

CORPORATE GOVERNANCE AND RISK						
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Corporate Core	Health and Safety	Potential damage to health / wellbeing or loss of life which may result in claims, reputational damage, litigation or corporate manslaughter	Review of Health and Safety at Corporate level - CPFA matrix	15	QTR1	Review is ongoing, work being collated and report being prepared.
Corporate Core	Risk Management and Assurance Framework	Failure to identify major risks that may prevent the Council from achieving one or more of its objectives. Failure to ensure that the major risks are being managed.	Review of risk management arrangements at Corporate level – review of the Council's risk management strategy and arrangements for the maintenance of risk registers. Review the associated information management system and reporting arrangements.	15	QTR2	Engagement letter issued to client – audit postponed, as had recent external review and implementing the findings. Audit to be undertaken at a later date.

Directorate	Topic	Potential Control / Governance Risk	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Corporate Core	Members Allowances and Members Delegated Funds	Loss of accountability, lack of corporate ownership of decision making and possible failure to deliver the expected level of services to residents.	Routine review to focus on the transparency and compliance of the arrangements in place for administration of payments to Members.	10	QTR2	Split into 2 reviews. . Members allowances – report being finalised  Members Delegated Funds – work is ongoing, delay in accessing an external system, now rectified.
Corporate Core	Complaints Procedure	Failure to comply with Council Policy and regulations, potential for reputational damage should a complaint be made to the ombudsman.	Review of system for receiving and dealing with complaints.	15	QTR3	Not started
Corporate Core	FOI / Subject Access Requests	Failure to comply with Council Policy and regulations, potential for reputational damage should a complaint be made to the ombudsman.	Review of system for receiving and dealing with FOI/SAR requests.	15	QTR4	Not started

Directorate	Topic	Potential Control / Governance risk	Proposed Audit Coverage	Indicative Days	Proposed timing	Status
Corporate Core	Recruitment Process	Failure to undertake robust pre-employment checks (right to work in the UK etc) which may result in reputational damage or financial penalties.	Review of recruitment process – including assurance over the design and operation of the recruitment process including 1) Completeness and timeliness of pre-employment checks 2) completeness, accuracy, and timeliness of adding new employees to the payroll 3) monitoring by HR of compliance with pre-employment and recruitment processes an appropriate division of duties is enforced by the system.	15	QTR4	Not started
Corporate Core	Governance arrangements / AGS	Loss of accountability, lack of corporate ownership of decision making and possible failure to deliver the expected level of services to residents	Review the methodology for producing the annual government statement, ensuring that it reflects the CPFA guidance and is adequately supported by evidence. Review the decision-making process.	26	QTR 2/ 3	Report presented to Audit Committee in November 2020 setting out the AGS timetable. Work ongoing to set up the AGS exercise for 2020/21.

SERVICE REFORM (Core Financial Systems)						
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed timing	Status
Operations	Health and Safety	Potential Damage to health/wellbeing or loss of life which may result in claims, reputational damage, litigation, or corporate manslaughter.	Review of Health and Safety arrangements within Operational Services, including the identification of services provided and the risk assessments in place, in Operations Department.	15	QTR 3	Not Started
Corporate Finance	Unit 4 - Land and Property Valuations	Inaccurate information may be held in the financial accounts.	Review the process for valuing land and property and the updating of records in the CONCERTO system and the subsequent reconciliation of the CONCERTO system with Unit 4.	15	QTR 1	Completed - reconciled information recorded in Concerto to information in Unit4 and checked back to source information. No report produced. Work undertaken as part of final accounts process to address concerns raised by Mazars in 19/20.

