

**Manchester City Council
Report for Information**

Report to: Audit Committee - 11 June 2018

Subject: Internal Audit Plan 2018/19

Report of: City Treasurer / Head of Internal Audit and Risk Management

Summary

Standards for Internal Audit in local government are set out in the Public Sector Internal Audit Standards (PSIAS) and a Local Government Application Note from the Chartered Institute for Public Finance and Accountancy. The PSIAS confirm that the Council should periodically prepare a risk based plan of Internal Audit activity that is designed to support an annual opinion on the effectiveness of the systems of governance, risk management and internal control and is informed by the audit strategy, consultation with stakeholders and a dynamic assessment of risks.

The PSIAS state that “the chief audit executive (Head of Internal Audit and Risk Management) must communicate the internal audit activity’s plans and resource requirements, including significant interim changes, to senior management and the board (Audit Committee) for review and approval”

Recommendations

Members are requested to review and approve the Annual Internal Audit Plan for 2018/19.

Wards Affected: None

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Background documents (available for public inspection):

- Head of Audit Annual Assurance Opinion 2017/18 (Audit Committee March 2018)
- Corporate Risk Register (Audit Committee January 2018)

- Annual Governance Statement 2017/18 (Audit Committee March 2018)
- Quarterly Assurance Reports (Audit Committee 2017-2018)

Internal Audit Plan 2018/2019

1. Background to Report

- 1.1. The Public Sector Internal Audit Standards (PSIAS) set out the standards for internal audit and have been adopted by the Service in Manchester. All internal audit assurance and consultancy services fall within the Definition of Internal Audit.
- 1.2. The PSIAS include the need for “risk based plans” to be developed for internal audit and for plans to receive review and approval from senior management and the “board”. For local authorities the “board” is defined as the Audit Committee.
- 1.3. As in previous years this process included the development of an emergent plan based on risk assessment and assurance consideration and outline plans were shared and discussed with directorate management teams. This final plan has been developed following consultation and includes requests for audit work from key stakeholders where appropriate. The purpose of this report is to confirm the 2018/19 annual Internal Audit plan.

2. Basis for the Plan

- 2.1. The PSIAS (section 2000) state that the Head of Internal Audit and Risk Management must “establish risk based plans to determine the priorities of the internal audit activity, consistent with the organisation’s goals”. They refer to the need for the plan to reflect the assurance framework, risk management arrangements and input from management and “the board”. These principles have been applied in the development of the 2018/19 plan as follows:

A. Annual Internal Audit Opinion (PSIAS 2010)

- Head of Internal Audit and Risk Management forms an annual assurance opinion based on an annual programme of audit work and assurance obtained by other means. It is not considered cost effective or necessary to obtain audit coverage of all strategies, systems, business areas and risks so these are reviewed on a risk basis each year.
- The current approach is to provide a range of types of audit work which provide for different scope and coverage. These four types are:
 - Audit Opinion Reviews (c50% of plan)
 - Audit Assurance Reviews (c20% of plan)
 - Advice, Guidance and Support (c10% of plan)
 - Counter Fraud, Probity and Investigations (c20% of plan)
- Advice and guidance is provided to services and partnerships where appropriate based on requests from management and resource is also allocated to support developing systems and a range of emerging projects. There is a significant focus on this type of work because of the level of transformation and change across the Council and our partners and the need to target audit support and engage with stakeholders in a timely way.
- The Head of Internal Audit and Risk Management seeks to place reliance on assurance mechanisms within the Council as well as the findings of other

auditors and inspectors in forming the audit plan and in reaching his annual opinion.

- The plan is flexible and is reviewed and adjusted throughout the year, as necessary, in response to changes in policies, systems, processes, risks and controls across the Council. These changes are communicated to Audit Committee and senior officers.

B. Based on a Risk Assessment (PSIAS 2010.A1)

- The Internal Audit Section works closely the Council's Risk and Resilience Team under a single Head of Service. The Audit Manager liaises with the Risk and Resilience Manager to share intelligence where appropriate. Internal Audit engages with Strategic Directors and Heads of Service, as well as colleagues across the Core in HR, legal, finance and ICT to ensure that known and emerging risks are considered in annual audit planning.
- Assignment audit planning considers key risks and the scope of audit work is designed to ensure that local and national issues and risks are addressed.
- Head of Internal Audit and Risk Management ensures a culture of risk awareness is maintained within the Service so that all members of the team are aware of local, regional and national risks in the performance of their duties.
- Through regular liaison and the sharing of emergent plans with colleagues across the North West, Greater Manchester and the Core Cities, Internal Audit ensures that it is aware of emerging risks in other Councils and considers them as part of audit planning.

