

**Manchester City Council  
Report for Information**

**Report to:** Audit Committee - 28 July 2020  
**Subject:** Annual Assurance Opinion and Report  
**Report of:** Head of Audit and Risk Management

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**Summary**

The Internal Audit Section delivers an annual programme of audit work designed to raise standards of governance, risk management and internal control across the Council. In accordance with Public Sector Internal Audit Standard 2450 this work is required to culminate in “an annual internal audit opinion and report that can be used by the organisation to inform its governance statement. The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control.”

This report provides Members with the Head of Audit and Risk Management’s annual assurance opinion and report on the Council’s system of governance, risk management and internal control.

**Recommendations**

Audit Committee is requested to consider and comment on the Head of Audit and Risk Management Annual Assurance Opinion and Report 2019/2020.

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**Wards Affected:** All

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**Background documents (available for public inspection):** The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to four years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

- Internal Audit Plan 2019/20
- Internal Audit Quarterly Assurance progress reports 2019/20

## 1. Introduction

- 1.1 This report provides the annual opinion of the Head of Audit and Risk Management's with a summary outturn of the work of the Internal Audit Section for the 12 months April 2019 to March 2020. Quarterly updates on progress, including assurance opinions and executive summaries of reports, have been provided to Audit Committee during the year.

## 2. Overall Opinion

- 2.1 This audit opinion focuses on the year to March 2020; however, it was evident in the last six weeks of the year that there would be likely significant implications for the UK in relation to the Coronavirus (Covid19) outbreak. Planning was undertaken across the Council and with partners in anticipation of potential impacts and whilst this report is not intended to provide an assurance assessment of the incident response and planned recovery activity in the current year, it would be remiss not to acknowledge and provide a high level commentary on the Council response to these unprecedented events.
- 2.2 The Council's response to Covid19 has been led by the Executive and the Senior Management Team. This has included the critical role of the Director of Public Health and his team. There have been strong and effective links across partnerships within the City, across Greater Manchester (GM) and national levels including regular engagement with Public Health England, NHS and National Government to ensure an effective response to Covid19. This has built successfully on existing relationships and structures and has enabled the Council to respond effectively to key policy and clinical developments. Incident management structures have supported a coordinated response and focused actions at GM and local level, with Chief Officers leading an Incident Management Team from February to ensure relevant services and stakeholders were engaged in planning and supporting the Council and Citywide response.
- 2.3 In terms of governance, risk management and control, there has had to be deviation from business as usual approaches in a wide range of areas including staffing, buildings and premises; policies and procedures; procurement; financial management; and decision-making. These variations have been managed through professional service leads, the incident management arrangements and officer and Member leadership structures. Internal Audit has been involved in a number of these, through the engagement of the Head of Audit and Risk Management in the Incident Management Team; direct service engagement in a number of key areas including support to the provision of Personal Protective Equipment; assurance on business rates relief and grant payments; and through the provision of advice and support on required changes to systems of risk management, governance and control.
- 2.4 In terms of the year to March 2020, the Head of Audit and Risk Management can provide **moderate** assurance that the Council's governance, risk and control framework is generally sound and operated reasonably consistently in the year. This is the same opinion as issued in the previous three years and

reflects that overall governance, financial management arrangements and core systems and processes within the Council remain effective.

- 2.5 There are notable strengths in some areas and there have been improvements in some key systems however there have also been issues confirmed as a result of audit work that resulted in limited levels of assurance. The key governance, risk and internal control strengths and issues of which the Head of Audit and Risk Management was made aware during the year and those affecting the overall opinion are described below.

### **Context**

- 2.6 Change is a constant across local government, across the City and Greater Manchester, effecting policies, operations and the expectations of citizens. There are significant programmes of transformation in progress within the Council to redesign how services can be delivered more effectively in future and how citizens engage digitally with the Council. These include the Our Transformation programme, Service Improvement Plan in Adults Services and ongoing work to sustain and embed change within Children's Services. This change work is now encompassed within the broader Recovery workstreams developed in response to the impacts of Covid19.
- 2.7 Services have been successfully delivered through a period of continued fiscal pressure and political uncertainty, including EU Exit planning and the impact of Covid19. Spending on Adult Social Care and Children Services continues to increase beyond budget expectations. In addition, the Council had to plan and deliver a winter General Election, and in July 2019, it declared a climate emergency and announced its ambition to be a zero carbon City by 2038.
- 2.8 The senior leadership structure is well established and was strengthened in year by the appointment to positions In Adults Services, the posts of the Directors of ICT and Human Resources, and more recently a new Strategic Director for Growth and Development. The leadership teams in directorates have had a year of relative stability enabling a sustained focus on areas for further development and improvement.
- 2.9 The Council continues its journey to being a 'world-class city by 2025'. This means investment to become a truly digitally enabled organisation, promoting partnership working and further development of innovative and effective approaches to service delivery. As part of this programme there is a clear roadmap for updating technology infrastructure including redesign of the intranet, modernising telephony and rolling out new ICT devices to staff. Investment is underway in new networks and the utilisation of twin data centres that will be more proficient and resilient; and the move to a new software platform (Office 365) to enable a more effective approach to remote working and collaboration.
- 2.10 As expected with major IT development projects, there have been some delays arising from the competing priority to focus resources on maintenance of critical business as usual services – especially when service demand increased due to the pandemic and a large proportion of staff working flexibly away from the office. The scale of demand for ICT enabled change remains substantial and the need for clear and sustained focus on core priorities

remains a challenge. The ICT Board and Capital Strategy Board continue to oversee delivery and investment in ICT and delivery of the IT Strategy 2020-25.

- 2.11 The financial savings requirements of a reduced budget remains a critical challenge across the public sector year on year; and this is particularly acute in local government and for Core Cities. The impact of continued austerity on the Council is managed through robust governance and financial management arrangements; however this remains a fundamental risk to the achievement of Council ambitions and key priorities, critically exacerbated as a consequence of Covid19 as a result of increased, unanticipated expenditure coupled with substantial loss of income and the wider implications of economic downturn.
- 2.12 From March 2020 there were significant business continuity issues being managed resulting from Covid19 with significant consequences for budgets; resource deployment; and service delivery. The immediate incident management response was effective, including the process and the structured governance arrangements established at short notice to support decision-making. Decisions were taken at senior officer and Member level, to maintain critical services and respond effectively to the crisis. From involvement in these arrangements and from awareness of key changes that had to be made to respond to Covid19, Internal Audit can provide positive assurance that appropriate and timely steps were taken to enable an effective response. Incident management has since evolved into recovery planning with clear and robust strategies in place to respond to the short, medium and long-term implications of the pandemic. Internal Audit have proposed an audit plan designed to provide further assurance in these areas for 2020/21.

### **Strengths**

- 2.13 Whilst audit work has identified and confirmed issues and areas for improvement in a number of services, there are core strengths in systems of governance, risk management and control that have remained across the organisation and been further developed in 2019/20. Many of these are reflected in the Annual Governance Statement that is informed by a range of sources including the work of Internal Audit.
- 2.14 The Council's strategic objectives and priorities continue to be set through a clearly defined process that remains robust. They are aligned with the strategic aims set out in the Our Manchester strategy and are underpinned by a clear programme of officer engagement and communication, to ensure that all officers understand how their individual contribution impacts. Officers are supported and developed through the Our People approach and robust processes link priorities with business objectives, budgets and workforce planning and are governed by timely and appropriate layers of officer and Member challenge and scrutiny.
- 2.15 Our Corporate Plan was published in 2019/20 and articulates the seven key Council priorities and was updated to reflect the Climate Change Emergency declared in July 2019. The plan and the Our Manchester Strategy are subject

to ongoing review and revision, which includes learning and review of priorities emerging from the current Covid19 Recovery programme.

