

BÒRD NA GÀIDHLIG

Coinneamh den Chomataidh Sgrùdaidh is Dearbhachd

Air loidhne – MS Teams Diardaoin 12/11/2020 09.30 – 12.30

CLÀR-GNOTHAICH

Audit and Assurance Committee

Online – MS Teams Thursday 12/11/2020 09.30 – 12.30

AGENDA

SEISEAN DUINTE		CLOSED SESSION	09.30 - 09.50
1.0	CÙISEAN TÒISEACHAIDH	OPENING ITEMS	
1.1	Fàilte & Leisgeulan	Welcome & Apologies	
1.2	A' Nochdadh Chom-pàirtean <i>Bu chòir do Bhuill com-pàirt ionmhasail no neo-ionmhasail a th' aca ann an cùis sam bith air am bithear a' beachdachadh a chlàradh, le bhith a' comharrachadh na puinge buntainniche agus an t-seòrsa com-pàirt a th' aca.</i>	Declaration of Interests <i>Members should declare any financial and non-financial interest they have in the items of business for consideration, identifying the relevant agenda item, and the nature of their interest.</i>	
1.3	Gnòthach Iomchaidh sam Bith Eile <i>Bu chòir iarrtas sam bith airson puinge eile a chur fo GISBE a chur gu Cathraiche na Comataidh dà latha ron choinneimh.</i>	AOCB <i>Any items for AOCB should be sent for consideration to the Committee Chair two days prior to the meeting.</i>	
2.0	GEÀRR-CHUNNTASAN	MINUTES	
2.1	RI AONTACHADH Geàrr-chunntasan nan coinneamhan mu dheireadh air 27/08/2020	FOR DECISION Minutes from previous meetings on 27/08/2020	
2.2	AIRSON FIOSRACHADH * Clàr Ghnìomhan na Comataidh Sgrùdaidh is Dearbhachd	FOR INFORMATION * Actions Log from Audit and Assurance Committee	
SEISEAN FOSGAILTE		OPEN SESSION	
3.0	IN-SGRÙDADH	INTERNAL AUDIT	
3.1	AIRSON AONTACHADH Aithisgean In-sgrùdaidh PT1 – Riaghlaidh Corporra PT2 – Solarachadh PT3 – Riaghailtean Ionmhais <i>Ailig Greumach, Ceann Roinn an Ionmhais</i>	FOR APPROVAL Internal Audit Reports PT1 – Corporate Governance PT2 – Procurement PT3 – Financial Controls <i>Alex Graham, Head of Finance</i>	
3.2	AIRSON AONTACHADH Leirmheas Èifeachdas na Comataidh <i>Shona NicIllinnein, Ceannard</i>	FOR APPROVAL Committee Effectiveness Review <i>Shona MacLennan, Ceannard</i>	

Pàipearan Fiosrachaidh

- Tha pàipearan 'Airson Fiosrachadh' airson a bhi a toirt-fa-near dhiubh agus chan eil ùine deasbad no còmhradh air an cur mun coinneamh sa chlàr gnothaich.
- Far am bheil cothrom ann deasbad is còmhradh a chumail air pàipearan 'Airson Fiosrachadh', bidh na pàipearan sin air an comharrachadh le rionnag * air a chlàr gnothaich.
- Bidh cothrom aig Buill deasbad iarraidh air pàipearan 'Airson Fiosrachadh' air nach eil rionnag * le bhi a' leigeil fios don Cathraiche na Comataidh co-dhiù latha ron choinneimh.
- Far am bheil ceistean aig Buill co-cheangailte ri leithid clàr-ghnìomhan, poileasaidhean, planaichean neo cùisean ionmhais a th' anns na pàipearan, thathar gam brosnachadh gus na ceistean sin a chur air post-d gu oifis@gaidhlig.scot co-dhiù dà latha obrach ron choinneamh. Cuiridh an sgioba rianachd a cheist sin air adhart chun oifigear iomchaidh airson am freagairt, agus airson a bhi cothromach thèid am freagairt a' sgaioleadh air na Buill gu lèir airson gum bidh an aon thuigse an uairsin aig a h-uile neach.

3.3	AIRSON FIOSRACHADH * Clàr Mholaidhean In-sgrùdaidh <i>Ailig Greumach, Ceann Roinn an Ionmhais</i>	FOR INFORMATION * Internal Audit Recommendations Table <i>Alex Graham, Head of Finance</i>
4.0	LUACH AS FHEÀRR	BEST VALUE
4.1	RI AONTACHADH Brath Luach as fheàrr <i>Shona NicIlinnein, Ceannard</i>	FOR DECISION Best Value Statement <i>Shona MacLennan, Ceannard</i>
5.0	AM PLANA LEASACHAIDH	IMPROVEMENT PLAN
5.1	AIRSON AONTACHADH Am Plana Leasachaidh PT1: Am Plana Leasachaidh <i>Shona NicIlinnein, Ceannard</i>	FOR APPROVAL Improvement Plan PT1. Improvement Plan <i>Shona MacLennan, Ceannard</i>
5.2	AIRSON AONTACHADH Gnàth-Riaghailtean PT1: Gnàth-Riaghailtean <i>Shona NicIlinnein, Ceannard</i>	FOR APPROVAL Terms of Reference PT1: Terms of Reference <i>Shona MacLennan, Ceannard</i>
5.3	AIRSON FIOSRACHADH (Labhairteach) Fios air coinneamh a' Bhuidheann-Stiùiridh <i>Jennifer Gilmour, Cathraiche a' Bhuidheann-Stiùiridh Plana Leasachaidh</i>	FOR INFORMATION (Verbal) Update on Improvement Plan Steering Group meeting <i>Jennifer Gilmour, Chair of the Improvement Plan Steering Group</i>
6.0	RIANACHD MHÌ-CHÌNNTEAN	RISK MANAGEMENT
6.1	RI AONTACHADH Clàr Mhì-Chinntean Ro-innleachdail <i>Shona NicIlinnein, Ceannard</i>	FOR DECISION Strategic Risk Register <i>Shona MacLennan, Ceannard</i>
7.0	RIAGHLADH	GOVERNANCE
7.1	RI AONTACHADH Plana Obrach 20/21 <i>Shona NicIlinnein, Ceannard</i>	FOR DECISION Workplan 20/21 <i>Shona MacLennan, Ceannard</i>
8.0	GISBE	AOCB
	Ceann-latha na h-ath choinneimh: 28/01/2021 09.30-12.30 Coinneamh dhùinte le luchd-sgrùdaidh/in-sgrùdaidh ma tha i a dhith	Date for the next meeting: 28/01/2021 09.30 – 12.30 Closed meeting with internal/external auditors if required.

Pàipearan Fiosrachaidh

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For	Audit & Assurance Committee
Date of Meeting	12/11/2020
Location:	Online
Item on Agenda	3.1

Title	Internal Audit Reports				
Request	For Approval				
Spokesperson	Ailig Greumach / Shona C NicIlinnein				
Governance route for the report	Date	Type of Treatment			
-	-	-			
Appendices	Yes Èarr-ràdh A – Internal Audit Reports PT1 – Corporate Governance PT2 – Financial Controls PT3 – Procurement and Shared Services				
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. The areas covered are: Financial Controls – rating Strong Corporate Governance – rating Substantial Procurement and Shared Services – rating Substantial The paper is in English because the appendices are in English. They are prepared by the Internal Auditors.				
2.0	Cùl-fhiosrachadh/Background				
2.1	This is the first 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
	Corporate Governance	0	1	4	5
	<i>Benchmark</i>	0	2	3	5
	Financial Controls	0	0	0	0
	<i>Benchmark</i>	0	1	1	2
	Procurement	0	3	3	6
	<i>Benchmark</i>	1	2	1	4

3.2	<table border="1"> <thead> <tr> <th>Good Practice</th> <th>No of Areas</th> </tr> </thead> <tbody> <tr> <td>Corporate Governance</td> <td>7</td> </tr> <tr> <td>Financial Controls</td> <td>11</td> </tr> <tr> <td>Procurement</td> <td>5</td> </tr> </tbody> </table>		Good Practice	No of Areas	Corporate Governance	7	Financial Controls	11	Procurement	5
	Good Practice	No of Areas								
	Corporate Governance	7								
	Financial Controls	11								
Procurement	5									
	Work has already begun on implementing these recommendations and they will all be included in the register of internal audit recommendations to monitor progress.									
4.0	Moladh /Recommendation									
4.1	The Committee is requested to: <ul style="list-style-type: none"> - Approve the reports presented. 									
5.0	Prìomh Bhuidhean Ro-innleachdach									
5.1	Buidhean air Ionmhas/Impact on Finance									
	Internal audit fees are included in the budget.									
5.2	Buidhean air Luchd-obrach/Impact on Staff									
	The recommendations in the reports will impact on a range of staff; particularly those involved with finance and procurement; and those involved in delivering corporate governance.									
5.3	Buidhean air Trèanadh/ Impact on Training									
	There are recommendations within the Procurement and Corporate Governance reports which relate to further training and development. Some of the training for procurement has already been carried out and there are further sessions planned. Training will be required for staff who operate any of the systems which will be changed as a result of these recommendations.									
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	Buidhean air Cliù/Impacts on Reputation									
	It is important the BnG continues to demonstrate improvement and these internal audit reports contribute to this.									
5.7	Buidhean air Slàinte is Sàbhailteachd/Impacts on Health and Safety									
	n/a									
5.8	Buidhean Laghail/Legal Impacts									
	Procurement is governed by a range of statutory duties and the report on procurement will ensure strong compliance with these duties.									
5.9	Buidhean air Co-ionannas/Impacts on Equality									
	n/a									

Bòrd na Gàidhlig

Internal Audit 2020-21

Corporate Governance
October 2020

Overall Conclusion

Substantial

Section	Page
1 EXECUTIVE SUMMARY	2
2 BENCHMARKING	11
3 DETAILED RECOMMENDATIONS	12
4 OBSERVATIONS	22
5 AUDIT ARRANGEMENTS	23
6 KEY PERSONNEL	24
Appendix	Page
A GRADING STRUCTURE	26
B ASSIGNMENT PLAN	28

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 the review was to ensure that the Organisation has appropriate governance arrangements in place and that these have been embedded throughout the whole Organisation. Our review considered the changes in the governance structure as well as the induction arrangements for new members.

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

Scope of review

Our objectives for this review were to ensure:

- The changes in the Board structure are appropriate and fit for purpose and are supported by terms of reference for the Board and the Committees which are clear and not overlapping.
- There is a robust induction process for new members.
- The Board and Committees have a programme of work in accordance with their terms of reference that allows them to make an effective and timely contribution.
- Members are provided with sufficient, high quality management information in their areas of responsibility.
- The Board and Committees are appropriately attended, and members are sufficiently engaged.
- The Board have effectively assessed their performance and the balance of skills required within the Board and Committees.

Limitation of scope

There is no limitation of scope.

Background Information

The Organisation is a NDPB (Non-Departmental Public Bodies) which was established by the Gaelic Language (Scotland) 2005 Act. As such, the Board members are recruited by the Public Appointments Unit of Scottish Government and are ministerial appointments. The Organisation's Constitution is the Gaelic Language (Scotland) Act 2005.

The Organisation was established "with a view to securing the status of the Gaelic language as an official language of Scotland commanding equal respect to the English language".

The Act requires the Organisation to produce a National Gaelic Language Plan every 5 years.

The Board's remit includes giving "advice on matters relating to Gaelic Education, and to advise the Scottish Ministers on Gaelic matters".

Under the terms of the Act, the Organisation's responsibilities include:

- to give advice to Scottish Ministers on Gaelic matters;
- to prepare and steer the National Gaelic Language Plan;
- to give advice on Gaelic and Gaelic Education in Scotland;
- to provide guidance to public bodies in Scotland on Gaelic Language Plans; and
- to monitor the implementation of the European Charter for Regional or Minority Languages and report the findings to the Scottish Ministers.

The Organisation has established a set of Standing orders. These were approved by the Organisation's Board on May 2020. These Standing Orders deal with the following sections:

- **Board Membership** - This mirrors what the Act states.
- **Quorum** - the quorum is "a majority of currently appointed members of the Board, including the person chairing the meeting". Thus, at present there are 6 members (including the Chair) thus the quorum will be 4.
- **Delegation** - the Organisation shall decide the remit, Chair arrangements and membership, level of delegated authority, and any other rules which accompany the delegation.
- **Schedule of Meetings** - the Board will approve in advance of each calendar year, dates, and venues for its meetings for the following year.
- **Board Agenda and Paper** - this covers the setting of the agendas and the preparing, collating, and issuing of the papers for these meetings.
- **Board Papers dealt with in Closed Sessions** – the Board meetings and papers are open to the public and/or interested 3rd parties unless these are deemed to be sensitive etc then these are dealt with in closed sessions. This section of the Standing Orders details what is meant by this and how the papers for these sessions should be treated.
- **Order of Business** - gives details of the order in which the business at the meeting will run. Generally, in line with the set agenda.
- **Attendance at Meetings**
- **Board Questions** - the process for submitting questions to the Board.
- **Chairing of Meetings**
- **Board Decisions**
- **Voting** - details who can vote and how this will be done.
- **Deferred Decisions**
- **Advice to the Board** - who the Board can take advice from.
- **Declaration of Interests - Making a Declaration** - Individual members must consider at the earliest stage possible whether they have an interest to declare in relation to any matter that is to be considered. Process for this.
- **Effect of Declaration**
- **Dispensation**
- **Board Minutes** - who is responsible for these etc.
- **Suspension of Members** - process for this.

- **Confidentiality**
- **Personal Liability of Board Members**
- **Suspension and Amendment of Standing Orders**

From our review of the Standing Orders we can confirm that these are robust and contain all elements we would expect to see in such a document.

Board Structure

The Organisation has, as part of their Improvement Plan, restructured their governance set up. In the past they had a lot of committees feeding into the Board, however they reviewed this and decided what their main priorities and aims were. From this they decided which committees they would require to oversee the achievement of these priorities and aims. As such, it was agreed that as well as the full Board, they would need an Audit & Assurance Committee (this was a statutory committee) and a Policy & Resources Committee to deal with policies and to have financial oversight of the Organisation.

At present the Board only has 6 members, however it is the Scottish Ministers who recruit and appoint members to the Board. Thus, the Organisation cannot increase the membership themselves, this must come from the Scottish Parliament. The low number of members on the Board is something that the members themselves have raised in their responses to our Board members' questionnaire.

