

# INTERNAL AUDIT PLAN

2020-2021 (REVISED DUE TO COVID 19)



Gloucester  
**City Council**

**ARA**  
Audit Risk Assurance

Gloucester City Council  STROUD DISTRICT COUNCIL  Gloucestershire County Council 

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## Background

All local authorities must make proper provision for internal audit in line with the Accounts and Audit Regulations 2015. The latter states that authorities must “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”.

The guidance accompanying the Regulations recognises both the Public Sector Internal Audit Standards (PSIAS) 2017 and the CIPFA Local Government Application Note for the UK PSIAS as representing “public sector internal audit standards”. The standards define the way in which the Internal Audit Service should be established and undertakes its functions.

The External Quality Assessment (completed in May 2020, by the Chartered Institute of Internal Auditors) re-affirmed the previous assessment that the Audit Risk Assurance (ARA) Shared Service Internal Audit function fully conforms to the International Standards for the Professional Practice of Internal Auditing.

## Development of the 2020/2021 Internal Audit Plan

The Chief Internal Auditor is required to produce an Annual Risk Based Internal Audit Plan to determine the priorities of the internal audit activity. The proposed activity should be consistent with the organisation’s priorities and objectives and taking into account the organisation’s risk management framework, including risk appetite levels set by management and internal audit’s own judgement of risks. The plan approved by the Audit and Governance Committee in March 2020 is attached at Attachment 1, which shows:

- Audit activity per service area;
- Name of the audit activity;
- Reason for the audit i.e. as a result of Risk Based Internal Audit Planning (RBIAP) and link to the Council’s Strategic Risk Register, statutory requirements;
- Outline scope of the review (please note that a detailed terms of reference is agreed with the client prior to the commencement of every audit to ensure audit activity is continually focused on the key risks and is undertaken within agreed time periods, to ensure our service adds value to the Council); and
- The priority of the audit i.e. priorities 1 and 2.

**Priority one** reflects statutory requirements i.e. grant certification, a limited assurance follow-up review, activities that may have been subject to a previous investigation / irregularity, or as deemed necessary by the Chief Internal Auditor to enable an opinion on the control environment to be provided.

**Priority two** activities are the remaining identified activities. The aim being that all priority one activities would be delivered within the year with the priority 2 audits being reassessed in the eventuality of any new emerging risk areas where assurances may be required, or where additional fraud investigations/irregularities materialise.

## Revision of the 2020/21 Internal Audit Plan

The impact of COVID 19 continues to place significant pressures on council services and in turn the availability of service managers and their teams to facilitate Internal Audit activities within their areas of responsibility. This additional strain on officers is fully recognised by ARA and whilst it has been possible to complete some carry forward work from 2019/20 plan and commence new activity from 2020/21 plan remotely, it is evident that going forward a number of the planned assurance activities will not be feasible to commence in the foreseeable future.

In addition, with significant organisational disruption, new emergency responsibilities and also staff working from home the impact on governance will be felt by the Council. These may fall into the following broad categories:

- Impact on business as usual in the delivery of services;
- New areas of activity as part of the national response to coronavirus and any governance issues arising, e.g. implementation of new policies / processes and emergency assistance; and
- The funding and logistical consequences of delivering the local government response, e.g. changes to council meetings and decision-making arrangements, new collaborative arrangements and funding and cash flow challenges.

Assessment of the longer term disruption and consequences arising from the coronavirus pandemic, e.g. existing projects and programmes may have been put on hold, new priorities and objectives introduced and new risks identified or existing risks escalated. This means that there may be new or different 'assurance' needs.

Due to the pandemic, ARA has or is due to provide non-audit related administration support to:

- Revenues and Benefits services in the processing of Business Grants; and
- Housing Services in the collation of the Housing Benefit payments (claimed for 'Rough Sleepers' placed in safe accommodation') that will be reclaimed by the County Council.