- 2.16 Council performance is monitored and reported through a clear framework of officer and Member governance arrangements including defined structures, decision-making responsibility, oversight and scrutiny that are used to highlight areas of strength and areas for further development, investment or disinvestment. This provides early warning of key risks for example through a process of robust, timely budget monitoring. The Code of Governance clearly defines requirements and conformance is assessed through a well-embedded and comprehensive Annual Governance Statement process.
- 2.17 The Council's risk management process continues to support management in identifying and mitigating risks. Work to strengthen and embed risk management processes continued in year though there was further work still required to ensure greater consistency across the organisation. As part of the preparation to formulate the 2020/21 audit plan, the Audit Committee engaged in a horizon scanning exercise to explore potential organisational risk, appetite, alternative sources of assurance and how to optimize the deployment of audit resource.
- 2.18 Positive action continued to strengthen the control environment in Children's Services; reducing risk exposure in a number of areas. It is acknowledged that work is still progressing and financial pressures remain, however improvement is supported by strong governance arrangements that engage officers, Members and key partners in review and critical decision making.
- 2.19 Action to address improvements in Adult Services included the appointment of the Deputy Director for Adults Social Services and three Assistant Directors to drive change. The Adults Improvement Plan provides a structure for monitoring and managing service wide improvement activity to address critical risk areas and is informed by audit work and other sources of assurance and intelligence. Whilst there is significant work still to do in strengthening operations and controls through work streams targeted in critical risk areas this is being actively managed by the Strategic Director and senior managers, with active involvement and oversight from SMT, the Executive, partnership boards, Scrutiny and Audit Committee.
- 2.20 There has been further development of integration and partnership governance across Manchester Health and Care Commissioning (MHCC) and Manchester Local Care Organisation (MLCO) to support the ambition of a system wide approach to health and care and this work remains high priority in 2020/21. This requires effective cooperation and coordination between partners and clearly remains a strategic priority and area of ongoing focus.
- 2.21 2019/20 also saw the development of the Our Transformation programme which incorporates many of the organisational change activities planned to develop Our People; governance and accountability frameworks; technology enabled change; and ways of working. This programme includes representation from across all Council directorates and from partners with the aim of driving further efficiency and effectiveness in how services and systems are operated.

- 2.22 The ambitious developments across the Council continued apace in key areas including the Our Town Hall and Factory projects; strategic development, housing and regeneration projects; and highways investment. These developments are subject to robust scrutiny and a strong Gateway approval process for funding and approval that ensures appropriate milestones have been met before programmes and projects can progress through agreed checkpoints
- 2.23 Core financial systems remained robust with a comprehensive, integrated budget and business planning process that was subject to high levels of challenge, review and scrutiny. The 2019/20 and 2020/21 budgets were underpinned by detailed scenario planning considering the impact of potential changes in income streams including Council Tax and Business Rates as well as wider demographic, inflationary and service pressures. This enabled prudent, focused investment in areas that support the delivery of key Council priorities. This same rigour is now being applied to an in year refresh of the 2020/21 and 2021/22 budget forecasts.
- 2.24 There has been positive progress in strengthening ICT security, aspects of ICT resilience and delivery of a number of ICT projects and programmes. There were no major security incidents in year that caused serious disruption to ICT service provision and this reflects assurances obtained from third parties over the security and resilience of core infrastructure as follows:
- The Council was ranked as highly resilient (green) based on a 'Cyber Defence stock take' return to Cabinet Office. A key factor in this was the cyber security training provided to senior officers and rolled out to all staff as an on-line learning course in the year, which has helped drive further awareness of how to minimise cyber and information security risks.
  - Public Service Network (PSN) accreditation 2020 and Payment Card Industry (PCI) compliance work was progressing as planned, with regular updates provided to the Cabinet Office on progress in penetration test issue resolution and agreement of the latest PSN submission in year.
- 2.25 The scale and pace of transformation and change is encouraging but introduces additional risk to the control environment. Internal Audit are engaged in a number of project and programmes, through attendance at various boards, and the provision of ad hoc advice and guidance, for example on Data Centre migration, procurement of a new Information Governance system and migration to Office 365.
- 2.26 There remains strong senior leadership ambition with a clear focus on key priorities, however there is a need to ensure capability and capacity to fully support the breadth of current and planned priorities, especially in light of the impacts of Covid19. Bheard surveys for all officers and workforce engagement activities continue to be effective to develop workforce planning strategies and adaptations have been made to ways of working to support greater focus and appropriate flexibility. These are being reviewed further based on Bheard 2019 results and a more recent staff survey (related to Covid 19) and lessons

learned work; to inform ways of working as part of the Our Transformation and Future Council work.

### Issues Arising from Audit Work

- 2.27 Audit work in the year did not result in the issue of any ‘No Assurance’ opinions. Eleven ‘Limited Assurance’ opinions were reported, where there were significant concerns about the system of internal control or an absence of controls that could put the process or system objectives at risk; where urgent improvement is required. Of these opinions:
- Seven related to the 2019/20 audit plan and four related to completion work from 2018/19.
  - Six related to work in Adults Services where, as part of audit planning, management had sought audit input and review in areas that were known to present risks and areas of concern.
  - Four related to systems of governance and control within schools.
- 2.28 These eleven reports are shown below alongside limited or no assurance opinions issued in the previous three years.

<b>Limited or No Assurance Opinions</b>			
<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>	<b>2016/17</b>
Adults: Deprivation of Liberties Safeguards	Adults: Management Oversight and Supervision	Adults: Transition to Adulthood	Adults: Independent Living Fund
Adults: Floating Support – Support to Homeless Citizens in Temporary Accommodation	Adults: Mental Health Casework Compliance	Adults: Contract Management: Homecare	Childrens: Foster Care Payments
Adults: Mental Health Casework Compliance	Adults, Childrens and ICT: Liquidlogic and ContrOCC (Data Migration and User Acceptance Testing)	Adults: Disability Supported Accommodation Services, Quality Assurance Framework	Childrens: North West Foster Care Framework – Contract Monitoring
Adults: Manchester Local Care Organisation Governance	Childrens: MASH Follow Up Audit	Adults: Client Financial Services Appointee Support - Cash Delivery	Childrens: Management Assurance over Casework Management – Supervisions
Adults: Safeguarding	Childrens: Early Years 30 Hours	Childrens: MASH Compliance Audit	Schools: Attendance



Limited or No Assurance Opinions			
2019/20	2018/19	2017/18	2016/17
Casework Management	Funding		Data: Thematic Audit
Adults: Disability Service Supported Accommodation: High Needs Decision Making	Contracts: Insurance Arrangements	Contracts: Contract Creation and Formalisation	Schools: Cash Handling: Thematic Audit
Core: Data Privacy Impact Assessments	Contracts: Whistleblowing Arrangements	ICT : Mobile Connections – Data Analysis	Neighbourhoods: Christmas Markets – Financial and Management Overview
Schools: St Margaret's Primary School	Contracts: Frameworks Contract Governance – Overall Report	ICT: Disaster Recovery	Neighbourhoods: Highways Maintenance Review ( <i>No Assurance</i> )
Schools: Benchhill Primary School	Contracts: Highways Framework		
Schools: Lily Lane Primary School	Contracts: Taxi Framework		
Schools: St Matthews High School			

2.29 The recommendations in limited opinion reports are designated as critical or major to reflect the level of risk and action plans are agreed with management. Progress to implementation is reported to SMT, Executive Members and Audit Committee on a regular basis to enable scrutiny and challenge, with senior officers and Executive Members required to attend Audit Committee to update on actions being taken to address risks. In 2019/20 this included updates from Children's and Adults Services in areas where limited opinions had been issued but where action to implement recommendations was taking longer than originally planned.

