

Report of the Director of Finance to the meeting of the Governance and Audit Committee to be held on 23 November 2023.

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Subject:

INTERNAL AUDIT PLAN 2023/24 – MONITORING REPORT AS AT 30 SEPTEMBER 2023

Summary statement:

This report monitors the progress made by Internal Audit against the Internal Audit Plan for 2023/24 as at 30 September 2023.

EQUALITY & DIVERSITY:

An effective Internal Audit Service provides assurance that the appropriate governance and accountability arrangements are in place which allows Service Objectives to be delivered in accordance with the Council's equality policies

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Director of Finance and IT

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 2023, against the Internal Audit Plan, which was approved by the Committee on 15 June 2023.

2. BACKGROUND

- 2.1 Internal Audit is part of Financial Services within the Department of Corporate Resources. This is the monitoring report on the Internal Audit Plan for 2023/24. This is detailed in Appendix 1.
- 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 2023/24 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 Endorse the anticipated coverage and changes of Internal Audit work during the year.

11.2 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 2023/24 – Monitoring Report as at 30 September 2023.

13. **BACKGROUND DOCUMENTS**

13.1 G&AC report dated 15 June 2023 – Internal Audit Plan 2023/24.

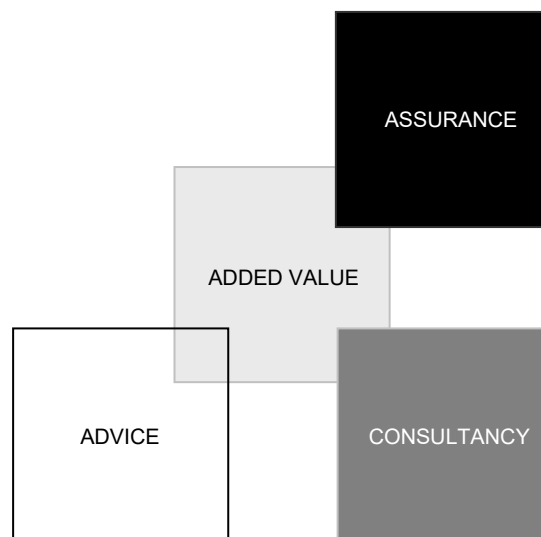
Internal Audit



INTERNAL AUDIT PLAN 2023/24

MONITORING REPORT

AS AT 30.9.23.



DEPARTMENT OF CORPORATE RESOURCES

1 INTRODUCTION

- 1.1 The Internal Audit Annual Plan for 2023/24 was approved by the Governance and Audit Committee (G&AC) at its meeting on 15 June 2023. This report is the monitoring report for this financial year. It identifies the progress made against the Internal Audit Plan up until 30 September 2023 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 Audit Resources

The Internal Audit Plan for 2023/24 has less capacity, 231 days (9%), than in 2022/23 (2184 days v 2415 days). The net decrease is due to one Audit Manager leaving during 2022/23 and not being replaced, and a long term sickness absence that was ongoing at the beginning of 2023/24, with the member of staff returning to work at the end of Q1. A rearrangement of management responsibilities is currently ongoing. In March 2023 the Graduate Trainee Auditor was appointed to the post of Senior Auditor. A new Graduate Trainee Auditor had also been appointed in December 2022. Another Senior Auditor has increased their working hours.

The Audit Plan includes 260 days in the Audit Plan for auditing the West Yorkshire Pension Fund and a further 44 days for the management of insurance and risk management. The net planned audit days for Bradford Council in the 2023/24 Audit Plan approved by the G&AC was 1880 days.