From our review of the structure, we can conclude that due to the size and nature of the Organisation, the current structure is sufficient for their needs. All relevant aspects of their work are being covered. The reduction in Committees has also meant that there is less secretariat strain on the Organisation's staff, as it was them who provided the secretariat for the Board and the Committees.

Terms of Reference

Each of the Committees has a Terms of Reference in place. From our review of these we found that there was clarity of the roles and responsibilities of the members and the work expected of them. We can also confirm that there is no overlap between each of the Committee's remits and between the Committees' and the Board's remit - other than the Board having final approval of items discussed as appropriate.

The Board's Terms of Reference is covered by the Standing Orders, the Gaelic Language (Scotland) Act and the Framework between Bord na Gaidhlig and the Scottish Government.

Work Plans

There are work plans in place for the Board and the Committees. These mirror the relevant remits of the Board and Committees. These are set up each year based on the planned business for the Board/Committee for the coming year. Most of the items on the work plan are taken from the remits of the Board/Committee. These are spread over the planned meetings for the year to ensure that an even spread of business is discussed at each meeting.

It is the Chief Executive who is responsible for maintaining the Work Plans. This is in conjunction with the Chair of the Board.

Induction Process

The Organisation has a long-standing Board member's induction process which it has adapted over recent years and again due to covid-19. The induction process is as follows:

- all new members receive a meeting with the Chair of the Board. This is to go over the roles and responsibilities.
- The new members then meet with the Senior Management Team (SMT). This is to give information on the workings of the Organisation, its strategic direction and its operations, its finances etc.
- There is also an On Board training day which the new members must attend.

At present there is no formal process for the Chair or Chief Executive to go back to the new member, after they have attended a few meetings to see how they are settling in and/or if they require any further help/assistance or clarification on anything. We were informed though, that the Chair keeps in touch with the members informally. We understand that the Organisation has, since our audit fieldwork, introduced an induction assessment form, which has recently been completed by the Board member who joined in March 2020.

The induction process is an area which the current members thought could be improved upon.

Register of Interests

The registers of interest for members is updated bi-annually, i.e. it is updated every 6 months. There is also a standing agenda item for the Board and Committee meetings relating to declaration of interests. All members and Senior Management Team (SMT) members are expected to make

any declaration at that time. During the meeting if discussions lead to a potential conflict of interest for a member or SMT member, then it is expected that the member/SMT member interrupt the discussions and declare an interest.

When a member/SMT member has declared an interest, it will be considered by the members and the Chair and a decision will be taken whether the member can stay in the room or has to leave the room during the discussions on the items. In all circumstances the person declaring the interest cannot vote on the item being discussed.

There are Board members who have an interest in organisations which receive funding from Bòrd na Gàidhlig. In these instances, the members do not take any part in the discussion regarding the funding of their organisations and must leave the room when decisions are being made. They also get redacted copies of the papers to ensure that they do not receive any information which could be construed as resulting in a conflict of interest. The Organisation will make sure that no information is provided that would allow them to calculate what is being awarded to their organisation. For Grant applications, these can be looked at on a block award rather than component parts to try to ensure that members with an interest are not made aware of the individual grants being awarded to their organisations etc.

From our review of the minutes of the meetings, we found evidence to support the fact that members are declaring interests at the start and during the meetings. We also found evidence that members are leaving the room and not voting on any items on which they have declared an interest.

Work Undertaken

Our work for this review included the following:

- Discussions with relevant individuals to establish the current governance structures and arrangements in place at the Organisation. We evaluated these arrangements and structure to assess their adequacy and whether they comply with current guidance and good practice. We also reviewed the governance structure within the Organisation and assessed whether this is fit for purpose and meets the requirements of the Organisation.
- We obtained and assessed the governance policies, procedures, and codes in place at the Organisation to ensure that these are robust, fit for purpose and conform to good practice and current guidance.

1 EXECUTIVE SUMMARY

- We reviewed the induction process for new members to assess whether this is robust and fit for purpose. We reviewed the training records for the Board members to ensure that ongoing training is being provided.
- We obtained and evaluated the Board and Committee terms of reference to ensure that these are clear and do not overlap with each other. We considered whether there is a programme of work in place for the Board and Committees. We evaluated these to ensure that these covered all work required of the members to enable them to discharge their duties and responsibilities.
- We reviewed a sample of the Board and Committee minutes, along with management information presented to each meeting and assessed the quality, timeliness, and completeness of this information. We assessed the level of engagement and challenge of the information presented. We assessed the members' attendance at the Board and Committee meetings to assess each member's level of attendance.
- Discussion with relevant personnel to establish the self-assessment process undertaken by the Board members. We obtained the most recent assessment of the Board members' performance and assessed this to ensure that it is appropriate, fit for purpose and any areas of development highlighted are acted upon by the Organisation.

Conclusion

Overall conclusion

Overall Conclusion: Substantial

We can provide substantial assurance over the Organisation's Corporate Governance arrangements. We can confirm that the new governance structure is more streamlined and better reflects the Organisation's strategic goals. We have raised 5 recommendations where we believe improvements could be made. We have also raised 7 areas of good practice.

Summary of recommendations

Grading of recommendations

	High	Medium	Low	Total
Corporate Governance	0	1	4	5

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.	From our review of the members attendance at Board and Committee meetings we found that the attendance is good, with most members having been in attendance 100% of the time. From our review of the 2020/21 members' attendance we can confirm that there does not appear to be an issue with non-attendance by members.
2.	Through responses of Committee Members to our questionnaire, and upon review of the information provided to each committee, we can confirm that the management information provided to the Board and Committee members is of an appropriate quality to enable them to discharge their duties.
3.	During our review, we found that the Organisation has a robust and clear Terms of Reference for each of its Committees. There is also a detailed Work Plan for the Board and Committees, which details what will be discussed at each meeting of the Board/Committees.
4.	During our review, we found that members are required to make a formal declaration of interests on a bi-annual basis. The Board and Committees have a standing agenda item for declaration of interest at the start of each meeting. From our review of the minutes of the Board and Committee meetings we found evidence to support the fact that members do declare interest at the start and during the meetings. We also found evidence that members are leaving the room and not taking part in any discussion or voting on any items which they have declared an interest on.
5.	From our review, we found that the Organisation has a robust and detailed policy that effectively details the roles and responsibilities and terms of reference for the Management and Committees.
6.	The Organisation has Standing Orders in place which are robust, fit for purpose and contain all sections we would expect to see in such a document.
7.	The Organisation is governed by the Gaelic Language Act 2005, which is basically its constitution. It also has a Framework in place with the Scottish Government in respect of its operations, structure, and responsibilities.

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.

Corporate Governance

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

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

3 DETAILED RECOMMENDATIONS

Skills Mix			
Ref.	Finding and Risk	Grade	Recommendation
1.	<p>The Organisation should have an appropriate skills mix at Board and Committee level.</p> <p>From discussion with the Chief Executive and review of the relevant documentation we can confirm that a skills audit has taken place recently relating to the skills and expertise of the Board members. From our review we found that there were certain areas where there was a potential gap in the skills mix, i.e. Finance (although the new member has a financial background), IT, Human Resources, and legal background.</p> <p>From our Board member questionnaires, we found that 4 of the 6 respondents to our questionnaire felt that there was not an appropriate skills mix at Committee and Board as a result of the size of each Committee and the Board.</p> <p>There is a risk that an inappropriate skill mix could lead to poor decision making at Board and Committee Level.</p>	Medium	We recommend that the Organisation improves the skill mix at Board and Committee level through targeted recruitment of more Board members with the required skills.

3 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>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.</p> <p>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.</p> <p>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.</p>	<p><i>Responsible Officer: Scottish Government</i></p> <p><i>Implementation Date: 1 April 2021</i></p>

3 DETAILED RECOMMENDATIONS

Code of Conduct Declaration			
Ref.	Finding and Risk	Grade	Recommendation
2.	<p>All Board members and staff should sign a Code of Conduct Declaration each year.</p> <p>We found that the Organisation does have a Code of Conduct document which was dated 2014.</p> <p>From our review we were informed that the Board members sign a Code of Conduct Declaration when they first become members. From discussion with the Chief Executive and our review of the information provided to us, we can conclude that the members are not requested to sign the Code of Conduct Declaration each year. The Board and sub-committee members must sign the Declaration of Interests each year.</p> <p>Staff members have to sign the Code of Conduct Declaration when they commence employment, however they do not have to sign this each year. At our other clients we found that both the members and staff must sign the Code of Conduct Declaration each year.</p>	Low	<p>We recommend that Board and Committee members and senior staff are requested to complete the Code of Conduct Declaration each year.</p> <p>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.</p>

3 DETAILED RECOMMENDATIONS

	<p>There is a risk that members and staff do not act in line with the best interest of the Organisation or that their behaviour is not in line with the agreed Code of Conduct for governing body members and staff.</p>		
<p>Management response</p>		<p>Responsibility and implementation date</p>	
<p>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 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.</p> <p>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.</p>		<p><i>Responsible Officer:</i> Ceannard</p> <p><i>Implementation Date:</i> 1st signing by 24 December 2020</p>	

Induction Process			
Ref.	Finding and Risk	Grade	Recommendation
3.	<p>There should be a robust induction process in place to induct new Board members.</p> <p>There is an induction process in place which includes a discussion/meeting with the Chair of the Board, the SMT and a Board training day. There is no paperwork completed for the induction process to confirm that the new Board member has completed the induction.</p> <p>From responses to our questionnaire, as well as reviewing the induction process in place at the Organisation, we found that new Board members do not receive an official catch up or follow up session post-induction.</p> <p>There is a risk that the process for new members is not robust which could lead to members not being fully aware of their responsibilities and duties which may make them feel under equipped to discharge these duties.</p>	Low	<p>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.</p>

3 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>An induction checklist will be developed and put in place prior to the new board members joining the board.</p> <p>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.</p>	<p><i>Responsible Officer:</i></p> <p>Induction checklist – Business Manager</p> <p>Post-induction review meeting – Chair</p> <p><i>Implementation Date: Induction checklist by 28 February 2021</i></p> <p><i>Post-induction review meeting by October 2021</i></p>

3 DETAILED RECOMMENDATIONS

Training			
Ref.	Finding and Risk	Grade	Recommendation
4.	<p>All Board and Committee members should be provided with training to help them discharge their duties and responsibilities.</p> <p>From our discussion with the Chief Executive, we found that there is a training plan in place and during 2019/20 training was delivered in respect of managing conflicts of interest, work programmes, lessons learnt over the last year and the SPFM. From our review of the completed Board members' questionnaire we found that training was an area which most thought could be improved upon.</p> <p>From our work with other Boards/Committees we note that the following training sessions are generally offered:</p> <ul style="list-style-type: none"> • Finance for non-financials; • Corporate Governance training; • Risk Management training/workshops; • GDPR training; and • Fraud awareness. <p>We also noted that no training in respect of how to control, run and oversee a meeting has been</p>	Low	<p>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.</p>

3 DETAILED RECOMMENDATIONS

	<p>offered to the Chairs of the Board and Committees.</p> <p>There is a risk that insufficient training is provided to the Board members which may hinder their ability to fully discharge their responsibilities.</p>		
Management response		Responsibility and implementation date	
<p>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</p> <p>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.</p> <p>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.</p> <p>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.</p>		<p><i>Responsible Officer: Ceannard</i></p> <p><i>Implementation Date: 25 November 2020</i></p>	

Assessment of Meetings and Papers Presented			
Ref.	Finding and Risk	Grade	Recommendation
5.	<p>The Board and Committee members should have time set aside to assess and evaluate the meetings to ensure that these are being conducted in the most appropriate and efficient manner.</p> <p>From our review of the documentations provided and our discussion with the Chief Executive we found that the members do not assess the meeting and papers presented after each meeting. We have found that, at some of our other clients, 5 - 10 minutes are set aside after each meeting for the members to discuss. This gives the members a chance to assess whether they thought there were too many papers, whether some were not relevant, and the layout and content of the papers presented. It also gives them a chance to discuss their own input and engagement as a collective. The feedback from this exercise should be provided to management where appropriate to enable them to make any necessary amendments to the papers presented. This 5 - 10 minutes assessment will also help drive the self-assessment process.</p>	Low	<p>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.</p>

3 DETAILED RECOMMENDATIONS

	<p>There is a risk that members are not completely happy and satisfied with the content of papers presented and/or the workings of the meetings, however this goes unnoticed.</p>		
<p>Management response</p>		<p>Responsibility and implementation date</p>	
<p>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.</p>		<p><i>Responsible Officer: Ceannard</i></p> <p><i>Implementation Date: 2 December 2020</i></p>	

The following is a list of observations from our review

- | | |
|----|--|
| 1. | From our review of the papers presented to the Board and Committees, we found that there is now a covering report which is generally in a standard layout. The individual papers, however, do not always follow a standard layout. We have found that at our other clients, the internally generated papers presented to the Board and Committees follow a standard format and layout as far as possible. This makes it easier for the members to follow what the paper is telling them and what they are required to do in respect of the paper. We have not made a formal recommendation as the Organisation are trying to improve the layout of papers presented by having a covering report for the papers which follow a standard layout. However, the Organisation may wish to also consider introducing a standard template for its internally generated reports to the Board and Committees. |
| 2. | During our review, we found that the Board meeting generally last a full day with the Committee meetings lasting 2.5 to 3 hours. From our work with our other clients, we found that Committee meetings tend to last 1.5 to 2 hours with the Board meetings lasting 3 hours. The Organisation does split its agendas into items for decision and those for information. The Organisation may wish to consider the length of time spend on each agenda item and whether any discussion should be given to those items for information only. |

5 AUDIT ARRANGEMENTS

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	28 September 2020
Closing meeting	6 October 2020
Draft report issued	16 October 2020
Receipt of management responses	22 October 2020
Final report issued	23 October 2020
Audit & Assurance Committee	12 November 2020
Number of audit days	3 days

6 KEY PERSONNEL

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
Assistant	Neil Hamilton	Internal Audit Assistant	neil.hamilton@wyliebisset.com

Bòrd na Gàidhlig			
Key Contacts:	Shona McLennan	Chief Executive	shona@gaidhlig.scot
	Alex Graham	Head of Finance	ailig@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 the review is to ensure that the Organisation has appropriate governance arrangements in place and that these have been embedded throughout the whole Organisation. Our review will consider the changes in the governance structure as well as the induction arrangements for new members.

