Staffordshire County Council

Internal Audit Strategy & Plan

2021/22
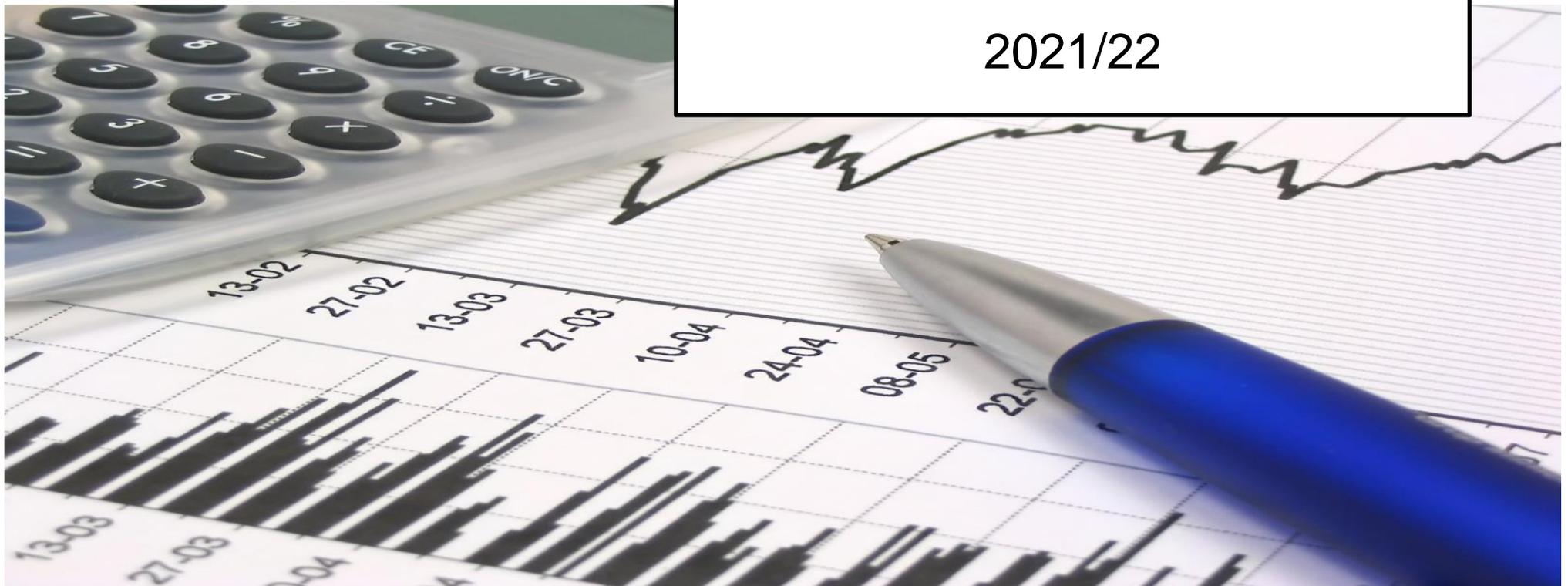
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Introduction

1. This report summarises the proposed work of Internal Audit for 2021/22. 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.
- A risk-based Schools' audit strategy is completed each year which inform our Schools' Compliance Programme for the year ahead.
- An initial allocation of 200 days to conduct Special Investigations.
- An initial contingency allocation – variable year on year.
- Time to undertake pro-active counter fraud work.
- Risk based programme of other compliance reviews.

9. We will work to co-ordinate our work on the key risk areas with the Council's External Auditors, Ernst & Young (EY) during 2021/22 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.

Draft Internal Audit Plan 2021/22

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 welfare reforms as well as the impact of the COVID 19 pandemic in terms of both response and recovery.

Figure 1 – Analysis of Audit Plan

Allocation of Audit Plan by Service 2021-22

- Management Time - 8%
- EIS - 6%
- F&C- 9%
- Corporate Services - 22%
- Health & Care - 9%
- ICT - 4%
- Cross Cutting Audit Activity - 4%
- Grant Work (Non COVID)- 4%
- Grant Work (COVID) - 3%
- Other COVID RELATED WORK - 3%
- Counter Fraud -22%
- Schools 6%
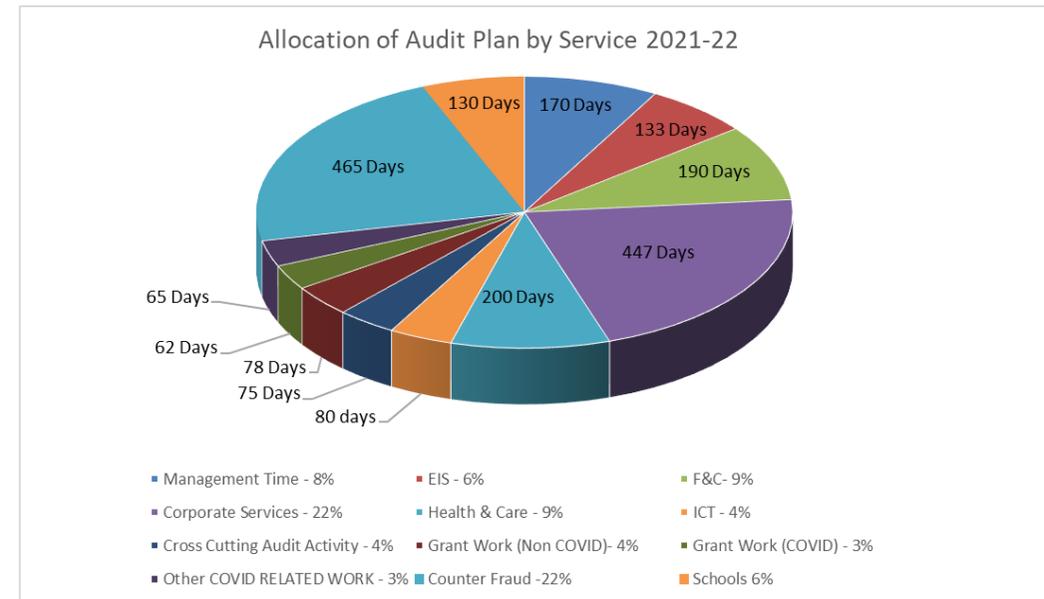
12. The top risk audits/reviews for the County Council have been assessed as being the following areas in 2021/22:

1. Digital Strategy and transformation – Digital First including Care Director Software Upgrade & Microsoft 365
2. COVID 19 Response & Recovery including Contact Tracing, ASC Rapid Testing Funding (Lateral Flow) & Back to Business – the Additional Restriction Grant programme
3. Quality Audits - Assessments
4. SEND Transformation – Governance and High Needs Block
5. Remote Working – Cyber Security

6. Brokerage
7. Entrust Contract Arrangements
8. Culture, Values & behaviours & Corporate Decision Making Arrangements
9. Equality, Diversity & Inclusion
10. Community Renewal Fund
11. Proactive Counter Fraud: Bus Operators and Taxi Contractors (schools transport and other)
12. Business Continuity Management - Organisational Resilience (Supply Chain)

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

Draft Counter Fraud Audit Plan 2021/22

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 a period of significant change to service delivery.

Resources

15. The total resource requirement for Staffordshire County Council in 2021/22 is 2,095 days. This is comparable with the level of coverage delivered in 2020/21.

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

- South Staffordshire District 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. Use of the external Internal Audit framework will continue in 2021/22 along with other existing frameworks to procure specialist resources.

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

Allocation of Resources by Client 2021/22
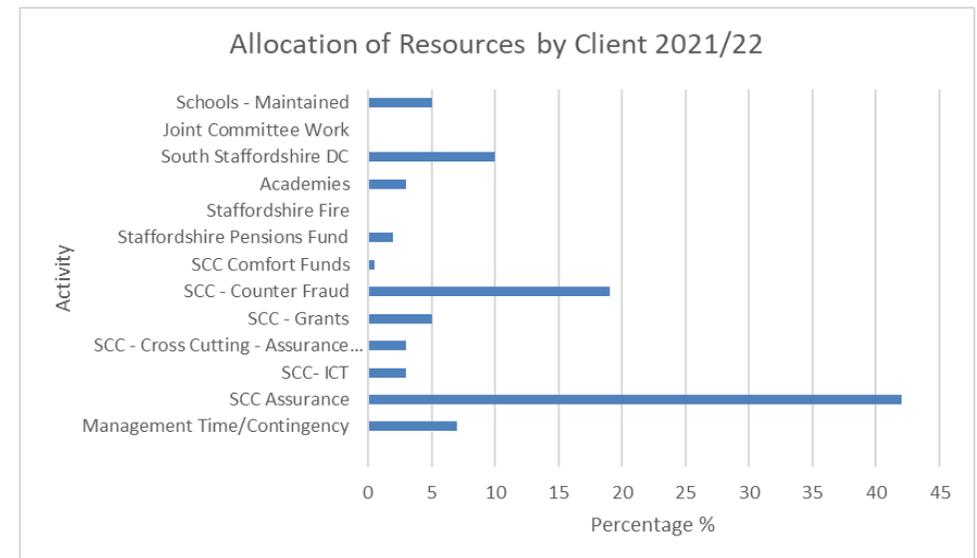
Performance & Quality Assurance Framework

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:	
• Assurance Reports	90%
• Compliance Reports	90%
Average score for Quality Questionnaires from clients is equal to or exceeds the good standard:	
• Assurance Reports	90%
• Compliance Reports	90%

Service Plan Priorities/Challenges 2021/22

• To continue to contribute to the development of the digital first agenda across the Council to ensure that the control environment remains strong whilst exploiting the opportunities for more streamlined, cost-efficient operations.

