

ROCHDALE BOROUGH COUNCIL – INTERNAL AUDIT PLAN 2020/21

APPENDIX A

	Audit Brief	Risk and Impact	Audit Type	Risk	Plan days Q1	Plan days Q2	Plan days Q3	Plan days Q4	Core/ Assurance
	<b>INTEGRATED HEALTH AND CARE COMMISSIONING</b>								
1	<b>Governance Structures and Processes</b> Provide support and challenge to the development of the governance arrangements as integration of Health and Social Care services evolves alongside the establishment of a Local Care Organisation, a Strategic Commissioning function, the operation of a Pooled Budget arrangement and the delivery of a savings plan for Health and Social Care. Evaluate the effectiveness of established governance arrangements including decision making and reporting structures where appropriate.	Poor governance leading to failure to deliver key objectives and ineffective use of resources	Risk	H		10		10	Core
	<b>ADULT CARE</b>								
2	<b>ALLIS</b> Provide assurance over the effectiveness of processes and controls within the organisational safeguarding module.	Financial and operational information is not handled effectively leading to inappropriate outcomes or payments.	Risk	M	15				Assurance
3	<b>Liberty Protection Safeguards</b> Evaluate the processes and controls supporting the new safeguarding framework which is due to be implemented by October 2020.	Inadequate processes may compromise the safeguarding of adults in care	Risk	H				20	Assurance

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<b>4</b>	<b>Provider Portal Payments</b> Evaluate the processes and controls within the payment system for providers, ensuring the integrity of data input by the providers which supports future payments to them.	Inaccurate data may lead to financial loss	Risk	M		20			Core
<b>5</b>	<b>Pre-payment Cards</b> Evaluate processes and controls relating to prepayment cards within Adult Care Services established to support clients personal budgets. Ensure robust controls in place to recover any unspent funds.	Ineffective management of care accounts and inaccurate data which may lead to financial loss or reputational damage.	Risk	M			15		Assurance
<b>6</b>	<b>Off-Contract Placements for Older People</b> Evaluate processes and controls supporting non-standard or off-contract placements for older people to ensure they are effective towards delivering value for money and align with agreed procedures and protocols.	Ineffective governance may lead to significant cost pressures	Risk/ Compliance	H	20				Assurance
<b>7</b>	<b>Commissioning of Care Providers</b> Evaluate the effectiveness of processes and controls relating to the commissioning of care providers focusing on both the initial and ongoing assessment of their viability and longer term sustainability together with any contingency plans.	Failure of care providers may lead to significant additional cost to the Authority	Risk	H				20	Assurance
<b>8</b>	<b>Disabled Facilities Capital Grant Determination</b> To confirm that the grant has been spent in accordance with grant terms and conditions	Inappropriate claims which may lead to funding clawback	Risk/ Compliance	L			5		Assurance

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	<b>CHILDREN'S SERVICES - CHILDRENS SOCIAL CARE</b>								
9	<b>Special Guardianship Orders</b> Evaluate the effectiveness of processes supporting Special Guardianship Orders	Inappropriate allowances are paid leading to financial loss	Risk	M			20		Assurance
10	<b>Quality Assurance Framework</b> Evaluate the effectiveness of new processes for evaluating performance and compliance with agreed standards to determine if these are leading to improvements in performance.	Inconsistent application of standards may lead to enhanced vulnerability of children in care	Risk	M				20	Assurance
11	<b>Fostering</b> Evaluate the end to end recruitment process for foster carers to ensure it is efficient and effective towards recruiting more carers within the established guidelines.	Inadequate or inappropriate recruitment may lead to additional cost pressures	Risk	H		20			Assurance
	<b>CHILDREN'S SERVICES - EARLY HELP AND SCHOOLS</b>								
12	<b>Troubled Families</b> Evaluate processes and controls to ensure they are effective and support compliance with the GM Troubled Family Framework and Troubled Family Outcome Plan	Lack of compliance may lead to funding being restricted	Risk/ Compliance	M			15		Assurance
13	<b>Apprenticeship Levy</b> Ensure compliance with the levy including the payment of appropriate pay levels	Potential for financial loss	Risk/ Compliance	L		15			Assurance

