

Report of the Strategic Director of Corporate Services to the meeting of the Governance and Audit Committee to be held on 25 April 2017.

AM

Subject:

INTERNAL AUDIT PLAN 2017/18

Summary statement:

This report outlines the Internal Audit Plan for the financial year 2017/18. The delivery of the audit plan will assist with risks within the systems reviewed being managed to an acceptable level through improvement in internal control.

Stuart McKinnon-Evans
Strategic Director of Corporate
Services

Report Contact: Mark St Romaine
Phone: (01274) 432888
E-mail:
mark.stromaine@bradford.gov.uk

Portfolio:

Corporate

Improvement Area:

Corporate

1. SUMMARY

- 1.1 The purpose of this report is to inform the Governance and Audit Committee of the Internal Audit Plan for the financial year 2017/18, giving the Committee the opportunity to contribute to the plan. It seeks to demonstrate that Internal Audit adds value to the Council by providing independent and objective assurance of risks to internal control within the Council's systems and processes. The Audit Plan reflects internal stakeholders' needs and the expected needs of the Council's external auditors for 2017/18.
- 1.2 The delivery of the audit plan will assist with risks within the systems reviewed being managed to an acceptable level through improvement in internal control. This provides the external auditors with audit assurance on the Council's fundamental financial systems.
- 1.3 This Internal Audit Plan details the work planned for the financial year 2017/18.

2. BACKGROUND

Internal Audit Plan 2017/18

- 2.1 The Council's Constitution gives the Governance and Audit Committee the responsibility of approving the Internal Audit Plan.
- 2.2 The Internal Audit Plan details the work planned for the 2017/18 financial year. The plan demonstrates that Internal Audit's resources are managed effectively and that the coverage is appropriate to allow the Head of Internal Audit, Insurance, Information Governance and Risk to gain sufficient evidence to be able to form an opinion on the internal control systems of the Council that it has reviewed.
- 2.3 This 2017/18 Internal Audit Plan is the third year of a three year plan that was designed to cover 2015/16 to 2017/18. The three year plan examined the Council's corporate risk register and the financial flows to ensure that internal audit resources are directed appropriately and that the Council's assurance processes are maintained. The 2017/18 plan is based on this original review but incorporates any known new changes to the Council's risk profile. In addition the 2017/18 plan takes into account any slippage from the 2016/17 Internal Audit Plan.
- 2.4 In 2018/19 it is envisaged that a new three year plan will be adopted which will take into account the new environment and financial envelope the Council will operate in. These changes are likely to be very significant.
- 2.5 Performance against the plan is expected to be very challenging in 2017/18, as it was in 2016/17. The section's reduced resources give it very limited capacity to absorb unforeseen audit issues and unplanned work. Its performance will be reported to the Governance and Audit Committee in the Internal Audit Half Year Monitoring statement in November 2017 and in the Annual Audit Report in June/July 2018.
- 2.6 In order to comply with PSIAS, Internal Audit must adopt a Quality Assurance and Improvement Plan. This is a combination of an Internal and External Assessment process. Doncaster Council is planning to perform the external assessment of Bradford Internal Audit in the second half of 2017/18.

3. OVERVIEW AND SCRUTINY COMMITTEE CONSIDERATION

3.1 Not Applicable.

4. OTHER CONSIDERATIONS

4.1 There are no other considerations.

5. OPTIONS

5.1 Not applicable.

6. FINANCIAL AND RESOURCE APPRAISAL

6.1 There are no direct financial consequences arising from this report. The work of Internal Audit adds value to the Council by providing management with an assessment on the effectiveness of internal control systems, making, where appropriate, recommendations that if implemented will reduce risk.

7. RISK MANAGEMENT

7.1 The work undertaken within Internal Audit is primarily concerned with examining risks within various systems of the Council and making recommendations to mitigate those risks. The key risks examined in our audits are discussed with management at the start of the audit and the action required from our recommendations is verified as implemented by Strategic Directors.

