

Report of the Director of Finance to the meeting of the Governance and Audit Committee to be held on 28 November 2019.

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Subject:

INTERNAL AUDIT PLAN 2019/20 – MONITORING REPORT AS AT 30 SEPTEMBER 2019

Summary statement:

This report monitors the progress made by Internal Audit against the Internal Audit Plan for 2019/20 as at 30 September 2019.

Chris Chapman
Director of Finance

Portfolio

Leader of Council and Corporate Portfolio

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Improvement Area:

Corporate

1. SUMMARY

- 1.1 The purpose of this report is to bring to the attention of members of the Governance and Audit Committee (G&AC) any significant issues arising from the audit work undertaken to date and to inform them about the progress made up to 30 September 2019, against the Internal Audit Plan, which was approved by the Committee on 18 April 2019. In addition the report includes an update on progress made in implementing the recommendations of the external review of Internal Audit.

2. BACKGROUND

- 2.1 Internal Audit is part of Financial Services within the Department of Corporate Resources. This is the half year monitoring report on the Internal Audit Plan for 2019/20. This is detailed in Appendix 1. The overall Audit Opinion is that from the audit work performed to date, Internal Audit concludes that the Council's overall control framework is effective.
- 2.2 The report enables the Council to demonstrate compliance with the Public Sector Internal Audit Standards (PSIAS). These require the Head of Internal Audit to report periodically to the Governance and Audit Committee on Internal Audit's activity, purpose, authority, responsibility and performance relative to its plan. Reporting must also include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested either by senior management or the Governance and Audit Committee.

The PSIAS also require the Head of Internal Audit to communicate the Internal Audit activity's plans and resource requirements, including significant interim changes, to the Governance and Audit Committee, including any impact of resource limitations.

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 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 and deal with financial uncertainty.

7. RISK MANAGEMENT

7.1 The work undertaken by Internal Audit is primarily concerned with examining risks within various systems of the Council and making recommendations to mitigate those risks. Consideration was given to the corporate risk register when the Audit Plan for 2019/20 was drawn up and any issues on the risk register that relate to an individual audit are included within the scope.

7.2 The key risks examined in our audits are discussed with management at the start of the audit and the implementation of recommendations is followed up with Strategic Directors.

8. LEGAL APPRAISAL

8.1 The Accounts and Audit Regulations for 2015 require 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. These standards are detailed in the Public Sector Internal Audit Standards supported by CIPFA's Local Government Application Note.

9. OTHER IMPLICATIONS

9.1 Equality and Diversity

Internal Audit 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 reviews the delivery of services to ensure that they are provided in accordance with the formal decision making process of the Council.

9.2 Sustainability Implications

When reviewing Council Business, Internal Audit examines the sustainability of the activity and ensures 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.

9.8 Implications for Corporate Parenting

None

9.9 Issues Arising from Privacy Impact Assessment

None

10. NOT FOR PUBLICATION DOCUMENTS

10.1 None.

11. RECOMMENDATIONS

That the Governance and Audit Committee:

11.1 Takes assurance from the results to date that show that the control environment, risk management and governance processes of the Council is effective.

11.2 Endorse the anticipated coverage and changes of Internal Audit work during the year.

11.3 Requires Internal Audit to monitor the control environment, risk management and governance arrangements and continues to assess areas of control weakness and the ability of management to deliver improvements to the control environment when required.

12. APPENDICES

Appendix 1 – Internal Audit Plan for 2019/20 – Monitoring Report as at 30th September 2019.

13. BACKGROUND DOCUMENTS

13.1 G&AC report dated 18 April 2019 – Internal Audit Plan 2019/20.

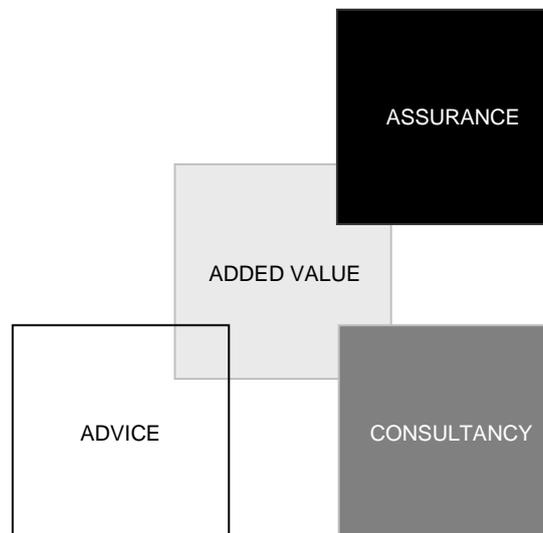
Internal Audit



INTERNAL AUDIT PLAN 2019/20

MONITORING REPORT

AS AT 30.09.19.