C. Informed by Expectations (PSIAS 2010.A2)

- The Internal Audit Service is aligned to service and directorate structures across the Council, ensuring audit teams engage actively with Strategic Directors and their teams.
- The annual audit plan is based on consultation and discussion with these directorate management teams and key officers to ensure it is focused on key risks, core systems and areas where Internal Audit can effectively contribute to the effectiveness and efficiency of governance, risk management and control processes.

3. Annual Planning

3.1. The approach to audit planning in the Council for 2018/19 has been based largely, but not exclusively, on the following:

- Review of corporate, directorate and programme/project risk registers.
- Consideration of Executive Member Priorities, OurManchester principles and priorities, Directorate Business Plans, financial plans
- Review of the OurManchester Strategy, OurPeople Strategy and other key strategy documents.
- Assessment of the outcomes from audit and investigation work in 2017/18 and earlier years.

- Consideration of alternative means of assurance.
 - Engagement with Strategic Directors, Heads of Service and directorate management teams.
 - Engagement with audit colleagues across the North West, Greater Manchester and the Core Cities.
 - Engagement with external audit.
 - Engagement with colleagues across the Core, including Finance, HR&OD, Legal Services and ICT.
 - Engagement with the Risk & Resilience, Insurance & Claims and Health & Safety teams within the Audit and Risk Management Division.
- 3.2. The service has begun development of a range of assurance maps as illustrated in appendix two. These maps have been developed based on CIPFA / SOLACE standards, Association of Local Authority Risk Management standards and organisation service areas / themes. They are being used initially within Internal Audit to capture audit and other assurances over systems of governance, risk management and internal control; at corporate, directorate and support service levels. This work will be developed in the year to support ongoing audit planning and assurance reporting, including reports to Audit Committee.
- 3.3. On this basis, a plan consisting of areas; specific audits and assurance reviews has been developed to provide coverage of the organisation and key assurance needs. Areas have been considered on a risk basis in consultation with Strategic Directors and their management teams. Engagement is ongoing throughout the year to ensure that the risks identified are consistent with their understanding and assessment of assurance and support needs and this is reflective the first and second lines of assurance within business areas.

4. Key Characteristics of the Annual Plan

Scale and Pace of Change

- 4.1. The Internal Audit Plan takes account of the impact of the Council's overall business environment. There remain substantial changes being considered and made in the design, commissioning and delivery of services and being embedded into business as usual. This includes reduced financial and staffing resources which impact on structures and changing roles as well as the impact on business delivery models as a result of devolution, partnership working and collaboration within the City and across Greater Manchester. The overall objective of the Service remains to provide assurance over the implementation of changes and reform, with a reduced workforce whilst delivering business as usual and achieving key priorities.
- 4.2. The annual plan is designed to offer sufficient **flexibility** to enable assurance to be obtained over current as well as emerging risks. As a result there are areas where the scope of some Internal Audit work is not fully defined at the start of the year and allocations of some resource is made in blocks in

anticipation of likely work required to support good governance, risk management and control. This time will be assigned when the work is more apparent and can be scoped effectively and agreed with management in year.

4.3. For 2018/19 this is based on a number of key factors including:

- Budget savings required which are linked to transformation of services and changes in service delivery models.
- The ongoing governance, risk and control impacts of devolution and major local changes such as the planned integration of health and social care with associated impact of developments in the Local Care Organisation and Manchester Health and Care Commission.
- The ongoing implementation of OurManchester and OurPeople strategies.
- The need for flexibility to provide appropriate assurance at various stages of large scale projects including the Factory and Our Town Hall.
- The resource availability of Internal Audit for Assurance and Counter Fraud work which requires it to be targeted at areas of highest risk and where there is more benefit in supporting the Council's priorities.

4.4. Periods of change inevitably increase the potential for risks, both positive (opportunities) and negative (threats). Changes in governance, roles and responsibilities for example provides opportunity for a breakdown in control as well as an opportunity to consider new, more efficient ways of organising systems, processes and deploying people without impacting adversely on internal control. To reflect this risk the plan includes time for advice and guidance and developing systems work to offer **support** and **challenge** officers in the development of systems of governance, risk management and internal control.