8. LEGAL APPRAISAL

8.1 The Accounts and Audit Regulations 2015 requires the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. The Council achieves this by complying with the Public Sector Internal Audit Standards (PSIAS), which it does by following the CIPFA Local Government Application Note. The Internal Audit Plan needs to be approved by the Governance and Audit Committee to ensure compliance with the PSIAS.

9. OTHER IMPLICATIONS

9.1 Equal Rights

The Audit Plan seeks assurance that the Council fulfils its responsibilities in accordance with its statutory responsibilities and its own internal guidelines. When carrying out its work, Internal Audit will review the delivery of service to ensure that either appropriate charges have been made, or that the service provided is in accordance with the formal decision making process of the Council.

9.2 Sustainability implications

When reviewing Council Business Internal Audit will be examining the sustainability of the activity and to ensure that mechanisms are in place so that services are provided within the resources available

9.3 Greenhouse Gas Emissions Impacts

There are no impacts on Gas Emissions.

9.4 Community safety implications

There are no direct community safety implications.

9.5 Human Rights Act

There are no direct Human Rights Act implications.

9.6 Trade Union

There are no implications for the Trade Unions arising from the report.

9.7 Ward Implications

Internal Audit will undertake specific audits through the year which will ensure that the decisions of council are properly carried out.

10. NOT FOR PUBLICATION DOCUMENTS

10.1 None.

11. RECOMMENDATIONS

11.1 That the Committee reviews and approves the Internal Audit Plan for 2017/18.

12. APPENDICES

12.1 Appendix 1 – Internal Audit Plan 2017/18

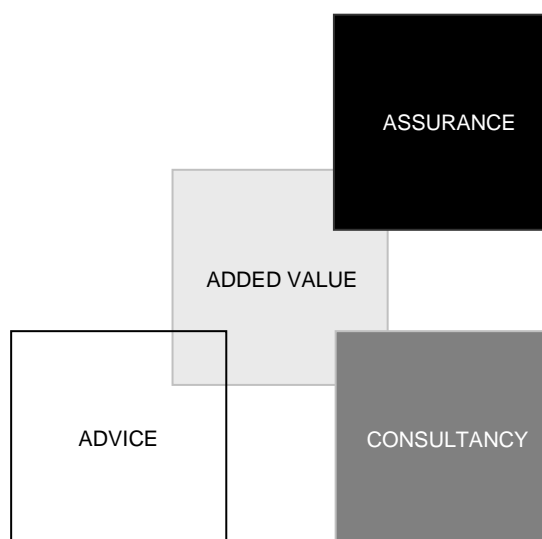
13. BACKGROUND DOCUMENTS

13.1 Accounts and Audit Regulations 2015.

13.2 Public Sector Internal Audit Standards.

13.3 The CIPFA Local Government Application Note for the United Kingdom Public Sector Internal Audit Standards.

INTERNAL AUDIT PLAN 2017/18



INTRODUCTION

One of the requirements of the “Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note” is that an Annual Internal Audit Plan is produced and approved by the Governance and Audit Committee. Compliance with the PSIAS and the Local Government Application Note is a requirement of the Accounts & Audit Regulations 2015.

The plan has been developed in consultation with Stuart McKinnon-Evans, the Strategic Director of Corporate Services and Section 151 Officer of the Council, and the service departments. In order to prevent duplication of work and to ensure that the required audit assurances on the Council’s financial systems are provided, the 2017/18 plan will be shared, as is normal practice, with the Council’s external auditors. Internal Audit is committed to maintaining a strong working relationship with External Audit co-planning the internal and external audit programmes as required. Regular meetings will be held with the External Auditors throughout the year in order to share mutually beneficial information relating to risks and controls.

This Internal Audit Plan details the work planned for the financial year 2017/18.