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<b>14</b>	<b>Leadership Pay in Schools</b> Provide assurance that Leadership Team's pay is in accordance with the Teacher's Pay and conditions document and is appropriately justified and approved in accordance with agreed policies and procedures.	Inappropriate use of resources and risk of challenge	Risk/ Compliance	M	20				Assurance
<b>15</b>	<b>Top-Up Funding for SEN</b> Evaluate processes and controls supporting top-up funding for SEN within mainstream schools to ensure it supports overall objectives and is appropriately monitored and reported.	Failure to achieve objectives due to inappropriate use of funds and resources	Risk	M	10	10	10	10	Assurance
<b>16</b>	<b>EYES System - compliance review against Data Protection Impact Assessment</b> Evaluate compliance with DPIA issued in July 2019 and ensure governance arrangements remain appropriate	Compliance with key areas of legislation and regulation are compromised which may result in financial penalties or loss of connectivity with key government systems.	Risk/ Compliance	M			10		Assurance
<b>17</b>	<b>Primary schools (13)</b> Review of key controls within school financial systems.	Appropriate financial and operational control is not maintained over school funds.	Risk	L	19	19	20	20	Assurance

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18	<b>Special Schools (1)</b> Review of key controls within school financial systems.	Appropriate financial and operational control is not maintained over school funds.	Risk	L		8			Assurance
19	<b>General advice and liaison with Schools Service</b>	Ad hoc control issues or developments are not supported in a timely manner.	All	L	3	3	3	3	Assurance
<b>PUBLIC HEALTH AND WELLBEING</b>									
20	<b>Sexual Health Services</b> Evaluate the processes and controls supporting cross charges for sexual health services where a person who lives in one Authority presents themselves in another Authority for the use of their services.	Lack of appropriate processes and controls may result in incorrect charges and potential budget pressures	Risk/ Compliance	M	15				Assurance
<b>NEIGHBOURHOODS</b>									
21	<b>Climate Emergency</b> Provide input and challenge to initiatives arising from the focus on the Climate Emergency agenda and provide independent assurance on the adequacy of processes and controls where appropriate.	Inadequate arrangements may lead to non-compliance with legislation or regulations or failure to achieve agreed targets, and subsequently additional financial cost.	Risk/ Compliance	M		10		10	Assurance

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<b>22</b>	<b>Equality and Diversity</b> Provide assurance whether the Council is meeting its Equality & Diversity obligations under the Public Sector Equality Duty, as referred to in the Council's own EDI Strategy 2020-2024, and within the wider context of the Equality Act 2010.	Non-compliance or inadequate arrangements could lead to the possible unfair treatment of people leading to reputational damage.	Risk/ Compliance	L		15			Assurance
<b>23</b>	<b>Additional Investment in Highways</b> Evaluate the governance and controls over the use of additional financial investment provided to improve highways across the Borough	Failure to meet corporate objectives and ineffective use of resources.	Risk	M			15		Assurance
<b>24</b>	<b>Drug and Alcohol Policy (Public Protection)</b> Evaluate compliance with the Drug and Alcohol Policy ensuring appropriate awareness and acceptance of the Policy, especially in higher risk operational areas. Benchmark the Policy and ensure robust implementation and monitoring is in place.	Abuse may lead to public liability claims through risk of harm to others and/ or reputational damage giving rise to financial loss.	Risk/ Compliance	M			15		Assurance
<b>25</b>	<b>Fleet Management System</b> Evaluate controls and processes with the Key2 system focusing mainly on the ordering and approval processes.	Ineffective financial management due to poor quality data	Risk	M				15	Assurance
<b>26</b>	<b>CCTV</b> Evaluate the self-assessment process which assesses compliance with the CCTV Code of Practice	Non-compliance with regulations may compromise the effectiveness of security arrangements	Compliance	L			12		Assurance

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27	<b>Modern Slavery Charter</b> Evaluate the level of compliance with the Charter, ensuring appropriate processes, controls and reporting mechanisms are in place.	Potential reputational damage	Compliance	L			15		Assurance
28	<b>Capital Projects</b> Evaluate the governance, processes and controls supporting key capital projects and ensure compliance with procurement rules and regulations.	Failure to meet corporate objectives and ineffective use of resources	Risk/ Compliance	M			20		Assurance
29	<b>Highways Incentive Funding 2020/21</b> Evaluate the evidence supporting the annual self-assessment questionnaire which supports the claim for funding for the period 2015/16-2020/21 (deadline 31 January)	Risk of funding being reduced on a percentage scale over the 6 year duration of the funding.	Risk/ Compliance	L				4	Core
30	<b>External Grant Funding Certifications</b> Certify conditions in grant award letter have been complied with, including: - Local Growth Fund	Inappropriate claims which may lead to funding clawback	Risk/ Compliance	L		5	5		Core
<b>INFORMATION AND COMMUNICATION TECHNOLOGY</b>									
31	<b>Public Services Network</b> Evaluate processes and controls in place to support the submission of the Annual Code of Connection thereby ensuring connectivity with key government systems.	Compliance with key areas of legislation and regulation are compromised which may result in loss of connectivity with key government systems.	Risk/ Compliance	H			5		Core

