

# Wiltshire Council

## Proposed Internal Audit Plan & Planning Approach Quarter 2 – 2020/21

## Internal Audit Planning: A Revised Approach - Quarter 2 - 2020/21

As a result of the COVID-19 pandemic, SWAP has had to adapt and change its focus in the short-term.

This has involved the redeployment of SWAP staff directly into the Authority to assist with the response to the huge challenges faced.

Following liaison with the Audit Committee Chair and the S.151 Officer, we also effectively 'paused' our programme of internal audit work in March (through to the end of June) to allow the Authority to fully focus on the response effort.

With the Authority moving into a recovery phase from COVID-19, we are now looking to re-commence audit work in some areas; helping to assist with recovery efforts.

### Revised Approach to Internal Audit Planning 2020/21

SWAP was due to present an internal audit plan covering 2020/21 to the Audit Committee on the 29<sup>th</sup> April 2020. However, due to the COVID-19 outbreak and subsequent lockdown, this Committee was postponed.

Clearly a lot has changed since that date, and as such, an updated approach to internal audit work and planning has had to be implemented. The plan that had previously been prepared is likely to remain relevant in many respects, but the huge effort the Authority is undertaking in relation to response and recovery from COVID-19 is likely to push back a significant proportion of this work. As such, we have briefly set out below our updated approach to Internal Audit Planning in 2020/21:

#### Quarter 1 – 2020/21

In liaison with the Authority's S.151 Officer and the Chair of the Audit Committee, we effectively 'paused' our programme of internal audit work in March (through to the end of June) to allow the Authority to fully focus on the response effort to COVID-19. Internal Audit staff were redeployed into areas of high need (Business Grant Payments & advice). However, we did maintain a level of internal audit work including investigations and grant certifications.

#### Quarter 2 – 2020/21

With the Authority moving into a recovery phase from COVID-19, we are now looking to re-commence audit work in several areas; helping to assist with recovery efforts. However, we recognise there are still likely to be priority & capacity challenges in certain service areas, and as such Quarter 2 is likely to involve a hybrid approach in terms of supporting the Authority with recovery efforts, as well as re-commencing internal audit assurance work.

#### Quarter 3 onwards – 2020/21

Dependent on any future re-emergence or residual COVID-19 challenges faced by the Authority, from Quarter 3 onwards we will look to fully re-align our audit plan & work with the key corporate risks. As such, a further programme of work will be brought to the November meeting of the Audit Committee.

## Internal Audit Planning: A Revised Approach - Quarter 2 - 2020/21

2020/21 will clearly present an exceptional year for the Authority (as well as SWAP).

The approach we take to our audit planning and work will need to remain flexible; looking to achieve a balance of supporting the Authority in response and recovery efforts, whilst maintaining our statutory internal audit role.

### Revised Approach to Internal Audit Planning 2020/21 (continued)

**It is the responsibility of the Authority's Senior Leadership Team, and the Audit Committee, to determine that the audit coverage contained within the overall programme of work across 2020/21 is sufficient and appropriate in providing independent assurance against the key risks faced by the organisation (*set in the context of the unprecedented challenges faced by COVID-19*).**

When reviewing the revised internal audit planning approach, key questions for CLT and the Audit Committee to consider include:

- Does the revised planning approach achieve a proportionate balance between assisting the Authority with the unprecedented challenges it faces, whilst maintaining our statutory internal audit role and independence?
- Will the revised planning approach provide sufficient, independent assurance to monitor the organisation's risk profile effectively?

#### **Further Planning detail**

Our planning paper which was due to be presented at Audit Committee on 29.04.20 was issued to the Chair of the Audit Committee on 14.05.20.

This provides further detail with regards to our internal audit planning process, the internal audit service from SWAP (including quality assurance and our performance), as well as our Internal Audit Charter which is presented annually. It also introduced the concept of Agile Auditing, which we will be looking to embrace throughout 2020/21.