Directorate	Topic	Potential Control / Governance Risk	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Corporate Finance	I-Trent – Payroll - Additional Hours / overtime payments	Failure to respond effectively and efficiently to any major incident/	Review arrangements to manage and process timekeeping (shift work) and overtime effectively as the self-serve module is introduced in –i-trent.	15	QTR2	Not started
Corporate Finance	COVID19 Expenditure	Grant funding may be used inappropriately.	Review the arrangements in place for the distribution of funds received, and the monitoring and use of funds. In addition review the arrangements in place for ensuring that all COVID 19 expenditure is captured and recorded to ensure that grant income is utilised.	5	QTR3	Not started

Directorate	Topic	Potential Control / Governance Risk	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Corporate Finance	National Fraud Initiative	Statutory requirements are not complied with.	Manage and co-ordinate the NFI exercises including additional checks on data matches where appropriate,	15	QTR3 / 4	2020 NFI exercise, datasets extracted and submitted to Cabinet Office.  Results due end of January 2021, then to be analysed.  Business Grant data to be extracted and uploaded to Cabinet Office for new dataset matching exercise.
Corporate Finance Systems	Finance Systems – key controls	Errors and omissions resulting in weaknesses in the integrity of financial data and statements.	Routine annual review of high-level controls within the key finance systems. Council Tax NNDR Housing Benefits Treasury Management Payroll Creditors Main Accounting Debtors Cash Collection and Banking.	56	QTR4	Work has commenced to look at separation of duties and access controls across all systems.

SERVICE REFORM (Grants and Verification)						
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Children and Young People	Pupil Premium	Government Money may be used inappropriately and monies may be clawed back.	Review arrangements for the administration of the Pupil Premium Grant, the distribution to schools and how the grant is used and accounted for by the schools.	15	QTR2	<p><u>QTR 2</u> Engagement letter issued to client.</p> <p><u>QTR 3</u> Work has been completed; report is being finalised.</p>
Corporate Finance	Grant Claims	Failure to comply with grant arrangements.	<p>Certification of those grant claims required to be certified by the Council's Head of Internal Audit.</p> <p>Anticipated during 2020/21 include: - Local Growth Fund Transport – Bus Subsidy Cycle City Highways Potholes and Food Resilience</p>	16	QTR3/4	<p>Enquires made and no grants requiring certification have been identified.</p> <p>Awaiting information re Bus Operators Grant.</p>

Directorate	Topic	Potential Control / Governance Risk	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Childrens and Young People	Dedicated Schools Grant	<p>The deficit on the dedicated schools grant continues to increase.</p> <p>The reputation of Bury Council and its schools is damaged by failure to meet national requirements.</p>	An audit work programme is to be established in September 2020 as part of COVID 196 recovery programme	20	QTR3.4	Audit programme not yet established. Ongoing work being undertaken by Childrens' Services Finance team.
Communities and Wellbeing / One Commissioning Organisation	Troubled Families	Failure to comply with grant requirements and failure to deliver programmed objectives.	Routine annual review, GMCA have been granted devolved powers over the programme and are collaborating to develop a more traditional/ risk-based approach to the annual assurance work. Reviews to be undertaken once / twice per year as directed by GMCA and the devolution agreement.	10	QTR2/3	<p>To date – no direction for assurance work required in 2020/21 has been received from GMCA.</p> <p>Awaiting any further requests for work from GMCA.</p>



PLACE AND PEOPLE						
Directorate	Topic	Potential Control / Governance Risk	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
All services	Car Allowances	Fraudulent expense claims may be submitted and paid. Un-licensed drivers and unsafe vehicles may be utilised which could result in accident, subsequent damage to reputation of Council and financial claims being made.	Review of procedures in place to ensure mileage claims are adequately recorded, with sufficient information being provided, that adequate management checks on driver licences and vehicle insurance and safety checks are undertaken, and that claims are appropriately authorised and paid at the correct rate.	30	QTR 1	Draft report has been issued to client, Co-ordinating response.
All Services	Purchase Cards	Inappropriate use of purchase cards leading to fraud or financial loss	Evaluate controls over and usage of purchase cards to ensure compliance with guidance.	20	QTR1	Draft report for all services has been issued to client. Co-ordinating response.