Mark St Romaine

Head of Internal Audit, Insurance, Information Governance and Risk

March 2017

Circulation:

Members
Stuart McKinnon-Evans
Mark Kirkham
All Staff

Governance and Audit Committee
Strategic Director of Corporate Services
Director and Engagement Lead, Mazars
Internal Audit

1. KEY AIMS

1.1 The key aims of Internal Audit are to:-

- Support the Governance and Audit Committee.
- Independently review, appraise and report on the adequacy of the systems of financial control throughout the Council and act as a catalyst for positive change and continual improvement.
- Provide assurance to Management that identified risks are controlled to an acceptable level and emerging risks and proposed developments reviewed are also adequately governed and managed with appropriate controls built in.
- Be a source of advice on risk and control issues to service managers on operational matters and the impact of change
- Champion and promote good practice and support the Council in its wider business objectives.
- Assist in promoting an environment and culture which will help deter and identify suspected fraud.
- Add value to the Council by identifying any improvements during the day to day audit activity.
- Provide required assurance to Government Departments on the entitlement to and application of specific funds.
- Work in partnership with External Audit to minimise duplication of the audit resource.

2. EXTERNAL ASSESSMENT OF INTERNAL AUDIT

- 2.1 In order to comply with PSIAS, Internal Audit must adopt a Quality Assurance and Improvement Plan. This is a combination of an Internal and External Assessment process. Over the last three years Councils in West and South Yorkshire established a peer review process which allows each Council to comply with the external assessment element of the PSIAS. In 2015/16 Bradford Internal Audit conducted the external assessment of Barnsley and Doncaster is planning to do the review of Bradford Internal Audit in the second half of 2017/18.

3. JOINT WORKING WITH WAKEFIELD

- 3.1 In September 2014 the Council entered into a Service Level Agreement (SLA) with Wakefield Council, for Bradford to provide its Head of Internal Audit and Insurance to manage Wakefield's Internal Audit & Risk Service. The Service Level Agreement also required a Business Plan to be prepared to determine an option appraisal for future service delivery. A draft Business Plan is in place awaiting to be approved by senior management at Bradford and Wakefield.
- 3.2 Joint working with Wakefield was developed further in 2015/16 with Wakefield's Computer Auditor working on a part time basis with Bradford. The two Councils have also entered into a Service Level Agreement to jointly deliver Corporate Fraud Investigations. In 2017/18, as in 2016/17, the Internal Audit Plans for both councils will be shared and the Audit Managers will look to jointly develop work programmes and for expertise in specific audit services to be enhanced.

4. MK INSIGHT

- 4.1 One of the barriers to joint working between Bradford and Wakefield has been that both services use different processes for conducting audits and managing the Internal Audit plan. In order to reduce this barrier, Bradford Council's Internal Audit Service purchased 10 Licences for MK Insight at the end of 2015/16. MK Insight is an integrated Internal Audit ICT package which delivers a complete range of Internal Audit functionality from planning, to reporting including time recording and working paper preparation. This will replace the collection of manual and Microsoft based documents and out of date in house packages currently operated by Bradford Council. As Wakefield Council also uses MK Insight this will facilitate the opportunity for increased joint working between the two Councils' Internal Audit Services and also enable agile working by Bradford's Internal Audit Team.
- 4.2 Following a period of training and development MK Insight started to be used by the Internal Audit Team in January 2017, is to become fully operational in 2017/18 and is to be used to produce and deliver the 2017/18 audit plan. It is estimated that the implementation of MK Insight will take up approximately 90 resource days in 2017/18.

5. RESOURCES AVAILABLE

- 5.1 The total net resources available to Internal Audit are 1,877 person days (7.2 FTE) which is the same as the resources available in 2016/17. There are currently no further staffing changes planned to the Internal Audit establishment in 2017/18.

