

# AGENDA SUPPLEMENT (1)

**Meeting:** Audit and Governance Committee

**Place:** [Online Meeting](#)

**Date:** Wednesday 28 April 2021

**Time:** 10.00 am

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**The Agenda for the above meeting was published on 20 April 2021. Additional documents are now available and are attached to this Agenda Supplement.**

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This Agenda and all the documents referred to within it are available on the Council's website at [www.wiltshire.gov.uk](http://www.wiltshire.gov.uk)

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6 **Internal Audit Plan 2021/22 (Pages 3 - 18)**

7 **Q4 Internal Audit Report 2020/21 (Pages 19 - 32)**

8 **Consolidated IA Outstanding Management Actions Report (Pages 33 - 44)**

DATE OF PUBLICATION: 21 April 2021
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# Wiltshire Council

## Approach to Internal Audit Planning 2021/22 and Internal Audit Charter

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Agenda Item 6

# Internal Audit Planning 2021/22: A Revised Approach

The work of internal audit should align strategically with the aims and objectives of the organisation, taking into account key risks, operations and changes.

In order to do this Internal Audit needs to be flexible in adapting audit plans to handle rapidly changing risks, priorities and challenges.

It is the responsibility of the Senior Leadership Team, and the Audit & Governance Committee to ensure that the audit work scheduled and completed throughout the year contains sufficient and appropriate coverage of key risks.

## Approach to Internal Audit Planning 2021/22

### **Background**

Over the past year, as a result of the COVID pandemic, SWAP, like Wiltshire Council, has had to adapt, re-prioritise, and shift focus. Whilst 2020/21 was an exceptional year, it has demonstrated the need for a fully flexible and responsive approach to audit planning. Although 2021/22 is likely to offer more stability in operations, we are looking to build on our new planning approach, ensuring that we are supporting the Council by collaboratively aligning our work to its aims, objectives and key risks. This should ensure that we are auditing the right things, at the right time; enabling us to provide insight and value when and where it is required.

### **Approach to Internal Audit Planning 2021/22**

Our approach to internal audit planning throughout 2021/22 will be a continuous risk assessment and rolling plan approach. Rather than present a proposed annual plan at the start of the year, which is subject to a high level of uncertainty and change, we will build our plan in conjunction with management as the year progresses, presenting a quarterly plan at each meeting of this Committee.

A quarterly planning process will provide the same assurances as an annual plan but should better reflect the changing risk landscape.

Audit planning meetings will be held with relevant officers and the plan for each quarter will be agreed with the Corporate Director Resources and the Corporate Leadership Team (CLT) prior to presenting to this Committee for formal approval. The quarter 1 plan was presented to and discussed with CLT on 15<sup>th</sup> April 2021.

For the remaining three quarters of the plan, meetings will be held with management to discuss the audit plan. These meetings will lead to a 12 month 'rolling wave plan' place-marking key areas of coverage to support the annual opinion. This is then underpinned by quarterly risk-based work plans which draw from meetings with management and the 'rolling wave plan' throughout the financial year to ensure we are auditing the right areas, with the correct scope, at the right time and reported through our quarterly progress updates.

The resulting programme will be a combination of requested audit work aligned to service priorities, combined with audit work recommended by SWAP driven by our continuous risk assessment. This risk assessment will be based on the live status of both the Council's strategic and service risk registers. Overlaid onto this assessment

## The Internal Audit Plan: Approach

will be SWAP's sector-wide top 10 risk areas, and consideration of the eight strands of our 'Healthy Organisation' framework. The results of our risk assessments will be shared with senior management to obtain their view on the value of internal audit involvement. In developing risk assessments, we will also take account of other sources of assurance, where relevant.

It should be noted that Internal Audit is only one source of assurance, and the outcomes of internal audit reviews should be considered alongside other sources, as part of the 'three lines' assurance model. Key findings from our internal audit work should also be considered in conjunction with completion of the Authority's Annual Governance Statement.

It is the responsibility of the Authority's CLT and the Audit and Governance Committee, to determine that the audit coverage contained within the proposed audit plan is sufficient and appropriate in providing independent assurance against the key risks faced by the organisation.

When reviewing the proposed Quarter 1 audit plan (as set out below), key questions to consider include:

- Are the areas selected for coverage appropriate?
- Does the internal audit plan cover the organisation's key risks as they are recognised by CLT and the Audit and Governance Committee?
- Is sufficient assurance being received within the plan to monitor the organisation's risk profile effectively?

*Internal audit coverage can never be absolute and responsibility for risk management, governance and internal control arrangements will always remain fully with management. As such, internal audit cannot provide complete assurance over any area, and equally cannot provide any guarantee against material errors, loss or fraud.*

**Delivery of an internal audit programme of work that provides sufficient and appropriate coverage of key risks, will enable us to satisfy our requirement to provide a well-informed and comprehensive year-end annual internal audit opinion. Our audit work is governed by our Internal Audit Charter, attached at Appendix 1.**

# The Internal Audit Plan: Approach

To develop an appropriate risk-based audit plan, SWAP have consulted with senior management, as well as reviewing key documentation, in order to obtain an understanding of the organisation's strategies, key business objectives, associated risks, and risk management processes.

## Approach to Internal Audit Planning 2021/22

The factors considered in putting together the 2021/22 Internal Audit Plan have been set out below:



Due to the pace of change within Local Authorities and now the impact of COVID -19, it is becoming increasingly difficult to accurately predict longer-term key organisational risks. Our approach to internal audit planning therefore reflects this. The risk-assessed work plan contains key areas of coverage, to ensure that we are auditing the right areas at the right time. The precise scope of each audit will be determined at the start of the review, in line with local risk factors at that time.

# The Internal Audit Plan: Risk Assessment

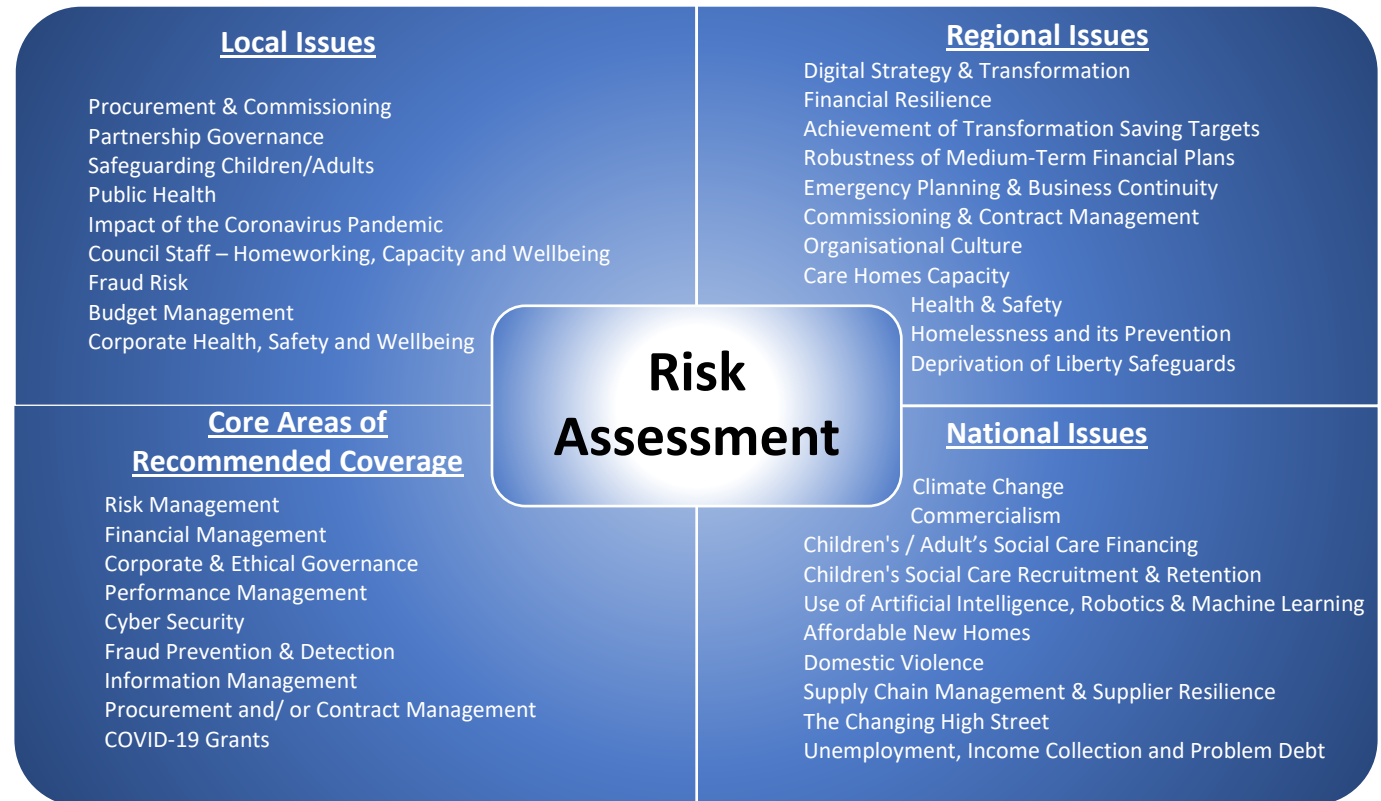
A documented risk assessment prior to developing an Internal Audit Plan, ensures that sufficient and appropriate areas are identified for consideration.

