



Internal Audit Strategy and 2025/26 Internal Audit Plan

Contents

| | |
|---|----|
| Internal Audit Strategy 2025-28..... | 3 |
| Developing the Internal Audit Plan | 5 |
| The Three Lines Model – coordination and reliance | 6 |
| Audit Universe | 7 |
| Risk Assessment..... | 8 |
| Appendix 1: 2025/26 Internal Audit Plan | 9 |
| Appendix 2: 2025/26 Risk Assessment and Assurance Map | 18 |
| Appendix 3: Risk Descriptions and Impact Statements | 26 |

Internal Audit Strategy 2025-28

Introduction

In line with Standard 9.2 of the Global Internal Audit Standards (GIAS), the Internal Audit (IA) Function must develop an IA Strategy which sets out IA's vision, objectives and supporting initiatives.

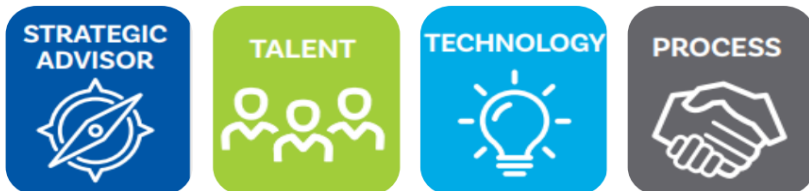
The IA Strategy should consider the Council's objectives, stakeholder expectations and key risks. It should also consider development and improvement opportunities for the IA function including the application of technology and tools to enhance audit efficiency and effectiveness.

To support development of the IA strategy and to help identify further opportunities for improvement, the IA team have undertaken a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis, which has informed key themes and actions.

This IA Strategy outlines the framework for enhancing the effectiveness of the Council's IA function for the period 2025-2028.

IA Strategy Key Themes

The IA strategy centres around the following four key themes which will be developed further over time through monitoring and review processes including stakeholder feedback:



- being seen as a **strategic advisor** supporting the Council in managing both the risks and opportunities associated with its objectives

- focusing on **talent** through developing the skills, knowledge and experience of the IA function to ensure there is an effective mix of resources to deliver the IA plan and support other assurance initiatives
- becoming a **technology** enabled team including considering the growth of the Council's adoption of technology such as Generative Artificial Intelligence (GenAI) and the skills the auditor of the future needs
- a focus on implementing efficient and effective **processes** including timely audit execution, audit quality, continuous improvement and stakeholder engagement.

Internal Audit's Mission

The Council's IA mission is aligned to the global mission of IA. The function aims to provide independent and objective assurance on the overall effectiveness of the Council's governance, risk management, and control framework.

Internal Audit's Vision

The Council's IA function will provide value added audit and advisory services and build expertise to help drive positive change, be seen as a strategic advisor and promote integrity across the Council and the other organisations it provides advice and services to.

Alignment with organisational objectives

The [Council's Business Plan](#) includes the following interdependent and interlinked strategic priorities:

- **create good places to live and work**
- **end poverty in Edinburgh**
- **become a net zero city by 2030.**

The Council continues to operate in a challenging environment with increasing uncertainty and risks including financial sustainability and resourcing challenges which require the Council to prioritise and deliver services differently.

The Council has established a transformation programme and key ‘priorities for change’ to address short, medium and longer term financial challenges and deliver outcomes.

The three ‘priorities for change’ are:

- **improving our relationship with citizens and communities**
- **combatting poverty through early intervention and prevention**
- **helping colleagues improve performance by giving them the tools they need to get the job done.**

To support achievement of these objectives and priorities, the Council requires an IA function which is agile and responsive to the greatest areas of need and supportive of innovation while balancing the requirement to provide assurance across core systems and processes.

Managing IA resources and alignment to the IA Workforce Plan

Principle 10 of the GIAS requires the CAE to effectively manage resources. In the Council, IA is delivered largely through an in-house team, consisting of 14 full-time equivalents including a trainee. A co-source arrangement with a professional services provider is in place to support delivery, where required.

The CAE should also provide opportunities for the IA function to develop their experience and competencies to ensure resources are effectively deployed to deliver the IA plan and support other stakeholder requests.

In December 2024, a Workforce Plan for the IA function was developed in line with the Council’s People Strategy. The IA Workforce Plan includes a range of future priorities including an approach to learning and development which is aligned to delivery of the IA Strategy.

IA Digital Strategy and use of technology tools

The GIAS requires the IA function to set out a clear ambition to become a technology enabled team including considering the skills the auditor of the future needs. Through the IA Digital Strategy, IA will seek to add value and generate potential cost savings by increasing efficiency through advancing the use of technology such as data analytics tools and Generative Artificial Intelligence (GenAI).

In recognition of the increasing availability and use of GenAI, the Council are developing a framework to manage the risks and opportunities of using GenAI Model tools such as Co-Pilot, ChatGPT, Gemini, Bing, and other similar tools. A draft GenAI policy is expected to be presented to Council during 2025.

IA will have an important role in supporting the Council to identify, manage and understand the associated risks with utilisation of these tools as well as providing assurance on the effectiveness of key controls established to manage these risks.

GenAI also presents opportunities to increase the efficiency and effectiveness of IA work. The IA Digital Strategy sets out a roadmap for piloting use of GenAI Model tools for IA work in line with the Council’s policy requirements.

Continuous Improvement

The GIAS set out clear requirements for the CAE to enhance the quality of the IA function and ensure conformance with the standards through continuous performance improvement. This will be supported thorough the Quality Assurance and Improvement Programme, the IA journey map and key performance indicators which will be further refined as the IA Strategy develops:

| | | | |
|---|------|---------------------------------------|-----|
| Close out < 5 days | 90% | Release of findings <10 days | 90% |
| Draft report <10 days | 90% | Audits completed within budgeted days | 80% |
| Final report <10 days | 100% | | |
| Auditee satisfaction with audit process | | | 90% |

Developing the Internal Audit Plan

Approach

The approach to preparing the Internal Audit (IA) plan is set out at Figure 1. The plan is driven by the requirements of the Global Internal Audit Standards (UK Public Sector), the Council's objectives and priorities, and an assessment of the risks that could prevent the Council from meeting its objectives and providing services.

Changes in organisational structures, system developments, working practices and legislative requirements create a constantly changing control environment. Taking these factors into account, the highest risk areas are covered in the IA plan.

Engagement with key stakeholders

Key stakeholders including elected members, the Chief Executive, Directors, senior management and external assurance bodies are invited to provide input into the IA plan to help ensure that the relevant areas are targeted for review during the year.

