

WIRRAL INTERNAL AUDIT SERVICE

INTERNAL AUDIT PLAN

2020 - 2021

**Internal Audit Service
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Section One

INTRODUCTION

- 1.1 This document summarises the results of Internal Audit's planning work. It sets out details of the:
- Responsibilities and scope of internal audit
 - Resourcing and delivery of the Council's internal audit service
 - Arrangements for reporting internal audit work
 - Proposed programme of work for 2020/21 (the Audit Plan)
- 1.2 The Audit Plan for 2020/21 has been prepared in accordance with the requirements of the Public Sector Internal Audit Standards (PSIAS). The PSIAS represent mandatory best practice for all internal audit service providers in the public sector.
- 1.3 The Council has adopted the PSIAS definition of internal auditing:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

- 1.4 In accordance with PSIAS, the mission of internal audit is to:

Enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

- 1.5 The work of internal audit is a key element in delivering the Council's strategic priority of corporate effectiveness and business efficiency, but also supports the Council in achieving all the aims and objectives set out in the Wirral Council Plan: A 2020 Vision.
- 1.6 The PSIAS require that the internal audit service is delivered and developed in accordance with the Internal Audit Charter. The Council has formally agreed provisions relating to internal audit as detailed in the Financial Procedure Rules of the Council's Constitution in accordance with the Internal Audit Charter.

Section Two

INTERNAL AUDIT – RESPONSIBILITIES AND SCOPE

2.1 *Responsibilities of internal audit*

The internal audit function is responsible for:

- Reviewing and developing the Council's governance processes. Specifically, this includes:
 - Promoting appropriate ethics and values within the Council
 - Supporting effective organisational performance management and accountability
 - Communicating risk and control information to appropriate areas of the organisation
 - Coordinating the activities of, and communicating information among, Audit and Risk Management Committee, external audit, internal audit and management
- Evaluating the effectiveness of the Council's risk management processes and contributing to their improvement
- Assisting in the maintenance and development of an effective control environment by providing robust independent assurance over its operation.

2.2 *Responsibilities of management*

The establishment and maintenance of adequate control systems is the responsibility of management. Recommendations made by internal audit can reduce risk and improve systems of control. However, the implementation of audit recommendations cannot eliminate risk entirely.

2.3 *Responsibilities of the Audit and Risk Management Committee*

In regard to internal audit, the Audit and Risk Management Committee is responsible for:

- Approving, but not directing, internal audit's strategy, plan and monitoring performance
- Reviewing summary internal audit reports and the main issues arising, and seeking assurance that action has been taken where necessary
- Receiving and considering the Chief Internal Auditors annual report.

2.4 *Responsibilities for fraud prevention and detection*

The primary responsibility for the prevention and detection of fraud rests with management. Management's responsibilities include creating an environment where fraud is not tolerated, identifying fraud risks, and taking appropriate actions to ensure that controls are in place to prevent and detect fraud.

It is not the role or responsibility of internal audit to detect fraud. However, internal audit will evaluate the potential for the occurrence of fraud in each assignment and how the Council manages the risk of fraud.

2.5 *Scope of internal audit activities*

The scope of internal audit work includes:

- The entire control environment of the Council, comprising financial and non-financial systems.
- Reviewing controls that protect the interests of the Council in its dealings with partnerships in which the Council has an involvement.

Internal audit may also provide assurance services to parties outside the Council as appropriate and with the agreement of the Council.

Section Three

RESOURCING & DELIVERY OF INTERNAL AUDIT

3.1 *Resource requirements*

The level of resource required to deliver an effective internal audit service to the Council has been assessed based on the need to provide adequate audit coverage of the Council's:

- Key financial systems
- Risk management and governance arrangements
- Front line services
- Support services
- Merseyside Pension Fund Administering Authority activities
- Procurement and contract management activity
- Information management arrangements
- Anti-fraud and corruption arrangements
- Schools including contracted Academy work

Account has also been taken of the need to be able to resource:

- Unplanned work which may arise during the year
- Follow up work to provide assurance that previously agreed recommendations are implemented
- Provision of advice and consultancy to internal customers

3.2 *Delivery of the internal audit service*

The 2020/21 Internal Audit Plan will be delivered by a highly experienced and suitably qualified in-house team of 10 FTE auditors led by the Chief Internal Auditor. The level of available internal audit resource is considered sufficient to deliver a robust annual internal audit opinion to the Audit and Risk Management Committee.