As above, it is the responsibility of the Authority's Corporate Leadership Team and the Audit Committee to ensure that, following our risk assessment, the proposed plan contains sufficient and appropriate coverage.

## Internal Audit Annual Risk Assessment

Our 2021/22 Internal Audit programme of work is based on a risk assessment, which SWAP will re-visit regularly on at least an annual basis. The input of senior management as well as review of the Authority's risk register will be considered in this process.

Below we have set out a summary of the outcomes of the risk assessment for Wiltshire Council:



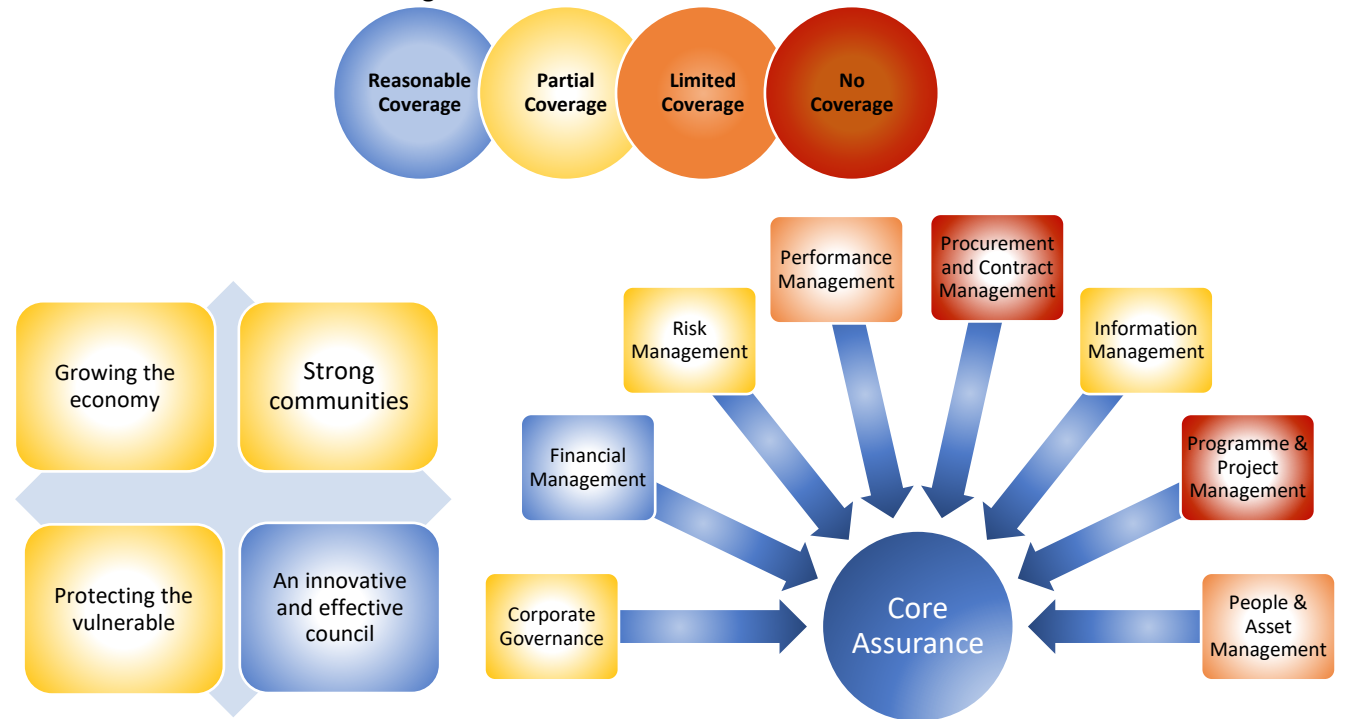
# The Internal Audit Plan: Coverage

Following our SWAP Risk Assessment above, we have set out how the proposed 2021/22 Quarter 1 plan presented in Appendix 1 provides coverage of the Authority's key corporate priorities and risks, as well as our core areas of recommended audit coverage.

Internal Audit is only one source of assurance; therefore, where we have highlighted gaps in our coverage, assurance should be sought from other sources where possible in order to ensure sufficient and appropriate assurances are received.

## Internal Audit Coverage in 2021/22

Following our SWAP risk assessment, we have set out below the extent to which the proposed quarter 1 plan presented in Appendix 1 provides coverage of the Authority's key corporate priorities and risks, as well as our core areas of recommended audit coverage:



*Internal audit coverage can never be absolute and responsibility for risk management, governance and internal control arrangements will always remain fully with management. As such, Internal Audit cannot provide complete assurance over any area, and equally cannot provide any guarantee against material errors, loss or fraud.*



# The Internal Audit Plan: Coverage

The page above sets out how our proposed 2020/21 Internal Audit Plan provides coverage of the Authority's key corporate priorities and risks, as well as our core areas of recommended audit coverage.

This page highlights any key risk areas where we believe Internal Audit coverage is currently missing.

## Risk Coverage in 2021/22 Quarter 1 Internal Audit Plan

Following our SWAP risk assessment and the preparation of the proposed 2021/22 quarter 1 audit plan, we have set out below coverage of corporate risks as defined by the Council.

### Coverage of audits in the 2021/22 audit plan against the Strategic Risk Register

Corporate Risk	Inherent Risk Rating	Residual Risk Rating	Q1 Coverage
CRR.01 – Safeguarding Children	12	8	Yellow
CRR.02 – Safeguarding Adults	8	8	Yellow
CRR.03 – Salisbury's Economy	6	6	Orange
CRR.04 – Interest Rates Changes	6	4	Blue
CRR.05 – Cyber Resilience	16	8	Yellow
CRR.06 – Staff Capacity	6	6	Yellow
CRR.07 – Budget Management	16	16	Blue
CRR.08 – Contract Management	12	12	Orange
CRR.09 – Income Collection	9	6	Blue
CRR.10 – Brexit	12	9	Red
CRR.11 – Corporate Health, Safety & Wellbeing	4	4	Orange
CRR.12 – Information Governance	6	6	Orange

# The Internal Audit Plan: SWAP

SWAP Internal Audit Services is a public sector, not-for-profit partnership, owned by the public sector partners that it serves. The SWAP Partnership now includes 25 public sector partners, crossing eight Counties, but also providing services throughout the UK.