• To support the Council with its strategy to continue to respond to the COVID 19 crisis and provide on-going assistance during the recovery, renewal 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.

- With 2020 bringing the inclusion and diversity agenda into sharper focus, the Internal Audit service will provide assurance to senior management that the Council has in place a robust strategy for Equality, Diversity and Inclusion with clear priorities and delivery plans which are fully embedded across the Council's operations and which 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, to support the achievement of Council priorities.

- 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'.

- Following our successful bid to provide IA services to South Staffordshire Council, to effectively and seamlessly transfer the IA service and its staff to Staffordshire County Council and to transform their internal audit services, providing an agile internal audit service and high-quality audits to give management valuable insights and real time assurance on things that matter to them.

- To successfully implement and embed the new integrated Audit and Risk Management system into our IA service's day to day operations which is intended to allow the IA service i) to streamline processes; ii) provide greater efficiencies through automation; and iii) reduce duplicated data and processes. Also, to introduce 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 the Council (Corporate) and to introduce a similar CCM programme across the maintained schools environment, 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. Also, to progress the embedding of the use of data into our routine audit work and to think about how the data that we have can be used to provide greater assurance over the control environment.

- To continue to raise the profile of the Counter Fraud Work Programme across the Council including regular communications to raise awareness of fraud risks 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 2018-2022/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 2021/22

Area	No of Days	Indicative Scope
Families & Communities – Helen Riley		
SEND Transformation - Governance	12	Following on from past audit reviews on SEND Decision Making Groups, which has given limited assurance opinions since 2019/20, further time will be required in 2021/22 to continue to provide assurance that progress has been made in implementing past audit recommendations and that the required improvements have been made.
SEND Transformation - High Needs Block	10	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 the financial challenges in the High Needs Block. The Council has started to work towards a new model for SEND and whilst it is a medium to long term goal there will still be a short term effect on the High Needs Block. Additional government funding of £7.1m (net) has been provided for the High Needs Block. An audit of the High Needs Block was undertaken in 2020/21 and a substantial assurance opinion was awarded. Despite this, further time will be required in 2021/22 to provide ongoing assurance that the new model has been effective in addressing the estimated overspend.
Looked After Children - Joint Funding & Complex Needs Placements	10	Management have requested a review of the processes in place for the allocation and management of placements for individuals with complex needs, including joint working and funding arrangements with partners, such as the NHS where the individual has a health need.
Children's Mental Health	10	New £1million p.a. contract has been sourced and has been in place from April 2020 for children's mental health services. The Contract merges five providers into one and the service will require time to mobilise and transition before performance can be reviewed. Management have requested a review of the Children's Mental Health service in 2021/22 to ensure that it is operating effectively and in accordance with the requirements of the contract.
Specialist Safeguarding Units Child Protection Section 47 enquiries	10	Where it is suspected that a child is suffering or is likely to suffer significant harm, a Section 47 enquiry is initiated to decide whether any, and what type of action is required to safeguard the child. This audit will review the application of Section 47 child protection procedures in order to provided assurance that due process is followed, in conjunction with key partners, within agreed deadlines and appropriate evidence is retained.
Through Care - Services & Outcomes	10	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. An audit review of the Through Care provision for care leavers will be completed in 2021/22 to provide assurance that Local Care Leaver offers comply with legislatory requirements and have been / are being delivered effectively. This review is to be undertaken in Quarter 1 / Quarter 2.

Area	No of Days	Indicative Scope
First Response Service	15	The First Response Team is the front door for all targeted referrals. Following the Children's Transformation Programme - Phase 2 (which is to go live in October 2021), the service will be operating differently and as such management have requested an audit, to be undertaken early in Quarter 4 2021/22, to provide assurance that the Front Door arrangements remain robust and processes continue to operate effectively.
Emergency Duty Service (EDS)	10	Management requested a review of EDS in 2021/22 to review the EDS service performance to ensure that it is being used for the emergency cases only, which require actioning outside of usual operating hours.
Schools Deficit Budgets	10	Schools cannot plan to overspend the resources available to them unless they have entered into a formal agreement under the Licensed Deficit Scheme. During the last few years there has been an increase in the number of schools that have a deficit budget and are using reserves to set a balanced budget. There is concern that the level of reserves may not be sufficient to sustain the budget over the three year period of the budget modeller. Management has requested an Internal Audit review in 2021/22 of a sample of schools to identify how schools are using reserves to set budgets, including consideration of the impact of COVID19 on the schools financial position.
Early Years Offer - Children's Centres	10	Family support and services are delivered via Children's Centres across Staffordshire. The Centres are based at schools and community centres across the eight districts. Legal agreements are in place with each site for the provision of the service. Management have requested a review of Children's Centres in 2021/22 to provide assurance that they are being used for their intended purpose and operating in accordance with the requirements of the Legal Agreements. A sample of centres are to be selected for review, with at least one centre per district included in the sample.
Foster Care - Strategy for Appointment & Recruitment	10	To review the arrangements and processes in place for the appointment and recruitment of foster carers, specifically during the Covid 19 pandemic, including the impact and effectiveness of virtual activities, for example provision of training and support.
Foster Care/Special Guardianship Payments	10	There is an increasing number of families with special guardianship orders and if there are delays in setting them up it results in complaints. An audit review was undertaken in 2020/21 to review the front end processes from Foster Panel decisions to set up to ensure that timescales are achieved and that there are no delays, a limited assurance opinion was awarded. A review of this area will be undertaken in 2021/22 to provide assurance that the findings of the 2020/21 audit have been addressed appropriately. The audit will also review progress against the action plan developed in response to feedback received from citizens.
Centralisation of Archives Services	5	A bid for £4m was made to Heritage Lottery Fund in Round 1 to fund the centralisation of the three Records Offices' into one accessible, modern site at Stafford. £36k was awarded. An additional bid for £3.9m, with match funding agreed by Cabinet was submitted on the 1st March 2021, decision is due June 2021. An audit review of the governance, project management and expenditure in relation to the initial £36k funding has been requested to provide assurance over the use of the initial funding and also to confirm whether the processes and controls in place for the initial

Area	No of Days	Indicative Scope
		project are robust and identify any further developments or amendments to the current processes to ensure adequate controls will be in place should the £3.9m bid be successful.
Free School Meals	8	There has been a significant increase in the number of applications for free school meals from eligible families in 2020/21, due to reduced income because of the Covid 19 pandemic. As at March 2021, Staffordshire had around 19,000 eligible children, as compared to 14,500 at the same point in 2020, this is an increase of over 30%. Due to the increase in numbers; and utilisation of the free school meal data to inform other programmes such as the Holiday Activities and Food Programme (HAF), audit time is required in 2021/22 to provide assurance over the processes in place to ensure that information to inform decision making and facilitation of the allocation of free school meals to eligible children are robust.
Community Safety - Domestic Homicide Reports	10	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. 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. Costs incurred as funded via the Partnership Pot of £15k which includes contributions from the District/Borough Councils as well as the OPCC and SCC. 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.
Countryside - Rights of Way	15	A audit review of the management of Rights of Way including the identification and prioritization of capital works and utilisation of funding is required in 2021/22 to ensure compliance with statutory requirements.
Residential Children's Units /Assessment Centres	8	A review of arrangements for the allocation and management of placements within Residential Children's Centres is to be undertaken early in 2021/22.
COMPLIANCE- Pupil Referral Units (PRUs)	7	Currently there are five PRUs within the Council, Internal audit will review compliance with approved policies and procedures including Financial Regulations and Procurement Regulations for a sample of these.
Schools General Requirements (Including academies conversion)	10	General audit work arising from School's audits including, audit information required as part of the maintained schools' conversion to academies, school developments and charging.
Total No. of Days	**190**	

Area	No of Days	Indicative Scope
Families & Communities: Schools Compliance – Helen Riley		
High Schools Compliance Audit	15	Compliance with approved policies and procedures including Financial Regulations and Procurement Regulations for key risk areas.
Primary/Middle/Special Schools Compliance Audit	65	Compliance with approved policies and procedures including Financial Regulations and Procurement Regulations for key risk areas.
Themed Audits in Schools	50	Audit work will review the procedures operating in a sample of schools to ensure they are in accordance with Authority policy. During 2021/22 there will be a continuation of the payroll services theme as they are purchased outside of the Authority
Total No. of Days	**130**	
Economy, Infrastructure & Skills – Darryl Eyers		
Community Renewal Fund	12	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 the Staffordshire and will be responsible for the co-ordination of a programme of projects across the County for submission by the 18th June 2021, including due diligence. The Council will also be accountable for monitoring the projects to ensure delivery and expenditure incurred is in accordance with the funding conditions. a) Time will be required in May/June to provide assurance in relation to the due diligence undertaken to support the bid evaluation process in readiness to receive bids (4 days). b) Time will be required late Q3 / early Q4 to review the monitoring and reporting arrangements in place for the successful schemes, including evidencing and verification of expenditure (8 days).
Infrastructure + Contract (Amey) – Data Management	15	Management have requested assurance in relation to the Data Management arrangements in place with partners to ensure that data required to inform infrastructure Asset Management, including the identification and maintenance of assets, are adequate and robust to inform decision making. Specific scope of the review is to be determined in agreement with the Assistant Director for Highways & the Built County and the Strategic Asset & Network Manager - Regulations & Governance. Time may also be required to provide IA support over the future delivery options for the Council's highways. This time will be taken from the contingency budget.
Integrated Transport Programme	10	The Integrated Transport programme helps to deliver the eight Integrated Transport Strategies that have been developed for the District/Boroughs. The Transport Strategies are updated to support the District/Borough Local Plans and the County Council's Strategic Plan. The Integrated Transport programme also helps to support the housing and employment allocations in Local Plans and the Stoke-on-Trent and Staffordshire Local Enterprise Partnership (LEP) objectives of creating Competitive Urban Centres and a Connected County. The total budget for the Integrated Transport Programme for 2020/21 was £6.920m, including the Local Member Initiative Divisional Highway Programme funding of £7,000 per County Councillor (£0.434m)