As in recent years, where opportunity arises, the internal audit team will also collaborate with internal audit colleagues from other local authorities in regard to the approach and delivery of particular audit assignments.

3.3 *Independence and objectivity*

The internal audit team is managed by the Chief Internal Auditor reporting directly to the Director: of Finance and Investments, the Council's statutory Section 151 Officer and with direct unfettered access to the Chief Executive Officer and Chair of the Audit and Risk Management Committee. These arrangements are designed to prevent any potential impairment to independence and objectivity in regard to the provision of an effective internal audit.

3.4 *Approach to placing reliance on other sources of assurance*

When planning specific audit assignments, other sources of assurance may be taken into consideration in order to ensure the best use of the audit resource. Any work that is necessary in order to place reliance on other sources of assurance will be determined as required for each assignment.

3.5 *Assurance services to other organisations*

Wirral Internal Audit Services provide assurance work to a number of external organisations via agreed SLAs that include the Wirral Growth Company, Evolutions and a number of Academy schools. Time has been included within the audit plan for 2020/21 to accommodate income generating work of this nature during the year, as detailed below:

External Assurance - Traded Provision	2020/21 Audit Days
Wirral Growth Company	50
Evolutions	17
Academy Schools	20
Total	87

Section Four

INTERNAL AUDIT REPORTING ARRANGEMENTS

4.1 *Distribution of internal audit reports*

At the conclusion of each audit assignment, a draft report and action plan is discussed with the manager responsible for the area which has been audited. A final report containing management responses to any issues identified is subsequently distributed to:

- The relevant Senior Managers for the area reviewed,
- The Directors responsible for the area reviewed,
- The Council's external auditor, Strategic Leadership Team and ARMC in summary activity report format.

Within six months of the conclusion of individual audit assignments and presentation of audit reports a follow up audit is undertaken to evaluate progress made by managers to implement agreed recommendations and areas for action. The outcomes from the follow up work undertaken are reported to responsible managers and any areas of insufficient progress or outstanding action are escalated to senior management and Members of the Audit and Risk Management Committee.

4.2 *Overall assurance opinion*

In each audit report, an overall opinion on the organisational risk presented is provided for the area audited. The opinion is based on the information obtained in the course of the audit and represents an assessment of the effectiveness of the risk management, control and governance processes in the area audited.

Organisational Risk Rating	Explanation
Major	This opinion indicates that the likelihood/impact of the risks identified during the review, should they materialise, would leave the Council open to major risk of a fundamental or material nature. This opinion suggests that there are some potentially serious weaknesses in the design and/or operation of the control environment that may have a significant impact on the achievement of systems and or corporate objectives if not addressed.

Moderate	This opinion indicates that the likelihood/impact of the risks identified during the review, should they materialise would leave the Council open to moderate risk of a fundamental or material nature. This opinion suggests that there are some weaknesses in the design and/or operation of the control environment that may have varying degrees of impact on the achievement of the systems and/or corporate objectives.
Minor	This opinion indicates that the likelihood/impact of the risks identified during the review, should these materialise, would leave the Council open to minor risk.
Negligible	There were no weaknesses identified during the review

4.3 *Reporting to elected members*

On a regular scheduled basis throughout the year internal audit update/progress reports are presented to the Audit and Risk Management Committee Members summarising the outcomes of internal audit work and any significant matters identified. Such matters may include risk exposures, governance weaknesses, performance improvement opportunities and value for money issues and include those matters escalated to Members for action.