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<b>32</b>	<p><b>Customer Transformation Programme</b> Evaluate the progress made with the Programme and ensure capital spend and benefits realisation are in line with the agreed plan and are being appropriately monitored and reported.</p>	Failure to deliver the expected benefits of this programme could lead to costs not being reduced in line with expectations and services not being able to deliver a more holistic service provision to customers.	Risk	M				10	Assurance
<b>33</b>	<p><b>IT Disaster Recovery</b> Perform further follow up audit to confirm previously agreed actions in relation to IT disaster recovery are now fully embedded and incorporate developments such as the move to the Cloud.</p>	Loss of data and services in the event of a serious incident occurring.	Risk	H				10	Assurance
<b>34</b>	<p><b>IT Asset Management</b> Evaluate processes and controls supporting the management and physical control of IT assets.</p>	Failure to manage assets leading to financial loss	Risk	M	15				Assurance
<b>35</b>	<p><b>Cyber Security</b> Evaluate the effectiveness of processes and controls over IT security including follow up of the 2019/20 audit recommendations.</p>	Security breach may lead to loss of operations, financial loss, sensitive data being compromised or reputational damage	Risk	H	10				Assurance



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<b>36</b>	<b>Information Governance/ GDPR</b> Annual audit assurance to confirm compliance with data protection and data security legislation and relevant policies and guidelines, focusing on thematic reviews to confirm compliance with the General Data Protection Regulation (GDPR).	Compliance with key areas of legislation and regulation are compromised which may result in financial penalties or loss of connectivity with key government systems.	Risk/ Compliance	H		20			Core
	<b>ECONOMY</b>								
<b>37</b>	<b>Capital Projects</b> Evaluate the governance, processes and controls supporting key capital projects and ensure compliance with procurement rules and regulations.	Failure to meet corporate objectives and ineffective use of resources	Risk/ Compliance	M	20				Assurance
<b>38</b>	<b>Commercial and Investment Properties</b> Evaluate the processes and controls over the management of commercial and investment properties to ensure an appropriate return is being generated from the assets and properly accounted for.	Failure to achieve objectives due to inappropriate or ineffective use of funds.	Risk	M				15	Assurance

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	<b>RESOURCES</b>								
39	<b>Submission of Pension Data</b> Evaluate new processes to submit pension data to the Greater Manchester Pension Fund following the move from annual to monthly submissions via the iConnect system to confirm accuracy and completeness.	Inaccurate returns are submitted.	Compliance	L	15				Core
40	<b>Pensions</b> Evaluate the application of policies relating to the granting of pensions for early retirement and for reasons of ill health and ensure they are compliant and any discretions are being applied on a reasonable and consistent basis.	Lack of compliance may lead to excessive costs being incurred.	Risk/ Compliance	M			15		Assurance
41	<b>Financial Assessments (Adult Care)</b> Ensure processes and controls supporting financial assessments adhere to policies and procedures.	Inappropriate assessments leading to financial loss	Risk	M		15			Assurance
42	<b>Council Tax/ Business Rates</b> Review procedures and controls supporting the billing and collection of council tax and business rates, focusing on the processing of refunds to customers.	Fraud and financial loss	Risk/ Compliance (material system)	M				15	Core

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<b>43</b>	<p><b>Procurement</b> Evaluate the effectiveness of governance and controls within the procurement processes across the STAR hub, working alongside Trafford, Stockport and Tameside Internal Audit services, with a focus on areas such as:</p> <ul style="list-style-type: none"> <li>- Spend monitoring (Rochdale)</li> <li>- Contract management (Stockport)</li> <li>- Social value delivery (Trafford)</li> <li>- Compliance with revised Contract Procedure Rules</li> </ul>	Ineffective systems resulting in reduced efficiency, additional costs and the risk of challenge to procurement decisions	Risk/ compliance	M	5	15	5	5	Core
<b>44</b>	<p><b>Treasury Management</b> Ensure processes and controls over the treasury management function are effective and in line with agreed standards and guidance, including the Code of Practice.</p>	Significant Council bank balances are not secure or are misappropriated.	Risk (material system)	M		12			Core
<b>45</b>	<p><b>Operating Expenditure/ Creditors</b> Evaluate the effectiveness of controls over the processing and recording of operating expenses. As part of this, follow up on anomalies identified by the fraud module within AP Forensics data interrogation software to confirm the integrity of relevant transactions and duplicate payments arising from invoices and payment requests for the same services.</p>	Inappropriate expenditure leading to fraud and financial loss	Risk (material system)	M			20		Core
<b>46</b>	<p><b>Priority Account Service</b> Evaluate the effectiveness of processes and controls which facilitate the early repayment of suppliers in order to generate rebates for the Council.</p>	Non-compliance with agreed terms may result in anticipated financial benefits not being realised by the Council.	Risk/ Compliance (material system)	M			15		Core