Area	No of Days	Indicative Scope
		Internal audit time is required in 2021/22 to provide assurance in relation to development and programme management of the Integrated Transport Programme including the selection of schemes for inclusion in the programme, performance management and reporting.
Getting Building Fund	12	The Government is making £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.
		Stoke-on-Trent and Staffordshire LEP has been allocated £23.7m from the GBF for a wide-ranging package of projects that will 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.
		Audit time will be required in 2021/22 to provide assurance that expenditure and outcomes are in accordance with the funding conditions. To include the Skills Equipment Fund stream as part of this audit.
Economic Regeneration Capital Schemes	10	Eastgate Quarter is a major redevelopment plan for the centre of Stafford, in conjunction with Homes England, the OPCC and Stafford Borough Council. A paper in relation to Phase 1 of the project has commenced with the acquisition of Stafford Magistrates Court with a value of £1m being completed in February 2021. The total scheme is estimated to have a value of up to £50m.
		Management have requested audit time in 2021/22 to provide assurance that the project is managed effectively, including the approach and processes in place for the procurement of the Magistrates building.
Housing	10	One of the Council's priorities within the strategic plan is to: support the construction of more homes; consider how the Council can influence and affect the housing market in Staffordshire; and increase choice by encouraging and supporting self-build and more developments by smaller house builders.
		The Housing Strategy was developed in March 2019 to deliver the Strategic priorities for housing. The Strategy includes a number of workstreams to provide focus for delivering two strategic arms' of Housing - Housing Offer and Housing Delivery.
		Audit time will be required in 2021/22 to ensure progress / delivery against the workstreams identified within the strategy to support the achievement of the Council's priorities within the strategic plan re housing.
Local Enterprise Partnership	12	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.
		Internal audit activity will include a review of the SSLEP's compliance with the national Assurance framework.
		** See also Local Enterprise Partnership - Core Funding Grant
HS2 - Road Safety Fund	10	In 2016, the Government announced that £30m was to be provided to support road safety schemes in Local Authority areas along the Phase One line of the HS2 route. In November 2017, SCC received an allocation of £2.975m which will remain available until 2026. HS2 Ltd require assurance that the funding expenditure contributes to the overarching aims of the fund, which include road safety improvements along the HS2 route and support of cycling projects in the area.

Area	No of Days	Indicative Scope
		SCC have developed a three year programme of works/expenditure in line with the aims of the scheme to run to 2025/26. Internal Audit time will provide a review of the programme management arrangements in place, including governance, performance management and financial control.
Apprenticeships & Apprentice Levy	10	Administration of Apprenticeships and the apprentice levy is the responsibility of the Employability and Skills Service. Providers procured via the Nottinghamshire County Council framework. Scope of work in 2021/22 is to provide assurance that apprenticeships and the apprentice levy are being managed effectively to ensure that outcomes for individuals and the Council are being achieved and the levy is being administered in accordance with funding conditions. The review will also consider the allocation and monitoring of outcomes of transferred funding to support businesses across the County.
Staffordshire Small Business Loan Fund	10	A paper was taken to Cabinet on the 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 Councils response to COVID-19 economic recovery and the county's future economic prosperity. 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. Audit time is required in 2021/22 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.
Household Waste Recycling Centres	12	Management of the Household Waste Recycling Centres is transferring back to Staffordshire County Council (in-house service provision) from the 1st April 2022. Management have requested that Internal Audit support the transition project within 2021/22 to ensure that processes for the demobilisation of the current arrangement; and for delivery of the in house service going forward are robust, including fraud proofing processes and procedures to be in operation.
Enterprise Centres	10	An Internal Audit review is required in 2021/22 to provide assurance over the management and financial arrangements in place relating Enterprise Centres. Scope of work to include:- controls over income and the collection of rents, including arrangements for deferral of rents due to the Covid 19 pandemic; expenditure; budgets; premises management, including disposal and redevelopment of Enterprise Centres; and performance monitoring.
Total No. of Days	**133**	

Area	No of Days	Indicative Scope
Corporate Services – John Tradewell		
Digital Strategy & Transformation - Digital First	20	The Digital First Delivery Plan, featuring 32 projects and continuous digital improvements for the organisation was agreed by Cabinet in February 2021. In 2021/22, Internal Audit will carry out the following activities: • To conduct a review on the Plan's Management, Governance and Delivery arrangements. (15 days) • The ICT Audit Manager will also attend the Digital Board during 2020/21. (2 Days) • To support proposed changes to the management of the Digital First plan. (3 Days)
Entrust Contract Arrangements	15	In 2023, there is a break point in the Contract. An Options paper is currently being produced to consider what options are available to the council moving forward and post the contract breakpoint in March 2023. Management has requested IA support in 2021/22 as part of the above and in particular to review the various options and carry out due diligence work on these options prior to a decision being made as well as the identification and management of risks going forward.
Equality, Diversity & Inclusion	10	2020 has also brought the inclusion and diversity agenda into sharper focus. In addition to Covid-19 adversely impacting on some sections of our communities more than others, 2020 has seen one of the most significant equalities movements in recent history, exposing systematic inequalities facing black communities 'black lives matter'. In 2021, the Council is refreshing its approach to equality, diversity and inclusion and has a new set of priorities and a delivery plan. In 2021/22, the Assistant Director for this area has requested some Internal Audit time to look at the governance and management arrangements in place for the new approach and delivery plan as well as assurance over delivery of the plan during 2021/22.
Business Continuity Management /Emergency Planning - Organisational Resilience (Supply Chain)	15	The Covid-19 pandemic has exposed the underlying complexities and vulnerabilities of supply chains and demonstrated the importance of a well-functioning supply chain. The pandemic represents the ideal opportunity for the Council to review its resilience in the aftermath of what has been has been a real-life crisis. With a focus on the Council's critical supply chains, the review will determine: • the adequacy of the Council's supply chain resilience strategy; • whether the capabilities needed to anticipate future disruptions have been identified; • whether the capabilities needed to resist disruptions have been identified and established; and • whether the capabilities needed to recover rapidly from disruptions have been identified and established.
Recruitment - Core	5	A business case was presented at SLT in March 2021 relating to the procurement of an applicant tracking system so to further automate the recruitment process. This will remove the recruitment function from MyHR.

Area	No of Days	Indicative Scope
		The new system will not be implemented until Q3 at the earliest, however, Internal Audit time will be required in2021/22 to give project support for the implementation of the applicant tracking system to ensure that all the relevant IT controls and fraud controls are in place. See also the Counter Fraud Work Plan in 2021/22 for time to ensure that processes to be adopted are fraud proofed.
Commercial Services (Procurement)	10	To review the Council's procurement activities to ensure that they are compliant with the Council's Procurement regulations. 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: • Procurement Regulations are up to date and amendments are communicated to all relevant personnel (including an update on training materials); • Procurement Activities comply with the Council's procurement regulations and approved in accordance with the Council's Scheme of Delegations; • social and environmental considerations are included within the tendering process; • Requirements of the Modern Day Slavery Act 2015 are considered as part of the tendering process; • There is sufficient management oversight/ visibility of Council spend to highlight areas of non-compliance with Procurement Regulations. 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.
Modern Day Slavery Act 2015 - Suppliers and the Supply Chain	3	The Head of Procurement has requested IA support in relation to developing a framework in which risks in relation to modern day slavery are identified and are understood and which can be incorporated into the Council's tendering documentation for our suppliers and our supplier's supply chain. In 2021/22, time may be used to assist in the development of a risk- self assessment questionnaire completed by suppliers as part of a tendering process and also the development of training material to increase awareness of modern day slavery risks across the Council when undertaking procurement activities.
Residential Care - Net to Gross Project	10	A significant change project within Health & Care is to be implemented by April 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. At the request of the Director of Health & Care, Internal Audit will provide support to the net to gross project, the exact scope is to be determined in consultation with ACFS but it will incorporate the financial processes involved in managing client contributions.
Job Evaluation	10	This area is currently being reviewed by HR and new processes are to be developed, including the recording / retention of evidence to support the job evaluation decision making. Management have requested a review of this area in 2021/22 to ensure the revised processes are operating effectively.