6. INTERNAL AUDIT PLAN SUMMARY 2017/18

- 6.1 The Internal Audit Plan details the work planned for the 2017/18 financial year. The plan demonstrates that Internal Audit's resources are managed effectively and that the coverage is appropriate to allow the Head of Internal Audit, Insurance, Information Governance and Risk to gain sufficient evidence to be able to form an opinion on the internal control systems of the Council that it has reviewed.
- 6.2 This 2017/18 Internal Audit Plan is the third year of a three year plan that was designed to cover 2015/16 to 2017/18. The three year plan examined the Council's corporate risk register and the financial flows to ensure that internal audit resources are directed appropriately and that the Council's assurance processes are maintained. The 2017/18 plan is based on this original review but incorporates any known new changes to the council's risk profile and takes into account any work carried forward from 2016/17.
- 6.3 In 2018/19 it is envisaged that a new three year plan will be adopted which, will take into account the new environment and financial envelope the Council will operate in. These changes are likely to be very significant.
- 6.4 The summary of the Internal Audit Plan for 2017/18 in person days, by type of audit activity, is shown in Appendix A. The plan initially showed a resourcing gap but has been brought into balance after undertaking a prioritisation process, based on risk, materiality and service knowledge which has seen a number of audits deferred into future years, and some removed from the three year plan altogether. A summary of these changes is given in Appendix D.
- 6.5 It should be noted that whilst the audit plan is now balanced, some of the deferred audits, which relate to significant risks, would have been performed in 2017/18 if Internal Audit had sufficient capacity.

- 6.6 The resources available to Internal Audit are the same as last year, which after three years of experiencing a resource gap, caused by the unplanned reduction of 3 FTEs in 2014/15, are now in line with the expected capacity forecasted in the original three year plan. There are no planned changes to the Service's structure during the 2017/18 financial year.
- 6.7 Performance against the plan is expected to be very challenging in 2017/18, as the balanced plan gives the Service very limited capacity to absorb unforeseen audit issues and unplanned work, without it affecting the delivery of planned core audit work. Over the last four years the number of audit reports produced by the team has halved from 160 in 2013/14 to approximately 80 reports per annum.
- 6.8 During the year progress against the audit plan will be regularly monitored to ensure that audit resources are efficiently and effectively deployed. The performance will be reported to the Governance and Audit Committee in the Internal Audit Half Year Monitoring Statement in November 2017 and in the Annual Audit Report in June/July 2018.
- 6.9 The majority of assignments will be completed during the year but as is normal working practice some will inevitably be finalised in the following financial year. The annual plan may change during the year, subject to capacity constraints, to reflect any significant events or new risks that occur through the year.

7 BREAKDOWN OF AUDIT ACTIVITY

The following sections provide a breakdown of the major productive areas covered in the Internal Audit Plan, by audit activity type, together with an indication of some of the key considerations in each area.

7.1 Service Assurance Based Internal Audit Activity

Previous years' plans were focused on financial issues however PSIAS require Internal Audit to take a broader view on the Council's business risks and objectives. In order to facilitate this, it was agreed that Internal Audit would review the control environment supporting the Council's Corporate risks. An assurance mapping exercise was performed on the Council's Corporate risk register to identify the possible work Internal Audit could complete to benefit the Council. This was used to produce a new three year audit plan.

The 2017/18 audit plan looks to provide a broader view of audit coverage, as there is provision in the plan to perform audits that will look at controls which focus on organisational rather than financial issues. These audits will, on a cyclical basis, focus on providing assurance regarding the risk management of a sample of the corporate risks as stated in the Corporate Risk Register. In 2017/18 Internal Audit is planning to review three strategic risks: Governance Resilience; Safeguarding Children; and Regeneration and Investment attraction into the District.

In addition, the audit plan will look to deliver more service assurance based internal audit activity than in previous years. These are included within the significant systems area of the plan, see Appendix C.

7.2 Fundamental Financial Systems

The work undertaken by Internal Audit helps the Strategic Director of Corporate Services and External Audit to fulfil their statutory responsibilities. Fundamental financial systems are those systems that have a material impact on the Council's accounts, for example

Council Tax. These audits ensure that there are adequate controls to support the Annual Governance Statement and influence the level of External Audit testing.