Representatives from ARA (in consultation with Senior Management Team (SMT)) have completed a review of the previously agreed work plan to identify which of the existing activities (together with any newly identified activities) should be prioritised for delivery by ARA between 1<sup>st</sup> October 2020 and 31<sup>st</sup> March 2021. It has also been agreed that ARA will be responsive to providing additional assurance/non-assurance support to service areas (if requested) as the year progresses and this is now reflected within the revision. Consequently, Attachment 1 below has been updated to:

- Reflect the current position or the proposed way forward for each activity under the original plan (approved by the Audit and Governance Committee in March 2020) this being either:
  - Defer for consideration in 2021/22;
  - Cancelled;
  - In Progress; and
  - Planned to be completed 01/10/2020 to 31/03/2021.
- Record any new activity as agreed with SMT due to COVID 19 emerging risks.

## Council Wide

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Compliance with Corporate Policies	Identified as part of Risk Based Internal Audit Planning (RBIAP)  Strategic Risk Register (SRR) 1.2 and 1.3	Failure by employees to follow agreed council policies and procedures can expose the Council to unnecessary liability, losses or inappropriate expenditure and behaviour. If the non-compliance of corporate policies becomes the 'norm' and this position is allowed to remain unchecked it will, over a fairly short period, significantly undermine the Council's governance framework. This allocation will enable ARA to review compliance with: <ul style="list-style-type: none"> <li>➤ HR Policy: Effective Use of Probationary Period;</li> <li>➤ HR Policy: Compliance with Flexi time / Annual Leave; and</li> <li>➤ HR Policy: Employee Code of Conduct.</li> </ul>	<b>1</b>	<b>Defer for consideration in 2021/22</b>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Council's Confidential Reporting Procedures - (Whistleblowing)	Identified as part of Risk Based Internal Audit Planning (RBIAP)  Strategic Risk Register (SRR) 1.2 and 1.3	<p>Gloucester City Council has a zero-tolerance stance to all forms of fraud, bribery, corruption and theft, both from within the Council and from external sources. It recognises that fraud can:</p> <ul style="list-style-type: none"> <li>➤ Undermine the standards of public service that the Council is attempting to achieve;</li> <li>➤ Reduce the level of resources and services available for the residents of Gloucester; and</li> <li>➤ Result in major consequences which reduce public confidence in the Council.</li> </ul> <p>This audit will review the Council's confidential reporting procedures.</p>	<b>1</b>	<b>In Progress. Planned to be completed by 31/12/2020</b>
Health and Safety	Limited Assurance Follow Up  SRR 1.2 and 1.3	<p>Gloucester City Council is fully committed to achieving high standards of health and safety to protect the wellbeing of employees, residents and anyone else who may be affected by the council's activities. The 2018/19 audit highlighted a number of control weaknesses in the current arrangements and a need to further clarify roles and responsibilities.</p> <p>This audit will therefore provide assurance that the remaining actions agreed with management have now been implemented and are effective.</p>	<b>1</b>	<b>Planned to be completed 01/10/2020 to 31/03/2021</b>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Purchasing: Low and Intermediate Transactions	<p>Identified as part of RBIAP</p> <p>Strategic Risk Register (SRR) 6</p> <p>Limited Assurance Follow Up</p> <p><b>Carry fwd from 2019/20</b></p>	<p>The Council undertakes a variety of purchasing activities to deliver services and to meet its key aims and objectives. Failure to operate a transparent process for the procurement activity (coupled with any non-compliance with the requirements of the Public Contracts Regulations 2015) exposes the Council, Officers and Members to significant risks in the event that the contract award is subject to challenge or does not provide value for money. The 2018/19 audit highlighted a number of control weaknesses in the current arrangements and for enhanced corporate oversight. This audit will provide assurance that the action plan agreed with management has been implemented and operating as intended.</p>	<b>1</b>	<b>In Progress. Planned to be completed by 31/12/2020</b>
Travel and Other Expenses	<p>Limited Assurance Follow Up</p> <p>SRR 1.2 and 1.3</p>	<p>Gloucester City Council has a corporate policy that specifies the expenses that can be claimed by employees including travel, accommodation and subsistence. Before employees are entitled to submit a claim form, they must for business reasons, have been prevented from their normal arrangements and as a result incurred additional expense. The 2019/20 audit concluded that only 'Limited Assurance' can be provided that the risks material to the achievement of the objectives for this area were being managed effectively.</p> <p>This audit will provide assurance that the action taken by management to address the issues identified has been effective.</p>	<b>1</b>	<b>In Progress. Planned to be completed by 31/03/2021</b>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Agency Staff	Identified as part of RBIAP  SRR 1.3 and 1.6	The Council will contract with employment agencies to fill short-term general staffing vacancies and/or where required the engagement of more specialist staff to provide technical support which is currently not available through the existing workforce. This audit will review the arrangements for the: <ul style="list-style-type: none"> <li>➤ Initial approval process to engage with an agency;</li> <li>➤ Completion and authorisation of timesheets completed by the individual;</li> <li>➤ Scrutiny of invoices received from the agency; and</li> <li>➤ Formalisation of contractual arrangement with the individual agency staff member (if required).</li> </ul>	2	Defer for consideration in 2021/22
Complaints procedure	Identified as part of RBIAP  SRR 1.2 and 1.3  <b>Carry fwd from 2019/20</b>	The effective handling and wherever possible the satisfactory resolution of a complaint (together with identifying and acting on lessons learned) is key to good governance. This audit will review the process for handling expressions of dissatisfaction and provide assurance that these are handled in line with corporate policy and guidelines and that the level of corporate oversight is appropriate.	2	Defer for consideration in 2021/22