Area	No of Days	Indicative Scope
Payroll System - Liberata	20	Since June 2017, the Council's core payroll has been provided by Liberata (based at Worcestershire County Council), using the iTrent payroll system (MyHR) under a service contract. This area is classified as a key financial system review in 2021/22 as per our Cyclical Review timetable for Key Financial Systems and on-going assurance will be required in 2021/22 that processes and controls operated by Liberata and the Retained Control Function are operating as intended and that previous recommendations have been implemented.
Sales 2 Cash Including Debt Recovery Function & Debt Management	15	This area is classified as a key financial system review in 2021/22 as per our Cyclical Review timetable for Key Financial Systems. In 2021/22, our audit time will continue to focus on debt management as past audit work has identified several 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 2021/22 to ensure that debt recovery and management processes continue to improve and are operating as expected. This audit will just focus on corporate debt. **See also separate audit review within the Health & Care IA plan for 2021/22 relating to social care debt.
Microsoft 365	10	Internal Audit will continue to sit on a number of boards within the M365 project and will provide timely advice on Governance, Control and Risk in relation to Information Security. Additional separate time has been added to the IA plan in 2021/22 to specifically focus on the implementation of a SharePoint based Electronic document and records management system (see below).
SharePoint - EDRMS Implementation Project	10	As part of the M365 project, Council data held on shared filling will be migrated to the Council's M365 SharePoint Environment. To ensure appropriate Information Management and Governance controls are in place, IGU are establishing a project to implement and EDRMS frontend. 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. The ICT Audit Manager will be involved in the project to provide advice and guidance where needed on this critical project.
Service & Commercial Contract Management Arrangements	12	Our work in 2021/22 will review the Council's Service & Commercial Contract Management arrangements by looking at a cross section of contracts. Scope of work may include: i) 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) ii) 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). iii) 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
		iv) Strategy - Processes are in place to evaluate and review market intelligence throughout the life of the contract (including supplier resilience reviews). vi) Management Reporting and Oversight arrangements - To review the links between the Commercial Team and those service areas who conduct contract management activities. 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.
Commercial Investment Strategy	5	The latest commercial investment strategy 2021/22 was approved by Cabinet in January 2021 as part of the MTFS approval. This is a new area for IA and has not been previously reviewed. In 2021/22, total exposure should be capped at £20m per annum. Scope of work may include: • Strategy and guidance in place in accordance with statutory and MHCLG requirements; • Governance arrangements in place for proposing and approving commercial investments; • Compliance with the commercial Investment Strategy by review of a sample of commercial investments (this should include a review of the associated business cases and the level and evidence of due diligence carried out).
Purchasing Cards Systems Review	10	In 2021/22, to review the central processing controls operating within the Payments team for the following areas:- • Arrangements for the issue of purchase cards by the Payments Team; • Cancellations of purchase cards that are lost/stolen; • The policies and procedures accompanying the use of the Purchase Cards; • The application of appropriate security settings for purchase cards i.e. financial limit restrictions/use of cash/temporary increases to limits and their re-instatement to normal limits; • The appropriate processing of requests to increase limits; • Alignment of purchase card limits to Sub Schemes of Delegation; and • The monitoring arrangements in place regarding approval of purchase card transactions on a monthly basis and identification of potential misuse of cards. ** In 2021/22, Continuous Controls Monitoring will also be undertaken in this area under the Counter Fraud Work Plan for targeted audit work on high value/volume purchase card payment transactions in year, where approvers have missed the payment approval deadline; purchase card transactions made during periods of absence and probity checks on cash withdrawals and how these are accounted for. Also, a sample of establishments withdrawing cash using a purchase cards will be visited in 2021/22 to ensure that records are being accurately kept and that cash can be correctly and fully accounted for.

Area	No of Days	Indicative Scope
Banking Services Contract	5	Banking Services Contract was extended to 2022/23. In 2021/22, Management have requested Internal Audit support during the project for the retender and commencement of the new banking services contract to be relet in March 2022.
Business Planning Process	15	In 2021/22, Internal Audit will review the corporate business planning process to determine the linkages between the Council's Plans i.e. the Strategic Plan, the delivery plan, directorate plans and service plans. Scope of Work: To evaluate the process in place to develop the Council's Plans to ensure 'corporate buy-in' at all levels; the arrangements in place for the scrutiny and challenge of plans prior to approval, linkages between the Plans and to ascertain whether there is a consistency/standard approach to business planning and any examples of good practice that could be disseminated across the Council. This review will also assess the Council' Performance Management Framework and in particular, evaluate the arrangements in place for the collection, recording and reporting of the Council's Performance against these plans. ***See also MTFS Delivery Plan IA review in 2021/22.
Supporting Health and Attendance at Work Policy	10	The Managing attendance at work policy has recently been reviewed and replaced with the Supporting Health and Attendance at Work Policy. Management has requested IA to provide assurance in 2021/22 over compliance with the new policy. Scope of work may include: • All members of staff are aware of the new policy and its requirements; • Adequacy of procedures and guidance to aid compliance; • Compliance with the policy; and • Management information and reporting arrangements;
Medium Term Financial Strategy - Delivery Plan	15	In February 2021, the MTFS set a balanced budget for 2021/22 but one that included more than £62m of savings to be delivered by 2024. In addition to those already agreed savings, a further £25.8m is included in the current MTFS for delivery by 2026. Although the Council has a proven track record of delivering significant cost reductions, the scale, complexity and pace of the changes still required increases the risk that not all cost reductions will be delivered. As a result, on going assurance in this area is required in 2021/22. Audit work in 2021/22 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, scope of work in 2021/22 may also include assurance over the accuracy of the financial assumptions made around spending pressures. Discussion to be held with the County Treasurer and Deputy County Treasurer to inform the audit scope prior to audit start. **One MTFS saving to be included in the sample for 2021/22 should be savings in the HTST service area
Procure 2 Pay (Integra)	15	Time will be required in 2021/22 to evaluate key controls operating around the P2P module. Scope of work to include:- • Orders are raised for all relevant purchases. • Orders are complete, accurate, authorised and appropriate to the County Council's needs. • Invoices are released for payment only under a valid order

Area	No of Days	Indicative Scope
		• Payments are complete, accurate and valid (urgent, BACS, and cheques) including BACS validation checks prior to payment runs. • Appropriate controls in place governing the various interfaces with the P2P module (including the newly developed SEND interface (from capita one to Integra) • System management reports are accurate, timely and acted upon including compliance with the transparency code. • Adequate vendor management controls are in place. • Adequate supervision and management structures/ arrangements are in place. This area is classified as a key financial system review in 2021/22 as per our Cyclical Review timetable for Key Financial Systems.
Property Lease Management	8	Following the past two audit reviews of strategic property management, further improvements are required to the property lease management arrangements in place. Internal Audit time will be required in 2021/22 to review the revised processes in place for the co-ordination of property leasing. This will include an assessment of the billing, collection, recording and payment of rent due for property leases out by SCC and the monitoring, reporting and management oversight arrangements. In addition, property leases in will also be reviewed to ensure that there is a robust process for keeping these under review. To include Libraries and Chasewater.
Capital Property Works - Planned (Schools & Non Schools)	10	The County Council commissions Entrust to project manage planned capital property works contracts on its behalf for schools and non-schools. The 2021/22 audit will review the arrangements in place by the Council to oversee the work of Entrust in relation to the project management of capital property works. Scope of work may include: • Roles and responsibilities in relation to capital property works are clear and known by all relevant personnel. • Assurance is received over the project management and monitoring arrangements for capital property works commissioned by Entrust on the Council's behalf. • Robust procurement and payment mechanisms are in place for capital property works carried out. The audit review will cover a sample of both Schools and Non-Schools Capital property works.
Volunteer Management	10	In 2020, communities, volunteers and community groups have stepped up and Staffordshire County Council saw a significant increase in social action and volunteering, both formally and informally, supported by the Council's iCare and iCount campaigns, with communities taking further responsibility to support the most vulnerable people in their local area during the COVID 19 pandemic. In 2021/22, Internal Audit will provide assurance over the Council's approach and framework in place for the recruitment and management of volunteers and to ascertain whether 'lessons learnt' exercises have been undertaken place following the response to COVID 19 as well as robust plans in place to maintain/harness the volunteer base that was generated during the pandemic.

Area	No of Days	Indicative Scope
Employee Wellbeing (including Occupational Health & Thinkwell Services)	5	Two new projects to support individuals health, safety and wellbeing relating to **Financial Wellbeing** and **Lone Working Monitoring System** are to go live during 2021/22. Management has requested Internal Audit time in 2021/22 to provide project support / advice with the development of new processes for both areas. ** See also Proactive Fraud exercise re Lone Working & the audit review on the new Occupational Health IT system in 2021/22.
Occupational Health System	5	A new Occupation Health system has recently been procured. This will move from the current on-premise system to a cloud based system. IA time is required in 2021/22 to provide assurance over data migration, testing and system/application security.
Health and Safety System	5	A new Health and Safety system is being procured. This will move from the current on-premise system to a cloud based system. Internal Audit will provide advice during the procurement and implementation process with a focus on application and data security controls, as well as other areas of project management such a data migration and system testing.
BACS Security Controls	10	An ICT BACS Security audit review was completed in 2019/20 and an adequate assurance opinion was given. The County Treasurer has requested that this audit is revisited to ensure that all the necessary actions have been taken to make the necessary improvements to the systems of control. Audit coverage to include both Creditor and payroll BACs controls.
Use and Payment of Settlement Agreements	15	Past Internal Audit work in this area has identified a number of weaknesses and therefore time is required in the IA Plan for 2021/22 to work with Legal Services and HR to work through the recommendations made and to amend the current procedures to ensure that they are fit for purpose and that they are aligned to the Council's constitution. The scope of this work will include a review of processes for settlement agreements for both School and non-School employees.
Early Years Funding Payments	10	In 2021/22, 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). Scope of work to be determined with the Accounting Services Manager to ensure it adds value to business operations.
Customer Feedback and Complaints Service - School Admission Appeals	10	As a result of the Covid-19 pandemic and national and local lockdowns, the School Admission Appeals processes have become more digitalised to enable the service to continue processing appeals with less physical paperwork and no face to face meetings. A new systems has also been put in place to replace the aging Access database. The Assistant Director for Corporate Operations has requested a review of this area to ensure that processes still adhere to school admission appeals regulations in light of the changes made during the last year.
Content Manager (Trim) - EDRMS	15	Content Manager is the Council's Electronic Data Records Management System and contains 2 datasets; Corporate and Care, both containing highly confidential and sensitive data.

