



Classification	Item No.
Open	

Meeting:	Audit Committee
Meeting date:	25 th November 2021
Title of report:	Internal Audit Progress Report – 1 st April 2021 to 8 th November 2021
Report by:	Acting Head of Internal Audit
Decision Type:	Council
Ward(s) to which report relates	All

Executive Summary:

This report sets out the progress to date against the annual audit plan 2021/22. The report enables Members to monitor the work of the Internal Audit service, raise any issues for further consideration and also provide an opportunity to request further information or to suggest areas for additional or follow up work.

The conclusions drawn from the report are:

- Twenty-five reports have been issued to Members since the beginning of the financial year, fifteen of which have been issued since the Committee last met in September 2021.
- Of the fifteen reports issued since September 2021, six reports with a Limited assurance have been issued. A total of seven reports with Limited Assurance have been issued during the year to date. These reports will need to be considered within the Annual Governance Statement produced at the end of the financial year 2021/22.
- The original audit plan produced for 2021/22 is to be revised to take account of staffing changes which have occurred since April 2021 and to adjust for Management requests for audit work to be undertaken.

Recommendation(s)

That:

- Members note this report and the work undertaken by Internal Audit.
- Members note and approve the changes to the Annual Audit Plan for 2021/22.
- Members delegate any further required changes to the Audit plan for 2021/22 to the Councils S151 officer and the Audit Committee Chair

Key Considerations

1. Background

- 1.1 This report outlines the work undertaken by Internal Audit between 1st April 2021 to 8th November 2021.
- 1.2 Management is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements i.e., the control environment. Internal Audit plays a vital role in reviewing whether these arrangements are in place and operating properly and providing advice to managers. On behalf of the Council, Internal Audit review, appraise and report on the efficiency, effectiveness and economy of these arrangements and provide assurance to the organisation (Chief Executive, Executive Directors and the Audit Committee) and ultimately the taxpayers, that the Council maintains an effective control environment that enables it to significantly manage its business risks. The service helps the Council achieve its objectives and provides assurance that effective and efficient operations are maintained.
- 1.3 The assurance work culminates in an annual opinion given by the Head of Internal Audit on the adequacy of the Council's control environment, based on the work undertaken, and this opinion feeds into the Annual Governance Statement.
- 1.4 The Internal Audit Plan for 2021/22 provides for 806 days to be delivered throughout the 2021/22 year across all Council Departments, and group companies i.e., Six Town Housing and Persona. The Audit plan covers a range of themes.
- 1.5 The 2021/22 plan was not approved by Audit Committee at the meeting on 21 July 2021 as Committee requested sight of the Council risk register, so they have the opportunity to be assured that items within the annual plan, do address some of the risks on the register, and also to give the Committee the opportunity to request for specific pieces of work to be included in the annual audit plan.
- 1.6 Work has been continuing throughout the year to date, addressing audits in the original 2021/22 plan. Regular progress reports are produced, informing Members of audit activities, and this is the second report of the 2021/22 financial year covering the period from 1st April 2021 to 8th November 2021 which includes 31 completed weeks.

2.0 ISSUES

2.1 Annual Audit Plan

2.1.1 The annual plan for 2021/22 was presented to Audit Committee in July 2021 and provided for 806 audit days to be delivered throughout the year. The plan was not approved as Committee requested sight of the risk register, to be assured that the audit plan focussed on risks faced by the Council, and also to give the Committee opportunity to request specific pieces of work to be included in the annual plan.

Since the plan was produced specific requests for audits have been received from Departments and these are: -

Childrens Services

- Recruitment of staff within schools
- Recruitment of School Governors
- Complaint's process

The original plan is shown at appendix 1, the proposed changes to be made to the plan are: -

Directorate	Topic	Indicative Days	Reason for adjustment to plan
Delete the following provisions (50days): -			
Corporate Core	Complaints	15 days	Change review to be undertaken in Childrens Services to respond to request for review from client.
Corporate Core	Recruitment	15 days	Change review to be undertaken in Childrens Services to respond to request for review from client.
Corporate Core	Establishment budget and Alignment with HR records	5 days	Delete as HR and Finance Teams are working on this issue. Audit advice is being requested as and when required.