The assignment is part of Annual Audit Plan for 2020/21

Scope of review

Our objectives for this review are to ensure:

- The changes in the Board structure are appropriate and fit for purpose and are supported by terms of reference for the Board and the Committees which are clear and not overlapping.
- There is a robust induction process for new members.
- The Board and Committees have a programme of work in accordance with their terms of reference that allows them to make an effective and timely contribution.
- Members are provided with sufficient, high quality management information in their areas of responsibility.
- The Board and Committees are appropriately attended, and members are sufficiently engaged.
- The Board of Management have effectively assessed their performance and the balance of skills required within the Board and Committees.

Limitation of scope

There is no limitation of scope.

Audit approach

Our approach to the review will be:

- Discussions with the Organisation's Clerk, and any other relevant individuals, to establish the current governance arrangements.
- Evaluation of these arrangements to assess their adequacy and whether they comply with current guidance and good practice.
- Review of the governance structure within the Organisation to assess whether this is fit for purpose and meets the requirements of the Organisation.
- Review of the Governance documentation to assess whether this is fit for purpose and in line with current guidance and good practice.
- Review and assessment of the induction process for new members to ensure that this is robust and fit for purpose.
- Review and assessment of a sample of Board and Committee minutes, along with management information presented to each meeting.

Potential key risks

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

- The changes in the Board structure are not appropriate or fit for purpose resulting in poor governance within the Organisation. The structure of the Board and Committees is not supported with robust terms of reference which could lead to duplication, overlapping of business and omission of responsibilities and duties.
- The induction process for new members is not robust or does not exist which could lead to members not being fully aware of their responsibilities and duties.
- The Board and Committees may not have a programme of work in accordance with their terms of reference which could lead to their duties

not being fully discharged

- Members may not be provided with sufficient, high quality management information in their areas of responsibility which could lead to wrong or poor decisions being made.
- The Board and Committee meetings may be poorly attended and/or those who attend are not sufficiently engaged which could lead to poor decision being made.
- The Board and Committees may not have effectively assessed their performance and the balance of skills required which could lead to poor decision making due to lack of expertise or lack of engagement by members.

Bòrd na Gàidhlig

Internal Audit 2020-21

Shared Services and General Procurement October 2020

Overall Conclusion

Substantial

Section	Page
1 EXECUTIVE SUMMARY	2
2 BENCHMARKING	10
3 DETAILED RECOMMENDATIONS	11
4 AUDIT ARRANGEMENTS	21
5 KEY PERSONNEL	22
Appendix	Page
A GRADING STRUCTURE	24
B ASSIGNMENT PLAN	26

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

This review considered the shared services arrangements in place, including whether the arrangements are clear and operating effectively. Our review also considered the procurement arrangements in place at the Organisation to ensure that these are sufficient. This involved reviewing the procurement process from identifying procurement needs, through to appraising options and contracting suppliers. We also sought to provide assurance that the Organisation is complying with legislative requirements. We also reviewed the controls the Organisation has in place to mitigate the risk of fraud.

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

Scope of review

Our objectives for this review were to ensure:

- The shared services arrangements in place within the Organisation are clear, robust, and operating effectively and as expected.
- An agreed procurement strategy and appropriate policies and procedures are in place to guide staff on making purchasing decisions.
- The current procurement arrangements are fit for purpose and are being consistently followed by staff, leading to value being achieved from purchases.
- There is a clear process for identifying the procurement needs of the Organisation with a sourcing strategy which is based on sound rationale.
- There are sufficiently robust processes for appraising options and contracting with suppliers, which are being followed by staff.
- There are agreed contracts in place with favourable terms, with key suppliers.
- Supplier performance is monitored effectively, and use has been made of performance measures and service level agreements to ensure that

contracts are being executed as expected.

Limitation of scope

There were no limitations of scope.

Background Information

The Organisation's annual Running Costs spend (excluding salary costs) for 2019/20 was £656,479. The Running Costs spend to date (excluding salary costs) for 2020/21 at the time of our review, October 2020, was £148,955. As the Organisation has an annual spend of less than £5m each year, excluding salary costs, it is not required to prepare a Procurement Strategy in line with the Procurement Reform (Scotland) Act 2014, which requires all publicly funded organisations to have a Procurement Strategy in place if its annual expenditure is over £5m each year. The Organisation, however, does have a Procurement Policy and a Procurement Desktop Instructions in place which outlines the process and good practice expected throughout the procurement process. The Procurement Policy states that all procurement of goods and services will be based on value for money, having regard to propriety and regularity. Value for money is also defined within the Procurement Policy as "the optimum combination of whole-life cost and quality to meet the user's requirements".

The Organisation's goods and services should be acquired by competition unless there are convincing reasons to the contrary, i.e. urgent requirements or single suppliers.

The Organisation has adopted the Scottish Government's Procurement Journey and as such, it operates the Scottish Model of Procurement. The Scottish Model of Procurement details the following routes to procurement:

- Route 1: Provides guidance and templates for procurements that are:
 - Unregulated procurement less than £50,000.
 - Low risk and
 - Non-repetitive.

1 EXECUTIVE SUMMARY

- Route 2: Provides guidance and templates for procurements that are:
 - Regulated procurements between £50,000 and the OJEU threshold.
- Route 3: Provides guidance and templates for procurements that are:
 - Regulated procurements which are OJEU thresholds and/or above.

Most of the Organisation's procurement would entail using Route 1 of the above.

The Organisation's Procurement Policy sets out the following 3 procurement processes which must be adhered to for all procurement which are not covered by a framework, central contracts or call-off:

Contract Value	Preferred Procurement
Between £1,000 and £5,000	Verbal quotations from at least 3 suppliers.
Between £5,000 and £25,000	Formal written quotations from at least 3 suppliers.
Above £25,000	Formal tendering procedure, in accordance with relevant legislation and guidance.

The Organisation's Delegated Level of Authority document details the following delegated authority in relation to its procurement of goods and services:

Area	Value	Delegated Authority
Purchases	Less than £25,000	Leadership Team with Head of Department managing the purchase order relating to their area of budget responsibility.
Purchases	Equal to or greater than £25,000	Accountable Officer.

1 EXECUTIVE SUMMARY

Award of Contracts	Less than £25,000	Leadership Team with Head of Department managing the purchase order relating to their area of budget responsibility.
Award of Contracts	Equal to or greater than £25,000	Accountable Officer.

Area	Value	Delegated Authority
Non-Competitive Action	Equal to or less than £10,000	Leadership Team with Head of Department managing the purchase order relating to their area of budget responsibility.
Non-Competitive Action	Greater than £10,000	Scottish Government.
External Business & Management Consultancy Contracts	Equal to or less than £25,000	Leadership Team with Head of Department managing the purchase order relating to their area of budget responsibility.
External Business & Management Consultancy Contracts	Greater than £25,000	Scottish Government.
Operating Leases – Other than Property/Accommodation Related Leases	Greater than £0	Scottish Government.

Contracts' Register

The Organisation used to maintain a register of contracts on an Excel spreadsheet, but it has recently started to use Public Contracts Scotland as its contracts' register. During our review, we were presented with 3 different lists showing contracts and tender awards held by the Organisation. Please see recommendation 1 for further information relating to the Organisation's contracts' register.

Contractor/Supplier Performance

Most of the Organisation's purchasing/procurement is for service provision, rather than for works. As such, the contracts are monitored by the manager responsible for the contract. If there is an issue, then the manager will speak to their contact within the supplier to resolve this. If there are no issues and the contract is operating as expected, then there is very little contact with the supplier. This is due to the nature of the service provided.

Work Undertaken

Our work for this review included the following:

- Discussions with relevant personnel whether the Organisation has any shared services in place. We were informed that the Organisation no longer has shared services. As such we did not undertake any further work on this objective.
- Discussions with relevant personnel to establish the current arrangements in respect of the Organisation's procurement. We evaluated this to confirm whether this was fit for purpose and in line with current procurement legislation.
- We obtained, reviewed, and assessed any documented procurement strategy, policy, and procedures, including tendering documentation to ensure that this was appropriate and reflected current procurement legislation.
- We ascertained the process for identifying the procurement needs of the Organisation and assessed this to confirm whether it is fit for purpose and based on sound rationale.
- We established the appraisal process for procurement to ensure that this is adequate and is being followed by all staff. We undertook sample testing of this process for 3 suppliers which were subject to a full tender exercise and a quick quote exercise. Following our testing, we can confirm that there was sufficient evidence to confirm that the appraisal process had been followed.

- We established if contracts are in place for all relevant procurement. We reviewed these agreements to confirm whether these are sufficient for the purposes of the Organisation. We undertook sample testing of the contracts in place for 20 suppliers from across the procurement methods, i.e. tenders, quick quotes, and 3 quotes etc. Please see recommendation 3 for details of our finding for this test.
- We established what monitoring of supplier performance is undertaken and to whom this is reported. We assessed this monitoring and reporting to ensure that it is effective. We also reviewed the suppliers' performance to confirm whether contracts are being executed in line with signed agreements and performance measures.

Conclusion

Overall conclusion

Overall Conclusion: Substantial

We can provide a substantial level of assurance around the procurement arrangements in place at the Organisation. The Organisation has processes in place which if adhered to will reduce the risk of fraud. The Organisation uses the Scottish Model of Procurement with most of its procurement falling within Route 1. We have raised 5 good practice points associated with the Organisation's procurement arrangements. However, we have also raised 6 recommendations for improvement. Please see section 3 for further information.

Summary of recommendations

Grading of recommendations

	High	Medium	Low	Total
Shared Services and General Procurement	0	3	3	6

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.	The Organisation has a Procurement Policy in place which outlines the Organisation's approach towards purchasing works, goods, or services. The Organisation's procurement process conforms to legal and good practice guidance and strives to deliver best value for the Organisation.
2.	Following our review of the Organisation's contracts and Memorandum of Understandings in place, we can confirm that they are appropriate and fit for the Organisation's purposes.
3.	The Organisation's procurement process is based on the Scottish Government Procurement Journey, with the Organisation operating the Scottish Model of Procurement. It also uses Public Contracts Scotland (PCS) for its procurement.
4.	We sampled 20 invoices at random and tested these against the agreed price within the contract/tender process where applicable. For those invoices which fell into this bracket, we can confirm that the price agreed with that in the tender documentation/contract and these were appropriately reviewed and signed off by the relevant Manager/ Director.
5.	The Organisation has a panel that carry out thorough assessments of the tender bids that have been received. The panel take into consideration price, quality, and knowledge of the Gaelic language.

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.

Shared Services and General Procurement

Benchmarking				
	High	Medium	Low	Total
Average number of recommendations in similar audits	1	2	1	4
Number of recommendations at Bòrd na Gàidhlig	0	3	3	6

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

3 DETAILED RECOMMENDATIONS

Comprehensive Contracts Register			
Ref.	Finding and Risk	Grade	Recommendation
1.	<p>There should be a comprehensive record of all contracts entered into by the Organisation. This should be held securely and kept up to date.</p> <p>During our review, we requested a list of contracts held by the Organisation, we were provided with 3 different lists all of which had different suppliers included on the lists. As such, we were not provided with one overarching list which showed all contracts entered into by the Organisation.</p> <p>There is the risk that contracts lapse and are not renewed or that the Organisation continue with a supplier whose contract has lapsed which could result in poor value for money for the Organisation.</p>	Medium	<p>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.</p>
Management response			Responsibility and implementation date
<p>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.</p>			<p><i>Responsible Officer: Head of Finance</i></p> <p><i>Implementation Date: 30 November 2020</i></p>

3 DETAILED RECOMMENDATIONS

Major Spend Categories			
Ref.	Finding and Risk	Grade	Recommendation
2.	<p>As part of the Organisation's procurement function it should establish and assess its spend profiles to ensure that contractors and approved suppliers are being used by staff. The Organisation should also evaluate major spend categories to ensure they are contracting/assessing areas which should be contracted or investigated for value for money purposes.</p> <p>From our discussion with the Head of Finance we were informed that the Organisation has not undertaken an exercise to evaluate its major spend categories. We also found that the Organisation does not consider cumulative spend in the year with any one supplier. It should be noted that from our review of the spend with individual suppliers for 2019/20, we found that 6 out of the 246 suppliers had invoices totalling over £25,000 but the individual orders related to smaller value amounts. Of this 6, however, all had been subject to a tender exercise, contract or were part of a framework, thus no issue with this spend. One of the 6 had a cumulative value of over £50,000. This was with</p>	Medium	<p>We recommend that the Organisation establishes and assesses its spend profiles to ensure that contractors and approved suppliers are being used.</p> <p>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.</p>

3 DETAILED RECOMMENDATIONS

	<p>Scottish National Heritage with which the Organisation has a Memorandum of Terms of Understanding in place. Thus, no procurement issue with this spend.</p> <p>There is a risk that best value may not be achieved from the Organisation's procurement activities.</p>		
Management response		Responsibility and implementation date	
<p>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.</p>		<p><i>Responsible Officer: Head of Finance</i></p> <p><i>Implementation Date: 31 December 2020</i></p>	

3 DETAILED RECOMMENDATIONS

Purchase Orders			
Ref.	Finding and Risk	Grade	Recommendation
3.	<p>All purchase orders should be raised and authorised prior to the order being placed and the invoice being received.</p> <p>From our sample testing of 20 purchase orders we found that:</p> <ul style="list-style-type: none"> ➤ 9 orders were dated after the invoice date. ➤ 11 orders were authorised/approved after the order had been placed. ➤ 14 orders were authorised/approved after the date of the invoice. <p>It should be noted that for 12 of these orders there was either a contract, framework or Memorandum of Terms of Understanding in place covering the procurement provision.</p> <p>There is a potential risk that the purchase ordering system is not operating as effectively as it could, due to staff not adhering to the process.</p>	Medium	<p>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.</p>

3 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>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.</p>	<p><i>Responsible Officer: Head of Finance</i></p> <p><i>Implementation Date: 28 February 2021</i></p>

3 DETAILED RECOMMENDATIONS

Procurement Reporting			
Ref.	Finding and Risk	Grade	Recommendation
4.	<p>The Board should be kept informed of the Organisation's procurement activities via a Procurement Report. The Board should also be kept informed of the Organisation's tendering activities.</p> <p>From our review of information provided to the Board and discussion with the Head of Finance and the Finance Officer, we found that a Procurement Report is not provided to the Board or one of its Committees to keep them informed of the Organisation's procurement activities.</p> <p>From our review of the tender process, we found that there does not appear to be a report on tender activity presented to the Board/Committee to inform them of any tenders undertaken and awarded by the Organisation.</p> <p>There is the risk that the Board are unaware of the Organisation's procurement activity.</p>	Low	<p>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.</p>

3 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
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.	<i>Responsible Officer: Head of Finance</i> <i>Implementation Date: 30 April 2021</i>

3 DETAILED RECOMMENDATIONS

Procurement - Refresher Training			
Ref.	Finding and Risk	Grade	Recommendation
5.	<p>The Organisation should provide Procurement training for those staff members involved with procurement.</p> <p>During our discussions with staff members, we found that procurement training had been provided in September 2020. We were informed that prior to this it had been a while since staff undertook any training on procurement.</p> <p>There is the risk that staff do not follow the correct process due to them not being fully aware of this process.</p>	Low	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			Responsibility and implementation date
<p>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.</p>			<p><i>Responsible Officer: Business Manager</i></p> <p><i>Implementation Date: 31 March 2021</i></p>

3 DETAILED RECOMMENDATIONS

Quotes			
Ref.	Finding and Risk	Grade	Recommendation
6.	<p>The Organisation's Procurement Policy states that: "Unless call-offs, framework or central contracts are available, the following process will apply:</p> <ul style="list-style-type: none"> ➤ Purchases between £1,000 and £5,000 require verbal quotations from at least 3 suppliers; and ➤ Purchases between £5,000 and £25,000 require formal written quotations from at least 3 suppliers." <p>During our discussion with the Finance Officer and the Head of Finance, we were informed that the purchase order system does have the capability to attach the quotes to the order, however this was not always happening.</p> <p>It should be noted that, our testing found that there were no individual values which were over £5,000 which were not covered by a framework or contract.</p> <p>There is the potential risk that value for money may not be being achieved.</p> 	Low	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.