DEPARTMENT OF CORPORATE RESOURCES

1 INTRODUCTION

- 1.1 The Internal Audit Annual Plan for 2019/20 was approved by the Governance and Audit Committee (G&AC) at its meeting on 18 April 2019. This report is the half year monitoring report for this financial year. It identifies the progress made against the Internal Audit Plan up until 30 September 2019 and identifies any significant audit issues arising.
- 1.2 The report enables the Council to demonstrate compliance with the Public Sector Internal Audit Standards (PSIAS). These require the Head of Internal Audit to report periodically to the Governance and Audit Committee on Internal Audit's activity, purpose, authority, responsibility and performance relative to its plan. Reporting must also include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested either by senior management or the Governance and Audit Committee.
- 1.3 The PSIAS also require the Head of Internal Audit to communicate the Internal Audit activity's plans and resource requirements, including significant interim changes, to the Governance and Audit Committee, including any impact of resource limitations

2 RESOURCES

2.1 Increase in Audit Resources

The Internal Audit Plan for 2019/20 has 229 days (10%) more capacity than in 2018/19 (2505 days v 2276 days). The net increase is due to the full year effect of recruiting four Senior Auditors (3.35FTE) in August 2018, the reduction in working hours of one Senior Auditor effective from 1.4.19 (0.4FTE) and the transfer of one member of staff to Financial Services (1FTE). Internal Audit is currently ready to advertise for an Internal Audit Graduate Trainee to support succession planning and future service delivery.

The Audit Plan in the past has included time for the management of insurance, information governance, risk management and accountancy support. In the first half of the year support for accountancy has been significantly curtailed and the Head of Internal Audit is no longer responsible for the Information Governance Team. In addition, a further 255 days is in the Audit Plan for auditing the West Yorkshire Pension Fund. The net audit days currently provided to Bradford Council in 2019/20 is 1881 days.

2.2 MK Insight

MK Insight is an integrated Internal Audit ICT package produced by Morgan Kai that delivers the full range of Internal Audit functionality from planning, to reporting, including time recording and working paper preparation. MK Insight is now used by Audit Management to produce the Internal Audit Plan and by all staff to perform audits, report their findings and deliver the 2019/20 audit plan.

The following up of audit recommendations and the reporting of performance via MK Insight are ongoing developments.

