

**Buckinghamshire County Council**

# **Business Assurance Update**

## **2019/20**

**Regulatory and Audit Committee**

**November 2019**



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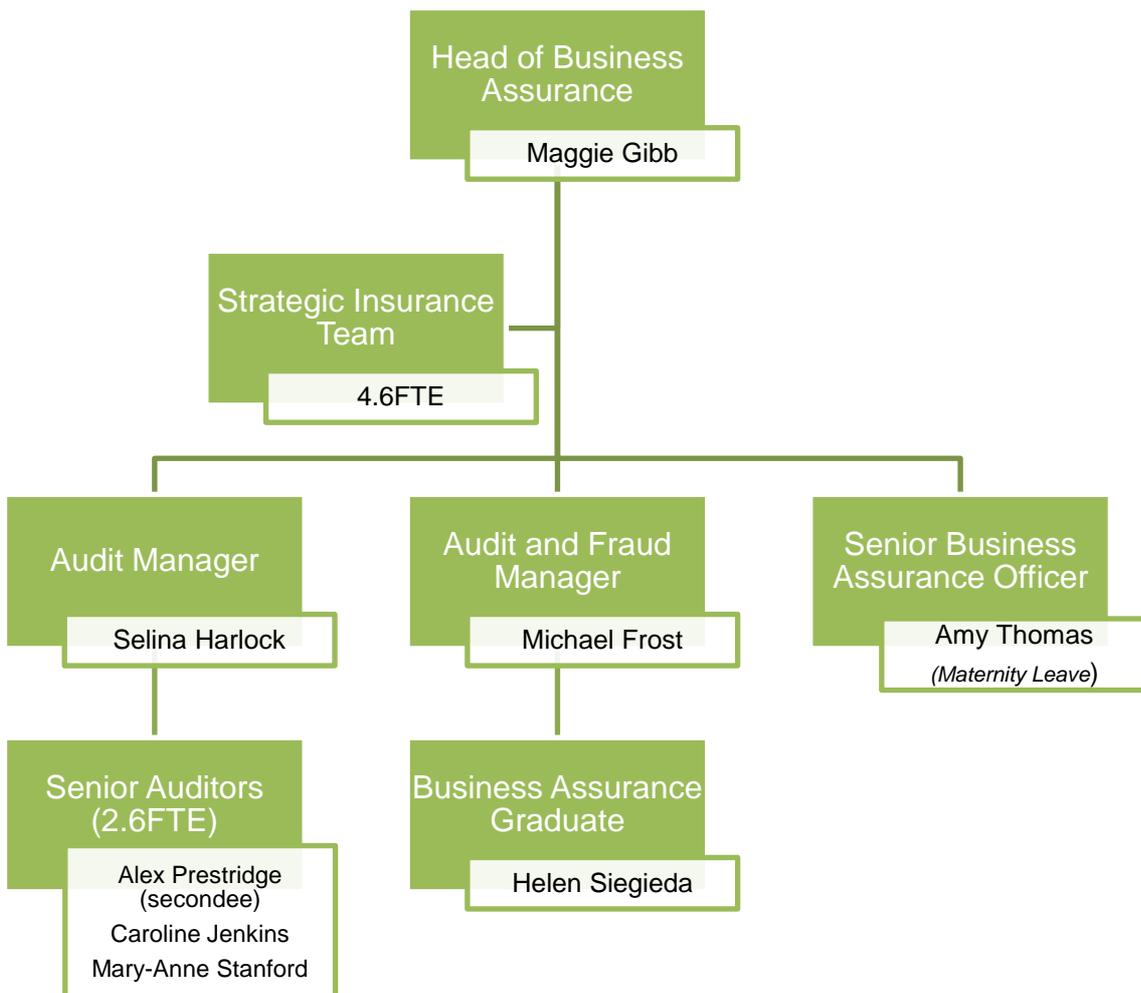
## Introduction

1. The Business Assurance Team is responsible for implementing the Council's Assurance and Risk Strategy through delivery of work programmes covering the following areas of activity:
  - Risk Management;
  - Internal Audit;
  - Counter Fraud; and
  - Assurance.
2. This report outlines the Internal Audit, Risk Management and Assurance work being undertaken by the Business Assurance Team for the year ending 31 March 2020. The Council continues to work towards a combined assurance model, with Internal Audit operating as the third line of assurance. The first line of assurance is achieved by the management controls and systems, and the second line of assurance from the Professional Leads monitoring the key governance frameworks such as finance, HR and IT. The model will continue to become embedded into the governance reporting process during 2019/20, which will include reporting to the Business Unit Boards, Corporate Management Team, Audit Board and the Regulatory and Audit Committee.
3. The 2019/20 Internal Audit, Risk Management and Assurance work plans were produced with reference to the Strategic and Business Unit Risk Registers and informed through discussion with the Senior Leadership Team for each Business Unit. Quarterly meetings with the Business Units, and the Statutory Officers Group continue to take place to ensure that the plan is kept under continuous review to reflect emerging risks and priorities across the Council.
4. Delivery of the Business Assurance work plan helps ensure that there is an appropriate governance and control framework in place and that risk management is embedded across the Council.