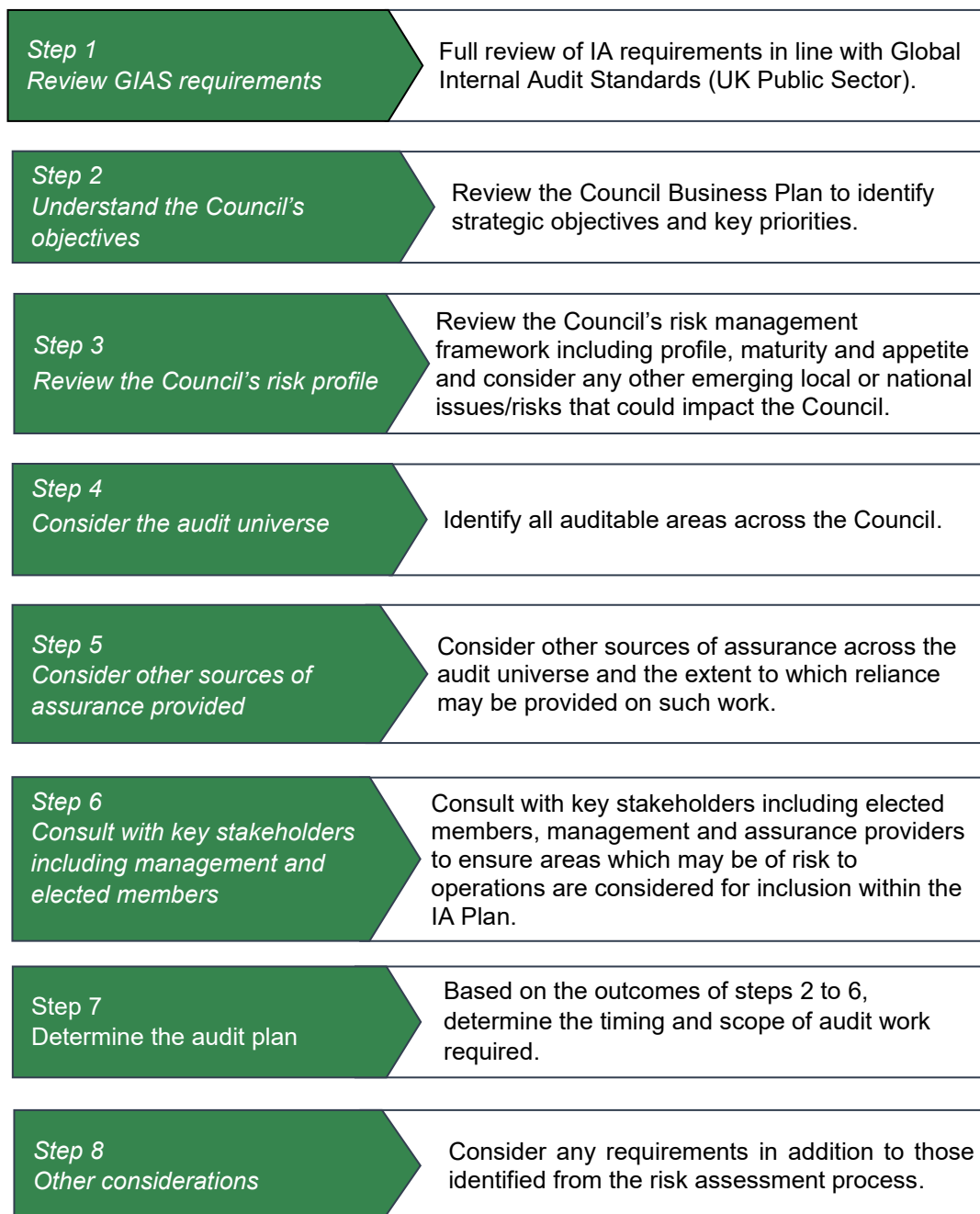
Internal Audit influence and value

IA is a valuable resource which can help services to achieve objectives and reduce exposure to associated risks. Where appropriate and without compromising its primary function and independence, IA will become involved in relevant emerging issues at an early stage and provide advice and guidance to prevent problems or weaknesses from arising and to ensure effective and efficient use of Council resources.

This is achieved through delivery of a flexible audit approach aligned to priorities and available resources, and an IA plan which includes a mix of engagement types from short, focussed reviews to more in-depth assurance reviews as well as advisory work.

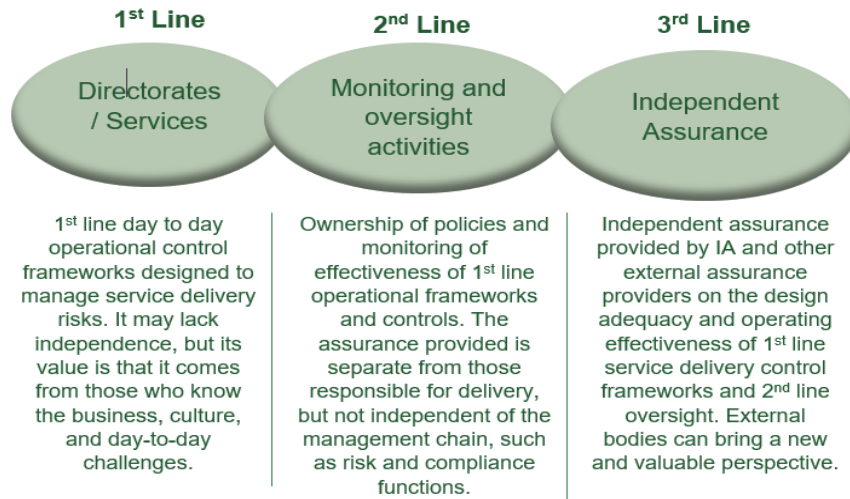
In addition, IA has established an agile auditing approach to provide assurance and support across the Council on an ongoing basis where relevant for example, ongoing project reviews, system development lifecycle reviews and major projects and programmes spanning several years.

Figure 1: Approach to developing the 2025/26 IA Plan



The Three Lines Model – coordination and reliance

IA is only one source of assurance available; assurance can come from many sources. The Three Lines Model, as set out in the diagram below, helps identify and understand the contributions of these various sources:



Coordination and reliance

Defining the sources of assurance into the three categories helps to understand how each of them contributes to the overall level of assurance and how they can be best integrated and mutually supportive.

Other key sources of assurance for the Council include:

- Audit Scotland as External Auditors
- various regulators and inspection bodies
- Annual Governance Statements
- National Fraud Initiative
- Internal assurance teams.

In line with the GIAS, when developing the IA risk assessment and plan, where relevant, we have considered other sources of assurance and a shared risk assessment to understand the extent to which reliance can be placed upon these other sources to avoid duplication in the work they do.

Governance and Assurance Team

The Council's [Governance and Assurance Framework](#) aims to provide support and guidance for first line assurance activities, and ongoing second line assurance for directorate governance and risk management activities. Roll-out of the framework in full has been delayed due to capacity issues. Once fully operational, IA will perform a gap analysis of the framework activities and IA work to understand the scope of various activities and the extent to which reliance can be placed on this to avoid duplication.

Internal assurance teams

In addition, specific assurance activities are performed within some services and the assurance activity of these teams has been considered when developing the IA plan. This includes:

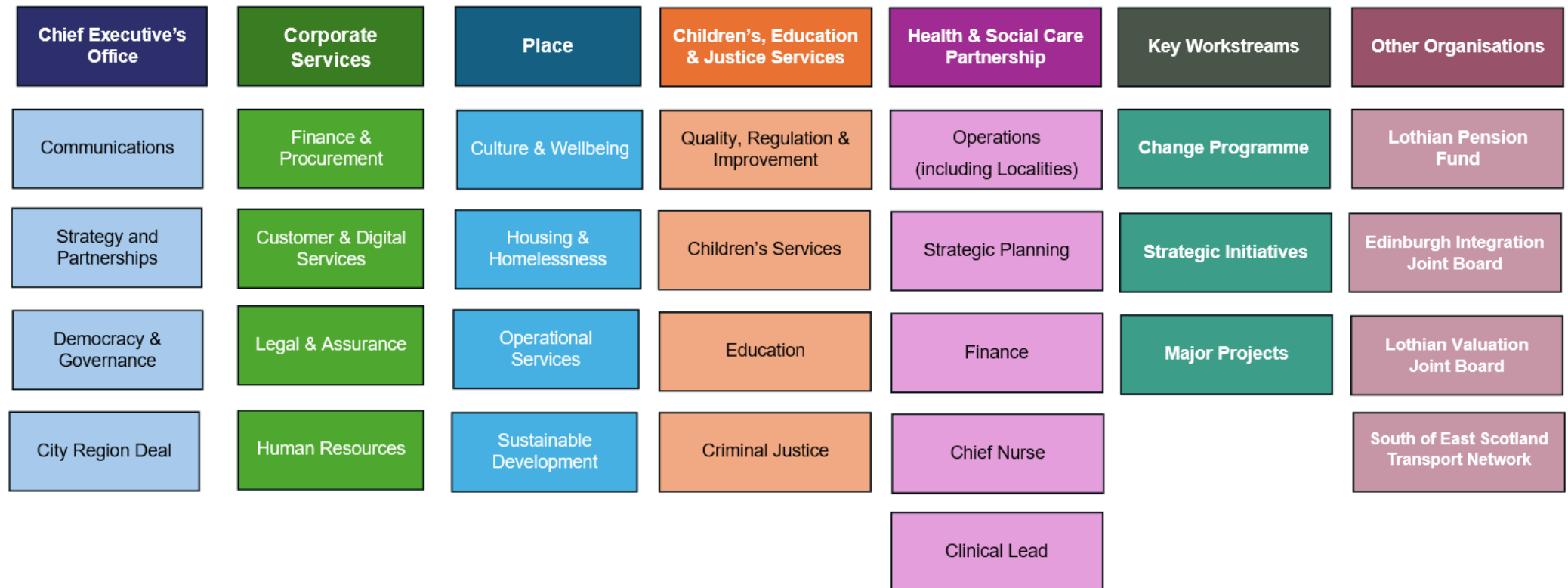
- **Information Governance Unit** - responsible for helping the Council manage its information effectively and compliantly. During 2025/26, to support a wider understanding of information/data controls, IA will include standard control checks related to information governance in audits, where relevant.
- The **Corporate Health and Safety Team** undertakes health and safety audits to check compliance with the Council Health and Safety Policy and legal health and safety obligations as part of a rolling programme to monitor and report on health and safety performance, and to foster continual improvement.
- **Quality, Governance and Regulation Services** support the Chief Social Work Officer and social work/care related quality assurance across the Council and the Edinburgh Health and Social Care Partnership.
- The **Education Quality, Improvement and Curriculum teams** work with schools to ensure that the Council is meeting national and local priorities. This includes supporting schools with Her Majesty's Inspectorate of Education (HMIE) inspections.
- The **Housing Service Quality Improvement Team** monitors service delivery and compliance with relevant regulations including Gas Safety, Electrical Regulations and relevant construction regulations.