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Corporate Finance	Mobile Phones	Mobile phones costs maybe excessive and additionally costs may also be incurred for phones which are used infrequently and may no longer be required.	Review policy for issue and use of mobile phones and arrangements for the monitoring of usage of phones and associated phone costs. Ensure costs are not incurred for employees who leave the organisation and that contracts are cancelled where appropriate.	10	QTR1	Draft report being finalised.
Children and Young People	Adoption Services	Reputational damage to Council if inappropriate placements are made.	Review of management of contract with regional Adoption Agency. Ensure appropriate placement checks are undertaken and that expenditure incurred is appropriate and authorised.	10	QTR2	Draft report being finalised
Children and Young People	Independent Foster Agency	Inability to place “looked after children” with suitable families or promptly as the need arises.	Review of the use of IFA's, including the controls in place to help ensure cost effectiveness and manage quality and quantity of placements.	10	QTR2	Not started

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Children and Young People	Care Packages	Failure to comply with Council policy and legislation when procuring goods/services/administering contracts with suppliers. Best value may not be achieved and high-cost care packages may not be challenged.	A review of the process for the a calculation and award of care packages for vulnerable children, and the billing and payment processes around care processes to provide assurance that financial risks are mitigated. Also consider the financial controls in particular for changes to rates and providers.	15	QTR2	Engagement letter was issued to client, however Audit since been postponed.
Communities and Wellbeing / One Commissioning Organisation	ICES Store	Weakness in the control of assets and stock may result in losses and / or increased costs.	Review the arrangements to manage assets (equipment) and stock of care equipment held at the new premises in Bury Town Centre.	10	QTR2	Draft report being finalised.
Operations	Fleet Management	Vehicles and Plant may be mis-used / mis-appropriated.	Review to assess the security of the vehicle and plant equipment and the arrangements in place to ensure that all items can be accounted for.	10	QTR2	Not started

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed timing	Status
Operations	Taxi Licences	Potential damage to health / wellbeing or loss of life. Reputational; damage to the Council and potential financial claims.	Review the system in place for the issue of taxi driver licences top applicants ensuring that appropriate checks are made to ensure that individuals have a right to work in the UK and hold the appropriate driving licence.	10	QTR2	Engagement letter issued to client – audit postponed, as client is client is focussing on implementation of COVID 19 enforcement checks. Defer audit until after Christmas period.
Operations	Parks	Failure to comply with Council Policy and legislation when procuring goods / administering contracts with suppliers.	Review the processes in place for the procurement of goods/services ensuring that due process is followed and equate supporting records are maintained.	10	QTR2	Draft report being finalised.

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Children and Young People	School and College Transport	Children with special educational needs may be excluded from Education as they may not have any available transport / support to enable them to be able to travel to and from school .,	Review the management and contractual arrangements over SEN Transport to ensure outcomes for service users are achieved and risks to the service users and the Council are mitigated	15	QTR3	Not started
Communities and Wellbeing / One Commissioning Organisation	Home care packages	Failure to comply with Council policy and legislation when procuring goods / services / administering contracts with suppliers. Best value may not be achieved and high-cost care packages may not be challenged.	A review of the process for the calculation and award of care packages for vulnerable adults, and the billing and payment processes around homecare processes to provide assurance that financial risks are mitigated. Also consider the financial controls in particular authorisation for changes to rates and providers.	15	QTR3	Not started

Directorate	Topic	Potential Control / Governance Risk	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Communities and Wellbeing / One Commissioning Organisation	Pooled budgets CWB and CCG	Use and monitoring of pooled budgets may not be effective	Joint review to be undertaken with CCG to ensure that pooled budget arrangements are appropriate that funds are identified and used appropriately, with adequate budget monitoring in place.	20	QTR3/4	Engagement letter has been presented to and agreed by Departmental Management Team.
Operations	Grounds Maintenance	Health and Safety issue - risk of fatality from falling trees, resulting in claims being made against the Council with the potential for significant financial penalties.	Review of grounds maintenance – to identify work undertaken to keep the Borough a safe place - a work programme, costings, allocation of works, monitoring of works.	15	QTR4	Not started – previously reported at November Committee to merge the review with Highways and Footway Maintenance.
Operations	Highways and Footway Maintenance	Budget cuts may have led to a reduced ability to maintain a safe and passable highway, - risk of fatality. This may lead to increased reputational damage as there is the potential for claims to be made against the Council which may incur significant financial penalties.	Review of highways maintenance – work programmes, allocation of works and subsequent monitoring, and costs.	20	QTR3	Not started Not started – previously reported at November Committee to merge the review with Grounds Maintenance.