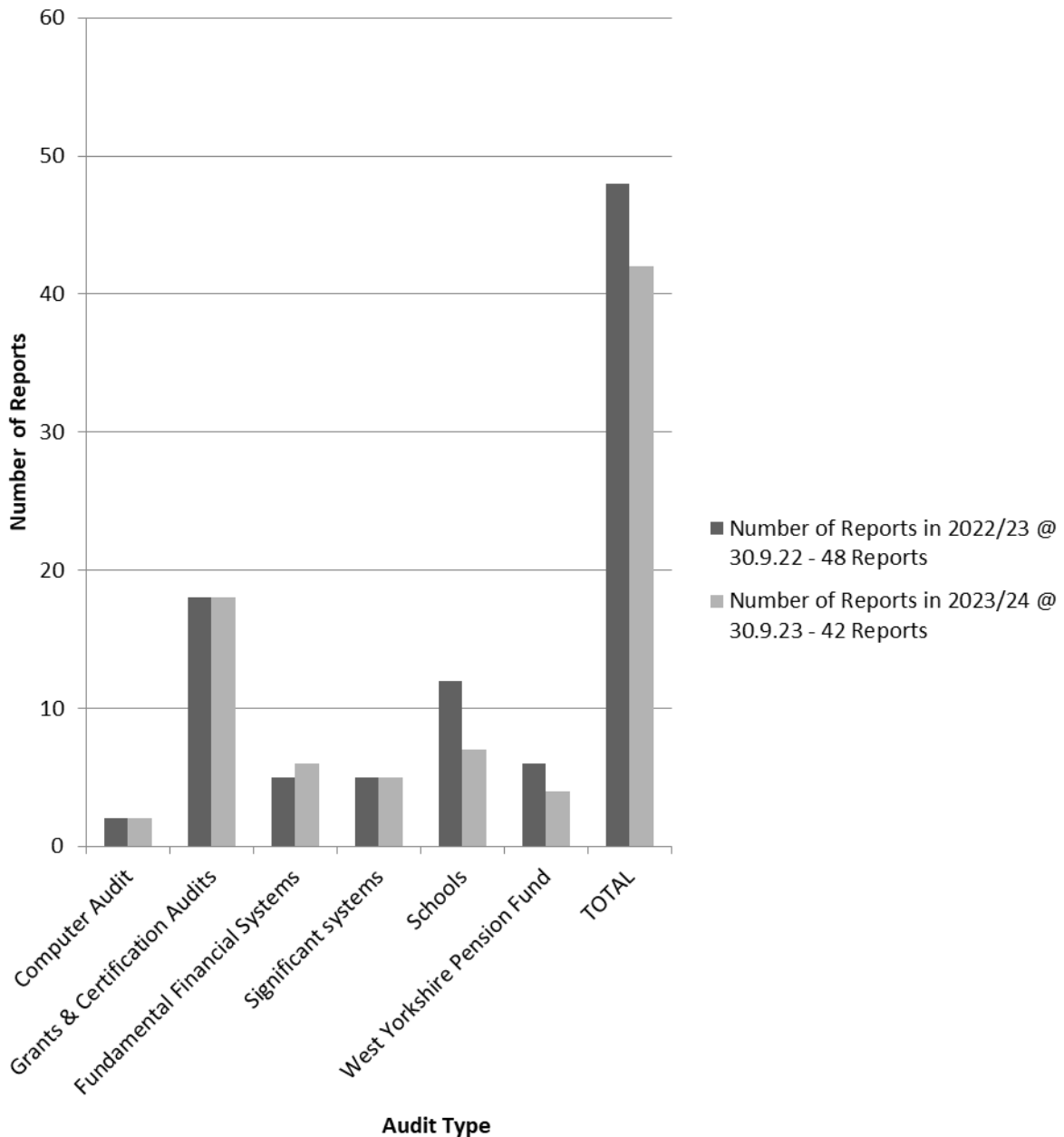
3 SERVICE DELIVERY

3.1 Audit Coverage –

As at 30 September 2023, 45% of the 2023/24 audit plan has been completed, which is the same as the 2022/23 position, where 45% of the 2022/23 audit plan had been completed as at 30 September 2022.

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 2023 a total of 42 reports have been issued, which is slightly less than the 48 reports issued as at 30 September 2022. The chart shows a breakdown of the reports by audit type.

Chart One: Showing the Breakdown by Audit Type of Audit Reports Issued As At 30 September 2022 and As At 30 September 2023



3.2 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 over 80% of the opinions reached. Whilst reassuring, this is as expected as Internal Audit’s core focus is on fundamental and significant systems, and schools. 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 well controlled.