5. The priority in the first quarter was to complete the audit activity “carried forward” from the 2018/19 Internal Audit Plan due to a number of unplanned investigations and urgent audit activity placing constraints on the Business Assurance Team. In quarter two the team continued to progress with the current year plan and any pressures/changes have been discussed and agreed at the Audit Board. The changes made to the approved plan have been due to unplanned investigations and reactive audit activity, including unitary assurance work placing constraints on the Business Assurance Team.
  
6. The risk management work plans have been progressing, as the team continues to deliver training across the services; and to co-ordinate the combined assurance reporting which includes monitoring and reviewing the completeness of the management control, (first line of assurance) and the professional lead statements, (second line of assurance). Quarterly updates are also produced for each of the Business Units.
  
7. Counter-fraud remains a key responsibility for the Business Assurance Team to lead on, and the focus has been on overseeing the investigation of NFI data matches, and responding to referrals of suspected fraud and financial irregularity, as well as a programme of pro-active activity, which includes delivery of fraud awareness training across the Council.

## Resources

- The Business Assurance Team (BAT) is currently carrying one vacancy which is being backfilled through a secondment arrangement. The audit activity is delivered through a mixed economy approach of an in-house team and an outsourced arrangement with Mazars via the APEX London Audit Framework agreement. One Senior Audit is seconded into the Senior Business Assurance Officer role to cover for maternity leave and this post has been backfilled through a resource from Mazars. Mazars are also supporting the BAT in the delivery of IT and other specialist audits.
- The Strategic Insurance Team (4.6FTE) also sits under the management of the Head of Business Assurance, however work delivered by this service is not reported as part of the Business Assurance Team and is managed and overseen separately.



## Risk Management

10. The Business Assurance Team is working closely with the Brexit Task and Finish Group to ensure that all associated risks are considered and business continuity plans are designed/ implemented where necessary. Meetings are being held on a regular basis and where new information or emerging risks are identified this are reflected in the respective service risk registers.
  
11. In quarter one and two, the Business Assurance Team has been working closely with the Procurement Team to help improve how our significant supplier risks are identified, recorded and monitored. A new process has now been agreed and will be rolled out in two phases throughout the year. Phase 1 is the Supplier Financial Viability Risk Register which went live 1 July 2019. How the Supplier Financial Viability process works is that when financial assessments are undertaken by Finance on Platinum Plus/ Platinum/ Gold suppliers, any failures are notified to the relevant Contract Manager / Head of Finance and a risk is added to the new corporate 'Supplier Financial Viability Risk Register'. The Contract Manager then owns the risk and any actions to mitigate the risk. Throughout June and July, over 30 commissioners received training on this new process. Phase 2 will look to identify those suppliers that are 'high risk' for a variety of other reasons (reputational, political, safeguarding, etc.), however this is still being developed and will delivered later in the year.
  
12. The Business Assurance Team in conjunction with Business Intelligence Team has also successfully implemented a new Pentana landing page which for Children's Services was rolled out 15 July 2019. This new landing page will allow easier navigation to the risk / audit / performance sections in Pentana. The new landing also has 'My Responsibilities' section so individuals can now easily locate risks / risks actions / audit actions / performance indicators assigned to them.