As a company, SWAP has adopted the following values, which we ask our clients to assess us against following every piece of work that we do:

- Candid
- Relevant
- Inclusive
- Innovative
- Dedicated

## Your Internal Audit Service

### Audit Resources

The 2021/22 Internal Audit programme of work will be equivalent to 1800 days. The current Internal Audit resources available represent a sufficient and appropriate mix of seniority and skill to be effectively deployed to deliver the planned work. The key contacts in respect of your Internal Audit service for Wiltshire Council are:

**Charlotte Wilson, Assistant Director – [Charlotte.Wilson@SWAPAudit.co.uk](mailto:Charlotte.Wilson@SWAPAudit.co.uk), Tel: 07732 688505**  
**Becky Brook, Principal Auditor – [Becky.Brook@SWAPAudit.co.uk](mailto:Becky.Brook@SWAPAudit.co.uk), Tel: 020 8142 5030**

### External Quality Assurance

SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors (IPPF).

Every three years, SWAP is subject to an External Quality Assessment of Internal Audit Activity. The last of these was carried out in February 2020 which confirmed general conformance with the IPPF.

### Conflicts of Interest

We are not aware of any conflicts of interest within Wiltshire Council that would present an impairment to our independence or objectivity. Furthermore, we are satisfied that we will conform with our IIA Code of Ethics in relation to Integrity, Objectivity, Confidentiality, & Competency.

### Consultancy Engagements

As part of our Internal Audit service, we may accept proposed consultancy engagements, based on the engagement's potential to improve management of risk, add value and improve the organisation's operations. Consultancy work that is accepted, will contribute to our annual opinion and will be included in our plan of work.

### Approach to Fraud

Internal Audit may assess the adequacy of the arrangements to prevent and detect irregularities, fraud and corruption and have included some focused proactive fraud work in the plan. We have a dedicated Counter Fraud Team available to undertake specific investigations if required. However, the primary responsibility for preventing and detecting corruption, fraud and irregularities rests with management who should institute adequate systems of internal control, including clear objectives, segregation of duties and proper authorisation procedures.

# The Internal Audit Plan: SWAP

Over and above our internal audit service delivery, SWAP will look to add value throughout the year wherever possible. This will include:

- Benchmarking and sharing of best-practice between our public-sector Partners
- Regular newsletters and bulletins containing emerging issues and significant risks identified across the SWAP partnership
- Communication of fraud alerts received both regionally and nationally
- Annual Member training sessions

## Our Reporting

A summary of Internal Audit activity will be reported quarterly to the Corporate Leadership Team (CLT) and the Audit and Governance Committee (as well as the introduction of a 'live' audit tracker being available throughout the year). This reporting will include any significant risk and control issues (including fraud risks), governance issues and other matters that require the attention of CLT and/or the Audit and Governance Committee. We will also report any response from management to a risk we have highlighted that, in our view, may be unacceptable to the organisation.

## Internal Audit Performance:

As part of our regular reporting to senior management and the Audit Committee, we will report on Internal Audit performance. The following performance targets will be used to measure the performance of our audit activity:

Performance Measure	Performance Target
<p style="text-align: center;"><b><u>Delivery of Annual Internal Audit Plan</u></b> Completed at year end</p>	>90%
<p style="text-align: center;"><b><u>Quality of Audit Work</u></b> Overall Client Satisfaction <i>(did our audit work meet or exceed expectations, when looking at our Communication, Auditor Professionalism and Competence, and Value to the Organisation)</i></p>	>95%
<p style="text-align: center;"><b><u>Outcomes from Audit Work</u></b> Value to the Organisation <i>(client view of whether our audit work met or exceeded expectations, in terms of value to their area)</i></p>	>95%

## Wiltshire Council Proposed Quarter 1 Internal Audit Plan 2021/22

*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 reference for the piece of work, which includes the objective and scope for the review.*

Link to Corporate Priorities/ Corporate Risk Register	Areas of Coverage	Brief Description	Requested/Agreed by or Rationale for audit
<b>Corporate and Resources (including ICT)</b>			
An Innovative and Effective Council  CRR.04 CRR.07 CRR.09	<b>Key Financial Controls</b> Main Accounting Accounts Payable Accounts Receivable Payroll Council Tax Business Rates Housing Benefit and Council Tax Support Housing Rents Treasury Management	All key financial systems are subject to cyclical audits to review key controls as a minimum and to provide assurance on effectiveness of controls. The Key Financial Control reviews will be undertaken via quarterly continuous assurance work throughout the year.	Review of the Authority's fundamental business processes and key services.
	Assurance Mapping	Review of assurance sources with key services/functions.	Agreed with Corporate Director Resources.
	Adults, Childrens and Public Protection Procurement	Review of the controls in place for category strategies, contracts and exemptions in Adults, Childrens and Public Protection.	Requested by Corporate Director Resources.
	Various COVID Grants	Grant Certification – Full list to be confirmed and agreed.	Agreed with Corporate Director Resources.
An Innovative and Effective Council  CRR.06 CRR.07 CRR.11	Workforce Planning and Capacity	During the Pandemic, many officers have been working additional hours with a risk that there may now be a reliance on this. This audit is to assess what actions have been taken to identify services where this may be the case and to review the controls in place to mitigate the impact this may have.	Requested by Director HR & OD.

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## Wiltshire Council Proposed Quarter 1 Internal Audit Plan 2021/22

Link to Corporate Priorities/ Corporate Risk Register	Areas of Coverage	Brief Description	Requested/Agreed by or Rationale for audit
Linked to all risks	Service Level Fraud Risk Assessments	Service level review of fraud risk assessments following the Baseline Assessment of Maturity for Fraud	Agreed with the Corporate Director Resources.
An Innovative and Effective Council  CRR.05	ICT Reviews	Various ICT reviews identified within the Cyber Security Framework Review and the IT Governance Review.	Agreed with Director ICT, Digital and Organisational Innovation.
<b>People</b>			
Growing the Economy  CRR.01	Council Oversight of Maintained Schools	An audit of the governance arrangements internal controls are operating over maintained schools. Deferred from 2020/21.	Agreed with Director Education and Skills.
Protecting the Vulnerable  CRR.02 CRR.07 CRR.08	Adult Payments to Providers	Review of the controls in place for payments to providers as well as a wider view of the system to ensure it is effective and fit for purpose.	Requested by Corporate Director People and Corporate Director Resources.
	Good Lives Alliance	Review of the procurement process and the operational arrangements for the Alliance.	Agreed with Director Commissioning.
Strong Communities  CRR.01 CRR.07	Supporting Families – Quarter 1	MHCLG requirement for audit of claims submitted reviewed a representative sample of families and achievement of outcomes.	Agreed with Director Families and Children.
<b>Place and Environment</b>			
Growing the Economy  CRR.03 CRR.07	Growth Hub	Grant certification for the 2020/21 financial year.	Agreed with Director Economic Development and Planning.