3 SERVICE DELIVERY

3.1 Audit Coverage

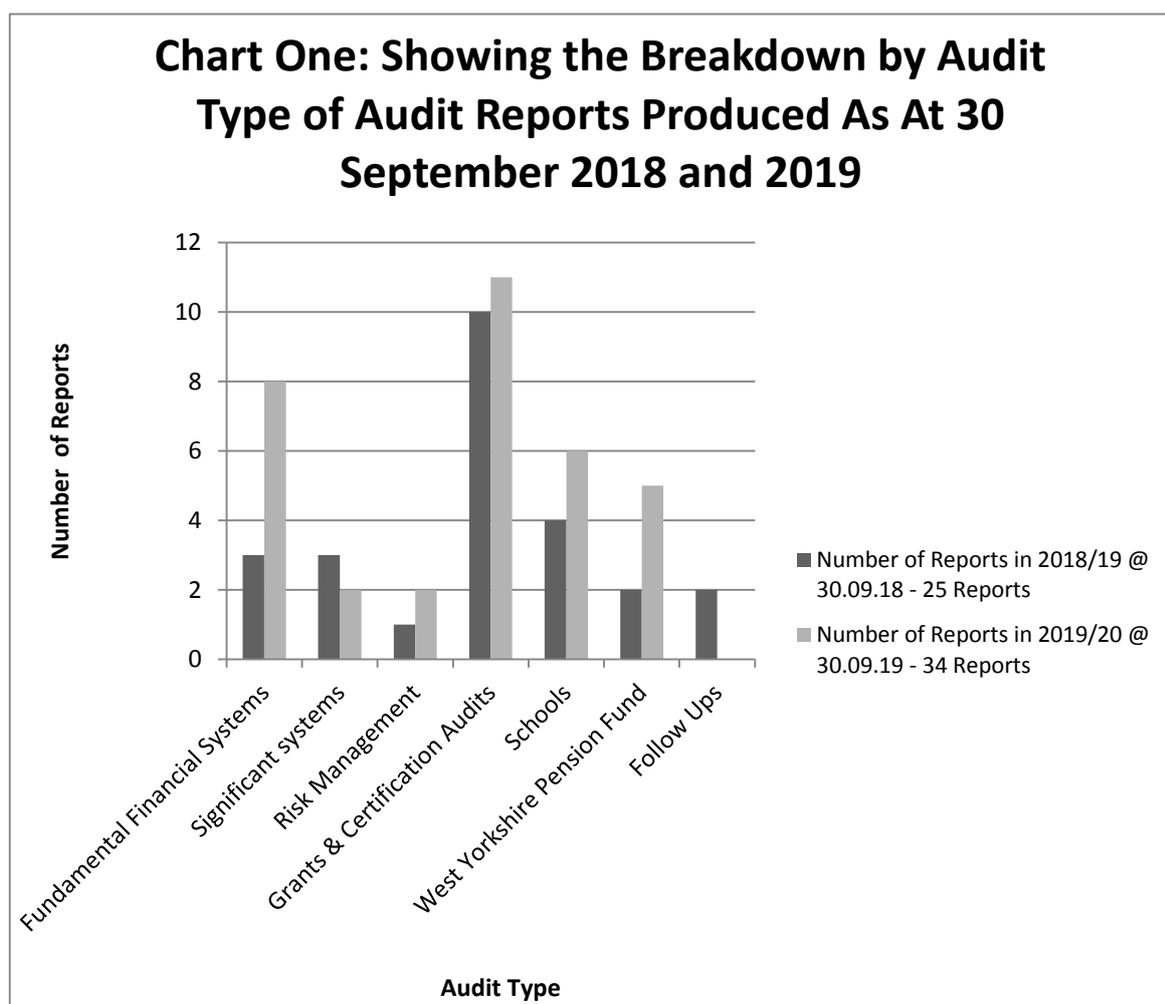
As at 30 September 2019, 45% of the 2019/20 audit plan has been completed compared to last year when 39% of the 2018/19 audit plan had been completed by this time.

Currently, it is forecast that Internal Audit will achieve its target level of 90% completion of the audit plan by the end of the financial year. This forecast assumes that there are no significant unforeseen audit issues or unplanned work in the second half of 2019/20.

3.2 Reports Issued

All Internal Audit assignments result in an Audit Report that identifies the audit coverage, findings from the audit, risks arising from identified control weaknesses and prioritised audit recommendations. Chart One below shows that as at 30 September 2019 a total of 34 reports have been issued, which compares with 25 reports issued as at 30 September 2018. The chart shows a breakdown of the reports by audit type.

The increase in the number of reports issued this year is due to the service having an increase in resources available compared to those that were available in the same period last year.



3.3 Control Environment

The following table details the opinions from those audits over the last two years where an appraisal of the overall system could be obtained. As can be seen the proportion of reports assessed as either good or excellent opinions is generally

consistent over time and account for approximately 80% of the opinions reached. Whilst reassuring, this is as expected as Internal Audit's core focus is on fundamental and significant systems. Further, Internal Audit's work includes an increasing proportion of grant certification and West Yorkshire Pension Fund audits, both of which have a track record of being generally well controlled.