Appendix A shows that a total of 307 days has been allocated to fundamental financial systems work for 2017/18. This is an increase of 5% on the 292 days allocated in 2016/17.

The approach to auditing fundamental financial systems was changed in 2015/16 due to the reduction in resources. The approach now only centres on in depth auditing, on a three year cycle, of the controls operating within an element of the fundamental financial systems. This is the prime basis of the Head of Internal Audit, Insurance, Information Governance and Risk's assurance statement. The previously performed annual high level review of key risk and controls within each identified fundamental system will no longer be performed.

Details of the fundamental financial systems planned coverage for 2017/18 are shown in Appendix B.

7.3 Significant Systems

The audit risk assessment identifies all the significant audit risks. The work on significant systems of the Council, which are operational within Services, supports the assurance statement on the internal control systems of the Council. On a three year cycle, Internal Audit aims to cover most of the Council's significant systems.

Details of the planned 3 year coverage of core significant departmental systems is shown in Appendix C. This also includes new systems that are financially significant, as highlighted through the assurance mapping exercise and issues raised by senior management.

Appendix A shows that 413 days has been allocated to significant systems work for 2017/18, which is an increase of 27% on the 324 days allocated in 2016/17.

The principal reason for this increase in planned significant systems work is Internal Audit's response to the procurement issues that were identified in 2016/17.

7.4 School Audits

Schools operate under delegated financial and governance arrangements and have responsibility for significant levels of resources. The audit plan each year includes time for the review of the systems within schools and providing advice to schools.

Each year audits are undertaken at a number of individual schools deemed higher risk due, for example, to the level of support they need from the School Funding Team or significant changes at the school. These audits assess the mitigation of risks at the school across seven key areas. The 2017/18 plan includes capacity to perform eight school audits during the year, which are two school audits less than in 2016/17 due to resourcing issues within the audit team and the increasing number of academy conversions. The position regarding academy conversions will continue to be monitored throughout 2017/18 to ensure audit resources are focussed appropriately in the context of this changing landscape.

In addition, there is an allocation of time to perform a themed review of procurement across maintained schools. This is in response to poor procurement practices that have been identified in schools.

Further, there is an allocation of time relating to the Schools Financial Value Standard, (SFVS), an Education Funding Agency initiative consisting of 25 questions which School Governing Bodies must discuss annually with their Heads and Senior Staff. All maintained schools, except those that meet certain exception criteria, are required to complete an annual SFVS assessment and return it to the Council by the 31 March.

The SFVS also places a requirement on the Strategic Director of Corporate Services to have in place a system of audit for schools which gives adequate assurance over their standards of financial management and to take into account the SFVS returns when setting the audit plan for schools. This must be declared within an annual position statement which also details the number of schools carrying out the self assessment. There is an allocation of time within the plan for analysis of the assessments in order to inform the audit plan and the Strategic Director of Corporate Service's position statement.

Completion of the SFVS is the responsibility of individual schools, however there is an allocation of time in the audit plan to provide schools with training on the completion of their SFVS assessments. The aim of the training is to equip Governing Bodies with the skills needed to produce a good quality SFVS assessment by ensuring that effective financial management is in place in school. This has proved to be an effective use of audit resources as good practice on financial management principles can be disseminated to many schools during one training session. Positive feedback has also been received from delegates on the training delivered to date.

Appendix A shows that the number of resources allocated to schools work for 2017/18 is 147 days, which is a decrease of 14% on the 171 days allocated in 2016/17.

7.5 Computer Audit

A total of 60 days has been allocated to computer audit in 2017/18, which is consistent with the days allocated in 2016/17 and is to be delivered entirely through the computer audit services bought in from Wakefield Council. In 2017/18 Internal Audit's planned computer audit coverage relates to Accreditation and Standards, and Systems & Technical.