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## Wiltshire Council Proposed Quarter 1 Internal Audit Plan 2021/22

Link to Corporate Priorities/ Corporate Risk Register	Areas of Coverage	Brief Description	Requested/Agreed by or Rationale for audit
Strong Communities  CRR.07	Public Health Grant	Grant certification to support the S151 Officer's Statement of Assurance to Department of Health over expenditure complying with the conditions.	Agreed with Director Public Health.
	Local Transport Capital Grants	Grant certification to include: Local Transport Capital Block Funding (Integrated Transport and Highways Maintenance) Specific Grant Determination. Local Transport Capital Block Funding (Pothole Action Fund) Specific Grant Determination.	Agreed with Director Highways and Environment.
<b>Follow Up Work and Support Activities</b>			
Follow Up Work	Follow Up Contingency	Follow up of audits awarded Partial or No Assurance opinions. The work will assess responses to previous audit coverage and any changes to the control environment.	Inclusion of audit follow up work incorporating any prior year weaknesses identified.
Counter Fraud and Corruption	Proactive Fraud Work	Linked to risks in Protecting the Public Purse.	
	Reactive Fraud Work	To undertake ad-hoc unplanned investigations as agreed.	
	National Fraud Initiative	To assist the Council in monitoring and investigation of matches.	
Support Activities	Corporate Advice	Includes meetings and direct liaison with the Director Finance and Procurement, ongoing support relating to delivery of the Internal Audit plan to ensure satisfactory progress and compliance with the Public Sector Internal Audit Standards.	
	External Audit	Ongoing liaison with External Audit.	

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## The Internal Audit Charter

### Purpose

The purpose of this Charter is to set out the nature, role, responsibility, status and authority of internal auditing within Wiltshire Council, and to outline the scope of internal audit work.

### Approval

This Charter was approved by the Audit and Governance Committee on 29th April 2020 and is presented to the Committee today 28<sup>th</sup> April 2021 to ensure it remains accurate and up to date.

### Provision of Internal Audit Services

The internal audit service is provided by the SWAP Internal Audit Services (SWAP). This charter should be read in conjunction with the Service Agreement, which forms part of the legal agreement between the SWAP partners.

The budget for the provision of the internal audit service is determined by Wiltshire Council, in conjunction with the Members Meeting. The general financial provisions are laid down in the legal agreement, including the level of financial contribution by the organisation, and may only be amended by unanimous agreement of the Members Meeting. The budget is based on an audit needs assessment that was carried out when determining the organisation's level of contribution to SWAP. This is reviewed each year by the S151 Officer in consultation with the Chief Executive of SWAP.

### Role of Internal Audit

The Accounts and Audit (England) Regulations 2015, state that: *"A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the public sector internal auditing standards or guidance."*

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the Organisation's operations. It helps Wiltshire Council accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

### Responsibilities of Management, Audit Committee and Internal Audit

#### Management<sup>1</sup>

Management is responsible for ensuring SWAP has:

- The support of management and the organisation;
- Direct access and freedom to report to senior management, including the Chief Executive and the Audit and Governance Committee; and
- Notification of suspected or detected fraud, corruption or impropriety.

Management is responsible for maintaining internal controls, including proper accounting records and other management information suitable for running the Organisation. Management is also responsible for the appropriate and effective management of risk.

#### Audit and Governance Committee

The Audit and Governance Committee is responsible for approving the scope of Internal Audit work, receiving communications from the SWAP Assistant Director on the progress of work undertaken, reviewing the independence, objectivity, performance, professionalism and effectiveness of the Internal Audit function,



<sup>1</sup> In this instance Management refers to the Management Board and Statutory Officers.

and obtaining reassurance from the SWAP Assistant Director as to whether there are any limitations on scope or resources.

### **Internal Audit**

The SWAP Assistant Director, as Head of Internal Audit, is responsible for determining the scope, except where specified by statute, of internal audit work and for recommending the action to be taken on the outcome of, or findings from, their work.

Internal Audit is responsible for operating under the policies established by management in line with best practice.

Internal Audit is responsible for conducting its work in accordance with the mandatory elements of the Code of Ethics and Standards for the Professional Practice of Internal Auditing as set by the Institute of Internal Auditors and further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note. SWAP has been independently assessed and found to be in Conformance with the Standards.

Internal Audit is not responsible for any of the activities which it audits. SWAP staff will not assume responsibility for the design, installation, operation or control of any procedures. SWAP staff who have previously worked for the organisation will not be asked to review any aspects of their previous department's work until one year has passed since they left that area.

### **Relationship with the External Auditors/Other Regulatory Bodies**

Internal Audit will co-ordinate its work with others wherever this is beneficial to the organisation.

### **Status of Internal Audit in the Organisation**

The Chief Executive of SWAP is responsible to the SWAP Board of Directors and the Members Meeting. Appointment or removal of the Chief Executive of SWAP is the sole responsibility of the Members Meeting.

The Chief Executive for SWAP, the Executive Director and Assistant Director also report to the Section 151 Officer, and reports to the Audit and Governance Committee as set out below.

The Assistant Director will be the first and primary point of contact for the organisation for all matters relating to the Audit and Governance Committee, including the provision of periodic reports, as per company policy. The Assistant Director is also responsible for the design, development and delivery of audit plans, subject to the agreement of Wiltshire Council.

### **Scope and authority of Internal Audit work**

There are no restrictions placed upon the scope of Internal Audit's work. SWAP staff engaged on internal audit work are entitled to receive and have access to whatever information or explanations they consider necessary to fulfil their responsibilities to senior management. In this regard, Internal Audit may have access to any records, personnel or physical property of the organisation.

Internal audit work will normally include, but is not restricted to:

- Reviewing the reliability and integrity of financial and operating information used for operational and strategic decision making, and the means used to identify, measure, classify and report such information;
- Evaluating and appraising the risks associated with areas under review and make proposals for improving the management and communication of risks;



- Appraise the effectiveness and reliability of the enterprise risk management framework and recommend improvements where necessary;
- Assist management and Members to identify risks and controls with regard to the objectives of the organisation and its services;
- Reviewing the systems established by management to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports, and determining whether the organisation is in compliance;
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of assets;
- Appraising the economy, efficiency and effectiveness with which resources are employed;
- Reviewing operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned, with performance and accountabilities established;
- Reviewing the operations of the organisation in support of their anti-fraud and corruption policy, ethical expectations and corporate values, investigating where necessary; and
- At the specific request of management, Internal Audit may provide consultancy services (including fraud investigation services) provided:
  - the Internal Auditor's independence is not compromised
  - the Internal Audit service has the necessary skills to carry out the assignment, or can obtain such skills without undue cost or delay
  - the scope of the consultancy assignment is clearly defined, and management have made proper provision for resources the work.
  - management understand that the work being undertaken is not internal audit work.

### **Planning and Reporting**

SWAP will submit to the Audit and Governance Committee for approval, an annual internal audit plan, setting out the recommended scope of their work in the period.

The annual plan will be developed with reference to the risks the organisation will be facing in the forthcoming year, whilst providing a balance of current and on-going risks, reviewed on a cyclical basis. The plan will be reviewed on a quarterly basis to ensure it remains adequately resourced, current and addresses new and emerging risks.

SWAP will carry out the work as agreed, report the outcome and findings, and will make recommendations on the action to be taken as a result to the appropriate manager and Director. SWAP will report at least two times a year to the Audit and Governance Committee or as agreed. SWAP will also report a summary of their findings, including any persistent and outstanding issues, to the Audit and Governance Committee on a regular basis.

Internal audit reports will normally be by means of a brief presentation to the relevant manager accompanied by a detailed report in writing. The detailed report will be copied to the relevant line management, who will already have been made fully aware of the detail and whose co-operation in preparing the summary report will have been sought. The detailed report will also be copied to the Section 151 Officer and to other relevant line management.

The Assistant Director will submit an annual report to the Audit and Governance Committee providing an overall opinion of the status of risk and internal control within Wiltshire Council based on the internal audit work conducted during the previous year.