4.5. The pace and scale of change across the Council requires assurance that is **prioritised** and **timely**. The Internal Audit plan provides for this assurance to enable any remedial actions to be taken on a timely basis. There remains a need for short, focused and practical audits and advice. The scope will usually be narrower than a full system or risk based audit, and will provide assurance over the management of specific risks. Agreed audit scopes will be designed to reflect whether the audit will provide an assurance opinion, offer other assurance work or provide advice in line with consultancy principles.

4.6. Based on the above the Head of Internal Audit considers that the Internal Audit objectives are most appropriately met by delivering a combination of different audit types and assessment of other sources of assurance and that resource is also directed to consultancy work where opinions may not be provided but advice and support given. This is not an uncommon approach but has been tailored to reflect the specific needs of the Council. It is consistent with the approach taken in the development and delivery of the 2017/18 plan.

Plan Structure

- 4.7. There are a number of different types of audit activity included in the annual plan. For 2018/19 the plan differentiates between four main types of audit work as follows:

Type	Plan	Examples
Audit Opinion Reviews	50%	System Audits Compliance Audits Risk Based Audits Governance and Strategy Audits
Audit Assurance Reviews	20%	Developing Systems Reviews Management Assurance Requests
Advice, Guidance & Support	10%	Attendance on working groups and boards Responses to reasonable, relevant management requests for support or guidance
Counter Fraud, Probity & Investigations	20%	Proactive counter fraud activities Corporate counter fraud investigations Other counter fraud investigations

- 4.8. The key outcomes of all audit opinion reviews; audit assurance reviews; advice and guidance; and counter fraud activity will be reported to Senior Management Team (“SMT”) and Audit Committee. For all audit opinion reviews in 2018/19, the opinion will reflect both the level of assurance of the system or area under review (currently using no, limited, moderate, substantial or full assurance) as well as the impact of the system or area (high, medium, low) to assist SMT and Audit Committee by highlighting areas of greatest risk.

- 4.9. The position on implementation of recommendations from all types of audit will be reported to SMT and Audit Committee and escalation action taken as required where there are delays in addressing risk.

Plan Content

- 4.10. In summary, the audit plan is spread across the various types of audits based on assessed need. This reflects the need to focus on the management of emerging risks and to ensure the continued operation of controls within the Council’s overall governance arrangements, its systems and its processes.
- 4.11. The time allocated to assurance reviews and advice and guidance is reflective of the need to support the next phase of the design and implementation of a wide number of transformation proposals and this includes responding to

changes in the management arrangements across the Core; Children's Services; Adults and Health Services; and Contracts and Commissioning.

- 4.12. To manage the audit plan and maintain flexibility within the resourcing available there are a number of block allocations proposed which will be used to draw down time for specific audit work based on risk assessment and need. This is to ensure that the plan remains current and responsive to business need in an ongoing period of change. In particular, as last year, the approach will be used for proposed work including Our Town Hall Project; Factory; Commissioning and Contracts; and implementing Our Manchester.
- 4.13. The need for investment of resource for counter-fraud, irregularity and probity work continues as in previous years including the development of key proactive tools and collaboration with partner organisations. The plan also includes a block of audit and assurance work for procurement, commissioning and contracts to provide assurance across the organisation.
- 4.14. External work includes paid assurance and advice work for the Greater Manchester Combined Authority and for schools and academies. There is also work underway to develop and enhance Counter Fraud activities working in collaboration with GMCA and Bolton and other partners. In addition there is work underway on the development of a service offer to schools in relation to GDPR in collaboration with Bolton and which will be self funding.
- 4.15. As part of the development of a collaborative audit service, Manchester currently provides staff to lead and deliver audit support for GMCA and a modest support for Bolton. In recognition of the scale of the GMCA audit requirement, two FTE are to be recruited on fixed term contracts for 2018/19 and are reflected in the resource assumptions below.

Scale of Plan and Service Development

- 4.16. The Internal Audit Service undertook a Service Development Review in 2017/18 which focused on the review of current practice and development of lean audit approaches; agreement to and development of collaboration opportunities where identified and a review of the service structure which is to be finalised in the first half of 2018/19. Several collaboration options are already in development including plans to provide a Data Protection Officer service for a number of Manchester and Bolton schools and ongoing work on Counter Fraud.
- 4.17. The Manchester audit service has an approved establishment of 18 staff (excluding the Head of Internal Audit and Risk Management) which is equivalent to 17 FTE with reduced hours arrangements. There remains one Lead Auditor vacancy and one additional Senior Auditor vacancy will arise from August 2018 following a successful promotion outside the Council. One auditor is on maternity leave but fixed term support is in place meaning the total available resources 31 May 2018 is 15 FTE.
- 4.18. In advance of completing the service structure review and in recognition of the reduced available hours, scale of Manchester audit work and increased demand

from the GMCA, three fixed term appointments are being progressed. This brings total available resources for 2018/19 to 18 FTE

4.19. The plan also assumes, as in previous years that some additional resource will be bought in to support specialist audit needs around ICT audit and counter fraud awareness and training.