Corporate Finance	I-Trent - Payroll – Additional hours / overtime payments	15 days	Defer to 22/23, allow i-trent self serve to be introduced. Advice is being provided as and when required
Add / increase the following provisions (50days): -			
Childrens Services	Complaints	10 days	Request from client
Operations – Waste Management Service	Complaints	10 days	Request from Audit Committee
Childrens Services	Recruitment of Staff within Schools	15 days	Request from client
Staff Training		15 days	Member of staff has commenced CPFA

- The audit request regarding Recruitment of School Governors will be carried forward to the 2022/23 annual audit plan.

2.2 Audit Plan Progress

This report details the outcome of reviews undertaken, including work reported to Audit Committee in this period, work currently ongoing and draft reports which have been issued to Audit clients.

Audits completed and Reports Issued.

2.2.1 The last report to Audit Committee in September 2021 detailed 10 audit reports which had been issued since the beginning of the financial year. Since the last Audit Committee, a further 15 audit reports have been finalised and issued. These are detailed in Table 1 below, which also shows the corresponding number of agreed actions and overall level of assurance provided for each of those audits.

Full reports have been provided to Committee Members for each of these reviews. Summary reports detailing the overall opinion, the findings, recommendations and action plans of these reviews, are also presented in part B of the Audit Committee meeting. The summary reports are exempt from publication as they may contain information which is likely to reveal the identity of an individual or information relating to the financial or business affairs of any particular person (including the Authority).

Additionally, four reports for Six Town Housing have also been finalised and issued within Six Town Housing. These reports will be circulated to Audit Committee after they have been through the Governance Process within Six Town Housing. Details of the subjects covered are reflected in Table 1 below.

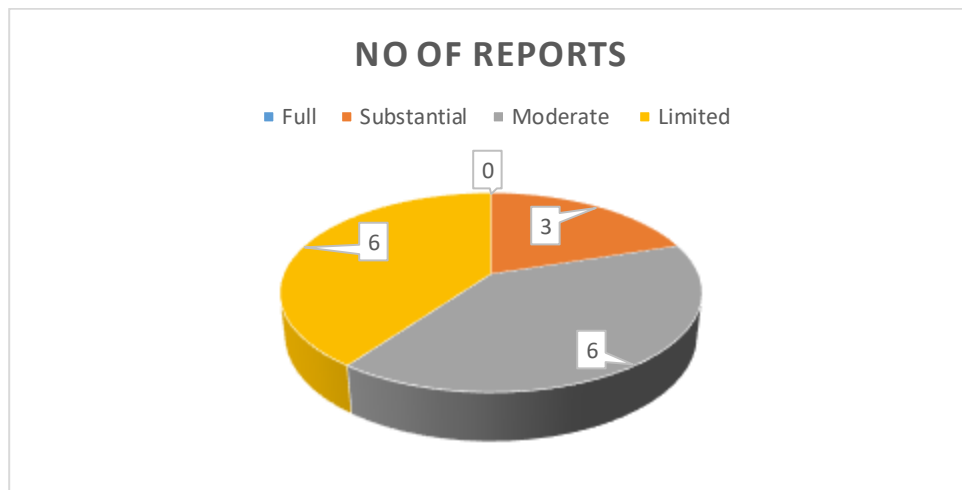
Table 1: Final Reports Issued

Audit	Number of agreed actions and priority				Level of Assurance
	Fundamental	Significant	Merits Attention	Total	
Health and Safety	2	12	1	15	Limited
Members Discretionary Budgets	2	2	0	4	Limited
Creditors Key Controls	1	5	0	6	Limited *
Debtors Key Controls	3	2	2	7	Limited *
Cash and Bank Key Controls	1	3	0	4	Limited
Main Accounting Key Controls	1	6	2	9	Limited *
Grounds Maintenance - Procurement	0	4	1	5	Moderate
Council tax Key Controls	0	6	6	12	Moderate
Housing Benefits and Council Tax Support Key Controls	0	2	0	2	Moderate
National Non Domestic Rates (NNDR)Key Controls	0	5	1	6	Moderate
Housing Employment and New Opportunities (HEN)- Accommodation Team – Petty Cash	0	6	0	6	Moderate
Payroll Key Controls	0	7	6	13	Moderate