Table One: Six Monthly Analysis of Audit Opinions raised in Internal Audit Reports issued in the Period 1 October 2021 to 30 September 2023

	1 Oct 2021 to 31 March 2022		1 April 2022 to 30 Sept 2022		1 Oct 2022 to 31 March 2023		1 April 2023 to 30 Sept 2023	
Opinions	Total	Proportion	Total	Proportion	Total	Proportion	Total	Proportion
Excellent	10	37%	18	41%	8	35%	19	49%
Good	12	44%	17	39%	13	57%	15	38%
Partially Effective	4	15%	9	20%	2	9%	5	13%
Ineffective	1	4%	0	0%	0	0%	0	0%
Total Relevant Reports	27		44		23		39	
Not applicable*	7		4		1		3	
Total Reports	34		48		24		42	

* 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 7% (3) of all reports issued over the period 1.4.23 to 30.9.23.

The audit work has identified that 81% of controls examined were operating satisfactorily, which is slightly more than the 77% found to be operating satisfactorily in 2022/23. All concerns arising from the audit assignments result in an audit recommendation. To date, 100% of our audit recommendations have been accepted by management.

3.3 Follow Up of Audit Recommendations

During the first half year a follow up exercise was completed. In total 156 recommendations from 55 reports were included in the follow up process representing all agreed high priority recommendations included in reports issued up to 30 June 2023. 37 of these (24%) were recommendations that had already been confirmed as partially implemented and the remainder were recommendations which management had agreed to implement.

The follow up process aimed to ascertain the current progress in implementing each recommendation through discussion with management, backed up wherever possible by evidence to support the stated position.

The follow up process found that 126 (81%) of the recommendations had been fully implemented as agreed, with a further 18 (11%) were partially implemented. Three

recommendations (2%) had not yet been acted upon, however, their agreed implementation dates had not past at the time of the follow up. Nine recommendations (6%) were considered no longer relevant.

In terms of Departmental performance, the percentage of recommendations which were closed following the process (due to being implemented or no longer relevant) were: Chief Executive - 86%; Children's Services - 99%, Corporate Resources - 64%; Health & Wellbeing - 67%; Place - 90%. The table below shows the full breakdown.

Department	Total	Opening Position		Closing Position			
		Agreed	Partially Implemented	No Action	Partially Implemented	Implemented	No Longer Relevant
Chief Executive	22	18	4	1	2	16	3
Children's Services	79	74	5	0	1	73	5
Corporate Resources	33	23	10	2	10	20	1
Health and Wellbeing	12	4	8	0	4	8	0
Place	10	0	10	0	1	9	0
	156	119	37	3	18	126	9

Progress against the implementation of all outstanding unimplemented recommendations, together with new agreed high priority or critical recommendations will continue to be monitored.

3.4 Summary of Audit Reports and Findings

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

3.5 Annual Assurance Process

For 2022/23 the Council undertook a self assurance process for managers on their compliance with key governance issues. The process covered the following areas

- Behaviours and Values.
- Employee Code of Conduct.
- Regulatory Compliance.
- Whistleblowing.
- Procurement.
- Equality.
- Service Planning (including environmental impacts).
- Performance.
- Scheme of Delegation.
- Safeguarding.
- Health & Safety.
- Risk Management.
- Records Management & Information Security.
- Compliance with the Council's Financial Regulations & Budgetary Control.
- Partnerships.

The completed assessments are shared with Assistant Directors who subsequently provide a declaration that they have examined the results for their service areas and

taken corrective action to deal with any weaknesses identified. Completed assessments were provided to all Assistant Directors by their 4th tier managers, and a total of 112 assessments were made.

3.6 Overall Audit Opinion

From the work currently completed, Internal Audit has no evidence to indicate that the Council's internal control framework, risk management and governance processes is not effective. The Head of Internal Audit expects to be in the position to give an Internal Audit Opinion by the end of the financial year dependent on future events and planned activity. However, this requires the current level of resources identified and service departments to facilitate the audit process.

However it must be noted that the Council's Annual Governance Statement 2022/23, raised two specific issues in relation to the Childrens Trust and the Capital of Culture 2025. At the present time Bradford Council's Internal Audit Service has no agreed access to these organisations with both carrying a significant inherent financial risk for the Council.