3 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>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.</p>	<p><i>Responsible Officer: Head of Finance</i></p> <p><i>Implementation Date: 1 January 2021</i></p>

4 AUDIT ARRANGEMENTS

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	28 September 2020
Closing meeting	6 October 2020
Draft report issued	16 October 2020
Receipt of management responses	22 October 2020
Final report issued	23 October 2020
Audit & Assurance Committee	12 November 2020
Number of audit days	4 days

5 KEY PERSONNEL

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
Supervisor	Audrey Cowan	Internal Audit Supervisor	audrey.cowan@wyliebisset.com
Assistant	Neil Hamilton	Internal Audit Assistant	neil.hamilton@wyliebisset.com

Bòrd na Gàidhlig			
Key Contacts:	Alex Graham	Head of Finance	ailig@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
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

This review will consider the shared services arrangements in place, including whether the arrangements are clear and operating effectively. Our review will also consider the procurement arrangements in place at the Organisation to ensure that these are sufficient. This will involve reviewing the procurement process from identifying procurement needs, through to appraising options and contracting suppliers. We will also look to provide assurance that the Organisation is complying with legislative requirements. We will also review the controls the Organisation has in place to mitigate the risk of fraud.

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

Scope of review

Our objectives for this review are to ensure:

- The shared services arrangements in place within the Organisation are clear, robust, and operating effectively and as expected.
- An agreed procurement strategy and appropriate policies and procedures are in place to guide staff on making purchasing decisions.
- The current procurement arrangements are fit for purpose and are being consistently followed by staff, leading to value being achieved from purchases.
- There is a clear process for identifying the procurement needs of the Organisation with a sourcing strategy which is based on sound rationale.
- There are sufficiently robust processes for appraising options and contracting with suppliers, which are being followed by staff.
- There are agreed contracts in place with favourable terms, with key suppliers.
- Supplier performance is monitored effectively, and use has been made of performance measures and service level agreements to ensure that contracts are being executed as expected.

Limitation of scope

There are no limitations of scope.

Audit approach

Our approach to the review will be:

- Discussion with relevant personnel to ascertain the current arrangements for shared services. We shall assess these to ensure that these arrangements are clear, robust, and operating effectively.
- Discussion with relevant personnel the current arrangements in respect of the areas under review. This will include an assessment of whether the Organisation is complying with legislative requirements and whether the controls are sufficient to mitigate the risk of fraud.
- Obtain, review, and assess any documented procurement strategy, policy, and procedures.
- Ascertaining the process for identifying the procurement needs of the Group and assessing this to confirm whether this is fit for purpose and based on sound rationale.
- Establishing the appraisal process for procurement to ensure that this is adequate and is being followed by all staff.
- Establishing if contracts are in place for all relevant procurement. We shall review these agreements to confirm whether these are sufficient for the purposes of the Group.
- Establish what monitoring of supplier performance is undertaken and to whom this is reported. We shall assess this monitoring and reporting to ensure that it is effective. We shall also review the suppliers' performance to confirm whether contracts are being executed in line with signed agreements and performance measures.

Potential key risks

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

- The shared services arrangements in place within the Organisation are unclear, not robust and not operating effectively and as expected which could result in staff not following these and/or duplication of work due to it being unclear what is a shared service.
- An agreed procurement strategy and appropriate policies and procedures are not in place thus staff have no guidance on making purchasing decisions which could lead to inappropriate decision being made.
- The current procurement arrangements are not fit for purpose and are not being consistently followed by staff, leading to value not being achieved from purchases.
- There is not a clear process for identifying the procurement needs of the Organisation with the sourcing strategy not being based on sound rationale leading to inappropriate procurement decisions being made which could lead to financial loss for the Organisation.
- The processes for appraising options and contracting with suppliers are not sufficient and are not being followed by staff, which could lead to financial loss to the Organisation.
- There are no agreed contracts in place, or the agreed contracts do not have favourable terms for the Organisation leading to potential financial loss.
- Supplier performance is not monitored with no use being made of performance measures and service level agreements which could lead to contracts not being executed as expected.

Bòrd na Gàidhlig

Internal Audit 2020-21

Financial Controls (covering payroll, financial management planning & reporting and expenses)
October 2020

Overall Conclusion

Strong

Section	Page
1 EXECUTIVE SUMMARY	2
2 BENCHMARKING	9
3 AUDIT ARRANGEMENTS	10
4 KEY PERSONNEL	11
Appendix	Page
A GRADING STRUCTURE	13
B ASSIGNMENT PLAN	15

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

We undertook a review of finance processes relating to payroll, financial management planning & reporting and expenses. Our review also looked to ensure the Organisation is complying with policies and procedures relating to payroll processing authorisation, auto enrolment and payroll reconciliations. We also reviewed the processes in place for covering employee expenses ensuring that relevant approval and receipts are obtained prior to payment and finally we reviewed the processes in place for financial management planning & reporting ensuring that these reflect best practice.

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

Scope of review

Our objectives for this review were to ensure:

- The policies and procedures in place in respect of payroll and expenses processing are robust, fit for purpose and being adhered to by staff.
- Salaries are calculated correctly with appropriate documentary evidence held to support any additions and/or deductions including new starts and leavers.
- The payroll is subject to checking and approval by a senior member of staff prior to being finalised and payments being made.
- Salaries are accurately stated in the accounting system with monthly payroll reconciliations being carried out.
- The Organisation's staff are adhering to the requirements of auto enrolment.
- Expense claims are appropriately authorised by the employee's line manager and where necessary include the relevant supporting documentation, prior to payment being made.

- There is a robust process in place for financial management planning and reporting which reflects best practice and is being adhered to by staff.

Limitation of scope

There was no limitation of scope.

Background Information

Payroll

The Organisation's payroll is prepared by the Finance Officer and Head of Finance. The Finance Officer collates the monthly salary information in an excel sheet. The Organisation's payroll is processed by an external bureau, Equiom. Equiom will compute the tax and national insurance details and the net pay for each of the employees, as well as preparing each employee's payslip. Equiom then send the payslips and taxation calculation back to the Organisation for final authorisation by the Chief Executive.

The Organisation staff are automatically enrolled onto the Highland Council Pension Fund when they begin their employment at the Organisation. If employees wish for their pension contributions to be paid into a private pension scheme, they must opt-out of the automatic enrolment scheme at the beginning of their employment, or at any other time during their employment.

Financial Management Planning and Reporting

The Organisation receive the majority of their funding via grants from the Scottish Government. Financial planning for budgets is prepared annually by the Head of Finance and Finance Officer based upon the funding they have received and after discussions with the Chief Executive and Management Team. The Policy and Resources Committee will then scrutinise this before it is presented to the Board for approval. The Finance Team also prepare an indicative budget for a further 4 years.

The Finance Team monitor the spend compared with budget by compiling Management Reports that are presented to managers on a monthly basis. These are then summarised into a Quarterly Report that is presented to the Board.

Expenses

The claimant of an expense must complete an expense claim form and then sign a declaration that confirms the expenses have been incurred. This is then authorised by the employee's line manager by signing the appropriate line of the claim form. The Finance Team will then ensure that there are receipts to support the expenditure that is detailed in the expense claim and to ensure that the form has been correctly completed. They will then ensure that the amounts claimed on the form are in accordance with the Organisation's policy on travel, subsistence, and overnight stay. Exceptions to receipting requirements are:

- £5 overnight allowance; and
- Car mileage.

Employees who are claiming car mileage are required to obtain an AA Autoroute map to show the distance of their journey.

Work Undertaken

The work undertaken during this review included:

- We obtained and reviewed the Financial Regulations and Procedures in place to confirm these are complete, appropriately reviewed and comply with good practice.
- Discussion with key personnel to establish the current arrangements for the processing of the payroll and staff expenses. We assessed these arrangements to ensure that these are robust and fit for purpose.
- We obtained and reviewed documented procedures in respect of payroll and expenses processing. We also considered whether these are up to date and comply with relevant legislation and good practice. We also undertook sample testing to ensure that these are being adhered to by relevant staff.
- We sample tested the payroll to ensure it is being correctly calculated, authorised, and recorded.
- We discussed with staff to establish the auto enrolment arrangements within the Organisation. We assessed these to ensure that these are robust, fit for purpose and in line with HMRC requirements.
- We sample tested expenses to ensure these are being made in line with the Organisation's policies and procedures and that these are appropriately authorised. We also ensured that, where applicable, the expenses claims are supported by appropriate receipts.

1 EXECUTIVE SUMMARY

- We reviewed the processes in place for financial management planning within the Organisation and assessed this to ensure that this is robust, fit for purpose and in line with best practice.
- We discussed with relevant staff the financial management reporting in place within the Organisation. We assessed this to ensure it is robust, fit for purpose and reflects best practice.

Conclusion

Overall conclusion

Overall Conclusion: Strong

We can provide a strong level of assurance over the completeness of the Organisation's financial management planning and reporting. We can also provide a strong level of assurance of the controls surrounding the payroll function, as well as the expense claims process.

Summary of recommendations

Grading of recommendations

	High	Medium	Low	Total
Financial Controls (covering payroll, financial management planning & reporting and expenses)	0	0	0	0

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

Areas of good practice

The following is a list of areas where the Organisation is operating effectively and following good practice.

1.	The Organisation have a robust process for financial management planning. The Finance Officer and Head of Finance prepare the budget annually, with input from the Chief Executive and Management Team.
2.	The Organisation prepare Management Reports that are presented to the Management Team on a monthly basis. This is then summarised into a Quarterly Report that is presented to the Board.
3.	Any expense claims must be made via an expense claim form on which the employee states the nature of the expense, the cost, and the total. This should then be taken to the staff member's line manager for sign off and approval. The Finance Officer will check the claim and sign this as approved. The Head of Finance will not process the expense if the Finance Officer has not approved the expense.
4.	The Organisation's payroll is submitted to Equiom, who ensure payroll is accurate, compliant and on time, calculating net pay, tax, pensions, and other deductions and taking into account changing legislation. The Organisation send Equiom the relevant information each month. This is prepared by the Finance Officer, checked by the Head of Finance, and then authorised by the Chief Executive.
5.	The employees' salaries are based on the Job Evaluation and Grading System for each role. The Organisation compute the pension contributions of each employee, before sending the salary information to Equiom each month to produce the employee's payslips and tax computations.
6.	Leavers from the Organisation are being processed correctly with final payments being accurately calculated and then removed from the payroll on a timely basis.

The following is a list of areas where the Organisation is operating effectively and following good practice.

7.	<p>From our sample testing we can confirm that all new starts tested were paid in accordance with their start date and are paid in the correct month.</p> <p>New employee details forms are completed by the Line Manager and passed to the Finance Officer for processing and filing with the payroll records. This is then added into the information that is sent to Equiom, who produce the relevant pay slips and deduct the correct level of tax.</p> <p>From our sample testing we can confirm that all new employees tested were entered onto the personnel system accurately and on a timely basis.</p>
8.	<p>The Organisation has a robust set of policies and procedures which provides guidance on the overarching principles of the financial process in place at the Organisation.</p>
9.	<p>The Organisation carries out its financial procedures using QuickBooks, with the payroll being run by Equiom. Journals that breakdown the payroll payments are prepared monthly by the Finance Officer. These journals are reviewed by the Head of Finance on a monthly basis where there is no risk of migration issues arising between these two systems as data is not transferred.</p>
10.	<p>The Organisation has a clear segregation of duties within the Bòrd na Gàidhlig Framework document.</p>
11.	<p>New employees at the Organisation are automatically enrolled into the Highland Council Pension Fund and are given the option to opt-out at any time.</p>

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.

Financial Controls (covering payroll, financial management planning & reporting and expenses)

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

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.

3 AUDIT ARRANGEMENTS

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	28 September 2020
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Final report issued	23 October 2020
Audit & Assurance Committee	12 November 2020
Number of audit days	4

4 KEY PERSONNEL

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 McCreedy	Internal Audit Manager	scott.mccreedy@wyliebisset.com
Senior	Audrey Cowan	Internal Audit Supervisor	audrey.cowan@wyliebisset.com
Auditor	Neil Hamilton	Internal Auditor	neil.hamilton@wyliebisset.com

Bòrd na Gàidhlig			
Key Contact	Alex Graham	Head of Finance	ailig@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.
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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

We will perform a review of finance processes relating to payroll, financial management planning & reporting and expenses. Our review will look to ensure the Organisation is complying with policies and procedures relating to payroll processing authorisation, auto enrolment and payroll reconciliations. We will also review the processes in place for covering employee expenses ensuring that relevant approval and receipts are obtained prior to payment and finally we will review the processes in place for financial management planning & reporting ensuring that these reflect best practice.

