

Internal Audit Strategy & Plan

2022/23





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Introduction

1. This report summarises the proposed work of Internal Audit for 2022/23. This has been developed in line with the Internal Audit Charter. The aim is to give an overview of areas to be covered during the year and to provide an opportunity to comment on the proposed coverage.
2. The audit plan has been developed to allow sufficient flexibility to respond to change which will happen during the year. Whilst every effort is made to deliver the plan as shown there will always be the need to respond to emerging risks and changing circumstances. The plan is therefore a statement of intent – our liaison meetings with senior management will ensure that it is reviewed regularly.
3. Internal Audit is a statutory service required by the Accounts and Audit Regulations 2015. It is also a key source of independent assurance for management, designed to add value and improve how the Council operates. The results of our work feed into the Council's Annual Governance Statement.
4. The work is performed in conformance with the UK Public Sector Internal Audit Standards (PSIAS) and the Local Government Application Note (LGAN). These require that the scope of Internal Audit covers the whole range of the Council's activities, seeking to provide an annual internal audit opinion on the governance, risk and internal control environment of the County Council, which has been established to:
 - Achieve strategic objectives.
 - Ensure effective and efficient operational systems and programmes.
 - Safeguard assets and interests of all kinds.
 - Ensure the reliability and integrity of financial and operational information.
 - Ensure economic, efficient and effective use of resources.
 - Ensure compliance with established policies, procedures, laws, regulations and contracts.

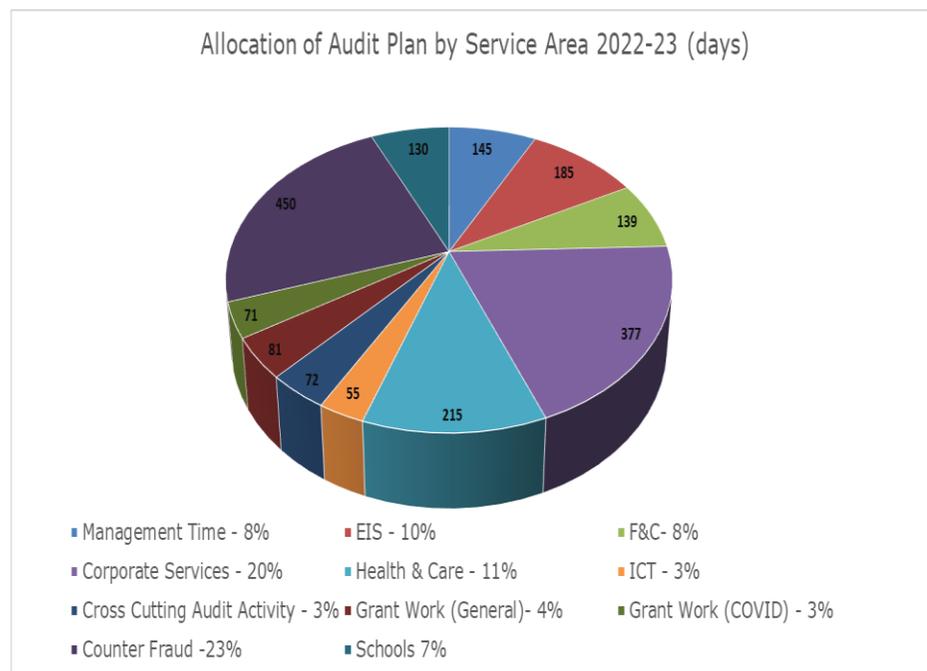
Our Internal Audit Strategy

5. Our Internal Audit Strategy has been developed to take into account management's assessment of risk and key organisational objectives and priorities. This is obtained from the contents of the Corporate Risk Registers, our key critical services including IT systems, External Audit considerations, other internal assurance providers

- (i.e. Health & Safety and Information Governance Officers) and conversations with Senior Management to discuss potential changes/ areas of concern, including consideration of fraud risks within their area of control.
6. Also we use our own risk assessment against each activity assessing their materiality, sensitivity, significance and stability – ranking each area as high, medium or low risk. This allows each possible area to be prioritised based on risk, which then determines whether or not it will be included in the audit plan. A copy of the full risk assessment methodology is included in Appendix A.
 7. The plan has been constructed to ensure that it delivers against the PSIAS and the requirement to produce an annual Head of Internal Audit opinion.
 8. The annual risk-based plan is produced based on the following key principles:
 - Assurance reviews with a high risk (i.e. >60%) ranking should be completed subject to variation as agreed with the County Treasurer (& Section 151 Officer).
 - Identification of 'Top Risk' Reviews.
 - Key Financial systems – reviewed on a cyclical basis.
 9. We will work to co-ordinate our work on the key risk areas with the Council's External Auditors, Ernst & Young (EY) during 2022/23 through having a joint understanding which agrees where EY may consider the results of our work. This ensures that the Council gets the most out of its combined audit resource – keeping audit fees low.
 - A risk-based Schools' audit strategy is completed each year which inform our Schools' Compliance Programme for the year ahead.
 - An initial allocation of days to conduct Special Investigations – variable year on year.
 - An initial contingency allocation – variable year on year.
 - Time to undertake pro-active counter fraud work.
 - Risk based programme of other compliance reviews.
- Draft Internal Audit Plan 2022/23**
10. We propose to allocate resources across each Service Area as shown in figure 1 with further details in Appendices B, C and D.

11. Top risks facing Councils continue to include pressures on finances and resources; changes in demand and demography; the impact of social care reforms as well global issues including the impact of the COVID 19 pandemic in terms of both response and recovery; climate change and cyber security linked to the Ukrainian Crisis.

Figure 1 – Analysis of Audit Plan 2022/23



12. The top risk audits/reviews for the County Council have been assessed as being the following areas in 2022/23:

1. Social Care Reform – including the Build Back Better Project and Adult Social Care Pathway - Strength Based Care.
2. Childrens’ and Families Transformation Including the new District model and Panel and Decision Making Arrangements.
3. Climate Change – Project & Programme Management & the Climate Change Action Fund.
4. Cyber Assurance – including Cyber Security Strategy; Major Incident Management; SaaS Procurement and Monitoring; and Threat & Vulnerability Management.
5. Delivering Good Governance: Culture, Values & Behaviours Governance Review.
6. Entrust Future Contract Arrangements.
7. Digital Strategy & Transformation – including the Customer Journey Project & the EDRMS SharePoint Project.
8. Contain Outbreak Management Fund - Grant Verification.
9. Recruitment Applicant Tracking System.
10. SEND Strategy Implementation Plan.
11. Highways Transformation programme – including project support & Asset Management & Inspection Services.
12. Mental Health Act - Section 117

13. The full report for these areas will be presented to Audit & Standards Committee Members once the report has been finalised.

Draft Counter Fraud Audit Plan 2022/23

14. We propose to allocate resources to our counter fraud work as per the details in Appendix C. This provides a robust response to Central Government’s expectations

for tackling fraud and corruption. This demonstrates the Council's continued commitment to ensuring good governance during periods of transformational change as well as changes to service delivery.

Resources

15. The total resource requirement for Staffordshire County Council in 2022/23 is 1,920 days. There is a reduction of 175 days when compared to 2021/22 which is due to the level of resources available to the Service in 2022/23.

16. The Section also provides and receives income for the delivery of the internal audit service/management, for the following External Clients (370 days):

- South Staffordshire Council;
- Staffordshire Academies (via Entrust);
- Staffordshire Pensions Fund; and
- Comfort funds.

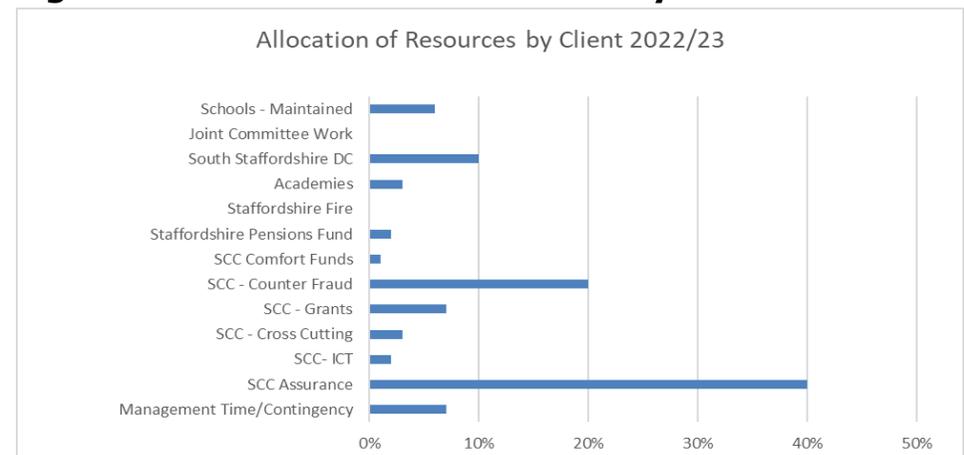
17. The income generated from this arrangement is circa £80,000 p.a.

18. The delivery model for the Internal Audit Service is mixed – a combination of in-house staff and external staff via a Framework Contract. This allows the section

to be flexible and respond to peaks and troughs in demand and to buy in specialist resources as required. Whilst the Council's Internal Audit framework contract came to an end in November 2021, we will continue to use other existing frameworks to procure specialist resources which are available to us during 2022/23.

19. There are sufficient resources available to deliver the audit plans as detailed in Appendices B, C and D. This helps to ensure that the Council meets the requirements of the Accounts and Audit Regulations 2015 for maintaining an adequate and effective internal audit function and governance, risk and internal control environment.

Figure 2 –Allocation of Resources by Client



Performance & Quality Assurance Framework

20. Internal Audit within Staffordshire County Council operates in conformance with standards of best practice applicable to internal audit – the UK Public Sector Internal Audit Standards and the CIPFA Local Government Application Note. The Internal Audit team offer a wide depth of knowledge and experience gained across different organisations. We promote excellence and quality through our audit processes, application of the Quality Assurance Framework (Appendix E) and the training and development programme for staff.
21. The Quality Assurance Framework includes all aspects of the Internal Audit Activity – including governance, professional practice and communication.
22. The Internal Audit Charter sets out the role, responsibilities and authority of the Internal Audit Service within the County Council. This was initially approved in June 2014 and any amendments to its contents are endorsed by the Audit & Standards Committee annually.
23. Internal Audit remains sufficiently independent of the activities that it audits to enable auditors to perform their duties in such a way that allows them to make impartial and effective professional judgements and recommendations.
24. The Section use several ways to monitor performance, respond to feedback and identify ways in which to improve the service provided. Evidence of the quality of our audits is gained through feedback from auditees and the results of supervision and quality assurance undertaken as part of our audit process.
25. The current performance measures are set out below in Figure 3 for information

Figure 3 – Current Performance Measures

Performance Indicator	Target
Reports issued to draft report stage: <ul style="list-style-type: none"> • Assurance Reports • Compliance Reports 	90% 90%
Average score for Quality Questionnaires from clients is equal to or exceeds the good standard: <ul style="list-style-type: none"> • Assurance Reports • Compliance Reports 	90% 90%

Service Plan Priorities/Challenges 2022/23

- To support the Council throughout the year in implementing the new adult social care reforms, providing real time assurance and guidance to ensure that the control environment remains robust following revisions to processes.
- To continue to contribute to the development of the digital transformation strategy across the Council to ensure that the control environment remains strong whilst exploiting the opportunities for more streamlined, cost-efficient operations.
- To provide support during the Council's on-going response to COVID 19 as well as the recovery and transformation of Staffordshire's economy post the COVID 19 pandemic.
- To produce the annual risk based internal audit plan which is Public Sector Internal Audit Standards (PSIAS) compliant and which provides sufficient coverage to provide the Section 151 Officer with assurance regarding the robustness of the governance, risk management and internal control framework operating within the County Council.
- For those key areas that have been subject to significant service delivery model changes during the year, the Internal Audit service will provide insightful assurance to senior management that sound systems of internal control are in place, are fully embedded and are underpinned by good governance and management arrangements in place.
- To continue to assist and support the Council in delivering good governance and decision making across the organisation as well as providing assurance that the Council's culture, values and behaviour are clearly expressed, transparent and adhered to and which promote and allow the Council to maintain high standards of ethical conduct.
- To ensure that the IA Service continues to enhance and develop its operations to maintain

its status within the Council and with its external clients as a competent, professional and respected Service which conforms to the latest PSIAS and the LGAN and which embraces agility, delivers insights and anticipates emerging risks. As part of this, consideration will be given to the structure of the service including the potential recruitment to vacant posts; confirmation 'in post' of long term seconded staff and further use of the apprenticeship scheme – 'to grow our own'.