Table One: Six Monthly Analysis of Audit Opinions raised in Internal Audit Reports issued in the Period 1 October 2017 to 30 September 2019

Opinions	1 Oct 2017 and 31 March 2018		1 April 2018 and 30 Sept 2018		1 Oct 2018 and 31 March 2019		1 April 2019 and 30 Sept 2019	
	Total	Proportion	Total	Proportion	Total	Proportion	Total	Proportion
Excellent	11	28%	10	48%	8	24%	13	43%
Good	20	51%	7	32%	16	48%	10	33%
Satisfactory*	5	13%	0	0%	0	0%	0	0%
Partially Effective	1	3%	2	10%	8	24%	7	23%
Ineffective	2	5%	2	10%	1	3%	0	0%
Total Relevant Reports	39		21		33		30	
Not applicable**	7		4		3		4	
Total Reports	46		25		36		34	

* On implementing MK Insight in 2017, Internal Audit has, reduced the number of audit opinion categories from 5 to 4. The new audit opinions range from Excellent to Ineffective. Consequently, the former audit opinion of satisfied does not have a direct comparator going forward.

** Internal Audit gives an opinion on the control environment whenever it is appropriate to do so. However, audit reports that provide advice, review specific control concerns or investigate irregularities generally do not have an opinion as they are too limited in scope.

The analysis above relates to those reports with opinions. Opinions are derived from a standard analysis of the level of control satisfaction and number of high priority recommendations within a report. Where reports are produced that do not relate to the planned evaluation of risks and controls, for example in response to requests for advice on specific matters, or in response to known control failures there is often no opinion applied to the report.

Internal Audit looks to minimise those reports without an opinion. Reports without an opinion were 12% (4) of all reports issued over the period 1.4.19 to 30.09.19.

The audit work has identified that 80% of controls examined were operating satisfactorily. All concerns arising from the audit assignments result in an audit recommendation. To date, as in 2018/19, 100% of our audit recommendations have been accepted by management.

3.4 Follow Up of Audit Recommendations

During 2019/20 the way in which Internal Audit recommendations are followed up has been revised.

In previous years Strategic Directors were asked to provide an update on the level of implementation of Critical and High Priority recommendations

annually, which often meant considerable delays between issuing recommendations and seeking assurance that the agreed action was taking place. In addition sample testing of the results often identified differences between reported progress and actual progress.

Under the revised method the level of implementation of recommendations will be followed up quarterly by the auditor making the recommendation. Narrative to support the current status will be sought and wherever possible supporting evidence will be obtained. Having the author of the report carrying out the follow up work will allow difficulties in implementation to be identified and discussed.

The first follow up using this revised approach commenced in October 2019 and included recommendations issued up to 30th June 2019 that had not yet been confirmed as implemented.

The results of the exercise are shown below and are compared to the results from the 2018/19 follow up (shown in brackets).

At the time of writing there are a small number of recommendations where discussion between the auditor and officers responsible for action are ongoing and consequently, once complete, the level of implementation may increase.

The October 2019 follow up exercise identified a slight increase in the overall percentage of recommendations fully implemented, however it is the decrease in the number of recommendations carried forward, which is most marked. This is predominantly due to a significant number of recommendations, mainly those brought forward from previous exercises, being identified as no longer relevant; either due to them being superseded by recommendations from a subsequent follow up audit, or due to system or legislative changes within the department.

With respect to the recommendations carried forward as not fully implemented, almost two thirds were implemented in part.

Department	Total Followed Up	Fully Implemented		Carried Forward	
		Number	Percentage	Number	Percentage
Chief Executive	15	13	87% (75%)	2	13% (25%)
Children's Services	121	92	76% (37%)	17	14% (63%)
Corporate Resources	20	11	55% (67%)	4	20% (33%)
Health and Wellbeing	45	8	18% (28%)	17	38% (63%)
Place	24	7	29% (71%)	16	67% (29%)
	225	131	58% (49%)	56	25% (49%)

Once a final position is reached the details for each department will be provided to Strategic Directors for their information and sign off. It is intended that this final element of the process will be carried out annually, although if concerns about specific recommendations are identified during other quarterly processes these will be escalated to Assistant Directors and Strategic Directors at that time.

3.5 Direct Payments

At the July 31 2019 Governance and Audit Committee it was agreed

(2) That the significant concerns relating to Direct Payments be included in the Councils Strategic Risk Register.

