



BUCKINGHAMSHIRE COUNCIL

Business Assurance Update

Including Progress against the Internal Audit Plan 2022/23

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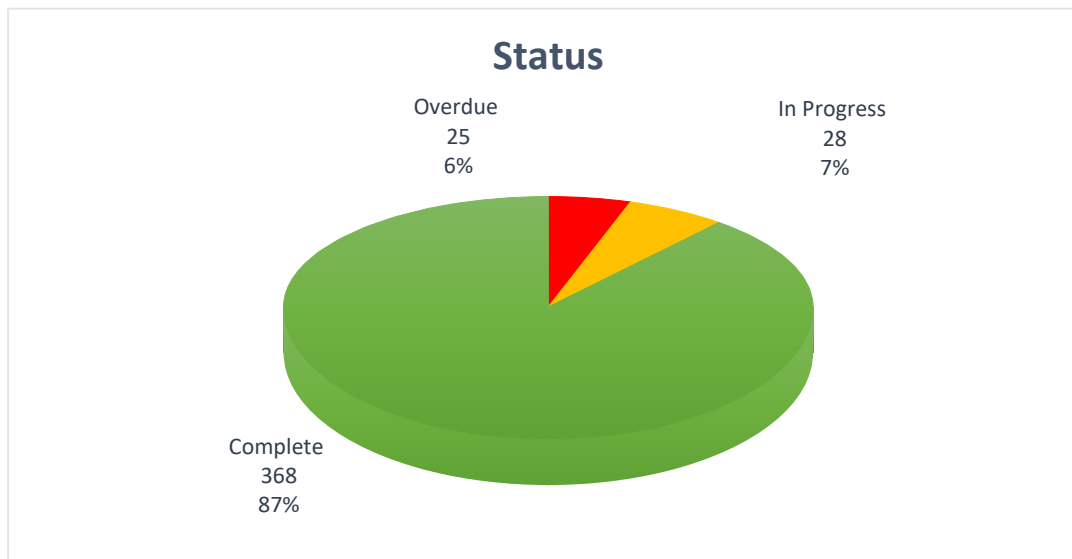
Head of Business Assurance (& Chief Internal Auditor)

July 2023

1. Introduction

- 1.1 This report outlines the work carried out by the Business Assurance, Internal Audit Team for FY 2022/23 to date. Quarterly updates on Business Assurance activities continue to be presented to each directorate leadership team providing them with an overview of the Internal Audit and other assurance activities including progress on implementation of audit actions.
- 1.2 The Internal Audit Function, supported by Mazars (through the APEX London Audit Framework) has been progressing with the delivery of the approved 2022/23 audit engagements. The Appendix 1 below provides a status update on the progress that has been made by the Internal Audit team to deliver the approved 2022/23 Internal Audit Plan.
- 1.3 The team continue to monitor implementation of agreed management actions. Follow-up of management actions is a continuous task that is undertaken by the auditors alongside their assigned audit engagements. The chart below provides a summary on the implementation status of the audit actions:

Chart 1 - Summary Status of Management Actions



1.4 The Internal Audit Team have also been progressing with the implementation of the new audit system which was a key action from the CIPFA External Assessment. All audit actions from previous years have been migrated to the new system, however work is still in progress to capture all the audit actions from the audit engagements completed in 2022/23. As such the table above does not include all the completed audits that have management actions. This task will be completed by end of July ahead of the Chief Auditor's annual opinion being produced.

Appendix 1 - Summary of Internal Audit Activity

Corporate				
Service	Audit Title/ Activity	Objectives/Risk/Concerns		Status Update
Cross-cutting	Assurance Framework	Identify and map the main source of assurance across the Council and coordinating them to best effect.		On-going
	Covid-19 Pre and Post Payment Assurance Plan	Undertake require assurance reviews and returns in line with government requirements.		Completed
	Grants	Undertake grant certification in line with grant conditions		Completed
Deputy Chief Executive				
Service	Audit Title/ Activity	Objectives/Risk/Concerns	RAG Per Model	Status Update
Policy & Communications	GDPR	Deferred from 21/22 plan. To ensure that the Council is compliant with GDPR requirements. To ensure that there is adequate process for the identification, review, and reporting of a personal data breach.	HIGH	Completed
Policy & Communications	Complaints	Deferred from 21/22 plan. To ensure that there are rrobust and effective systems are in place for the complete, accurate and timely recording, processing, and acknowledging of complaints. Including effective monitoring framework, which delivers accurate, timely and relevant information for management review.	HIGH	Completed
Legal & Dem Services	Legal Processes	To ensure that there are adequate arrangements in place for the services to engage with the legal team, cases are recorded, monitored and costs tracked appropriately.	HIGH	Review to be undertaken in August as part of the ISO accreditation readiness. Scope of review agreed with the service.
Policy & Communications	Community Boards	Deferred from 21/22 plan. To evaluate the governance arrangements, risk management and financial management is adequate, transparent and board objectives are monitored and reported on.	HIGH	Draft Report currently under review with the service. Management actions require guidance from Legal and this is currently being agreed.