- To procure and prepare for the Internal Audit Service's second External Quality Assessment in conformance with the UK PSIAS and to report the assessment outcome to senior management and the Audit & Standards Committee
- To continue to provide an excellent internal audit service to all our external clients, providing an agile internal audit service and high-quality audits to give management valuable insights and real time assurance on things that matter.
- Following the successful implementation of the Internal Audit Service's new integrated Audit and Risk Management system in 2021, to successfully introduce and roll-out across the

Council, the on-line audit portal to be used by business users which is intended to facilitate greater transparency over their own control environment and real-time tracking of audit recommendations.

- To further develop the continuous controls monitoring (CCM) programme across both the Council (Corporate) and maintained schools' landscape thereby providing increased levels of comfort in respect of fraud related risks and to assist corporate and schools' management in their role as the second line of assurance.
- To continue to raise the profile of the Counter Fraud Work Programme across the Council including schools. Our activities will include regular communications to raise awareness of fraud risks and mitigating controls and the relaunch of the fraudwatch publication as well as the roll out of the recently developed fraud e-learning module.

Appendix A – Planning Risk Assessment Methodology

1. **Materiality X 2**

- a) *Financial value (income/expenditure), materiality, size of budget*
Score between 1 (up to £100,000) 2 (up to £250,000) 3 (up to £1m)
4 (up to £5m) and 5 (above £5m)
- b) *No of transactions*
Score between 1 (a small number of transactions per year) and 5
(significant numbers of daily transactions)

2. **Impact/Sensitivity X2**

- a) *Links to Strategic Plan 2022-2026/Political sensitivity*
1=No links to Strategic Plan/ and/or no political sensitivity
2 =No links to Strategic Plan / and/or minimal political sensitivity
3=Indirect links with Strategic Plan/ and/or low level of political sensitivity
4=Direct links with Strategic Plan/ and/or medium level of political sensitivity
5=Direct links with Strategic Plan/ and/or high level of political sensitivity
- b) *Non-financial impact e.g. reputation*
1= Managed /reported to Business Unit -Local Media (short term duration)
2= Managed /reported to Heads of Service. Local media (Medium/Long Term duration)
3= Managed /reported to Senior Leadership Team and Members Regional media (short term)
4= Managed /reported to Members and Cabinet Regional/National media (Medium/ Long Term duration)
5= Third Party intervention Public Interest Group, National/International media (Medium/Long Term duration)
- c) *Contained in the Corporate Risk Register*
1 = No
5 = Yes
- d) *Key Partnership - This considers how important the partnership is to the achievement of the Council's Outcomes. Failure to deliver the objectives of the partnership poses a significant risk to the Organisation.*
1 = No
5 = Yes

3. **Audit View - Previous Assurance Category**

- 1 = Substantial Assurance
2 = Adequate Assurance

- 3 = No Opinion has previously been given
4 = Consultancy – system under development
5 = Limited Assurance

4. **Time since previous audit**

- 1=Audit carried out last year
2=Audit carried out 2 years ago
3 =Audit carried out 3 years ago
4 =Audit carried out 4 years ago
5 =Audit carried out 5 years ago or more or where there has been no previous audit coverage

5. **Linkage to Risk Management - Controls Assurance**

- 1 = External Assessment reports available – positive assurance provided
2.= Internal Controls assurance statement available – positive assurance provided.
3.= Internal Controls assurance statement available – significant risks identified.
4.= External Assessment reports available – control weaknesses identified
5.= Nothing available

6. **Fraud**

- a) *Past experience or occurrence of fraud/irregularity*
Score between 1 (no knowledge/experience of fraudulent activity/irregularity) and 5 (repeated occurrence of fraud/irregularity or experience of fraud/irregularity with significant financial value)
- b) *Inherent risk of fraud within the system.*
Score between 1 (little known scope for intentional manipulation) and 5 (significant scope for intentional manipulation.)

7. **Stability of the System**

- 1.= Stable system, nothing has changed.
2.= Stable system, changes proposed in year/ short term
3.= New System in operation
4.= System under development – limited to a specific service area
5.= System under development – complex area affecting the whole of the County Council.

Appendix B – Draft Internal Audit Plan 2022/23

Area	No of Days	Indicative Scope
Families & Communities – Helen Riley		
Children & Families - Panels & Decision Making	10	Management has requested a review of Panels in place across the services within Children & Families to ensure that they are fit for purpose, have clear Terms of Reference and; that there are linkages to other decision making arrangements cross the service, to ensure effective joint working, informed decision making and to minimise duplication and potential inefficiencies.
Children & Families Transformation - New District Model	15	<p>Children & Families Systems Transformation is a whole system approach underpinned by a Restorative Practice Model which aims to ensure children with social care needs remain with or return to their family or extended family network where it is safe to do so. The new operating model became operational in October 2021. To transition to the new model, investment of £8.1m was required to stabilise the service.</p> <p>Management has requested audit time in 2022/23 to provide assurance that the new district model is operating effectively and delivering expected outcomes.</p>
SEND Strategy Implementation Plan	12	<p>In January 2022, Ofsted completed a re-inspection of SEND to confirm progress against the areas identified within the Written Statement of Action. This confirmed that although significant progress has been made in relation to most of the areas identified by the original inspection, further actions were required in two areas and an Accelerated Progress Plan has been developed.</p> <p>Management has requested audit time in 2022/23 to review progress against the SEND Strategy Implementation plan, including actions identified within the Accelerated Progress Plan and to also provide assurance that actions identified and implemented in response to the original written statement of action have fully embedded and are continuing to operate effectively.</p>
Unaccompanied Asylum Seekers & Refugees	10	<p>To provide assurance that processes are in place and operating effectively for the provision of support to unaccompanied asylum seekers and refugees relocated to Staffordshire.</p> <p>Scope of work to include: the planning and provision of education, as well as health and financial support to individuals.</p>
Children's Commissioning	12	As part of the children's transformation programme, several reports have been undertaken on children's commissioning over the last few years as the Directorate seek to address risks in this area and a lot of work has been undertaken in this area.

Area	No of Days	Indicative Scope
		<p>In 2022/23, Internal Audit will provide independent assurance that processes are well understood and adhered to; and that due process is being followed, including use of the Contract Framework in place. Final scope is to be determined in conjunction with the Assistant Director for this area, however, will include commissioning of the new Child Exploitation contract and commissioning with the SEND Local Hubs.</p>
Leaving Care: Services & Outcomes - Care Leavers Offer	10	<p>The Children & Social Care Act 2017 revised legislation within the Care Act 1989 in relation to care leavers, extending the age range to which the Corporate Parent Principles apply and outlines requirements for the local offer to care leavers.</p> <p>An audit review will be completed in 2022/23 to provide assurance that Local Care Leaver offer complies with legislative requirements and are being delivered effectively.</p>
SEND Transformation - High Needs Block	10	<p>Funding for children with SEND is via the High Needs Block. During 2018/19 a High Needs Recovery Plan was put in place to tackle the projected overspends that have built up over the last few years. Whilst most of the actions in the Plan have been implemented there is still a projected overspend of £7.3m by 2024. Therefore, it is recognised that there is a need for a combined strategic approach with all education providers to meet these financial challenges. Additional government funding of £7.1m (net) has been provided for the High Needs Block.</p> <p>Time will be required in 2022/23 to provide ongoing assurance that the new model has been effective in addressing the estimated overspend.</p>
Looked After Children (LAC) - Placements	10	<p>Management has requested a review of placements to provide assurance that processes and resources within the placements team are adequate / appropriate to ensure that controls can be applied effectively to mitigate against key risks and to fulfil statutory requirements, including quality assurance processes.</p>
Prevention of Homelessness - 16 & 17 year olds	10	<p>The Government guidance issued in April 2018 entitled: Prevention of homelessness and provision of accommodation for 16 and 17 year old young people who may be homeless and/or require accommodation, outlines the duties of Local Authorities to provide support and / or accommodation to 16 & 17 year olds who have become or are at risk of becoming homeless.</p>

Area	No of Days	Indicative Scope
		Management has requested a review of this area to provide assurance that support/accommodation is being provided in accordance with the statutory requirements, including liaison and joint working with Housing and third party organisations.
Education Safeguarding Service	8	<p>The Education Safeguarding Service provides safeguarding advice, support and challenge to education providers and promotes the welfare of children and young.</p> <p>Internal Audit time is required in 2022/23 to review the delivery of the service (to include use of the Safeguarding Section 175 & Section 157 (Education Act 2002) Audit tool to inform and direct the work undertaken).</p>
Countryside - Rights of Way	12	<p>An audit review of the management of Rights of Way including the identification and prioritization of capital works and utilisation of funding is required in 2022/23 to ensure compliance with statutory requirements.</p> <p>*Also see Cross Cutting review of Tree Management in 2022/23.</p>
Staffordshire History Centre	5	<p>In 2021, a successful bid was submitted to the National Lottery fund for £3.9m to part fund redevelopment of the Central Archives site at Eastgate Street to house the Staffordshire History Centre. The History Centre will bring together collections from the Staffordshire and Stoke on Trent Archive Service, the County Museum and the William Salt Library.</p> <p>Prior to commencement of the construction works in 2022, the current collections housed at the site are to be relocated to an offsite storage facility and temporary arrangements are to be put in place to allow members of the Public to access records and items within the collections via prior arrangement.</p> <p>Internal Audit work undertaken in 2022/23 will review the arrangements for the storage, record keeping and physical transfer of items, to facilitate public access, during the construction period; including security, environmental controls and stock management.</p>
Looked After Children - Health Assessments	10	Management has requested a review of health and wellbeing of Children in care. Internal Audit will review the completion of Health Assessments for LAC, to ensure that they are completed in accordance with statutory requirements and appropriate plans / support are put in place to address any physical or mental health needs identified.