Directorate	Topic	Potential Controls / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Operations	Architectural Practice Fee Income	Income due may not be collected, effecting cash flow of the Council. Additionally, errors and omissions resulting in weaknesses in the integrity of financial data and statements	Review the processes in place to ensure that income due to the service is correctly calculated in line with any agreements in place, and that the income is collected and posted to the accounts promptly.	10	QTR3	Not started
Operations	Income	Income due may not be collected, effecting cash flow of the Council. Additionally, errors and omissions resulting in weaknesses in the integrity of financial data and statements.	Work to be undertaken as part of COVID 19 recovery, to look at areas including Leisure Memberships, Civic Centre bookings and Markets	30	QTR3 / 4	Not started
Business Growth and Infrastructure	Estates Property Management	Inaccurate information may be held in the financial accounts and income due may not be collected	Review the management arrangements over the rental estates portfolio to ensure that adequate records are maintained, income due is collected promptly and valuations are regularly undertaken and updated in the Councils accounts.	15	QTR3	Work in progress.

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Corporate Core	CCTV	Failure to adhere to the agreement and follow the CCTV Code of Practice could impact on the Council's reputation and reliance placed on the CCTV function in supporting other agencies and community safety.	Annual review as required by the CCTV agreement.	5	QTR4	Not started
CONTRACTS						
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Corporate Finance	STH Client Management Arrangements	Failure to implement the clauses in place in the management agreement could provide a risk of financial loss to the Council in addition to reputational damage.	A new agreement has been implemented and a review is required to ensure that the terms of this agreement are being adhered to.	15	QTR2	Engagement letter issued to client – audit postponed, as had recent external review and implementing the findings. Audit to be undertaken at a later date.



Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Corporate Finance	Persona	Failure to implement the clauses in place in the management agreement could provide a risk of financial loss to the Council in addition to reputational damage.	A new agreement has been implemented and a review is required to ensure that the terms of this agreement are being adhered to.	15	QTR2	Engagement letter issued to client – audit postponed as external review ongoing.
All services	Contract Register	Failure to comply with Council Policy and legislation when procuring goods / administering contracts with suppliers.	Review the arrangements to identify contracts in place and ensure adequate information is held to ensure that contracts are renewed on a timely basis.	10	QTR2	Engagement letter issued to client – audit postponed, as external review ongoing - and implementing the findings. Audit to be undertaken at a later date.
Business Growth and Infrastructure	Regeneration Projects	Failure to comply with Council Policy and legislation.	Identify regeneration projects that have / are taking place. Review a project to ensure that best practice was followed, considering project initiation, procurement of works, ongoing monitoring, and administration of payments, record keeping and post project implementation review.	10	QTR3	Not started  Advice has been given to team regarding an ongoing shopfront replacement scheme at Radcliffe.

SUPPORT SYSTEMS / IMPLEMENTATION						
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Corporate Core Finance	Income collection / Debtors and Write off procedures	Errors and omissions resulting in weaknesses in the integrity of financial data and statements. Legislation may be breached. Inappropriate debts may be written off.	Request for audit support to Treasury Management function to identify income sources, document collection and banking procedures and to determine if making tax digital agenda is being adhered to. Additional work includes a review of the revised write off procedures when they have been updated.	15	TBA	Work has commenced to map income processes on behalf of the Accountancy Team.
Corporate Core Finance	Unit 4 - Making Tax Digital	Failure to comply with legislation could result in reputational damage and financial penalties.	Provision to support the Management Accountancy Team in systems development to ensure that the making tax digital agenda is adhered to. Work to focus on expenditure, including petty cash and income streams which feed the annual accounts.	15	TBA	Work has commenced to map income processes on behalf of the Accountancy Team.

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Communities and Wellbeing	CONTROCC	Failure to adequately secure systems could result in a data breach, loss of service / downtime and loss of data.	Provision to support system implementation	5	TBA	Service has been contacted to ascertain if review was undertaken / not.  Review position and determine if work required before year end / carry forward to 2021/22.
Communities and Wellbeing / One Commissioning Organisation	Direct Payments	Funds provided to meet individuals social care and support needs are not being used as agreed and fail to deliver anticipated outcomes.	The service is planning to undertake a beginning to end review of the Direct Payment process and have asked for Internal Audit support with this.	5	TBA	Service has been contacted to ascertain if review was undertaken / not.  Review position and determine if work required before year end / carry forward to 2021/22.