Treasury Management	0	1	2	3	Substantial
Mobile Phones	0	1	2	3	Substantial
GM Supporting Families Programme	0	2	0	2	Substantial
STH Fraud and Business Controls	To be informed (TBI)	TBI	TBI	TBI	TBI
STH Procurement Repairs and Maintenance	TBI	TBI	TBI	TBI	TBI
STH Payroll	TBI	TBI	TBI	TBI	TBI
STH Data Quality	TBI	TBI	TBI	TBI	TBI
Total	8	66	23	97	

- Three of the fundamental recommendations in the key control audits marked * are for the same issue.

Number of assurance levels given in Final Audit reports.



2.2.2 Any level of assurance given to each audit is a balanced judgement based upon the established system of controls, the subject’s approach to risk management and the nature of any recommendations and actions agreed. (See appendix 2 for explanations of the different levels of assurance).

Actions are classified over the categories of Fundamental, Significant and Merits Attention. (See appendix 2 for explanations of the different levels of priority).

Where a fundamental recommendation is made, this leads to a Limited Assurance of the area under review.

2.2.3 The agreed actions are designed to improve the control environment and / or improve “value for money” within the client’s area of responsibility and we can report that the actions made in this period have been agreed by management.

Our audit reports include an action plan that records the detail of our findings, the agreed action that management intend to take in response to these findings and the timescale to undertake such action. This provides a record that progress can be measured against when we undertake our Post Implementation Reviews or follow up work.

2.3 Other work

This section details other work completed by the audit team during the period.

2.3.1 Assurance work - Ongoing reviews

There are two audits still being finalised from the 2020/21 plan. There has been some difficulty in obtaining information during these reviews, however all the information has now been provided and the reports are now being prepared. The 2021 plan is now being delivered.

Audits which are currently taking place are: -

2020/21

- Six Town Housing Disabled Facilities Adaptations
- Estates Property Management

2021/22

- Six Town Housing Rents Key Controls
- Petty Cash Choices for Living Well Team
- Housing Development Program
- Complaints (Childrens Services)
- Residential Payments
- Leisure Services – Income Review
- Six Town Housing - Electrical Safety
- Six Town Housing – Fire Safety
- Taxi Licences
- Six Town Housing – No Access
- Highways Maintenance
- Contract Register

It was reported at September Committee that a review was being undertaken within Six Town Housing, Arrears Prevention. At the request of Six Town Housing this review has been deferred and is to be undertaken in 2022/23.

2.3.2 Assurance work – Draft reports

- Persona Payroll

2.4 Information Governance and Data / Digital

2.4.1 Internal Audit provide advice and consultative support to the council's arrangements for information governance and its response to the Information Commissioners Office (ICO) inspection in June 2021. An IG Delivery Group has been established and Internal Audit are represented on this group. There are no issues to bring to the attention of Audit Committee at this time.

2.5 Supporting Transformation and Change

2.5.1 The Internal Audit Plan includes a provision of days to be made available to support services throughout the year by providing consultancy advice or independent assurance as / when our input is appropriate.

- Payroll: Support and advice has been given to the HR and Payroll Teams as they develop the use of the i-trent payroll system.
- Petty cash: Reviews of the use of petty cash floats for two establishments have been undertaken, and recommendations when implemented will assist the Council to make changes required to support the Making Tax Digital agenda.

2.6 Resources

2.6.1 Covid-19 Response

Since the middle of March 2020, and the onset of the Covid 19 pandemic the internal audit team have supported the council's response to the pandemic by: -

- Working with the revenue and benefits team on the Governments small business, retail and hospitality, and discretionary grants.
- Working with the Housing Benefits team processing the Government's track and trace /isolation payments to eligible members of the public.