Audit Universe

The diagram below represents the high-level auditable areas within the audit universe of the Council which form the basis of the IA plan.

In addition to the Council, IA provides audit services to several other organisations on an annual basis. Costs for provision of audit services to these other organisations is recovered through established recharging arrangements.

The Council's audit universe as at February 2025 is set out below and reflects the organisation restructure and establishment of the Chief Executive's Office in December 2025.



Risk Assessment

It is a requirement of the GIAS (UK Public Sector) that the IA plan is based on a risk assessment.

To ensure a risk-based and proportionate approach to the IA plan which supports the GIAS requirement to produce an overall conclusion on the effectiveness of the Council's governance, risk management and control framework (annual report and opinion), when developing the 2025/26 IA plan, consideration was given to the Council's priorities as detailed in the [Council Business Plan 2023-27](#) and the Council's risk profile as at February 2025.

The Council's risk profile as at February 2025 included 14 risk categories. In 2024, a new risk category related to **Property** was added to the risk profile and the previous risk category on Workforce was amended to **People**.



IA use the Council's risk descriptors in audit reports as well as impact statements. A summary of these can be found at [Appendix 3](#).

The 2025/26 IA plan is informed by a review of the Council's risk profile as at February 2025 which included an assessment for each of the 22 enterprise risks based on management's view of the internal and external operating environments with actions required to manage the risks in line with the Council's agreed risk appetite.

Previously completed audits, emerging issues impacting the Council and the requirement to ensure regular assurance on key financial systems is also considered as part of the risk assessment process.

The audits included in the proposed IA plan as [Appendix 1](#) provide coverage across the 14 strategic risks set out in [Appendix 2](#).

Dynamic risk review and audit scoping

While the IA plan includes a short summary of the area proposed for review, IA will meet with key officers prior to commencing each audit to further understand the key risks, and to develop and refine the scope of each review.

For assurance reviews, in line with the GIAS, IA is responsible for determining the scope of each audit. For advisory reviews, the scope is agreed jointly with IA and management.

It should be noted, that if areas are identified during testing that are outwith scope but impact the risk and control framework, findings and recommendations will still be raised and reported on, where appropriate.

In line with the IA Charter, where relevant, IA reserves the right to raise findings on areas that have not been specifically included in the IA plan where significant or systemic control gaps are evident.

The IA plan is reviewed on a quarterly basis to ensure it maintains a clear focus on the link between the Council's priorities, business critical risks, the IA programme, and core controls. Proposed changes are reported to GRBV as part of quarterly IA activity reporting.

Appendix 1: 2025/26 Internal Audit Plan

The table below sets out the IA Plan for the period 1 April 2025 to 31 March 2026 with links to relevant Business Plan outcomes, key priorities for change and the Council's risk categories as at February 2025.

Audits have been categorised as '**Priority**', '**Indicative**' and '**Recurring**'. Priority audits are those aligned to the Council's highest risks, which IA will aim to complete within the first six months. Indicative audits will be completed later in the year and will be flexible to enable IA capacity to react to any changes in the Council's risk profile. **Recurring audits** reflect audits that IA is committed to undertake annually or bi-annually as part of legislative obligations, or where ongoing assurance is being provided for a Council project or programme.

| Priority Audits | | | | | |
|-------------------|--|---|--|------|------------|
| Auditable Area | Audit | Business Plan Outcome | Risk Categories | Days | Fraud Risk |
| Cross Directorate | 1. Customer Contact Journey – will consider the customer journey from the point of contact to resolution including liaison between teams and achievement of service standards. Will also consider complaints, lessons learned, performance monitoring and reporting across a sample of key service requests /customer interactions. | People can access public services locally and digitally in ways that meet their needs and expectations and contribute to a greener net zero city. | Service Delivery People Technology & Information Reputational Health & Safety Legislative & Regulatory Supplier /Partnership Mgt | 40 | Medium |
| | 2. Operational Resilience: major incident – review of established arrangements to enable and support the Council to respond to a major incident impacting the city or Council. Will include consideration of relevant plans and protocols including testing, working with key partners across the city, roles and responsibilities including on call / out of hours arrangements. | The Council has the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Resilience Service Delivery Technology & Information People Reputational Health & Safety Legislative & Regulatory Supplier /Partnership Mgt | 40 | Medium |
| | 3. Core Financial Controls: Inventory Management – review of key controls to ensure the Council adequately maintains inventories to ensure the ongoing care, custody and security of assets including equipment, plant and machinery. | The Council has the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Financial & Budget Mgt Fraud & SOC Reputational Service Delivery Supplier /Partnership Mgt Technology & Information | 40 | High |

| Priority Audits | | | | | |
|--------------------|--|---|--|------|------------|
| Auditable Area | Audit | Business Plan Outcome | Risk Categories | Days | Fraud Risk |
| | 4. Edinburgh Bio-diversity Action Plan Implementation – review of progress with delivery of the 2022-27 Action Plan considering key outputs and actions for which the City of Edinburgh is the lead partner. Will also consider arrangements for ensuring accurate and transparent monitoring and reporting including annual progress updates and statutory duty reporting. | Edinburgh has a stronger, greener, fairer economy and remains a world leading cultural capital. | Governance & Decision Making Legislative & Regulatory Programme & Project Mgt Financial & Budget Mgt Strategic Delivery Reputational Service Delivery Supplier /Partnership Mgt Health & Safety | 35 | Medium |
| Major Projects | 5. Mosaic Social Care Operating System Implementation – ongoing agile review of key controls supporting implementation of the new social care operating system including governance, change management, configuration, data quality, system testing, reporting capabilities and training/support. | The Council has the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Governance & Decision Making Programme & Project Mgt Financial & Budget Mgt Strategic Delivery Supplier /Partnership Mgt Technology & Information Reputational Service Delivery People | 60 | Medium |
| | 6. Change Programme and delivery of the Medium-Term Financial Plan (MTFP) – agile review of established arrangements for governance and oversight of the Council's Change Programme and MTFP established to address financial gaps including monitoring delivery of proposed savings including the work of the Financial Transformation Programme and benefits realisation. | The Council has the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Governance & Decision Making Programme & Project Mgt Financial & Budget Mgt Strategic Delivery Property People Supplier /Partnership Mgt Technology & Information Reputational Service Delivery | 40 | Medium |
| Corporate Services | 7. CGI Back-up regimes – review of key controls established to ensure that contractual obligations are met for system backups and that recovery from backup has been tested and agreed | | Technology & Information Resilience Reputational | 30 | Medium |

| Priority Audits | | | | | |
|---------------------|--|---|---|------|------------|
| Auditable Area | Audit | Business Plan Outcome | Risk Categories | Days | Fraud Risk |
| | with the Council. Evidence around assurances of the immutability of backups will also be sought. | | Service Delivery Supplier /Partnership Mgt | | |
| | 8. Key Financial Systems: Payroll (Oracle HR key controls) – following implementation of the new Oracle HR system in October 2024, this review will consider the effectiveness of key payroll-related controls and processes including administering payments, integration with ledgers and overall payroll cost reporting. | The Council has the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Technology & Information Financial & Budget Mgt Reputational Service Delivery People Supplier /Partnership Mgt | 40 | High |
| | 9. Review of Investigations Team – review in line with Tanner Report recommendations. This review will consider the overall strategy and service delivery planning for the Council's in-house Investigations Team including service standards, monitoring, reporting and oversight arrangements. | The Council has the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Governance & Decision Making Service Delivery Fraud & SOC Legislative & Regulatory Reputational People | 40 | Medium |
| Place | 10. Processing Applications for Unlicensed HMOs – review of the processing applications for unlicensed HMOs in line with the GRBV committee amendment in January 2025, will consider the conflict of legal obligations and all points as set out in the Committee amendment . | People have decent, energy efficient, climate proofed homes they can afford to live in. | Governance & Decision Making Legislative & Regulatory Reputational Service Delivery Health & Safety People | 30 | Medium |
| | 11. Management of Multi-storey and High Rise Housing Properties – review of the design and effectiveness of key controls in place to ensure adequate management of multi-storey and high rise housing properties including consideration of health and safety, planned and reactive maintenance. | People have decent, energy efficient, climate proofed homes they can afford to live in. | Legislative & Regulatory Property Financial & Budget Mgt Reputational Service Delivery Programme and Project Supplier /Partnership Mgt Health & Safety People | 35 | Medium |
| Children, Education | 12. Management of School Funds – review of the design and operational effectiveness of key controls established to ensure | Attainment, achievement, and positive destinations | Governance & Decision Making Legislative & Regulatory | 50 | High |

