reduce the probability and/or impact of the risk.
Transfer - Remove part of the risk to someone else
Terminate - Cease the action/activity that is causing the risk to occur if this is appropriate
Take an opportunity - Share the risk with a partner involved in the area of work

Last updated: 14.01.2021

STRATEGIC RISK REGISTER

Risk Ref. No.	Risk Description	Consequence of Risk (if the risk was to materialise, list the things that could happen)	Control Measures in Place (Using the consequences as a reference, list what needs to be put in place to minimise the impact of the risk)	Action Tolerate / Treat / Transfer / Terminate / Take an Opportunity	Date Identified	When control last reviewed	Current Risk Assessment			Previous Risk Rating	Risk Movement	Unmitigated Risk Score			Risk Owner
							Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	

3. Opportunities for people to develop their Gaelic skills at any age have increased and are more accessible

Risk Ref. No.	Risk Description	Consequence of Risk	Control Measures in Place	Action	Date Identified	When control last reviewed	Impact	Probability	Risk Rating	Previous Risk Rating	Risk Movement	Impact	Probability	Risk Rating	Risk Owner
3.1	**As consequence of budgetary pressures resulting from Covid-19 LAs do not prioritise extending Gaelic Education.**	Number of children with Gaelic skills is insufficient to maintain speaker numbers	Ensuring that there is enough people and financial resources to meet demand	**Treat / Transfer:** Working with local authorities to ensure that staff are available where they are needed. **Treat / Transfer:** Working with colleges, universities, and training providers to ensure that their courses are delivering enough staff to meet demand. **Treat** Continuing support for LAs on Gaelic Plan commitments and through engagement with national networks (GLAN, ADES etc.)	Nov 2019	Jan 2021	4	4	16	16	→	4	5	20	Director of Gaelic Education
3.2	**Local authorities unwilling to grow Gaelic Education**	Number of children with Gaelic skills is insufficient to maintain speaker numbers	Making the case (financial, economic and educational) for Gaelic education.	**Treat:** Working with Scottish Government and local authorities to ensure there is robust supporting information for a strong case. Control Measure: Continuing support for LAs on Gaelic Plan commitments and through engagement with national networks (GLAN, ADES etc.) **Take the opportunity** Continue to promote the positive news about research into bilingualism.	Nov 2019	Jan 2021	4	4	16	16	→	4	5	20	Director of Gaelic Education
3.3	**Incomplete Learning journey or Learning journey not started**	Fewer people fulfil potential to become fluent in Gaelic	Ensuring that Gaelic education remains a choice. Ensuring that all children starting Gaelic education can follow it through to secondary level. Ensuring that all adult learners who aim to become fluent have the opportunity to do so.	**Treat / Transfer:** Continuing support for LAs on Gaelic Plan commitments and through engagement with national networks (GLAN, ADES, CLAD etc.) Continuing partnership work with LearnGaelic and national organisations such as Education Scotland and the SQA. Dialogue with local authorities to ensure that as many young people as possible who learn Gaelic at primary school can continue this at secondary school. **Take the opportunity:** Work with all partners to promote access to online resources for all ages of learners.and support resource expansion to ensure continued growth on online learning for all types of learners. Make use of data provided by LearnGaelic.scot monthly. **Transfer:**	Nov 2019	Jan 2021	4	4	16	16	→	5	3	15	Director of Gaelic Education

STRATEGIC RISK REGISTER

Risk Ref. No.	Risk Description	Consequence of Risk (if the risk was to materialise, list the things that could happen)	Control Measures in Place (Using the consequences as a reference, list what needs to be put in place to minimise the impact of the risk)	Action Tolerate / Treat / Transfer / Terminate / Take an Opportunity	Date Identified	When control last reviewed	Current Risk Assessment			Previous Risk Rating	Risk Movement	Unmitigated Risk Score			Risk Owner
							Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	
				Ensure that there is strategic lead to ensure that learners have facilities to take them to fluency.											