### 3 Audit Plan Delivery

3.1 Assurance activity and counter fraud work inform the annual audit opinion along with other sources of assurance. The table below provides a summary of audit activity in 2019/20 based on the approved audit plan and subsequent amendments, which were agreed in the year. Outputs include audit reports, management letters and advice and guidance as well as support to

management on service improvement.

- 3.2 The analysis excludes most of the general advice and guidance provided to the business and involvement in working groups and projects, as these are not usually captured in formal reports. Figures include completion of brought forward work as agreed with managers. The outcomes of audit work were shared with senior officers and Audit Committee during the year and a summary of key assurance is provided at section 4 below.
- 3.3 A number of changes in year, which were reported to Audit Committee, impacted the delivery of the Annual Audit Plan. Specifically these were:
- Resource and timing requirements to complete a number of audits from the 2018/19 audit plan which were beyond assumptions made in the development of the 2019/20 plan. In total 25 audits from the 2018/19 plan were finalised in the year.
  - Requests for additional ad hoc audit support on specific issues that were considered high risk and reallocation of resources to other work led to audits being curtailed or delayed.
  - Reduction in available resource including four resignations at Lead Auditor and Senior Auditor grade. These posts were not back filled with permanent post holders pending service restructure and this remains a key risk and focus for the Service.
- 3.4 The impact of reduced audit resources and requests for new risk based work as well as some requests for time and scope changes led to a revision of the audit plan and an agreement to defer, cancel, and re-scope 20 audits during the year. Details are listed in the status table at Appendix One.
- 3.5 In quarter four the plan was further impacted by the need for the service and directorates to respond to Covid19. As a result audits and discovery reviews had to be deferred, cancelled or curtailed as follows:
- Children's Services: Safer Recruitment. This audit was cancelled after the initial planning stage because there was no access to schools to carry out testing from March 2020.
  - Children's Services: Special Education Needs and Disability. The audit was deferred, initially for a further review of proposed scope and then subsequently based on client resource availability. A decision will be taken whether the work will be completed in two parts in 2020/21 including the local offer and SEND services.
  - Children's Services: SATs Quality Assurance Framework. There was significant work done in relation to the issues raised in year and the audit was deferred as a reasonable level of assurance was available from the work carried out by management.
  - Adult Services: Homelessness – Front Door Access. The review was cancelled due to resourcing constraints given demands on the Service.
  - Adult Services: Mental Health Panels. The audit was deferred at

request of management, as there has been challenges in the implementation systems requiring some work arounds. It was considered more appropriate to examine the system in 2020/21 when permanent solutions have been put in place.

- Adults Services: Management Oversight and Supervisions Follow up. The audit was deferred as recommendations are not yet all due and implementation action remains on going.
- Corporate Core: Income Other (SAP). Resource was redirected to other work from this audit after feasibility and scoping was completed. It is proposed to revisit this in 2020/21.
- Corporate Core: Capital Project Management was assessed as low risk and cancelled due to reduced resources available for audit work.
- Corporate Core: Officer Decision Making. This review was deferred as there was insufficient resource to complete in quarter four. There is a review focused on Covid19 decision making in the plan for 2020/21
- Neighbourhoods: Approach to recycling; Growth and Strategic Development: Management of Major Housing Developments; and Work and Skills Discovery. The reviews were cancelled or deferred to 2020/21 as there was insufficient resourcing available with the proposed audit resource redeployed to develop the Covid19 PPE Hub.
- Procurement, Contracts and Commissioning: Contract Management in Adult Residential Services. Deferred audit based on resources being diverted to other work and the need to clarify the scope of work.
- Manchester Support for Independent Living audit activity was delayed with emerging findings now provided to the Head of Service for discussion with the MSIL board as part of the service improvement review. This will be finalised as a report in August 2020.

3.6 Due to the combined effect of the impacts above, 106 reports were issued in 2019/20 as follows:

<b>Audit Status</b>	<b>Audit Plan Outputs</b>	<b>Additional / Contingency Items</b>	<b>Completion from 2018/19</b>
Final Report Issued	75	7	25
Draft Report Issued	3		
Fieldwork Completed	0		
Fieldwork Started	0		
Planned	0		
<b>Total</b>	<b>78</b>	<b>7</b>	<b>25</b>
Cancelled / Deferred /Rescoped	40		

3.7 Three draft reports are still awaiting management responses before they can be issued as final. Some delay had already been experienced in finalising work

and this was compounded further by the Covid-19 pandemic; as priorities were re-assessed and clients and members of the audit team were required to respond to business critical issues.

- 3.8 The sections below describe key assurances and issues arising from the annual audit plan for 2019/20. Details have been included in reports to Audit Committee in year and the status of all audit work is shown at Appendix One for completeness.

## **4 Children's Services**

- 4.1 Children's Services continued to embed significant service changes as designed in year to strengthen service provision. Audit work confirmed that some key service areas including adoptions and planning for permanence were operating as intended. However there were some areas of concern generated by the introduction of new systems LiquidLogic and ContrOCC, for social care management and financial payments.
- 4.2 The implementation of new systems was a key focus for Children's, as well as Adults and Finance, impacting how social care services are managed and recorded as well as how payments are made. This was a significant change in technology but critically it also involved substantial change in business processes and new ways of working. Although the system went live in July 2019, the new systems remained in transition, with aspects of business readiness and other changes to be finalised. There have been significant efforts made to implement and embed processes including system access and privileges, data transfer and training for officers. However there have been major challenges in effective implementation which has had a significant impact on arrangements for supplier payments and a need for substantial workarounds to be implemented and changes developed to address the root cause of issues. There are current programmes of work in Childrens and Adults Services aimed at resolving these matters to ensure effective processes for recording placements and packages of care and enable payments to be made on all outstanding invoices and in clarifying the process flows and defined roles. This is likely to remain an area of focus for at least three months.
- 4.3 A lessons learned review was completed following the decommissioning of the Leaving Care contract and development of in-house service provision. This work was completed to inform an assessment of the approach to decommissioning and to assess whether processes and procedures were sufficient to support the required actions when contracts are exited. It acknowledged that substantial work was undertaken to deliver the project in short timescales and did not identify any significant concerns. Suggestions to further develop organisational guidance and clarify roles and responsibilities are being taken forward by the Integrated Commissioning and Children's Services Commissioning teams who recognise the value of strengthening the Council's overarching approach to decommissioning.
- 4.4 Reasonable assurance was provided over the implementation of the system for Planning for Permanence for looked after children in line with legislation and policy. The revised policy was clear and articulated the steps required to ensure appropriate permanence planning. It had been cascaded to localities

and there was evidence that the policy and the expectations of staff were understood. There was more work to do however as elements of the policy, in particular the Permanence Planning Meetings, were not all being undertaken in line with requirements and there was limited evidence recorded of these meetings taking place.