## Internal Audit and Counter Fraud

### Internal Audit

13. The Internal Audit Function, supported by Mazars (through the APEX London Audit Framework) has been progressing with the delivery of the approved 2019/20 audit assignments. In Quarters one and two the team have completed nine “carried forward” audits (these were reported as part of the Chief Internal Auditor’s Annual Report), one school audit and nine grant validation reviews; eight audits are currently at draft report stage; and a further seven audits are in-progress.
14. Whilst we have an agreed Internal Audit plan which was approved as part of the Business Assurance Strategy, we have adopted a more fluid approach in the delivery of the audit plan. The Internal Audit activity is continuously reviewed and amended as required and remains flexible to react to emerging issues/ risks.
15. Unitary priorities continue to have substantial impact on the Business Assurance Team and the Internal Audit Plan is continuously being reviewed and updated to reflect the demand on the team resources as well as the services. In particular the Head of Business Assurance is heavily involved in the Risk and Assurance workstream and one Audit Manager is supporting the Finance workstream. Any changes to the audit plan that are requested by the services or are as a result of resourcing pressures within the Business Assurance Team are presented to the Audit Board for approval prior to being reflected on the plan.
16. The Audit Board, chaired by the Director of Finance and Procurement (S151), met on 24 July 2019 and 13 November 2019 and reviewed progress against the Business Assurance Strategy, in particular delivery of the Internal Audit Plan. The Board considered and approved the requests for deferring some audit activity and the resulting impact on resourcing the current plan.
17. The Internal Audit Plan was reviewed with consideration of unplanned activity, and the priority was agreed for each of the remaining audits as follows:

<b>CRITICAL</b>	Audit activity to progress as planned
<b>MEDIUM</b>	Audit activity to be reviewed in Q4 in response to unitary priorities
<b>LOW</b>	Audit activity to be cancelled

18. Any changes to the original 2019/20 Internal Audit Plan are included in the table at Appendix 1 as follows:

Deferred/cancelled audits (as agreed by Audit Board)
New audits (as agreed by Audit Board)

### Counter Fraud

19. Work continues on the NFI. The Counter fraud team continues to work with various teams to facilitate and manage workloads in each work stream.
20. A total of 515 Blue Badges have been cancelled through work on the NFI. This equates to a total potential saving to the council of £296,125. The NFI equate the savings of £575 per Blue Badge cancelled in lost parking revenue. The blue badge focus is ongoing and is being managed by the counter fraud team.
21. A Fraud awareness survey was conducted over the months of July, August and September focusing on promoting the Whistleblowing hotline, and creating an awareness of the ability to report fraud or misconduct anonymously. The survey was specifically short and concise to encourage participation and thereby allowing us to use this as benchmark for future surveys develop future fraud plans. It is worth noting that a determined team effort has resulted in this survey receiving one of the highest returns against past surveys run at BCC. A full report breaking down future areas to focus on and taking into account staff suggestions will be published in December.
22. Proactive fraud awareness sessions continue to be held across the county with the team trying to reach as many departments and business units as possible. The team present fraud training focusing on the definitions of fraud, bribery and corruption and promote the Whistleblowing hotline. We are presenting between one to three sessions per week, as far afield in the county as Black Park and other country parks. The take up and feedback has been positive with an increase in referrals after these sessions. A presentation was made to the employee reps which has resulted in each business unit booking presentations up to and including February 2020.

23. The counter fraud team has engaged with the HR/OD team to be included in the council induction program going forward and plans are in place to continue to work with OD to develop the fraud awareness materials published on our intranet.
24. Promotion of BCC counter fraud programme through various groups such as the Midlands Fraud Group has resulted in our team presenting to other local authorities and have further resulted in the team being asked to submit a proposal to Oxfordshire County Council to manage and support their counter fraud function.
25. Updates on latest software and tools to counter fraud have been shared with our HR department facilitating checks on qualifications prior to employment starting. This strengthens our resolve in preventing prospective employees gaining a job through false qualifications. Further meetings and plans have been booked with HR to allow joint working and support in combating fraud throughout.