4. More people in Scotland are positive about Gaelic language and culture

Risk Ref. No.	Risk Description	Consequence of Risk	Control Measures in Place	Action	Date Identified	When control last reviewed	Impact	Probability	Risk Rating	Previous Risk Rating	Risk Movement	Impact	Probability	Risk Rating	Risk Owner
4.1	**Gaelic does not maintain a positive image**	People less inclined to be involved with or learn the language	Ensuring the success of Gaelic in Scotland's towns and cities is highlighted. Highlighting the value of the language to traditional Gaelic-speaking communities. Countering negative messages and misinformation.	**Treat:** Having an active communication strategy to publicise the successes and counter misinformation. **Transfer** Encourage others to maximise good news stories about Gaelic **Take the Opportunity** Continue to promote the statistics from Duolingo, LearnGaelic and online activities.	Nov 2019	Jan 2021	4	3	12	12	→	5	4	20	Ceannard
4.2	**Politicisation of the language**	Support for Gaelic becomes polarised along political party lines with campaigning for the 2021 election.	Continuing dialogue with all political parties on a non-partisan basis.	**Treat:** Ensuring Gaelic is not drawn into a partisan position. Deliver an information campaign during the Scottish election campaign in 2021.	Nov 2019	Jan 2021	4	4	16	16	→	4	4	16	Ceannard
4.3	**Gaelic not seen as important**	Public and political support for Gaelic eroded	Normalising Gaelic within Scottish life	**Treat:** Emphasise the social and economic worth of Gaelic to Scotland.:	Nov 2019	Jan 2021	4	3	12	12	→	4	4	16	Ceannard

5. Bòrd na Gàidhlig continues to develop how it works

Risk Ref. No.	Risk Description	Consequence of Risk	Control Measures in Place	Action	Date Identified	When control last reviewed	Impact	Probability	Risk Rating	Previous Risk Rating	Risk Movement	Impact	Probability	Risk Rating	Risk Owner
1	**Insufficient staff capacity**	Bòrd na Gàidhlig is unable to fulfil its commitments and staff morale is reduced.	Business case for more staff. Implement interim measures for corporate services and review finance needs	**Treat:** Submit and make business case to Scottish Government **Treat:** Attention given in the workforce plan to ensure that enough staff resource is in place to successfully deliver Corporate and Finance functions in the short and long term.	Nov 2019	Jan 2021	4	4	16	16	→	5	4	20	Ceannard
2	**Reputation**	Negative aspects of reputation affect Bòrd na Gàidhlig's ability to deliver its role.	Communications Strategy to highlight Bòrd na Gàidhlig's role in promoting and	**Treat:** Utilising all media channels to tell our story	Nov 2019	Jan 2021	4	3	12	12	→	5	5	25	Ceannard

Very High Risk Score **20-25**	Unacceptable level of risk exposure that requires immediate mitigating action and monthly monitoring	
High Risk Score **12-19**	Unacceptable level of risk which requires controls to be put in place to reduce exposure and monthly monitoring	
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Low Risk Score 1-5	Acceptable level of risk subject to six monthly monitoring	

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Transfer - Remove part of the risk to someone else

Terminate - Cease the action/activity that is causing the risk to occur if this is appropriate

Take an opportunity - Share the risk with a partner involved in the area of work

Last updated: 14.01.2021

STRATEGIC RISK REGISTER

Risk Ref. No.	Risk Description	Consequence of Risk (if the risk was to materialise, list the things that could happen)	Control Measures in Place (Using the consequences as a reference, list what needs to be put in place to minimise the impact of the risk)	Action Tolerate / Treat / Transfer / Terminate / Take an Opportunity	Date Identified	When control last reviewed	Current Risk Assessment			Previous Risk Rating	Risk Movement	Unmitigated Risk Score			Risk Owner
							Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	
			funding Gaelic development												

Very High	Risk Score **20-25**	Unacceptable level of risk exposure that requires immediate mitigating action and monthly monitoring
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Take an opportunity - Share the risk with a partner involved in the area of work

Last updated: 14.01.2021

For	Audit & Assurance Committee
Date of Meeting	28/01/2021
Location:	Online
Item on Agenda	8.1