The assignment is part of Annual Audit Plan for 2020/21.

Scope of review

Our objectives for this review are to ensure:

- The policies and procedures in place in respect of payroll and expenses processing are robust, fit for purpose and being adhered to by staff.
- Salaries are calculated correct with appropriate documentary evidence held to support any additions and/or deductions including new starts and leavers.
- The payroll is subject to checking and approval by a senior member of staff prior to being finalised and payments being made
- Salaries are accurately stated in the accounting system with monthly payroll reconciliations being carried out.
- The Organisation's staff are adhering to the requirements of auto enrolment.
- Expense claims are appropriately authorised by the employee's line manager and where necessary include the relevant supporting documentation, prior to payment being made.
- There is a robust process in place for financial management planning and reporting which reflects best practice and is being adhered to by staff.

Limitation of scope

There is no limitation of scope.

Audit approach

Our approach to the review will be:

- Obtain and review the Financial Regulations and Procedures in place to confirm these are complete, appropriately reviewed and comply with good practice.
- Discussions with key personnel to establish the current arrangements for the processing of the payroll and staff expenses. We shall assess these to ensure that these are robust and fit for purpose.
- We shall obtain and review any documented procedures in respect of payroll and expenses processing. We shall consider whether these are up to date and comply with relevant legislation and good practice. We shall undertake sample testing to ensure that these are being adhered to by relevant staff.
- Sample testing to ensure the payroll is being correctly calculated, authorised, and recorded.
- Discussions with staff to establish the auto enrolment arrangements within the Organisation. We shall assess these to ensure that these are robust, fit for purpose and in line with HMRC requirements.
- Sample testing of expenses to ensure these are being made in line with the Organisation's policies and procedures and that these are appropriately authorised. We shall also ensure that, where applicable, the expenses claims are supported by appropriate receipts.
- Review the processes in place for financial management planning within the Organisation and assess this to ensure that this is robust, fit for purpose and in line with best practice.
- Discussion with relevant staff the financial management reporting in place within the Organisation. We shall assess this to ensure it is robust, fit for purpose and reflects best practice.

Potential key risks

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

- The policies and procedures in place in respect of payroll and expenses processing are not robust, fit for purpose and these are not being adhered to by staff, which could lead to wrong amounts being paid to staff.
- Salaries are calculated incorrect with documentary evidence not held to support any additions and/or deductions including new starts and leavers, which could lead to fictitious employees or wrong payments being made to staff.
- The payroll is not subject to checking and approval by a senior member of staff prior to being finalised and payments being made, which could result in the payroll being manipulated and incorrect payments being made.
- Salaries are not accurately stated in the accounting system with monthly payroll reconciliations not being carried out, which could lead to management accounts containing incorrect information in respect of payroll costs. There is also a risk that errors go unnoticed due to payroll reconciliations not being carried out.
- The Organisation's staff are not adhering to the requirements of auto enrolment resulting in employees being omitted or included when they have opted out.
- Expense claims are not appropriately authorised by the employee's line manager and do not include the relevant supporting documentation, prior to payment being made, which could result in payments being made for non bona fide expenses.
- There is not a robust process in place for financial management planning and reporting, which could lead to this not reflecting best practice This could result in bad decisions being taken by management and the Board.



For	Audit & Assurance Committee
Date of Meeting	12/11/2020
Location:	Online
Item on Agenda	3.2

Title	Board/Committee Effectiveness Review 2021/22	
Request	For approval	
Spokesperson	Shona C NicIlinnein / Ailig Greumach	
Governance route for the report	Date	Type of Treatment
-	-	-
Appendices	No	
1.0	Adhbhar/Reason	
1.1	<p>The external audit of 2018/19 recommended the following:</p> <p>A self-assessment programme should be developed for the organisation. On an annual basis, all Committees and the Board should complete a self-assessment. In line with best practice, there should be an external assessment on a tri-annual basis.</p> <p>The paper is to seek approval from Audit and Assurance Committee to include an external assessment on a tri-annual basis in the work programme for internal audit 2021/22.</p>	
2.0	Cùl-fhiosrachadh/Background	
2.1	In 2019/20, the board and the two committees carried out self-assessment reviews and identified actions for development.	
3.0	Prìomh Aithris/Fiosrachadh / Main points	
3.1	Internal audit plan includes an allocation of 3-4 days per topic. There is an option to commission a wider and more in-depth audit of the programme of effectiveness reviews.	
3.2		
4.0	Moladh /Recommendation	
4.1	<p>The Committee is requested to:</p> <ul style="list-style-type: none"> - Discuss the requirements for an external review; and - Approve the proposal presented 	
5.0	Prìomh Bhuaidhean Ro-innleachdach	
5.1	Buaidhean air Ionmhas/Impact on Finance	
	If the extended audit is chosen, this will be an additional cost in professional fees in 2021/22.	
5.2	Buaidhean air Luchd-obrach/Impact on Staff	

	The programme of effectiveness reviews is already underway. It will involve staff in ensuring that the programmes are developed and supporting any actions identified to be delivered.
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



For	Audit & Assurance Committee
Date of Meeting	12/11/2020
Location:	Online
Item on Agenda	3.3

Title	Internal Audit Recommendations	
Request	For Information *	
Spokesperson	Ailig Greumach	
Governance route for the report	Date	Type of Governance
Leadership Team	07/10/2020 & 04/11/2020	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: <ul style="list-style-type: none"> - Consider the register, and with the agreement of the Internal Auditor, any completed actions be removed from the register and keep on a separate historic register. 	
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

Bòrd na Gàidhlig
Implementation of Audit Recommendations

Position as at 29.10.2020

Internal Audit 2019-20									
Item	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
2	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.	✓		
1	Grants to Gaelic Organisations: Desktop Instructions for PBG & Eile (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	✓		
1	Information Security and Management: Data Leakage Prevention (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	23/10/2020 Encrypted pen drives have been distributed to staff who required them for testing. Further training on relevant policies has been provided for staff, and will be for Board Members.		✓	
3	Information Security and Management: Data Sharing Agreement Register (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	✓		
1	Corporate Governance: Annual Review and Report (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	29/10/2020 A draft Best Value Statement is being presented to the Audit & Assurance Committee on 12/11/2020.		✓	
2	Corporate Governance: New Scottish Government Guidance (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. 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.	Head of Finance	30/09/2020	29/10/2020 A draft Best Value Statement is being presented to the Audit & Assurance Committee on 12/11/2020.		✓	

Bòrd na Gàidhlig
Implementation of Audit Recommendations

Item	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
3	Corporate Governance: Environment Targets (WB Feb 2020)	L	<p>Recommendation: We recommend that the Organisation consider implementing and monitoring environmental targets.</p> <p>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.</p>	Ceannard / Partnerships Manager	30/06/2020 for setting 2020/21 targets and 30/06/2021 for reporting progress	<p>08/09/2020 Targets have been 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.</p>		✓	
	Employee Performance Management: Frequency & Monitoring of Employee Meetings	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.	✓		
	Employee Performance Management: Central Storage	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.	✓		
	Employee Performance Management: Recording of Meetings	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.	✓		
	External Organisation Performance Management: Late Performance Reports	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.	✓		
1	Risk Management Strategy (WB Feb 2020)	M	<p>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.</p> <p>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.</p>	Ceannard	30/04/2020	<p>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)</p>	✓		
2	Risk Appetite (WB Feb 2020)	M	<p>Recommendation: We recommend that the Organisation fully documents its risk appetite. This should be included within the Risk Management Strategy.</p> <p>Management Response: Recommendation noted and accepted. The risk appetite will be reviewed and the Risk Management Strategy will be updated to reflect this.</p>	Ceannard	30/04/2020	<p>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)</p>	✓		

Bòrd na Gàidhlig
Implementation of Audit Recommendations

External Audit Follow-up 2017/18 Improvement Plan

Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	Progress	Not Started
	Leases	L	Renegotiate property agreement with SNH to safeguard current accounting practice under IFRS16	Ceannard	31/03/2020	02/06/2020 Discussions have been held regarding the MoU and a possible formal lease with SNH, including involvement of Shepherd Chartered Surveyors. A lease has not been progressed and due to the postponement of IFRS16 to 2021 there is no impact on 2019-20 accounts. Further consideration will be given to this issue, including whether a lease is required or appropriate, in order to bring it to a conclusion before the end of 2020. No further update at this time.		✓	

Internal Audit Follow up to Previous Audit:

Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
Oct 2018	Information and Records – Operation and Resilience, Follow-up- Information Security & Record Management	L	<p>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.</p> <p>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.</p> <p>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.</p>	Head of Finance	31/03/2020	01.10.2020 All invoices were scanned in the year 19/20 up to the date of closure of the office, due to Covid-19 Scanning of 2020-21 invoices has commenced and invoices to date have been done. This means that all Finance paper documents are now scanned and the system is in place to maintain that status.	✓		
Oct 2018	Resources Requirements, Public Bodies Language Plans	H	<p>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.</p> <p>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.</p> <p>Management Response Agreed that this review is completed and that the findings are fed into the medium to long-term work force plan.</p>	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.	✓		

Bòrd na Gàidhlig
Implementation of Audit Recommendations

Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
Oct 2018	Workload Management Records, Public Bodies Language Plans	H	<p>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 also 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.</p> <p>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.</p> <p>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 ongoing 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.</p>	Director of Language Planning and Community Developments	01/08/2020	<p>29/10/20</p> <p>Whilst we had aimed to complete this work by the start of August 2020 in-house, it as become clear that in order to complete the portal as envisaged in the original recommendation and within a reasonable time-scale, we will need to buy-in external support to complete the project. This work is currently out to tender through Public Contracts Scotland with responses requested by 06/11/2020.</p> <p>We aim to have the external support in place by 31st December 2020.</p> <p>In the short-term, work is ongoing to rationalise the Plans content on the main BnG www.gaidhlig.scot.</p>		✓	
Oct 2018	Information Records – Operation and Resilience, Follow-up-Information Security and Record Management	H	<p>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.</p> <p>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.</p> <p>Management Response Agreed. Work ongoing to implement the new SharePoint file structure.</p>	Office Manager	30/04/2020	<p>29/07/2020</p> <p>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 Consulting in March 2020. – Completed within timescale</p>	✓		
Oct 2018	Contracting and purchasing – use of electronic and digital signature, Follow-up Contracted Services & General Procurement	M	<p>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.</p> <p>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.</p> <p>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.</p>	Head of Finance	31/03/2020	<p>29/10/2020</p> <p>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 currently considering introducing the softward Docusign as a facility for electronic signatures. It is expected that this will be concluded in November 2020.</p>		✓	

Bòrd na Gàidhlig
Implementation of Audit Recommendations

Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
Oct 2018	Gaelic Language Plans Website, Public Bodies Language Plans	L	<p>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).</p> <p>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.</p> <p>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.</p>	Director of Language Planning and Community Developments	01/08/2020	<p>18/08/20</p> <p>Work is underway to rationalise the Plans content on the main BnG www.gaidhlig.scot. The Plans team have worked through the existing content and have rationalised this under the three headings of:</p> <ul style="list-style-type: none"> • Approved plans • Information for the public • Information for professional users <p>Work is well underway to develop a beta site using this structure and once this has been completed and fully tested, it will go live and replace the current "Plans" section on the Bòrd na Gàidhlig website.</p> <p>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 rationalised site.</p> <p>The aim is that this piece of work will be completed by 31st December 2020.</p>		✓	

Bòrd na Gàidhlig
Implementation of Audit Recommendations

Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
Oct 2018	Introduction of Online Expense claims System; Review of Travel & Subsistence Policy, Expense Claims	L	<p>Original Recommendation</p> <p>(a) <u>Introduction of Online Expenses Claims System</u> 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.</p> <p>b) <u>Submission of expenses claims</u> 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.</p> <p>c) <u>Review of Travel & Subsistence Policy</u> The revised Travel & Subsistence Policy be finalised and issued, and that it incorporates set dates for review in the future.</p> <p>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.</p> <p>Management Response The Travel & Subsistence Policy will be fully updated and implemented</p>	Head of Finance	31/03/2020	<p>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 updated to include those and will be translated into Gaelic. The proposed timescale for its completion is November 2020.</p> <p>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.</p>		✓	
Aug 2018	Corporate Performance-Integrated Dual Reporting, Organisational Performance Monitoring	L	<p>Original Recommendation</p> <p>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.</p> <p>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.</p> <p>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.</p>	Head of Finance	30/09/2020	<p>29.10.2020 Medium-Term Financial Plan (MTFO) was approved the Board in February 2020. The Covid-19 situation which has made major changes to the operational and possibly the financial environment and the MTFP was deferred. It is now to be updated and used as basis for a Business Case for submission to the Board in December 2020.</p> <p>Integrated reporting: Finance reports are now presented in terms of the operational plan priorities. The viability of linking finance information to outcomes on a more detailed basis will be investigated – conclusion by 31 December 2020.</p>		✓	

Bòrd na Gàidhlig

Implementation of Audit Recommendations

Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
Oct 2018	Payroll systems and procedures	L	<p>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.</p> <p>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.</p> <p>Management Response As per the response on page 24, the Travel & Subsistence Policy will be fully updated and implemented.</p>	Head of Finance	31/03/2020	<p>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.</p> <p>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.</p>		✓	

Complete

Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
1	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 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.	✓		
1	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. 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.	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. The date of approval of procedure documents by management and the manager who approved them will be included in the documents.	✓		
2	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.	✓		
3	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.	✓		
1	Risk Management Strategy (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)	✓		
2	Risk Appetite (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)	✓		
2	Information Security and Management: Overarching Information Security & Management Policy (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).	✓		
	Budget Setting	M	Budgets based on latest available actual figures, rather than prior budgets. Sensitivity analysis and scenario planning carried out to ensure robustness of the budget.	Head of Finance	31/01/2019	23.04.2020 Budgets for 2020-21 have been completed and were approved by the Board in February 2020. These incorporated figures based on actual expected outturn for 2019-20 so far as possible. Sensitivity analysis and scenario aspects were covered by procedures applied in drafting Medium Term Financial Plan.	✓		
Oct 2018	Procurement – use of Framework Contracts, Follow-up-Contracted services & General 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	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.	✓		