## **Education**

- 4.5 Internal Audit carried out a range of financial health checks in 14 schools and some fee-paying audits, which were requested by schools seeking independent assurance.
- 4.6 The audits provided a range of opinions from limited to substantial depending on specific issues arising and were reported to Governors and Head Teachers to consider actions. The impact of the small number of limited opinions on the overall Council assurance opinion is low. However there is concern that while some schools remain exemplars of best practice there are a number who have control and governance weaknesses, that often mirror issues reported from previous years in other schools despite clear guidance and advice available. Key actions recommended included the need for improved controls around expenditure and income, particularly control of cash and compliance with procurement rules described in Financial Regulations and the Scheme of Financial Delegation. Key themes arising from the audits and lessons learned are summarised in a report for the Director of Education and learning outcomes will be shared with all schools and their governors for information.
- 4.7 Advice and guidance was provided to the Director of Education in relation to the Home to School Transport Appeals policy following a recommendation from the Local Government Ombudsman (LGO) for an independent review to confirm that Council procedures were fully aligned to statutory guidance. We concluded that while there were no significant gaps in the Council's procedures there was a need to refresh guidance in line with statutory guidance.
- 4.8 Assurance and support was provided on the route allocation process used for social transport that confirmed the current process was accurate but there was significant scope for improved efficiency and automation. This was informed by the designed an excel workbook by Internal Audit which will reduce staff time in completing large route allocation exercises and provide a robust audit trail of the decision making involved.

## **5 Adults Services**

- 5.1 Adult Services continued to face the challenge of effective and large scale integration of services across health and social care working closely with partners to establish new structures, roles and decision making / accountability frameworks. This remains work in progress with strategic leadership for the Council being provided by the Executive Member and the Executive Director of Adult Social Services.
- 5.2 Concerns arising from the Directorate self-assessment of strengths and weaknesses and limited audit opinions in the last few years are captured within the Adults Service Improvement Plan. Progress on the key actions continued to be appropriately monitored by the Directorate Leadership Team, SMT,

Partnership Boards, Executive and Scrutiny and Audit Committees and as such there is clear evidence of oversight. Delivery continued in year with a series of projects focused on key areas of business risk and these are at varying stages of completion. There remain a number of recognised challenges in delivering change and senior leadership capacity has been strengthened to support this. A reasonable assurance was provided that the governance framework, including the Improvement Board, work streams, monitoring and challenge arrangements, should effectively support delivery while recognising that there is a significant amount of work still to do. Three significant recommendations were made, seeking to strengthen and ensure consistency of approach and management recognise the need to maintain momentum in critical areas.

- 5.3 Following the Executive Director's progress report to Audit Committee it was agreed to more clearly link changes planned through the Service Improvement Plan to outstanding audit recommendations to provide assurance that key risks were being addressed. This and the mapping of assurance over functions delivered through the Manchester Health Care Commissioning (MHCC) and Manchester Local Care Organisation (MLCO) partnerships remains a core focus for audit in 2020/21. The impact of Covid19 subsequently led to a pause in most aspects of the formal governance arrangements and delivery of the Adults Improvement Plan and it is expected that this will be reassessed and reframed as part the Council's recovery plans.
- 5.4 Substantial assurance over the MHCC Financial Framework Compliance demonstrated progress made. There was only one recommendation regarding the content of the financial reports which go to the MHCC Finance Committee and Board to ensure that they include all of the information which the Framework defined as 'integral' to reporting requirements.
- 5.5 There was limited assurance that the governance arrangements between the Council and the MLCO partnership were operating effectively in line with the partnering agreement and supporting delivery of key objectives. This was due to the need to simplify governance and accountability arrangements, improve clarity and efficiency of reporting lines and define clear roles and responsibilities for the discharge of key functions and accountabilities. These issues are recognised within the Council and by partners. The audit provided a basis and framework for focused engagement and discussion. The Director of Policy, Performance and Reform has since led a number of workshops with partnership colleagues to explore how the governance could be streamlined and developed to be more effective in future and this work is ongoing. Other work is already under way to address some of the issues raised such as revising committee terms of reference and membership, updating the agreements and simplifying performance metrics.
- 5.6 The need to reflect on lessons learned as a result of Covid19 and how partnership arrangements responded and could be developed across the health and social care system is the subject of a system wide review, the outcomes of which will be shared with Internal Audit to inform planning requirements in this area for 2020/21.
- 5.7 An audit of Deprivation of Liberty Safeguards (DoLS) resulted in limited assurance that the Council was appropriately discharging its responsibilities for

DoLS Urgent and Standard Authorisations. Assessments were often completed significantly outside the timescales required by statute and although referrals were screened and prioritized for allocation there were significant delays in assessments for low priority cases and an absence of DoLS reviews being undertaken in some areas to ensure that decisions taken remained valid and appropriate. A follow up review concluded that there had been significant progress made to address the risks however the system of control will be impacted on by a change in legislation in the coming year with a new system put in place and challenges remain in ensuring that requirements can be met.

- 5.8 Support to Homeless Citizens in Temporary (Dispersed) Accommodation, known as Floating Support, received limited assurance because of lack of shared and consistent processes and inconsistency in the understanding and discharge of roles and responsibilities. Practices adopted across the floating support teams were varied leading to differences in the support provided to citizens. These findings were consistent with a service that had grown and evolved rapidly to respond to increasing demand. Management accepted the recommendations and are implementing actions to improve arrangements.
- 5.9 A follow up audit on the limited assurance opinion in Disability Supported Accommodation Services (DSAS) Quality Assurance Framework concluded that actions taken to date had not addressed risk. Specifically work was still required to develop an approach to the effective audit of DSAS properties and to ensure a consistent, standardised assurance programme based on risk which could be integrated with the Adults Quality Assurance programme. In addition, at management request, a review was carried out to provide insight into the significant budget pressures in the in-house DSAS. There was limited assurance obtained over procedures and the authorisation of decisions to provide additional hours to meet citizen needs. While services were provided and citizens were not at risk there were limited records to demonstrate control over provision. As the budget had remained static for a number of years and there was a heavy reliance on agency workers for the additional care it was inevitable that there was a gap between budget and spend. Audit also noted there were risks of error and omission in budgets and we support the ongoing work to review and validate each care package and the costs involved. Further work by management is expected on this area and we are working with them on an agreed action plan.
- 5.10 Follow up of the limited assurance in Mental Health Casework Compliance confirmed that actions had been delivered on transparency of the system; annual review of care packages; control over protection plan reviews; and had partially addressed issues around timeliness of manager approvals and conclusion of safeguarding referrals. However there was still action outstanding to ensure that timescales were met in line with policy to ensure effective delivery of the delegated statutory social care functions by the Greater Manchester Mental Health Trust. There were a range of actions underway within the Trust to address issues prior to the audit and it is expected that following these changes having been made, the position in 2020/21 will be much improved.
- 5.11 A safeguarding audit, which is still at draft stage, confirmed that while there was

no evidence that any citizen's safety had been compromised there was limited assurance over consistent evidencing of management and control over actions taken for safeguarding referrals. The audit highlighted actions required to improve recording of the initial screening of reported incidents and ensure that records show a consistent, contemporaneous record of action, timeliness of actions taken and closure of cases.