## Internal Audit Activity 2019/20 Progress Update Report:

Audit Scope	Allocated Days	Status	Overall Opinion
<b>Resources</b>			
<p><b>HR Income</b> HR services are marketed and sold to external organisations by the Business Development team on behalf of HR. The billing process is carried out by the Business Support Team and HR income is processed by the Accounts Receivable Team. HR services that generate income for the Council include Payroll Operations, Employee Relations, Occupational Health, courses and ad hoc services including recruitment and DBS checks. For 2018/19 BCC received £2.8m of income for HR services provided to external organisations. The majority of this comes from schools for services purchased through the Council's Shop4Support portal. Other customers who buy the Council's HR services include construction/maintenance companies, social care providers and charities. The audit is reviewing the following risk areas; Policies and Procedures, Governance Arrangements, SLA with customers, Billing, Income Collection, Income Reconciliations, Monitoring and Reporting of Income and Risk Management.</p>	12	Draft Report	<p>N/A The audit findings are currently being discussed with process owners and management actions are being agreed to address the identified findings.</p>
<p><b>K2 System Application Audit (IT Audit)</b> K2 is a Corporate Asset Management system that is used by the Property, Projects, Strategic Assets and Strategic Programmes Teams for management of corporate assets. The system manages capital and revenue asset activities including recording work orders for each asset and the associated approvals to enable payment of invoices. The system interfaces with SAP and reconciliations between the two systems are undertaken to ensure that there are no discrepancies. The audit will evaluate the effectiveness of the controls in place for the following risk areas; Application Management and Governance, System Security, Interface Controls and Processing, Data Input, Data Output, Change Controls, System Resilience and Recovery and Support Arrangements.</p>	12	Fieldwork In-Progress	<p>N/A Testing is still being undertaken.</p>
<p><b>Client Charging Follow-Up</b> In 2018/19 a limited level of assurance was given because of the issues that were identified, including five high and two medium priority management actions. The follow-up work covered the arrangements currently in place and the areas of controls that were previously found to be weak or ineffective to provide assurance. These include; Policies and Procedures, Streams of Income and Activity Monitoring, Financial Assessments, Charging for Services and Management Information.</p>	5	Draft Report	
<p><b>Respond System Application Audit (IT Audit)</b> Respond is a relatively new system that was primarily procured to manage corporate complaints. The system is also used for other purposes such as; the management of FOI requests and SARS. The audit will evaluate the effectiveness of the controls in place for the following risk areas; Application Management and Governance, System Security, Interface Controls and Processing, Data Input, Data Output, Change Controls, System Resilience and Recovery and Support Arrangements.</p>	12	Fieldwork In-Progress	<p>N/A Testing is still being undertaken.</p>

Audit Scope	Allocated Days	Status	Overall Opinion
<b>TEE</b>			
<p><b>LEP Growth Hub Fund (Grant Validation Review)</b>            For the year 2018/19 a £287,000 grant was received from Business, Energy and Industrial Strategy (BEIS) to support the further development of Growth Hubs. The review verified that the amount claimed was correct to expenditure. The review also involved taking a sample of transactions to ensure that the costs claimed were eligible under the grant conditions.</p>	3	Completed	Assurance Opinion is N/A In accordance with grant conditions we confirmed that monies were expended to cover those eligible costs as specified in the grant offer letter.
<p><b>Bus Subsidy Grant</b>            The Local Authority received £464,608 ring-fenced revenue funding in May 2018 for FY 2018/19. The grant is to be used for the supporting bus services or for the provision of infrastructure supporting such services.            The grant review will verify that the grant has been used for eligible expenditure under the grant conditions.</p>	3	Completed	Assurance Opinion is N/A In accordance with grant conditions we confirmed that monies were expended to cover those eligible costs as specified in the grant offer letter.
<p><b>Pot Hole Action Fund and Flood Resilience Fund</b>            BCC received £593,292 capital funding to help repair potholes and to protect local roads from severe weather.            The grant review will verify that the grant has been used for eligible expenditure under the grant conditions.</p>	3	Completed	Assurance Opinion is N/A In accordance with grant conditions we confirmed that monies were expended to cover those eligible costs as specified in the grant offer letter.
<p><b>Safer Roads Fund</b>            BCC received £879,000 from DfT for FY 2018/19 following a successful bid for the funds in 2017.            The grant review will verify that the grant has been used for eligible expenditure under the grant conditions.</p>	3	Completed	Assurance Opinion is N/A In accordance with grant conditions we confirmed that monies were expended to cover those eligible costs as specified in the grant offer letter.
<p><b>Additional Highway Maintenance</b>            The Local Authority received £4,645,000 capital funding in November 2018 for FY 2018/19. The funding is for local highways maintenance, including the repair of potholes, to keep local bridges and structures open and safe, as well as to help aid in other minor highways works that may be needed.            The grant review will verify that the grant has been used for eligible expenditure under the grant conditions.</p>	3	Completed	Assurance Opinion is N/A In accordance with grant conditions we confirmed that monies were expended to cover those eligible costs as specified in the grant offer letter.