Area	No of Days	Indicative Scope
Community Safety - Domestic Homicide Reports	5	<p>When a Domestic Homicide occurs, the District / Borough Council for the area where the incident occurred are responsible for the undertaking a multi-agency review of the circumstances of the death.</p> <p>A report by an authorised Independent Author and an action plan must also be submitted to the Home Office for scrutiny and approval. Although accountability sits with the District/Borough Councils, the County Council co-ordinates and manages the production and submission of the independent report and action plan, on their behalf, including the procurement of the Independent Author and liaison with the Home Office and partner organisations.</p> <p>An audit review of the Domestic Homicide Reporting process has been requested to provide assurance that actions are undertaken in accordance with the statutory process. The audit will also include review of the procurement arrangements in place for the Independent Author and also financial controls in place in relation to the Partnership Pot and the costs associated with this area.</p>
Sub- Total No. of Days	139	
Schools & Other Educational Establishment Compliance		
Primary/Middle/Special/High Schools & Pupil Referral Units Compliance Audits	130	<p>A sample of 20 Compliance visits will be undertaken assessing compliance with approved policies and procedures including Financial Regulations and Procurement Regulations for key risk areas.</p> <p>Areas include governance, budgetary and financial controls, procurement activity and payroll</p>
Sub- Total No. of Days	130	
Total No. of Days	269	
Economy, Infrastructure & Skills – Darryl Evers		
Highways Transformation Programme - Asset Management & Inspection Services	10	Senior management have requested audit time in Q4 2022/23 to provide assurance that the services transferred back to the Council, as part of the transformation of the current offer, are embedded and are operating effectively. The services being transferred are Asset Management and Inspection services.
Highways Transformation Programme - Project Support	15	<p>"The Highways Transformation Programme commenced in 2021/22 to review and reconsider the current and future arrangements for delivery of the Council highways services. The programme has three key elements:</p> <ol style="list-style-type: none"> 1) Future Highways Delivery Model; 2) Transforming the current offer in preparation for the future; and 3) Highways Investment Strategy.

Area	No of Days	Indicative Scope
		<p>Internal Audit time has been requested in 2022/23 to continue to provide support to the Highways Transformation Programme as required. Work to be determined and agreed via liaison with Senior Management and the Change Team.</p>
Community Renewal Fund	10	<p>The UK Community Renewal Fund aims to support people and communities most in need across the UK, creating opportunities to trial new approached and innovative ideas at a local level. The fund is a pilot prior to the introduction of the UK Shared Prosperity Fund in 2022. Staffordshire County Council has been allocated as the Lead Authority for Staffordshire and is responsible for the co-ordination of a programme of projects across the County. The Council are also accountable for monitoring the projects to ensure delivery and expenditure incurred is in accordance with the funding conditions.</p> <p>An audit will be performed in 2022/23 (at the end of the programme of projects) to examine the final monitoring and reporting on completion of the schemes and final grant payments. The audit will be timed to ensure the findings can be included within the Council's final monitoring report which is due to be submitted to Central Government by 31 December 2022 and will ensure:</p> <ul style="list-style-type: none"> • Grant expenditure returns reconcile to the Council's financial accounting records held on My Finance system. • Project deliverers have completed and returned all UK CRF Monitoring Reports in accordance with the timescales stipulated within the Project Deliverer Grant Agreement. • Project deliverers have completed and returned an Evaluation Report and Final Claim following completion of the project. • Project completion has been recorded for all outcomes and outputs included within the Project Deliverer Grant Agreement, with explanations provided where projects are below target. • Evidence of expenditure has been recorded within UK CRF Monitoring Reports, which is supported by an appropriate level of documentation, and expenditure incurred is in accordance with the funding conditions. • VAT on expenditure is appropriately accounted for. • If paid at time of audit, final grant funding payments to project deliverers were paid in accordance with the terms stipulated within the Project Deliverer Grant Agreement. • Project completion has been reported appropriately to management and governance board(s).
Household Waste Recycling Centres	15	<p>Following the transfer of the HWRCs back to the Council at the end of March 2022, management has requested an internal Audit to ensure that a robust control environment is operating across the service. Scope of work to include:</p> <p>(I) Policies and Procedures; (ii) Roles and Responsibilities and training; (iii) Compliance with regulatory requirements; (iv) Arrangements for dealing with Recyclable materials and offtakers;</p>

Area	No of Days	Indicative Scope
		<p>(v) Taking of Income on site including chip and pin; (vi) Waste Records, reconciliations and performance indicators; (vii) Payments to offtakers; (viii) Fuel stocks and fuel cards; (ix) Security of sites</p> <p>See also the Counter fraud plan in 2022/23 for fraud awareness and site visits.</p>
Levelling Up Fund	10	<p>Central Government have committed £4bn for a Levelling up fund for England over the next 4 years up to 2024-25. The Levelling Up Fund will invest in local infrastructure that has a visible impact on people and their communities. The scheme has a number of local priorities, including local transport, urban regeneration and cultural assets. District Councils eligible to enter one bid per MP consistency that sits within their boundary. The fund will focus on bids that require up to £20m of funding.</p> <p>SCC have identified pipeline schemes for a potential bid in year two of the four year programme, therefore, time will be required in 2022/23 if a successful bid is entered, to ensure effective management and utilisation in accordance with the funding conditions. Time may also be required to provide assurance in relation to the due diligence undertaken to support the bid evaluation process.</p>
Staffordshire Means Back to Business Programme	10	<p>As part of the Back to Business Strategy a programme of schemes were identified, which were a combination of new initiatives and the expansion of work currently being undertaken by the County Council. In 2021/22 the programme was funded in conjunction with the District/Borough Councils who passported a proportion of the Additional Restrictions Grant allocated by Central Government, in part, to fund schemes for the restart and recovery of the economy. The total funding across the six identified schemes was £3.345m, with a contribution of £1.379m by the County Council. The combined programme ended in March 2022, with unused funding being repaid to the District/Borough Councils, however, further funding of £1m has been allocated to support the Back to Business Programmes in 2022/23, in addition £70k has also been carried forward from 2021/22.</p> <p>Audit time is required in 2022/23 to review the continued delivery of the Back to Business Strategy and the programme of schemes in place. The Audit will also include review of the Business Start Up Programme - Get Started</p>
Local Enterprise Partnership	10	<p>Internal Audit work in 2022/23 is dependent on the future arrangements for the LEP as per the Levelling Up White Paper. Scope as per previous years although time may need to be brought forward to Q1 to give assurance over the winding up process if required.</p> <p>To keep under review the decision making and governance arrangements of the Local Enterprise Partnership in terms of setting a clear vision and operating under a clear governance framework, securing and accounting for funding, managing performance of regeneration schemes and achieving milestones and outcomes.</p>

Area	No of Days	Indicative Scope
		<p>Internal audit activity will include a review of the SSLEP's compliance with the National Assurance framework. Audit work to be undertaken at the end of Q3 2022/23 to inform the S151 Assurance Report</p> <p>** See also Local Enterprise Partnership - Core Funding Grant</p>
Home to School Transport	15	<p>An Internal Audit review will be carried out to provide assurance that the arrangements in place provide best value for the Council as well as fulfilling statutory duties.</p> <p>The Council are required to provide Home to School transport for eligible statutory school aged children. Children are entitled to free home to school assistance if the live:</p> <ul style="list-style-type: none"> o in Staffordshire o beyond walking distance from the school which is also their registered base (the school at which your child is registered on roll and is not a fee paying school) o within the designated catchment area of the school or are attending the nearest suitable school with places available, as determined by the Council. A suitable school is one which provides education appropriate to the age, ability and aptitude of the pupil and any special educational needs that the pupil may have, these can be either inside or outside of Staffordshire. <p>Audit time is required in 2022/23 to provide assurance that home to school transport is being provided to eligible young people in accordance with statutory duties and the policies in place for mainstream and SEND pupils. The audit will also consider plans / arrangements to mitigate against increasing costs and the delivery of savings.</p>
Getting Building Scheme	12	<p>The Government has made £900 million available through the new Getting Building Fund (GBF) for investment in local, shovel-ready infrastructure projects to stimulate jobs and support economic recovery across the country.</p> <p>Stoke-on-Trent and Staffordshire LEP were allocated £23.7m from the GBF for a wide-ranging package of projects to deliver a much-needed boost to the local economy. The funding has been allocated across two financial years £11.85m 2020/21 & £11.85 2021/22. 12 projects have been approved by BEIS for delivery over the lifetime of the funding. A separate Getting Building Fund Capacity Grant of £80k was also received to support development of the funding proposal, this has been used to procure a third party to support this process.</p> <p>Audit time will be required in 2022/23 to provide assurance that expenditure and outcomes are in accordance with the funding conditions. A sample of schemes will be reviewed as part of the audit work to be undertaken, this will include the conversion of Shire Hall to provide a Digital Enterprise Hub, providing tenanted units, as well as flexible work-spaces for businesses, this is a £2m scheme with £1.6m of the funding being received from the Getting Building Fund.</p>

Area	No of Days	Indicative Scope
Keele Science Park - IC6 Keele University	8	<p>In January 2017, cabinet approved the investment of a maximum of £2.02m for the creation of IC6 within the Mercia Centre for Innovation Leadership (MCIL) on Keele University Science and Innovation Park.</p> <p>IC6 is now completed and therefore in 2022/23 an Internal Audit will be required to review the management of the site and the rental income being received by SCC.</p>
ESIF - Closure of ERDF Schemes	15	<p>ERDF - IT BEP / LC BEP / Growth Hub -The SSLEP was successful in bidding for £138m of European Funding to fund projects within Staffordshire and Stoke on Trent for the period 2014 to 2020. The EU programme is controlled by the SSLEP and in particular the ESIF committee. The largest funding stream controlled by the ESIF Committee is the ERDF (£77m), followed by the ESF (£55m) and EAFRD (£4m) and the LEADER programme (£2m).</p> <p>SCC has 3 controlled projects Low Carbon (LC) Business Evolution Programme (BEP); IT BEP and the Growth Hub scheme which will close during the year. Internal Audit has been requested in 2022/23 to provide independent verification of the summative performance assessments and summary table to be completed following the closure of the three remaining programmes :</p> <ul style="list-style-type: none"> - Growth Hub - IT BEP - LC BEP
ESIF - LEADER Programme	15	<p>The LEADER Programme has now ended and Management have requested a review of the administration of the programme, including governance & decision making, claims and reporting across the lifetime of the programme (2014 - 2023). Work to be undertaken within quarter 1 of 2022/23</p>
Staffordshire Small Business Loan Fund	10	<p>A paper was taken to Cabinet on 17th March 2021 with a proposal to establish a new phase of the revolving loan fund based on previous successful arrangements (Staffordshire Small Business Loan Fund) working with BCRS, to support SMEs capable of development and growth, who are unable to secure finances from commercial sources. The proposed fund will also provide a focus for rural businesses across Staffordshire as part of the priorities for the forthcoming rural economic strategy. This covers a range of small sized business sectors and forms part of Staffordshire County Council's response to COVID-19 economic recovery and the county's future economic prosperity.</p> <p>The new phase commenced on the 1st April 2021. SCC has invested £490,000 (repaid from the previous scheme) alongside contributions from BCRS (£555,224), City of Stoke-on-Trent Council (£108,710), ERDF (£736,886) and the North Staffordshire Risk Capital Fund (£109,180), to create a new revolving loan fund (RLF) of £2m; The new arrangement commenced on the 1st April 2021 and will accept applications over the next 5 years, however, the scheme will remain open till 2031 to allow repayments to be received. The Black County Reinvestment Society (BCRS) will undertake the administration of the new scheme.</p>