## **6 Corporate Core**

### **Information and ICT**

- 6.1 The IT Strategy 2020-2025 sets the context and strategic direction for Council ICT and digital development with a range of key infrastructure and enterprise wide projects in progress. These include data centre, network, telephony, intranet and internet development. These projects are being delivered alongside programmes and projects to support business change including the Liquid Logic/ Controcc systems and a new complaints and information compliance system, which went live in April 2020. This work has been delivered alongside business as usual demands and the substantial ICT impact of mass working from home / site resulting from Covid19.
- 6.2 Work is ongoing to improve systems and processes and align to cyber security best practices that are developed by the National Cyber Security Centre and Local Government Association. Initiatives to improve cyber security are supported by senior management, including funding and a clear reporting structure for cyber security across the Council. However, there is a constant need for organisations to develop their cyber security and resilience framework in response to a growing volume and sophistication of cyber-attacks. Investment in Intrusion Prevention Systems (IPS) alerts and a Security Information Event Management (SIEM) solution, to detect unauthorised access attempts and to correlate information from different systems on the network is proposed further to increase resilience.
- 6.3 Preparations are being made to implement Office365 to enable better collaboration and alignment with partners. Work is underway to progress better information governance arrangements including data ownership, data sharing, retention and deletion policies and a sub group of the OurTransformation programme and Office365 Programme Board is progressing work in this area. Effective information management as well as information security will remain an area of audit focus in 2020/21.
- 6.4 The Core Infrastructure Refresh Project has continued to focus on resilience of IT systems by replacing and upgrading the network and migrating to twin data centres. This project was initially due to complete in September 2019 but has been delayed by a range of factors including Covid19 with a revised, planned completion by September 2020. Significant change activity has already been completed with server and storage infrastructure and reliability improved and is being monitored to maintain stability and performance. However the need to complete this project in the coming months is a key priority for ICT.
- 6.5 The follow up a limited assurance audit of Software Licensing confirmed that three recommendations remain partially implemented and overdue. These were



highlighted to Audit Committee in February 2020. The commissioning of a bespoke Software Asset Management tool was being considered to improve management oversight. New policies and processes are being designed to clarify roles and responsibilities, and differentiate between software managed centrally and licences managed by non-ICT services. An ICT Business Concept Document has been completed, outlining the requirements in this area and the potential solutions identified, but a business case and decision to proceed, to support software asset management, has yet to be approved and will be assessed alongside other priorities in the budget refresh 2020/21.

- 6.6 Reasonable assurance over the effectiveness of controls supporting the confidentiality, integrity and availability of the G Suite Application confirmed no significant concerns about the design and operation of key controls. Improvements were recommended to manage privileged access control and reviewing / deleting suspended accounts. We propose that actions are now focused, not on Google, but on ensuring these rules are clearly set in the design of the new Office365 environment. This work is included within the scope of the Governance and Compliance worksteam of the programme overseen by the Office365 Board, chaired by the Director of ICT and including the City Solicitor, Head of Audit and Risk Management and Head of Reform and Innovation.
- 6.7 The process for producing GDPR Data Protection Impact Assessments (DPIAs) received limited assurance. The audit concluded sufficient guidance was available to support completion of DPIAs, but as wider awareness of the requirements in this area was low and arrangements to monitor compliance were informal, the level of actual compliance and quality of assessments was inconsistent across services. To support strengthening of the approach the audit recommended improvements in general awareness and the assessment of potential privacy risks, which can be driven through the Council's network of Senior Information Risk Officers within directorates and overseen by the Corporate Information Assurance and Risk Group chaired by the City Solicitor.

### **Financial Systems**

- 6.8 The Annual Governance Statement (AGS) process remained fit for purpose and resulted in timely production of the AGS and Register of Significant Partnerships. These arrangements provide a sound basis for assurance however there are some risks as management engagement and quality of evidence to support assertions in annual returns is variable. Some questions have been raised about the static assessment of risk for some partnerships which remain either high or medium year on year and do not appear to demonstrate improvement or change. Audit Committee sought further clarification on how the process operates and the approach is being reviewed and further developed for 2020/21.
- 6.9 Core financial systems audited were found to be generally operating as intended and no significant issues were noted arising from this work. The regular payroll continuous auditing work confirmed that although there were a small number of errors in processing these were minor and rectified by payroll officers and there were no significant issues arising. A key priority for late 2020/21 is to complete assurance mapping of financial systems that was

delayed, as members of the audit team have been fully deployed to support ongoing work on business rates relief and business grant payments.

- 6.10 Profit recovery work carried out by a specialist firm continued in year and provided details of duplicate payments and potentially unclaimed VAT over a six year period. To date this project has resulted in a cumulative total of £465k of funds returned to the Council primarily arising from success in the supplier statement review work. There were no systematic weaknesses in internal control highlighted in the work and therefore no direct impact on the assurance over financial controls or in relation to the audit assurance opinion. Due to the success of this work an additional review focused on telecommunications payments has now been commissioned.
- 6.11 As in previous years a number of mandatory grants for European and Central Government were completed which included Urbact C-Change; Interreg AbCities; Factory project; Local Growth Fund; and Disabled Facilities Grants. Audit work confirmed that there was compliance with grant conditions and relevant grant certifications were provided to the relevant funding bodies. No significant concerns were found and the internal control environment remained generally sound.

#### **Other Core**

- 6.12 The Council took proactive steps in relation to Climate Change and following the announcement of the Climate Emergency in July 2019 implemented a programme of development for officers and Members to seek to embed understanding and to provide a forum for developing service action plans around the zero carbon agenda. This provides a basis for strategic and operation planning around options for seeking zero carbon services and products where possible and is to be added to the arrangements for contracts to ensure that the supply chain works to similar key performance measures. This is a work in progress with strategic management support and there will more significant activity in the year ahead.
- 6.13 The core process for Council recruitment and selection activities was operating generally as expected with a reasonable assurance opinion and no significant recommendations for improvement identified. We were satisfied that the recruitment exercises reviewed were carried out in line with expectations and our recommendations were primarily centred on the effectiveness of retention of associated documentation to ensure transparency of evidence to demonstrate decision making which management recognised could be improved
- 6.14 The Our Town Hall project continued as planned in year with substantial assurance provided over the selection of contractors for the first significant work packages. Internal Audit provided support over the assurance of cost surety within the project, confirming that there had been a transparent and robust process applied to the completion of RIBA stage 4 including completion of designs, letting of work packages, and development of the project cost plan. Advice was provided in advance of the Notice to Proceed being issued in

March 2020 to ensure that outstanding items were addressed and a full reconciliation of the Project Cost plan was completed.

## **7 Growth and Neighbourhoods, Strategic Development and Highways**

- 7.1 The Highways Service was reviewed following a number of issues raised (from anonymous sources) about governance and the effectiveness of operational controls. The Service has experienced significant service efficiency and effectiveness challenges over a number of years and these are well documented. As part of improvement plans, a full service restructure was completed and work is ongoing to embed change, including appointment to vacant posts and embedding new ways of working. The outcome of the audit review confirmed that there was no evidence of mismanagement in the service redesign and no evidence of fraud or irregularity in the actions taken to manage projects and control the use of consultants. There was confirmation that there was proactive work underway to implement the service redesign as planned and progress was being made in line with expectations.
- 7.2 Following issues in March 2019 when the principal contractor for the Manchester and Salford Inner Relief Road (MSIRR - Regent Road) went into liquidation, Internal Audit delivered a series of detailed, supporting audits to assure contractor payments. Payment requests were examined to confirm completeness, accuracy and validity and this highlighted that controls over monitoring of site attendance and subsequent claims for payment were poor. The reviews identified numerous errors and made a number of recommendations to ensure greater clarity over allowable contract costs and the evidence required to support claims. We supported the introduction of a biometric system to improve control around attendance and hours worked and continued to work with the project team to support governance and control. We have agreed to support the Quantity Surveyor when the final account is submitted (which may be as late as October 2020).
- 7.3 Section 106 (Planning Obligations) processes had been subject to improvement action during the year and whilst development actions were not fully implemented, the evident service improvements noted during the audit enabled a reasonable assurance opinion to be given on the overall systems of governance and control. Further improvement action planned should significantly enhance the arrangements in place to monitor and deliver future s106 agreements.
- 7.4 Substantial assurance was provided over the system for determining planning applications in line with legislation. Officers demonstrated a clear understanding of the processes and timelines required and the system had been mapped to ensure that key actions and controls were understood. There had been no operational issues with the Uniform system, which provided sufficient case management functionality.
- 7.5 Trading Standards was also given substantial assurance over arrangements in place to reduce the supply of unsafe products and services through advice and enforcement action. The system design and team structure was appropriate to respond to risks and roles and responsibilities were clearly defined. Although formalised written procedures were not available for all aspects of Trading

Standards, procedures for unsafe products/services had been developed and there were established processes to progress complaints and enquiries.