Audit Scope	Allocated Days	Status	Overall Opinion
<b>TEE</b>			
<p><b>National Productivity Investment Fund</b>            For FY 2018/19 through Local Transport Capital Block Funding Grant Determination BCC received the first instalment payment of £1,517,760 in April 2018; and the second instalment of £890,500 was received in September 2018. The funding is for the A418 corridor improvements and for the A40 London Road improvements.            The grant review will verify that the grant has been used for eligible expenditure under the grant conditions.</p>	3	Completed	Assurance Opinion is N/A In accordance with grant conditions we confirmed that monies were expended to cover those eligible costs as specified in the grant offer letter.
<p><b>Routewise System Application Audit (IT Audit)</b>            The Routewise system holds all Client Transport information; this includes the client details (journey details) and the contract information (taxi or bus contract with expected costs and period of transport provision). Client Transport includes home to school transport, transport for Special Educational Needs (SEN) pupils, transport required for children in the care of the Local Authority and vulnerable adults requiring transport as required by Adult Social Care. The system interfaces with SAP to enable payments to be made to the providers. The audit will evaluate the effectiveness of the controls in place for the following risk areas; Application Management and Governance, System Security, Interface Controls and Processing, Data Input, Data Output, Change Controls, System Resilience and Recovery and Support Arrangements.</p>	12	Fieldwork In-Progress	N/A Testing is still being undertaken.
<b>Children's Services</b>			
<p><b>Panels Audit</b>            There are five main Children's Panels held on a regular basis which are supported by a number of supplementary and ad-hoc panels. Children's Panels are tasked with making advisory decisions to support Social Care, Education and Health needs for children placed in the Council's care. The services served by the panels had a combined budget of £41 million in 2018-19, the largest of which is the Children's Care Service with a budget of £27 million. The audit review will focus on the Resources Panel as a significant proportion of the services budget is spent supporting the Children that go through this panel. The audit will evaluate the effectiveness of the controls in place for the following risk areas; Policies and Procedures, Governance, Referrals to Panel, Compliance with Panel Processes and Panel Decisions.</p>	10	Fieldwork In-Progress	N/A Testing is still being undertaken.
<p><b>Commissioning of Residential Placements</b>            This audit work will focus on the commissioned placements (children's homes and residential schools) and exclude foster care placements and any other non-commissioned placements. It should also be noted that this work will not cover the panel process as it will be covered as part of a separate audit. For the purpose of this audit, we will assess whether the placement decisions are supported by the panel approval but we will not be examining how the panel arrives at their decisions.</p>	20	Fieldwork In-Progress	N/A Testing is still being undertaken.

Audit Scope	Allocated Days	Status	Overall Opinion
<b>Children's Services</b>			
<p><b>Legal Spend</b></p> <p>During 2018/19, £3.1M (£1.9M for hours in value and £1.2M for disbursements) was spent on the legal costs for Children's Services. The objective of this audit is to examine the internal process in respect of accessing, monitoring and tracking legal advice. The scope of this audit includes, but is not limited to, the following key risk areas of legal costs for Children's Services: Policies and Procedures, Referrals, Initiation and Expectation, Monitoring and Tracking of Referred Cases, Forecasting Legal Costs on Referred Cases.</p>	15	Fieldwork In-Progress	N/A Testing is still being undertaken.
<p><b>Schools Thematic Audit Programme – Quanton CofE Combined School</b></p> <p>Following a review of key systems and process, including an evaluation of prior school audit findings, we selected the HR and Payroll processes as the theme for our 19/20 audit review. Internal Audit carried out a risk assessment and evaluated all LA schools by the following key areas; SFVS returns, high spend on additional payroll costs (e.g. overtime), forecasting, high spend on agency and 'professional services, high % volume of starters and leavers. The outcomes of this assessment resulted in the identification of a sample of schools that will be reviewed as part of the 19/20 agreed theme. The scope of the audit includes the following risk areas; HR Governance, Recruitment and Performance, Payroll and Data Security.</p>	6	<b>Final Report (Reasonable)</b>	<p>The Quanton Church of England School HR Processes Audit provided a <b>Reasonable</b> level of assurance. There is a good system of internal control in place which should ensure objectives are generally achieved, but some issues were identified. These include;</p> <ul style="list-style-type: none"> <li>- Out dated Pay Policy, Whistleblowing Policy, Governing Body Standing Orders.</li> <li>- Absence of a Finance Manual</li> <li>- Failure to undertake staff appraisals</li> </ul>
<p><b>Schools Thematic Audit Programme – Grendon Underwood Combined School</b></p> <p>Following a review of key systems and process, including an evaluation of prior school audit findings, we selected the HR and Payroll processes as the theme for our 19/20 audit review. Internal Audit carried out a risk assessment and evaluated all LA schools by the following key areas; SFVS returns, high spend on additional payroll costs (e.g. overtime), forecasting, high spend on agency and 'professional services, high % volume of starters and leavers. The outcomes of this assessment resulted in the identification of a sample of schools that will be reviewed as part of the 19/20 agreed theme. The scope of the audit includes the following risk areas; HR Governance, Recruitment and Performance, Payroll and Data Security.</p>	6	Draft Report	N/A The audit findings are currently being discussed with process owners and management actions are being agreed to address the identified findings.
<p><b>Schools Audit Programme – William Harding Combined School</b></p> <p>The Head Teacher was new in post September and has requested an audit review of the financial management and procedures at the school. The audit reviewed the key financial risk areas within the school including governance and data security.</p>	8	Draft Report	N/A The audit findings are currently being discussed with process owners and management actions are being agreed to address the identified findings.