Title	Annual Report & Accounts – Project Plan	
Request	For Decision	
Spokesperson	Ailig Greumach / Shona C NicIllinnein	
Governance route for the report	**Date**	**Type of Treatment**
-	-	-
Appendices	Yes PT1 – Project Plan for preparation of the Annual Report and Accounts for 2020/21	

1.0	**Adhbhar/Reason**
1.1	The paper presents the prpoject plan for the preparation of the Annual Report and Accounts for the year ended 31 March 2021. The paper is in English due to the related docu ments frpom Deloitte being in English and the accounts being drafted in English for the first working version.
2.0	**Cùl-fhiosrachadh/Background**
2.1	BnG is required to prepare Annual Report and Annual Accounts in terms of the Accounts Directrion issued by Scottish Ministers, and in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year.
3.0	**Prìomh Aithris/Fiosrachadh / Main points**
3.1	BnG is required to lay the Annual Report and audited Annual Accounts for the year ending 31 March 2021 before The Scottish Parliament by 31 December 2021.
3.2	Preparation of the Annual Report and Accounts is a complex task involving a number of members of staff and spanning a period of approximatly 6 months, with considerable preparation and a number of strict deadlines. It requiires close co-ordination with the auditors Deloitte LLP as well as those providing graphic design and translation services.
3.3	The major steps invovled in this exercise have been scheduled in the Project Plan. However this is not comprehensive and there may be additional actions required which become known during the preparation process.
4.0	**Moladh /Recommendation**
4.1	The Committee is requested to:

	-	Approve the Project Plan for preparation of the Annual Report and Accounts for 2020/21
5.0	**Prìomh Bhuaidhean Ro-innleachdach**	
5.1	**Buaidhean air Ionmhas/Impact on Finance**	
	Audit fees and costs of annual report preparation are included in the budget for the year.	
5.2	**Buaidhean air Luchd-obrach/Impact on Staff**	
	Staff involved are in post and it is not anticipated that additional resources will be required.	
5.3	**Buaidhean air Trèanadh/ Impact on Training**	
	Staff involved are already trained and familiar with the accounts preparation process.	
5.4	**Ceanglaichean ri Amasan Ro-innleachadh agus Corporra/Links to Strategic and Corporate Aims**	
	Corporate Plan Aim: 4 That Bòrd na Gàidhlig will continue to improve how it works.	
5.5	**Ceanglaichean ri Frèam-obrach Coileanaidh Nàiseanta/ Links to the National Performance Framework**	
	n/a	
5.6	**Buaidhean air Cliù/Impacts on Reputation**	
	It is important the BnG continues to demonstrate its achievements and its financial stability, as well as showing transparency about its activities and finance.	
5.7	**Buaidhean air Slàinte is Sàbhailteachd/Impacts on Health and Safety**	
	n/a	
5.8	**Buaidhean Laghail/Legal Impacts**	
	This process enable BnG to comply with the legal requirments concerning transparency and accountability.	
5.9	**Buaidhean air Co-ionannas/Impacts on Equality**	
	n/a	

Bòrd na Gàidhlig
Project Plan for Preparation of Annual Report & Accounts (2020-21)

The Head of Finance and Corporate Services will co-ordinate the preparation of Annual Report & Accounts.

1. Preparation

Action	Owner	Timeline	Notes / Guidance
Overview panel on design and layout of the 2020-21 Annual Report & Accounts	Communications Officer	March 2021	The Ceannard, Head of Finance & Corporate Services, and the Communications Officer to discuss layout and look of 2020-21 report and external audit recommendations re improvements
Request for actuary report information to be made to Pension Fund	Head of Finance and Corporate Services	February 2021	
Review Government Financial Reporting Manual (FReM) and identify changes required for annual report and accounts	Head of Finance and Corporate Services	31 March 2021	
Annual Report - Performance Report			The sections of the Annual Report may change and be placed in a different order from that shown.
Overview	Ceannard	30 April 2021	
Chairman's Report	Ceannard	30 April 2021	
CEO's Review	Ceannard	30 April 2021	
Our Remit & Mission Statement	Ceannard	30 April 2021	
Corp & Business Plan	Ceannard	30 April 2021	
Statutory Background	Ceannard	30 April 2021	
Performance Summary	Ceannard	30 April 2021	Case studies from Director of Language Planning and Community Developments; Director of Gaelic Education and Communication Officer.
Overview of the Year	Ceannard	30 April 2021	
Financial Targets	Head of Finance and Corporate Services	30 April 2021	
Going Concern	Head of Finance and Corporate Services	30 April 2021	
Supplier Payment Policy	Head of Finance and Corporate Services	30 April 2021	
KPI's	Head of Finance and Corporate Services	23 April 2021	
Key Risks	Head of Finance and Corporate Services	23 April 2021	
Environmental Matters	Head of Finance and Corporate Services	23 April 2021	