- 7.6 The Neighbourhood Investment Fund (NIF) provides £20k of annual funding for each the 32 wards and an audit provided reasonable assurance over the assessment of applications and processes for awarding grants. There was a well-defined approach; applications examined were largely processes in line with the guidance; and approval / rejection had been sought from Members. There were some areas where governance and control could be strengthened, in particular the retention of evidence supporting the decision to award grants
- 7.7 There was reasonable assurance over arrangements for operating the Greater Manchester Road Activity Permit Scheme (GMRAPS). There was a robust process in place to identify any breach of permit conditions and clear guidance for the issue of fines including values and timescales. We noted some areas for administrative improvement around collection of fines and debt recovery procedures to ensure that all fines are collected but no significant matters arising which would present concern.

## **8 Procurement, Contracts and Commissioning**

- 8.1 Overall progress in embedding good commissioning and contracting practice continued in line with plans to develop and share toolkits and best practice in the Directorate teams. The audits carried out in year sought to test and evaluate the effectiveness of governance, control and compliance
- 8.2 The approach to combat risks of modern slavery within contracts was reviewed. This included assessment of the Council's response and approach based on key documents and information from contract managers on their awareness and activity taken to prevent modern slavery. Good progress had been made in developing the overarching framework and principles to address this risk and to ensure that safeguards are sufficiently robust. Other initiatives include increased prominence at a corporate leadership level; improved access to strategy and policy; enhanced guidance for supplier checks; and sharing of initiatives and best practice. As modern slavery risks are not limited solely to activity covered by contracts and supply chains Internal Audit intend to assess areas for future assurance work in this area.
- 8.3 There were sufficient arrangements in place in relation to the setting and monitoring of key performance measures within Council contracts. This view was informed by assurance coming from the high level of awareness of contract managers and the effective guidance available to promote good contract performance management. However there was more work to be done particularly for those contracts which did not have clearly defined key performance indicators (KPIs) and for contracts where KPIs were being not reviewed as a matter of routine which limits the opportunity for effective monitoring and challenge.
- 8.4 Reasonable assurance over the controls in place over contract related spend confirmed that the Council had designed an appropriate governance framework. We took assurance from the results of a questionnaire issued to contract managers which demonstrated that monitoring checks were taking place at individual contract level, but there was less assurance over

arrangements to review performance across corporate contracts. There was positive direction of travel in the quality of contract registers since our review two years ago and evidence indicated that there was a greater alignment between forecasts and actual spend. This suggests that the increase in available data and information is having a positive impact however there is further scope to develop this; the management of strategic suppliers; and the accuracy and completeness of data within directorate contract registers.

- 8.5 The Factory project is at construction stage with Notice to Proceed issued in December 2018. Governance and reporting arrangements supporting delivery and decision making been developed in the year to reflect a project of this scale with a clear focus on the critical issues around project complexity, funding and more recently the implications of Covid19. The client side team had also been strengthened to provide additional capacity and skills to support the SRO, Strategic Board and officers leading the project. An audit earlier in the year highlighted reporting and recording of actions as an area for development but the actions taken during the year appear to have addressed these and from review of recent reports it is evident that key risks and planned mitigating actions are being highlighted to the Board and also to senior officers and Executive. These include the financial pressures on the project and a full cost and programme review is next scheduled to complete by the end of July.

## **9 Counter-Fraud and Investigations**

- 9.1 Detailed information in relation to anti-fraud and investigations for 2019/20 and an analysis of the effectiveness of the activity will be provided in the Annual Fraud Report to be presented to Audit Committee in September 2020. The impact and outcomes of counter fraud activity is considered in the Head of Audit and Risk Management Annual opinion to assess any impacts which may indicate issues in the effectiveness of the control environment and there are no such matters of concern that impact the opinion for 2019/20.

### **Proactive Work**

- 9.2 The National Fraud Initiative continued with Internal Audit supporting progress on investigation of data matches with colleagues in various business areas across the Council. While data matches do not always indicate fraud or error this work enables an assessment of risk and improved data quality where appropriate and there is continued value in the national exercise being undertaken and work will be carried out on new data matches in 2020/21. The findings of the work did not highlight any systemic issues within the control environment but did enable individual cases of error and omission to be investigated.
- 9.3 Training and awareness activity included the development and launch of on line training to encourage broader awareness of counter fraud risks and issues. The planned fraud awareness workshops for DMTs to refresh understanding were delayed and it is proposed to carry these out in quarter two of 2020/21.

### **Reactive Corporate Cases**

- 9.4 The Council's approach to management of counter fraud risk continued to be actively promoted and reporting concerns is encouraged. The ability for

officers, partners and citizens to speak up using a variety of mechanisms was actively used with Internal Audit receiving 65 referrals of potential fraud, theft or other irregularity in the year April 2019 to March 2020.

- 9.5 Allegations were assessed and prioritised in line with policy. Where appropriate the risk assessment process enabled some work to be directed to other Council services to investigate and or respond to matters arising leading to referrals to Council managers; HROD; school governors; and Boards of third party organisations, following completion of privacy impact assessments where appropriate.
- 9.6 Allegations investigated followed a similar pattern in as previous years and included staff conduct; contractor conduct and contract compliance; ethics and behaviours; employee compliance with procedures; and thefts from schools. Where appropriate and supported by evidence this has led to suspension of staff and disciplinary action; custodial sentence; recovery of assets or money; and in some cases confirmation that there was no case to pursue. There were no cases investigated where the outcome raised concerns that there were systemic issues within the control environment.

### **Council Tax Reduction Scheme, Housing Tenancy and Right to Buy**

- 9.7 Referrals of fraud and irregularity in relation to Council Tax Support, Council Tax Discount, Housing Tenancy Fraud and Right to Buy application fraud were received throughout the year, totalling 186 referrals to March 2020. The service took steps to recover £33k of Council Tax Reduction overpayments and £2k in penalties; and £249k of fraud has been prevented or detected where benefits accrue to the wider public sector, such as the Department for Work and Pensions or housing providers.
- 9.8 Outcomes reported in the period include:
- A right to buy application (for a discount of £37,500) was successfully prosecuted at Magistrates Court in October 2019. This fraud by misrepresentation led to a sentence of 16 weeks custody suspended for 12 months, 150 hours unpaid work and costs awarded of £1k.
  - An investigation into allegations of social housing tenancy fraud involving subletting and a fraudulent housing application led to a guilty verdict at Magistrates Court in January 2020 and a sentence of 80 hours community punishment order and costs of £3k.
  - Retrospective changes to NNDR liability with £142k being recovered and an increase in ongoing liability of £75k, with one case being progressed as a joint prosecution with another GM Authority.

## **10 Recommendation Implementation**

- 10.1 The total number of critical, major or significant priority recommendations fully implemented across the Council as at February 2020 was 68% which was slightly below the target of 70% however there were a further 15% partially implemented as shown below.