4.20. As a consequence of the above, the total resources allocated to the management and delivery of direct audit work for 2018/19 is 3,085 days. This compares to 2,824 planned days for all City Council and external client work for 2017/18.

4.21. Of the total audit resource, the split across Manchester, GMCA and Bolton work is as follows:

	Days 2018/19
Manchester City Council	2,450
GM Combined Authority	595
Bolton Council	40
	3,085

4.22. Subject to successful recruitment to the three planned, fixed terms posts, a total of 2,450 days are allocated for the delivery of the Council audit plan for 2018/19. This compares to 2343 planned days for Council audit work for 2017/18.

Planned Audit Work Allocations

- 4.23. The plan has been compiled to reflect the SMT structure as follows:
- Core: Deputy Chief Executive (People, Policy and Reform), City Treasurer, and the City Solicitor.
 - Growth and Neighbourhoods: Deputy Chief Executive (Growth and Neighbourhoods; Strategic Director, Highways, Transport and Engineering and Director, Strategic Development.
 - Children's Services: Strategic Director of Children's Services; and Director of Education and Skills
 - Adults Services: Strategic Director of Adult Services; Director of Public Health; and Joint Director of Health and Social Care.
- 4.24. The spread of time across these areas, as well as across the thematic areas of Counter Fraud and Irregularity; Data, Information and Systems; and Procurement, Contracts & Commissioning is as shown below.

Area	Days 2018/19	%	Days 2017/18
Counter Fraud and Irregularity	745	30%	534
Children's Services and Schools	270	11%	373
Adults (including Local Care Organisation and Manchester Health and Care Commissioning)	210	9%	
Corporate Core	250	10%	289
Data, Information and Systems	140	6%	197
Growth and Neighbourhoods, Strategic Development and Highways	295	12%	181
Procurement, Contracts & Commissioning	230	9%	283
Follow Up, Advice and Guidance	242	10%	271
2017/18 Completion	68	3%	100
Contingency	0		115
Total	2,450		2,343

5. Recommendations

- 5.1. Members are requested to review, assess and approve the Annual Internal Audit Plan for 2018/19.

Appendix 1 Audits in 2018/19 Internal Audit Plan

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
Counter Fraud and Irregularity	Counter Fraud Training	Proactive	Medium	To roll out the Counter Fraud Training Strategy including E learning						X	
	Review of Counter Fraud Policies	Proactive	Medium	Review and update of Anti- Bribery and Prosecution Policies and refreshing other polices as required.						X	20
	Proactive Counter Fraud reviews	Proactive and Probity	High	Development and delivery of a series of detective counter fraud reviews focused on key risks with scopes to be finalised but planned to include: <ul style="list-style-type: none"> • NNDR Refunds • Right to Buy • Housing Tenancy Fraud • Appointment of Consultants 						X	14
	Organisational Counter Fraud Exposure and Approach	Proactive	High	In line with Fighting Fraud and Corruption Locally principles in the findings from this assessment will be used to refresh the Fraud Risk Assessment.						X	
	National Fraud Initiative	Proactive and Probity	High	Co-ordination and facilitation of the Council's response to the NFI including data collation, review of matches and action to address anomalies. Including Single Person Discount and flexible matching. Closedown process for 2016/17 exercise.						X	

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	Fraud and Corruption Surveys and Returns	Proactive	Medium	Completion of survey and analysis of results and comparators as part of CIPFA surveys, under Transparency Code and in returns to Government						X	
	Annual Fraud Report	Proactive	High	Report to Senior Officers and Audit Committee.						X	20
	Reactive - Block	Reactive	High	Block to address referred work and deliver investigations. This includes corporate fraud investigations, housing tenancy and Council Tax Reduction fraud referrals.						X	
Corporate Core	Risk Management	Opinion: Assurance	High	Approach to management of risk in the corporate core.						X	
	Annual Governance Statement	Assurance: Other	Low	Support for the annual review of arrangements supporting the compilation of key governance report.						X	4
	Recruitment and Selection	Opinion: System	Medium	Assurance over the application of the new policy in this area and the retention of associated records supporting decisions made.		X				X	
	Our Manchester - Performance Management Framework	Opinion: Strategy	Medium	To assess the extent to which delivery of the commitments outlined in the Our Manchester Strategy is measured and monitored.		X				X	1,4
	Overtime Payments	Opinion: Compliance	Medium	To review a sample of overtime claims and give assurance over compliance with corporate processes.						X	