Area	No of Days	Indicative Scope
		This year's review will focus on the management and governance controls in place to support the efficient and effective operation of the system, as well as the security of the data which is held within.
Parent Pay - School's online payment system	12	To review the system and processes in place for the Parent Pay schools on-line payment system. Scope of work to focus primarily on the key controls and processes over the income from the system and controls implemented to mitigate against the risk of fraud. The review will consider controls relating to the reconciliation of income to the main accounting system, My Finance, the allocation of income; post COVID 19 assurance reviews relating to the payment refund process and system access including SCC Systems Administration. (10 days) IT audit time is also included in this time allocation to provide the relevant technical IT support as required (2 days).
Customer Contact Centre	6	Time will be required in 2021/22 to focus on processes around weddings. As a result of the national lockdowns, very few weddings have taken place during 2020/21 and as a result, it is anticipated that there will be surge in wedding requests and also requests for wedding venue licenses, depending on the national restrictions applied throughout 2021. The Assistant Director for Corporate Operations would welcome an audit review to provide assurance that sound operating process are in place for the granting of wedding venue licenses prior to an anticipated surge in licence requests. If wedding restrictions are not eased during the year, it is requested that Internal Audit review the process surrounding the deferment of weddings as a result of national restrictions, to ensure the processes set by the General Registration Office have been adhered to.
Value Added Tax (VAT)	10	Internal Audit work in 2021/22 to assess that: • Adequate guidelines are available for officers processing VAT transactions; • There are appropriate controls in place to ensure that the information on the financial accounting system, My Finance is accurate with regard to VAT; • There are adequate procedures in place to ensure that VAT returns are calculated and submitted in a timely manner; • There are appropriate procedures in place to ensure VAT returns are accurate; • There are adequate controls in place to ensure VAT exempt income is correctly accounted for; • There are appropriate procedures in place for the retention of all VAT returns and appropriate documentation.
Midlands Engine	15	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. From 1st October 2020, Staffordshire County Council became the accountable body for the Midlands Engine (previously Nottingham City Council). 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)

Area	No of Days	Indicative Scope
E - Payments	5	E-Payments system is due to be upgraded in July 2021 and there is to be the continued roll out of call secure during 2021/22. Therefore, this area is to be revisited within Q3/Q4 2021/22 to provide assurance that the controls continue to operate effectively following the system changes. Due to time constraints, the audit will focus on the call secure arrangements to ensure they are operating as intended.
Communities Principle & Delivery Plan: # doing our Bit Fund	5	Part of the Communities Delivery Plan: Fund launched in October 2020 and allocations made in January 2021. The aim of the fund is to deliver one-off grant fund of £200k to support groups and organisations that will help meet the needs of our vulnerable children and families and older adults. Probity checks will be carried out in 2021/22 to ensure that grant funding has been spent as intended.
Communities Principle & Delivery Plan: Crowd Funding (#doing our bit)	5	Part of the Communities Delivery Plan: Under the banner of #doing our bit, arrangements are being put in place to carry out crowd funding projects in 2021/22. There is a £12k funding pot for 2021/22 plus a £50k pledge pot promised by F&C to facilitate crowd funding projects in year. IA support has been requested in 2021/22 to assist with the design of processes, governance framework and management arrangements for future crowd fund projects.
Budgetary Control	15	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 following the implementation of the new financial system Integra. This area is classified as a key financial system review in 2021/22 as per our Cyclical Review timetable for Key Financial Systems.
Privileged Access Management - Cyber Assurance	12	Privileged access is for a special purpose that requires more than normal access. Some examples of privileged access roles are administrator, root or superuser. People assigned these roles can do much more than normal users or end users, such as granting/revoking access, changing the level of access and resetting credentials. They pose a threat to the Council not only from 'insider threats' but also from external threats such as a cyber-attack where privileged accounts can be targeted and compromised. This audit will review compliance with the Council's privileged access policy as well as identifying any other potential areas for improvement. The scope of the audit will include accounts from the domain network, third parties, M365 as well as a sample of business critical applications.
Freedom of Information	8	Under the Freedom of Information Act 2000, the Council is obliged to publish certain information about its activities and members of the public are entitled to request information the Council holds about them. At the request of the Information Governance Manager, Internal Audit will review the Council's compliance with the Freedom of Information Act 2000, including the Public Interest Test..
Subject Access Requests	8	The 'Right to Subject Access' is the right of individuals under the Data Protection Act 1998 to establish if data controllers are processing information relating to them and the purposes for which it is being processed. As per the legislation, any requests for such information must be responded to within 40 days. At the request of the Information Governance Manager, Internal Audit will review the Council's compliance with the Data Protection Acts Right to Subject Access.

Area	No of Days	Indicative Scope
Insurance	3	Internal Audit will continue to provide the fidelity guarantee renewal under writing information in relation to systems and controls. * Please note that assurance over the validity of insurance claims made against the Council is covered by the NFI data matching exercise.
Total No. of Days	**447**	
Health & Care – Richard Harling		
Brokerage	15	The centralised brokerage service returned to the Council in 2016/17 and its processes have undergone several iterations so that they remain fit for purpose. Internal Audit has reviewed various elements of the brokerage service since 2017/18 including the redesigned brokerage pathway and the performance management arrangements. In 2019/20 the brokerage service underwent a restructure and further changes to processes in the Care Director system. Management had requested a review in 2021/22 of the revised processes to ensure that they are fully embedded and operating as expected.
Quality Audits - Assessments	15	To Review the quality audit processes to ensure that they are robust and applied consistently across the service. Scope of work to include quality of the assessment, capture and reporting of outcomes, including feedback and actions to address issues both individually and across the wider service as required. Requested due to the new CQC duty re Local Authorities as outlined in the Health and Social Care White Paper, which means that CQC can undertake inspections of local authority social care services.
Mental Health Act - Section 117	5	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. A review of the S117 provision and processes is currently being undertaken. Time has been requested for 2021/22 to provide project support and advice. A review of operation and compliance of the new arrangements is to be considered for inclusion as part of the 2022/23 Internal Audit plan.
Deputyships	12	This function was transferred to the Health & Care Directorate in May 2021 and as such on-going assurance will be required over: • Any changes to processes and procedures following the transition of the service; • Management oversight including supervision and audit processes; • Controls and reconciliation of the Virtual Account Management System and where applicable any associated accounts; • Deputyship Account administration and payments made in accordance with Citizen's wishes and priorities • Compliance with data protection principles ** See also the Counter Fraud Plan in 2021/22 for probity checks on deputyship account transactions made in year.

Area	No of Days	Indicative Scope
Social Care Debt	12	Currently staff within the ASC service have been tasked with undertaking a review of care debt which includes reviewing systems, processes and insight into reporting. Once the review has concluded management have requested that the new systems and processes are reviewed by Internal Audit to ensure that they are operating effectively and achieving the desired outcomes.
First Contact - Screening Assessments	15	As part of the Modernising Adult Social Care Customer Journey Programme an enhanced front door model in the First Contact team has been introduced to allow all potential referrals to be screened to minimise referrals to the Community Teams. Internal Audit are to review the quality assessment process within First Contact Team to ensure consistency of decision making for contacts and screening of assessments, reviewing routes in and speed of resolution.
Joint Funding & Billing (CCGs/CHC)	12	Revised protocols/processes were set up for joint funding of care cases in 2019 to ensure that all parties to joint funding agreements are paying appropriately and the Council is getting the income to which it is entitled. Internal Audit reviewed the new processes in 2019/20 and a limited assurance opinion was awarded. Our work in 2021/22 will review progress against the recommendations identified in the 2019/20 audit as well as review the dispute process and use of the CCG's ADAM system.
Care Director Software (Adults and Children's modules)	15	During 2021, Care Director will have been upgraded to v6 which represents a significant rebuild of the underlying application architecture. The last application security review of Care Director was undertaken during 2016. Given the changes to the system since this time, a full application review will be undertaken during 2021/22 to provide management with an independent assessment of the effectiveness of the security design and operation of internal controls and operating procedures.
All Age Disability - Housing Support (Supported Living)	10	Management has requested a review of supported living arrangements to ensure that value for money is being achieved. The review will consider care plans, budget setting and approval; and service delivery / achievement of outcomes.
Adult Social Care Pathway	10	As part of the Modernising Adult Social Care (MASC) Customer Journey, the Adult Social Care pathway was redesigned and went "live" during 2019/20. At the request of management, work in 2021/22 will focus on Waiting List Management to provide assurance that systems and processes are in place to provide oversight and effective management of waiting lists at key points within a citizen's journey to ensure that their needs are assessed, priorities and actions and/or reassessed appropriately and within an acceptable timeframe.
NEXXUS - External Trading Company	8	Nexxus is a trading Company created by Staffordshire County Council (SCC). The Company has been established since 2011 however has remained a dormant Company until it was decided in 2017 to use Nexxus as a vehicle to provide Reablement Services. The reason for this decision was to provide SCC with additional capacity to undertake Reablement Services to achieve the County's Better Care Fund (BCF) and the Delayed Transfer of Care (DTOC) targets. The company has continued to grow and now has turnover in the region of £5m. Internal Audit will provide assurance that the governance and financial management arrangements for Nexxus continue to operate effectively since its expansion.