7.6 Grants

There are no significant differences in the number of grants and funding streams known to require certification in 2017/18 compared to 2016/17, although, as in previous years there is always potential for Internal Audit to receive notification of new grant certifications during the year.

Grant work has been allocated 70 days within the 2017/18 plan to complete the certifications listed below.

Cycle City Ambition Grant 2016/17
Disabled Facilities Grant 2016/17
Families First Funding
Highways Challenge Fund Grant 2016/17
Local Authority Bus Subsidy Grant 2016/17
Highway Flood Recovery Grant 2016/17
PE & Sport Grant 2016/17
WCA Local Transport Block Funding 2016/17
West Yorkshire Plus Transport Fund 2016/17

7.7 Follow Up Audits

The Chief Executive and Strategic Directors have responsibility, in accordance with Financial Regulations, to ensure that agreed action on Internal Audit report recommendations has been implemented; and on an annual basis Internal Audit seek written confirmation of the level of progress of implementation.

In addition, a sample of follow up audits are carried out to confirm that actual progress is in line with that stated.

During 2017/18 Internal Audit will look to enhance the way in which recommendations are monitored with the aim of encouraging more timely implementation of recommendations and improving the accuracy of the annual Director's sign off.

Appendix A shows that the number of resources allocated to follow ups in 2017/18 is 55 days, which is a significant reduction from the 2016/17 allocation of 93 days, due to the number of high priority recommendations requiring following up reducing, as a consequence of fewer audits being performed than in prior years.

7.8 Advice & Controls Awareness

Advisory and control awareness work is mainly demand led and includes advice on system design. This has been allocated 66 days in 2017/18, which is consistent with the 2016/17 allocation of 64 days.

7.9 Audits Deferred and Deleted from the 2017/18 Plan

Details of the audits deferred and deleted from the initial Internal Audit Plan 2017/18 to match the level of available resources is shown in Appendix D. The appendix shows the rationale for their removal and also includes those audits that were originally planned in the 3 year plan for 2017/18 that will now be deferred to 2018-19, or are not planned to be performed at all.

8. West Yorkshire Pension Fund (WYPF)

The WYPF Internal Audit Plan (see Appendix E) is for 170 days commissioned work that is split between investments and the administration of pensions. The volume and value of transactions is used to initially determine the frequency of an audit and necessitates that some of the key financial systems are reviewed more frequently than others. Consideration is also given to the significance of previous recommendations made, new legislation, new systems and the Director's priorities. The timing or frequency of an audit may change if a system is changed or Internal Audit is asked to bring forward a specific audit or has specific concerns. If new systems are introduced these will be prioritised to be audited once the system is embedded.

WYPF have written to Internal Audit in March 2017 expressing that they would like to significantly increase the number of internal audits days commissioned annually by up to 50% in future. This increase is expected to come into effect during 2017/18 subject to Internal Audit securing additional resources.

Investments

Equities are audited every year due to the value of the investments, (69.1% of WYPF's market value at 31.12.15). In addition, at least one of the other asset classes is also audited. The choice of additional asset class to be audited each year depends on the value of asset class, changing investment priorities, the Director's view and whether there is a new area of investment activity.

Treasury Management is currently being audited on an annual basis following the banking crisis and the increased risk to cash holdings. The Financial Controller has also requested that we carry out a Quality Check on the WYPF statement of accounts on an annual basis.

Pensions

Ensuring that New Pensions and Lumps Sums are correctly calculated and paid is crucial to the success of the system because all future payments are based on this calculation. Therefore this area is audited annually, using a different pensioner type each year.

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Transfers Out is audited every three years, whilst AVC Arrangements are audited every five years. Reimbursement of Agency Payments is to be audited in 2017/18 which will include the arrangement with Lincolnshire Pension Fund.

All of the other pension audits occur at least once in every five years subject to agreement with the Financial Controller.

Contingency

The WYPF Internal Audit Plan also contains a contingency to accommodate requests for additional work during the year.