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	Capital Strategy – Benefits Realisation	Opinion: System	High	Assurance required that systems for tracing benefits across the capital project portfolio are robust.	X			X			
	Our Manchester Grants - outcome monitoring	Opinion: System	Medium	To provide assurance over the monitoring of the ongoing financial health and sustainability of grant recipients.	X						1, 20
	Core Financial Systems	Opinion: System & Compliance	Mandatory	Delivery of programme of ongoing assurance over the effectiveness of the Council's core financial systems. For 2018/19 to focus on: <ul style="list-style-type: none"> • Payroll - Continuous Auditing • Benefits and RBV • Payments SAP • Payments Purchase Cards • Revenue Budget Monitoring 	X					X	
	Housing Revenue Account - financial administration	Opinion: System	Medium	System for financial control of the Housing Revenue Account.						X	
	Mobile Connections – Follow up Audit	Opinion: Follow up	Medium	Follow up review on progress to implement actions from the audit in 2017/18.						X	
	Grant Certifications	Opinion: Compliance	Mandatory	Certification of grant returns including: <ul style="list-style-type: none"> • Urbact III (EU funding) • Factory Arts Council Grant • Carbon Reduction Commitment 	X	X	X	X	X	X	

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
				<ul style="list-style-type: none"> GM Pension Fund Revolving Investments in Cities of Europe (RICE) Growth Deal URBACT ACTING (Creative Climate Action) 							
	Vendor Credit and Duplicate Payments Recovery	Advice and guidance	Medium	Review delivered by third party supplier to identify, investigate and recover potential duplicate payments and credits on supplier accounts. Audit role to oversee contract and assess wider organisational implications of work.							
Data, Information and Systems	Social Care System Replacement - Block	Opinion: System	High	Advice and guidance for the development and implementation of the Liquid Logic system which is under development for implementation in 2019.	X				X		6
	Data Centre Replacement	Opinion: Risk	High	To give assurance over the plans for transfer to the new data centre and the ongoing contract management arrangements post transfer.						X	5,68
	Application Audit - GSuite	Opinion: System	Medium	Assurance over the local administration of the GSuite application.						X	
	GDPR - Post Implementation Compliance Review	Opinion: Compliance	Medium	To assess compliance with GDPR requirements in line with implementation plan. Focus on areas of key risk.	X					X	3, 20

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	Data Retention and Disposal	Opinion: System	Medium	To review how assurance is obtained over the systems used by departments to adhere to retention and disposal policies. Sample testing to be included.	X					X	3, 20
	Cyber Security	Opinion: Risk	High	To review the Council's approach to control of cyber security risk.	X				X		3,5
	PSN CoCo	Opinion: System	High	To give assurance over the delivery of compliance with the requirements of the PSN CoCo.					X		5
	Software Licensing	Opinion: System	Medium	Assurance over arrangements to ensure completeness, accuracy and validity of software licensing					X		6
Adult Services	Supported Accommodation Quality Assurance Framework	Follow up	Medium	Assess progress made in addressing issues raised in 2017/18 audit that provided limited assurance opinion.	X			X			9
	Transitions	Follow Up	Medium	Assess progress made in addressing issues raised in 2017/18 audit that provided limited assurance opinion.				X		X	9
	Client Financial services: Pre-paid cards	Follow Up	Medium	Confirm progress to address issues raised in 2017/18 audit that provided limited assurance opinion				X		X	9
	Quality Assurance Framework	Opinion: System	High	Quality assurance framework for Adults Services/ Local Care Organisation.						X	9
	Homelessness Reduction Act	Opinion: Compliance	High	Review of the Council's approach to ensure compliance with the Homelessness Act 2018				X			15,19