Audit Scope	Allocated Days	Status	Overall Opinion
<b>Children's Services</b>			
<p><b>Families First Claims – Claim 1</b>  The Troubled Families Programme is supporting families with multiple and complex problems; changing lives and services for the better. The programme uses the payments by results methodology, such that the Local Authority is able to claim funds based on the outcomes achieved. In May 2019 the claim made was for:  55 families making 'Significant and Sustained Progress' £44,000  19 families who have moved off benefits and into 'Continuous Employment' £15,200. Total claim of £59,200.  The audit review verified that the amount claimed was correct to expenditure. The review also involved taking a sample of transactions to ensure that the costs claimed were eligible under the grant conditions.</p>	3	Completed	<p>Assurance Opinion is N/A  In accordance with grant conditions we confirmed that monies were expended to cover those eligible costs as specified in the grant offer letter.</p>
<p><b>Families First Claims – Claim 2</b>  The Troubled Families Programme is supporting families with multiple and complex problems; changing lives and services for the better. The programme uses the payments by results methodology, such that the Local Authority is able to claim funds based on the outcomes achieved. In June 2019 the claim made was for:  82 families making 'Significant and Sustained Progress' £65,600  9 families who have moved off benefits and into 'Continuous Employment' £7,200. Total claim of £72,800  The audit review verified that the amount claimed was correct to expenditure. The review also involved taking a sample of transactions to ensure that the costs claimed were eligible under the grant conditions.</p>	3	Completed	<p>Assurance Opinion is N/A  In accordance with grant conditions we confirmed that monies were expended to cover those eligible costs as specified in the grant offer letter.</p>
<p><b>Families First Claims – Claim 3</b>  The Troubled Families Programme is supporting families with multiple and complex problems; changing lives and services for the better. The programme uses the payments by results methodology, such that the Local Authority is able to claim funds based on the outcomes achieved.  The September claim is being reviewed and the audit will verify that the amount to be claimed is correct and eligible under the grant conditions.</p>	3	Completed	<p>Assurance Opinion is N/A  In accordance with grant conditions we confirmed that monies were expended to cover those eligible costs as specified in the grant offer letter.</p>

Audit Scope	Allocated Days	Status	Overall Opinion
<b>CHASC</b>			
<p><b>Implementation of Medications Policy (Commissioned Services)</b></p> <p>Medicines support is any support that enables a person to manage their medicines. In practical terms, this covers; prompting or reminding people to take their medicines; helping people remove medicines from packaging; and administering some or all of a person's medicines. For services that are commissioned by Buckinghamshire County Council (BCC), they should have robust medicines support processes in place; that medicines are administered safely and appropriately following the National Institute for Health and Care Excellence (NICE). The scope of the audit will include the following risk areas; Medications Policy and Procedures, Recording of Medications, Training of Staff, Storage, Monitoring Compliance against the Medications Policy; and Concerns and Incidents with Medications.</p>	12	Draft Report	<p>N/A</p> <p>The audit findings are currently being discussed with process owners and management actions are being agreed to address the identified findings.</p>
<p><b>Income Processes</b></p> <p>The main source of income for CHASC include library fees, non-residential charges, residential charges, Centre for Buckinghamshire Studies and Registration Services. In 2018-19, the planned income for CHASC was £35M. In order to ensure that CHASC collects all of the income that is due from the services offered, it is important that a robust income process is maintained. The scope of the audit will include the following risk areas; Policies and Procedures, Customer Data Maintenance, Record of Income Generating Activities, Invoicing and Client Debt Management.</p>	10	Fieldwork In-Progress	<p>N/A</p> <p>Testing is still being undertaken.</p>
<p><b>Virtual Wallet</b></p> <p>Direct Payments are provided to individuals to enable them to gain independence, flexibility, choice and control over how they meet their assessed eligible care needs. There are three ways in which a Direct Payment can be paid: through transfer to a bank account set up by the service user, via a pre-paid card issued on behalf of the Council or through an online Virtual Wallet account. As of March 2019, 60% of the Council's Direct Payment service users received their Direct Payment through the Virtual Wallet system. The Virtual Wallet provider, PCG, holds the funds on behalf of Direct Payment recipients in a client bank account. The account can be managed by the client, their representative or the Virtual Wallet team. The service user's care schedule is entered onto the system showing who is providing the care, when and how much it costs. The Council has responsibility for ensuring that an individual's care needs are assessed appropriately, a Care Plan is in place and that the Virtual Wallet Direct Payment is spent to meet the identified needs.</p>	15	Draft Report	<p>N/A</p> <p>The audit findings are currently being discussed with process owners and management actions are being agreed to address the identified findings.</p>