3.7 Prioritisation of Internal Audit Coverage in 2023/24

The first half of the year has seen the team prioritise delivery of Fundamental and Significant systems audits, together with grant audits as the majority of grants have certification dates of end of June or September.

In the second half of the year the Service will perform more School and West Yorkshire Pension Fund audits, and continue its focus on Fundamental and Significant systems, which provide broader assurance on the Council's governance processes and materially contribute to audit's opinion on the Council's control environment.

Fundamental and Significant systems require more input from services and the audit process takes longer in comparison to other types of audit. It is concerning that these audits, but particularly significant systems audits, are taking an increasing amount of time to progress due to delays in services responding to requests for meetings, audit evidence and responses to recommendations made in draft audit reports.

The audit team endeavours to minimise these delays, which hinder performance, by working flexibly, providing advance notice of audits, regularly following up outstanding requests with service managers, and where necessary, escalating issues to senior management. Despite these efforts the trend is of increasing delays.

The following Fundamental and Significant systems audits will be prioritised in the second half of the year.

Fundamental Systems Audit	Significant Systems Audit
Accounts Payable Assurance	Annual Governance Process
Accounts Receivable Billing	Conflicts of Interest
Council Tax - Enforcement & Write Offs	Exception to Contract Standing Orders
Capital schemes	Key Decision Making/Legal Compliance
Cash and Banking Project	FM Catering and Cleaning Service
Cash balancing and reconciliation	Housing Revenue Account

Cash management	Miscellaneous Rents
Discretionary Housing Payments	Education Attendance
External Payroll (inc billing)	BACES
IR35	Better Care Fund including Support & Enablement
Payroll Key Control Assurance	Continuing Healthcare
Payroll Voluntary Deductions	Deferred Payment for Care - Follow Up Education Attendance
	Data Quality (Adult Social Care)
	Office of Public Guardian Assurance Audits
	New Charging Policy (Non-Residential Care Services)
	Clean Air Fund Exemption
	Grants to Voluntary Organisations
	Waste Management

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. Those audits added to the plan and those that have been replaced are detailed below.

Additional unplanned audit work done/propose doing in 23/24	Reason	Planned audit work proposed not doing in 2023/24	Reason
Innovate UK Grant	New grant requiring Internal Audit certification	Transitional Planning	Senior Management requested deferral to 2024/25
		PE & Sports Grant 22/23	No requirement for audit
		Flexitime	Senior Management requested audit be deferred until 2024/25 as new flexi policy due to come into effect in Jan 2024
		Budgetary Control	Under Senior Management review

3.8 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

As at the end of September 2023, 84% of draft reports were issued within 3 weeks of finishing the site work, which is above the target of 80%. 95% of final reports were issued within a week of the post audit meeting. 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 recommendations made.

3.9 Public Sector Internal Audit Standards External Review Action Plan

On the 15 June a report to Governance and Audit Committee provided feedback on the CIPFA review to determine the Internal Audit function's compliance with the UK Public Sector Internal Audit Standards. The assessment concludes that the Internal Audit Service generally conforms with the Public Sector Internal Audit Standards which is the highest level of compliance. A number of improvement actions were included in the report which Internal Audit management agreed to.

These improvement actions are being progressed and Appendix B indicates their status as at 30.9.23.

Appendix A Summary of Audit Reports and Findings

Appendix B Public Sector Internal Audit Standards External Review Action Plan as at 30.9.23

Summary of Audit Reports and Findings

1. Fundamental Systems

- 1.1 During the first half of the year, six audit reports were issued relating to fundamental systems, two had an audit opinion of Excellent, three were Good and one was Partially Effective.
- 1.2 The review of Accounts Payable, Miscellaneous Payments gave a Partially Effective audit opinion. The key concern identified was inaccurate or inappropriate payments could be made due to a lack of documentation to support the payments being made.