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	Manchester Services for Independent Living (MSIL)	Opinion: Risk	High	Assessment of the delivery of the MSIL arrangements.	X			X		X	
	Adult Social Care - RAS and panel decision making	Advice and guidance	High	To provide support in the development of the new strength based approach to Adult Social Care focusing in particular on the changes and improvements being made to the RAS as part of this process by attendance at relevant project group. Scope to include assessment of governance and link to funding panel decision making.	X						9
	Risk Management in Adult Services	Opinion: Assurance	High	An assessment on the approach to risk management in Adult Services						X	20
	Mental Health Panels and Decision Making	Opinion: Risk	High	Governance and Delivery of the Mental Health Panels and related financial decision making.						X	1,2
Local Care Organisation (LCO)	Joint Assurance Framework	Development		To further develop arrangements for coordinated assurance planning and reporting to LCO Board, Manchester City Council and MHCC stakeholders and Audit Committees	X		X	X		X	1,2
	Local Care Organisation (LCO) Governance Arrangements	Opinion: System	Medium	Assessment of the effective design of governance arrangements for the LCO	X		X	X		X	1,2

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	Local Care Organisation Delivery	Opinion: Risk	High	Assessment of the management and monitoring of the LCO delivery SLA	X		X				1,2
	Supervisions and management oversight	Opinion: System	High	To review management oversight and supervision arrangements within Adults / LCO in targeted area as agreed with management.							
Manchester Health and Care Commissioning (MHCC)	Joint Assurance Framework	Development	High	To further develop arrangements for coordinated assurance planning and reporting to MHCC, Manchester City Council and Clinical Commissioning Group stakeholders and Audit Committees	X		X			X	1,2
	Financial Framework Compliance	Opinion: Compliance	High	To provide assurance over compliance with the financial framework in the first full year of operation.					X	X	1,2
	Financial Sustainability Plan Delivery	Opinion: Risk	High	A review of the delivery of the financial sustainability plan.					X	X	1
Children and Families	Supervisions and management oversight	Opinion: System	High	To review management oversight and supervision arrangements within Children's Services in targeted area as agreed with management.						X	7
	Troubled families, compliance	Opinion: Compliance	Medium	Compliance review following the review of systems to support the new Troubled Families arrangements – testing a sample of reported Troubled Families cases.	X			X		X	

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	Planning for permanence for children	Opinion: System	High	The effectiveness of arrangements in place for planning for permanence for looked after children.	X		X	X			1,7
	Early Years 30 hours Funding	Opinion: Assurance	Medium	Review of the system in place to support delivery of the early years 30 hours free child care funding. Developing system.				X			
	Protect/ complex safeguarding arrangements	Opinion: System	High	Operational arrangements for delivery of the Protect and complex safeguarding arrangements.	X						
	Risk management Review	Opinion: Assurance	High	Effectiveness of the approach to directorate risk management.						X	7, 20
	Assessed Supported Year in Employment (ASYE)	Opinion: Compliance	High	Arrangements in place to support compliance with national standards in relation to Assessed and Supported Year in Employment.	X	X	X				
	Getting to Good plan	Opinion: Assurance	High	Arrangements in place to support the Getting to Good plan following OFSTED report with a focus on governance and performance management arrangements	X						7
Education, Skills and Schools	School Audit Assurance	Opinion: System	High	Annual programme of school focused work including: <ul style="list-style-type: none"> • Thematic audit of procurement • Unannounced Cash Handling • Supporting S151 Officer assurance to the Department for Education /Annual SFVS return 		X	X			X	11

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	Off Rolling of Pupils by schools	Opinion: Risk	Medium	Arrangements both within schools and the Local Authority for the off rolling of pupils.		X	X				11
	School Attendance and Penalties	Opinion: System	Medium	Council response to unauthorised absence from school, including the issuing and collection of penalties in line with policy.		X	X				11
	Special Educational Needs	Opinion: Risk	High	Arrangements in place in relation to Education Health Care (EHC) plan assessments in line with statutory requirements.		X	X				11
Procurement, Contracts and Commissioning	Factory Project	Assurance	High	Review of governance arrangements, scope to include review of decision making, risk and performance management and financial reporting.	X			X	X	X	10,14
	Homecare Contract	Follow up	High	Assessment of progress made in addressing issues raised in 2017/18 audit.	X		X			X	1,9
	Corporate Contract Development	Assurance: Developing System	High	To support and contribute to the work of the Integrated Commissioning Team in making corporate improvements to the Council's contract management systems and processes.	X					X	20