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47	<b>Purchase cards</b> Evaluate controls over and usage of purchase cards to ensure compliance with guidance, including lodged purchase cards within school/ town hall kitchens.	Inappropriate use of cards leading to fraud or financial loss	Risk/ Compliance	L				10	Core
48	<b>Agency staff</b> Review the use of agency staff across the Authority with a particular focus on longer term arrangements to ensure value for money is being achieved. Ensure compliance with agreed policies, Financial Regulations and HMRC regulations.	Inappropriate use of agency staff may result in additional cost pressures and impairment of value for money	Assurance	M		20			Assurance
49	<b>Payroll</b> Review the application of holiday pay rates and percentages to ensure compliance with agreed policy.	Payments are not accurate potentially leading to financial loss	Risk (material system)	M		15			Core
50	<b>Coordination and support for key policies</b> Champion roles relating to business continuity, health and safety and equality.		Compliance	N/A	4	4	4	4	Assurance
<b>GOVERNANCE</b>									
51	<b>Support for and evaluation of Governance structure</b> Provide assurance on the effectiveness of the governance structure and input and challenge on relevant initiatives, including attendance and support for Governance Board.	Ineffective decision making leading to strategic objectives not being met.	Risk	M	5	5	5	5	Core

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<b>52</b>	<b>Annual Governance Statement</b> Evaluation of the Annual Governance Statement (AGS) to ensure it aligns with knowledge and understanding of structures and processes in place.	Assurance for Members	Risk	H	8	2			Core
<b>53</b>	<b>Committee support and reporting</b> Attendance, reporting, training and support for Audit and Governance Committee and responding to issues raised by Members	Members do not get adequate information and support to ensure effective governance.	Risk	H	8	8	8	8	Core
<b>54</b>	<b>Risk and Insurance Management</b> Support, challenge and evaluate the embedding of risk management both corporately and within all Service areas. Management of the Insurance function.	Failure to achieve objectives due to appropriate controls not being identified or implemented	Risk	M	5	5	5	5	Core
<b>55</b>	<b>Ethical Governance</b> Evaluate the effectiveness of the processes supporting compliance with ethical governance principles.	Inadequate processes may result in challenges to processes and decisions and reputational damage	Risk/ Compliance	L				15	Assurance/ Compliance
	<b>FRAUD</b>								
<b>56</b>	<b>Managing the risk of fraud</b> Undertake pro-active audit testing to identify any areas of potential fraud and ensure the Council's overall approach to fraud supports the zero-tolerance culture through policy development and corporate fraud responses. Also support provided to the Counter Fraud Team.	Appropriate resource is not directed towards minimising the risk of fraud occurring.	Risk	M	6	6	6	6	Core

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57	<b>National Fraud Initiative</b> Manage and co-ordinate the NFI including additional checks on data matches where appropriate.	Statutory requirements are not complied with.	Compliance	M	4	4	4	4	Core
	<b>OTHER</b>								
58	<b>Audit planning and liaison</b>				2	2	2	10	
59	<b>Completion of audits from 2019/20 – planned and unplanned</b>				50				
60	<b>External traded services</b> Perform audits of School Fund Accounts and grant certifications to generate external income for the Service.				8	8	8	8	
61	<b>Follow up of audit recommendations to ensure completed</b>				9	9	9	9	
	<b>TOTAL FOR PLANNED AUDIT WORK</b>				291	280	271	276	
	<b>CONTINGENCY FOR UNPLANNED WORK</b>								
62	<b>Audit resource set aside to respond to new and emerging risks and issues identified during the year plus management requests and ad hoc work</b>				25	25	25	25	

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63	Audit resource set aside to respond to suspected fraud issues, whistleblowing referrals or other investigations that may be requested.				25	25	25	25	
	<b>TOTAL</b>				<b>341</b>	<b>330</b>	<b>321</b>	<b>326</b>	