In addition to this, Members are provided with regular Internal Audit Activity Summary reports throughout the year identifying audits completed, opinions provided, summary findings and a RAGB rating indicating the status of actions being taken by officers in response to audit recommendations. Information is provided in this manner to ensure that the timeliness of data provided is maintained effectively on an ongoing basis.

4.4 *Annual Audit Opinion*

An annual report is presented to the Audit and Risk Management Committee which includes the Chief Internal Auditor's overall opinion on the Council's risk management, control and governance processes. This opinion forms one of the sources of assurance in support of the Council's Annual Governance Statement. The opinion is based upon the collective findings from the internal audit work completed during the year.

Section Five

INTERNAL AUDIT PLAN - METHODOLOGY

5.1 *Requirements of the Public Sector Internal Audit Standards*

The PSIAS state that the 'chief audit executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals'.

5.2 *Development of the Audit Plan*

In developing the Audit Plan, account has been taken of:

- The Council's overall risk management processes including the Corporate Risk Register and departmental/service registers
- Senior management's views on risk in their areas of responsibility
- The results of previous internal audit work
- Other existing sources of assurance, including the work of external audit
- New or emerging risks affecting the Council or local government as a whole
- Known changes to the Council's business, operations, programs, systems, and controls
- The requirement to ensure sufficient and wide-ranging coverage in order to provide a robust annual audit opinion
- Any planned work deferred from the 2019/20 Audit Plan that is still considered a priority

5.3 *Alignment of the Audit Plan to the Council's Corporate Priorities*

The Audit Plan has been prepared in a way that aligns each piece of planned work with the key risks presented to the Council whilst also taking account of corporate priorities. Some planned reviews clearly contribute to more than one risk or priority. For presentational purposes the reviews have been listed in a manner that is considered most closely linked to the relevant directorate.

5.4 *Budgeted time allocations*

A budgeted time allocation has been set for each area included in the Audit Plan. It is accepted that the exact resource requirement for each assignment cannot be forecast with certainty at this stage. The plan therefore represents the best estimate of the way in which the Council's internal audit resources will be deployed.

5.5 *Timing and prioritisation of audit work*

The intention is to complete all planned work within the year. However, the timing and respective prioritisation of work will take account of:

- The need to finalise any work from 2019/20 that remains incomplete at year-end
- The requirement to provide assurance over the Council's key financial systems
- The views of management of the service areas in regard to the timing of work
- Any other factors that may be relevant to the timing of a particular piece of work
- Any urgent unplanned work arising
- Changes in the level of audit resources available

5.6 *Significant interim changes to planned work*

The Audit Plan will be kept under review during the year and it may be necessary to make revisions to planned work in order to respond to changes in priorities or changes in the level of internal audit resources. Minor changes will be agreed with the relevant operational Directors. Any significant interim changes will be reported to the Audit and Risk management Committee.

Section Six

SUMMARY INTERNAL AUDIT PLAN

Audit Area	2020/21 Audit Days
(Adult) Care & Health	104
Change & Organisational Design	52
Chief Executive's Office	24
Children's Services (Including Schools)	218
Delivery	110
Finance & Investment	334
Governance & Assurance	83
Regeneration & Place	99
Merseyside Pension Fund	150
ICT	194
Counter Fraud	300
Advisory	45
Contingency	105
Total Planned Audit Days	1818