Freedom of Information Requests	Head of Finance and Corporate Services	23 April 2021	
Annual Report – Accountability Report			
Pension Liabilities	Head of Finance and Corporate Services	30 April 2021	
Non-Audit Fees	Head of Finance and Corporate Services	30 April 2021	
Statement of Accountable Officer's Responsibilities	Head of Finance and Corporate Services	30 April 2021	
Disclosure of Information to the Auditors	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Unaudited	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Audited	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Board members	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Remuneration of Cathraiche	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Remuneration of Ceannard & Leadership Team	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Fair Pay Disclosure	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Pension Entitlements of Board Members, Ceannard and Leadership team	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Retirement Benefits	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Cash Equivalent Transfer Values	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Real Increase in CETV	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Staff Costs during the year	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Compensatory Payments	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - Gender Note	Head of Finance and Corporate Services	30 April 2021	
Remuneration report - PAD - Gifts and Charitable Donations	Head of Finance and Corporate Services	30 April 2021	
Accountability & Corporate Report	Head of Finance and Corporate Services	30 April 2021	
Board Composition	Head of Finance and Corporate Services	30 April 2021	

Governance Statement	Head of Finance and Corporate Services	30 April 2021	
Employee Involvement	Head of Finance and Corporate Services	23 April 2021	
Equality Duty	Head of Finance and Corporate Services	23 April 2021	
Personal Data Related Incidents	Head of Finance and Corporate Services	23 April 2021	
Remuneration report - Sickness Absence	Head of Finance and Corporate Services	23 April 2021	
Committee Membership & Working Group Attendance	Office Manager	23 April 2021	
Independent Auditor Report	**Deloitte**	26 August 2021	
Financial Statements & Notes	Head of Finance and Corporate Services	04 May 2021	

2. AUDIT

Action	Owner	Timeline	Notes / Guidance
Draft of Annual Report & Accounts ready for internal review	Head of Finance and Corporate Services	04 May 2021	
Clearance meeting with Accountable Officer, Head of Finance and Corporate Services	Head of Finance and Corporate Services	10 May 2021	Head of Finance and Corporate Services and finance staff will quality check information and supporting papers ahead of submission to Deloitte
Submit draft Annual Report & Accounts and supporting notes to Deloitte	Head of Finance and Corporate Services	14 May 2021	
Deloitte 'on-site'	Deloitte	24-28 May 2021	
Detailed review of annual accounts and report, including Annual Governance Statement	Deloitte	24-28 May 2021	Deloitte will review draft of annual accounts and report and also carry out audit testing as required.
Final audit adjustments	Deloitte	21 June 2021	
Draft accounts cleared from auditors	Deloitte	28 June 2021	

3. APPROVAL AND DELIVERY

Action	Owner	Timeline	Notes / Guidance
Internal Control Checklist (ICC)	Head of Finance and Corporate Servicees	8 May 2021	Head of Finance and Corporate Services to sign and issue to Accountable Officer and re-