In addition to the reporting lines outlined above, the Chief Executive of SWAP and SWAP Directors and Assistant Directors have the unreserved right to report directly to the Leader of the Council, the Chairman of the Audit and Governance Committee, the organisation's Chief Executive Officers or the External Audit Manager.

# Wiltshire Council

## Report of Internal Audit Activity

### Plan Progress 2020/21 – April 2021

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Agenda Item 7

# Executive Summary

The Assistant Director is required to provide an annual opinion to support the Annual Governance Statement.

As part of our plan progress reports, we will provide an ongoing opinion to support the end of year annual opinion.

We will also provide details of any significant risks that we have identified in our work, along with the progress of mitigating previously identified significant risks by audit.

The contacts at SWAP in connection with this report are:

**Charlotte Wilson**  
Assistant Director  
Tel: 07732 688 505  
[Charlotte.wilson@swapaudit.co.uk](mailto:Charlotte.wilson@swapaudit.co.uk)

**Becky Brook**  
Principal Auditor  
Tel: 020 8142 5030  
[Becky.brook@swapaudit.co.uk](mailto:Becky.brook@swapaudit.co.uk)



## Audit Opinion and Summary of Significant Risks

### Introduction:

This is the fourth quarterly report for 2020/21. Previous progress reports have detailed the impact of the Coronavirus (COVID-19) pandemic on the 2020/21 audit plan, with some activity having been flexed to appropriately support/evaluate financial processes and continue to deliver assurance and advice through a variety of approaches. Four members of the Internal Audit team were also seconded to the Council to support the COVID-19 business grant payments. Once member of the team continues to support the Council, whilst the remaining team members have now returned to audit work.

### Audit Opinion:

Reviews completed have highlighted that whilst generally risks are well managed, we have identified some gaps, weaknesses and areas of non-compliance. However, we have reasonable levels of confidence that the agreed actions will be implemented and thus strengthen internal control.

Since our last report in February 2021, we have issued one Limited opinion on the areas and activities we have been auditing, but none have been classified as a significant risk. Senior Management are now increasingly directing internal audit to areas of likely risk, or known issues, which is a positive. This will naturally result in an increased number of Limited assurance opinions.

### Significant Risks:

There have been no new significant risks identified during this period.

# Internal Audit Plan Progress 2020/2021

The Chief Executive Officer for SWAP reports performance on a regular basis to the SWAP Directors and Owner Bords.



## SWAP Performance

SWAP performance is subject to regular review by both the Directors and Owners meetings. The respective outturn performance results for Wiltshire Council for the 2020/21 year (as of 22 January 2021) are as follows:

Performance Target	Average Performance
<b><u>Audit Plan – Percentage Progress*</u></b>	
Completed	80%
Work at Report Stage	3.5%
Fieldwork	16.5%
<p>* The above percentages are based on the internal audit work plan presented in July, September and November, covering the 2020/21 financial year and make the assumption that as at 30<sup>th</sup> June, one quarter of the internal audit resources have been utilised</p>	
<b><u>Quality of Audit Work</u></b>	
Overall Client Satisfaction <i>(Did our work meet or exceed expectations, when looking at our Communication, Auditor Professionalism and Competence, and Value to the Organisation)</i>	100%
Value to the Organisation <i>(Client view of whether our audit work met or exceeded expectations in terms of value to their area)</i>	100%

## Internal Audit Plan Progress 2020/2021

### Added Value

Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.



### Added Value

SWAP engages in **benchmarking and cross comparison** across its partner base (and wider) and previous progress reports have reflected the delivery of outputs around a variety of subject areas.

SWAP has continued to use **data analytics** to deliver a programme of **Continuous Auditing** of key fundamental areas (accounts payable/receivable, main accounting, payroll etc). This is a method whereby audit testing of key controls of an area or activity, is performed on a more frequent basis. It changes the audit approach from periodic reviews incorporating a small sample of transactions, to ongoing testing of a larger overall sample, with audit results produced shortly after testing. The benefits are a more reactive and timely approach to auditing which gives a continuous assurance on systems and processes throughout the year.

We continue to use SWAP's two Data Analysts to include analysis of data as part of every audit where possible. This allows us not only the opportunity to test whole populations of data, but where this is not possible or appropriate, to be able to use data analytics to target our testing in a more effective way.

SWAP is able to provide a range of resources to its partners, including general and bespoke material, and work is underway to support the development of proactive counter fraud tools. SWAP is a member of **CiFAS** which is a not-for-profit fraud prevention membership organisation managing the largest database of instances of fraudulent conduct in the country with members organisations from all sectors who share data to reduce instances of fraud and financial crime. **SWAP's Counter Fraud Team** facilitates access to counter fraud intelligence resources and issue alerts and newsletters to key officers in the Council. SWAP is also working with the Council to initiate their CiFAS membership.

SWAP is implementing an '**Agile Auditing**' framework and part of this involves delivering focused assurance 'packages' of work and producing shorter reports which can be issued more quickly and so reduce 'time to value' of the assurance or advisory outcome(s). In addition, internal audit planning processes are becoming more dynamic and designed to reflect a balance between a strategic plan which presents the high level 'shape' of internal audit activity with more detailed and iterative modelling within a shorter time horizon to ensure that our agreed and scoped activity remains relevant and current. Further details are set out in the separate report on internal audit planning.

## Aged Analysis of Audit Actions Exceeding the Originally Agreed Target Implementation Date



### Summary of Actions

#### Outstanding Audit Actions by Priority Non Schools

	< 30 Days	< 60 Days	< 90 Days	< 120 Days	120+ Days	Totals
<b>3</b>	4	1	0	7	44	<b>56</b>
<b>2</b>	2	0	0	0	16	<b>18</b>
<b>1</b>	0	0	0	0	0	<b>0</b>
<b>Totals</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>7</b>	<b>60</b>	<b>74</b>

#### Outstanding Audit Actions by Priority Schools

	< 30 Days	< 60 Days	< 90 Days	< 120 Days	120+ Days	Totals
<b>3</b>	0	0	0	0	19	<b>19</b>
<b>2</b>	0	0	0	0	13	<b>13</b>
<b>1</b>	0	0	0	0	0	<b>0</b>
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32</b>	<b>32</b>

Agenda Item 8 provides a summary of the outstanding Priority 1 and 2 non-schools actions.

## Internal Audit Plan Progress 2020/2021

We keep our audit plans under regular review so as to ensure that we are auditing the right things at the right time.



### Changes to the Audit Plan

We will regularly re-visit and adjust our programme of audit work to ensure that it matches the changing risk profile of the organisation's operations, systems, and controls. Full details of our current on-going work are detailed in Appendix B on page 9. Unplanned work, special reviews or projects carried out on a responsive basis are requested through the Corporate Director Resources (Section 151 Officer). As new and emerging risks are identified, any changes to the plan will be subject to the agreement of this Committee and the Corporate Director Resources (Section 151 Officer).

Assignment	Amendment	Reason
COVID Business Grants Spotlight Process Assurance Review	Addition	Requested by Client.
COVID Business Grants Red Team Process Assurance Review	Addition	Requested by Client.
COVID-19 Business Grants – Post Payment Checks	Redeployment	In order to support the Council's COVID response, four members of the Internal Audit Team have been seconded to assist with the business grants process. Approximately 250 days to date have been used to support the Council in this area.
COVID-19 Business Grants - Processing	Redeployment	
CiFAS Data Matching	Addition	Support for CiFAS fraud detection data matching service.
Test and Trace Service Support Grant	Removed	The certification of this grant is not due until October 2021.
Council Oversight of Maintained Schools	Deferred	This audit has been deferred to enable the redeployment of SWAP staff to support the Council's COVID response.
Medium Term Financial Strategy	Removed	Removed to enable the redeployment of SWAP staff to support the Council's COVID response.
Culture and Ethics	Deferred	This audit has been deferred to enable the redeployment of SWAP staff to support the Council's COVID response.
ICT Strategy	Removed	Replaced with ICT Governance Review.
ICT Governance Review	Addition	Replacement for the ICT Strategy audit.
Adult Safeguarding – Proactive Review of Finances	Addition	Review to provide assurance/evidence there had been no fraudulent activity on behalf of the Council following a complaint.