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Status
Corporate Core Finance	I-Trent	Failure to adequately secure systems could result in a data breach, loss of service / downtime and loss of data.	Provision to support system implementation.	5	TBA	Service to be been contacted to ascertain changes made to i-trent system.  Review position and determine if work required before year end (build into key control work) / carry forward to 2021/22.

Other Commitments		
Activity	Indicative Days	Progress
Completion of audits commenced during 2019/20	20	<p><b><u>Draft reports being finalised: -</u></b></p> <p>Fleet Management</p> <p>Capital Payments to Contractors</p> <p><b><u>Draft reports issued to Client: -</u></b></p> <p>GDPR</p> <p>School Budgets</p> <p>School Meals Income</p> <p>Payroll Key Controls</p> <p>PCI – DSS Compliance (Salford Review)</p> <p>STH Fraud</p> <p><b><u>Reports Completed - have been issued to Members: -</u></b></p> <p>Creditors Childrens Services</p> <p>STH Fire Safety</p> <p>Debtors Key Controls</p> <p>Housing rents Key Controls</p> <p>Council Tax Key Controls</p> <p>NNDR Key Controls</p> <p>STH Planned Maintenance</p> <p>Cash and Bank Key Controls</p> <p>Vehicle Workshop</p> <p>Childrens Services Purchase Cards</p> <p>Treasury Management Key Controls</p> <p>Main Accounting Key Controls</p> <p>STH Risk Management</p> <p>Creditors Key Controls</p>

<b>Other Commitments</b>		
<b>Activity</b>	<b>Indicative Days</b>	<b>Progress</b>
<b>External Traded Services - -perform audits of School Fund and Out of School Club accounts</b>	<b>10</b>	<b>School fund reviews undertaken: - Chantlers Primary School Butterstile Primary School Bury Church School</b>
<b>Audit work for Six Town Housing and Persona (separate audit plans)</b>	<b>95</b>	<b>Work has commenced to deliver audits within the Six Town Housing Plan. Good progress has been made, 2019/20 audits completed and 4/8 audits planned for 2020/21 are in progress. Additional time than anticipated has been spent delivering the STH plan, clearing work brought forward from previous year. A Persona review is in progress.</b>
<b>Post Implementation Reviews and Action Tracking</b>	<b>24</b>	<b>Follow up work is undertaken throughout the year. Details of follow ups undertaken are reported to Committee in the audit progress report.</b>
<b>Contingency for GMCA Collaboration / reactive GM assurance work</b>	<b>5</b>	<b>Meetings attended - GM Chief Audit Executive Group and GM School Audit Group.</b>
<b>Contingency for Investigations and supporting the council's counter fraud strategy</b>	<b>30</b>	<b>2020 NFI exercise, datasets extracted and submitted to Cabinet Office. Results received and are being analysed. Business Grant data is being extracted and is to be uploaded to Cabinet Office for data matching exercise. Liaison with Counter-fraud Team regarding Business Grants. Advice given to HR regarding a potential theft. Provision to support Managers following the investigation. Support / advice provided for two confidential whistleblowing issues.</b>
<b>Development of joint working arrangements with Mersey Internal Audit Agency (CCG Auditors)</b>	<b>3</b>	<b>Liaison taking place with MIAA to for a joint review regarding Pooled Budgets. Engagement letter has been agreed with MIAA and Departmental management Team and work is due to commence.</b>

Other Commitments		
Activity	Indicative Days	Progress
Audit Management, including service development, assurance mapping, QAIP, anti-fraud and corruption strategy, audit planning and Committee support	40	Work has commenced to address the actions emerging from the review of Internal Audit. Summary reports for all reports issued in 2019/20 produced at request of Committee in June 2020.
Contingency for reactive or unplanned work, management request, consultancy work	20	Have had queries / given advice since the commencement of the audit year. Topics include: - Petty cash Income at the Cemetery Cliftons Final accounts
Provision of ICT review – by Salford Computer Audit Services (System Licencing)	20	Liaison taking place with Salford ICT Services to schedule work.