# Internal Audit Planning: A Revised Approach - Quarter 2 - 2020/21

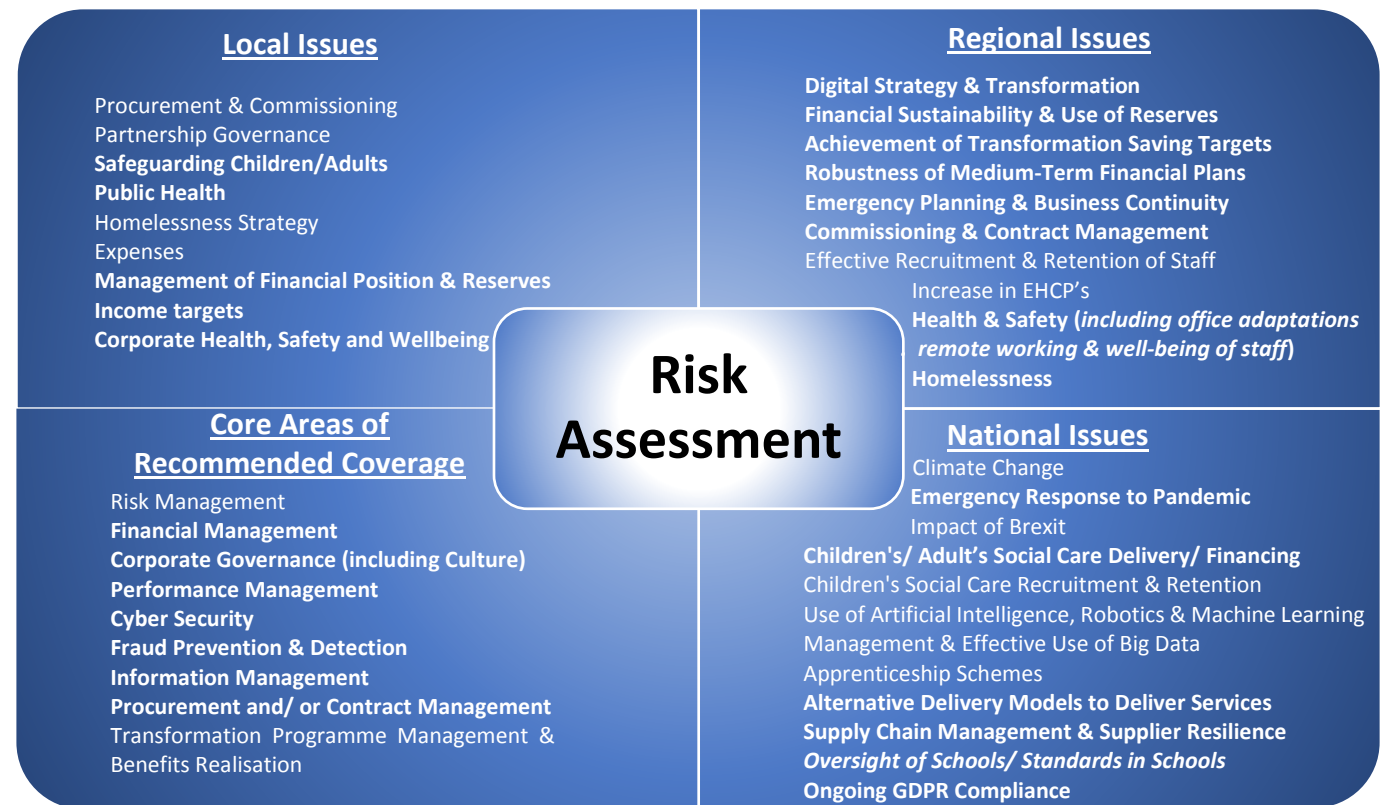
Our documented risk assessment helps to ensure that sufficient and appropriate areas are identified for consideration in our internal audit programme of work.

As above, it is the responsibility of the Authority's Senior Leadership Team, and the Audit Committee to ensure that, with consideration of our risk assessment, the overall programme of work throughout the year contains sufficient and appropriate coverage.

## Internal Audit Risk Assessment (updated)

Our original 2020/21 internal audit programme of work was based on the documented risk assessment below.

We have now updated this to highlight key areas where we believe the risk profile has increased following the COVID-19 pandemic (included in bold), as well as any new risk areas (included in italics):



*It should be noted that the audit titles and high-level scopes included below are only indicative at this stage for planning our resources. At the start of each audit, an initial discussion will be held to agree the specific Terms of Engagement for the piece of work, which includes the objective and scope for the review.*

Areas of Coverage and Brief Scope	Senior Leadership Team Lead	Priority (H, M, L) and Proposed Timing (Earlier, Later)
<b>Brokerage</b> A full review of brokerage	Director Joint Commissioning	High / Earlier
<b>Infection Control Funding Assurance</b> Provide assurance over the allocation & oversight of Infection Control Funding to Care Providers	Director Joint Commissioning	High / Later
<b>Test and Trace Funding Assurance</b> Assurance over the use of the £1.6M to fund test and trace capabilities within Wiltshire	Acting Director Public Health	High / Later
<b>Continuous Assurance and Data Analytics – Key Financial Controls</b> A programme of regular assurance over the Authority's key financial controls	Director Finance & Procurement	Medium / Ongoing
<b>Budget Management</b> A series of budget management reviews across a number of areas	Director Families & Children	High / Earlier
<b>Pension Fund Key Control Review</b> A review of the key controls in place for the pension fund including data protection and MiFID II compliance	Director Finance & Procurement	Medium / Later
<b>Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund</b> Ongoing work providing assurance over the distribution of Government grants issued during the COVID-19 pandemic	Director Finance & Procurement	Medium / Ongoing
<b>Cyber Security Framework</b> This review consists of 20 key controls using a high-level approach to compliance testing	Director Digital, Data & Technology	High / Earlier
<b>ICT Strategy</b> Review to examine the approach to strategy to ensure it is realistic, deliverable, and managed going forward	Director Digital, Data & Technology	Medium / Earlier
<b>Grant Certifications</b> Certifying grant claims, to include Troubled Families, Public Health Grant, LA Transport Grants	Various	Medium / Ongoing
<b>National Fraud Initiative (NFI)</b> To assist the Council in monitoring and investigation of matches	CLT	Medium / Ongoing

## Internal Audit Planning: A Revised Approach - Quarter 2 - 2020/21

Assurance work over the Authority's COVID-19 recovery plan; specifically gains made and lessons learnt	CLT	High / Later
Further requested assurance/ advisory/ support work, as required	CLT	High / Ongoing
Reactive investigations & independent complaint support work, as required	CLT	Medium / Ongoing