Policy & Communications	Devolution	Deferred from 21/22 plan. To evaluate the processes and procedures in place to ensure an effective transfer of services and assets to town and parish councils in line with the approved policy.	LOW	Not started due to Low priority
Service Improvement	Corporate Performance Framework	To assess the adequacy of the Council's performance and reporting arrangements.	MEDIUM	Assurance review completed
Service Improvement	Helping Hand Programme Assurance	Evaluate the delivery of the programme and ensure that objectives are met, risks are adequately managed and value for money is evident.	MEDIUM	Assurance review completed
Service Improvement	Better Buckinghamshire Programme Assurance	Ensure that the programme is effectively managed to deliver set objective in a timely manner and within budget.	MEDIUM	Assurance review completed
Service Improvement	Homes for Ukraine	New added in Q4 – End to end review of the process; including the administration of payments	HIGH	Fieldwork in-progress

Adults & Health

Service	Audit Title/ Activity	Objectives/Risk/Concerns	RAG Per Model	Status Update
Integrated Commissioning	Direct Payments	Audit deferred from 20/21 & 21/22 audit plan End to end process reviewing adequacy and effectiveness of controls in place.	HIGH	Draft Report, exceptions identified from the audit have a wider impact on key processes. These are being evaluated before management actions can be finalised.
Adult Social Care	Continuing Health Care	End to end process review evaluating arrangements in place with the CCG (includes client assessment/ eligibility and financial management).	HIGH	Defer to 2023/24 – BOB are undertaking a review of CCG which will impact current process. Review to be undertaken after new arrangements are embedded.
Adult Social Care	Seeleys Establishment Audit	Seeleys was recently subject to a CQC inspection which resulted in a 'Good' rating. We recommend that this audit be cancelled as we can place reliance on the external CQC inspection.	MEDIUM	Cancel

Integrated Commissioning	Commissioning and Financial Management of Spot Contracts	End to end process reviewing adequacy and effectiveness of controls in place.	HIGH	Dynamic purchasing vehicle being implemented, and service are currently experiencing resource pressures due to vacancies. Scope agreed and fieldwork to commence after vacant posts are filled.
Integrated Commissioning	E-brokerage	End to end process reviewing adequacy and effectiveness of controls in place.	MEDIUM	Per above – audit are in the same service and impact the same resources.
Public Health	Joint Strategic Assessment.	Focus of review to be agreed with the service	LOW	Not started due to Low priority
Finance	A&H Debt Recovery (Unsecured Debt)	As debt recovery was paused during the pandemic and the debt recovery process has been moved to Finance Operations team, the audit will be reviewing adequacy and effectiveness of controls	MEDIUM	Draft report currently under review. A number of findings identified that require input from different teams.

Children’s Services

Service	Audit Title/ Activity	Objectives/Risk/Concerns	RAG Per Model	Status Update
Education	Schools Thematic Review	Review of key controls for sample of schools selected per the risk assessment.	HIGH	Seven School Audits Completed Downley School Berton CoE Combined School Maids Moreton CoE School St James and St John CoE School St Mary’s Farnham Royal CoE School William Harding School Winslow CoE Combined School
Social Care	Direct Payments (including clawbacks)	End to end process reviewing adequacy and effectiveness of controls in place	HIGH	Completed