PART 3: Implementation of Audit Recommendations - Actions Completed from 1920

Issue Date	Audit Area	Priority	Action	Owner	Time scale	Current position	Complete	In Progress	Not Started
			<p>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.</p> <p>Management Response: This will be implemented in quarter 4 of 2019-20.</p>						



For	Audit & Assurance Committee
Date of Meeting	12/11/2020
Location:	Online
Item on Agenda	4.1

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	<p>The purpose of this paper is to present the draft Best Value Statement to the Audit and Assurance Committee.</p> <p>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.</p>		
2.0	Cùl-fhiosrachadh/Background		
2.1	<p>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:</p> <p>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.</p> <p>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.</p>		
2.2	<p>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.</p>		
3.0	Prìomh Aithris/Fiosrachadh / Main points		
3.1	<p>The statement reflects the seven areas recommended by SG and AS guidance. These are:</p> <ul style="list-style-type: none"> • Vision and Leadership • Effective Partnerships • Governance and Accountability • Use of resources • Performance Management 		

3.2	<p>And the two cross-cutting themes</p> <ul style="list-style-type: none"> • Equality(<i>SPFM</i> - "<i>Equal Opportunities arrangements</i>"); and • Sustainability (<i>SPFM</i> - "<i>A Contribution to Sustainable Development</i>"). <p>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.</p>
4.0	Moladh /Recommendation
4.1	<p>The Committee is requested to:</p> <ul style="list-style-type: none"> - Consider the statement, make recommendations for improvement as appropriate; - Approve the statement and recommend it to the Board.
5.0	Prìomh Bhuidhean Ro-innleachdach/ Key Strategic Impacts
5.1	Buidhean 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	Buidhean air Luchd-obrach/Impact on Staff
	The statement provides a concise and informative summary of what how the organisation achieves best value.
5.3	Buidhean air Trèanadh/ Impact on Training
	A number of the metrics include impact actions for training and development but the statement 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	Buidhean 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	Buidhean air Slàinte is Sàbhailteachd/Impacts on Health and Safety
	n/a
5.8	Buidhean Laghail/Legal Impacts
	n/a
5.9	Buidhean air Co-ionannas/Impacts on Equality
	n/a

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 bring Gaelic into the lives of people across Scotland. We work to ensure Gaelic is viewed by all as a social, cultural and economic asset, whether you speak the language or not.

Our role is a hybrid of advisory service delivery, funding partner and 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: 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 can reach into communities across 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

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 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; Improvement Plan annually

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 organisation 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

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

Sustainability

Bòrd na Gàidhlig is committed to sustainable development. 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: Public Sector Equality Report 2021



For	Audit & Assurance Committee
Date of Meeting	12/11/2020
Location:	Online
Item on Agenda	5.1

Title	Improvement Plan		
Request	For approval		
Spokesperson	Shona C NicIlinnein		
Governance route for the report	Date	Type of Treatment	
Leadership Team	27.10.2020	For Approval	
Improvement Plan Steering Group	05.11.2020	For Approval	
Appendices	Yes PT 1 – Improvement Plan		
1.0	Purpose		
1.1	The paper presents the Improvement Plan (IP) for the organisation. The paper is in English as the Improvement Plan is in English. It will be reviewed by the external auditors as part of their audit work.		
2.0	Background		
2.1	The Improvement Plan is the main vehicle for the organisation ensuring that it embeds continuous improvement.		
2.2	This is the second improvement plan. The Improvement Plan Steering Group (IPSG) is the governance mechanism for scrutinising progress on the Plan. Its meeting is on 5 November 2020 and any amendments agreed by the IPSG will be reported the Audit and Assurance Committee on 12 November.		
3.0	Main points		
3.1	The IP is created from three sources – the 2018/19 audit; the 2019/20 audit and the staff survey responses.		
3.2	The draft was reviewed by the IPSG at a meeting on 8 October 2020; by all staff at a meeting on 14 October with further staff input subsequently; by Deloitte; and by the Leadership Team on 27 October. The external auditor provided some feedback and their recommendations have been incorporated.		
3.3	The Plan has six workstreams: <ul style="list-style-type: none"> - Workforce - Governance and transparency - Financial Management - Financial Sustainability - Value for Money, and - Communication. 		

3.4	Each workstream has at least one over-arching KPI with targets, timescales and measures to assist with monitoring improvement. Each workstream has an overall owner, and each action within the workstream has an owner, timescale, and metric.																														
3.5	Work has already begun on implementing some of the actions listed.																														
4.0	Recommendation																														
4.1	The Committee is requested to: <ul style="list-style-type: none"> - Approve the Improvement Plan, taking into account any amendments suggested by the IPSG; - Recommend the Plan to the Board. 																														
5.0	Key Strategic Impacts																														
5.1	Impact on Finance																														
	There are a number of actions in the Plan which have an impact on Finance, including spend on change management expertise and training. These costs can be accommodated in the budget. A longer-term potential impact would be the submission of a business case for increased funding for the organisation. This would enable increased staffing as well as increased development funding for external groups and projects.																														
5.2	Impact on Staff																														
	The Improvement Plan is one of the key documents in the organisation and has far reaching impacts on staff in terms of organisational direction, capacity and capability to deliver BnG's working, communication, learning and development systems as well as the financial resources to implement the organisation's plans.																														
5.3	Impact on Training																														
	As referenced in 5.2, the IP has extensive impact on training.																														
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																														
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">AR N-ADHBHAR</th> <th style="width: 50%; text-align: center;">AR LUACHAN</th> </tr> </thead> <tbody> <tr> <td>Fòcas air a bhith a' cruthachadh dùthaich nas soirbheachaile le cothroman do dh'Alba air fad soirbheachadh tro bhith a' cur ri sunnd, agus ri fàs eaconamach seasmhach agus in-ghabhalach</td> <td>'S e comann-sòisealta a th' annainn a tha a' dèiligeadh ri ar sluagh le caoimhneas, urram agus co-fhaireachdainn, a' toirt spèis do riaghladh an lagha, agus a tha ag obair ann an dòigh a tha fosgailte agus follaiseach</td> </tr> <tr> <th colspan="2" style="text-align: center;">AR LUACHAN BUILEAN NÀISEANTA</th> </tr> <tr> <td>Human Rights</td> <td><input type="checkbox"/></td> <td>Children & Young People</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Culture</td> <td><input type="checkbox"/></td> <td>Communities</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Environment</td> <td><input type="checkbox"/></td> <td>Poverty</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Health</td> <td><input type="checkbox"/></td> <td>International</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Learning</td> <td><input type="checkbox"/></td> <td>Economy</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Successful innovative businesses</td> <td><input checked="" type="checkbox"/></td> <td></td> <td></td> </tr> </tbody> </table>	AR N-ADHBHAR	AR LUACHAN	Fòcas air a bhith a' cruthachadh dùthaich nas soirbheachaile le cothroman do dh'Alba air fad soirbheachadh tro bhith a' cur ri sunnd, agus ri fàs eaconamach seasmhach agus in-ghabhalach	'S e comann-sòisealta a th' annainn a tha a' dèiligeadh ri ar sluagh le caoimhneas, urram agus co-fhaireachdainn, a' toirt spèis do riaghladh an lagha, agus a tha ag obair ann an dòigh a tha fosgailte agus follaiseach	AR LUACHAN BUILEAN NÀISEANTA		Human Rights	<input type="checkbox"/>	Children & Young People	<input type="checkbox"/>	Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>	Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>	Health	<input type="checkbox"/>	International	<input type="checkbox"/>	Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>	Successful innovative businesses	<input checked="" type="checkbox"/>		
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5.6	Impact on Reputation																														
	The report on the Improvement Plan has a potential impact on the organisation's reputation – good if the report is good; bad if the report is poor.																														
5.6	Impact on Health and Safety																														

	The Improvement Plan includes actions which can potentially impact positively on wellbeing.
5.7	Legal Impact
	No effect
5.8	Impact on Equality
	No effect.
5.1	Impact on Finance

Bòrd na Gàidhlig Improvement Plan

Introduction

The Improvement Plan Steering Group (IPSG) is a sub-committee of the Audit and Risk Committee. The IPSG consists of a board member from the Audit and Risk Committee, a member of the leadership team and an employee representative. The Ceannard attends the IPSG. The IPSG has oversight of the Improvement Plan which was developed as a result of the Audit Report prepared by Deloitte in 2019.

The purpose of the Improvement Plan is to demonstrate and track that actions are being taken to ensure that the organisation is meeting the required improvements identified in the Audit Reports.

In addition, the Improvement Plan contains improvement actions identified by employees as a result of the Employee Survey undertaken in May 2020.

This plan is effective a further Audit is undertaken.

The plan will be updated by Leadership Team who will liaise with the Workstream/Action Leads in order to monitor progress, identify issues and evidence improvements.

The workstreams have been identified as a result of the Audit Report and Employee Survey. Workstreams are agreed by the Audit and Risk Committee after discussion and review by the IPSG.

A baseline of actions has been agreed by the Audit and Risk Committee. Changes to existing actions or new actions can only be agreed by the Improvement Plan Steering Group, which will be reported to the Audit and Risk Committee.

Risks and Issues associated with the Plan will be reviewed by the IPSG and will be referred to the Audit and Risk Committee in line with the guidance below.

Completion Guidance

IP Updates and monitoring: LEADERSHIP TEAM

New/Change to actions: To be agreed by the IPSG

Workstream Leads:

Responsible for communication of activity and actions to be undertaken by other employees in BnG. Details to be noted in Comments/Update section of plan.

Workstream status:

Indicator	Red	Amber	Green
Time	Expected improvement delivery more than 30 days later than agreed plan	Expected improvement delivery up to 30 days later than agreed plan	Expected improvement delivery on track and likely risks or issues to indicate otherwise
Scope	A significant change to the scope of the workstream has been agreed with the IPC in the last quarter	Not used	Project scope remains as agreed with the Project Sponsor and there are no likely risks/concerns to indicate otherwise. This will include minor changes that are routine and can be accommodated without changes to estimate or schedule above the agreed tolerance.
Cost	Costs expected to exceed current agreed estimate by more than 20%	Costs expected to exceed current agreed estimate by between 10-20%	Costs expected to meet current agreed estimate (with 10% tolerance)
Improvements (Benefits)	Likely to be a reduction in benefits is more than 10%	Reduction in improvements of around 10%	Improvements are on target
Overall Project Status	RED if one or more of the Above indicators are RED.	AMBER if one or more of the above indicators are AMBER and none are RED.	GREEN if all of the above indicators are GREEN.

Risks and Issues

There is a separate agreed R&I log for the overall programme of change. New and Changed R&I will be highlighted in this report.

An issue is anything that is causing an adverse impact on planned progress, cost or quality of the plan including when an action goes to Amber or Red. An issue exists today and must be resolved quickly (as distinct from a risk, which is yet to happen).

Workstream Leads are responsible for resolution and management of issues that can be resolved within their areas.

A risk is an undesirable event that, if it occurred, would impact the delivery or benefits of the plan. A risk is yet to happen and needs to be avoided or mitigated (as distinct from an issue which already exists today). Mitigating actions may be taken to reduce the likelihood of the event happening or to minimise its impact. Contingency action plans may need to be drawn up in case the risk event actually eventuates and therefore the risk becomes an issue.

Dashboard – Dated: 25th October 2020

Previous RAG	Current RAG	Future RAG	Commentary about status:	
			Actions from previous Improvement plan have been reviewed, alongside the latest Audit report dated 17 th September. A summary document (NAME) will demonstrate the link between the previous version of the plan and this plan.	
Improvement/Action Delivered in last quarter			Improvement/Action Due (next quarter)	Date
Workstream	Improvement/Action			Due Date
Workforce				
Governance and Transparency				
Financial Management				
Financial Sustainability				
Value for Money				
Communication				

Missed Improvement/Action							
Workstream	Improvement/Action			Due Date	Revised Date	Commentary	
Risks and Issues (only new R&I or changed R&I will be shown on this dashboard)							
Workstream	R/I	Description	Date Raised	Raised By	Action to Manage Risk	Owner	Date Agreed/Closed
Workforce	R	Action 1.1 is dependent upon securing additional funding. If this is not forthcoming then an alternative option should be considered.	19/10/2020	DB	The business case submitted will include alternative options should additional funding not be secured	SNI	
All	R	The requirement for actions to be evidenced may lead to additional activity to be undertaken which could result in mechanistic and/or missed actions.	19/10/2020	DB	Workstream Lead and IPSPG to ensure both deliverables and KPIs are clear and relevant. Workstream Leads to ensure relevant systems/training put in place to ensure change in behaviour/activity.	IPSPG/Workstream Leads	

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Workstream 1: Workforce

KPI/Target		<p>Target: A management structure will be agreed and funding in place with a supporting succession plan to include actions to manage any gaps in business-critical roles.</p> <p>Impact: A route map to deliver the revised management structure which when implemented will deliver the required capacity and capability to achieve the organisation's stated aims and objectives.</p> <p>Metric: Proposal and Succession Plan approved by Board</p> <p>Timescale: by 31/03/21</p>					
1.1	SNI	Following the proposals presented to the Board in September 2019, changes in management structure during 2020, and further known succession plans a revised management structure will be required to deliver organisational strategy. Clear roles and responsibilities should be laid out for each position and a revised structure in place for the beginning of 2021/2022.					
Ref	Lead	Date Added	Improvement/Action	Due Date Revised Date	Deliverable	Comment/Update	Status
1.1.1	SNI	25/10/20	Proposal on revised management structure to go to December Board Meeting	15/11/20	Board paper		Open
1.1.2	SNI	25/10/20	Proposal to have a funding plan/strategy in place	31/03/21	Strategy approved by the Board		Open
1.1.3	SNI	25/10/20	Succession plan prepared and agreed by leadership team	28/02/21	Succession Plan		
1.1.4	SNI	25/10/20	Communication and Implementation plan for revised structure developed	31/03/21	Communication and Implementation plan		Open
1.1.5	MNA	25/10/20	Board to continue to monitor that changes are effective.	Ongoing	Performance Reviews		Open
1.2	SNI	<p>A workforce plan is in place and agreed.</p> <p>An organisation wide training plan is developed and implemented to ensure the organisation has sufficient skills/capabilities to deliver the strategy.</p>					
KPI/Target		<p>Target: By 31/03/21 a workforce plan is agreed which outlines how the organisation will plan, resource, and develop the workforce. By 31/03/21 an effective system is in place for undertaking and evaluating Training and Development</p> <p>Impact: Workforce plan outlines the objectives and actions to be taken to plan, resource and develop the workforce Employees and Board understand and utilise the training and development opportunities available</p> <p>Metric: Agreed workforce plan Costed and agreed training plan in place by 31/03/21 Training procedures implemented and training review report drafted.</p>					
Ref	Lead	Date	Improvement/Action	Due Date	Deliverable	Comment/Update	Status