Area	No of Days	Indicative Scope
Midland Partnership Foundation Trust (MPFT) - Contract Management	10	New Section 75 agreements with Midlands Partnership Foundation Trust (MPFT) for Older People and Mental Health commenced on the 1st April 2020. An audit review is to be undertaken in 2021/22 to provide assurance that arrangements for the management of the new agreement in place, including performance management, and are operating in accordance with the requirements of the Section 75 agreement. The review will include the Section 75 for the Mental Health provision only.
Appointeeships	10	Management has requested that an audit review of this area is undertaken to provide assurance that controls are in place for the management of appointeeships are robust and operating effectively.
Staffordshire Adult Safeguarding Team (SAST) - Front door	10	To provide assurance over the revised processes and ways of working following the current transformation and implementation of Care Director v6.
Capita ONE (Application Security)	5	Capita One is the Council's corporate Education and non-statutory care, case management system, it is currently hosted in SCC's data centre with Application management delivered by Staffordshire ICT. The council has been presented with an opportunity to move Capita ONE to a fully hosted Managed Services delivered as Software as a Service. Internal Audit will provide advice during the procurement and implementation process with a focus on application and data security controls, as well as other areas of project management such a data migration and system testing.
Carer's Strategy/Carers Hub	10	All Together for Carers: a Carers Strategy for Staffordshire was jointly developed by the Council and the five Staffordshire CCGs and endorsed by Cabinet in October 2019. Internal Audit will review the processes for the allocation and managed of carer Payments (previously Personal Wellbeing Budgets) in 2021/22 to provide assurance that they are being allocated equitable and provided cost effective outcomes.
Approved Mental Health Practitioners (AMHPs)	10	The Authority has a statutory responsibility under the Mental Health Act in relation to the requirements for Approved Mental Health Professionals (AMHPs). This area was reviewed by Internal Audit in 2018/19 and a limited assurance opinion was given. Review to be undertaken in 2021/22 to include workforce development planning, pathways to becoming an AMPH and service delivery.
COMPLIANCE: Residential Homes for Learning Disability	6	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 will be reviewed in 2021/22.
COMPLIANCE: Complex Needs Units	10	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.
Total No. of Days	**200**	
ICT – John Tradewell		
Remote Working - Cyber Security	15	Whilst the Council has operated a remote working for a number of years, remote working at the Council has significantly increased as a result of the Covid-19 pandemic with levels of remote working likely to remain higher than they were pre-COVID-19. This has the potential to amplify existing security vulnerabilities, magnifying gaps in security controls and leaving employees more susceptible to social engineering attacks.

Area	No of Days	Indicative Scope
		Whilst the ICT Audit Manager, Cyber Security Manager and Information Governance Manager or currently liaising to determine the exact scope of this audit, some areas for inclusion could include: • Resilience • Cyber risk awareness • automated monitoring and alerting • remote working policy • Device Security Policies • Security of confidential physical data
Corporate Backup Management - Microsoft 365	10	During 2020, SLT approved the purchase of an independent backup solution for data held within the Council's M365 environment. This is separate to the backup arrangements that are in place for systems and data hosted within the Council's data centre, which was last audited in 2018/19. At the request of SICT and IGU Management, Internal Audit will review the M365 backup arrangement in place to ensure that data is protected from unauthorised access, suitable backups are being undertaken, management reports are in place, data retention periods have been set and are suitable and that periodic testing of restore capabilities is undertaken.
Air Gap Backup	5	As part of the 2016/17 Cybersecurity audit, a recommendation was made to put in place a stand-alone IT provision independent of the Council's network. To address this issue, a project is underway to implement an air gap backup. An air gap backup and recovery strategy ensures that one copy of the Council's data is offline and cannot be accessed. This is especially important in cyber-attacks that encrypt data, as the air gap backup cannot be access and therefore encrypted. At the request of SICT Management, the ICT Audit Manager will be involved in this project to provide the role of a critical friend to ensure that the backup strategy being put in place is as resistant to the effects of cyber-attack as possible
Data Warehousing (Information Security Assurance)	12	The use of the Council's Data Warehouse continues to grow. It stores and reports on data from numerous systems, however a large part of the data stored is highly sensitive data from Care Director. It is generally recognized that the goal of Date Warehousing is to provide decision-makers access to consistent, reliable, and timely data for analytical, planning, and assessment purposes in a format that allows for easy retrieval, exploration and analysis. The need for accurate information in the most efficient and effective manner is congruent with the security requirements for data integrity and availability. The Data Warehouse audit will provide assurance over: - The security of data held within the warehouse - Management and Administration of the warehouse - Extract, Transform and Load Architecture - Interface and data in transit security and management - Roles, Responsibilities and Ownership
Azure - IaaS Management, Governance and Security	10	As part of the Council's Cloud first principal, SICT has an Azure Infrastructure as a Service environment. Work is currently underway to develop this environment and whilst no production services are running within it, SICT do plan on moving production services into it during 2021/22. Through discussion with SICT, it was decided that it would be beneficial to conduct an Azure audit prior to the migration of production services to ensure that the environment is secure and well governed.

Area	No of Days	Indicative Scope
		The audit will cover the following areas: • Governance • Network Configuration and Management • Identity and Access Management • Resource Security • Logging and Monitoring • Security Incident Response • Data Encryption
Shadow IT	15	Shadow IT is the use of hardware or software without the prior approval and knowledge of an IT department. Over the years, SICT have developed many control frameworks to increase the security and reliability of the corporate network. Wherever applications are deployed outside of these frameworks, they have potential to undermine the Council's overall security posture The review will focus on shadow IT governance and response mechanisms as well as supporting IT processes that can help manage the risk associated with shadow IT. The shadow IT audit seeks to: • Provide management with an assessment of shadow IT policies, procedures and operating effectiveness • Identify control weaknesses that could result in proliferation of shadow IT solutions and greater likelihood that shadow IT is not detected • Evaluate the effectiveness of the Council's response to and ongoing management of shadow IT.
Cyber - Supply Chain Risk Management	2	Following on from the 2017/18 Cloud Procurement audit and a number of issues identified by Internal Audit during reviews of cloud based systems, the ICT Audit Manager will provide time to the Information Governance Manager and Cyber Security Manager who are reviewing arrangements for the purchase and implementation of cloud based systems to advise on the suitability of internal controls and suggest improvement where needed. Areas to be considered as part of this work should include: • Determining cybersecurity requirements for suppliers, • Enacting cybersecurity requirements through formal agreement (e.g., contracts), • Verifying that cybersecurity requirements are met through a variety of assessment methodologies, and • Governing and managing the above activities.
Data Centre Environmental and Physical Security controls	1	Internal Audit will be involved with the 6 monthly Data Centre Threat assessment in liaison with SICT and Property Services following a recommendation in the 2018/19 Data Centre Audit.
Change Management	10	Change management controls are an integral part of an Council's IT general controls and assists in addressing risk, reducing unplanned work, limiting unintended results, and ultimately improving the quality of service for internal and external customers. Due to the vital need of an effective change management process, and at the request of SICT Management, a review will be undertaken to provide assurance over the operating effectiveness of the change management process and supporting activities.
Total No. of Days	**80**	

Area	No of Days	Indicative Scope
Grant Verification Work (General)		
Local Growth Deal Fund - Grant Verification	15	The purpose of the Local Growth Fund is to provide funds to local enterprise partnerships for projects that benefit the local area and economy. There are several capital schemes that benefit from the LGF. Funding for 2020/21 was £15.3m as per the Grant Determination letter received 2017, this is the last year of the grant. A As part of the grant conditions, a declaration is required to be submitted and certified by the Chief Executive having first received assurance from the Chief Internal Auditor for the Authority that the conditions attached to the funding have been complied with. (Required to be completed by 31st July 2021)
Growth Hub Grant	5	The Department for Business, Innovation & Skills (BIS) has awarded Staffordshire County Council new growth hub monies of £205k p.a. 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 2021 to verify the 2020/21 grant. (Deadline for signed verification 31st May 2021). A separate return is required in relation to the Growth Hub Supplementary Grant funding
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 2021/22 to be carried out by 30th June 2021.
LEP - Peer Network Grant	5	Further to funding received in 2020/21 BEIS have allocated a further £210k to be administered via the Growth Hub within 2021/22 to fund expenditure reasonably incurred by the Stoke-on-Trent and Staffordshire Enterprise Partnership – for the Staffordshire County Council via its Growth Hub in undertaking the programme of Peer Networks to provide support, advice and training to assist businesses to navigate the challenges facing them in relation to COVID-19 by working through actions and solutions with peers. As per the Grant Conditions audit verification is required prior to the submission of any claims made throughout the year that exceed £100k, in addition to an annual verification to be completed by the 30th June 2022. As such audit time will be required in 2021/22 to verify any claims that exceed the in year threshold (some are anticipated).
Local Transport Capital Funding (Integrated Transport and Highway Maintenance, Pothole, National productivity Investment Fund & Flood resilience Fund)	20	£39.58m has been received by SCC in 2020/21 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 2021). To include the following funding: - Transport Infrastructure Investment Fund (Pothole & Challenge fund) £14.283m - Integrated Transport Block £3.423m - Highways Maintenance Block - Needs £16.154m - Highways Maintenance Block - Incentive £3.365m - Highways Maintenance Challenge Fund £2.350m Additional funding of £1.97m was awarded to SCC in July 2019 for the Live Labs trial, payments of £987k were due to be received in May and December 2020. This will also be included within the grant verification to be undertaken in 2021.

Area	No of Days	Indicative Scope
		Note - Expenditure incurred early Q1 2020/21 will have been included with the verification return submitted 30th September 2020 and therefore will be excluded from the review in 2021/22.
Department for Transport - Bus Service Operators Grant	10	The Department For Transport has awarded SCC £700k in 2020/21 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.

This is required to be submitted to the DfT by 30th September 2021. Time is therefore required in the audit plan to undertake this grant verification exercise. |
| Department for Transport - Bus Subsidy Grant - Restart | 5 | In 2020/21 the Department For Transport (DfT) awarded the Council funding to support bus services that have been affected by, or need to be adjusted because of, the impact of Covid-19. Funding has been allocated in tranches 8 week tranches.