| Priority Audits | | | | | |
|---|--|---|--|------|------------|
| Auditable Area | Audit | Business Plan Outcome | Risk Categories | Days | Fraud Risk |
| and Justice Services | school funds are managed effectively within individual school establishments. Will include a sample of schools and consider central oversight and monitoring. | are improved for all with a particular focus on those in poverty. | Fraud & SOC Financial & Budget Mgt Reputational | | |
| Health and Social Care Partnership (HSCP) | 13. Grip and Control Programme – will consider the HSCP’s approach to strengthening financial grip and control in response to financial and service delivery challenges. Will consider the overall scope of the programme and monitoring and authorisation processes for key expenditure and workstreams. | We have the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Governance & Decision Making Legislative & Regulatory Service Delivery Supplier /Partnership Mgt Health & Safety People | 35 | High |
| | 14. Management of Resident Funds in Care Homes - review of the design and operational effectiveness of key controls established to ensure resident funds in care homes are managed effectively within individual care homes. The audit will review arrangements for all care homes and consider central oversight and monitoring. | Core services for people in need of care and support are improved. | Governance & Decision Making Financial & Budget Mgt Fraud & SOC Reputational People | 40 | High |
| Total Priority Audit Days | | | | 555 | |

| Indicative Audits | | | | | |
|-------------------|--|---|--|------|------------|
| Auditable Area | Audit | Business Plan Outcome | Risk Categories | Days | Fraud Risk |
| Cross Directorate | 15. Redeployment – review of the design and operating effectiveness of key controls established to manage redeployment across the Council. Will include a review of a sample of cases and overall monitoring and oversight arrangements. | We have the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Financial & Budget Mgt Governance & Decision Making Reputational People Legislative & Regulatory Service Delivery | 30 | Medium |
| | 16. Organisational Culture – as part of a programme of audits over the period 2025 – 27, this review will consider the effectiveness of controls in place to manage organisational culture related risks, in line with best practice guidance on auditing culture including tone at the top and accountability. | We have the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Governance & Decision Making Strategic Delivery Reputational Legislative & Regulatory Service Delivery | 50 | Medium |

| Indicative Audits | | | | | |
|-------------------|---|---|---|------|------------|
| Auditable Area | Audit | Business Plan Outcome | Risk Categories | Days | Fraud Risk |
| | Will also consider how well services work together to seek assurance on interdependency effectiveness. | | People | | |
| | 17. Consultation and Engagement Policy Implementation – this audit will follow on from the 2022 audit which assessed the design of the key controls to support governance and implementation of the new Consultation and Engagement Policy approved in 2021. The review will consider a sample of consultations across the Council and the HSCP and subsequent actions including recording and evaluating feedback and how this informs service delivery/change. | Core services for people in need of care and support are improved. | Governance & Decision Making Service Delivery Strategic Delivery Legislative & Regulatory Reputational People | 30 | Low |
| | 18. Preparedness for the Martyn's Law – Terrorism (Protection of Premises) Bill – agile review of the Council's preparedness for implementation of Martyn's Law, which will require the authority to prepare for protection from a terrorist attack, in line with standard tier premises (capacity of 200+) and enhanced tier premises (800+). | Edinburgh has a stronger, greener, fairer economy and remains a world leading cultural capital. | Governance & Decision Making Supplier /Partnership Mgt Health & Safety Service Delivery Legislative & Regulatory Reputational Resilience People Property | 30 | Low |
| Major Programmes | 19. Visitor Levy for Edinburgh Implementation – following the decision by the Council in January 2025 to adopt a visitor levy scheme for Edinburgh, audit work will be undertaken on an agile basis to provide assurance of key considerations as the scheme develops including consideration of Visitor Levy (Scotland) Act 2024 requirements. | Edinburgh has a stronger, greener, fairer economy and remains a world leading cultural capital. | Governance & Decision Making Legislative & Regulatory Supplier /Partnership Mgt Service Delivery Strategic Delivery Financial & Budget Mgt Reputational People | 40 | Medium |
| CE Office | 20. Equalities and Diversity Framework (EDI) Development – will consider progress with the delivery of the three interim equality outcomes for 2025-26 – as per the recommended approach by the Equality and Human Rights Commission. In addition, the review will consider pre-development activity, the | All | Governance & Decision Making Service Delivery Strategic Delivery Legislative & Regulatory | 30 | Low |

| Indicative Audits | | | | | |
|--------------------|---|---|--|------|------------|
| Auditable Area | Audit | Business Plan Outcome | Risk Categories | Days | Fraud Risk |
| | consultation approach and how feedback is used to shape the Council's 2026-30 EDI Framework. | | Reputational People Property | | |
| | 21. City Region Deal: Benefits Realisation - review of the approach and methodology for benefits measurement for the CRD across each of the five themes (Innovation, Housing, Skills, Transport & Culture). Will include the processes for identification, tracking and monitoring of both quantitative and qualitative benefits and ensuring that benefits are recorded and reported accurately and transparently. | Edinburgh has a stronger, greener, fairer economy and remains a world leading cultural capital. | Programme & Project Mgt Financial & Budget Mgt Strategic Delivery Governance & Decision Making Reputational Supplier /Partnership Mgt | 30 | Medium |
| Corporate Services | 22. Filtering Management – will review creation, ongoing management and testing of internet filtering solutions in place within the Council to ensure appropriate controls are in place to maintain the agreed filtering specification. Will consider both CGI and Council controls as raised by GRBV at the March 2025 Committee. | We have the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Legislative & Regulatory Technology & Information Supplier /Partnership Mgt Reputational Service Delivery Health & Safety | 30 | Medium |
| Place | 23. Short Term Lets Licencing – review of arrangements established to manage licencing of short-term lets including submission of required supporting information, fees, statutory notices, exemptions, compliance, and enforcement. | Edinburgh has a stronger, greener, fairer economy and remains a world leading cultural capital. | Governance & Decision Making Legislative & Regulatory Health & Safety Service Delivery Financial & Budget Mgt Fraud & SOC Reputational People | 35 | Medium |
| | 24. Venue and Events Booking and Management – review will consider the design and operating effectiveness of key controls established to ensure compliance with the Council's Venue and Events Booking Policy approved in January 2024 including income managements, data governance, key systems controls and use of the SARA process (Scan, Analyse, Respond and Assess) to assess events and inform risk assessments. | Edinburgh has a stronger, greener, fairer economy and remains a world leading cultural capital. | Technology & Information Financial & Budget Mgt Supplier /Partnership Mgt Service Delivery Fraud & SOC Legislative & Regulatory Reputational People | 35 | Medium |

| Indicative Audits | | | | | |
|--|--|---|--|------|------------|
| Auditable Area | Audit | Business Plan Outcome | Risk Categories | Days | Fraud Risk |
| | 25. Low Emission Zone (LEZ) management – will review the adequacy and operating effectiveness of key controls and processes established for management of the LEZ zone including signage, calculation and issue of penalty charge notices, income collection, exemptions, discounts and surcharges, processing appeals and reporting/oversight arrangements. | Edinburgh is a cleaner, better maintained city that we can all be proud of. | Technology & Information Legislative & Regulatory Supplier /Partnership Mgt Service Delivery Fraud & SOC Reputational Financial & Budget Mgt People | 35 | Medium |
| | 26. Transport Asset Management Plan (TAMP) - review of progress with implementing the TAMP which covers the Council's Road assets across the period 2023-2026. Will consider completion of routine, reactive and planned maintenance programmes, performance and quality assurance as well as service standards and customer satisfaction. <i>Will exclude structures such as bridges and street lighting/permanent traffic signals as these have been previously reviewed.</i> | Edinburgh is a cleaner, better maintained city that we can all be proud of. | Technology & Information Legislative & Regulatory Supplier /Partnership Mgt Service Delivery Fraud & SOC Financial & Budget Mgt Reputational People | 40 | Low |
| Children, Education and Justice Services | 27. Schools Insurance Arrangements – review of processes established to manage the various insurance requirements within schools including the physical school estate such as buildings and playgrounds, general housekeeping, charging e-bikes, animals in schools and maintenance requirements for retaining insurance cover as well as insurance arrangements for school trips and incidents. | We have the capacity, skills, and resources to deliver our priorities efficiently, effectively and at lower cost. | Legislative & Regulatory Supplier /Partnership Mgt Financial & Budget Mgt Service Delivery Fraud & SOC Reputational Property People | 40 | Medium |
| | 28. Foster & Kinship Carer Allowances – review of key controls established by the Council to meet the new national allowances introduced in August 2023 including support and information provided to carers, processes for assessing and administering payments across the various age ranges, including back-dated payments, where relevant. | Core services for people in need of care and support are improved. | Legislative & Regulatory Financial & Budget Mgt Supplier /Partnership Mgt Service Delivery Fraud & SOC Reputational People | 35 | Medium |