Audit Scope	Allocated Days	Status	Overall Opinion
<b>CHASC</b>			
<p><b>Budget Management</b></p> <p>The Adult Social Care budget need is growing to reflect demographic changes. In particular there is an increased life expectancy with a linked increase in complexity of need and an increase in the numbers of people who have paid for their own care but have depleted their funds. For Adult Social Care in 2018-19 the planned spend was £132M (38.4% of the Council total). For 2019-20, this has been increased to £136M. For Community Services the planned spend was £9.04M in 2018-19 and £9M in 2019-20, a reduction was required to meet the Council's needs to prioritise spend in other areas such as adult social care. The audit work will focus on the Adult Social Care budget given the high level of spend and the controls in the following risk areas will be reviewed; Roles and Responsibilities, Policies and Procedures, Spend Data, Budget Monitoring and Forecasting, Management of Budget Variances and Reporting.</p>	10	Draft Report	<p>N/A</p> <p>The audit findings are currently being discussed with process owners and management actions are being agreed to address the identified findings.</p>
<p><b>Deprivation of Liberty Safeguard (DoLS)</b></p> <p>DoLS ensures people who cannot consent to their care arrangements in a care home or hospital are protected (i.e. kept safe from harm) if those arrangements deprive them of their liberty. Arrangements are assessed to check they are necessary and in the person's best interests. Representation and the right to challenge a deprivation are other safeguards that are part of DoLS. It was noted that prior to 2014, BCC was completing assessments and making authorisations within the required timescales. However since 2014, there has been an increase of referrals that has led to a backlog of assessments and authorisations being made. This is a national issue amongst many other local authorities. The scope of the audit includes the following risk areas; DoLS Referrals, Monitoring of DoLS, DoLS Authorisations, DoLS Training and Checks for Assessors, DoLS Record Keeping.</p>	10	Draft Report	<p>N/A</p> <p>The audit findings are currently being discussed with process owners and management actions are being agreed to address the identified findings.</p>

## Internal Audit - Management Actions

26. All of the BUs continue to engage with the audit process, and were in full agreement with the actions raised to improve the control environment. All audit actions are closely monitored through the Council's Corporate Audit Action Tracker (Pentana), and progress is reported on a quarterly basis to the BU SLT/Board meetings and CMT Budget Board. All limited and partial assurance audit areas are subject to a detailed follow-up audit during the following financial year to obtain evidence that the weaknesses have been addressed. Should there be any delays in implementing the actions, or any other concerns brought to the attention of Internal Audit, then these will be escalated to the Service Directors and Executive Directors as appropriate.
27. The current status of audit actions is as follows; a total of 436 management actions have been raised on the system, of which 386 have been completed (90%), 21 are in progress (4%) and 29 are overdue (6%).
28. This demonstrates that the Business Units are fully engaged with the audit process and the responsible officers are taking accountability for implementing the actions. Action owners receive an automatic trigger 10 days before the audit actions is due, and then on the due date if the action has not been updated.
29. The status of **ALL (FY 2017/18 to date)** audit actions in the Pentana Risk, Audit and Performance System is summarised below and Appendix 2 (private paper) provides the detailed summary of the management actions that are overdue:

	CHASC	CS	Resources	TEE
Overdue	9	0	18	2
In Progress	5	7	6	3
Completed	57	118	191	20
<b>Total</b>	<b>75</b>	<b>125</b>	<b>211</b>	<b>25</b>

*\*Status as at 12 November 2019*

Maggie Gibb,  
Head of Business Assurance (and Chief Internal Auditor)  
November 2019