Audit time is required in 2021/22 to verify that funding has been spent or returned in accordance with the Grant Determination letter. Verification is required to be returned as soon as possible after the end of the scheme, therefore time will be required in June 2021 to allow all transactions to be processed. |
| Department for Transport - Additional Home to School & College Transport | 5 | The Covid-19 Additional Home to School & College Transport Grant funding is designed to enable authorities to provide additional transport capacity for journeys to school and college and has been allocated dependent on the number of students in an authority's local area and how far they have to travel, to allow for compliance with social distancing rules. Funding of £660k was allocated to Staffordshire County Council in 2020/21, receipt and expenditure incurred in 2020/21 was audited as part of the 2020/21 Internal Audit plan and substantial assurance was given. Of the original funding £424k has been carried forward for utilisation in 2021/22 as per the Department of Transport letter on the 31st March 2021.

Audit time is required in 2021/22 to verify that funding has been spent or returned in accordance with the Grant Determination letter. A Declaration by the Chief Internal Auditor and the Chief Executive is required to be returned as soon as possible after the end of the scheme, therefore time will be required in June / July 2021 to complete the grant verification. |
Earned Autonomy/Building Resilient Families& Communities (BRFC)	8	The Service was successful in submitting a bid to the Department of Communities and Local Government for Earned Autonomy in 2017/18. Management has requested verification and quality assurance of returns, including whether the service are meeting its performance targets as included in the submission.
Sub-Total No. of Days	**78**	
Grant Verification Work (COVID 19)		
Growth Hub Grant - Supplementary Funding	5	In 2020/21 supplementary grant funding of £331k was awarded to the Council. The purpose of the supplementary Grant funding is was to support the further development of Growth Hubs aligned to the Government's commitment to ensure that businesses in every region have access to high quality free and impartial advice and guidance via Growth Hubs. In addition, it is also being awarded in recognition of the immediate pressures faced by Growth Hubs as a result of Covid-19 to support delivery of activities and solutions to alleviate immediate pressures on businesses caused by COVID-19.

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 2021 to verify the 2020/21 grant. (Deadline for signed verification 31st May 2021). |

Area	No of Days	Indicative Scope
Growth Hub - Additional Funding - SME Restart & Recovery and Kick Starting Tourism Programme	7	In 2020/21 the Secretary of State awarded supplementary European Regional Development Fund ("ERDF") funds to help small and medium enterprises ("SMEs") respond to Covid-19. The Stoke on Trent & Staffordshire Growth Hub were awarded £872k to be allocated and spent within 6 months of the allocation.

Management have requested an audit review is undertaken June/July 2021 to provide assurance that funding has been utilised in accordance with the ERDF Funding Variation Letter. |
| Covid 19 - Infection Control Grant | 10 | The purpose of this funding is to support providers to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience. There is a 75% and 25% funding split, 75% for care homes within the geographical area on a 'per beds' basis, including to social care providers with whom the local authority does not have existing contracts, which must be used for specific COVID-19 infection control measures. The remaining 25% funding allocation is discretionary and may be used on other COVID-19 infection control measures payments including domiciliary care and wider workforce measures.

This audit focuses on usage of the 75% allocation for specific infection control measures. No payments should be made unless certain conditions are met, including the local authority being satisfied that the funding is being used for infection control purposes. Clawback provisions apply, including that the provider must repay any amounts not used for infection control measures.

The scope of the audit is to review the following areas for a sample of care homes and home care agency Adult Social Care Infection Control funding payments to assess: Supporting documentation for expenditure; and Compliance of expenditure with grant conditions |
| Covid 19 - ASC Rapid Testing Fund (Lateral flow) | 10 | In 2020/21 SCC were allocated £2.463m to support increased Lateral Flow (LFD) testing in care settings. Local authorities should pass 80% of this funding to care homes within the local authority's geographical area on a 'per beds' basis. This includes residential drug and alcohol services. This includes social care providers with whom the local authority does not have existing contracts.
The remaining 20% of the funding must be used to support the care sector to implement increase LFD testing , but can be allocated at the local authority discretion.

Local authorities carry the financial risk through grant agreements with providers, and are therefore required to manage this risk and put in place effective processes to ensure efficient recovery of funds in the case of fraudulent payments / misuse of funding.

Audit time will be required in 2021/22 to review the procedures in place for the allocation and management of the funding and undertake property checks at a sample of care homes to ensure that funding received has been spent in accordance with grant conditions. |
| Covid 19 - Workforce | 10 | In 2020/21 SCC were allocated grant funding of £1.177m to help local authorities put in place measures that deliver additional staffing capacity for adult social care to:

- 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.

Audit time will be required in 2021/22 to review the procedures in place for the allocation and management of the funding and; to ensure that funding received has been spent in accordance with grant conditions. |

Area	No of Days	Indicative Scope
Covid 19 - Test and Trace	10	The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred in relation to the mitigation against and management of local outbreaks of COVID-19. SCC were awarded £3.634m in 2020/21 to facilitate test and trace activity across the county. 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 letter states that this should be completed in accordance with normal MHCLG reporting timelines, a provisional date of 30th June 2021 has been included (confirmation awaited).
Covid 19 - Community Testing Fund	10	The purpose of the grant is to provide support to the Local Authority towards expenditure lawfully incurred or to be incurred in relation to Community Testing in response to the COIVD-19 outbreak. SCC were awarded £4.599m in 2020/21 to facilitate community testing across the county. 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 letter states that this should be completed in accordance with normal MHCLG reporting timelines, a provisional date of 30th June 2021 has been included (confirmation awaited)
Sub Total No. of Days	**62**	
Total No. of Days	**140**	
Cross Cutting Audit Activity		
Risk Management - Assurance Mapping	15	Time will be required in 2021/22 to further develop SCC's Assurance Mapping Framework and to keep the assurance map up to date for the top 10 risks.
Risk Management	5	The Council has recently procured a fully integrated Audit & Risk Management System which is to be implemented during 2021/22. The implementation of the risk module will be led by the Head of IA & ACFS, however, some time may be required of the ICT Audit Manager to assist with some of the ICT technical aspects of the implementation to support the Head of IA and ACFS.
Culture, Values and Behaviours	15	Culture, values and behaviours is a key risk area for organisations as it can impact on the achievement of priorities and embedding of values. It is also important that the Council learns lessons from other LA Public Interest Reports which make reference to the culture, value and behaviours to ensure that the same weaknesses do not exist within our own organisation. The audit work to be undertaken in 2021/22 will considered the following areas: - how the organisation expresses its values and defines expected behaviours. - how cultural attributes are measured (including any benchmarking of values against other organisations) - how well values are aligned with policies and processes. - how culture is emphasised in senior roles and accountability for legal, compliance, governance, HR, risk and assurance functions; and who is charged with measuring and monitoring culture. **This work will also consider how the 'Nolan' Principles - 7 Principles of Public Life have been embedded and communicated within the Council's policies and also consider IIA Global guidance on auditing culture and the recently published governance risk and resilience framework by CIPFA as well as lessons learnt from the recent Public Interest Reports relating to Liverpool City Council and York City Council.

Area	No of Days	Indicative Scope
Delivering Good Governance - Corporate Decision Making Arrangements	15	To provide assurance that the Council's corporate decision making arrangements are being complied with. The audit review will review the following decision routes: (i) Cabinet Key Decisions; (ii) Cabinet Member delegated decisions; In addition, Community Impact Assessments (CIAs) are an integral part of the decision-making process. As such this audit will provide assurance that CIAs are being completed as appropriate and that robust arrangements are in place to capture the community impact and that suitable action planning and review arrangements are in place to address any impacts identified and to keep these under regular review. Period of review will be decisions made in 2020/21 and 2021/22. n.b a separate review of COVID related decisions has already been undertaken as part of the 2020/21 IA plan.
Climate Change (strategy, strategic development framework, action plan and action fund)	10	Climate change has been identified as one of the key principles for the organisation, 'Think Climate Change in everything that we do to limit our impact on the planet.' On 17th February 2021, Cabinet approved the Climate Change Strategic development framework which sets out the Council's 5 key priority delivery themes. There is also an action plan which has been produced to support the delivery of these themes. Management has requested IA provide on-going assurance over the delivery of the action plan (year one actions) which will feed into the annual report that the Service has to produce in this area. This will be a high level review of how actions (included within the action plan) are monitored and delivered and how project outcomes (for those projects identified within the action plan) are being captured and reported on. In addition to the above, in 2021/22, as part of # doing our bit - Councillors have been allocated a small pot of funding (taken from the Climate Action Fund - £1,000 per member) to support local communities build resilience and reduce Staffordshire's contributions to climate change. Post assurance checks will be undertaken to ensure that funding has been spent as intended and reported on as part of this audit review.
Agency staffing contracts and the appointment and payment of consultants and other self-employed individuals	15	Agency contract was retendered in August 2020 and use of this contract has not been reviewed for a number of years. An audit of the arrangements in place for the procurement and use of agency staff (via Commensura) and /or other, consultants and other self-employed individuals will be undertaken. Scope of work may include a review of : (i) the procurement arrangements in place and compliance with procurement regulations including the achievement of best value (ii) Contracts and agreements are in place that protect the interests of the Council; (iii) All appointments comply with the Council's policies and statutory duties including HMRC requirements. (iv) where appropriate IR 35 legislation is complied with; (v) Management information is produced and utilised effectively; (vi) Payment processing controls are effective.