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	Contract Management - Block.	Assurance: System	High	The review will focus on the fundamental aspects of contract management including contract governance, compliance, cost control and performance management for a sample of contracts.	X		X			X	20
	Contractor Insurance Arrangements:	Compliance	High	Sample testing to be undertaken to assess compliance with contract insurance requirements scope to cover all directorates to provide a corporate view.	X		X			X	20
	Contractor Whistleblowing Arrangements	Compliance	High	Sample testing to be undertaken to confirm what checks are taken by MCC to confirm any arrangements the contractor has in terms of whistleblowing.	X		X			X	20
	Social Value	Compliance	High	To provide assurance over the framework which supports the application of corporate social value requirements. Review will include assessment at the commissioning and tender stage and compliance post contract award.	X	X	X			X	10,20
	Assurance Mapping:	Assurance	High	Completion of an assurance map to quantify sources of assurance over Council contracts. Scope to cover commissioned services, revenue contracts and capital contracts.	X					X	20
	Public Contracts Regulations	Compliance	Medium	Review of compliance with elements of the Public Contracts Regulations.	X		X			X	20

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	Contract Governance Arrangements for Frameworks	Risk	Medium	Assurance over the governance arrangements in place for framework agreements. Sample testing to be undertaken.	X		X			X	20
	Taxi Contract Management	System	Medium	Review of the management of the taxi framework with a focus on spend.	X					X	20
	Multi-Links Commissioning	Other	High	Advice and guidance in relation to current controls over the current multi-links contract. Review will aim to provide support and direction in advance of the upcoming recommissioning exercise.	X		X			X	7, 20
	Procurement Fraud : Spend Review	Risk	High	A data review to assess decision making and spend through the SAP financial system. Scope to consider contracts, bidding process, and patterns of expenditure. To include proactive fraud checks carried out by procurement as part of the process.	X		X			X	20

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
Growth and Neighbourhoods	Our Town Hall - Block	Assurance: Developing System	High	To provide periodic assurance over effectiveness of management control in a number of areas including, risk management, financial management, management of contracts, payments, project progress, management of change and social value. Scope to be defined during the year as the project prepares to enter into the construction phase							13
	G&N Risk Management	Assurance	Medium	To provide assurance over the approach to risk management within the G&N directorate.						X	20
	Revenue Contract Management	Assurance	Medium	The review will focus on the fundamental aspects of contract management including contract governance, compliance, cost control and performance management.	X		X			X	20
	City Centre Delivery Plan – Governance	Assurance	High	Governance Arrangements in place to monitor the delivery of the targets and outcomes in the City Centre delivery plan. focused on governance, monitoring and reporting and delivery of targets.	X		X		X	X	19
	Leisure Contract Performance Management	Assurance	Medium	Contract management arrangements for the new Leisure Contract provide assurance over the framework in place for contract governance.	X			X			

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
Strategic Development	Risk Management	Opinion: Assurance	Medium	To give assurance over the systems in place to manage risk in Strategic Development						X	10
	Northwards Programme and Project Healthcheck	Opinion: Assurance	Medium	To provide assurance over the adequacy of the systems and processes that Northwards have in place to manage the delivery of the capital programme to time and cost.	X				X		
	Project Health Check and Payments	Opinion: Assurance	Medium	To provide assurance over the adequacy of the systems and processes in place to manage the delivery of projects to time and cost.			X				10
	Disabled Facilities Grant - Grant Certification	Grant	Low	Disabled Facilities Grant certification	X		X		X		
Highways	Risk Management	Opinion: Assurance	Medium	To give assurance over the systems in place to manage risk in Highways						X	10
	Project Health Check and Payments	Assurance	Medium	To provide assurance over the adequacy of the systems and processes in place to manage the delivery of projects to time and cost.			X			X	14
	Governance of Highways Service Redesign	Assurance	Medium	To provide assurance over the governance arrangements in place to manager the delivery of the Highways Service design work programme, targets and outcomes.	X				X		14

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	Highways Contracts - Award of Work and Monitoring of Payments	Assurance	High	To provide an assurance opinion on the award of work and control of payments within the Highways Service. This review will focus on the contracts awarded and managed by Manchester Contracts.			X				14
	Highway grant Certifications – Block	Grant	Low	Annual Certification of Grants - Highways LTP Capital Maintenance - Local Pinch Point - Cycle City 2017/18 - Highways Maintenance Efficiency Grant	X						14
Follow Up	Follow-up of Internal Audit recommendation implementation										
External Clients	Delivery of Internal Audit services to GMCA, schools, academies and other clients										
Collaboration with partners	Development of Counter Fraud arrangements including for LCO; Northwards Housing: GMCA and Bolton.										
Brought forward	Completion of audits and										