Area	No of Days	Indicative Scope
		<p>Audit time is required in 2022/23 to review the contract monitoring arrangements in place to manage the administration of the Staffordshire Business Support Fund, including the arrangements in place to ensure compliance with ERDF requirements.</p>
<p>Flood Risk Management - Single Point of Contact project</p>	<p>10</p>	<p>A new Flood Risk Strategy is currently under development and is due to be issued in December 2022. To support delivery of the strategy a bid was submitted for Government funding to develop a single point of contact for citizens to report a flooding incident.</p> <p>Audit time is required in 2022/23 to review the single point of contact project and provide assurance that objectives and outcomes from the are being delivered.</p> <p>At the request of Management, the audit review will also consider compliance with requirements of Section 19 of the Flood and Water Management Act 2010, to ensure that any single flood and non-river flood events reported have been investigated and reported timely and in accordance with statutory requirements.</p>
<p>Staffordshire Safer Roads Partnership General Systems</p>	<p>10</p>	<p>An Internal Audit review is to be undertaken in 2022/23 to provide assurance in relation to the operation of the strategic partnership between SCC/SoTCC, Police, Fire and Highways England. The scope of the audit will include <u>governance arrangements; financial processes and performance monitoring of outcomes.</u></p>
<p>Chatterley Valley West Development</p>	<p>5</p>	<p>The Chatterley Valley West employment site is a parcel of land situated between the A500 trunk road and the West Coast Mainline railway on the boundary of the administrative areas of Stoke-on-Trent and Newcastle-under-Lyme. The owner of the site has secured planning permission to develop an enterprise zone with £60 million of direct private sector investment and £3.68 million of Government Town Deal funding from Newcastle Borough Council. The development is expected to see the creation of around 1,670 jobs, and to generate Gross Value-Added outputs of around £67 million per annum when fully occupied.</p> <p>In December 2021, Cabinet approved an investment of £3.45m to fund the infrastructure development required to unlock the Chatterley Valley West site. The investment is to be funded via prudent borrowing secured against future retained business rates receipts.</p> <p>Management have requested audit time in 2022/23 to review the business plan model for the development, and delivery of it.</p>

Area	No of Days	Indicative Scope
Back to Business - Start Up Loan Scheme	5	<p>The Start Up Loan Scheme provides loans of between £3000 and £5000 at an interest free rate and with no arrangement fee. Loans are to be repaid 12 months after issue. The pilot scheme commenced in 2021/22 and was part of the ongoing Business Start Up Programme being run by SCC and initial funding of £100,000 was allocated.</p> <p>An Internal Audit of the pilot scheme was undertaken in 2021/22 to provide assurance that controls are in place and operating effectively in relation to the application process, evaluation and award of loans. However, as the Scheme is to continue in 2022/23, further work has been requested to provide assurance that processes are in place and operating effectively, to ensure that loans awarded in 2021/22 have been used for their intended purpose and repaid in accordance with the loan agreements in place; and also that repayments received have been correctly accounted for and utilised to fund new loans within 2022/23.</p>
Total No. of Days	185	
Corporate Services – John Tradewell		
ACFS - Build Back Better Project	15	<p>On 7 September 2021, government set out its new plan for adult social care reform in England. From October 2023, the government will introduce a new £86,000 cap on the amount anyone in England will need to spend on their personal care over their lifetime. In addition, the upper capital limit (UCL), the point at which people become eligible to receive some financial support from their local authority, will rise to £100,000 from the current £23,250.</p> <p>As a result of this social care reform, there is anticipated to be a large increase in the number of citizens requesting care from the County Council.</p> <p>A project will be established in 2022 to help implement the changes to the Authority. Internal Audits involvement in this project will be agreed during the initialisation of the project but we will provide advice and guidance to the project where needed to ensure that suitable controls are implemented and any revised processes are effective.</p>
Entrust Future Contract Arrangements	20	<p>In 2023, there is a break point in the Contract. and Cabinet are currently considering the future arrangements for this area of the Council's operations. Whatever the decision is, there will be changes either:</p> <ul style="list-style-type: none"> • new Service Delivery Agreement (SDA) with revised governance and performance management arrangements; or • the return of services to the Council including exit strategy, lessons learnt and new procurement activities. <p>Management has requested on-going IA support in 2022/23 as part of the above.</p>

Area	No of Days	Indicative Scope
Digital Strategy & Transformation - EDRMS SharePoint Project	8	<p>Council data held on shared filing will be migrated to the Council's M365 SharePoint Environment. To ensure appropriate Information Management and Governance controls are in place, a project has been established by IGU to implement an EDRMS frontend.</p> <p>It is important that the SharePoint EDRMS is implemented with sufficient controls from Go-live to prevent a reoccurrence of the Information Governance failures of shared filing and bad practices from becoming embedded.</p> <p>The ICT Audit Manager will be involved in the project to provide advice and guidance where needed on this critical project.</p>
Recruitment Applicant Tracking System	15	<p>A business case was approved relating to the procurement of an applicant tracking system to further automate the recruitment process. This will remove the recruitment function from My HR and will be cloud based. The contract will be awarded and the system will be implemented during 2022.</p> <p>Internal Audit provided input to the tender specification during 2021/22 as part of advice into the project. This input will continue during the implementation of the system – 3 days, as well as including a full application security review, with a specific focus on the interfaces of this system with My HR –= 12 days.</p> <p>Further work will also be conducted on this system as part of the annual payroll audit, the end to end recruitment process and the counter fraud plan during 2022/23.</p>
Digital Strategy & Transformation - Digital Leadership Group Attendance	5	Continued Attendance at the Digital Leadership Group to provide Internal Audit input where necessary but also to become aware of new digital initiatives that might require further Internal Audit Input in-year.
Service & Commercial Contract Management Arrangements	12	<p>Our work in 2022/23 will review the Council's Service & Commercial Contract Management arrangements by looking at a cross section of contracts. Scope of work may include:</p> <ul style="list-style-type: none"> • Structure & Resources - There are sound planning and governance arrangements in place including dedicated skilled resources to carry out contract management activities (including contract management training) • Delivery - Adequate arrangements are in place to facilitate delivery and to ensure that the service is provided in line with the contract (including contractor payments) and specific contractual conditions (where appropriate). • Development - Changes to contracts are handled effectively and supplier performance and capability is improved throughout the life of the contract

Area	No of Days	Indicative Scope
		<ul style="list-style-type: none"> • Strategy - Processes are in place to evaluate and review market intelligence throughout the life of the contract (including supplier resilience reviews). • Management Reporting and Oversight arrangements - To review the links between the Commercial Team and those service areas who conduct contract management activities. <p>This audit review will look across the Council to identify who is contract managing and how they are contract managing and to assess if there are any consistencies of approach and good practice that can be adopted by other areas of the Council.</p> <p>One of the sample of contracts to be selected should be Healthwatch which is a new contract commencing 1st April 2022 which is located in the Strategy and Transformation Service of Corporate Services and another will be the home care contract</p>
Digital Strategy & Transformation-Customer Journey Project	5	The Customer Journey is a project within the Digital Programme that aims to create efficiencies within the customers overall journey. Audit will provide IT input into this project as it explores and where appropriate, will utilise solutions such as Robotic Process Automation and Artificial Intelligence, which will need careful governance and management considerations.
My HR System Security	12	<p>In 2017, My HR the Councils Payroll and HR system was launched. An application security audit was conducted in 2017/18 and 2018/19.</p> <p>During 2022/23, Internal audit will again conduct a full application security review to provide management with an independent assessment of effectiveness of the design and operation of internal controls and operating procedures protecting the data within the system.</p> <p>The audit will include a review of:</p> <ul style="list-style-type: none"> • Application Security Parameters, including access controls • Segregation of Duties • Disaster Recovery • Change Management
Job Evaluation	10	<p>There has been a number of changes in this area with new processes in place and a new grading policy implemented.</p> <p>Management supports a review of this area in 2022/23 to ensure the revised processes are operating effectively to give assurance over the completeness; accuracy and timeliness of the process including authorisation controls.</p>

Area	No of Days	Indicative Scope
Partnerships - Governance, Monitoring and Management Arrangements	20	<p>Following the limited assurance opinion awarded in 2020/21, to undertake a further review to ensure that the light touch guidance that was agreed to be put in place has been embedded into processes and has improved the control environment.</p> <p>Internal Audit review to look at a sample of partnerships in year focusing on the higher priority ones (which are not covered elsewhere in the IA Plan). One of the partnerships in the sample should be the integrated Care System Board.</p>
Core Payroll - Liberata	20	<p>This area is classified as a key financial system review in 2022/23 as per our Cyclical Review timetable for Key Financial Systems and on-going assurance will be required in 2022/23 that processes and controls operated by Liberata and the Retained Control Function are properly embedded.</p>
End to End Recruitment Process - Core	15	<p>To evaluate the adequacy of controls within the end to end recruitment process and the extent to which the controls have been applied using a sample of recent recruitment activities including; use of the new applicant tracking system, including the pre-recruitment checks and compliance with the Council's recruitment and selection procedures as well as interfaces with the Council's payroll (Liberata)</p>
Occupational Health Security	10	<p>During 2021, a new occupational health system was implemented within the Council.</p> <p>Internal Audit will carry out a full application security review in 2022/23 to provide management with an independent assessment of effectiveness of the design and operation of internal controls and operating procedures protecting the data within the system.</p>
Adults & Children's Financial Services - Segregation of Duties Review (Payments)	10	<p>During the Covid-19 pandemic, business continuity plans were reviewed by the ACFS team to ensure payment processes could continue with a large number of staff off sick. As part of this, members of staff were given additional responsibilities.</p> <p>At the request of the Head of Internal Audit and Financial Services, Internal Audit will provide independent assurance that these changes are fit for purpose and segregation of duties weaknesses have not been inadvertently introduced as part of the changes made.</p>
ACFS - Financial Assessments	15	<p>Requested by the Head of Audit and Financial Services prior to an upcoming CQC inspection and due to the increasing number of Financial Assessments being received, this audit will review the financial assessment process to provide assurance they are in accordance with the contributions policy and procedures, including the application of mitigation. The audit will also sample a number of assessments undertaken during the Covid-19 pandemic to ensure that all relevant documentation supporting the Financial Assessment has been received or where this has not been received, it will not significantly change the Financial Assessment.</p> <p>IA review to be carried out at the beginning of September 2022</p>

Area	No of Days	Indicative Scope
		*Also see work in Health and Care regarding Covid-19 Recovery.
BACs System	5	<p>The contract for the current BACs system was due for renewal in early 2022 and has been extended for 1 year. The current BACS system is hosted on-premise and management wish to move this to a cloud hosting system.</p> <p>A new cloud hosted system will be procured during 2022 and audit will provide advice and guidance to the project in relation to security controls affecting the BACS software itself and also the transfer of the BACS files from various other Council systems, such as Finance and Pensions.</p>
Early Years Funding Payments	10	<p>In 2022/23, to review the processes and controls in relation to Early Years Funding Payments. This may include an assessment of eligibility checks carried out on EYs funding applications, the adequacy of payment controls, the EYs funding payment interface with MyFinance; Access to the EY Portal and also the impact of COVID 19 on the current systems of control including local authority decisions on funding for providers which had/have restricted attendance, or were/are closed or temporarily closed for reasons connected to coronavirus (COVID-19).</p>
Sales 2 Cash including Debt recovery and debt management	15	<p>In 2022/23, our audit time will continue to focus on debt management as past audit work has identified a number of issues over the years. Although various improvements have been identified and various working groups have been set up to deal with issues in this area, further audit coverage will be required in Q4 of 2022/23 to ensure that debt recovery and management processes continue to improve and are operating as expected.</p> <p>The Internal Audit review will look at debts across each directorate of the Council and to look at impact of the move from net to gross care provider payments and the collection of client contributions.</p> <p>*See counter fraud plan also for income/delayed bankings proactive exercise and exercise on the taking of card payments at home</p>
Commercial Services - Ethical Guide to Procurement	3	<p>Internal Audit Support is required to assist the Head of Procurement in the development of a 'Ethical guide to Procurement' to be produced in year.</p>
Commercial Services - Procurement	12	<p>To continue to keep under review the Council's procurement activities to ensure that they are compliant with the Council's Procurement Regulations and toolkit as well as legislative requirements. Vendor spend reports will be used to select sample of areas to review (all spend over £25k). Scope of work to include an assessment of:</p> <ul style="list-style-type: none"> • Awareness and use of the Council's Procurement Regulations and Procurement toolkit; • Procurement Activities comply with the Council's procurement regulations, the Procurement toolkit and compliance with the Council's Scheme of Delegations; • The extent to which social and environmental considerations are included within the tendering process; • The extent to which the Modern Day Slavery Act 2015 are considered as part of the tendering process;