(3) That a report solely on the significant concerns relating to Direct Payments be reported to the Corporate Management Team as soon as possible.

A report on the Direct Payments Improvement Plan was agreed by CMT on the 13th November 2019. At the meeting the plan was approved which included case prioritisation based on the time since the last audit and the value of the weekly payment. Of the 86 high priority cases, 64 had so far been finished and the rest timetabled to be completed in the next two weeks. It was envisaged that it would take a year to address the backlog on the lower risk cases. It was agreed that Internal Audit would review the situation in six months to determine the level of progress and report back to CMT.

3.6 Summary of Audit Reports and Findings

A summary of the routine audits undertaken and the recommendations identified is reported in Appendix A.

3.7 Overall Opinion

From the audit work performed to date, Internal Audit concludes that the Council's overall internal control framework, risk management and governance processes are effective.

3.8 Existing and Planned Changes to Internal Audit Coverage in 2018/19

During the year the audit plan is subject to revision in light of requests for, or the need to do additional unplanned audit work and also to reflect any in year changes in available resources. Action is taken as appropriate to ensure that audit resources are efficiently and effectively deployed. The 2019/20 audit plan has been revised.

Appendix B indicates those audits added to the plan and those that have been replaced. Those audits replaced will be considered when establishing the 2020/21 audit plan, but in a number of cases it is anticipated that there will no longer be a need for the audit work in 2020/21.

In determining these plan changes, Internal Audit has considered a number of relevant factors including risk and impact of control failure, external funding requirements, prior audit assurance, maturity of the control environment, appropriate timing for the review, Corporate and Directors' priorities.

It is proposed that the section continues to focus on Fundamental and Significant Systems work in the second half of the financial year as these areas of work materially contribute to audit's opinion on the Council's control environment.

The fundamental and significant systems planned to be covered in the second half of the year include the following.

Fundamental Systems Audit	Significant Systems Audit
Miscellaneous Payments	Special Educational Needs Placements (out of area)
Payment of Feeder Files	BMS Review
Supplier Maintenance	Transitional Planning
Recovery of Benefit Overpayments	Continuing Healthcare
Budgetary Control & General Ledger	Partnership Governance
Capital schemes	Education Attendance Traded Service
Final Accounts Review	Post 16 Placements
Cash income/Capita cash receipting	Travel Assistance
Bank reconciliation	Health & Safety
Starters & Leavers (Council)	Better Care Fund
Payroll Third Party Payments	Deferred Payment for Residential Care
Flexitime/Timerecording	Car Parking Income
Agency Spend	Bereavement Services
Contract Variations	Regeneration Grants
Procurement – Quotes, Tenders, Contract Award	Swimming Pool/Sports Centre Income
	Waste Management
	Performance Management

3.9 Internal Audit's Performance Indicators

Client Feedback

After each audit a client feedback questionnaire is issued to the appropriate officer to obtain feedback from them about the audit. 100% of the officers that responded said that the audit recommendations made were useful, realistic and overall the audit was of benefit to management.

Timeliness of Audits

During the first 6 months, 83% of draft reports were issued within 3 weeks of finishing the site work, which is above the target of 80%. 83% of final reports were issued within a week of the post audit meeting, which is below the target of 90%, although this was only missed due to technical problems with MK Insight, which have now been addressed. The timeliness of issuing draft and final reports is crucial to providing a good service to officers, enabling them to deal with the issues raised and consider the recommendation made.

4.0 Internal Audit Quality Assurance Improvement Plan

4.1 In accordance with Public Sector Internal Audit Standards Internal Audit has developed and maintains a Quality Assurance Improvement Plan (QAIP). The QAIP establishes and maintains best practice and drives continual improvement. Improvement developments that Internal Audit has progressed in 2019/20 include:

- The Head of Internal Audit no longer has responsibility for Information Governance
- The Computer audit resourcing gap that has existed for two years has now been filled. Bradford Council is to enter into a 3 year contract with Salford Council for the provision of Computer Internal Audit services. The contract will be for 60 days per annum over three years from 1/10/19 to 30/9/22.