## Internal Audit Plan Progress 2019/2020

Hullavington C of E Primary School	Deferred	Due to staff shortages and the pressures caused by the pandemic this audit has been deferred.
Stratford Sub Castle C of E School	Deferred	Due to staff shortages and pressures caused by the pandemic this audit has been deferred.
Growth Hub	Deferred	Review deferred to 2021/22, grant certification not due yet.
Additional Dedicated Home to School and College Grant	Deferred	Review deferred to 2021/22, grant certification not due yet.
COVID-19 Bus Services Support Grant (Restart)	Deferred	Review deferred to 2021/22, grant certification not due yet.
Data Breaches	Deferred	This audit has been deferred to enable the redeployment of SWAP staff to support the Council's COVID response.
Climate Change	Deferred	This audit has been deferred to enable the redeployment of SWAP staff to support the Council's COVID response.
Adults Safeguarding	Removed	This audit has been removed to enable the redeployment of SWAP staff to support the Council's COVID response.
Virtual Schools	Deferred	This audit has been deferred to enable the redeployment of SWAP staff to support the Council's COVID response.
Community Safety Partnerships	Removed	This audit has been removed to enable the redeployment of SWAP staff to support the Council's COVID response. An internal review of this area is also being undertaken.
Commercialisation Strategy	Removed	This audit has been removed to enable the redeployment of SWAP staff to support the Council's COVID response.
Brokerage	Amendment	This audit was originally intended to be a high-level review. Following initial discussions, it was agreed two separate reviews would be undertaken covering Adults and Childrens Brokerage.
Baseline Assessment of Maturity for Fraud	Addition	This baseline assessment is a corporate view of fraud maturity within the organisation.
Strategic Assets and Facilities Investigation	Addition	Investigation to examine the points raised in an anonymous letter to the Director Legal and Governance in respect of possible fraudulent activity.

The role of SWAP as the internal auditors for Wiltshire Council is to provide independent assurance that the Council’s risk management, governance and internal control processes are operating effectively. In order for senior management and members to be able to appreciate the implications of the assurance provided within an audit report, SWAP provide an assurance opinion. We have four opinion ratings defined as follows:

Assurance Definitions	
<b>No Assurance</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.
<b>Limited</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
<b>Reasonable</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Substantial</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

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**Advisory** – As well as our opinion-based work we will provide consultancy services. The advice offered by Internal Audit in its consultancy role may include risk analysis and evaluation, developing potential solutions to problems and providing controls assurance. Consultancy services from Internal Audit offer management the added benefit of being delivered by people with a good understanding of the overall risk, control and governance concerns and priorities of the organisation.

In addition to the assurance definitions above we have also introduced an ‘assurance dial’ which indicates on a range of high medium or low where within the range of that assurance a particular audit assurance sits.



As can be seen in this example the assurance provided is low limited as the dial is sitting on the lower end of the limited scale. It could equally have been a medium limited assurance where the dial sits midway or high limited when it is sitting at the upper end close to the reasonable assurance.

We provide the Committee with details of the overall assurance opinion for all completed audits and they can be seen in the plan progress table in Appendix B below.

In addition to the corporate risk assessment it is important that management know how important the action is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the action. Actions are prioritised from 1 to 3 on how important they are to the service/area audited. These are not necessarily how important they are to the organisation at a corporate level. Each action has been given a priority rating at service level with the following definitions:

Categorisation of Actions	
<b>Priority 1</b>	Findings that are fundamental to the integrity of the service’s business processes and require the immediate attention of management.
<b>Priority 2</b>	Important findings that need to be resolved by management.
<b>Priority 3</b>	Finding that requires attention.

Each audit covers key risks. For each audit a risk assessment is undertaken whereby with management risks for the review are assessed at the Corporate inherent level (the risk of exposure with no controls in place) and then once the audit is complete the Auditors assessment of the risk exposure at Corporate level after the control environment has been tested. All assessments are made against the risk appetite agreed by the SWAP Management Board.

Definitions of Risk	
<b>High</b>	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.
<b>Medium</b>	Issues which should be addressed by management in their areas of responsibility.
<b>Low</b>	Issues of a minor nature or best practice where some improvement can be made.

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major 2 = Moderate 3 = Minor Action		
						1	2	3
						<b>2020/21 Plan Progress</b>		
<b>Complete</b>								
Follow Up	Direct Payments	Q2	Completed	Follow Up	N/A			
Follow Up	Gross Loans	Q2	Completed	Follow Up	N/A			
Advice	COVID Business Grants Spotlight Process Assurance Review	Q2	Completed	Advice and Guidance	N/A			
Advice	COVID Business Grants Red Team Process Assurance Review	Q2	Completed	Advice and Guidance	N/A			
Operational	Pension Fund Key Control Review	Q2	Completed	Reasonable	5	0	2	3
Grant Certification	Local Transport Capital Grants	Q2	Completed	Certification	N/A			
Grant Certification	Local Authority Bus Subsidy	Q2	Completed	Certification	N/A			
Grant Certification	COVID-19 Bus Services Support Grant	Q2	Completed	Certification	N/A			
Grant Certification	Public Health Grant	Q2	Completed	Certification	N/A			
Operational	Brokerage – Adults	Q2	Completed	Limited	5	0	3	2
Advice	COVID-19 Discretionary Grant	Q2	Completed	Advice and Guidance	N/A			
Operational	Budget Management	Q2	Completed	Reasonable	4	0	0	4
Advice	Infection Control Funding Assurance	Q2	Completed	Advice and Guidance	N/A			

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major 2 = Moderate 3 = Minor		
						Action		
						1	2	3
ICT	Cyber Security Framework Review	Q2	Completed	Advisory	N/A			
Operational	Brokerage - Children's	Q2	Completed	Limited	12	0	6	6
Follow Up	School Theme HR & Payroll - Holt	Q3	Completed	Follow Up	N/A			
Follow Up	School Theme HR & Payroll – St Patrick's	Q3	Completed	Follow Up	N/A			
Follow Up	Adult Services – Court of Protection: Deputyship and Appointeeship for Service Users	Q3	Completed	Follow Up	N/A			
Key Control	Treasury Management	Q3	Completed	Reasonable	4	0	2	2
Key Control	Accounts Payable - Continuous Assurance and Data Analytics	Q3	Completed	Reasonable	3	0	1	2
Follow Up	Christ the King Catholic School Amesbury	Q3	Completed	Follow Up	N/A			
Key Control	Accounts Receivable - Continuous Assurance and Data Analytics	Q3	Completed	Reasonable	3	0	1	2
Operational	Adult Safeguarding – Proactive Review of Finances	Q4	Completed	Advisory	N/A			
School	Whiteparish All Saints C of E Primary School	Q4	Completed	Reasonable	7	0	3	4
School	Southwick C of E Primary School	Q4	Completed	Substantial	3	0	0	3
School	Chilton Foliat CE (VA) Primary School	Q4	Completed	Substantial	3	0	1	2
School	Urchfont C of E Primary School	Q4	Completed	Reasonable	5	0	2	3
School	Crockerton C of E Primary School	Q4	Completed	Reasonable	5	0	2	3