Social Care	Placement and Panel Decisions	New added in Q4 - There is an increase in spend within placements and assurance is required that controls are adequate. Requested by the Corporate Director.	HIGH	Fieldwork paused as a consultation is in progress that will impact on the current process. Agreed to continue review once process is embedded
Social Care	Social Care Ofsted Improvement Plan Assurance	Evaluate the completeness adequacy of the improvement plan against the findings raised in the Ofsted report.	MEDIUM	Completed
Education	SEND Process review – Focused on ECCOH	New added in Q4 End to end review of processes and evaluation of controls to identify inefficiencies in process and improvements to data quality.	HIGH	Audit combined with the Placement and Panel Decisions review.
Social Care	Section 17 Payments	End to end process reviewing adequacy and effectiveness of controls in place.	MEDIUM	Completed
Social Care	Supported Families Programme	Grant Verification	N/A	Completed
Education	Related Party Transaction Assurance (SFVS)	Verification work in line with DfE guidance	N/A	Not Yet Due

Communities

Service	Audit Title/ Activity	Objectives/Risk/Concerns	RAG Per Model	Status Update
Highways & Technical Services	Parking On/Off Street	End to end review of processes and evaluation of controls on the new system.	HIGH	Completed
Highways & Technical Services	Streetworks	New added in Q4 – Review was requested by the Service Director in response on a number of complaints being received from	HIGH	Assurance review completed
Transport Services	Home to School Transport	End to end review of processes and evaluation of controls on the new system.	HIGH	Assurance review completed
Neighbourhood Services	Household Recycling Centres	New contract in place, review of processes at the HRC; and contract management with new contractor.	MEDIUM	Fieldwork in-progress
Neighbourhood Services	Business Licenses and Permits – Process review	End to end review of processes and evaluation of controls on the new system.	LOW	Not started due to Low priority

Neighbourhood Services	Southern Waste Round Re-organisation	Review of the service following the re-organisation to evaluate operating model along with key learnings from the assurance review.	HIGH	Assurance review completed
Neighbourhood Services	Southern Waste Round Re-organisation	Assurance review following increase complaints and waste collection performance following the re-organisation	HIGH	Assurance review completed
Culture, Sports & Leisure	Higginson Park	Financial Controls Audit	LOW	Not started due to Low priority
Culture, Sports & Leisure	Farnham Park	Financial Controls Audit	LOW	Not started due to Low priority
Highways & Technical Services	New Highways Contract Assurance	Provide assurance on the processes being proposed for the new contract arrangement	HIGH	Assurance review completed – 3 phased approach
Planning, Growth & Sustainability				
Service	Audit Title/ Activity	Objectives/Risk/Concerns	RAG Per Model	Status Update
Housing & Regulatory Services	Temporary Accommodation Assurance	New added in Q4 – Review commissioned by the Corporate Director and Monitoring Officer to understand the root cause of the estimated shortfall for FY22/23 of c.£3m.	HIGH	Completed
Housing & Regulatory Services	Enforcement (Housing)	Audit deferred from 21/22 audit plan. End to end process reviewing adequacy and effectiveness of controls in place.	LOW	Not started due to Low priority
Housing & Regulatory Services	Homelessness and Temporary Accommodation	Audit deferred from 20/21 & 21/22 audit plan, merged with Temporary Accommodation audit. This area has not been looked at before and it is a high-profile area in terms of the significant financial spend and reputational risk resulting from housing people in temporary and emergency accommodation for lengthy periods	HIGH	Completed
Planning & Environment	Building Control	Building control is subject to an external audit by the Local Authority Building Control. We recommend that this audit be cancelled as we can place reliance on the external audit.	MEDIUM	Cancel
Property & Assets	Property – Maintenance and Reactive Works	End to end process reviewing adequacy and effectiveness of controls in place.	HIGH	Defer to 2023/24

Housing & Regulatory Services	Disability Facilities Grant (Use of the funding)	Review the process for commissioning housing adaptations and the use of the DFG fund. To include review of contractors used, VfM.	LOW	Not started due to Low priority
LEP	LEP Financial Controls Assurance	Evaluation of key financial controls	LOW	Not started due to Low priority
Strategic Transport & Infrastructure	Project Assurance	Strategic Transport & Infrastructure review of project management controls include reporting and escalation arrangements in place within the service.	HIGH	Completed
Finance	K2 Systems Audit	Large volume and value of transactions processed; therefore, an evaluation of key controls will be undertaken.	HIGH	Defer to 2023/24