| Indicative Audits | | | | | |
|---|---|--|--|------|------------|
| Auditable Area | Audit | Business Plan Outcome | Risk Categories | Days | Fraud Risk |
| | 29. Throughcare – Release on Licence – will consider the Council adoption of the Throughcare Assessment for Release on Licence (TARL) framework and guidance developed by Social Work Scotland (updated April 2024), which aims to provide an integrated approach to Social Work submissions to the parole board for long term prisoners, and support the Council in managing associated risks in the community. | People can access fair work and the support they need to prevent and stay out of poverty and homelessness. | Legislative & Regulatory Service Delivery Financial & Budget Mgt Supplier /Partnership mgt Health & Safety People | 35 | Medium |
| Health and Social Care Partnership (HSCP) | 30. Self-Directed Support (Adult Services) – review of the adequacy and effectiveness of key controls established to ensure compliance with the Council's Self-Directed Support (SDS) Policy implemented in November 2024, which aims to ensure consistency with the statutory guidance produced to support the delivery of Social Care (SDS) (Scotland) Act 2013 which was revised in November 2022. <i>Will focus on adult services only as a review of SDS for Children's Services was complete in June 2023.</i> | Core services for people in need of care and support are improved. | Financial & Budget Mgt Supplier /Partnership Mgt Legislative & Regulatory Service Delivery Fraud & SOC Reputational People | 35 | Medium |
| Total Indicative Audit Days | | | | 560 | |

| Recurring Audits | | | | | |
|----------------------------|---|---|--|------|------------|
| Auditable Area | Audit | Business Plan Outcome | Risk Categories | Days | Fraud Risk |
| Cross Directorate | 31. Annual Validation Audit - review of a sample of previously implemented and closed IA agreed management actions to confirm that they have been effectively sustained. | All | All | 30 | Medium |
| Place | 32. Port Facility Security Plan - annual review of the existence and operation of the Port Facility Security Plan as per Department for Transport requirements. Will also consider contract management arrangements for the new security provider onboarded in 2025. | Edinburgh has a stronger, greener, fairer economy and remains a world leading cultural capital. | Legislative & Regulatory Supplier /Partnership Mgt Health & Safety Financial & Budget Mgt People Property | 30 | Medium |
| Total Recurring Audit Days | | | | 60 | |

| Other Organisations | Audit Service | Days |
|--|--|------------|
| Lothian Pension Fund | (33-37) Preparation of IA plan, four audits and committee attendance. Will be supported as part of co-source arrangements. Will also include an annual validation audit. | 110 |
| Edinburgh Integration Joint Board | (38-41) Preparation of IA plan, three audits and committee attendance. Two audits will be delivered by the Council's IA team, and one delivered with support from NHS Lothian's IA team. Will also include an annual validation audit. | 90 |
| South-East of Scotland Transport Network (SEStran) | (42) One audit delivered as part of established audit service arrangement. | 20 |
| Lothian Valuation Joint Board | (43) One audit delivered as part of established audit service arrangement. | 25 |
| Royal Edinburgh Military Tattoo | (44) One audit delivered as part of established audit service arrangement. | 20 |
| Total Audit Days for Other Organisations | | 265 |

| Other IA Activities | Days |
|---|------------|
| Follow up to confirm that agreed management actions have been effectively implemented | 150 |
| IA Quality Assurance including annual GIAS self-assessment | 30 |
| Provision of an External Quality Assessment as part of SLACIAG peer review group | 25 |
| GIAS implementation including process updates and training | 30 |
| Training (CPD, colleague induction, leadership, TeamMate+ and general controls) | 25 |
| ALEO internal control review | 40 |
| Total other IA activities | 300 |
| Contingency – including extended scope, additional requests and ad-hoc advisory work | 100 |

| Area | Days | Area | Days |
|-------------------------|-------------|------------------|-------------|
| Priority Audits | 555 | Other Activities | 300 |
| Indicative Audits | 560 | Contingency | 100 |
| Recurring Audits | 60 | Total | 1840 |
| Other Orgs Audits | 265 | | |
| Total audit days | 1440 | | |

Appendix 2: 2025/26 Risk Assessment and Assurance Map

The GIAS requires IA to consider where coordination and reliance on other assurance sources can be placed. An assurance map is a matrix which sets out an organisation's risks and all the internal and external sources of assurance which cover these risks. This visualisation helps to expose coverage gaps and duplication. The map also helps to provide an overall view of assurance activity and helps to prevent audit fatigue in the areas and processes being reviewed.

The maturity of the Council's assurance map remains at a basic level, therefore in developing the 2025/26 plan, IA has set out an initial assurance map for the Council and a summary is provided below. As part of the IA Strategy, IA will coordinate with the Corporate Risk Team, internal assurance teams, and external assurance providers to support development an assurance map covering the Council's risk categories and high level key controls.

| Risk category | Risk Appetite | Previous IA Assurance | | | 2025/26 audit coverage | Other assurance sources |
|--|---------------|---|---|--|--|---|
| | | 22/23 | 23/24 | 24/25 | | |
| Strategic Delivery | Cautious | <ul style="list-style-type: none"> • Empowered Learning Programme • Council Emissions Reduction Plan • Insurance Services • New Consultations Policy • Sensory Loss Support Services | <ul style="list-style-type: none"> • Budget Lessons Learned • Fleet Asset Mgt Plan • Enterprise Resource Planning • Trams to Newhaven • Mental Health Strategy (Thrive) | <ul style="list-style-type: none"> • Partnership Working • Value for Money • Non-contracted spend & waivers • Integrated Impact Assessments • Major Projects • Flexible Workforce • Committee Reporting | <ul style="list-style-type: none"> • Edinburgh Bio-diversity Action Plan • Mosaic Social Care Operating System • Change Programme & delivery of MTFP • Organisational Culture • Consultation & Engagement Policy • Visitor Levy Scheme • Equalities & Diversity Framework • City Region Deal – Benefits Realisation | <ul style="list-style-type: none"> • External Audit including Best Value |
| Financial and Budget Management | Cautious | <ul style="list-style-type: none"> • Swift Controls • Management of the HRA • Purchase Cards • Levelling-up – Granton Gasholder • Vendor Bank Mandates • IFRS 16 Lease Accounting • Self-Directed Support – Children's Services • Sensory Loss Support Services • Insurance Services | <ul style="list-style-type: none"> • Budget Lessons Learned • Debtors • VAT • HSCP Financial Sustainability • Fleet Asset Management Plan • Edinburgh Employer Recruitment Incentive • Overtime & Expenses • Enterprise Resource Planning • Trams to Newhaven • Supplier & Contract Management • Procurement | <ul style="list-style-type: none"> • Partnership Working • Value for Money • Non-contracted spend & waivers • Major Projects • School Fund Management • Flexible Workforce • Attendance Management • RAAC • City Region Deal – Cost Inflation • TMDF • New Parking Rules • Refugee & Migration Services • Committee Reporting | <ul style="list-style-type: none"> • Inventory Management • Mosaic Social Care Operating System • Change Programme & delivery of MTFP • Payroll – Key controls • Management of multi-storey & high rise housing • Management of school funds • HSCP Grip & control programme • Management of resident funds in care homes • Redeployment • Visitor Levy Scheme • City Region Deal – Benefits Realisation • Short Term Lets Licencing • Venue & Events Booking | <ul style="list-style-type: none"> • External Audit including Best Value |