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major 2 = Moderate 3 = Minor		
						Action		
						1	2	3
School	Stonehenge School	Q4	Completed	Substantial	3	0	1	2
Operational	IR35 Compliance	Q4	Completed	Reasonable	3	0	3	0
Fraud Detection	CiFAS Data Matching Support	Q4	Completed	Advisory	N/A			
Governance, Fraud & Corruption	Baseline Assessment of Maturity for Fraud	Q4	Completed	Advisory	N/A			
Special Investigation	Strategic Assets and Facilities Investigation	Q4	Completed	Investigation	6	0	2	4
Grant Certification	Troubled Families	Q1-Q4	Completed	Certification	N/A			
Governance, Fraud & Corruption	National Fraud Initiative (NFI)	Q1-Q4	Completed	Advisory	N/A			
Redeployment	COVID-19 Business Grants – Post Payment Checks	Q3-Q4	Completed	Support	N/A			
<b>Reporting</b>								
Operational	Missing Children	Q4	Draft					
Key Control	Housing Benefit and Council Tax Support - Continuous Assurance and Data Analytics	Q3	Discussion					
<b>In Progress</b>								
Key Control	Main Accounting - Continuous Assurance and Data Analytics	Q3	Fieldwork					
Key Control	Council Tax - Continuous Assurance and Data Analytics	Q3	Fieldwork					
Key Control	Business Rates - Continuous Assurance and Data Analytics	Q3	Fieldwork					
Key Control	Housing Rents - Continuous Assurance and Data Analytics	Q3	Fieldwork					

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major 2 = Moderate 3 = Minor		
						Action		
						1	2	3
Key Control	Payroll - Continuous Assurance and Data Analytics	Q3	Fieldwork					
ICT	ICT Governance Review	Q2	Fieldwork					
Operational	Deprivation of Liberty Safeguards	Q3	Fieldwork					
Operational	Third Party Spend – Purchase to Pay	Q3	Fieldwork					
Follow Up	Contract Management	Q3	Fieldwork					
Redeployment	COVID-19 Business Grants - Processing	Q4	Ongoing					

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# Consolidated Outstanding Priority 1 and 2 Internal Audit Actions

Wiltshire Council Outstanding Actions 07.04.2021  
Non Schools

Director ICT, Digital and Organisational Innovation							
Digital Transformation (Audit Report Issued 5th April 2019)							
Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
40975 Page 33	We recommend that the Interim Director: Digital Transformation & IT ensures that the ICT Disaster Recovery Plan is updated in line with changes under the transformation programme.	2	Outstanding	30-Jun-19	28-Feb-21	Director ICT, Digital & Organisational Innovation	The need for this work is fully acknowledged and a thorough approach is planned, this will incorporate the transformation programme and Recovery work to date. Grant funding from MHCLG has been secured and a tender document for consultancy services is completed. Legal and Procurement have been engaged and an agency has been appointed to assist, work has commenced as of the 18th Jan 2021.

## Corporate Director Resources

### Deferred Payments (Audit Report Issued 10th September 2019)

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
39503	We recommend that performance indicators relating to Deferred Payment Agreements are fed into both the Executive Director with responsibility for Finance and the Executive Director with responsibility for Adult Social Care's scorecards to ensure that there is sufficient reporting and oversight so that the figures can be challenged. Furthermore, the Section 151 Officer and Adult Care Directors should receive regular, at least quarterly, information on the current debt position for Deferred Payment Agreements.	2	Outstanding	31-Oct-19	31-Dec-20	Head of Finance, Adults	As the Council has committed to moving to paying providers Gross of client contributions, rather than Net, and taking on the responsibility for collecting client contributions, this now has an increasing priority, and forms part of a wider project that has just started. Part of that includes debt reporting at both a micro level and directorate level. As this is a more fundamental review than originally envisaged, it will take longer to implement - revised target is 31st March 2021.

### Pensions (Audit Report Issued 30th April 2019)

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
41018	We recommend that a full reconciliation be undertaken between Altair and SAP Payroll. This recommendation is carried over from last year's audit report.	2	Outstanding	01-Dec-19	31-Dec-20	Head of Pensions Administration and Relations	A reconciliation of nearly all records has taken place and the results of it were provided to the Pension Fund Committee in December 2020 and a further update was provided in 30 March 2021. Work is ongoing to correct the discrepancies identified, within the guidelines approved by the Committee at the March meeting. Several further stages of reconciliation will continue to take place with initial rectification is completed.

41020	We recommend that the Improvement Plan be put in place, as intended, to prioritise the workflow and reduce the backlog of work.	2	Outstanding	31-Mar-20	31-Dec-20	Head of Pensions Administration and Relations	An improvement plan is in place to make improvements to processing volumes although more resource (we are currently recruiting) and time is required to resolve the existing issues.
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**Accounts Receivable (Audit Report Issued 19th January 2020)**

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
43132	We recommend that invoices are raised with sufficient information, and in a timely manner, in order to ensure that the process for the customer, those chasing the debt, and those answering enquiries, is as easy and efficient as possible.	2	Outstanding	29-Feb-20	31-Mar-22	Corporate Income and Admin Manager	A draft Income and Debt Management policy has been written. Consideration of how this will be rolled out across the organisation is underway and a plan will set out that by the end of the financial year this action will be in place alongside other financial control processes and support preparation for the ERP replacement.

**Main Accounting (Audit Report Issued 11th June 2020)**

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
43460	We recommend that the Financial Manual is finalised, approved and published to the Council as a whole as soon as is practically possible. The published manual should be communicated to relevant officers to ensure they have an appropriate understanding of the practices they are required to follow.	2	Outstanding	30-Sep-20	31-Mar-22	Head of Corporate Finance	A full assessment of the training and development requirements of the different level of leaders and managers across the council is underway. An element of this is financial management and when capacity allows a suite of training documents will be produced and where necessary training will be delivered. The delivery of updated financial procedures are included as part of the accountancy service plan priorities for 2021/22.

**Corporate Debt Management Management (Audit Report Issued 24th June 2020)**

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
43750	We recommend that the Council investigate whether SAP could be altered to provide more accurate and sufficient aged debt reporting to enable appropriate monitoring and facilitate effective decision making. If it is deemed that the current SAP Financial Management System does not and have this capability, then consideration should be made by the ERP project group to ensure that it is a requirement of the new ERP system.	2	Outstanding	30-Oct-20	31-Mar-22	Finance Systems Manager	Changes to the current SAP system would be required to improve the aged debt reporting and is not deemed a value for money solution. Requirements have been set out as part of the Evolve programme procurement process for the enhanced aged debt reporting and improvements will be implemented as part of this programme and new system implementation.
Page 36 43749	We recommend that the Debt Management Policy, Corporate Debt Management and Recovery Strategy and associated guidance are revisited to ensure they are complete, encompassing the requirements for full and proper records and adequately details responsibilities for all areas of income and debt management. These should then be finalised and approved. Once approved these should be rolled out with an appropriate programme of training for relevant officers to ensure that their obligations are fully communicated and understood.	2	Outstanding	31-Mar-21	31-Mar-22	Chief Accountant and Head of Revenues and Benefits	A draft Income and Debt Management policy has been written. Consideration of how this will be rolled out across the organisation is underway and a plan will set out that by the end of the financial year this action will be in place alongside other financial control processes and support preparation for the ERP replacement.

Programme Management (Audit Report Issued 4th October 2019)							
Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
42099	We recommend that the existing framework is developed to capture all projects and programmes being delivered across the whole Council so there is consistency of approach and a clear corporate wide view.	2	Outstanding	30-Nov-19	31-Mar-21	Corporate Director Resources	The paper 'Programme Brief Establishing a P30' taken to CLT in September 2020 recommended that the programme SRO would collate all transformational work and programs/projects into one large portfolio to enable clarity and prioritisation of transformation.