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
Adult Care & Health			
Demand Management	Failure to improve the quality of health and care services through integrated commissioning and delivery arrangements, could lead to demand, particularly in the winter period, continuing to increase, leaving the Council exposed to increased financial pressures in relation to meeting social care assessed need. (Corporate Risk).	Assessment of risks and mitigating controls in respect of integrated commissioning and delivery of health & care.	X
Upstream / preventative activity	Insufficient time and resource for preventative and upstream activity mean that outcomes for vulnerable people do not improve, resulting in demand for reactive services not reducing, or increasing. (Corporate Risk).	Assessment of risks and mitigating controls to help ensure the Council has appropriate arrangements in place to manage the risks in respect of improving outcomes and reducing demand for reactive services for vulnerable people.	X
Partnership working	Inability to take advantage of collaborative opportunities locally and nationally, limiting improvement in economic conditions for the community and the Council's funding position. (Corporate Risk)	Assessment of risks and mitigating controls to help ensure the Council has sound overarching arrangements to manage the corporate risk, including in respect of the Wirral Plan and LCR.	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
Significant Safeguarding Incident (Adult's & Children's)	The Council and its partners do not effectively manage their relevant safeguarding risks, leading to a safeguarding incident, resulting in harm to individuals and/or families, potential legal challenge, resident dissatisfaction and public scrutiny. (Corporate Risk)	Assessment of risks and mitigating controls to ensure safeguarding issues are correctly identified, actioned appropriately and outcomes monitored.	X
Wirral Evolutions	Important Local Authority Trading Company delivering services regarding day centres and day opportunities. Essential that governance arrangements are robust.	Delivery of agreed service level agreement covering key governance, performance and financial aspects of service, including ongoing consultancy advice on control environment within Centre and specific sites.	X
TOTAL ADULT CARE & HEALTH			104
CHANGE & ORGANISATIONAL DEVELOPMENT			
Cultural Change for an Effective and Efficient Organisation	Failure to implement the cultural change necessary to become an efficient and effective organisation, which is financially sustainable in the long term. A risk that insufficient capacity or expertise, cultural resistance from staff or ineffective engagement with partners means that the ambition of the Wirral	Assessment of risks and mitigating controls to ensure the Council has appropriate arrangements in place to overcome potential barriers to the delivery of the Wirral Plan, including capacity, cultural and partner engagement.	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
	Plan is not realised, perpetuating inefficiencies and preventing required outcomes from being achieved. (Corporate Risk)		
Compliance with Policies and Procedures	Non-compliance with corporate policies and procedures across disciplines such as HR, finance, information, procurement, health & safety, put the reputation of the Council and the health and safety of our staff and residents at risk, and may lead to financial penalty and ultimately loss of life. (Corporate Risk)	Assessment of risks and mitigating controls to ensure the Council has appropriate arrangements in place to ensure compliance with policies and procedures.	X
Health & Safety Management	If health and safety / compliance policies and procedures are not sufficiently developed, tested or adhered to by officers, members or contractors, this could lead to an incident resulting in harm to employees / Members / members of the public, legal challenge and reputational damage. (Corporate Risk)	Assessment of risks and mitigating controls to ensure the Council has appropriate arrangements in place for Health & Safety Management.	X
TOTAL CHANGE & ORGANISATIONAL DEVELOPMENT			52