Area	No of Days	Indicative Scope
		<ul style="list-style-type: none"> There is sufficient management oversight/ visibility of Council spend to highlight areas of non compliance with Procurement Regulations. <p>Compliance with Procurement Regulations will also include an assessment of the use of Exceptions - vendor spend reports will be used to select a sample for further analysis.</p> <p>In addition, use of EX1s (one time vendor payments) will also be analysed to ascertain that there is compliance with the Council's Procurement and Financial Regulations</p>
Property Procurement - Governance, Procurement & financial controls	10	<p>For a sample of strategic property projects, to provide assurance over the governance, procurement activity, project management delivery and financial arrangements.</p> <p>Scope of work to Include:</p> <ul style="list-style-type: none"> Property Project initiation and approval (including evidence of robust options appraisal and cost modelling associated with project); Project governance arrangements; Project Delivery including management and monitoring; Procurement Activities associated with each property project; Financial and budgetary Arrangements. <p>The new school development - Anker Valley Tamworth to be included within the sample.</p>
MTFS - Delivery Plan	15	<p>Audit work in 2022/23 is required to provide on-going assurance that scheme delivery against savings in the MTFS are being managed and monitored effectively and reported accurately. In addition, the scope of work in 2022/23 may also include assurance over the accuracy of the financial assumptions made around spending pressures.</p> <p>A sample of new savings and recurring savings will be selected for review.</p>
Use, administration and Management of Direct Debit Income Collections	10	<p>Increased number of direct debits are expected due to the net to gross change in how care providers are paid and how client contributions are collected (3,200 additional customers expected).</p> <p>To evaluate the internal controls in place in relation to the use and administration of direct debits to collect invoiced debt. The audit will include an assessment of the security arrangements in place to store customer bank account details on My Finance.</p>

Area	No of Days	Indicative Scope
		<p>The review will cover the following areas:</p> <ul style="list-style-type: none"> • To ensure that Direct Debit policies, procedures and Guidance are in place • To ensure that that the Direct Debit Service User has been correctly established • To ensure that procedures exist to verify that Direct Debits have been correctly created, notified to the payer and collected • To ensure that procedures exist which enable Direct Debits to be collected in a timely manner • To ensure that procedures have been established to ensure that income collected by Direct Debit is posted correctly in the accounting records • To ensure that a procedure exists for managing unpaid Direct Debits • To ensure that there is a procedure for dealing with indemnity claims • To ensure that access to Direct Debit set up and account information is restricted
VivUp - Payroll benefits Platform	5	<p>Vivup is the Council's new employee benefits platform and a one-stop-shop for all of the health and wellbeing support.</p> <p>The Vivup platform for employee benefits and health and wellbeing requires further IA support to put in place the further checks and balances for schools and foster care. Time will be required to support the project in Q1 including some post assurance checks in Q3 (December 2022) for the new financial wellbeing benefit, Salary Finance. This work will give assurance over compliance with the scheme requirements including loan repayment and to ensure that leavers are dealt with appropriately.</p>
Members Allowances & Expenses	10	<p>In 2022/23 to review the systems, controls and risks relating to Members claims for allowances and expenses</p> <p>Scope of Work to include and evaluation of the following:</p> <ul style="list-style-type: none"> • Allowances and expenses approved in accordance with agreed criteria. • Completeness and accuracy in recordings of claims made by members. • Timeliness of claims submitted and payments made. • Validity of claims submitted. • Adequacy of budget monitoring procedures in place. • Adequacy of training and instructions provided to members. • Management checks and oversight arrangements are in place. •

Area	No of Days	Indicative Scope
Use & Payment of Settlement Agreements - redesign of processes	10	<p>To provide Internal Audit Support to redesign processes following the internal audit review in this area in 2019/20 (limited assurance).</p> <p>New processes, procedures and guidance are required for this area which covers both corporate and schools.</p>
GDPR - Information Asset Register	10	<p>An Information Asset Register is a key component of the GDPR. Following the implementation of a new Information Asset Register by IGU, a 'critical friend' review will be undertaken to identify any missing areas or room for improvement.</p>
Treasury Management & Banking	10	<p>Internal Audit time will be required in 2022/23 to provide assurance that processes and controls are continuing to operate effectively for the Council's treasury management system (covering short and long term investments and borrowings) and Lloyds link.</p> <p>Scope of work:</p> <p>The review will consider the following processes:</p> <ul style="list-style-type: none"> • Investment and borrowing transactions and related policy. • Accounting, bank and local records. • Reporting of investment and debt positions. • Supervision and management structures and arrangements. • Compliance with the Prudential code/CIPFA code of practice on TM • Lloydslink access, transaction and back up controls, and reporting. <p>This is a cyclical financial review.</p>
Ask People Services Project	5	<p>During 2022/23 HR propose to implement a new system to govern and manage the back office processes associated with Information, Advice and Guidance. This will include the implementation of a new internal portal, chatbot and case management system.</p> <p>Internal audit will provide advice to the project in relation to the security and governance of data within these systems.</p>
VCSE Strategic Capacity Building Partnership Contract	10	<p>A procurement exercise was carried out for the VCSE Strategic Capacity Partnership Contract. This goes live on 1st August 2022 and is for 4 years (£0.5m p.a).</p> <p>Management has requested assurance over the tendering process to ensure compliance with the Council's Procurement Regulations as well as the arrangements for commissioning from the contract and then the management and monitoring of the contract including the delivery of expected outcomes.</p>

Area	No of Days	Indicative Scope
Midlands Engine	10	<p>The Midlands Engine is a partnership which brings together public, private and third sector partners to complement and enhance the activity of local and combined authorities, Local Enterprise Partnerships (LEPs), universities, businesses and others.</p> <p>From 1st October 2020, Staffordshire County Council became the accountable body for the Midlands Engine (previously Nottingham City Council).</p> <p>Annual IA time is required to provide assurance that the Midlands Engine is operating in accordance with the National and Local Growth Assurance Framework (NLGAF). This annual work will feed in to the s151 statement. A review of financial processes may also be undertaken and the scope of any additional work will be agreed with the County Treasurer and the Head of Decision Making Support (Deputy s151)</p>
Budgetary Control Arrangements	15	<p>The audit will examine key controls relating to the Council's revenue budgetary control system of the County Council to allow budgets to be appropriately set, approved, monitored and reported upon.</p> <p>This area is classified as a key financial system review in 2022/23 as per our Cyclical Review timetable for Key Financial Systems.</p>
Fidelity Guarantee and crime proposal insurances - annual renewal process	5	<p>Internal Audit will continue to input into both the fidelity guarantee and the crime proposal insurance renewal documents in relation to the Council's control environment.</p>
2021 Community Fund - Members Programme	5	<p>In 2022/23, Internal Audit will continue to provide post assurance checks on a sample of community fund payments made to recipients approved in 2021/22 to ensure that fraudulent funding applications have not been received, processed and paid.</p> <p>Internal Audit's work will review :</p> <ul style="list-style-type: none"> • the eligibility of grant recipients; • compliance with the funding criteria; • the funding approval process; and • evidence of how funding has been spent i.e in accordance with grant recipient's application forms. <p>A follow-up on previous recommendations will also be carried out.</p>

Area	No of Days	Indicative Scope
Main Accounting (Nominal Ledger)	10	This area is classified as a key financial system review and is scheduled to be reviewed in 2022/23 as per our Cyclical Review timetable for Key Financial systems. The scope of the audit will include a review of the following areas: <ul style="list-style-type: none"> • Feeder systems to the General Ledger; • Balancing of the financial system including opening balances; • Amendments to General Ledger Master Data; • Bank reconciliations • Ledger Inputs; and • Control & Suspense Accounts.
Total No. of Days	377	
Health & Care – Richard Harling		
Social Care Reform - Project Support	40	In 2021/22 Central Government outlined proposed changes to the provision of care services, including movement to a Strength Based Care Delivery Model and a Fair Charging review to align costs/charged for care. Putting People at the Heart of Care - Social Care Reform (December 2021) Building Back Better: Our Plan for Health and Social Care (revised January 2022) Management and the County Treasurer has requested Internal Audit project support as the Social Care Reforms are implemented as this will involve the review and development of processes to ensure that a robust control environment remains in place. Specific work to be agreed with Senior Management, as required.
Social Care Reform - Adult Social Care Pathway: Strength Based Care	15	The Adult Social Care Pathway is currently being redesigned to move to a Strength Based Care model. Management have requested audit time in 2022/23 to provide assurance that the new model and revised processes are embedded and operating as anticipated.
Fair Cost of Care Review - Due Diligence	10	The Government white paper "People at the Heart of Care - Social Care Reform" includes a requirement for Local Authorities to pay a Fair Cost of Care to assist with sustainability of the care market. This includes the establishment of set rates with providers. In response, a review of care costs is currently ongoing and the Director of Health & Care has requested audit time in 2022/23 to undertake independent due diligence of the methodology, processes and outcomes from the review.
Quality Assurance - Care Providers	10	Providers are quality assured under a regulated regime through the Care Quality Commission (CQC). Resources are targeted at those providers requiring improvement and those not seen by the CQC Service. The Council has designed a Quality Assurance Toolkit assessment which is a set of indicators that each service provision is assessed against. The toolkit assessment incorporates the CQC regulations, industry best practice and contractual requirements to enable adequate assessment of the quality of care against adult care service providers.

Area	No of Days	Indicative Scope
		<p>The Council's Quality Assurance team monitors the quality of the adult care market in Staffordshire and responds to issues identified by the Council, staff working for the service provider members of the public, and the CQC. This includes reviewing both registered provisions and non-registered contracted provisions.</p> <p>The audit will provide assurance that Quality Assurance processes are operating effectively; including utilisation of the Quality Assurance Framework Toolkit to ensure assessments are consistent and comparable; data capture and analysis, including citizen experiences. The audit is also to include links with the Care Market and Development and / or the Provider Improvement Response Teams to ensure that remedial actions are devised and actioned, where areas of weakness are identified, either due to processes / actions of individual providers and/or to the impact of external issues within the market.</p>
Adult Social Care Training - Learning & Development	10	<p>Social workers are required legally to undertake training and employee engagement requires continuing professional development. The Council is required to meet the needs of the workforce and ensure appropriate training is undertaken.</p> <p>Management would like a review of this area to ensure that there is training plan in place, a training needs analysis has been undertaken and that the Council's offer is in accordance with the requirements of the Local Government Association standards for employers of social workers.</p>
Adults Safeguarding Board	8	<p>An Internal Audit review will be conducted to provide assurance that the Adults Safeguarding Board continues to operate in accordance with its Terms of Reference and requirements of the Care Act 2014; including roles and responsibilities of the board and representation by partner organisations.</p> <p>This will be a joint audit exercise with Stoke City Council.</p>
Care Director Data: Recording and Reporting - Dashboards	10	<p>Dashboards are being developed for key services across Health and Care to provide real time management information. The data use to inform the dashboards is to be taken from information retained within the data warehouse, which in turn is captured from Care Director.</p> <p>Audit time has been requested in 2022/23 to provide independent assurance in relation to the accuracy / integrity of the information provided via the dashboards. Work to be scheduled to align to the go live dates for the dashboards to be developed and launched in year.</p>
Covid 19 - Social Care Recovery	10	<p>Due to the impact of Covid 19 it was necessary to reprioritise some activities. Actions have been undertaken in 2021/22 and continue into 2022/23 to ensure that activities have been reinstated to ensure that citizens are not disadvantaged.</p>