**IR35 Compliance (Audit Report Issued 22nd February 2021)**

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
Page 37 44935	<p>Procurement management will review training and information given to hiring managers, so they understand;</p> <ul style="list-style-type: none"> <li>- What their responsibilities are;</li> <li>- That they have access to required information to complete adequate IR35 assessments; and</li> <li>- That IR35 training includes the requirement that an assessment must be completed regardless of value.</li> </ul> <p>Procurement management will also implement a control after the end of the Spend restriction period for the contracts that do not necessarily go through the Procurement systems.</p>	2	Outstanding	31-Mar-21	31-Aug-21	Acting Senior Category Manager –Corporate Procurement	The Commercial workstream element of the Organisational Recovery Programme includes addressing process and compliance issues which will be supported by training and awareness sessions. These sessions have been designed are will be delivered during the summer months.

**Transformation Delivery - Lessons learnt (Audit Report Issued 27th October 2019)**

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
42212	We recommend that the lessons that were learnt from phase one of the transformation project are agreed and form an action plan. The agreed lessons learnt should then be shared across the Council to help inform other transformation projects.	2	Outstanding	31-Mar-20	31-Mar-21	Corporate Director Resources	Now picked up as part of the Organisational Recovery Programme.

**Contract Management (Audit Report Issued 13th February 2020)**

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
42901	We recommend that Contract Managers ensure that performance of the contract is regularly measured against Key Performance Indicators that are determined at the pre-tender stage and included in the contract specification. Any underperformance should be reported in a timely manner.	2	Outstanding	31-Mar-20	31-Mar-21	Head of Procurement	This Action has been incorporated into the Governance strand of the OR Commercial Work stream, and will be overseen by the Commercial Board.
42719	We recommend that the Strategic Procurement Hub ensures that the published Contracts Register is complete and that they liaise with Legal Services to decide who should filter the information that is published to ensure it complies with the Local Government Transparency Code.	2	Outstanding	31-Mar-20	31-Mar-21	Head of Procurement	This Action has been incorporated into the Governance strand of the OR Commercial Work stream, and will be overseen by the Commercial Board.

**Director Education & Skills****Traded Services with Schools (Audit Report Issued 6th March 2019)**

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
39704  Page 39	We recommend that the Council review the position of Traded Services with Schools and the roles and responsibilities of the service itself to ensure clear accountability & governance at all levels to include oversight, scrutiny and decision making.	2	Outstanding	31-Jul-19	04-Jul-21	Director of Education and Skills  Traded Services Manager	With the outbreak of COVID-19 the priority for all our traded services has been to support schools throughout the period and there has been no respite during the period. This has meant preserving service delivery and adapting offers to an online market place as a matter of urgency. Reporting back to Children's Select for April 2021 has been scheduled with a view to engaging Democratic Services to agree future reporting and scrutiny with Senior Leadership and Member participation. Future review date to be set for July 2021 for the start of the process being mindful of the pandemic landscape and Education Rresponse to national guidance and restrictions.

**Director Commissioning****Adult Social Care Contracts (Audit Report Issued 21st June 2019)**

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
41379	We recommend that the Commissioner – Community Services ensures clear performance measures are put in place, and actively monitored, which can both measure and capture planned benefits and savings. This should include KPIs for the providers and internal support services.	2	Outstanding	30-Dec-19	31-Dec-20	Commissioning Programme Lead – Community Services	The management actions have been agreed and are being progressed in line with the current agreed timescales.

41414	We recommend that the Commissioner – Community Services ensures a supplier management framework is developed which identifies key suppliers in terms of capacity and capability. Business continuity plans and contingency plans should also be put in place for key suppliers.	2	Outstanding	31-Dec-19	31-Mar-21	Commissioning Programme Lead – Community Services	The management actions have been agreed and are being progressed in line with the current agreed timescales.
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## Director Learning Disabilities & Mental Health

### Adult Social Care - CTPLD Pop Team Review (Audit Report Issued 6th March 2020)

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
Page 40 43177	We recommend that further testing is undertaken to ensure that the data reports from LiquidLogic are accurate and can be fully relied upon. This will increase efficiency and resilience as separate spreadsheets will not need to be maintained by a single person within each team. In addition, correct reporting structures should be embedded within the system.	2	Outstanding	01-Jun-20	30-Dec-20	Head of Service - CTPLD	<p>The Head of Service for CTPLD is continuing to work closely with the Head of Quality and Performance to ensure that any issues are rectified.</p> <p>The business operations officer started on 01/11/2020 as detailed in the previous update. Since being in the the business operations office has started to audit the cases on LAS to ensure that it is accurate. In addition they have been working closely with the Wiltshire Council performance, outcomes and quality assurance team to ensure that the reporting structures are accurate. This is starting to improve the accuracy of liquid logic but further work is still required.</p>



**Director Access & Reablement**

Court of Protection (Audit Report Issued 13th February 2019)

Reference Number	Action	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Update
40680	We recommend that the Court of Protection Team Manager gives consideration to the most cost effective and efficient manner of document storage for the service.	2	Outstanding	31-Aug-19	30-Sep-21	Court of Protection Team Manager	In progress. A business case is in the process of being submitted to agree funding for the upgrade of our current database Casper to Casper Cloud. This is planned for consideration and decision early May. Casper Cloud is available September 2021 at the earliest and is the only product on the market that fulfils the requirements of the service. The service will engage with the supplier to implement this at the earliest opportunity. This will allow increased efficiency in terms of document management by the COP team.

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# Internal Audit Follow Up Protocol

## Wiltshire Council



# Internal Audit Follow Up Protocol

## Purpose

This protocol sets out the working relationship that should exist between Internal Audit and Wiltshire Council to ensure agreed internal audit actions are monitored following the completion of audit work and implemented within an acceptable and appropriate timescale.

The purpose of a follow up is to provide some assurance to the Corporate Leadership Team and the Audit and Governance Committee that agreed actions to mitigate risk exposure identified through audit testing have been implemented. It is not to revisit the assurance opinion provided and if this is required, a full audit should be planned and agreed with the S.151 Officer.

## Professional Requirements

The IIA International Professional Practices Framework (IPPF Standard 2500 – Monitoring) states: *The Chief Audit Executive must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.*

## Follow Up Procedure

A copy of all final audit reports will be issued to both the Corporate Director – Resources (S.151) and the Assistant Director – Finance (Deputy S.151).

All audit reviews in receipt of a Limited or No assurance opinion will be subject to a formal scheduled follow up review undertaken by the Internal Audit team. Follow up audits are usually undertaken six months after the original audit, dependent on implementation dates for actions agreed within the review.

Actions agreed as part of an audit in receipt of a Reasonable or Substantial assurance opinion will be followed up as part of the Audit and Governance Committee reporting process outlined below.

On a quarterly basis, the Chief Audit Executive (Assistant Director – SWAP) will provide a report to the Assistant Director – Finance, detailing all actions agreed since the last quarterly update, this report will include outstanding actions as well as those that have not yet reached their target implementation date. Those actions subject to a formal scheduled follow up review will be highlighted to avoid duplication. The Assistant Director – Finance will be responsible for obtaining and collating an updated management response for all outstanding actions. Evidence of implementation will be provided for all actions categorised as a Priority 1 or 2. A verbal update will be sufficient for Priority 3 actions.

The Chief Audit Executive will then be responsible for updating the Audit Management System to reflect any progress made.

## Reporting Arrangements

The Chief Audit Executive will provide a quarterly update report to the Corporate Leadership Team and the Audit and Governance Committee detailing progress with agreed actions.

April 2021