2. Significant Systems

- 2.1 During the first half of the year, five reports relating to significant systems were issued, four of these had an audit opinion of Good. These were the audits of Members' Allowances, Planning Applications and Building Regulations Fees, Travel Assistance Service and Vally View Court.
- 2.2 The review of Built Environment gave a Partially Effective audit opinion. The key concerns identified were not all building condition surveys have been carried out on a timely basis; fire safety risk assessments are not regularly being carried out as required by policy; adequate performance information in areas such as value for money and budgeting is not readily available; maintenance work carried out internally is not adequately assessed to ensure value for money is being achieved; and adequate management information is not readily available regarding the repair and maintenance of Authority buildings.

3. Schools

3.1 School Audits

Between April 2023 and the end of September 2023, seven reports relating to schools were issued. A remote approach to delivering school audits, introduced in response to the Covid 19 pandemic, continued to be undertaken, and it has now been increasingly possible to actually visit some schools.

- Five reports related to individual school financial audits. All included recommendations to improve the control environment at each school that had been audited, three with audit opinions of Good, and two were Partially Effective
- The sixth report related to an individual school audit undertaken on the theme of related party transactions, declared as part of the Schools Financial Value Standard (SFVS) process for 2022/23. The report included recommendations for improvement and had the opinion of Partially Effective. This is referred to in more detail below
- The seventh report was an analysis of schools' self-assessment returns relating to the SFVS process for 2022/23, which is referred to in more detail below

3.2 Schools Financial Value Standard

The Council's Director of Finance, as Section 151 officer, was required to submit an Annual Position Statement (APS) to the Department for Education (DfE) before the 31st May 2023 and this occurred with Internal Audit's assistance before the deadline date. As mentioned above, an analysis report of school's SFVS self-assessment returns for 2022/23 was provided to the Director of Finance to support his sign off of the APS.

At the 2022/23 financial year end, all maintained schools were required to complete a self-assessment against the DfE's SFVS Standard. As at 31st March 2023, SFVS self-assessments were completed by 73 of the Council's 75 maintained schools, leaving two that were late. These were promptly chased up and all were received by 28th April 2023. Four returns were also received from exempt schools with Academy Orders in place, demonstrating that they value the SFVS process although it was no longer required.

14 returns were sample tested to analyse and arrive at a grading of Good, Average or Poor. 13 (93%) were graded as Good or Average, comparing favourably with a result of 88% in the previous year. One school produced a return graded as Poor and they were individually contacted by Internal Audit to provide advice and support in order that an improved SFVS return is produced and submitted next year.

Introduced in 2022, Question 26 on the 2023 return requires schools to provide information and assurance for related party transactions; "Are there adequate arrangements in place to manage related party transactions and has a complete list of related party transactions been appended to the checklist document?"

The SFVS guidance for question 26 recommends that local authorities pay closest attention to those single related party transactions valued at over £20,000 and gives Councils a discretion to seek further information for additional assurance. For the school reported to above, the completed related party transactions template and the management arrangements were reviewed.

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 pothole repairs on the District's highway network.

The grants requiring certification can vary and change each year. The audit plan for 2023/24 has seen the number of grants requiring review decrease by 4 to a total of 20. To date 18 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

Computer audit services are provided by Salford Council under a contract arrangement. They are working to an audit plan covering the period 01/4/23 to 31/03/26 (three years) which was informed by an initial needs assessment. During the first half of 2023/24 two audit reports were issued, both with a good opinion, Email Management and Third Party Access Management. Three audits were ongoing as at 30.9.23 Business Continuity, Service Desk Management and Software Asset & Licence Management. In the second half of 2023/24 computer audits are planned for Network Management (& Telephony), the Northgate and SAP Applications, the Active Directory and Physical Environment Security.

6. West Yorkshire Pension Fund (WYPF)

During 2023/24 Internal Audit will carry out a variety of audits within the West Yorkshire Pension Fund (WYPF), in accordance with the annual plan agreed with WYPF Management. Reports issued to the 30 September 2023 were in respect of the following:-