Area	No of Days	Indicative Scope
		<p>Management have requested an audit review in 2022/23 to provide assurance that risks were effectively managed and mechanisms are in place to ensure that restorative actions required are identified and appropriate plans put in place and/or actioned. The review will include the following services:</p> <ul style="list-style-type: none"> ○ Learning Disabilities ○ Safeguarding ○ First Contact. <p>A similar review of services provided by the Midlands Partnership Foundation Trust (MPFT) is to be undertaken by their Internal Audit Services and therefore will be excluded from this review. Assurance will be taken from the MPFT audit report.</p>
Liberty Protection Safeguards	15	<p>The administration of Liberty Protection Safeguarding (previously referred to as Deprivation of Liberty (DOLs)) transferred from Legal Services to Health and Care from April 2021. Management has request a review of the new arrangements from Liberty Protection Safeguarding, to include both the administration and operation of the safeguards.</p>
Mental Health Act - Section 117	15	<p>Section 117 of the Mental Health Act 1983 places a joint duty on local NHS and social services commissioners to provide aftercare services for people that have previously been sectioned under the treatment sections of the Mental Health Act. Staffordshire County Council currently have around 600 people receiving aftercare services at a cost of around £16m per annum.</p> <p>An extensive internal review of the S117 provision and processes has been undertaken in 2021/22 and time has been requested in 2022/23 to review operation and compliance with the new arrangements.</p>
NEXXUS - Residential Care Homes	10	<p>In July 2021, NEXXUS took over the running of two care homes, Meadowrythe and Bracken House.</p> <p>Management has requested that assurance is given over the operations at both residential care homes to ensure that all regulations are being complied with.</p>
Quality Assurance - Assessments	10	<p>Management has requested a further review in 2022/23 to ensure compliance with a new Quality Assurance framework to be implemented April 2022.</p>
All Age Disability - Day Opportunities	10	<p>The All Age Disability - Day Opportunities Dynamic Purchasing System went live April 2021.</p> <p>Management has requested a review of the effectiveness of the new processes and utilisation of the DPS. The review will also provide assurance that existing / historical packages are being transferred onto the new contracts subsequent to reassessments.</p>
Disabled Facilities Grant - Expenditure & Outcomes	10	<p>The Disability Facilities Grant is passported by the County Council to District and Borough Councils for the completion of home improvements to increase accessibility to allow an individual to remain in their own home. Six of the Eight District and Borough Councils formed a partnership and jointly commissioned an external provider to manage</p>

Area	No of Days	Indicative Scope
		<p>delivery the required works, the current contract expires in 2022/23. As part of the funding agreement, the District & Borough Councils are required to provide the Council with an annual assurance statement and a supporting Audit Report to confirm the level of DFG expenditure incurred in year and that this expenditure has been incurred in accordance with the Terms and Conditions of the Disability Facilities funding.</p> <p>Senior Management has requested further work in 2022/23 to retrospectively review the delivery of DFG services and outcomes under the current arrangements. Review to include analysis of the funding allocated and spent within the period, works completed and monitoring of outcomes.</p>
Carers Strategy / Carer Offer	10	<p>The Council delivers a single point of contact for Carers of all ages via First Contact which provides information, advice and guidance and where required will conduct a Carers Assessment. If ongoing support is assessed as needed First Contact will refer the Carer to Staffordshire Together for Carers, or to other relevant services or commissioned arrangements, to meet residual needs. As part of the offer available to Carers, from the 1st April 2021, the Council have commissioned an external provider, Compass, to deliver a programme of preventative support which is embedded within local communities.</p> <p>Management has requested audit time in 2022/23 to review delivery against the Strategy, including embedding of the new contract in place from 1st April and payments to support Carers. The review will also consider delivery against the requirements outlined in the People at the Heart of Care - Social Care Reform white paper.</p>
Provision of Unregulated Support	10	<p>Staffordshire County Council commission providers to undertake regulated care tasks to support citizens in accordance with individual care plans. In addition to regulated tasks, other unregulated support may also be required by an individual, such as the completion of domestic chores, however, these are not included as part of the commissioned services.</p> <p>Senior Management has requested an audit review in 2022/23 to provide assurance that care resources are being utilised effectively for the delivery of regulated services and that alternative provisions have been considered for the completion of non-regulated tasks, to ensure that capacity to provide regulated services is maximised.</p>
COMPLIANCE: Complex Needs Units	10	<p>There are six complex needs units operated by the Council to provide day opportunities. Internal Audit will review a sample of three units on a rolling programme for compliance with Financial Regulations across the following areas: purchase cards, payments, inventories and income. Three sites were visited in 2021/2022. the remaining three will be visited in 2022/23.</p>
COMPLIANCE: Residential Homes for Learning Disability	2	<p>Currently there are three residential homes for Learning Disability (Greenfield House, Hawthorn House and Douglas Road). Internal Audit will review compliance with Financial Regulations and areas for review include; imprests from cash only purchase cards, payments, inventories, residents' property, cash income. Two homes were reviewed in 2021/22. The remaining home will be visited in 2022/23</p>
Total No. of Days	215	

Area	No of Days	Indicative Scope
ICT – John Tradewell		
Cyber Assurance: Cyber Security Strategy	10	<p>A new Cyber Security Strategy has been created and is being reviewed in a draft state. This is replacing the previous Cyber Security Strategy that was in place between 2017 and 2021.</p> <p>This audit will provide management with assurance that the strategy aligns with business needs and government strategies such as the National Cyber Security Strategy 2022 - 2030, is suitably resourced, and governance controls, such as progress monitoring are in place. Further to this, the audit will also look to establish whether the aims and objectives of the outgoing strategy were achieved.</p>
Cyber Assurance: Major Incident Management (inc. Cyber Incidents)	10	<p>Major security incidents, include cyber incidents can have a major impact on the Council in many ways. Robust Incident management processes can help reduce the impact when they do happen. This audit will provide management with assurance that major incident management processes are fit for purpose, allowing the Council to quickly respond to incidents, prevent further damage, reduce the financial and operational impact and reduce reputational damage.</p>
Cyber Assurance: Threat & Vulnerability Management	10	<p>Threat and vulnerability management (TVM) procedures represent a key element in an organisation's security program to detect cyber threats and to provide an approach to risk and vulnerability mitigation that is proactive and business-aligned based on risk. These procedures are intended to provide a way to assess the potential business impact and likelihood of threats and risks to an organization's infrastructure before cyber security incidents occur. New TVM procedures are being implemented in SICT alongside a new scanning tool to further develop the TVM capabilities of the Council and reduce the risk of cyber attacks occurring.</p> <p>The scope of this audit will be developed alongside the Cyber Security Manager and Network and Security Operations team but will look to include the following:</p> <ul style="list-style-type: none"> • Detection, management and remediation of IT threats and vulnerabilities; • Processes in place to measure and report on IT threats and vulnerabilities up to senior management.
Cyber Assurance: SaaS Procurement and Monitoring (Supply Chain Security and Risk Management)	10	<p>The County Council is relying more on third parties to deliver SaaS (Cloud) systems, and services to support the Cloud First Strategy. Any cyber-attack on these suppliers can be just as damaging to the Council as one directly against us.</p> <p>It is therefore vital to ensure that the risks inherent with the supply chain in relation to SaaS services are managed and understood and to provide confidence that the Council will not suffer a cyber incident via a third party.</p> <p>This audit will seek to ensure that:</p> <ul style="list-style-type: none"> • There are effective security requirements are embedded within the Councils contracting processes: and • There are effective monitoring and management a SaaS providers after the procurement to ensure that risks are known and managed.

Area	No of Days	Indicative Scope
IT End User Device Asset Management	15	This audit will determine whether adequate and effective IT asset management processes and controls are in place in relation to laptops provided to Council employees, to provide management with assurance that: <ul style="list-style-type: none"> • A record is maintained of Council assets and that stock is effectively managed and controlled • Receipt of goods is acknowledged and recorded and the issue of goods is authorised and recorded. • Stocks of equipment are held securely. • Stocks of equipment are periodically verified to stock control records. • Stock write offs or disposals are authorised in accordance with the Council's Financial Regulations. Further to this, during 2022 SICT plan on trailing Microsoft Autopilot. Autopilot will change the way laptops are configured ready for deployment to end users, placing more responsibility on the end user. It will also change the way that laptops are delivered to the end user. This audit will also look at the proposed processes and controls around the use of Autopilot to ensure they are fit for purpose before any widescale rollout of Autopilot.
Total No. of Days	55	
Grant Verification Work (General)		
Growth Hub Grant	8	The Department for Business, Innovation & Skills (BIS) has awarded Staffordshire County Council new growth hub monies of £536k per annum to support the growth hub investment programme. Internal Audit is required as part of the grant conditions to verify grant spend for the year and therefore time will be required in April / May 2022 to verify the 2021/22 grant. (Deadline for signed verification letter from the Chief Internal Auditor by 31st May 2022).
Local Enterprise Partnership - Core Funding Grant	5	From 1st April 2019, Staffordshire County Council will become the accountable body for the core funding grant (previously Stoke On Trent City Council). The grant funding is £0.5m p.a. with match funding of £0.25m from both local authorities. This area will require a grant audit in 2022/23 to be carried out by 30th June 2022.
Bus Service Operators Grant (BSOG)	12	The Department For Transport has awarded SCC £700k in 2021/22 in relation to Bus Transport Services. Within the grant conditions, there is a requirement for Internal Audit to provide assurance over grant expenditure and confirmation that grant conditions have been complied with. A number of the bus operator contracts were due for renewal within 2021/22 and therefore additional audit time will be required to perform the verification exercise in 2022/23 to allow provide assurance in relation to the procurement activity undertaken. This verification is required to be signed by the Chief Executive and the Chief Internal Auditor and submitted to the DfT by 30th September 2022. Time is therefore required in the audit plan to undertake this grant verification exercise.
Superfast Broadband Grant Verification	5	The superfast broadband for Staffordshire programme costs circa £20m (phase 1) and £2m (phase 2). This area has been subject to review by BDUK and positive assurance has been received. However, there is a requirement for the

Area	No of Days	Indicative Scope
		<p>end of year monitoring report to be verified and signed off by the Chief Internal Auditor. The verification is required by 1st May 2022.</p> <p>In respect of the governance arrangements for the programme, assurance will be taken from the positive assurance statement previously provided by BDUK.</p>
Local Transport Capital Funding - Grant Verification	20	<p>£28.516m has been received by SCC in 2021/22 to provide support in financing the capital costs of integrated transport measures and capital highway maintenance schemes. Internal Audit verification of grant expenditure is required to comply with the conditions of the funding (due 30th September 2022 and to be signed by the Chief Executive and the Chief Internal Auditor). To include the following funding:</p> <ul style="list-style-type: none"> - Integrated Transport Block £3.449m - Highways Maintenance Block - Needs £11.141m - Highways Maintenance Block - Incentive 2.785m - Pothole Fund £11.141m (30% of the Pothole Fund was in advance to give additional flexibility to assist with plans to repair potholes and to protect local road network from adverse weather. From full allocation of £11,141,000, £3,342,000 should have been received on 31 March, the remaining £7,799,000 to be paid quarterly) <p>Note - Expenditure incurred early Q1 2021/22 will have been included within the verification return submitted 30th September 2021 and therefore will be excluded from the review in 2022/23.</p>
Building Resilient Families & Communities (BRFC)	8	<p>The audit aims to provide information on the achievement of family level outcomes by examination of a sample of cases closed by the service provider to ensure the process is in line with the Outcomes Plan, case closure, management sign off, verification of evidence of outcomes, and quality assurance verification processes. As agreed within the DfE, the audit will examine a minimum 5% sample of cases for verification, with the sample being proportional across the range of cases and providers.</p>
SEND S256 Grant Verification	5	<p>A SEND S256 agreement is in place between Staffordshire County Council and the 5 CCG's within Staffordshire to provide SEND Information, Advice and Support Services (IASS). The agreement runs for three years from 1st April 2021 to 31st March 2024. Annual funding under the S256 agreement is £364,130, split between the Council (£321,431 per annum) and the CCG's (£42,699 per annum). The Council administers the pooled funding as part of the S256 agreement and annual voucher.</p> <p>As part of the S256 agreement in place, the Council is required to provide a detailed financial statement which has been audited by the Council to each of the CCGs Director of Finance (or equivalent officer, or duly designated officer) by no later than 30 June immediately following the expiry of the financial year in question.</p> <p>Audit time will be required in 2022/23 to complete verification of the financial statement as required by the agreement.</p>