- 10.2 Outcomes from follow up audits on all limited or no assurance opinions ensures that Internal Audit can assess and report to management and Audit Committee on the level of assurance over actions being taken to address high risk. In our opinion, managers continue to place emphasis on the implementation of critical recommendations to address exposure to risk and seek pragmatic and practical solutions where possible. Active reviews and regular updates continue to have a positive impact on action to implementation and in exploring reasons for any delays.
- 10.3 Outstanding recommendations fell from 32% to 17% during the year which is positive affirmation of improved risk mitigation in some areas. However, some recommendations are over 12 months past the due dates and need to be escalated to consider next steps. In accordance with agreed protocols, these were highlighted to Audit Committee and Directors are invited to attend and offer an explanation as to the delay. A separate report quarterly Internal Audit report is provided on all outstanding critical, major and significant recommendations and the next update will be provided in September 2020.


















#### **Critical, Major or Significant Priority Recommendations by Directorate**

<b>Directorate</b>	<b>Number Due</b>	<b>Implemented</b>	<b>Partially Implemented</b>	<b>Referred Back</b>	<b>Outstanding</b>
Corporate Core	18	13	3	0	2
Children's Services	16	12	1	0	3
Adult Services	25	11	6	0	8
Growth & Dvt and Neighbourhoods	16	15	1	0	0
<b>Total</b>	<b>75</b>	<b>51</b>	<b>11</b>	<b>0</b>	<b>13</b>
		<b>68%</b>	<b>15%</b>	<b>0</b>	<b>17%</b>











## **11 Recommendation**











- 11.1 The Audit Committee is requested to consider and comment on the Head of Audit and Risk Management Annual Assurance Opinion and Report.

## Appendix One: Audit Status, Opinions and Business Impact





Audit Area	Audit Status	Assurance Opinion	Business Impact
<b>Children's and Education Services 2018/19 Brought Forward Work</b>			
Assessed and Supported Year in Employment (AYSE) 21.05.19	Delivered	Moderate 	Not Set – 2018/19 audits
Schools Procurement (Thematic) 12.07.19	Delivered	Moderate 	
Children's Services – Management Oversight and Supervisions 09.05.19	Delivered	Moderate 	
St Matthew's RC High School 03.05.19	Delivered	Limited 	
Off Rolling of Pupils 06.06.19	Delivered	Moderate 	
Manley Park Primary School 09.05.19	Delivered	Moderate 	
Ofsted Improvement Plan 17.10.19	Delivered	Moderate 	
Planning for Permanence 20.12.19	Delivered	Reasonable 	
<b>Children's and Education Services 2019/20</b>			
St Peter's Catholic Primary School, Financial Health Check 05.09.19	Delivered	Substantial 	Low
St Luke's C of E Primary School, Financial Health Check 11.10.19	Delivered	Substantial 	Low
Ringway Primary School 18.11.19	Delivered	Reasonable 	Low
St Margaret's Primary School 20.12.19	Delivered	Limited 	Low
The Barlow RC High School 11.3.20	Delivered	Reasonable 	Low
Benchill Primary School 04.02.20	Delivered	Limited 	Low
Crosslee Community Primary School 01.06.20	Delivered	Reasonable 	Low
Heald Place Primary School 25.03.20	Delivered	Substantial 	Low
Lily Lane Primary School 02.07.20	Delivered	Limited 	Low





















Audit Area	Audit Status	Assurance Opinion	Business Impact
Moston Fields Primary School 05.02.20	Delivered	Reasonable 	Low
Peel Hall Primary School 30.04.20	Delivered	Reasonable 	Low
Ravensbury Community School 05.03.20	Delivered	Substantial 	Low
Free Early Education Entitlement (FEEE) 20.7.20	Delivered	Reasonable 	High
Sacred Heart RC Primary School (Gorton) 27.03.20	Delivered	Reasonable 	Low
The Birches Specialist Support Primary School 02.07.20	Delivered	Reasonable 	Low
Early Help Delivery: 02.07.20	Delivered	Reasonable 	High
Adoptions Policy and Procedure 06.07.20	Delivered	Substantial 	High
Children's Services: Quality Assurance Framework and Safeguarding and Improvement Unit	Cancelled		High
Schools Assurance Framework (Assurance Mapping)			Medium
School Financial Value Standards (SFVS) 2019/20			Mandatory
Schools Quality Assurance Framework			High
Safer Recruitment			Medium
SATs Quality Assurance Framework			Medium
Special Educational Needs (SEND)			Deferred to 2020/21 at management request
Post Ofsted Plan Monitoring	Re-scoped Included in recommendation monitoring		
Children's Services – Supervisions and Management Oversight – Follow Up			
<b>Adult Services, including MHCC and MLCO 2018/19 Brought Forward Work</b>			
Floating Support - Support to Homeless Citizens in Temporary (Dispersed) Accommodation 29.05.19	Delivered	Limited 	Not Set – 2018/19 audits
Adults Services – Management Oversight and Supervisions 05.04.19	Delivered	Limited 	





Audit Area	Audit Status	Assurance Opinion	Business Impact
Mental Health Casework Compliance 05.04.19	Delivered	Limited 	
Manchester Local Care Organisation – Governance 11.09.19	Delivered	Limited 	
Manchester Heath Care Commissioning – Financial Framework Compliance 17.10.19	Delivered	Substantial 	
<b>Adult Services, including MHCC and MLCO 2019/20</b>			
Adults Improvement Plan Governance 09.01.20	Delivered	Reasonable 	High
Mental Health Casework Compliance – Follow Up 28.01.20	Delivered	Partial Implemented 	High
Safeguarding Casework Management 28.05.20	Delivered	Limited 	High
MHCC – Financial Sustainability Plan 26.05.20	Delivered	Reasonable 	High
Deprivation of Liberties – Follow Up 28.05.20	Delivered	Implemented 	High
Disability Supported Accommodation Services: Quality Assurance Framework Follow up 11.9.19	Delivered	Outstanding 	High
New: Disability Supported Accommodation Services: High Needs Decision Making 14.02.20	Draft	Limited 	High
MHCC Governance Follow Up	Draft		High
Manchester Services for Independent Living (MSIL) *	Draft		High
Strength Based Approach * (Adults Improvement Plan block)	Deferred to 2020/21		
Mental Health Panels	Deferred to 2020/21		
Health and Social Care Assurance Framework	Deferred to 2020/21		
MHCC Commissioning Decisions *	Deferred to 2020/21		
Adults Services – Management Oversight and Supervisions – Follow Up	Deferred to 2020/21		
Integrated Neighbourhood Teams *	Deferred to 2020/21		
Homelessness	Cancelled		