- The position of Internal Audit Graduate Trainee has been developed and is currently going through the official vacancy approval process.
- Internal Audit Training and Development draft plan has been produced.

Appendix A Summary of Audit Reports and Findings

Appendix B Unplanned Audit Work Included in and Planned Audit Work Deleted from the Revised 2018/19 Internal Audit Plan as at 30.09.19

Summary of Audit Reports and Findings**1. Fundamental Systems**

- 1.1 Audit work carried out in the first half of 2019/20 supported the strategy of moving away from high level annual assurance audits to more detailed cyclical audits of fundamental systems. During the period to 30.09.19, 8 reports were issued relating to fundamental systems, six of these had audit opinions, which ranged from Excellent to Partially Effective and these are summarised below:
- 1.2 The reviews of the Council's Discretionary Housing Payments and Pension Contributions each resulted in an excellent opinion. The audits of the Keighley Road Extra Care & Residential Care Capital Scheme Review and Compliance with Corporate Contracts & Frameworks resulted in good opinions. The two audits that gave partially effective opinions were Accounts Receivable Enforcement Refunds and Write Offs; and Requisitioning, Ordering and Payment. The key concerns that gave rise to the partially effective opinions are described in the paragraphs below.
- 1.3 The key concerns identified in the Enforcement Refunds and Write Offs audit include blocks/markers used inappropriately on Customer records preventing invoices being highlighted for recovery action; a significant number of customer accounts had credit balances that required actioning; there was inadequate assurance that an appropriate process existed on URB workflow to enable appropriate recovery action to take place for all outstanding invoices on SAP which required intervention beyond issuing standard reminder letters; inadequate assurance that all written off debts are appropriately authorised.
- 1.4 The key concerns identified in the Requisitioning, Ordering and Payment audit include requisitions being created after the receipt of goods contravening Contract Standing Orders; goods ordered from other companies when a corporate contract exists; delays in checking and actioning invoices blocked for payment reports that could lead to late payment and the Council being charged late payment interest.
- 1.5 The two audit reports that did not have an opinion, as they were too limited in scope, related to: reporting concerns that VAT on property transactions were not being accounted for; and reporting of an inquiry into a recruitment process that raised concerns around the process followed, although this had not affected the outcome, as the strongest candidate, who met the essential requirements of the post, appeared to have been appointed.

2. Significant Systems

- 2.1 During the first half of the year, two reports relating to significant systems were issued. These are summarised below.
- 2.2 The audit of Ethical Governance of Members gave an excellent opinion. Whilst the Controcc Financial Management System Post Implementation Review gave a partially effective opinion due to concerns that: staff may have inappropriate system access; incorrect care packages and payments are being created, due in part to a lack of training; duplicate payments can occur; the provider portal is not yet operational for carers to use; there is a lack of management information available.

3. Schools

3.1 School Audits

During the first half of the year, six reports relating to schools were issued (compared to four reports in the same period in 2018/19). Of these, four related to individual primary school audits. All reports included recommendations to improve the control environment at each school visited, with audit opinions of Partially Effective at three and Good at the fourth. The fifth report related to an annual position summary and assurance statement issued to the Department for Education (DfE) relating to the Schools Financial Value Standard (SFVS) process for 2018/19, which is referred to in more detail below. The sixth report resulted from the investigation of anonymous written allegations made against a primary school Headteacher relating to financial mis-management and was issued to the school's governing body.

3.2 Schools Financial Value Standard

At the 2018/19 year end, all maintained schools were required to complete a self-assessment against the DfE's SFVS. As at 31 March 2019, SFVS returns were completed by 94 of the Council's 105 maintained schools that were required to do so, leaving 11 that were not received by the due date. It was the case that the 31st of March was a Sunday and nine of the late returns were then received during the first week of April. The high level of prompt returns provides continuing adequate assurance that schools are engaging with the SFVS process.

Effective from 1st April 2019, the DfE has changed the SFVS scheme (for returns due by 31st March 2020). The new scheme introduces the requirement to complete a revised list consisting of 29 questions (checklist) and also for the first time, a data-based element (dashboard) of financial and statistical information. The intention is to better support maintained schools with an assessment of how they are managing their resources.