2.6.2 Staffing

There has been a low level of sickness reported in the team for the current financial year. Adjustments to the annual plan have not needed to be made for sickness periods incurred to date.

A team member has recently enrolled on a professional accountancy course, supported by the organisation via the apprenticeship levy. Part of the support includes providing time within the working week to undertake study and gain work experience. The level of training included in the annual plan has been amended and this report requests permission to increase the Training provision in the plan by 15 days. Whilst this is not the full provision for the course, items in the plan have been slightly flexed to accommodate the training provision. The situation will continue to be monitored as the year progresses.

A team member was seconded for 8 weeks, to provide support to the Housing Benefits Team in response to the pandemic. This poses a minor risk

that the planned audits for 2021/22 may not be delivered. This situation will continue to be monitored as the year progresses.

As the Audit Committee is not scheduled to meet until March 2022, Members are asked to delegate that any further adjustments to be made to the 2021/22 plan before the end of the financial year will be agreed between the S151 officer and the Chair of the Audit Committee.

2.6.3 Investigations

The team continues to be available to support the business with internal investigations providing technical skills and advice when called upon and managing the whistleblowing hotline / online referrals.

The audit team are currently involved in the investigations regarding two whistleblowing incidents. Details of the investigations are not included in this report as to do so may reveal information which is likely to reveal the identity of an individual or information relating to the financial or business affairs of any particular person (including the Authority) and could potentially jeopardise any resulting disciplinary or criminal proceedings if these are required. It should be noted however that these investigations are still ongoing.

2.6.4 Collaboration

We have ongoing representation on sub-groups of the Northwest Heads of Internal Audit Group. The groups have been established to share good practice across the region.

- Contract Audit Group
- IT Audit Group
- Schools Audit Group.
- Fraud Group (attended by members of the Counter-Fraud Team, information shared with Internal Audit)

2.6.5 School Audits

Individual School Audits are not incorporated in the 2021/22 plan, they have been replaced with thematic reviews of areas which were covered in the school audit reviews.

There are however arrangements in place that Internal Audit will undertake School Audits on request from the Executive Director of Education and / Childrens Services or Executive Director of Finance, where it is thought an audit review would be beneficial to the School and the Council. There have been no requests to date for individual schools to be audited.

A Schools Assurance Group has been established within the Council and Internal Audit are represented on this group.

School funds

The annual accounts for three School Voluntary funds have been examined as requested by the schools. A small fee was collected for these pieces of work.

Community impact / Contribution to the Bury 2030 Strategy

Ensuring compliance with Financial Procedures and Policies

Equality Impact and considerations:

24. *Under section 149 of the Equality Act 2010, the ‘general duty’ on public authorities is set out as follows:*

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

25. *The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying ‘due regard’ in our decision making in the design of policies and in the delivery of services.*

Assessment of Risk:

The following risks apply to the decision:

Risk / opportunity	Mitigation
Risks are highlighted in Audit Plans and in the terms of reference for each Audit review.	Internal Controls are reviewed in each audit to mitigate identified risks. Actions are reported to managers and progress is monitored and reported on a regular basis.

Consultation:

N/a

Legal Implications:

The Council must have a sound system of internal control which facilitates the effective exercise of its functions, including risk management. This is both a legal requirement and a requirement of the Financial Regulations set out in the Council's Constitution. This report provides information on the work of the Council's Internal Audit Service, in ensuring compliance.

Financial Implications:

There are no financial implications arising from this report. The work of the Internal Audit Service however supports the governance framework and the work on business grants has also ensured that the risk of fraud to the Council is minimised.

Report Author and Contact Details:

Janet Spelzini, Acting Head of Internal Audit,
Tel: 0161 253 5085
Email: j.spelzini@bury.gov.uk

Background papers:

Internal Audit Plan 2021/22

Internal Audit Reports issued throughout the course of the year.

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
HEN	Housing Employment and New Opportunities
NNDR	National Non Domestic Rates

CORPORATE GOVERNANCE AND RISK								
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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			Deferred to QTR 4 to accommodate other work brought forward.
Corporate Core	Complaints Procedures	Failure to comply with Council policy and regulations, potential for reputational damage should a complaint be taken to the Ombudsman.	Review of system for receiving and dealing with complaints.	15	QTR3			Audit brought forward and commenced as received a specific request to look at the process in Childrens services.