| Risk category | Risk Appetite | Previous IA Assurance | | | 2025/26 audit coverage | Other assurance sources |
|--|---------------|--|--|--|--|---|
| | | 22/23 | 23/24 | 24/25 | | |
| | | <ul style="list-style-type: none"> • New Consultations Policy | <ul style="list-style-type: none"> • Void Management • Mixed Tenure Works • Scaffolding • Corporate Property Helpdesk | | <ul style="list-style-type: none"> • Low Emission Zone Management • Transport Asset Management Plan • School's Insurance Arrangements • Foster & Kinship Carer Allowances • Self Directed Support (Adults) • Port-Facility Security Plan | |
| Programme and Project Delivery | Open | <ul style="list-style-type: none"> • Trams to Newhaven • Enterprise Resource Planning • City Region Deal • Empowered Learning Programme • Levelling-up – Granton Gasholder • Active Travel • Council Emissions Reduction Plan • New Consultations Policy | <ul style="list-style-type: none"> • Trams to Newhaven • Enterprise Resource Planning • Fleet Asset Management Plan | <ul style="list-style-type: none"> • Value for Money • Non-contracted spend & waivers • Major Projects • RAAC • City Region Deal – Cost Inflation • Committee Reporting | <ul style="list-style-type: none"> • Edinburgh Bio-diversity Action Plan • Mosaic Social Care Operating System • Change Programme & delivery of MTFP • Management of multi-storey & high rise housing • Visitor Levy Scheme • City Region Deal – Benefits Realisation • Transport Asset Management Plan | <ul style="list-style-type: none"> • External Audit including Best Value |
| Health and Safety including public safety | Averse | <ul style="list-style-type: none"> • Swift System • Technology Controls • Port Facility Security Plan • Role Specific Learning • Transitions from Children's Services to Adult Social Care • Active Travel | <ul style="list-style-type: none"> • Outdoor Infrastructure • Health & Safety Arrangements • Community Centres • Scaffolding • Corporate Property Helpdesk • Port Facility Security Plan • Tenant Safety, Damp & Mould • Mental Health Strategy (Thrive) • Repairs Right First Time | <ul style="list-style-type: none"> • Security arrangements in council premises • RAAC • New Parking Rules • Safety of Council Operated Heavy Vehicles • Refugee & Migration Services • Food Safety & Hygiene • Flood Management • GIRFEC • Quality Assurance • Attendance Management • Social Care Direct • Waiting lists & assessments • Port Facility Security Plan • Support for Carers | <ul style="list-style-type: none"> • Customer Contact Journey • Operational Resilience • Edinburgh Bio-diversity Action Plan • HMO Licensing • HSCP Grip & control • Preparedness for Martyn's Law • Filtering Management • Short-Term Lets Licencing • Throughcare – Release on Licence • Port-Facility Security Plan | <ul style="list-style-type: none"> • Corporate Health & Safety audit programme |

| Risk category | Risk Appetite | Previous IA Assurance | | | 2025/26 audit coverage | Other assurance sources |
|---|---------------|---|---|--|--|---|
| | | 22/23 | 23/24 | 24/25 | | |
| Resilience | Cautious | <ul style="list-style-type: none"> • Port Facility Security Plan • SEEMIS System • Swift System • Role Specific Learning & Development for Council Officers | <ul style="list-style-type: none"> • Port Facility Security Plan • Cyber Incident Response • CGI IT Currency Management • Recruitment & Selection | <ul style="list-style-type: none"> • CGI Service Stability • CGI Incident Response • Port Facility Security Plan • Security arrangements in council premises • Attendance Management • Flood Management | <ul style="list-style-type: none"> • Operational Resilience • Mosaic Social Care Operating System • Preparedness for Martyn's Law • CGI Back-up Regime • Port-Facility Security Plan | <ul style="list-style-type: none"> • Desktop incident response exercises |
| Supplier, Contracts and Partnership Management | Cautious | <ul style="list-style-type: none"> • Port Facility Security Plan • SEEMIS System • Swift System • Education ICT Support • Repairs & Maintenance Framework • Active Travel | <ul style="list-style-type: none"> • Port Facility Security Plan • Corporate Property Helpdesk • Supplier & Contract Management • Procurement • Repairs Right First Time • Void Management • Scaffolding • Tenants Safety, Damp & Mould • Mixed Tenure Works • Edinburgh Employer Recruitment Incentive | <ul style="list-style-type: none"> • Port Facility Security Plan • Change Programme • Partnership Working • Value for Money • Non-contracted spend • Major Projects • RAAC • City Region Deal • CGI Service Stability • CGI Incident Response • Quality Assurance • Workforce Planning • New Parking Rules • Safety of Council Operated Heavy Vehicles • Refugee & Migration Services • Support for Carers | <ul style="list-style-type: none"> • Inventory Management • Mosaic Social Care Operating System • Operational Resilience • Edinburgh Bio-diversity Action Plan • Change Programme & delivery of MTFP • CGI Back-up Regimes • Management of multi-storey & high rise housing • HSCP Grip & control • Preparedness for Martyn's Law • Visitor Levy Scheme • City Region Deal – Benefits Realisation • Filtering Management • Venue & Events Booking • Low Emission Zone Management • Transport Asset Management Plan • School's Insurance Arrangements • Foster & Kinship Carer Allowances • Throughcare – Release on Licence • Self Directed Support (Adults) • Port-Facility Security Plan | <ul style="list-style-type: none"> • Contract & Procurement Services quality review programme |
| Technology and Information | Cautious | <ul style="list-style-type: none"> • SEEMIS System • Swift System • CGI Security Operations Centre • CGI Enterprise Architecture | <ul style="list-style-type: none"> • Supplier & Contract Management • CGI Complex Change • CGI IT Currency Management • Edinburgh Employer Recruitment Incentive | <ul style="list-style-type: none"> • Major Projects • CGI Service Stability • CGI Incident Response • Waiting lists & assessments • New Parking Rules | <ul style="list-style-type: none"> • Customer Contact Journey • Operational Resilience • Inventory Management • Mosaic Social Care Operating System • Change Programme & delivery of MTFP • CGI Back-up Regimes | <ul style="list-style-type: none"> • External Audit • Public Sector Cyber Action Plan • Desktop / simulation exercises |

| Risk category | Risk Appetite | Previous IA Assurance | | | 2025/26 audit coverage | Other assurance sources |
|---------------------------------------|---------------|---|--|--|---|---|
| | | 22/23 | 23/24 | 24/25 | | |
| | | <ul style="list-style-type: none"> • CGI Technology Risk Management • Records Management & Statutory Requests | <ul style="list-style-type: none"> • Mixed Tenure Works • Repairs Right First Time • Corporate Property Helpdesk • Tenant Safety - Damp & Mould | <ul style="list-style-type: none"> • Safety of Council Operated Heavy Vehicles • Food Safety & Hygiene • Flood Management • GIRFEC • Social Care Direct • Security arrangements in council premises • Whistleblowing & Assurance Actions | <ul style="list-style-type: none"> • Payroll – Key controls • Filtering Management • Venue & Events Booking • Transport Asset Management Plan | <ul style="list-style-type: none"> • Information Commissioner's Office |
| Governance and Decision Making | Averse | <ul style="list-style-type: none"> • Swift System • Management of the HRA • Role Specific Learning • Levelling-up – Granton Gasholder • City Region Deal • Active Travel • Induction a& Ongoing Learning for Elected Members • Transitions from Children's Services to Adult Social Care • Sensory Loss Support Services • New Consultations Policy | <ul style="list-style-type: none"> • Review of Historic Complaints • GRBV skills assessment & self-evaluation • Procurement • Supplier & Contract Management • Edinburgh Employer Recruitment Incentive • Mixed Tenure Works • Repairs Right First Time • Tenant Safety - Damp & Mould | <ul style="list-style-type: none"> • Committee Reporting • Partnership Working • Value for Money • Non-contracted spend & waivers • Integrated Impact Assessments • Major Projects • City Region Deal – Cost Inflation • RAAC • Quality Assurance • Whistleblowing • School Fund Management • Flexible Workforce • GIRFEC • Educational Support Provision • Early Years Cross Boundary Places | <ul style="list-style-type: none"> • Edinburgh Bio-diversity Action Plan • Mosaic Social Care Operating System • Change Programme & delivery of MTFP • Investigations Team • HMO Licensing • Management of School Funds • HSCP Grip & Control • Management of Resident Funds in Care Homes • Redeployment • Organisation Culture • Consultation & Engagement Policy Implementation • Visitor Levy Scheme • Equalities & Diversity Framework • City Region Deal – Benefits Realisation • Preparedness for Martyn's Law • Short-term Lets Licensing | <ul style="list-style-type: none"> • Governance & Assurance work programme • External Audit – Best Value |
| Service Delivery | Open | <ul style="list-style-type: none"> • SEEMIS System • Swift System • Role Specific Learning • Ongoing Education ICT Support | <ul style="list-style-type: none"> • Mixed Tenure Works • Void Management • Tenant Safety - Damp & Mould • Scaffolding • Recruitment & Selection | <ul style="list-style-type: none"> • Change Programme • Partnership Working • Value for Money • Non-contracted spend • Integrated Impact Assessments • Major Projects | <ul style="list-style-type: none"> • Customer Contact Journey • Operational Resilience • Inventory Management • Mosaic Social Care Operating System • Change Programme & delivery of MTFP • CGI Back-up Regimes • Investigations Team | <ul style="list-style-type: none"> • Corporate Health & Safety audit programme • Quality, Governance & Regulation |