Internal Audit has developed a tailored training package around the changed requirements and will deliver the training in four half day sessions in October/November to Governors, Headteachers and school finance staff. Early bookings from notices placed on Bradford Schools Online during September indicate there will be more than 100 attendees from over 50 of the District's maintained schools.

4. Grants

Grant certification work is carried out in response to conditions placed on central government targeting of funding to local authorities, for example funding for pot hole repairs on the District's highway network.

The grants requiring certification can vary and change each year. The audit plan for 2019/20 has seen the number of grants requiring review increase, with one new Highways grant certification being carried out. To date 11 reports have been issued relating to capital and revenue grants that required Internal Audit certification.

The values of the grants varied considerably, conditions also varied and included confirming that targets had been met, that funds had been appropriately spent and that other requirements, such as publication of how the grant had been used, had been complied with.

Overall Internal Audit has been able to give a positive opinion for all grants and consequently no funding has been lost.

5 Computer Audit

In the first half of 2019/20 Salford Council, who provide Computer Audit Services for a number of Councils and organisations in the North West, completed an Audit Needs assessment of Bradford's ICT functionality. Bradford Council is entering into a legal contract with Salford for the provision of Computer Internal Audit services. The contract will be for three years from 1/10/19 to 30/9/22 and a draft ICT audit plan has been produced to cover this period.

6. West Yorkshire Pension Fund (WYPF)

During 2019/20 Internal Audit will carry out a variety of audits in the West Yorkshire Pension Fund (WYPF), in accordance with the annual plan agreed with WYPF management. Reports issued to the 30 September 2019 were in respect of the following:-

- **Review of WYPF 2018/19 Accounts.** This audit is carried out annually at the request of the WYPF Financial Controller to assist in producing accurate, easy to read information within the financial accounts.
- **Information Governance and General Data Protection Regulation.** With the introduction of the General Data Protection Regulation (GDPR) in May 2018, a piece of audit work was carried out to determine compliance with GDPR requirements. A number of recommendations were made to ensure continuing compliance with GDPR is maintained.
- **Transfer of Data.** WYPF provides a pensions administration service for Lincolnshire Pension Fund, London Borough of Hounslow Pension Fund and 15 Fire and Rescue Authority Pension Funds. This audit looked at the process to manage the transfer of their data into WYPF systems. This process was considered to be partially effective resulting in recommendations being made to improve the control environment for future data transfers.
- **UK and Overseas Private Equities.** Control of the investments made in this asset class was found to be of a good standard, with only low priority recommendations being made to further improve the process.
- **UK Fixed and Index Linked Public and Corporate Bonds.** Control of this investment asset class was found to be excellent with no issues identified.

7. Full List of Internal Audit Completed in 2019/20

7.1 A full list of the reports issued this financial year is detailed below.

Audit Category	Client	Opinion	Title
Fundamental Systems	Dept of Place	Good	Keighley Road Extra Care & Residential Care Capital Scheme Review