Resources

Service	Audit Title/ Activity	Objectives/Risk/Concerns	RAG Per Model	Status Update
Business Operations	Blue Badges, Administration and Enforcement	To ensure that badges are only issued to residents who satisfy one or more of the eligibility criteria (as updated by the Disabled Persons (Badges for Motor Vehicles) (England) (Amendment) Regulations 2019 (S.I. 2019 No. 891) on 30 August 2019 to include 'hidden' disabilities) set out in the legislation that governs the scheme.	MEDIUM	Completed
Business Operations	Shop4Support	End to end sales process review	MEDIUM	Cancelled and replaced with CRM Review
Business Operations	CRM Programme Assurance	New - The transition from multiple CRMs to a single unified one is a strategic change which is expected to deliver cost and operational benefits. Phase 1 is to provide assurance across multiple pillars in the transition for the Waste Service, identifying practical recommendations which can feed into the next phases of the review.	HIGH	Completed
HR & OD	Teachers Pensions – new system in place	New system in place, review process and controls in place	MEDIUM	Defer to 2023/24
HR & OD	Payroll Follow-up	Ensure that the actions from the 2021/22 audit have been fully implemented.	MEDIUM	Completed
HR & OD	Learning and Development	New - To review organisational, spend on learning and development to ensure consistency and quality of training.	Low	Not started due to Low priority

Finance	Capital Programme Governance	To ensure business cases are adequate, approved and projects on the programme are sufficiently monitored.	HIGH	Draft Report – report currently going through the quality assurance review
Finance	Procurement	Ensure that procurement rules are clearly documented and followed in all procurement exercises.	MEDIUM	Completed
Finance	Pensions	Evaluation of key controls	LOW	Not started due to Low priority
Finance	Completeness and Effectiveness of the Finance Assurance Pack	Evaluation of the adequacy of controls monitoring and assessment on the effectiveness of the assurance pack. Includes review of key transactional processes i.e. journals, AP, AR, Cost Centre management, scheme of delegation	MEDIUM	Draft Report – report currently going through the quality assurance review
Finance	Council Tax	Evaluation of key financial controls	HIGH	Completed
Finance	National Non-domestic Rates	Evaluation of key financial controls	HIGH	Completed
Finance	Council Tax Reduction Scheme/ Housing Benefits	Evaluation of key financial controls	HIGH	Completed
IT	IT/Infrastructure Resilience – Per Audit Needs Assessment	A number of IT/Infrastructure resilience-related risks feature in the Council’s IT Risk Register. The audit will address; consideration of the impact of the pandemic on IT/infrastructure resilience, People, process, and technology perspective, including a high-level review of the IT architecture and technology in place.	HIGH	Defer to 2023/24
IT	Disaster Recovery and Backups – Per Audit Needs Assessment	Disaster recovery was noted as having a residual risk score of 10 in the Council’s IT risk register with a fully tested strategy and plan required to provide the Council assurance that full business continuity can be provided. This audit would test controls in regard to backup scope, frequency, offsite location, testing and recovery.	HIGH	Defer to 2023/24
IT	Change/Patch Management	This audit will consider the following: 1. Change to infrastructure and applications are governed through a consistent policy/process; 2. The change process addresses the request, impact, authorisation, testing, deployment of changes; 3. Comparison with LG peers concerning good change control practice commonly identified; 4. Patch management is undertaken across the estate in a complete, accurate and timely manner.	HIGH	Completed

Counter Fraud Plan		
Proactive/ Probity Activity	NFI data matches	Support services with collating the NFI data and determining an approach for prioritising the instances that require investigation.
	Blue badge abuse	Investigate blue badges that have been in place for long periods and ensure that these are valid.
	Covid grant recovery	Undertaking post payment assurance and identify and investigate instances of possible false claims
	Schools	Lessons learnt from 21/22 investigations to be shared with all schools and presented via schools' forum.
	Fraud awareness training	Hold formal sessions to groups across the Council to raise awareness of what the Business Assurance Team's responsibilities are in relation to fraud and counter-fraud, different types of fraud, fraud risks, whistleblowing procedures etc.
	Internal Communication on Fraud	Send messages across the Council to promote 'good practice' and raise awareness of potential indicators of fraud and staff responsibilities.
	Policy Reviews	Review and refresh the key fraud policies, including Anti-Fraud and Corruption Policy.
Reactive Activity	Assess cases referred via whistleblowing channels and investigate where necessary.	
Continuous Improvement	Embed the case management system	
	Fraud networking and chairing of key networks	
External Clients		No. of Days
BMKFA	Audit plan approved and date for audit delivery agreed with the clients. Plan to be delivered by February 2022 ahead of their external audit.	110
Academies	Audit plans approved and key days for audit delivery agreed with the Academies	30