Area	No of Days	Indicative Scope
		The retendering of the Commensura contract will also be reviewed for compliance with the Council's Procurement Regulations.
Total No. of Days	**75**	
COVID 19 Related Work		
Covid-19 Recovery Fund - members programme	5	Covid-19 Recovery Fund (previously referred to People Helping People Fund) and part of the Communities programme. £2,500 per member x 62 = £155k Post Assurance Checks to be carried out in 2021/22 to confirm that funding was spent as intended in 2020/21 and if further monies paid out in 2021/22 to review these also.
Back to Business - Business Start Up Programme / Ignite your Entrepreneur	5	The County Council's Ignite Programme, delivered by Staffordshire Chambers of Commerce, is a new programme of free advice, workshops mentoring and support for post-16 Further Education students looking to set up their own business in Staffordshire. It launched at the end of Q4 2020/21 at Burton and South Derbyshire College, Leek and Buxton College, Newcastle and Stafford College Group, South Staffordshire College. The aim of the programme is to engage with 4,000 students in the first year with 100 taking on the intensive five-day programme and a target of 20 business starts. This scheme is part of the ongoing Business Start Up programme being run by SCC, however, this also forms part of the Additional Restriction Grant economic recovery programme and therefore top up funding may be received in 2021/22 to expand the programme. Management have requested a review of this new initiative to ensure that it is operating and delivering effectively and in accordance with the programme objectives.
Back to Business - Start Up Loan Scheme	5	The Start Up Loans Scheme, provides loans of between £3,000 and £5,000 to people who have successfully completed the Staffordshire Start Up course at an interest free rate with no arrangement fee to be repaid 12 months after issue. This pilot project will allow us determination of whether there is a gap in the market for low risk loans to new start-ups with the ambition that this can be scaled up in the future if successful. This scheme is part of the ongoing Business Start Up programme being run by SCC and initial funding of £100k has been allocated, however, this also forms part of the Additional Restriction Grant economic recovery programme and therefore top up funding may be received in 2021/22 to expand the programme. Management have requested a review of this new initiative to ensure that it is operating and delivering effectively and in accordance with the programme objectives.
Back to Business - Additional Restrictions Grant (ARG) Programme	25	As part of the Back to Business Strategy a programme of schemes has been identified to be co-funded by the Council and the 8 District/Borough Council across the County. The schemes are a combination of new initiatives and the expansion of work currently being undertaken by the County Council. The District/Borough Councils have 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 Local Authorities can choose to pool resources to support any one or combination of six agreed schemes. The total funding across the six schemes is £3.345m, with a contribution of £1.379m by the County Council. Audit time will be required in Quarter 1 2021/22 to review the governance arrangements in place for the delivery, monitoring and reporting of the programme of projects / schemes to support restart and recovery of the economy across Staffordshire. (Audit Days 5)

Area	No of Days	Indicative Scope
		Audit time required in Quarter 4 2021/22 to review delivery of the overarching programme and the individual streams to ensure that funding has been allocated and utilised appropriately to support achievement of agreed outcomes for SCC and the individual partner authorities. This review is to form part of the assurance documentation to be provided to the partner organisation and therefore the scope will be agreed will be provided and agreed via the governance arrangements in place. (Audit Days 20)
Holiday Activities and Food (HAF) Programme	10	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. 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. Local Authorities are 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. Management have requested an audit of the HAF Programme is undertaken, at the beginning of the Autumn school term, to review the governance arrangements and delivery of the programme to ensure compliance with the DfE outcomes and Terms & Conditions.
Contact Tracing	15	In response to the Covid-19 pandemic, a new system developed by Hitachi was procured for the means of contact tracing after a positive Covid-19 test. The system holds special category data as defined by the GDPR and therefore requires additional testing. . The system is predominantly used by the Customer Services team but there are interfaces with other hardware such as handheld devices at test centres that could cause information security concerns. It is proposed a full application security review is undertaken on the Hitachi system, give then data it holds, speed of implementation, interfaces with other systems, cloud hosting and access by third parties.
Total No. of Days	**65**	
Management of the Service	135	Time required to manage the Internal Audit Service in-year.
Recommendation Tracking	20	Time to monitor and track audit recommendations in-year and report to the Audit & Standards Committee.
Contingency 2021/22	15	A provision to respond to new and emerging risks throughout 2021/22.
Total No. Days for SCC Plan	**1630**	

Appendix C – SCC Counter Fraud Plan 2021/22

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: Fraud Bribery and Theft Policy, AML Strategy and Risk Assessment, and Serious Organised Crime Checklist Update.	8
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.	3
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.	6
Provide input to HR's programme of Policy Updates as appropriate.	5
Representation at the MCCIAG Fraud Sub-Group; SCAG working group (as required) and the Staffordshire Counter Fraud Partnership.	3
Management Reporting and Liaison with the County Treasurer (& Section 151 Officer) and the Director of Corporate Services as and when issues arise.	4
Total Days	**32**
Development of an Anti-Fraud Culture	
Fraud E learning – Communications and monitoring of roll out and development of updates/completion monitoring process as required	5
Relaunch of Fraudwatch publications/Fraud Presentations - programme of training (also reference to using intranet to provide information on high risk areas).	10
Staff Survey - Survey (Feb 2022) - follow up to March 2021 Survey. Publish results.	5
Intranet/Web pages - further development of intranet pages: news, guides to key fraud risks, publishing of CCM findings.	5
Total Days	**25**
Prevent and Deter	
Continuous Controls Monitoring (CCM) - Corporate • CCM Development - implementation of CCM over additional areas: including Invoice Splitting, VAT, fuel cards (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

	Continuous Controls Monitoring (CCM) - Schools CCM Development, testing and reporting during 2021/22 relating to schools	20
Total Days		**115**
Detection		
(1)	Proactive Counter Fraud Exercise: Purchase Card Cash Withdrawals - Following a substantial irregularity in 2020/21 relating to fraudulent purchase card cash withdrawals, 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. Quarterly reporting to Audit & Standards Committee	10
(2)	Proactive Counter Fraud Exercise: Bus Operators and Taxi Contractors (across all services - schools transport and other) - In 2020/21, the Council paid over supplier relief payments to bus operators and taxi contractors to support them during the COVID 19 pandemic. However, subsequent audit verification checks carried out during 2020/21 confirmed that improvements were required to a number of operators' financial administrative processes as it was not always possible to confirm that supplier relief payments had been spent as intended. IA has been requested to support the Transport Team in developing better financial processes with those operators that the Council has contracts with to aid transparency and to ensure compliance with Council contractual conditions (5 days). Time may also be required to conduct further verification checks on PPN 02/20 supplier relief payments made to bus operators and taxi contractors - to be determined (10 days)	15
(3)	Recruitment Applicant Tracking System - Proactive Counter Fraud Exercise - To provide advice and guidance to ensure that the recruitment tracking system which is to be implemented in October 2021 has all the necessary counter fraud controls in place. This time will be used to support the project during implementation and may involve some walkthrough testing of a sample of new employees starting employment during 2021/22 using the new applicant tracking system to ensure that controls are operating as intended.	5
(4)	National Fraud Initiative • NFI Phase 2 (NFI 2020) - The time set aside for processing matches released in January 2021. (15 days) • NFI Transliteration Pilot - Contributions to a pilot exercise to enhance NFI matching process by incorporating transliteration technology and research to NFI data in order to identify other unrecognised matches. (5 days)	20
(5)	Proactive Counter Fraud Exercise: MHCLG Procurement Fraud - Follow-Up Actions - Following the MHCLG review on Procurement Fraud which was published in June 2020 and which recommended LAs to undertake various preventative measures, the procurement fraud checklist was completed and a self-assessment of those activities that LAs should be undertaking was carried out. Where gaps were found, further time is required in 2021/22 to carry out further follow-up activity.	5

(6)	<u>Proactive Counter Fraud Exercise: Deputyship Account Transactions - Probity Check</u> - A sample of transactions made from deputyship bank accounts will be sample tested to confirm their validity.	6
(7)	<u>Proactive Counter Fraud Exercise: Lone Working</u> - Contribution to lone working devices implementation with an objective of identifying how our analytics can be used to maximise the value of data obtained. The Counter Fraud manager to be involved in discussions, as required	3
(8)	<u>Families & Communities Financial Payments (including S17 payments)</u> - The Director of Families and Communities has requested further review of the Financial rigour over various payment types in 2021/22. In addition to the above, the AD - Specialist Safeguarding Delivery has requested a review in 2021/22 of No Recourse to Public Funds - Section 17 payments, to ensure consistency across the teams in relation to the allocation, value and management of these payments.	15
(9)	<u>ACFS - New systems/processes - Fraud Proofing processes</u> - Input to redesign of processes in order to ensure that fraud is deterred by design, and individuals can be held accountable in the event of fraud against the Council.	5
(10)	<u>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.	3
(11)	<u>Residential Care Homes</u> - In lieu of NFI not including this data match in 2020/21 exercise, it has been requested that we seek to identify opportunities to data match between the Council's Care Director and Tell Us Once services to perform a similar matching exercise.	6
Total Days		**93**
Investigation		
Continue to undertake investigative work when issues of concern are identified through routine audit, reported by management or via the whistleblowing processes in place during 2021/22		200
Total Days		**200**
Grand Total (Days)		**465**

Appendix D – Staffordshire Pension Fund Internal Audit Plan – 2021/22

Local Government Pension Scheme (LGPS) Asset Pooling	10	Time will be required in 2021/22 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 - Investments Custodian, Investment Managers and Pensions Property (Inc governance arrangements)	10	In 2021/22, to provide assurance that the Council continues to have the required level of management oversight for those investments held within the pool (LGPS Central). This review is part investment/part governance audit review. To assess the monitoring and reporting processes in place by SCC following asset transitions into LGPS central and the level and quality of information provided by LGPS central relating to those investments held and managed by LGPS Central on the Council's behalf.
Pension Fund - Pensions Administration	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 pensions portal and compliance with GDPR. Scope of the audit to be reviewed in 2021/22 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.
Altair Pensions System (Application Security)	5	A tender process is underway to replace the current on-premise Altaire Pensions System with a cloud based system. Internal Audit, at the request of the Head of Treasury & Pensions, will provide advice during the procurement and implementation process with a focus on application and data security controls, as well as other areas of project management such a data migration and system testing.
Total No of Days	**50**	

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 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.