| Risk category | Risk Appetite | Previous IA Assurance | | | 2025/26 audit coverage | Other assurance sources |
|---------------|---------------|--|---|---|---|--|
| | | 22/23 | 23/24 | 24/25 | | |
| | | <ul style="list-style-type: none"> • Self-Directed Support – Children’s Services • Transitions from Children’s Services to Adult Social Care • Sensory Loss Support Services • Early Years Expansion • Active Travel • New Consultations Policy | <ul style="list-style-type: none"> • Repairs Right First Time • Community Centres • Edinburgh Employer Recruitment Incentive • Budget Lessons Learned • Debtors • VAT • Corporate Property Helpdesk • Mental Health Strategy (Thrive) • Supplier & Contract Management | <ul style="list-style-type: none"> • Voter ID • Waiting lists & assessments • New Parking Rules • Safety of Council Operated Heavy Vehicles • Food Safety & Hygiene • Flood Management • GIRFEC • Social Care Direct • Attendance Management • Flexible Workforce • Quality Assurance • CGI Service Stability • School Funds Management • Committee Reporting • Support for Carers • Educational Support Provision • Early Years Cross Boundary Places • Refugee & Migration Services | <ul style="list-style-type: none"> • HMO Licensing • Management of multi-storey & high rise housing • HSCP Grip & control • Redeployment • Organisational Culture • Consultation & Engagement Policy • Visitor Levy Scheme • Preparedness for Martyn’s Law • Equalities & Diversity Framework • Filtering Management • Venue & Events Booking • Transport Asset Management Plan • Low Emission Zone Management • School’s Insurance Arrangements • Foster & Kinship Carer Allowances • Throughcare – Release on Licence • Self-Directed Support (Adults) | <ul style="list-style-type: none"> • Quality, Improvement & Curriculum team • Housing Service Quality Improvement Team |
| People | Cautious | <ul style="list-style-type: none"> • SEEMIS System • Swift System • Role Specific Learning • Transitions from Children’s Services to Adult Social Care • Records Mgt & Statutory Requests • Sensory Loss Support Services • Early Years Expansion | <ul style="list-style-type: none"> • Supplier & Contract Management • Procurement • Recruitment & Selection • Overtime & Expenses • Mental Health Strategy (Thrive) • Community Centres • Tenant Safety - Damp & Mould • Repairs Right First Time | <ul style="list-style-type: none"> • Social Care Direct • Attendance Management • Flexible Workforce • Waiting lists & assessments • Partnership Working • Security arrangements in council premises • Quality Assurance • Whistleblowing & Assurance Actions • Value for Money • Support for Carers | <ul style="list-style-type: none"> • Customer Contact Journey • Operational Resilience • Mosaic Social Care Operating System • Change Programme & delivery of MTFP • Payroll – Key controls • HMO Licensing • Management of multi-storey & high rise housing • HSCP Grip & Control • Management of Resident Funds in Care Homes • Redeployment • Organisational Culture | <ul style="list-style-type: none"> • External Audit • Corporate Health & Safety audit programme • Quality, Governance & Regulation • Quality, Improvement & Curriculum team • Housing Service Quality |

| Risk category | Risk Appetite | Previous IA Assurance | | | 2025/26 audit coverage | Other assurance sources |
|--|---------------|---|--|---|---|--|
| | | 22/23 | 23/24 | 24/25 | | |
| | | <ul style="list-style-type: none"> • Active Travel • New Consultations Policy | | <ul style="list-style-type: none"> • Educational Support Provision • Early Years Cross Boundary Places • Refugee & Migration Services | <ul style="list-style-type: none"> • Consultation & Engagement Policy • Preparedness for Martyn's Law • Visitor Levy Scheme • Equalities & Diversity Framework • Short-term Lets Licensing • Venue & Events Booking • Low Emission Zone Management • Transport Asset Management Plan • School's Insurance Arrangements • Foster & Kinship Carer Allowances • Throughcare – Release on Licence • Self-Directed Support (Adults) • Port Facility Security Plan | Improvement Team |
| Regulatory and Legislative Compliance | Averse | <ul style="list-style-type: none"> • Records Management & Statutory Requests • SEEMIS System • Swift System • Role Specific Learning • Port Facility Security Plan • Levelling-up – Granton Gasholder • Repairs & Maintenance Framework • Active Travel • Induction & Ongoing Learning for Elected Members • Council Emissions Reduction Plan • IFRS 16 Lease Accounting • New Consultations Policy | <ul style="list-style-type: none"> • Fleet Asset Management Plan • Tenant Safety- Damp & Mould • Void Management • Repairs Right First Time • Scaffolding • Review of Historic Complaints • Recruitment & Selection • Port Facility Security Plan • Outdoor infrastructure • Health & Safety Findings only • Edinburgh Employer Recruitment Incentive • Mental Health Strategy (Thrive) • Community Centres | <ul style="list-style-type: none"> • Partnership Working • Value for Money • Non-contracted spend & waivers • Integrated Impact Assessments • Voter ID • Waiting lists & assessments • New Parking Rules • Safety of Council Operated Heavy Vehicles • Committee Reporting • TMDF • Port Facility Security Plan • Food Safety & Hygiene • Flood Management • GIRFEC • Social Care Direct • Attendance Management • Quality Assurance • Whistleblowing & Assurance Actions • RAAC | <ul style="list-style-type: none"> • Customer Contact Journey • Operational Resilience • Edinburgh Bio-diversity Action Plan • Investigations Team • HMO Licensing • Management of multi-storey & high rise housing • HSCP Grip & Control • Redeployment • Organisational Culture • Consultation & Engagement Policy • Preparedness for Martyn's Law • Visitor Levy Scheme • Equalities & Diversity Framework • Filtering Management • Short-term Lets Licensing • Low Emission Zone Management • Transport Asset Management Plan • School's Insurance Arrangements • Foster & Kinship Carer Allowances • Throughcare – Release on Licence • Self-Directed Support (Adults) • Port Facility Security Plan | <ul style="list-style-type: none"> • External Audit • Care Inspectorate • Scottish Housing Regulator • HMIE • Corporate Health & Safety audit programme • Quality, Governance & Regulation • Quality, Improvement & Curriculum team • Housing Service Quality Improvement Team |

| Risk category | Risk Appetite | Previous IA Assurance | | | 2025/26 audit coverage | Other assurance sources |
|---------------------|---------------|---|---|---|--|---|
| | | 22/23 | 23/24 | 24/25 | | |
| | | <ul style="list-style-type: none"> • Self-Directed Support – Children’s Services • Transitions from Children’s Services to Adult Social Care • Sensory Loss Support Services • New Consultations Policy | | <ul style="list-style-type: none"> • Educational Support Provision • Early Years Cross Boundary Places | | |
| Reputational | Cautious | <ul style="list-style-type: none"> • Management of the HRA • Purchase Cards • Port Facility Security Plan • Levelling-up – Granton Gasholder • Council Emissions Reduction Plan • Transitions from Children’s Services to Adult Social Care • Records Management & Statutory Requests • Sensory Loss Support Services • Early Years Expansion • Active Travel • Role Specific Learning • Induction & Ongoing Learning for Elected Members • New Consultations Policy | <ul style="list-style-type: none"> • Review of Historic Complaints • Mental Health Strategy (Thrive) • Port Facility Security Plan • Community Centres • Outdoor infrastructure • Health & Safety Findings only • Edinburgh Employer Recruitment Incentive • Repairs Right First Time • Tenant Safety – Damp & Mould • Corporate Property Helpdesk • Recruitment & Selection | <ul style="list-style-type: none"> • Major Projects • Security arrangements in council premises • Partnership Working • Value for Money • Non-contracted spend • Integrated Impact Assessments • RAAC • Waiting lists & assessments • Food Safety & Hygiene • Flood Management • GIRFEC • Social Care Direct • Attendance Management • Quality Assurance • Whistleblowing & Assurance Actions • Committee Reporting • Educational Support Provision • Early Years Cross Boundary Places | <ul style="list-style-type: none"> • Customer Contact Journey • Operational Resilience • Inventory Management • Edinburgh Bio-diversity Action Plan • Investigations Team • HMO Licensing • Mosaic Social Care Operating System • Change Programme & delivery of MTFP • Payroll – Key controls • Management of multi-storey & high rise housing • CGI Back-up Regimes • Filtering Management • Management of School Funds • Management of Resident Funds in Care Homes • Redeployment • Organisational Culture • Consultation & Engagement Policy Implementation • Preparedness for Martyn’s Law • Visitor Levy Scheme • Equalities & Diversity Framework • Short-term Lets Licensing • Venue & Events Booking • Low Emission Zone Management • Transport Asset Management Plan • School’s Insurance Arrangements | <ul style="list-style-type: none"> • Corporate Health & Safety audit programme • Quality, Governance & Regulation • Quality, Improvement & Curriculum team • Housing Service Quality Improvement Team |