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
CHIEF EXECUTIVE'S OFFICE			
Business Planning & Performance Management	Effective business planning and performance management arrangements remain key to ensuring Council activity is geared to the achievement of Council objectives.	Review of aspects of the business and service planning and performance management arrangements in a sample of Council departments.	X
TOTAL CHIEF EXECUTIVE'S OFFICE			24
CHILDREN'S SERVICES			
Schools	Appropriate financial control arrangements and sound governance procedures are essential to ensuring effective financial management in school.	An audit programme focussed on financial and governance risks is undertaken at all schools over a four-year programme, with phasing planned based on risk assurance rating. Ongoing support and guidance on effective control environments provided as requested.	X
Troubled Families	Need to maximise income and prove details claimed are accurate and valid. Regulatory requirement.	Verification of multiple aspects of grant claim details including appraisal of outcomes.	X
Brexit	Uncertainty caused by Brexit adversely affects public and market confidence, impacting demand for housing and the	Assessment of risks and mitigating controls to ensure full awareness on an ongoing basis of the potential implications of Brexit as negotiations	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
	level of investment in the Borough. Other Brexit implications include, e.g. lack of workers available for care type work; withdrawal and/or reduction in external funds impacts ability to sustain investment in local programmes (Corporate Risk)	continue and outcomes become clearer.	
Academies	Address significant risks presented whilst continuing to explore alternatives for wider Internal Audit service development.	Agreeing SLAs with a small number of Academies to undertake their internal scrutiny role.	X
TOTAL CHILDREN'S SERVICES			218
DELIVERY			
Climate Emergency Response	Failure to respond effectively and develop plans/adaptations leads to legal challenge, reputation damage, increased costs, lack of resilience, public. (Corporate Risk)	Assessment of risks and mitigating controls to ensure appropriate arrangements in place to manage this corporate risk.	X
Health and Safety Management	If health and safety/compliance policies and procedures are not sufficiently developed, tested or adhered to by officers, members or contractors, this could lead to an incident resulting in harm	Assessment of risks and mitigating controls to ensure full compliance with legislative requirements and policies agreed with Council's partners.	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
	to employees/Members/members of the public, legal challenge and reputational damage. (Corporate Risk)		
Commissioning	Important for organisation to maintain effectiveness of identifying outcomes to meet needs through efficient market intelligence and stakeholder involvement. Risk of interruption to the delivery of vital services from the failure of a critical supplier.	Support and guidance plus compliance work regarding: - Breach notices - Highways - Partnership working - Procurement Assessment of risks and mitigating controls.	X
Contract Management - testing	Effective contract management essential in the efficient and effective delivery of services, achievement of best financial value and combatting potential fraud threats.	Programme of tests focusing on specific existing contracts to ensure roles and responsibilities clear, payments are accurate and required outcomes satisfactorily delivered.	X
Commercialism	Impact on future income flows of any failure to develop and deliver commercial culture and processes.	Annual review of governance, specifically efficiency and effectiveness of decision-making regarding commercial ideas and the actual improvements in income as a result.	X
Leisure and General Establishments reviews, Income Maximisation and Policy	Need to ensure expected income streams are fully maximised and key corporate policies and procedures are followed across the Council.	Review of income from a sample of establishments plus confirmation of compliance with a range of established policies and procedures.	X
TOTAL DELIVERY			110