INTERNAL AUDIT PLANS FOR 2017/18 AND 2016/17 BY AUDIT ACTIVITY

| | 2016/17 Plan | 2017-18 Plan |
|---|--------------|--------------|
| | 2016-17 | 2017-18 |
| Full Time Equivalents | 7.2 | 7.2 |
| | Days | Days |
| Fundamental Financial Systems | 292 | 307 |
| Significant Systems including corporate risks | 324 | 413 |
| Schools | 171 | 147 |
| Computer Audit | 60 | 60 |
| Grants | 65 | 70 |
| Follow-up Audits | 93 | 55 |
| Probity Audits | 0 | 0 |
| Advice & Control Awareness | 64 | 66 |
| West Yorkshire Pension Fund | 171 | 170 |
| Administration | 96 | 93 |
| Management: Plan Delivery | 107 | 141 |
| Management: Technical | 21 | 22 |
| Training | 60 | 45 |
| MK Insight | 150 | 88 |
| Management and Overheads | 184 | 194 |
| Non-BMDC Audit | | |
| Contingency Provision | 15 | 6 |
| TOTAL PRODUCTIVE TIME | 1873 | 1877 |

FUNDAMENTAL SYSTEMS – 2017/18 PLANNED COVERAGE

| | |
|---|--|
| Accounts Receivable | Enforcement (all revenue streams) |
| Benefits | Payments |
| Cash, Banking, Investments and Loans | Investments and Loans |
| Capital | Capital Schemes |
| Council Tax / NNDR | Enforcement (all revenue streams) |
| | Valuation/Billing/Liability |
| Human Resources | HRplus |
| Payroll | Certification of Pension Contributions |
| | Payroll Processing |
| | Statutory Payments (Maternity etc) |
| Procurement | Compliance with Corporate Contracts & Frameworks |
| | Contract Management Review |

CORE DEPARTMENT SYSTEMS INCLUDING SCHOOLS – 2017/18 PLANNED COVERAGE

| | |
|-------------------------------|--|
| Childrens' Services | ContrOCC & Liquidlogic |
| | Looked After Children & Care Leavers |
| | OLA's and Private Providers |
| | SEN Placements |
| | Transitional Planning (cross cutting with Adults) |
| Corporate Services | Budget Savings |
| | Grants certification |
| | Grants to Voluntary Organisations |
| | Insurance |
| Health & Wellbeing | Commissioned Care – Nursing, Residential & Respite |
| | ContrOCC & System One |
| | Public Health Contracts/Service Delivery |
| | Transitional Planning |
| Place | s106 and Community Infrastructure Levy |
| | Transport incl vehicle repairs and maintenance, fuel recharge – has links with (school) transport review |
| | Waste Management (£13.2m exp in 14/15) |
| | |
| Schools | Financial Control & Governance Reviews |
| | Procurement |
| | SFVS Assessment |
| | Sixth Form Funding |

AUDITS DEFERRED FROM THE 2017/18 PLAN (AND 2016/17 PLAN)