			sign prior to AO signing accounts in Sept 2020. [Check Scottish Public Finance Manual for any changes to ICC]
Certificate of Assurance	Head of Finance and Corporate Services	20 Aug 2021	Head of Finance and Corporate Services to sign and issue to Ceannard. [Check with Scottish Public Finance Manual for any changes to Certificate of Assurance]
Audit & Assurance Committee Meeting	Head of Finance and Corporate Services	8 Sept 2021	Committee asked to approve draft of accounts and recommend them to the Board for approval.
Board Meeting for approval of Annual Report and Accounts	Head of Finance and Corporate Services	6 Oct 2021	Annual Report & Accounts submitted to Board for approval. Accountable Officer signs two copies* of accounts (at any point after Board approval, but before statutory deadline of 31 Dec 2021) External Auditor signs two copies* (when Accountable Officer signs; but before statutory deadline of 31 Dec 2021) [* One copy for each, Accountable Officer and External Auditor] The Letter of Representation will also need to be signed by the Accountable Officer as at the 6 October 2021 and a signed copy given to External Auditor. ** Important - After Board approval, the *only* changes to accounts that can be made without needing re-approval by the Board are formatting changes (e.g., going to 'glossy' version) rather than changes to content. Any changes to content would need to go through the audit process and Board approval process again (unless obviously trivial – e.g., changing punctuation, grammar, etc.)
External Auditor submits two signed copies of final Accounts to Audit Scotland	Deloitte	13 October 2021	

Auditor General provide clearance to BnG for accounts to be laid before Parliament	Audit Scotland		Auditor General will issue letter to BnG. Section 22(3) of the Public Finance and Accountability (Scotland) Act 2000 Act enables the Auditor General to report on the accounts and where they consider that there are issues which should be brought to the attention of Parliament. If the Auditor General concludes such a report is not required, then BnG moves to lay the accounts before Parliament.
Copy of accounts laid before Parliament	Head of Finance and Corporate Services	Can only be moved on after receipt of letter from Auditor General.	One copy of the report is being laid before the Scottish Parliament under paragraph 9 of schedule 1 to the Gaelic Language (Scotland) Act 2005 and section 22(5) of the Public Finance and Accountability (Scotland) Act 2000. It is not subject to any parliamentary procedure. Sponsor team will arrange for accounts to be laid before parliament. For this to happen BnG will supply the sponsor team with two paper copies of the signed Annual Report & Accounts; an electronic copy of the letter received from the Auditor General; and an electronic version of the signed Annual Report & Accounts BnG will co-ordinate with Sponsor Division when account laid before Parliament so that BnG will publish Annual Report & Accounts at same time as well as distribute copies to relevant stakeholders

4. DESIGN & PRINT

Action	Owner	Timeline	Notes / Guidance

Head of Finance and Corporate Services and Communications Officer to meet with design & print team to discuss design and agree timetable for delivery	Head of Finance and Corporate Services	By 1 April 2021	
Oversee translation of all text	Communications Officer	April 2021	Initial discussion with translator to agree timetable for translation of annual report & accounts
Oversee translation of all text	Communications Officer	June / July 2021	Ongoing liaison with translator re work schedule
Delivery of all texts to design	Communications Officer	29 June 2021	
Final draft of print version received in pdf from design for submission to Audit & Assurance Committee	Communications Officer	31 July 2021	Copy to be sent to Deloitte for proofing
Any changes from Audit & Assurance Committee meeting sent to design team	Communications Officer	19 September 2021	[Any changes will off course need to be agreed with Deloitte]
Final draft of print version received in pdf from design for submission to Board	Communications Officer	28 September 2021	Copy to be sent to Deloitte for proofing
If report approved by Board, confirm to design team to go ahead with printing small number of copies	Communications Officer	11 October 2021	Design/Printers to add electronic signatures in appropriate places mirroring where Accountable Officer and External Auditor signed the accounts on 22/23 Sept. Date to be added at signatory must be the same as the date when the Accountable Officer and External Auditor signed the accounts. Confirm number needed for print run with relevant stakeholders: e.g.: Board (8); SMT (4); Deloitte (3); Sponsor Team (5); Parliament (2); Office (10)
Delivery of print run to Great Glen House or other location	Communications Officer	25 October 2021	Note: Annual Report & Accounts not to be published or distributed until they are laid before Parliament. (See note in section 3)

For	Audit & Assurance Committee
Date of Meeting	28/01/2021
Location:	Online
Item on Agenda	8.2 (CS-04-2021-08.2)