Fundamental Systems	Corporate Resources	N/A	Review of a Recruitment Process Within the Department of Health and Wellbeing
Fundamental Systems	Corporate Resources	Excellent	Certification of Payroll Contributions 2018/19
Fundamental Systems	Corporate Resources	Partially Effective	Accounts Receivable Enforcement Refunds & Write offs
Fundamental Systems	Children's Services	Partially Effective	Requisitioning, Ordering & Receipting
Fundamental Systems	Corporate Resources	Excellent	Discretionary Housing Payments
Fundamental Systems	Corporate Resources	Good	Compliance with Corporate Contracts & Frameworks
Fundamental Systems	Corporate Resources	N/A	Concerns Relating to Accounting for VAT on Property Transactions
Grants & Certificate Work	Children's Services	Good	PE & Sport Grant 2018/19
Grants & Certificate Work	Dept of Place	Excellent	West Yorkshire Combined Authority Local Transport Block Funding Grant 2018/19
Grants & Certificate Work	Dept of Place	Excellent	Pot Hole Funding 2018/19
Grants & Certificate Work	Dept of Place	Excellent	Bradford Interchange Access Improvement Grant
Grants & Certificate Work	Dept of Place	Excellent	Cycle City Ambition Grant 2018/19
Grants & Certificate Work	Dept of Place	Excellent	West Yorkshire Plus Transport Fund Grant 2018/19
Grants & Certificate Work	Children's Services	Good	Troubled Families (Families First) Funding 2019/20
Grants & Certificate Work	Dept of Place	Excellent	Local Highways Maintenance Funding 2018/19
Grants & Certificate Work	Dept of Place	Excellent	National Productivity Investment Fund Grant 2018/19
Grants & Certificate Work	Dept of Place	Excellent	Disabled Facilities Grant 2018-19
Grants & Certificate Work	Dept of Place	Excellent	Local Authority Bus Subsidy Ring Fenced (Revenue) Grant 2018/19
Risk Management	Corporate Resources	Good	Departmental Risk Management
Risk Management	Corporate Resources	Good	Corporate Risk Management
Schools	Children's Services	Partially Effective	Midland Road Nursery School
Schools	Children's Services	N/A	Analysis of Schools Financial Value Standard Self Assessment Returns 2019
Schools	Children's Services	Partially Effective	Frizinghall Primary School
Schools	Children's Services	Good	Trinity All Saints CE Primary School
Schools	Children's Services	Partially Effective	Bankfoot Primary School
Schools	Children's Services	N/A	School Anonymous Financial Allegations
Significant Systems	Chief Executive	Excellent	Ethical Governance (Members)
Significant Systems	Children's Services	Partially Effective	Controcc Financial Management System - Post Implementation Review
WYPF	Chief Executive	Good	West Yorkshire Pension Fund Information Governance and General Data Protection Regulation
WYPF	Chief Executive	Partially Effective	West Yorkshire Pension Fund Transfer of Data
WYPF	Chief Executive	Good	West Yorkshire Pension Fund UK and

			Overseas Private Equities
WYPF	Chief Executive	Good	Review of West Yorkshire Pension Fund 2018/19 Accounts
WYPF	Chief Executive	Excellent	West Yorkshire Pension Fund UK Fixed and Linked Public and Corporate Bonds

Unplanned Audit Work Included in and Planned Audit Work Deleted from the Revised 2019/20 Internal Audit Plan as at 30.09.19

Additional unplanned audit work done/propose doing in 2019/20	Reason
Review of Recruitment Processes	Directors of Finance & HR requested Internal Audit review an 18/19 recruitment process
BML 2018	Director of Finance requested Internal Audit support Finance's review of BML 2018
Council Wide GDPR Compliance	Requested by Interim Director of Finance
Local Highways Maintenance Funding Grant	New grant for 18/19 that was unknown when the audit plan was created
VAT on Property Transactions	VAT issue identified in a grant audit lead to additional audit work having to be performed and reported
Troubled Families Grant Claim	An additional batch of grant claims received in September requiring audit certification
Alleged Concerns at a Primary School	Anonymous allegations made that the Head Teacher was not adhering to school financial management procedures
Local Land Charges	Concerns expressed by Legal that monies owed to the Council are not recovered before the statutory limitation period
Trade Waste Accounts Receivable	Director of Finance requires assurance that system had appropriate controls and ensured that income was correctly accounted for
s106 of 1990 Town and Country Planning Act	Review of processes following a complaint that External Audit had received from a resident.

Planned audit work proposed not doing in 2019/20	Reason
NNDR Bids	Agreed with AD Revs, Benefits & Payroll not priority. Deferred to 20-21.
Safe, clean and active communities	Duplicate audit. A Council Plan wide audit focusing on the reporting of the KPIs is also planned to be performed.
Transformational Change	Audit deferred to 20/21 due to review of transformation change programme by Strategic Director/City Solicitor starting in October.
Highways Challenge Fund Grant	No audit required as this grant funding was not received in 2018/19.
Governance Arrangements re Future Integration with Health	Defer audit to 2020/21 due to reprioritisation of audits at Health.

Review of processes for identifying IT project priorities, allocating work and charging for	Director of Finance requiring assurance of this critical process
Process changes in Adults	Director of Finance requiring assurance that changes in process arising from the Impower review are not leading to control issues