# APPENDIX 1

## Regulatory & Audit Committee April 2019 - Progress against 2018/19 Internal Audit Plan

Audit	Timing	Progress as at 12 November 2019	Priority as agreed at Audit Board 24 July 2019
<b>Cross Cutting</b>			
National Fraud Initiative	Q1-Q4	On-going	<b>CRITICAL</b>
Pro-Active Anti-Fraud Activity (incl. Continuous Auditing)	Q1-Q4	On-going	<b>CRITICAL</b>
Contract Audits	Q1-Q4	Planning in progress	<b>CRITICAL</b>
Debt Management	Q3-Q4	Planning in progress	<b>CRITICAL</b>
Governance	Q2	Deferred (agreed by Audit Board)	<b>LOW</b>
Unitary Transition	Q1-Q4	On-going	<b>CRITICAL</b>
<b>Resources</b>			
K2 System – Application Audit	Q2	Fieldwork in progress	N/A
HR Income	Q2	Draft Report	<b>MEDIUM</b>
Property and Capital Programme Governance	Q1	Deferred (agreed by Audit Board)	<b>LOW</b>
Procurements	Q1	Deferred (agreed by Audit Board)	<b>LOW</b>
Pensions	Q4	Planning in progress	<b>MEDIUM</b>
Key Financial Systems	Q4	Planning in progress	<b>MEDIUM</b>
Respond System – Application Audit	Q2	Fieldwork in progress	<b>MEDIUM</b>
Information Management and Data Quality	Q3 - Q4	Planning in progress	<b>CRITICAL</b>
Client Charging Follow-up	Q2	Draft Report	<b>MEDIUM</b>
Feeder Systems Follow-up	Q3	Planning in progress	<b>MEDIUM</b>

Audit	Timing	Progress as at 122 November 2019	Priority as agreed at Audit Board 24 July 2019
<b>TEE</b>			
Transport for Buckinghamshire (TfB)	Q3-4	Planning in progress	<b>CRITICAL</b>
LEP Governance	Q4	Planning in progress	<b>CRITICAL</b>
Safer Roads Fund Grant	Q2	<b>Grant Verification complete</b>	N/A
LEP Growth Hub	Q1	<b>Grant Verification complete</b>	N/A
Pot Hole Grant Fund	Q2	<b>Grant Verification complete</b>	N/A
Bus Subsidy Grants	Q2	<b>Grant Verification complete</b>	N/A
Additional Highway Maintenance	Q2	<b>Grant Verification complete</b>	N/A
PATROL (Compliance Review)	Q4	Planning in progress	<b>CRITICAL</b>
Local Transport Capital Funding	Q3	Planning in progress	<b>CRITICAL</b>
National Productivity Investment Fund	Q2	<b>Grant Verification complete</b>	N/A
Client Transport Deep Dive Review	Q4	Planning in progress	<b>CRITICAL</b>
Routewise System Audit	Q2	Fieldwork in progress	N/A
<b>CHASC</b>			
Implementation of Medications Policy (Commissioned Services)	Q2	Draft Report	N/A
Implementation of Medications Policy (In-house Services)	Q3/4	Planning in progress	<b>MEDIUM</b>
Quality Assurance Framework (QAF)	Q3/4	Planning in progress	<b>CRITICAL</b>
Integrated Commissioning	Q4	Planning in progress	<b>CRITICAL</b>
Income Processes	Q2	Fieldwork in progress	N/A
Virtual Wallet	Q2	Draft Report	N/A
Budget Management	Q2	Fieldwork in progress	N/A

Audit	Timing	Progress as at 12 November 2019	Priority as agreed at Audit Board 24 July 2019
<b>CHASC</b>			
Disabled Living Grant	Q3	Planning in progress	<b>CRITICAL</b>
Deprivation of Liberty Safeguard (DoLS)	Q2	Draft Report	N/A
CHC Follow-Up	Q3	Planning in progress	<b>MEDIUM</b>
Seeleys Follow-Up	Q3/4	Planning in progress	<b>CRITICAL</b>
<b>Children's Services</b>			
Budget Management	Q4	Planning in progress	<b>MEDIUM</b>
Legal Spend	Q2	Fieldwork in progress	N/A
Housing of Care Leavers	Q3	Planning in progress	<b>MEDIUM</b>
Early Years 3/4yr entitlement	Q4	Deferred (agreed by Audit Board)	<b>LOW</b>
Families First – Claim 1	Q1	<b>Grant Verification completed</b>	<b>CRITICAL</b>
Families First – Claim 2	Q2	<b>Grant Verification completed</b>	<b>CRITICAL</b>
Families First – Claim 3	Q2	<b>Grant Verification complete</b>	N/A
Safeguarding Board	Q4	Defer to 19/20 as there is new statutory guidance that has been introduced that is currently being implemented and new chair was appointed August 2019, need to give him time to settle into the role.	<b>CRITICAL</b>
Schools – Thematic Audit Programme	Q2 – Q4	Fieldwork in progress	N/A
Commissioning Residential Placements	Q2-3	Fieldwork in progress	<b>CRITICAL</b>
Panels Audit	Q2	Fieldwork in progress	N/A