- **Exiting Employers.** This was a high-level review of the process around employers who were leaving the West Yorkshire Pension Fund and the approach taken to exit valuations including exit payments and credits. The standard of control surrounding this process was found to be good, however, two High Priority recommendations were required to further enhance this process.
- **Northern LGPS GLIL Infrastructure.** This audit looked at the arrangements which surround the use of the GLIL Infrastructure alternative investment fund, of which WYPF is a partner. The work was performed collaboratively with Internal Audit colleagues at Tameside Council (Greater Manchester Pension Fund) and Wirral Council (Merseyside Pension Fund). The control environment was found to be excellent with no recommendations being made.
- **New Pensions and Lump Sums Ill Health Pensions.** This audit examined the calculation of the pension benefits for those members who have had to retire because of Ill Health and are entitled to immediate payment of their pension benefits. The control environment for this process was found to be of an excellent standard with no recommendations being required.
- **Review of WYPF 2022/23 Report and Accounts.** This is an annual review process, which ensures the Report and Accounts are consistent with internal control reviews carried out by Internal Audit during the year.

7. Full List of Internal Audit Completed in 2023/24 As At 30 September 2023

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

Audit Category	Client	Opinion	Title
Significant Systems	Place	Good	Planning Applications and Building Regulations Fees
Significant Systems	Children's Services	Good	Travel Assistance Service
Fundamental Systems	Corporate Resources	Good	NDR - BIDs
West Yorkshire Pension Fund	Chief Executive	Good	WYPF Exiting Employers

West Yorkshire Pension Fund	Chief Executive	Excellent	NLGPS GLIL Infrastructure
Schools	Corporate Resources	N/A	SFVS Analysis 2023 Final Report
Fundamental Systems	Corporate Resources	Excellent	Certification of Pension Contribution
Significant Systems	Corporate Resources	Partially Effective	Built Environment
Fundamental Systems	Corporate Resources	Excellent	Accounts Receivables Key Controls 2022/23
Computer	Corporate Resources:IT	Good	E-Mail Management
Grants	Place: Economic Development	N/A	Innovate UK Grant Application
Significant Systems	Health and Wellbeing	Good	Valley View Court
Schools	Children's Services	Good	Ashlands Primary School
Significant Systems	Corporate Resources	Good	Members' Allowances
Schools	Children's Services	Partially Effective	SFVS RPT Ley Top Final Report 2023
Grants	Bradford Children and Family Trust	Good	Supporting Families Q1 2023/24
Schools	Children's Services	Good	Burley & Woodhead CE Primary School
West Yorkshire Pension Fund	West Yorkshire Pension Fund	Excellent	WYPF New Pensions & Lump Sums - Ill Health Pensions
Grants	Place	Excellent	Clean Air Fund Capital Grant 2022/23
Grants	Place	Excellent	Clean Air Fund Revenue Grant 2022/23
Grants	Place	Excellent	Clean Air Zone Implementation Fund Capital Grant 2022/23
Grants	Place	Excellent	Clean Air Zone Implementation Fund Revenue Grant 2022/23
Schools	Children's Services	Partially Effective	Wellington Primary School 2022/23
Schools	Children's Services	Partially Effective	Steeton Primary School
Fundamental Systems	Corporate Resources	Good	Council Tax Valuation & Billing
Fundamental Systems	Corporate Resources	Partially Effective	Accounts Payable - Miscellaneous Payments
Grants	Place	Excellent	Disabled Facilities Grant 2022/23
Grants	Place	Excellent	Transforming Cities Fund 22-23
Grants	Place	Excellent	City Connect 2022/23
Grants	Place	Excellent	Highways Maintenance Challenge Fund 2022/23
Grants	Place	Excellent	WYCA Local Transport Block Funding 2022/23
Grants	Place	Excellent	West Yorkshire Plus Transport Fund 2022/23
Grants	Place	Excellent	Pot Hole Action Fund Grant 22-23

Grants	Place	Excellent	City Region Sustainable Transport Fund 2022/23
Grants	Place	Excellent	Getting Building Fund - One City Park Grant Claim
Grants	Place	Excellent	Active travel Grant claim
Grants	Place	Excellent	Getting Building Fund - Bradford City Village 202223
Schools	Children's Services	Good	St Stephen's Primary School
Fundamental Systems	Corporate Resources	Good	NDR Valuation & Billing Including Reliefs and Discounts
West Yorkshire Pension Fund	Chief Executive	N/A	WYPF Review of 2022/23 Report and Accounts
Grants	Bradford Children and Family Trust	Good	Supporting Families Q2 2023/24
Computer	Corporate Resources:IT	Good	Third Party Access Management