Title	Committee Work Plan	
Request	For Approval	
Spokesperson	Shona C NicIllinnein / Ailig Graham	
Governance route for the report	**Date**	**Type of Treatment**
-	-	-
Appendices	Yes PT 1 – Work Plan	

1.0	**Purpose**
1.1	The purpose of this report is to provide the Audit and Assurance Committee with a work plan which sets out the key issues that the Committee needs to consider as part of its work program for the year.
2.0	**Background**
2.1	The workplan was last reviewed by the Committee in November 2020.
3.0	**Main points**
3.1	The Plan covers the Committee's annual cycle. The plan is reviewed at each meeting to ensure it is completed or where there are deviations, that these are monitored. It was anticipated that a report on cyber resilience would be presented to the Committee in November. Due to staff changes and workload, it will come to the Committee in January 2021. It was planned to present the Business Continuity Plan to the Committee at this meeting. However, there were recommendations in the Internal Audit Report relating to the Plan. After discussion with the Chair, it was agreed to revise the Plan in line with recommendations and present it to the Committee in May 2021. The internal audit reports show a duplication for January 21 – Performance Management is the same line as MFOs Performance Management.
4.0	**Recommendation**
4.1	The Committee is requested to: - Discuss the workplan - Make recommendations for changes as viewed appropriate - Approve the workplan.
5.0	**Key Strategic Impacts**
5.1	**Impact on Finance**
	The workplan does not have a financial impact but it does ensure that financial matters are properly scrutinised by the Committee.
5.2	**Impact on Staff**
	The workplan provides a guide to staff as to work to be developed during the year.
5.3	**Impact on Training**
	Not applicable.

5.4	**Links to Corporate Aims**		
	The report contributes to the corporate aim that BnG continues to develop how it works.		
5.5	**Links to the National Performance Framework**		
	Our Purose		**Our Values**
	To focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth		We are a society which treats all our people with kindness, dignity and compassion, respects the rule of law, and acts in an open and transparent way
	NATIONAL OUTCOMES		
	Human Rights	☐	Children & Young People	☐
	Culture	☐	Communities	☐
	Environment	☐	Poverty	☐
	Health	☐	International	☐
	Learning	☐	Economy	☐
	Successful innovative businesses	☒		
5.6	**Impact on Reputation**		
	The workplan ensures that the Committee fulfils its responsibilities; this has a positive impact on the organisation's reputation.		
5.7	**Impact on Health and Safety**		
	n/a		
5.8	**Legal Impact**		
	The workplan ensures that the Committee fulfils its stautory responsibilities.		
5.9	**Impact on Equality**		
	n/a		
5.10	**Impact on Environment**		
	n/a		

AUDIT & ASSURANCE COMMITTEE
Work Plan 2020/21 (Draft 14/01/2021)

MONTH		Mar 2020	Apr 2019	May 2020	June 2020	July 2020	Aug 2020	Sept 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021
Audit & Assurance Committee Date				7th			27th			12th		28th
All meetings Standing Items	Introduction / Welcome Declarations of Interest Minute of Previous Meeting Action Log Risk Management External Audit Progress Report Improvement Plan Steering Group Workplan Review			√			√			√		√
Internal Audit Reports	Financial Controls									√		
	Corporate Governance									√		
	Procurement									√		
	Business Continuity and Disaster Recovery											√
	Performance Management			√								√
	Grants to Gaelic Organisations											√
	Risk Management											√
	Any item to be followed up from the Improvement Plan											
	Annual Follow-up Report											
	External Organisations (MFOs) - Performance Management			√								√
	Employee Performance Management			√								
	Internal Audit Annual Report			√								
Annual Cyclical Items	Internal Audit, Annual Audit Plan			√								
	External Audit, Annual Audit Plan											
	External Audit, Annual Audit Report						√					
	Annual Report & Accounts						√					
	AAC Annual Report to the Board						√					
	Annual Review of Terms of Reference			√			√					
	Annual Review of Audit Committee Effectiveness			√								
	Cyber Resilience Report (Jan 21)									√		√
	Project Plan for Preparation of Annual Accounts											√
Ad Hoc Items	Data Loss / Fraud & Theft Reporting											
	Best Value Statement									√		√
	Business Continuity Plan											√