| Risk category | Risk Appetite | Previous IA Assurance | | | 2025/26 audit coverage | Other assurance sources |
|--|---------------|--|---|---|--|---|
| | | 22/23 | 23/24 | 24/25 | | |
| | | | | | <ul style="list-style-type: none"> • Foster & Kinship Carer Allowances • Self-Directed Support (Adults) | |
| Fraud and Serious Organised Crime | Cautious | <ul style="list-style-type: none"> • Allocation & Management of Purchase Cards • Levelling-up – Granton Gasholder • Vendor Bank Mandates • Records Management & Statutory Requests • Role Specific Learning | <ul style="list-style-type: none"> • Edinburgh Employer Recruitment Incentive • Debtors • VAT • Procurement • Contract Management • Overtime & Expenses • Recruitment & Selection | <ul style="list-style-type: none"> • Partnership Working • Value for Money • Non-contracted spend & waivers • Voter ID • Major Projects • Refugee & Migration Services • Flexible Workforce • Quality Assurance | <ul style="list-style-type: none"> • Inventory Management • Investigations Team • Management of School Funds • Management of Resident Funds in Care Homes • Short-term Lets Licensing • Venue & Events Booking • School's Insurance Arrangements • Foster & Kinship Carer Allowances • Self-Directed Support (Adults) | <ul style="list-style-type: none"> • Annual Fraud Activity Reporting • External Audit |
| Property | Cautious | <ul style="list-style-type: none"> • Port Facility Security Plan • Levelling-up – Granton Gasholder • Council Emissions Reduction Plan • IFRS 16 Lease Accounting • Repairs & Maintenance Framework | <ul style="list-style-type: none"> • Port Facility Security Plan • Repairs Right First Time • Outdoor Infrastructure • Health & Safety Arrangements • Community Centres • Scaffolding • Tenant Safety, Damp & Mould • Supplier & Contract Management • Procurement | <ul style="list-style-type: none"> • Port Facility Security Plan • Major Projects • Security arrangements in council premises • Flood Management • RAAC | <ul style="list-style-type: none"> • Port Facility Security Plan • Inventory Management • Change Programme & delivery of MTFP • Management of multi-storey & high rise housing • Preparedness for Martyn's Law • Equalities & Diversity • School's Insurance Arrangements | <ul style="list-style-type: none"> • Housing Service Quality Improvement Team • Corporate Health & Safety audit programme |

Appendix 3: Risk Descriptions and Impact Statements

Internal Audit use the Council's risk descriptors in audit reports as well as impact statements. A summary of these is provided below:

| Risk Category | Risk Description | Impact Statement |
|---|---|---|
| Strategic Delivery | Inability to design and / or implement a strategic plan for the council. Risks arising from identifying and pursuing a strategy, which is poorly defined, is based on flawed or inaccurate data or fails to support the delivery of commitments, plans or objectives due to a changing macro-environment (e.g. Political, economic, social, technological, environment and legislative change). | Lack of clarity regarding future direction and structure of the council impacting quality and alignment of strategic decisions. |
| Financial and Budget Management | Inability to perform financial planning, deliver an annual balanced budget, manage cash flows, and confirm ongoing adequacy of reserves. Risks arising from not managing finances in accordance with requirements and financial constraints resulting in poor returns from investments, failure to manage assets/liabilities or to obtain value for money from the resources deployed, and/or non-compliant financial reporting. | Council is unable to continue to deliver services and implement change in line with strategic objectives, inability to meet financial directions including strategic partnerships, adverse external audit opinion, adverse reputational consequences. |
| Programme and Project Delivery | Inability to deliver major projects and programmes effectively, on time and within budget. Risks that change programmes and projects are not aligned with strategic priorities and do not successfully and safely deliver requirements and intended benefits to time, cost and quality. | Inability to deliver council strategy, achieve service delivery improvements and deliver savings targets. |
| Health and Safety (including Public Safety) | Risks arising from employees and / or citizens (including those in the council's care) suffer unnecessary injury and / or harm caused by a lack of health and safety awareness/effective systems. | Legal, financial and reputational consequences. |
| Resilience | Risks arising from ineffective/insufficient contingency planning resulting in an inability to respond to a sudden high impact event or major incident(s). | Disruption across the city to service delivery including essential services, and serious injury or harm to employees and / or citizens. |
| Supplier, Contractor, and Partnership Management | Risks arising from ineffective supplier and contractor management resulting in an inability to effectively manage the council's supplier and partnership relationships. | Inability to deliver services and major projects within budget and achieve best value. |

| | | |
|--|---|---|
| Technology and Information | <p>Potential failure of cyber defences, network security, application security, and physical security and operational arrangements.</p> <p>Risks arising from technology not delivering the expected services due to inadequate or deficient system/process development and performance or inadequate resilience.</p> | <p>Inability to use systems to deliver services, loss of data and information, regulatory and legislative breaches, and reputational consequences.</p> <p>Impact to services through systems not being fit for purpose</p> |
| Governance and Decision Making | <p>Inability of management and elected members to effectively manage and scrutinise performance and take appropriate strategic and operational decisions.</p> <p>Risks arising from unclear plans, priorities, authorities and accountabilities, and/or ineffective or disproportionate oversight of decision-making and/or performance.</p> | <p>Poor performance is not identified, and decisions are not aligned with strategic direction.</p> |
| Service Delivery | <p>Inability to deliver quality services that meet citizen needs effectively and in line with statutory requirements.</p> <p>Risks arising from inadequate, poorly designed or ineffective/inefficient internal processes resulting in fraud, error, impaired customer service (quality and/or quantity of service), non-compliance and/or poor value for money.</p> | <p>Censure from national government and regulatory bodies; and adverse reputational impacts.</p> |
| People | <p>Insufficient resources to support delivery of quality services that meet citizen needs effectively and in line with statutory requirements.</p> <p>Risks arising from ineffective leadership and engagement, suboptimal culture, inappropriate behaviours, the unavailability of sufficient capacity and capability, industrial action and/or non-compliance with relevant employment legislation/hr policies resulting in negative impact on performance.</p> | <p>Ongoing employee health and wellbeing, increased trade union concerns, censure from national government and regulatory bodies, and adverse reputational impacts.</p> <p>Impact of negative colleague behaviours culturally, reputationally, legal and financial.</p> |
| Regulatory and Legislative Compliance | <p>Delivery of council services and decisions are not aligned with applicable legal and regulatory requirements.</p> <p>Risks arising from a defective transaction, a claim being made (including a defence to a claim or a counterclaim) or some other legal event occurring, that results in a liability or other loss, or a failure to take appropriate measures to meet legal or regulatory requirements or to protect assets (for example, intellectual property).</p> | <p>Regulatory censure and penalties, legal claims, and financial consequences</p> |
| Reputational Risk | <p>Adverse publicity because of decisions taken and / or inappropriate provision of sensitive strategic, commercial and / or operational information to external parties.</p> <p>Risks arising from adverse events, including ethical violations, a lack of sustainability, systemic or repeated failures or poor quality or a lack of innovation, leading to damages to reputation and or destruction of trust and relations.</p> | <p>Adverse impact to the council's reputation in the public domain.</p> |

| | | |
|--|---|---|
| Fraud and Serious Organised Crime | Risks arising from a lack of support and awareness of what fraud and serious crime are resulting in isolated or systemic instances of internal and / or external fraud and / or serious organised crime. | Financial consequences, loss of systems, loss of data inability to deliver services, regulatory censure and penalties, and adverse reputational impacts. |
| Property | Risks arising from property deficiencies or poorly designed or ineffective/ inefficient safety management resulting in non-compliance and/or harm and suffering to employees, contractors, service users or the public. | Financial, reputational, legal, business continuity/resilience impact to council colleagues and citizens of unsafe/unavailable buildings. Impact to essential services if there are loss of premises impacts to for example schools/care homes. |