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
FINANCE & INVESTMENT			
Financial Resilience	Failure to effectively manage changes to the way that the Council is funded could lead to poor decisions on service reductions, unplanned efficiencies and in year overspends, resulting in the Council being unable to deliver priority services to vulnerable communities. (Corporate Risk)	Assessment of risks and mitigating controls to ensure the Council's has robust arrangements in place for ongoing financial resilience.	X
Risk Management	A robust risk management framework is essential to ensure the range of risks to service delivery and achievement of Council priorities are effectively managed.	A peer audit review of the adequacy and effectiveness of the Council's risk management arrangements.	X
Financial Systems <ul style="list-style-type: none"> • Transactional Management - Collection Fund • Payroll • Accounts Receivable • Accounts Payable • Income Control 	These systems provide material disclosures for the financial statements. (S151 requirement).	High level reviews evaluating and testing the effectiveness of the key controls within each financial system and focused on any emerging key risks areas.	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
Transactional Management - Benefits	These systems provide essential financial support to vulnerable clients.	Provision of assurance to s151 Officer on a cyclical basis in respect to the various Benefit systems. i.e. HB, CTSS, DHP's, IHM & LWASS	X
Client Finance Support Team	These operations provide essential support to vulnerable clients.	Assurance on effectiveness of the client finance support systems reviewed on a cyclical basis. i.e. Direct Payments, Court of Protection.	X
Personal Finance Unit	Prompt financial assessment, billing and recovery of client financial contributions is essential to fund the Council budget.	Provision of support in respect to service development.	X
Treasury and Capital Management	These systems provide material disclosures for the financial statements.	High level reviews evaluating and testing the effectiveness of the key controls within the Capital Programme, Assets and Treasury Management operations focused on any emerging key risks areas.	X
Financial Accounting System	These systems provide information and disclosures for the financial statements.	Provision of information and assurance to s151 Officer in respect to the production and external audit of the financial statements.	X
Financial Control	Provision of assurance to the S151 Officer on the supporting financial management systems.	Reviews evaluating and testing the effectiveness of the key controls within the financial systems that support the Council's business and focused on any emerging key risks areas.	X
Regularity Testing	A risk of non-compliance with Council financial policies and procedures.	Focussed sample testing of transactions, including Direct Payments, using IT assisted	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
		sampling approach and agreed exception parameters to determine sample, to identify any significant instances of non-compliance.	
Grants	Essential to maximise income and prove details claimed are accurate and prompt.	Responsive work prior to despatch of claims	X
TOTAL FINANCE & INVESTMENT			334
GOVERNANCE & ASSURANCE			
Corporate Governance / Annual Governance Statement (AGS)	<p>Statutory requirement for the Council to produce an Annual Governance Statement.</p> <p>Failure to maintain effective corporate governance could result in poor decision-making, malpractice and breach of legislation, leading to regulatory intervention and significant cost, both in financial terms and to the reputation of the Council. (Corporate Risk).</p>	<p>Undertake work to support and assist in the preparation of the Annual Governance Statement, ensuring it aligns with knowledge and understanding of structures and processes in place.</p> <p>Provide support and challenge to development of governance arrangements, including attendance and support for Corporate Governance Group and review of the Code of Corporate Governance.</p> <p>Assessment of risks and mitigating controls to ensure the Council maintains effective corporate governance.</p>	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
Ethical framework	Robust ethical procedures will help ensure good governance and protect the Council's reputation.	Review of risk areas within the Council's Ethical Framework. Evaluate the effectiveness of the processes supporting compliance with ethical governance principles.	X
Constitution	Essential to overall good governance that the Council's Constitution is current, relevant and functions effectively.	Annual review and feedback to Monitoring Officer regarding assurance on effectiveness and corporate compliance.	X
Mayor's Charity	Failure to comply with Charity Commission requirements.	Undertake Independent Examination of the Mayor's Charity accounts.	X
TOTAL GOVERNANCE & ASSURANCE			83
REGENERATION & PLACE			
Local Plan	A failure to ensure the Council's arrangements for the consultation, publication and implementation of the Local Plan could result in intervention, a loss of control over future development and missed opportunities to promote economic growth. (Corporate Risk)	Assessment of risks and mitigating controls to review whether the Council has appropriate arrangements for the consultation, publication and implementation of the Local Plan	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
Exposure to Economic and Market Risk	The aggregate level of risk presented by multiple regeneration projects is not recognised, leaving the Council over-exposed in the event of a downturn in the economy and/or markets. (Corporate Risk)	Assessment of risks and mitigating controls to ensure the Council is effectively engaging with relevant partners concerning contingency plans, with full awareness of financing options and contractual requirements.	X
Wirral Growth Company	Failure of the Wirral Growth Company to deliver anticipated benefits undermines the Council budgetary position, economic growth aspirations and public and investor confidence in the authority. (Corporate Risk)	Assessment of risks and mitigating controls through the delivery of an agreed programme of work to ensure all risks and opportunities effectively covered in agreement with development partner and clear governance processes structure the continuing working arrangements.	X
Wirral Waters	Potential failure to deliver on target with commensurate impact on regeneration plans and planned income streams.	Reviews of control environment to ensure satisfactory progression of projects within regeneration scheme and advice regarding operation of Investment Fund.	X
Housing Services	Lack of delivery of an adequate supply of housing for the community and failure to comply with relevant legislation.	Appraisal of effectiveness of key housing services including waiting lists, dealings with landlords, and actions regarding homelessness situation.	X
TOTAL REGENERATION & PLACE			99