Area and Allocation	Audit Title	Audit Type	IA Risk Assess	Proposed assurance to be obtained	1	2	3	4	5	6	7
	investigations from 2018/19										

Key showing how audits in the plan link to the Community Strategy (Our Manchester), Council Priorities and Corporate Risk Register

Our Manchester Themes

1. A thriving and sustainable city
2. A highly skilled city
3. A progressive and equitable city
4. A liveable and low carbon city
5. A connected city

The Internal Audit Plan also links to

6. The Corporate Core Business Plan Objectives of Good Governance and Accountability; Effectiveness, Leadership of Reform; and Value for Money (as reported to Executive February 2018)
7. The Corporate Risk Register (reported to Audit Committee January 2018)

Appendix 2: Governance, Risk and Control Assurance Map Template (Example: Corporate Level)

GOVERNANCE (CIPFA / SOLACE Governance Standards)								
Strategic Planning and Policy	Democracy, Decision Making and Accountability	Regulatory and Legislative Compliance	Improvement, Development and Transformation	Performance, Oversight and Scrutiny	Consultation and Engagement	Ethics, Values and Standards		
Defining Outcomes	Optimising Achievement of Intended Outcomes	Respecting the Rule of Law	Developing the Organisation's Capacity	Effective Overview and Scrutiny	Managing Risk	Engaging with Institutional Stakeholders	Integrity	Ensuring Openness
Sustainable Economic, Social and Environmental Benefits	Good Practices in Transparency		Developing Leadership and Other Individuals	Robust Control	Managing Performance	Engaging with Citizens	Commitment to Ethical Values	Equality and Inclusion
Determining Interventions	Good Practice in Financial Reporting		Strong Financial Management	Managing Data	Engaging with Service Users			
Planning Interventions	Assurance and Effective Accountability							

RISK MANAGEMENT (Association of Local Authority Risk Management)

Leadership and Management	Strategy and Policy	People	Processes	Partnerships Shared Risks and Resources	Risk Handling and Assurance	Outcomes and Delivery
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CONTROL: Service Provision

Adults Services	Children's Services	Education and Skills	Growth and Neighbourhoods			Strategic Development	Highways	Other
PSR - Health & Social Care	PSR - Early Years	PSR - Worklessness	PSR - Reforming Justice	Planning	Markets, Hospitality & Traded Services	City Centre	Transport Policy	Benefits
Adult Social Care	Children's Social Care	Schools	Crime and Community Safety	Green Issues and Climate Change	Sport & Sport Development	Major Projects	Highways Maintenance	Partners
Health	14-19	Employment and Skills including 16-24	Events	Licensing	Youth Offer	Housing	Highways Development	Economic Dvt
PSR-Troubled Families			Galleries & Museums	Cemeteries and Crematoria	Physical Environment & Environmental Services	Regeneration	Parking	Digital Economy
Supporting People			Indoor/Outdoor or Leisure	N'Hood Services	N'Hood Management			

Homeless		Libraries	Parks	Waste Strategy & Collection
Rough Sleeping				
Refugees and Asylum Seekers				

CONTROL: Enablers and Support Services

Facilities and Estates	People and Resourcing	Communications	Finance	Performance	Procurement and Contracting	Information	ICT	PPRI
Strategy	Strategy	Strategy	Strategy	Strategy	Strategy	Strategy	Strategy	Policy
Repairs and Maintenance	Code of Conduct	Internal Comms	Budget Setting	Business Planning	Pre Tender and Specifications	Data Quality	Policy Framework	Reform
Statutory Compliance	Starters, Leavers, Transfers	External Comms	Budget Monitoring	Measures and Metrics	Contract Evaluation and Award	Information Security	ICT Security	
Energy Management	Retention	Web and Social Media	Capital Financing	Monitoring and Reporting	Contract Management	Information Sharing and Intelligence	ICT Resilience	
Premises Security	Remuneration & Reward	Customer Contact	Core Finance Systems	Complaints	Supply Chain Resilience	Transparency	ICT Programme and Projects	

Health and Safety	Learning & Dvt	Financial Reporting	Risk Management	Social Value	Requests for Information	ICT Change
Capital Programmes	Mandatory Training	Insurance and Claims			DPA/GDPR	ICT Operations
	Specialist Training	Grants and Returns				
	Health, Safety and Wellbeing					