		Added		Revised Date			
1.2.1	JA	25/10/20	Workforce plan objectives and actions are reworked to provide sufficient detail	31/12/20	Workforce Plan		Open
1.2.2	LNI	25/10/20	Undertake individual and organisational training needs analysis	31/01/21	TNA Questionnaire Organisational Development Needs identified by leadership team		Open
1.2.3	LNI (JA)	25/10/20	Costed training plan developed and agreed by leadership team	28/02/21	Training Plan		Open
1.2.4	LNI (JA)	25/10/20	Updated training policy and procedures	28/02/21	Training Policy		Open
1.2.5	LNI (JA)	25/10/20	Training Review report format drafted and agreed	31/03/21	Training Report		
1.2.6	LNI (JA)	25/10/20	Recruitment documentation to record how it considers requirements on a case by case basis around Gaelic essential or not	31/12/20	Recruitment documentation		Open
1.2.7	MNA	25/10/20	Board to consider whether spend on training is appropriate.	Quarterly	Training Reports		Open

Workstream 2: Governance and Transparency

KPI/Target		Target: Bòrd na Gàidhlig governance measures operate to the required standards Impact: The organisations operates effectively with appropriate governance structures and transparency Metrics: Internal Audit Report, External Audit Report, Board and Committee effectiveness reviews. Timescale: 31 May 2021					
2.1	AG	A holistic review of the governance arrangements in the organisation needs to be carried out (by Internal Audit or an external organisation) to ensure that these remain appropriate for the organisation, in line with best practice and set up for continuous improvement. Any recommendations arising from this review should be added to this improvement plan.					
Ref	Lead	Date Added	Improvement/Action	Due Date Revised Date	Deliverable	Comment/Update	Status
2.1.1	AG	25/10/20	Internal Audit process undertaken, and report submitted to Audit and Assurance Committee	28/09/20 audit starts	Audit report and recommendations		Open
2.2		Ensure compliance with standing orders					
2.2.1	CNI	25/10/20	Training on standing orders for board and staff to ensure compliance. (SO 10, 22 and 57)		Training completed		Open
2.2.2	MNA	25/10/20	Board to consider whether Standards Officer has sufficient skills and capacity to perform the role effectively and if not, what support/alternative measures can be put in place to bridge gaps identified	30/11/2020	Board SO's Performance Review and support plan		Open
2.3		Covering Reports should include sufficient information					
2.3.1	SNI - LT	25/10/20	Greater information required in Impact sections of reports including links and impact on other plans, budgets and further development and consideration of risk	31/12/2020	More detailed Impacts sections on Covering reports Training for relevant employees on requirements	Draft guidance available; to be discussed at SMT meeting with managers (04/11/2020)	Open
2.4		Board Training and Effectiveness					
2.4.1	MNA	25/10/20	Board to agree whether all their main training needs have been met are being met in line with an agreed training plan	30/04/2021	Board training report		Open
2.4.2	MNA	25/10/20	Board to refamiliarize itself with its governing legislation, Standing Orders, Terms of Reference, to ensure they are aware of process for making key governance changes and are able to challenge when these processes are not followed	31/12/2020	Board regular reading and reviewing included as part of agenda		Open

2.4.3	LNI	25/10/20	Monitoring system for ensuring that training requests are actioned and monitored and report to board		Board training review report		Open
2.4.4	SNI/MNA	25/10/20	Self-assessment of committee and board should be developed into a 3-year programme with external assessment every 3 years	31/03/2022	Board and Committee assessment plan		Open
2.4.5	CNI	25/10/20	Key governance documents which are on the website should be updated and made available on website immediately		Website updates		Open
2.5	SML	Change Management Support					
2.5.1	SNI	25/10/20	Change management support to ensure completion of Change Implementation Plan. Paper to Board on 23/09/20	30/11/20 Dependent on Scottish Ministers approval	Change management support in place and terms of reference agreed		Open
2.5.2	MNA/SML	25/10/20	Board to continue to monitor implementation of the programme for change and ensure it is delivered effectively	Ongoing	Implementation Plan delivered in accordance with TOR		Open
2.5.3	SNI	25/10/20	First review of timescales for implementing recommendations in improvement plan to be undertaken and cross-organisation input completed.	12/11/20	Implementation Plan timescales agreed		Open
2.5.4	CNI	25/10/20	Board to improve its processes for capturing and reporting progress on actions arising from Board and Committee meetings and from audit, and board members need to scrutinise management updates on those areas to a greater degree.	16/12/20	Board/Committee minutes		Open
2.5.5	SNI	25/10/20	Review of governance – internal audit 28/09/20	31/12/20	Internal Audit Report		Open
2.5.6	SNI	25/10/20	A review into effectiveness of committee structure should be carried out – internal audit underway w/c 28/09/2020	31/12/20	Internal Audit Report		Open
2.5.7	JA	25/10/20	Have SMART targets for each action each Workstream in IP (KPIs)	08/10/20	Improvement plan targets agreed		Open
2.5.8	JA		In order to improve monitoring of progress, a new format of Improvement Plan and Reporting should be established.	08/10/20	Improvement plan		Open
2.6		Framework document					
2.6.1	SNI	25/10/20	The framework document needs to be updated to reflect the changes agreed with the Sponsor Division – REWORD TO REFLECT WHAT'S HAPPENED – RISK TO BE ADDED	When SG changes are incorporated	Framework Document	The document has been updated (Board meeting 23/09/2020) but is awaiting Sponsor Division input	Open

Workstream 3: Financial Management

KPI/Target		<p>An annual budget which has clear links to the Medium Term Financial Plan (MTFP), Operational plan and analysis of deliverables. Improved capability and understanding of the procurement process Impact: Metric: Annual budget and reports, Internal Audit Report, External Audit Report Timescale: 15 December 2020</p>					
3.1	AG	<p>Bòrd na Gàidhlig should have a detailed, standalone annual budget other than the Medium Term Financial Plan (MTFP). This annual budget should make clear links to the MTFP and the impact the budget has on the funding gaps identified in the MTFP. Clear links should be made to the Corporate plan including analysis of deliverables in plan.</p>					
Ref	Lead	Date Added	Improvement/Action	Due Date Revised Date	Deliverable	Comment/Update	Status
3.1.1	AG	25/10/20	Budget in place and structure to report on performance against operational plan	15/12/2020	Budget report		Open
3.1.2	AG	25/10/20	Set out outcomes which the budget aims to progress demonstrating the impact on MTFP	15/12/2020	Budget for approval		Open
3.1.3	AG	25/10/20	Add additional review in procurement exercise documenting qualitative considerations	30/11/2020	Qualitative measures added to procurement process		Open
3.1.4	LNI	25/10/20	Training on procurement should be provided to those involved in procurement process – 3 sessions delivered	15/12/2020	Training	First session delivered (8/10/2020)	Open

Workstream 4: Financial Sustainability

4.1		Running Costs Business Case					
KPI/Target		The running costs business case will include requirements on funding from Deloitte's report Measures: Business case submitted to SG Timescale: 31 March 2021					
Ref	Lead	Date Added	Improvement/Action	Due Date Revised Date	Deliverable	Comment/Update	Status
4.1.1	SNI	25/10/20 (2019/20 action)	Business Case to be updated to focus on making best use of totality of funding with clear outcomes delivered	31/03/2021	Business case		Open
4.2	AG	Medium Term Financial Plan					
KPI/Target		The MTFP will include more comprehensive modelling and analysis, and actions to be taken to close funding gap by DATE Measures: MTFP Actions completed as outlined in plan					
Ref	Lead	Date Added	Improvement/Action	Timescales	Deliverable	Comment/Update	Status
4.2.1	AG	25/10/20 (2018/19 action)	MTFP to be updated to include: <ul style="list-style-type: none"> - Best- and worst-case scenarios - Analysis of previous year statistics - Links between staffing changes and MTFP - Detail on actions to close the funding gap - Additional section on assumptions and risks 	30/11/2020	MTFP		Open
4.2.2	AG	25/10/20 (2019/20 action)	MTFP to be updated to reflect changes implemented, current Covid19 pandemic.	30/11/2020	MTFP		Open

Workstream 5: Value for Money

KPI/Target		Target: By 31/03/21 the stakeholder consultation on funding will be complete and results assessed Impact: The completion of this work will allow the organisation to plan for new funding agreements due in 2022 Metric: Board report prepared on consultation process and findings					
5.1	DB	When preparing for the next expected multi-year agreements, BnG should (1) Carry out a wider stakeholder consultation on the revised approach to grant funding and assess the potential impact on wider Gaelic organisations and the wider Gaelic community					
Ref	Lead	Date Added	Improvement/Action	Due Date Revised Date	Deliverable	Comment/Update	Status
5.1.1	DB	25/10/20 (2018/19 action)	Consultation Plan completed and findings agreed.	31/03/21	Consultation Plan Board Updates		Open
5.1.2	DB	25/10/20 (2018/19 action)	Analysis of why 3-year funding provides better value for money than 1 year or one-off grants	15/03/21	Self-assessments from funded organisations Stakeholder feedback Internal evaluation of impact		Open

Workstream 6: Communication

KPI/Target		Target: Ensure effective communication internally and externally which results in improved employee and stakeholder satisfaction Impact: Metrics: Employee Survey continues to display evidence of improvement over periods of time improvements in communication to 40% statements in strength category (0% in 2020), Employee feedback via employee rep at Improvement Committee, Employee wellbeing survey reporting 90% staff expect to have their POPs, External Stakeholder survey increased by					
Ref	Lead LNI	Date Added	Improvement/Action	Due Date Revised Date	Deliverable	Comment/Update	Status
6.1	LNI	Improving internal communication, particularly around the Improvement Plan					
6.1.1	BOH	25/10/20	Establish a mechanism for monitoring staff opinion in relation to specific actions undertaken as a result of the improvement plan	12/11/20	Employee feedback on IP		Open
6.1.2	JG	25/10/20	Extend invite to other members of staff to observe conduct of Improvement Committee meetings e.g. (Trade Union representatives)	12/11/20	Employee rep attendance at IPSG		Open
6.1.3	MNA	25/10/20 (2018/19 action)	Board and staff engagement – board should evaluate whether engagement is effective and whether more should be done through reflection on staff survey report and other assessments and agree actions (BnG-03-1920-15)	31/12/20	Board engagement actions		Open
6.1.4	CNI	25/10/20 (2019/20 action)	System for reporting reason as to which language a paper is presented in – consistency of system for checking Gaelic/English are increased	2/12/2020	Paper submission process		Open
6.1.5	LNI	25/10/20	Internal communications – review to see what further improvements can be made	30/11/2020	Internal Comms Strategy		Open
6.2		Develop a culture of recognition – The following statement was classed as critical in the most recent employee survey – “Management within Bòrd na Gàidhlig recognises strong job performance”.					
6.2.1	LNI	25/10/20	Encourage recognition as part of normal performance conversations (linked to values)	31/12/20	SLT/Management development on positive reinforcement		Open
6.2.2	LT	25/10/20	Employee achievement is recognised as part of the normal team meetings	30/11/20	Feedback on employee achievement noted at team meetings by all employees	Feedback provided through employee consultation that this should not be a mechanistic process, but recognise it may need to be recorded. Explore whether this may be done through POP process.	Open

6.3 Improvements arising from Employee Survey April 2020 and agreed by the whole team in September 2020							
6.3.1	Manaid searan	25/10/20	Follow and implement the Learning & Development policy and provide opportunities for the team (Link to Workstream 1)	31/01/2021	Managers reporting that they are comfortable with T&D policy and processes		Open
6.3.2	LNI - process	25/10/20	CPD/Self-led learning (e.g. webinars, books, peer learning). Employees should be allowed an agreed amount of time to undertake learning activities. Learning Activity should be reviewed at the 6 weekly review and recorded in People HR. (Link to Workstream 1)	31/12/2020	People HR Report PDP process		Open
6.3.3		25/10/20	Recognition of wider skillset across the organisation and how it could be used in different situations. (Link to Workstream 1, Action 2.2)	28/02/2021	Training Needs Analysis Skills matrix?		Open
6.3.4	LNI	25/10/20	Implement time off for volunteering activities through special leave policy – reminder at POP that this is available	31/12/2020	Volunteering process		Open
6.3.5	LNI	25/10/20	Discuss wellbeing policies regularly and improve access of these to the team – following outcomes of Wellbeing Surveys	30/11/2020	Wellbeing Review		Open
6.3.6	Manaid searan	25/10/20	Performance success is measured on outputs of work rather than time at work. Ensure a focus on individual achievements that should be linked to the operational plan via POPs.	28/02/2021	POP Objectives	Clear on what an outcome is and balance against lots of time input required	Open
6.3.7	LNI	25/10/20	Clear communication and systems to let employees know relevant information about what is happening in the organisation e.g. re-introduction to the office – linked to 6.3.9	30/04/2021	Team meeting minutes Information on news page on sharepoint Internal Comms strategy		Open
6.3.8	CNI	25/10/20	Workload – while continuing to work from home, support wellbeing appropriately e.g. regular screen breaks etc	30/11/2020	Wellbeing Review POPs		Open
6.3.9	LNI	25/10/20	As part of Internal Communications strategy present overview of all organisational set meetings, purpose, and feedback mechanisms	31/01/2021	Internal Comms Strategy		Open
6.3.10	MNI		Feedback on information provided for board, external stakeholders, and recognition of what has been delivered.	28/02/2021	Comms reports		Open

6.3.1 1	LNI		Employees have time to review information and are signposted to where the information can be found.	31/01/2021	Employee Communication Agreement		Open
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Presented to	Audit and Assurance Committee
Date of Meeting	12/11/2020
Where:	Online
Item on Agenda	5.2