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
PENSION FUND			
	The Council as administering authority for the Merseyside Pension Fund (MPF) is required to make arrangements for the proper administration of the financial affairs of the Fund and provide assurance they are managed to secure effective, economic and efficient use of resources and to safeguard its assets.	Provision of an opinion on the MPF control environment based on the outcomes of a separate cyclical MPF internal audit plan. The plan is updated annually to take account of the emerging key risks facing the Fund and is delivered in accordance with the approved service level agreement. The work is split between: Pensions Administration; Investments, Accounting & Compliance; and cross cutting risk areas.	X
TOTAL PENSION FUND			150
ICT			
Cyber Security	IT security is insufficient to deter, detect and prevent unauthorised access to IT systems, resulting in loss of data and disruption to Council services. (Corporate Risk)	Assessment of risks and mitigating controls to provide assurance that there are robust controls in place to prevent a wide range of Cyber-Attacks. Reviews to include the protection of internet connected systems in the following areas: <ul style="list-style-type: none"> • cyber governance • application of security controls • cloud strategies and controls • threat and vulnerability management • firewall and network security • compliance. 	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
Information Management	Council is not compliant with relevant data and information management legislation which may lead to loss or breach of personal data creating security or reputational risk. (Corporate Risk)	Assessment of risks and mitigating controls within aspects of Children's and Adult's services to provide assurance that there are sufficient controls in place to manage key risks in the various aspects of information management including sharing, recording, storing, security and compliance. To provide assurance that information is managed in line with the LPS Data Handling Guidelines.	X
ICT Compliance	Significant risks presented the Council by potential failure of organisation to comply with established policies and procedures in operation to provide effective governance over its digital operations.	A programme of targeted work to assess and evaluate the effectiveness of arrangements in operation and levels of compliance with agreed arrangements by the workforce.	X
Digital Strategy	Failure of the Digital Strategy to achieve established and agreed objectives presents significant risk to the Council.	Assessment and evaluation of the Council's Digital Strategy for fitness for purpose including its ability to achieve agreed objectives.	X
Business Continuity Planning – Response to a Disruptive Incident	Failure to coordinate and maintain effective business continuity plans leaves the Council unable to respond to an incident, resulting in a major failure in service delivery. (Corporate Risk)	Assessment of risks and mitigating controls to provide assurance that there are sufficient controls in place to manage key risks.	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
Digital Projects	Successful delivery of the digital transformation programme is crucial to the delivery of the Council's transformation agenda. A number of key digital transformation projects currently underway.	To provide assurance that projects are managed and monitored sufficiently to ensure that they are delivered in time, on budget and planned benefits are realised.	X
ERP	Failure to deliver an effective Enterprise Resource Planning solution across a range of linked services will present a significant risk to the ongoing efficient and effective operation of the Council	Ongoing targeted audit support, consultancy advice and guidance to the ERP project.	X
TOTAL ICT			194
COUNTER FRAUD			
Counter Fraud Strategies, Policies and Awareness Training	Fraud and corruption are ever present risks to all organisations. It is important therefore that the Council's arrangements to counter fraud reflect best practice.	Review internal fraud policies and evaluation of awareness and compliance across the Council and continued delivery of awareness training for all employees. Collaborative working exercises across the Mersey region.	X
National Fraud Initiative (NFI)	NFI matches data across organisations and systems to help public bodies identify anomalies which may signify fraud. The Council is required by law to participate in NFI.	Coordination of the NFI exercise, including the investigation of matches and review of user outcomes. To identify possible cases of fraud and error from data provided through NFI and ensure that corrective action is taken in respect of any	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
		identified under/overpayment.	
Fraud – Reactive	Fraud referrals deemed of sufficient significance to be referred to and accepted by the CIA are investigated by Internal Audit in line with the Counter-Fraud and Corruption Strategy.	Investigations of allegations/referrals to Internal Audit	X
Fraud – Proactive	Fraud and corruption are ever present risks to all organisations. It is important therefore that a programme of proactive anti-fraud work is undertaken to prevent and detect fraud.	Risk based proactive work to prevent and detect fraud.	X
TOTAL COUNTER FRAUD			300
ADVISORY			
Audit Queries		Time allocation for specific queries that arise from directorates that require audit services.	X
Corporate Working Groups National/Regional Working Groups		Time allocation to contribute to Audit Working Groups (in addition to that included under respective risk areas above)	X

Area of Audit Work	Risk Context	Overview of Assurance	2020/21 Audit Days
TOTAL ADVISORY			45
TOTAL CONTINGENCY		Time allocation to allow for new emerging risks and unplanned work for example large investigations.	105
TOTAL AUDIT DAYS			1818