Corporate Core	FOI /Subject access	Failure to comply with Council policy and regulations, potential for reputational damage should a complaint be taken to the Ombudsman.	Review of system for receiving and dealing with FOI / SAR requests. Specific request to focus testing on Childrens' Services.	15	QTR4			
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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	15	QTR4			Propose to use this budget for the review requested by Childrens Services and defer Corporate Core review until 22/23

			4 an appropriate division of duties is enforced by the system.					
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 governance statement, ensuring that it reflects the code of governance, is in line with CPFA guidance and is adequately supported by evidence.	26	QTR3			Planning underway
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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, the risk assessments in place action to address any remedial action identified.	15	QTR3			

SERVICE REFORM (Core Financial Systems)								
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
Corporate Finance	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, retrospective review looking at transactions in 2020/21, to support closure of accounts process. Council Tax NNDR Housing Benefits Treasury Management Payroll Creditors Main Accounting Debtors Cash Collection and Banking.	80	QTR 1			Final reports have been issued.

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
Corporate Finance	National Fraud Initiative	Statutory requirements are not complied with	Manage and co-ordinate the NFI including additional checks on data matches where appropriate.	15	QTR3 and QTR 4	N/A		Ongoing exercise, NFI data matching results being examined
Corporate Finance	Establishment Budgets and alignment with HR records	Establishment budgets and HR information may become out of line, creating budget pressures elsewhere if funds have to be released to meet payroll costs/ alternatively staffing levels/payments to employees may have to be reduced so funds can be released to deliver services.	Review the arrangements in place to ensure that budgets for establishments remain aligned with HR systems.	5	QTR 3 / 4			Propose to delete the review as the process is being addressed by HR and Payroll Teams and audit advice is being given as and when required
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments

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 and overtime effectively as the self-serve module is introduced in i-trent. Cover all directorates, and report to each Executive Director with results of findings.	15	QTR2			Proposed that this is deferred to 2022/23
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 2 /3			Deferred to quarter 4 to take account of audit of 2020/21 accounts
SERVICE REFORM (Grants and Verification)								

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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 2021/22 include: -</p> <p>Local Growth Fund Transport – Bus subsidy Cycle City Highways, Potholes and Flood Resilience</p>	16	QTR 3			
Corporate Finance	NNDR – Business Grants	Failure to comply with grant arrangements.	Review the process for the administration of the Business Grants awarded as a result of COVID 19, ensuring that grants awarded were within the government set criteria.	20	QTR 3			

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
Children and Young People	Dedicated School Grant	The Council may fail to address the recommendations made by the DFE, and DSG recovery may not be achieved.	Review work being undertaken to ensure that recommendations identified during the Safety Valve project are being addressed and DSG recovery is being achieved.	20	QTR3 / 4			
Communities and Wellbeing / One Commissioning Organisation	GM Supporting Families (TFG)	Failure to comply with grant requirements and failure to deliver programme 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 a year as directed by GMCA and the devolution agreement.	10	QTR2/3			Final report issued

PLACE AND PEOPLE								
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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 CCTV agreement.	5	QTR4			
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			Deferred to QTR 3 - Planning underway

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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 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. Review arrangements in place for ongoing reviews of care packages to ensure they are still appropriate and consider the financial controls in particular authorisation for changes to rates and providers. Determine if any	15	QTR3			

			benchmarking processes are in place and review.					
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
Children and Young People	Residential Placements	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 processes and associated costs relating to Looked After Children who are placed into residential care.	15	QTR2/3			Audit ongoing