Audit Area	Audit Status	Assurance Opinion	Business Impact
<b>Corporate Core Brought Forward Work 2018/19</b>			
Core Systems: Payments (SAP) 09.05.19	Delivered	Short Report	Not set 2018/19 audits
Core Systems: Revenue Budget Monitoring 14.05.19	Delivered	Substantial ●	
Our Manchester VCS Grants – Outcome Monitoring 20.06.19	Delivered	Moderate ●	
GDPR – Post Implementation Review 20.06.19	Delivered	Substantial ●	
Risk Governance Assurance 24.05.19	Delivered	Substantial ●	
Data Centre Replacement 25.07.19	Delivered	Briefing note	
Our Manchester – Performance Management Framework	Delivered	Briefing note	
<b>Corporate Core 2019/20</b>			
Our Town Hall: Allocation of Work Packages 28.05.19	Delivered	Substantial ●	Assurance Review
Core Systems: Payroll Continuous Audit (Q1) 12.07.19	Delivered	Not applicable – non opinion audit work	
Core Systems: Payroll Continuous Audit (Q2) 9.10.19	Delivered		
Core Systems: Payroll Continuous Audit (Q3) 18.12.19	Delivered		
Core Systems: Payroll Continuous Audit (Q4) 20.3.20	Delivered		
Making Tax Digital 5.12.19	Delivered	Advice and Guidance	
Grant Certification: Carbon Reduction Commitment 26.07.19	Delivered	Unqualified ●	Grant Certification
Grant Certification: URBACT C-Change	Delivered	Unqualified ●	Grant Certification
Grant Certification: Interreg ABCitiEs 31.7.19	Delivered	Unqualified ●	Grant Certification
Grant Certification: Interreg ABCitiEs Jan 2020	Delivered	Unqualified ●	Grant Certification
Grant Certification: Greater Manchester Pension Fund 03.05.19	Delivered	Unqualified ●	Grant Certification
Core Systems: Treasury Management 30.07.19	Delivered	Substantial ●	Medium

Audit Area	Audit Status	Assurance Opinion	Business Impact
GSuite: Application Audit 10.09.19	Delivered	Reasonable 	High
Cyber Security 18.10.19	Delivered	Sensitive - Not disclosed	High
Liquidlogic: Access Control 30.07.19	Delivered	Advice and Guidance	
Software Licensing: Follow up 11.10.19	Delivered	Partial Implemented 	Medium
Data Protection Impact Assessments 1.11.19	Delivered	Limited 	Medium
Recruitment and Selection 10.1.20	Delivered	Reasonable 	Medium
Annual Governance Statement	Delivered	Advice and Guidance	
Corporate Core Transformation	Delivered	Briefing Note	Low
Digital Experience Programme (Block) Civica Pay Implementation	Delivered	Briefing note	Medium
Our Town Hall: Cost Surety of Work Packages Construction Budget	Delivered	Briefing note	Medium
Core Systems: Income (SAP)	Deferred to 2020/21		
Our Town Hall: Allocation of Work and Monitoring of Payments and Delivery	Deferred to 2020/21		
User Experience Programme: Asset Management	Cancelled		Medium
Officer Decision Making: Recording			High
Capital Project Management / Governance			Medium
Our Town Hall: Incentive Model			High
Core Systems: Revenue Budget Setting *			Medium
Core Systems: Income (Other) *			Medium
Core Systems: Council Tax *			High
Workforce Development Planning *			Medium
ICT, Procurement and Financial Systems Assurance Frameworks			Delivered Draft frameworks developed and shared with management - further focus in 2020/21
<b>Growth &amp; Development and Neighbourhoods Brought Forward Work 2018/19</b>			

<b>Audit Area</b>	<b>Audit Status</b>	<b>Assurance Opinion</b>	<b>Business Impact</b>
Highways Framework Contracts – Award, Payments and Performance 25.04.2019	Delivered	Moderate 	Not set 2018/19 audits
Northwards Capital Project Management 25.06.2019	Delivered	Substantial 	
Governance of City Centre Delivery	Delivered as Draft	Moderate 	
<b>Growth &amp; Development and Neighbourhoods 2019/20</b>			
Neighbourhood Investment Fund 02.09.19	Delivered	Reasonable 	Low
New: MSIRR (Regent Road) 1st Payment Review 15.05.19	Delivered	Briefing Note	High
New: MSIRR (Regent Road) 2nd Payment Review 14.06.19	Delivered	Briefing Note	High
New: MSIRR (Regent Road) 3rd Payment Review 26.07.19	Delivered	Briefing Note	High
New: MSIRR (Regent Road) 4th Payment Review 08.08.19	Delivered	Briefing Note	High
GM Road Activities Permit Scheme (GMRAPS) 15.10.19	Delivered	Reasonable 	Medium
Section 106 (Planning Obligations) 17.12.19	Delivered	Reasonable 	Medium
Disabled Facilities (Main) Grant Certification 08.10.19	Delivered	Unqualified 	Grant Certification
Disabled Facilities (Additional) Grant Certification 08.10.19	Delivered	Unqualified 	Grant Certification
Highways – Local Growth Fund Grant Certification	Delivered	Unqualified 	Grant Certification
Trading Standards 19.03.20	Delivered	Substantial 	Medium
New: MSIRR Regent Road Payment Irregularities 22.05.20	Delivered: Advice and Guidance		High
Highways Service: Programme and Project Management Assurance 19.05.20	Delivered	Assurance Review	High
Leisure Contract – Performance Management Framework 29.04.20	Delivered	Reasonable 	Medium
Planning Applications 13.05.20	Delivered	Substantial 	Medium

Audit Area	Audit Status	Assurance Opinion	Business Impact
NCP (Car Parking) Contract Replacement	Briefing Note		High
Work and Skills	Cancelled		Medium
Residential Growth Strategy and Affordable Housing			High
Approach to Neighbourhood Delivery: Integrated Neighbourhood Teams *			High
Approach to Recycling			High
Highways Assurance Framework *	Re-scoped Replaced by Highways Programme and Project Management		High
Highways Investment Programme Plan *			High
Highways Service Redesign *			Medium
Highways Contracts Financial Due Diligence *	Re-scoped - engagement in Task and Finish Working Group		Medium
Management of Major Housing Developments within the City	Deferred to 2020/21		
Casework Management: Flare Upgrade /System replacement *	Deferred - Pending tender exercise for replacement in 2020/21		
<b>Procurement, Commissioning and Contracts 2018/19 Brought Forward Work</b>			
Prevention and Detection of Procurement Fraud – Use of System Data 06.06.19	Delivered	Moderate 	Not set 2018/19 audit
<b>Procurement, Commissioning and Contracts 2019/20</b>			
PCC Assurance Framework 09.10.19	Delivered	Briefing note	N/A
Public Contracts Regulations Compliance 02.09.19	Delivered	Reasonable 	Medium
Highways Framework Follow Up 17.06.19	Delivered	Implemented 	Medium
Insurance Arrangements in Contracts Follow Up 18.06.19	Delivered	Implemented 	Medium
Taxi Framework: Follow Up 26.09.19	Delivered	Implemented 	Medium
Contractor Whistleblowing Arrangements Follow Up 18.07.19	Delivered	Implemented 	Medium
New: Social Transport Route Allocation Advice 18.09.19	Delivered	Not set Briefing Note	Medium

<b>Audit Area</b>	<b>Audit Status</b>	<b>Assurance Opinion</b>	<b>Business Impact</b>
Contract Spend Review 10.12.19	Delivered	Reasonable 	High
Modern Slavery: Safeguarding in Contracts 10.12.19	Delivered	Briefing Note	High
Contracts Performance Management Key Performance Indicators 10.12.19	Delivered	Briefing Note	High
Contract Governance Framework Agreements – Follow Up 16.2.20	Delivered	Implemented 	High
Decommissioning Contracts: Leaving Care 23/09/19	Delivered	Lessons Learned Review	Medium
Framework Agreements: Award and Selection 20/01/20	Delivered	Reasonable 	High
Factory Project: Assurance Review 09.03.20	Draft	Set at Final	High
Factory Project Grant Certification 09.03.20	Delivered	Unqualified 	Grant Certification
Contract Management: Adults (Complex Needs)	Deferred to 2020/21		
Contract Management: Children's Placements *	Deferred to 2020/21		
Contract Management: Block *	Cancelled		High