Title of the paper	Terms of Reference	
Recommendation to Members	For Approval	
Presenter	Shona NicIllinnein, Ceannard	
Governance Route	Date of Meeting	Type of Discussion
Improvement Plan Steering Group	05/11/2020	For Approval
Related Appendices	-	
1.0	Purpose	
1.1	This paper is to seek approval for renewed terms of reference for the Improvement Plan Steering Group (IPSG).	
2.0	Background	
2.1	The Terms of Reference (ToR) are the key document which sets out how the group should operate, its functions, its members, reporting mechanisms and duration of the group.	
3.0	Key Points	
3.1	The revised ToR include the following additions: <ul style="list-style-type: none"> - Receiving feedback from staff and agreeing information to go to staff on the Improvement Plan and the work of the Steering Group; - Terms of office for both the staff and the SMT members of the Group; including a mechanism to ensure that terms of office for both do not coincide. 	
3.2	The IPSG meeting follows on from the issuing of the Audit and Assurance Committee papers. Any further amendments to the ToR made at the IPSG meeting will be provided at the AAC meeting.	
3.3	The updated ToR will be submitted to the Board after approval by the Audit and Assurance Committee.	
4.0	Recommendation	
4.1	The Audit and Assurance Committee is requested to approve the updated Terms of Reference, and recommend them to the Board.	
5.0	Key Strategic Impacts	
5.1	Impact on Finance	
	No impact on finance	
5.2	Impact on Staff	
	The establishment of a clear system to input and provide feedback from the work of the IPSG should increase confidence in the Improvement Plan and in the work of the ISPG. It will also increase the effectiveness of the IP itself.	
5.3	Impact on Training	

	All members of the IPSG and AAC should ensure that they understand the implications of the ToR and apply these in how they carry out their work.			
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			
	AR N-ADHBHAR		AR LUACHAN	
	Fòcas air a bhith a' cruthachadh dùthaich nas soirbheachaile le cothroman do dh'Alba air fad soirbheachadh tro bhith a' cur ri sunnd, agus ri fàs eaconamach seasmhach agus in-ghabhalach		'S e comann-sòisealta a th' annainn a tha a' dèiligeadh ri ar sluagh le caoimhneas, urram agus co-fhaireachdainn, a' toirt spèis do riaghladh an lagha, agus a tha ag obair ann an dòigh a tha fosgailte agus follaiseach	
	AR LUACHAN BUILEAN NÀISEANTA			
	Human Rights	<input type="checkbox"/>	Children & Young People	<input type="checkbox"/>
	Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
	Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
	Health	<input type="checkbox"/>	International	<input type="checkbox"/>
	Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
	Successful innovative businesses	<input checked="" type="checkbox"/>		
5.6	Impact on Reputation			
	ToR provide a robust governance mechanism which contributes to the good reputation of the organisation.			
5.6	Impact on Health and Safety			
	No impact.			
5.7	Legal Impact			
	No impact.			
5.8	Impact on Equality			
	No impact.			



**NA BUN-RIAGHAILTEAN
A' BHUIDHEAN STIÙIRIDH DEN PHLANA LEASACHAIDH**

**TERMS OF REFERENCE
IMPROVEMENT PLAN STEERING GROUP**

Air aontachadh le/Approved by: **Am Bòrd Stiùiridh – The Board**

Air aontachadh air/Approved on: **2019-12-11**

Ath-nuadhachadh a dhìth/Review due on: 07-2021

Air ath-nuadhachadh air/Revised on: 2020-10-08

	<p>1. TERMS OF REFERENCE</p> <ul style="list-style-type: none"> a) To monitor performance against the Improvement Plan, making recommendations as appropriate. b) To drive the continued development of the Improvement Plan. c) To ensure oversight and challenge for the Improvement Plan. d) To consider additions to the Improvement Plan as appropriate. e) To take feedback from staff on the Improvement Plan and to provide a summary of the conclusions of the meeting to staff. f) To ensure that there is a plan which represents a single, organisation-wide improvement plan, acting as a single point of reference for the organisation and public on improvement actions taken by the Board. g) To provide a mechanism for considering on an annual basis an organisation-wide improvement plan, ensuring compliance with the Best Value requirement for continuous improvement.
	<p>2. MEMBERSHIP</p> <ul style="list-style-type: none"> a) Member, Audit & Assurance Committee (AAC) (Chair of Improvement Steering Group) b) Member of staff (chosen by staff themselves through a process of self-nomination and election) for a 2-year term. c) Member of Leadership Team for a 2-year term with an option to extend the term by 6-months to avoid both (b) and (c) changing at the same time. d) Additional members can be co-opted by the Improvement Steering Group.
	<p>3. REPORTING</p> <ul style="list-style-type: none"> a) The Improvement Steering Group will report to the AAC. They will also report to the Board, staff and public as appropriate (to be determined in discussion with the Chair of AAC) on progress with the Improvement Plan. b) The Committee will receive a reconciliation of the Improvement Plan on an annual basis at minimum. This will include number of actions implemented (analysed by on time/late), the amount due but outstanding, and the amount of actions added to the plan in the year, reconciling to the amount of actions brought forward. The annual report should also set out how many actions are expected to be implemented in the coming year. In addition, progress on the Improvement Plan should be a standing item on the agendas for ARMC, People Committee and Board.
	<p>4. TIMESCALE</p> <p>The Improvement Steering Group will exist for as long as it is considered appropriate by the Board. If it ceases to exist, the Board should ensure that there is still a mechanism for considering on an annual basis an organisation-wide</p>

	improvement plan, ensuring compliance with the Best Value requirement for continuous improvement.
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For	Audit & Assurance Committee
Date of Meeting	12/11/2020
Location:	Online
Item on Agenda	6.1

Title	Strategic Risk Register	
Request	For approval	
Spokesperson	Shona C NicIlinnein / Ailig Graham	
Governance route for the report	Date	Type of Treatment
Leadership Team/ Managers	04/11/2020 (07/10/2020)	For Approval
Appendices	Yes PT 1 – Strategic Risk Register	
1.0	Purpose	
1.1	<p>The paper presents the strategic risk register. This was reviewed updated by the Leadership Team and managers at their meeting on 07/10/2020 and the current version will be reviewed again at the meeting on 04/11/2020. Any updates will be provided to the Committee.</p> <p>This paper is in English to assist understanding by Internal and External Auditors as demonstration of competent risk management is central to their work.</p>	
2.0	Cùl-fhiosrachadh/Background	
2.1	n/a	
3.0	Prìomh Aithris/Fiosrachadh / Main points	
3.1	<p>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).</p> <p>No risks have been upgraded.</p> <p>The following risks have been decreased:</p> <p>4.1 – Gaelic does not maintain a positive image; impact reduced from 4 to 3. 4.3 – Gaelic not seen as important – probability reduced from 4 to 3. 5.2 – Reputation – probability reduced from 4 to 3.</p>	
4.0	Moladh /Recommendation	
4.1	<p>The Committee is requested to:</p> <ul style="list-style-type: none"> - Discuss the register - Make recommendations for changes as viewed appropriate <p>Approve the register.</p>	

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.			
5.3	Impact on Training			
	Apart from increasing staff understanding of the issues raised by the risk register, there is not direct training			
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 Purpose		Our Values	
	Fòcas air a bhith a' cruthachadh dùthaich nas soirbheachaile le cothroman do dh'Alba air fad soirbheachadh tro bhith a' cur ri sunnd, agus ri fàs eaconamach seasmhach agus in-ghabhalach		'S e comann-sòisealta a th' annainn a tha a' dèiligeadh ri ar slugh le caoimhneas, urram agus co-fhaireachdainn, a' toirt spèis do riaghladh an lagha, agus a tha ag obair ann an dòigh a tha fosgailte agus follaiseach	
	AR LUACHAN BUILEAN NÀISEANTA			
	Human Rights	<input type="checkbox"/>	Children & Young People	<input type="checkbox"/>
	Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
	Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
	Health	<input type="checkbox"/>	International	<input type="checkbox"/>
	Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
	Successful innovative businesses	<input checked="" type="checkbox"/>		
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			

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

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	Oct 2020	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	Oct 2020	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	Oct 2020	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	Oct 2020	4	2	8	8	→				Ceannard

Very High	Risk Score 20-25	Unacceptable level of risk exposure that requires immediate mitigating action and monthly monitoring
High	Risk Score 12-16	Unacceptable level of risk which requires controls to be put in place to reduce exposure and monthly monitoring
Medium	Risk Score 6-10	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: 29.10.2020

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.

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	<p>Treat: Include Gaelic language in development of policies and contribute to public consultations</p> <p>Take the Opportunity: Support initiatives aimed at retaining and attracting people to Gaelic speaking communities including Encourage organisations to see current home-working as an opportunity for young people to live in the islands. <i>Use existing consultations and the new work around preparing for NGLP#4 to engage further with traditional communities.</i></p>	Nov 2019	Oct 2020	3	3	9	9	→	4	3	12	Director of Language Planning and Community Developments
2.2	Scotland's Census 2021 (deferred to 2022)	Continued decline of Gaelic speakers will negatively impact the view of the public and politicians	Encouraging Gaelic speakers to acknowledge their Gaelic skills in the census	<p>Tolerate: Communication strategy to encourage people to acknowledge their Gaelic skills in Scotland's Census 2021 (<i>now 2022</i>).</p> <p>Communication strategy in place to prior to publication of census results</p> <p>Take an Opportunity: Encourage anyone who has Gaelic skills to participate in the census process.</p>	Nov 2019	Oct 2020	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	<p>Treat: Make the case for Gaelic as an economic asset</p> <p>Develop Gaelic Plans which progress essential priorities</p> <p>Use Gaelic Plans to encourage public bodies to normalise Gaelic spending in key areas such as education</p> <p>Take the Opportunity: <i>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</i></p>	Nov 2019	Oct 2020	4	4	16	16	→	4	4	16	Director of Language Planning and Community Developments

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Very High	Risk Score 20-25	Unacceptable level of risk exposure that requires immediate mitigating action and monthly monitoring
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Medium	Risk Score 6-10	Controls can be put in place or the risk accepted. Subjected to quarterly monitoring.
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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: 29.10.2020

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

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	<p>Treat / Transfer: Working with local authorities to ensure that staff are available where they are needed.</p> <p>Treat / Transfer: Working with colleges, universities, and training providers to ensure that their courses are delivering enough staff to meet demand.</p> <p>Treat Continuing support for LAs on Gaelic Plan commitments and through engagement with national networks (GLAN, ADES etc.)</p>	Nov 2019	Oct 2020	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.	<p>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.)</p> <p>Take the opportunity <i>Continue to promote the positive news about research into bilingualism.</i></p>	Nov 2019	Oct 2020	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	<p>Ensuring that Gaelic education remains a choice.</p> <p>Ensuring that all children starting Gaelic education can follow it through to secondary level.</p> <p>Ensuring that all adult learners who aim to become fluent have the opportunity to do so.</p>	<p>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.</p> <p>Take the opportunity: Work with all partners to promote access to online resources for all ages of learners. Make use of data provided by LearnGaelic.scot monthly.</p> <p>Transfer: Ensure that there is strategic lead to ensure that learners have facilities to take them to fluency.</p>	Nov 2019	Oct 2020	4	4	16	16	→	5	3	15	Director of Gaelic Education

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Very High	Risk Score 20-25	Unacceptable level of risk exposure that requires immediate mitigating action and monthly monitoring
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- 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.
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- 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: 29.10.2020

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

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	Oct 2020	4	3	12	16	↓	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. Increase engagement with politicians, candidates and political parties.	Nov 2019	Oct 2020	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	Oct 2020	4	3	12	16	↓	4	4	16	Ceannard

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5. Bòrd na Gàidhlig continues to develop how it works

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	Oct 2020	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 funding Gaelic development	Treat: Utilising all media channels to tell our story	Nov 2019	Oct 2020	4	3	12	16	↓	5	5	25	Ceannard

Very High	Risk Score 20-25	Unacceptable level of risk exposure that requires immediate mitigating action and 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: 29.10.2020



For	Audit & Assurance Committee
Date of Meeting	12/11/2020
Location:	Online
Item on Agenda	7.1

Title	Committee Work Plan		
Request	For Approval		
Spokesperson	Shona C NicIlinnein / Ailig Graham		
Governance route for the report	Date	Type of Treatment	
-	-	-	
Appendices	Yes PT 1 – Work Plan		
1.0	Purpose		
1.1	Is e adhbhar na h-aithisge seo plana obrach a thoirt dhan Chomataidh Sgrùdaidh is Dearbhachd a tha a’ mìneachadh nam prìomh nithean air am feum a’ Chomataidh beachdachadh mar phàirt den chlàr-obrach aice airson na bliadhna.		
2.0	Background		
2.1	The workplan was last reviewed by the Committee in August 2020.		
3.0	Main points		
3.1	It is important that a workplan is agreed by the Committee for the year ahead. The plan is then 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 is now planned to bring this to the Committee in January 2021.		
4.0	Recommendation		
4.1	The Committee is requested to: <ul style="list-style-type: none"> - 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 Purpose	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	<input type="checkbox"/>	Children & Young People
	Culture	<input type="checkbox"/>	Communities
	Environment	<input type="checkbox"/>	Poverty
	Health	<input type="checkbox"/>	International
	Learning	<input type="checkbox"/>	Economy
	Successful innovative businesses	<input checked="" type="checkbox"/>	
5.6	Impact on Reputation		
	The workplan ensures that the Committee fulfils its responsibilities; this has a positive impact on the organisation's reputation.		
5.6	Impact on Health and Safety		
	n/a		
5.7	Legal Impact		
	The workplan ensures that the Committee fulfils its statutory responsibilities.		
5.8	Impact on Equality		
	n/a		

AUDIT & ASSURANCE COMMITTEE
Work Plan 2020/21 (Draft 29/10/2020)

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											
Internal Audit Reports	Workplan Review											
	Finance Report											
	Financial Controls									√		
	Corporate Governance									√		
	Procurement									√		
	Business Continuity and Disaster Recovery									√		
	Performance Management			√								√
	Grants to Gaelic Organisations											√
	Risk Management											√
	Improvement Plan follow-up											
	Follow-up											
	External Organisations (MFOs) - Performance Management			√								√
	Employee Performance Management			√								
Annual Cyclical Items	Internal Audit Annual Report			√								
	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									√		

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