Public Sector Internal Audit Standards External Review Action Plan as at 30.9.23

CIPFA Review PSIAS Recommendation	Agreed Action	Implementation Date	Management Action
1. Present the full audit charter to the Governance and Audit Committee annually (Medium)	Updated Internal Audit Charter will be included in the 2022/23 Annual Internal Audit Report which is timetabled for the 20 th July 2023 Governance and Audit Committee	August 2023	Updated Internal Audit Charter presented to the Governance and Audit Committee 20 th July 2023
2. Define the term Senior Management in the audit charter (Medium)	The updated Internal Audit Charter will define Senior Management which will include Council Management Team and the Executive and reported to the 20 th July 2023 Governance and Audit Committee.	August 2023	Updated Internal Audit Charter presented to the Governance and Audit Committee 20 th July 2023
3. Define the terms ‘assurance services’ and ‘consulting services’ in the audit charter (Medium)	The definition of assurance and consultancy services will be included in the updated Internal Audit Charter reported to the 20 th July 2023 Governance and Audit Committee.	August 2023	Updated Internal Audit Charter presented to the Governance and Audit Committee 20 th July 2023
4. Add a statement on impairments to the annual report and opinion (Advisory)	The Annual Internal Audit Report 2022/23 will include a statement detailing Internal Audit’s conformance as an independent and objective assurance service or where required any impairments which have prevented these professional requirements along with the impact of the impairment.	August 2023	The Annual Internal Audit Report presented to the Governance and Audit Committee of the 20 th July stated “During 2022/23 this requirement has been complied with and there has not been any impairments to Internal Audit’s independence and objectivity in performing its work.”

<p>5.Ensure the Service’s learning and development records are comprehensive and reviewed regularly (Advisory)</p>	<p>The Learning and Development log will be updated and included in The Annual Internal Audit Report 2022/23. In addition the Evolve system will be checked to see how professional training can be added to individual Auditor records</p>	<p>August 2023</p>	<p>The Learning and Development Log was updated and included in the Annual Internal Audit Report 2022/23. However the check on how Evolve can be updated has still to take place</p>
<p>6. Consider obtaining and using a specialist data analytics software application (Advisory)</p>	<p>A review of the options for data attraction and analysis will be undertaken by the Internal Audit Team to see what improvements could be delivered for Bradford Council. This will include a review of any benefits that can be realised from benchmarking.</p>	<p>January 2024</p>	<p>An introductory meeting on Data Analytics took place on the 25th October but the current financial position of the authority limits further progress. The use of more generic tools such as Microsoft Office can also replicate data analytics work.</p>
<p>7. Use of benchmarking data when scoping audits (Advisory)</p>	<p>A review of the options for data attraction and analysis will be undertaken by the Internal Audit Team to see what improvements could be delivered for Bradford Council. This will include a review of any benefits that can be realised from benchmarking.</p>	<p>January 2024</p>	<p>An introductory meeting on Data Analytics took place on the 25th October but the current financial position of the authority limits further progress. The use of more generic tools such as Microsoft Office can also replicate data analytics work.</p>
<p>All audits in the published audit plans should be prioritised and aligned to the Council’s or Pension Fund’s objectives. (Medium)</p>	<p>This analysis will be included in the preparation of the Internal Audit Plan for 2024/25 which will also contain a full refresh of the MK Insight Universe and the revised financial position of the Council.</p>	<p>April 2024</p>	<p>The Audit Planning Process for 2024/25 has yet to commence.</p>
<p>Consultation on the International Professional Practice Framework (IPPF) (Advisory)</p>	<p>The Head of Internal Audit is currently being updated on the new framework through their attendance at the Yorkshire Heads of Internal Audit Meeting. Currently there is no indication there will be any significant impact on the overall operation of Internal Audit but this situation will be kept under review.</p>	<p>January 2024</p>	<p>There have been regular updates on the new professional framework at the Yorkshire Heads of Internal Audit Meeting. Currently the Internal Audit Service would be able to implement the proposals in the consultation.</p>