Area	No of Days	Indicative Scope
Disabled Facilities Grant - Grant Verification (2021/22 funding)	5	<p>The Disability Facilities Grant is passported by the County Council to District and Borough Councils for the completion of home improvements to increase accessibility to allow an individual to remain in their own home. Six of the Eight District and Borough Councils formed a partnership and jointly commissioned an external provider to manage delivery the required works, the current contract expires in 2022/23. As part of the funding agreement the District & Borough Councils are required to provide the Council with an annual assurance statement and a supporting Audit Report to confirm the level of DFG expenditure incurred in year and that this expenditure has been incurred in accordance with the Terms and Conditions of the Disability Facilities funding.</p> <p>Time will be required in 2022/23 - to review and verify the returns submitted to inform a return of total expenditure to be completed to central government by the Council, due 30th October 2022.</p>
Green Homes Grant Verification	8	<p>In 2021/2022 Staffordshire County Council was awarded £4,191,050 under Phase 2 of the Green Homes Grant. The grant is to be used to install energy efficiency and improve the worst-quality homes in England. Improvements to homes are made in partnership with EON, with the Council paying pre agreed rates for various improvement measures e.g. replacement doors and windows or solar panels.</p> <p>Funding is awarded to households based on eligibility criteria, checks on which are completed by EON. The grant has been paid to SCC in advance with an unspent funding to be returned to the Department for Business, Energy and Industrial Strategy (BEIS) in October 2022.</p> <p>Internal Audit verification of grant expenditure is required to comply with the conditions of the funding due 30th September 2022.</p>
Weight Management Grant Verification	5	<p>The Adult Weight Management Services Grant (No. 31/5540) distributes £30.5m of this funding between all local authorities in England to support the expansion of adult tier 2 behavioural weight management services commissioned by local authorities. This is part of a place-based whole systems approach to tackling obesity and promoting healthier weight. Staffordshire County Council were awarded funding of £499,277 in 2021/22.</p> <p>Terms and Conditions of the Grant Funding require a declaration signed by the Chief Executive or the S151 Officer to confirm that expenditure has been incurred in accordance with the funding terms and conditions. Audit time will be required in 2022/23 to undertake the required expenditure verification. A specific deadline for the declaration has not been specified, however, this could be requested at anytime following the end of the financial year and therefore, the audit work will require completion in Q1</p>
Sub-Total No. of Days	81	

Area	No of Days	Indicative Scope
Grant Verification Work (COVID 19)		
Local Transport Authority - Bus Recovery Fund (LTA BRG)	5	<p>Emergency Government funding via the Coronavirus Bus Services Support Grant (CBSSG) has been a key element of support provided to the sector, for both commercial and tendered services and we are now transitioning to providing recovery funding. In July the Government announced bus recovery funding of £226.5 million to support the bus sector across England (outside London). This funding covered the period from 1 September 2021 to 5 April 2022. A letter received from the Department of Transport in September 2021 confirmed that Staffordshire County Council was to receive a funding allocation of £61k.</p> <p>Under the Terms and Conditions of the funding a declaration was required and completed by the Section 151 Officer in October 2021, as per the statement below:</p> <p>“We will endeavour to carry out appropriate investigations and checks to ensure that, in our opinion, in all significant respects, the Local Transport Authority Bus Recovery Grant is used in accordance with the Memorandum of Understanding attached to this declaration and all related Grant Determinations to be determined by the Department for Levelling Up Housing and Communities.”</p> <p>Therefore, audit time is required in 2022/23 to complete a verification of expenditure and use of the funding received, in accordance with the above declaration. Audit work to be completed May/June 2022.</p>
Holiday Activity and Food (HAF) Programme Grant Verification	8	<p>Families can experience significant pressure points during school holidays with reduced income and increased financial pressures because of the costs of food, childcare and enriching activities. Disadvantaged families are likely to experience “unhealthy holidays” in terms of nutrition and physical health along with exacerbated inequalities relating to social isolation and loneliness. To address this the Department for Education has expanded the Holiday Activities & Food (HAF) Programme across all Local Authorities.</p> <p>Local Authorities were able to determine the delivery model for the Holiday Activities and Food Programme within the parameters of the Terms & Conditions, set out by the Department for Education. This ensures the Programme is administered to promote and develop community resources, spaces and activities.</p> <p>To facilitate delivery of the programme across Staffordshire the County Council have been allocated £2.231m for the two year period 2020/21 and 2021/22 to provide activities and food to families during the Easter, Summer and Winter school holidays. The funding determination letter states that funding may be clawed back, if the S151 Officer is unable to provide assurance that the monies have been spent in accordance with the terms and conditions of the agreement in place.</p>

Area	No of Days	Indicative Scope
		Scope of IA Work: To provide further assurance to the S151 Officer that the monies have been spent in accordance with the terms and conditions. As such time is required in 2022/23 to verify expenditure incurred for the provision of schemes delivered subsequent to the period reviewed within the 2021/22 audit.
Infection Control - Grant Verification	15	<p>In 2021/22 Staffordshire County Council were allocated £9.163m of Covid 19 grant, to fund infection control activities. The fund the following:</p> <p>£3.7m Lateral Flow £1.95m Testing in Care Homes £358k Vaccinations</p> <p>In accordance with the Terms & Conditions of the grant, a declaration is required to be submitted by the 29th April 2022, signed by the Chief Executive and Director of Health & Care that the funding has been spent in accordance with the funding terms and conditions; and any underspend recovered. As such, audit time will be required in 2022/23 to undertake the audit verification of expenditure to provide the assurance required.</p>
Workforce Recruitment and Retention	5	<p>In 2020/21 SCC were allocated grant funding of £5.604m to help local authorities put in place measures that deliver additional staffing capacity for adult social care to:</p> <ul style="list-style-type: none"> - support providers to maintain the provision of safe care; - support providers to restrict the movement of staff between care homes and other care settings; - support timely and safe discharge from hospital into care settings; and - to enable new admissions from the community into care services. <p>Audit time was included in the 2021/22 internal audit plan to review the processes in place for the allocation of the funding and to validate a sample of expenditure, however, further time will be required in 2022/23 to provide assurance over the funding period and inform the required declaration to be signed by the S151 Officer and returned by the 29th April 2022.</p>
Covid 19 - Community Testing Fund - Grant Verification	8	<p>Staffordshire County Council were allocated £4.599m to provide support to the Local Authority towards expenditure lawfully incurred or to be incurred in relation to Community Testing in response to the COVID-19 outbreak</p> <p>Verification of grant expenditure to ensure compliance with grant Terms & Conditions is required to be completed and a declaration by the Chief Executive and Chief Internal Auditor to the Department for Health and Social Care is required. Declaration is required by the 29th April 2022.</p>
Test and Trace - Grant Verification	10	<p>Government announced a £300 million fund to support the development of systems under Local Authority Test and Trace Service Support Grant. On 10 June 2020 Staffordshire was allocated £3,634,365 to facilitate Test and Trace activity across the county. The grant is allocated under Local Authority Test and Trace Service Support Grant</p>

Area	No of Days	Indicative Scope
		<p>Determination (2020/21) [No 31/5075] from the DHSC. £2,094,339 of the funding was spent in 2020/21, with the remainder of £1,537,026 being carried forward into 2021/22.</p> <p>An audit to verify expenditure incurred in 2020/21 was undertaken in 2021/22, this also incorporated expenditure incurred in 2021/22 as at the date of the audit (£379,493). This was confirmed to the Department for Health and Care via letter on the 20th October 2021.</p> <p>Further time is required in 2022/23 to provide verification in relation to expenditure of the remain funding balance of £1,160,533. A specific date for the verification return has not been provide, however, it is proposed that the audit in completed as soon as possible after year end, therefore the review will be undertaken In Q1.</p>
Contain Outbreak Management Fund - Grant Verification	20	<p>In total Staffordshire County Council have been allocated £22.778m from the Contain Outbreak Management Fund (COMF) which provided English local authorities (LAs) with financial support to be used for test, trace and contain activity related to outbreaks of Covid 19.</p> <p>As per of the Terms and Conditions of the funding the Council are required to provide verification to Department for Health and Care that funding has been utilised in accordance with the grant conditions by the 30th June 2022.</p>
Sub Total No. of Days	71	
Total No. of Days	152	
Cross Cutting Audit Activity		
Climate Change Action Plan - Project and Programme Management	10	<p>Tackling Climate Change is one of the Council's Priorities included in the Strategic Plan for 2022-26.</p> <p>In 2021/22, a budget of £1.2million was available for climate change, however, actual spend has been low with £850k being requested to be carried forward into 2022/23.</p> <p>The 2021/22 IA review highlighted that whilst the governance for climate change had improved, further improvements were required to be made in relation to the climate change action plan and associated monitoring to ensure that climate change projects are delivered and the budget spent.</p> <p>As such, a sample of climate change projects will be selected from the Climate Change Action Plan (CCAP2) and checks applied to ensure that these projects have been appropriate managed, monitored and delivered in 2022/23.</p>
Community Climate Action Fund	5	<p>Probity/post Assurance checks will be carried out on the community climate action fund to ensure for a sample that:</p> <ul style="list-style-type: none"> • Applications are bona fide and complied with the eligibility criteria; • Applications are appropriately approved;

Area	No of Days	Indicative Scope
		<ul style="list-style-type: none"> • Applications are properly supported by costings; • Appropriate verification checks are carried out; and • Grant funding had been spent appropriately. <p>The previously audit recommendations will also be followed up</p>
Culture, Values & Behaviours Governance Review	20	<p>To continue with the Culture, Values and Behaviours Governance Review which commenced in 2021/22.</p> <p>The scope of the audit review is to evaluate the extent to which the Council works with a culture that promotes good ethical values and behaviours. Our work will focus on (i) compliance with Principle A of the CIPFA/SOLACE good governance framework - Integrity & Values as well as (ii) the CFGS' governance risk & Resilience framework.</p> <p>5 key strands that support an effective culture and ethical framework will be evaluated:</p> <ul style="list-style-type: none"> • Leadership & management; • People; • Processes & Procedures; • Culture, Values & Consistency; and • Assurance and Accountability.
County Deal - Staffordshire Leaders Board	12	<p>The Levelling up white paper was published at the beginning of February 2022 which sets out how County deals will work across the Country. County deals are a proposed mechanism to deliver sub-national devolution in England. They will involve 'bespoke' agreements between the UK government and local authorities in non-metropolitan parts of the country. As such government has directed local authorities to bid for powers through county deals to help them to 'level up' their area by increasing economic productivity, improving local services, and undertaking new infrastructure projects.</p> <p>In order to continue to improve joint working between the County, District and Borough Councils in Staffordshire, and to develop and negotiate a County Deal with Government, the Leaders of all nine local authorities have agreed to establish a Joint Committee to drive this work forward. The Joint Committee will be known as the Staffordshire Leaders Board. SCC is the Accountable body</p> <p>A review of the Governance Framework in place for the Staffordshire Leaders Board will be carried out in 2022/23.</p>
Risk Management - New Enterprise Risk Management Module	5	<p>A new ERM system has been procured and is being implemented in 2022/23. A new risk management framework will also need to be developed in year.</p> <p>As such, audit time will be required in 2022/23 to assist with the implementation of the new ERM including the production of guidance and training videos.</p>