1. Deferrals - 2017/18 Plan

| Audit | Deferred To | Rationale |
|---|-------------|---|
| BACES | 19-20 | Audited in 15-16 |
| Early Years | 19-20 | Audited in 15-16 |
| Demographic Change | 18-19 | Equalising Corporate risk coverage |
| Trade Refuse and Recycling Income | 18-19 | Capacity reasons/reprioritising |
| Maintenance of Cohesive Communities | 18-19 | Capacity reasons/equalising audit plan |
| Partnership Delivery Strategic Risk | 19-20 | Capacity reasons/equalising audit plan |
| Public Health Priorities | 19-20 | Capacity reasons/equalising audit plan |
| Accounts Receivable invoicing | 19-20 | Capacity reasons/reprioritising |
| Payroll Expenses/Allowances | 19-20 | Capacity reasons/reprioritising |
| Capital accounting | 19-20 | Low risk |
| Self Directed Support (Adults) | 19-20 | Low risk, ongoing support is already being provided |
| Assisted Purchase Scheme | 18-19 | Low risk |
| Discretionary Benefits | 18-19 | Low risk |
| Data Quality/Performance Management | 19-20 | Capacity reasons/reprioritising |
| Music & Arts Service | 19-20 | Low risk |
| Building Maintenance | 18-19 | Capacity reasons/reprioritising |
| Corporate Fraud | 19-20 | Low risk |
| Members' Allowances | 18-19 | Low risk |
| School Catering | 18-19 | Capacity reasons/reprioritising |
| Civil Enforcement Parking/Fines & Summonses | 18-19 | Capacity reasons/reprioritising |
| Theatre Ticket Charges & Admissions | 19-20 | Capacity reasons/reprioritising |
| Bank reconciliation/unallocated cash | 18-19 | Reduce audit coverage, previously audited annually and no issues, External Audit also review annually |

2. Deferrals - 2016/17 Plan

A total of 23 audits were deferred from the 16/17 Audit Plan, reducing approx. 400 days from the Plan to match to available resources. The details of 12 deferred audits were reported to Governance and Audit Committee on 15 April 2016 in the Audit Plan, and of a further 5 deferred audits, on 1 December 2016 in the Half Year Monitoring Report.

The remaining 6 deferred audits from the 16/17 Plan are listed here for completeness.

| Audit | Deferred To | Rationale |
|--|-------------|--|
| Grants to Voluntary Organisations | 17-18 | Capacity reasons/coverage provided by Keighley Youth Services Review |
| Capital accounting - Highways Infrastructure Revaluation | 17-18 | The audit requirements to this accounting change not yet determined* |
| Revenue Enforcement | 17-18 | Capacity reasons/equalising audit plan |
| Payroll expenses and allowances | 17-18 | Capacity reasons/equalising audit plan |
| Transitional Planning | 17-18 | Capacity reasons/organisational change |
| Regeneration & investment into District: Strategic risk | 17-18 | Capacity reasons/equalising Regeneration's audit plan |
| Payment of Foster Allowances | 18-19 | Capacity reasons/organisational change |

* It has been recently announced that this revaluation will not now take place

| WYPF Plan 2017/18 to 2019/20 | | | |
|---|---------|---------|---------|
| | 2017/18 | 2018/19 | 2019/20 |
| Pensions Administration | | | |
| Admission of New Bodies | | | X |
| Annual Benefit Statements | | | X |
| AVC arrangements | X | | |
| Life Certificates | | | |
| Local Government Scheme Contributions | | X | |
| New Pensions and Lump Sums – Death in Service, Post Retirement & Dependent Benefits | | | |
| New Pensions and Lump Sums – Deferred Pensions | X | | |
| New Pension and Lump Sums - Fire Service | | X | |
| New Pension and Lump Sums – Flexible Retirements | | | |
| New Pensions and Lump Sums – Ill Health Pensions | | X | |
| New Pensions and Lump Sum – Normal and Early Retirements | | | X |
| Pensioners Payroll | | X | |
| Purchase of Additional Pension | | | |
| Reimbursement of Agency Payments | X | | |
| Transfers In | | | X |
| Transfers Out | X | | |
| WYPF ICT | | | |
| Investments | | | |
| Annual Accounts Verification | X | X | X |
| Compliance with the IAP Panel's Investment Decisions/Policies | | | |
| Direct Property | | | X |
| Equities | X | X | X |
| Foreign Unit Trusts (Property and Other) | | | X |
| Fund of Hedge Funds | | | |
| Global Bonds | | X | |
| Stock Lending | X | | |
| Treasury Management (Short term Lending) | X | X | X |
| UK and Overseas Private Equities | | X | |
| UK Fixed and Index Linked Public and Corporate Bonds | X | | X |
| UK Unit Trusts (Property and Other) | X | | |
| Verification of Assets | X | | |