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			
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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. Review arrangements in place for	15	QTR3			

			ongoing reviews of care packages to ensure they are still appropriate and consider the financial controls in particular authorisation for changes to rates and providers. Determine if any benchmarking processes are in place and review.					
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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	Review of highways maintenance – work programmes, allocation of works and subsequent monitoring, and costs	20	QTR3			Engagement letter sent to client

		claims to be made against the Council which may incur significant financial penalties.						
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	QTR3			Planning underway
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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 licences to taxi driver licences to applicants, ensuring that appropriate checks are made to ensure that individuals have a right to	10	QTR2/3			Audit review ongoing

			work in the UK and hold the appropriate driving licence.					
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			
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	25	QTR3 /4			Specific request to look at income within leisure centres received from client, audit brought forward, and work is ongoing.
CONTRACTS								

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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 the agreement are being adhered to.	15	QTR3			Planning underway, engagement letter being prepared.
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 the agreement are being adhered to.	15	QTR3			

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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			Audit brought forward as specific request to examine a project received from client – audit 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	QTR2/3			Audit ongoing

SUPPORT / SYSTEMS IMPLEMENTATION								
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
Corporate Core	GDPR	Failure to comply with Council policy and regulation and legislation, potential for reputational damage and financial penalties should a complaint be taken to the ICO.	Follow up work following issue of internal audit work, and ICO visit.	10	QTR3 / 4			
Communities and Wellbeing	CONTROC C	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	N/A		

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 support with this.	5	TBA	N/A		
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
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	N/A		Advice is being given as and when requested.
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	15	TBA	N/A		

			revised write off procedures when they have been updated.					
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Proposed Timing	Reported	Assurance	Comments
Corporate Core Finance	Unit 4 - Making Tax Digital	Failure to comply with legislation could result in reputational damage and financial penalties.	Provision included to support the Management Accountancy Team in systems development to ensure that the making tax digital agenda is adhered to. The work will need to focus on expenditure, including petty cash and income streams which feed the annual accounts.	15	TBA	N/A		<p>Petty cash reviews undertaken in two areas as requested by Management Accountancy Team.</p> <p>Issues have been identified, one report (HEN Accommodation Team) has been presented to Audit Committee</p>

								(November 2021) the second, Killelea, Choices for Living Well, is being finalised and will be presented to Audit Committee March 2022.
			TOTAL	552				

OTHER COMMITMENTS		
<i>Activity</i>	<i>Indicative Days</i>	<i>Comments</i>
Completion of audits commenced during 2020/21: Health and Safety GDPR Pooled Budgets	25	Indicative days were set too low <ul style="list-style-type: none"> • Final Audit reports now issued for: • GDPR • Pooled Budgets • Budget Setting and Monitoring in Schools

Budget Setting and Monitoring in Schools Purchase Cards Car Allowances Adoption Integrated Community Equipment Stores Members Allowances Members Delegated Funds Pupil Premium Operations Procurement Mobile Phones		<ul style="list-style-type: none"> • Purchase Cards • Car Allowances • Adoption • Integrated Equipment Store • Pupil Premium • Members Allowances • Health and Safety • Members Delegated Funds (Discretionary Budgets) • Operations Procurement • Mobile Phones
External Traded Services - -perform audits of School Fund and Out of School Club accounts	10	Three school fund accounts have been reviewed to date
Audit work for Six Town Housing and Persona (separate audit plans)	120	Work is underway to deliver the STH audit plan.
Post Implementation Reviews and Action Tracking	24	Work has commenced to undertake follow up reviews.
Contingency for GMCA Collaboration / reactive GM assurance work	5	

Contingency for Investigations and supporting the council's counter fraud strategy	30	
Contingency for reactive or unplanned work, management request, consultancy work	20	
Audit Service Management and administration, including service development, assurance mapping, Quality Assurance and Improvement Programme (QAIP), anti-fraud and corruption strategy, audit planning and Committee's support	199	Indicative days may need to be revised as team member seconded to P1 service.
Provisions for annual leave / training / sickness	243	Indicative days to be increased from 243 to 258 as member now commenced CPFA studies. Team member seconded to P1 service to support COVID 19 pandemic. No adjustment has been made to date (November 2021) to reflect this.
Provision of ICT review – by Salford Computer Audit Services (System Licencing)	20	
Total:	696	
Combined Total:	1248	
Audit days to be delivered	806	(Exclude 199+243)