Area	No of Days	Indicative Scope
Tree Management	10	<p>In December 2021, SCC were fined £300k for a breach in Health & Safety Legislation when a man was fatally injured walking on an area of land that was owned by SCC (Tree fall).</p> <p>Internal Audit time is required in 2022/23 to give assurances that the recommended improvements have been made to the processes for tree management across the Council (Highways/country parks and school and non school sites).</p> <p>Assurance will be given over the following areas:</p> <ul style="list-style-type: none"> • Awareness of policy and procedures; • Compliance with the Council's tree management policy and procedures; • Asset data management; • Inspection Programme; and • Remedial actions taken • Progress made in completing actions included on the improvement plan from HSE.
Net to Gross Project	10	<p>A significant change project within Health & Care is to be implemented during 2022 following a request by the Local Government Association. This project will change the way the Council pays residential homes from paying net – where the council only pays its own contribution to the residential homes who are then responsible for collecting client contributions, to paying gross – where the council will pay the full cost to the residential home and then become responsible for collecting the client contribution.</p> <p>At the request of the Director of Health & Care, Internal Audit has provided support to the net to gross project since 2021, with work in 2021/22 focusing on the reasonableness and monitoring of the project plan. Internal Audit will continue to be involved in this project during 2022/23, the scope of our work will focus on the suitability of controls and financial processes involved in managing client contributions.</p>
Total No. of Days	72	
Management of the Service	120	Time required to manage the Internal Audit Service in-year.
Recommendation Tracking	15	Time to monitor and track audit recommendations in-year and report to the Audit & Standards Committee.
Contingency 2022/23	10	A provision to respond to new and emerging risks throughout 2022/23.
Total No. of Days	145	
Grand Total No. of Days for SCC Plan	1,470	

Appendix C – SCC Counter Fraud Plan 2022/23

Area	Number of Days
Strategic Development	
To keep under review key Fraud Policies to ensure they are up to date, and reflect current best practice, and latest legislation. Policies to be reviewed include the Fraud, Bribery and Theft Policy.	5
To review the Anti-Money Laundering (AML) Policy & development of a Risk Assessment	2
To review the Council's Whistleblowing Policy and Arrangements to ensure they remain fit for purpose and are effectively communicated	4
To continue to keep under review SCC's response to the new Fighting Fraud & Corruption Locally - The Local Government Counter Fraud & Corruption Strategy 2020 by CIPFA.	4
Participation in CIPFA anti-Fraud Surveys.	3
To update the strategic fraud risk register for the County Council, and the schools' fraud risk register. In addition, these will also consider theft related risks to ensure those areas that have been susceptible to theft previously have been identified.	7
Provide input to HR's programme of Policy Updates as appropriate.	4
Representation at the MCCIAG Fraud Sub-Group; SCAG working group (as required) and the Staffordshire Counter Fraud Partnership.	5
Management Reporting and Liaison with the County Treasurer (& Section 151 Officer) and the Director of Corporate Services as and when issues arise.	3
Fraud Audit & Standards Committee Reporting in year.	4
Total Days	41
Development of an Anti-Fraud Culture	
Fraud E learning – Communications and monitoring of roll out and development of updates/completion monitoring process as required	3
Relaunch of Fraudwatch publications/Fraud Presentations - programme of training (also reference to using intranet to provide information on high risk areas).	5
Staff Survey - Survey (Feb 2022) - follow up to March 2021 Survey. Publish results.	4
Corporate - Intranet/Web pages - further development of intranet pages: news, guides to key fraud risks, publishing of CCM findings.	5

School Intranet Pages and Communications – development of material for publication on the SSLN	10
Total Days	27
Prevent and Deter	
<u>Continuous Controls Monitoring (CCM) - Corporate</u>	
<ul style="list-style-type: none"> CCM Development - implementation of CCM over additional areas such as: prepaid cards & CCTV and ANPR logs at HWRCs (10 days) CCM continuation of testing developed already. (80 days) CCM Dashboard Development - update completion monitoring document to provide a dashboard to be used in quarterly reporting and intranet reporting. (5 days) 	95
<u>Continuous Controls Monitoring (CCM) - Schools</u>	20
Continued CCM Development, testing and reporting during 2022/23 relating to schools	
Total Days	115
Detection	
(1) <u>Proactive Counter Fraud Exercise: Purchase Card Cash Withdrawals</u> - Further probity checks will be undertaken to provide assurance over compliance with cash withdrawal procedures and the accurate accounting and recording of cash withdrawn as well as providing assurance over legitimate use of the purchase card and card and cash security. A targeted review will be carried out looking at the top 10 key Council services with high levels of Purchase Card cash withdrawals.	10
(2) <u>Proactive Counter Fraud Exercise: Taxi Contractors (schools transport and other) -</u> As follow up to concerns identified in previous years, a sample of taxi contractors will be reviewed for compliance with Council contractual requirements. Particular focus will be given to the recruitment and payment of drivers and passenger assistants	15
(3) <u>Recruitment Applicant Tracking System - Proactive Counter Fraud Exercise</u> - Provide input, advice and guidance into the design of processes to mitigate the risk of fraud	5
(4) <u>National Fraud Initiative</u> - NFI Phase 1 (NFI 2022) - Time set aside for data extraction for participation in the NFI mandatory data matching exercise 2022 and upload. Time includes an allocation to co-ordinate all relevant fair processing notices	8

(5) <u>Proactive Counter Fraud Exercise: Deputyship Account Transactions</u> - Probity Check - A sample of transactions made from deputyship bank accounts will be sample tested to confirm their validity.	6
(6) <u>Proactive Counter Fraud Exercise: Household Waste Recycling Centres</u> - Following management of Household Waste sites being brought in house, and a potential fraud concern raised in 2021/22, Internal Audit will visit the household waste sites to distribute fraud awareness material. Newly upgraded CCTV and ANPR facilities will be assessed for potential use in CCM for comparison against trade logs.	15
(7) <u>Proactive Counter Fraud Exercise: Income and Remote Working</u> - Internal Audit will review opportunities for using activity logs to assess the risk of payment information being taken by employees working from home, rather than using appropriate payment methods when working remotely.	6
(8) <u>Proactive Counter Fraud Exercise: Cheque Stock Management</u> - To review the arrangements in place over cheque stocks - issues in and issues from stock as well as the maintenance of cheque stock records and the security of cheques. (high level review only)	3
(9) <u>Proactive Counter Fraud Exercise: Financial Assessments</u> - Due to increase in expected volume of financial assessments and introduction of cost cap in 2023, support will be provided to ACFs in ensure new processes are designed to mitigate the risk of fraud as far as possible.	8
(10) <u>Proactive Counter Fraud Exercise: Blue Badge Enforcement</u> - Liaison with Legal and customer services to develop a protocol for effective monitoring of blue badge use, and development of a process to allow the Council to efficiently seek prosecution for deliberate misuse.	1
(11) <u>Proactive Counter Fraud Exercise: Delayed & Incomplete Bankings</u> - A review of a risk based sample of cash recorded as received in MyFinance, but not recognised as being received in promptly and in full to the Council's bank account.	7
(12) <u>Proactive Counter Fraud Exercise: Direct Payment Prepaid Cards</u> - A review of arrangements around the Council's recently introduced new pre-paid card provider, including access controls and statistical analysis of transactions.	8
(13) <u>Proactive Counter Fraud Exercise: Trading Standards Expenses and PCards</u> - A sample of PCard and expenses payments relating to trading standards will be subject to review for compliance with local and Council Policies. If deemed appropriate this testing may be repeated as part of the CCM programme.	5
Total Days	97
Investigation	
Continue to undertake reactive investigative work when issues of concern are identified through routine audit, reported by management or via the whistleblowing processes in place during 2022/23	170
Total Days	170
Grand Total (Days)	450

Appendix D – Staffordshire Pension Fund Internal Audit Plan – 2022/23

Staffordshire Pension Fund		
Local Government Pension Scheme (LGPS) Asset Pooling	10	Time will be required in 2022/23 to maintain the Pensions Assurance Framework (SCC act as the lead authority for this) and to attend Internal Audit Working Group (IAWG) meetings throughout the year.
Pensions Fund - Pensions Investments (non-pooled) - Responsible Investment, Climate Change & Engagement	5	In 2022/23 to undertake a high level review of responsible investments which includes climate change and engagement. To assess how the Council incorporates Environmental, Social & Governance (ESG) considerations into its investments and how it engages with external fund managers on topics such as climate change and ESG reporting.
Pension Fund - <u>Pensions Administration</u>	25	To keep under review the arrangements in place for administering SCC's pension scheme. This will include a review of payments due to and payments made from the pensions fund as well as the operation of the I-Connects system, the My pensions portal and compliance with GDPR. Scope of the audit to be reviewed in 2022/23 to ensure the review continues to add value and captures key control areas. Scope to be discussed and agreed with the Head of Treasury and Pensions. *See also the separate IT application review which will be conducted on the new Altair Pensions System
Altair Pensions System (Application Security)	20	A tender process was undertaken during 2021 to replace the current on-premise Altair Pensions System, provided by Heywood Pension Technologies, with a SaaS (cloud) based system. The tender was awarded to Heywood Pension Technologies and the new SaaS system will go-live in March 2022. Internal Audit provided input into the tender specification and also provided project support on User Acceptance Testing and Data Migration during 2021/22. During 2022/23, Internal Audit will continue to provide advice to the project (5 days). Also, Internal Audit will conduct a full application security review to provide management with an independent assessment of effectiveness of the design and operation of internal controls and operating procedures protecting the data within the system (15 days application security)
Total No of Days	60	

Appendix E – Quality Assurance Programme

Quality Assurance

Quality outcomes/process designed to deliver a consistently high-quality audit service to our clients – fit for purpose/ meets client expectations/conforms to PSIAS.

Quality Improvement Plan

CIA reporting to the Audit & Standards Committee on the outcome of quality assurance review, together with the improvement action plan and any significant areas of non-conformance to PSIAS included in the Annual Report/Annual Governance Statement.

Ongoing Monitoring

Quality checks and oversight are undertaken throughout the audit review, ensuring that processes and practice are consistently applied and working well.

Role of the CIA

- To develop and maintain the Quality Assurance Improvement (QAIP) and resultant action plan.
- Focus on evaluating conformance with the Internal Audit Charter.
- Arrange an External Assessment in-conjunction with the Audit & Standards Committee.

Role of the Audit Managers

- Obtain on-going assurance that the audit planning, fieldwork conduct and reporting/communication results adhere to audit standard practice (as defined in the audit manual).
- Undertake audit supervision and review. The extent of supervision needed will depend on the proficiency and experience of the internal auditors and the complexity of the review.

Role of Individual Auditors

- Conduct all audit reviews in accordance with the requirements contained in the audit manual and PSIAS.
- Behave at all times in accordance with the PSIAS Code of Ethics and Code of Conduct.
- Promote the standards and their use throughout the Internal Audit Activity.
- Actively seek feedback for all reviews undertaken.
- Demonstrable commitment to delivering quality services.

In January 2018, the Service's first External Quality Assessment (EQA) of the Team was performed by the Chartered Institute of Public Finance & Accountancy (CIPFA). The one recommendation and three suggestions arising from the review have since been implemented. During 2022/23, the Service's second EQA will be procured and conducted.