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Safeguarding	Identified as part of RBIAP  SRR 1.2 and 1.3  <b>Carry fwd from 2019/20</b>	Safeguarding means protecting people's health, wellbeing and human rights and enabling them to live free from harm, abuse or neglect. The Council has a statutory responsibility and a duty of care to cooperate and report issues relating to safeguarding to the appropriate authorities and partner agencies. This audit will review the effectiveness of the arrangements established by the Council to fulfil its responsibility in this area.	<b>2</b>	<b>Completed</b>
Scheme of Sub Delegation	Identified as part of RBIAP  SRR 1.2, 1.3 and 1.6	The Council's Constitution: Part 7- Proper Officers and Scheme of Delegation sets out details of the sub-delegations to officers of the council by the Managing and Corporate Directors. This audit will review a sample of decisions taken by officers to ensure they are in line with their delegated authority and have been appropriately documented.	<b>2</b>	<b>Planned to be completed 01/10/2020 to 31/03/2021.</b> <b>Note: The Chief Internal Auditor considers this should remain within the plan due to increased risks from Covid 19.</b>
Staff Appraisal System	Identified as part of RBIAP  SRR 1.3	Performance management systems are employed "to manage and align" an organisation's resources in order to achieve highest possible performance. A performance appraisal is a systematic and periodic process that assesses an individual employee's job performance and productivity in relation to certain pre-established criteria and organisational objectives. This audit will review the adequacy of the guidance and frameworks in place, related methodologies to manage and monitor appraisals and review the effectiveness of the existing process.	<b>2</b>	<b>In Progress. Planned to be completed by 31/03/2021</b>

# Internal Audit Plan 2020/21

## Communities

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
COVID 19 – Grants to VCS	Requested by Managing Director	<p><b>UNPLANNED</b></p> <p>Gloucestershire County Council through its Community Resilience Fund awarded the City Council £50k to support local voluntary sector agencies and community groups who are supporting vulnerable people during the Covid-19 pandemic. The City Council increased the funds available by a further £30k. This audit will review:</p> <ul style="list-style-type: none"> <li>➤ The systems and process developed and operated by the Council to ensure the award of the funds (the Grants) complied with the broad criteria specified by the County Council, including instances where 'local discretion' was applied;</li> <li>➤ The balance between the application of control principles when assessing grant applications, awarding grants, protecting public funds and securing the most effective outcomes; and the urgency to ensure benefit to the organisations supporting those in need; and</li> <li>➤ The processes operating to ensure the use of the grants by agencies and groups met the award criteria and supported outcome commitments.</li> </ul>	<b>1</b>	<b>Completed</b>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Gloucester Community Building Collective	Identified as part of RBIAP  SRR No 1.4  SRR No 1.13	Asset Based Community Development is about growing sustainable communities, building connections between people that live in the area and empowering people to take action on things that are important to them, which will often be different to what statutory/public sector agencies perceive to be important. In December 2018, Cabinet approved plans for the medium and longer-term delivery of community building in Gloucester which included the establishment of a formal partnership with Barnwood Trust the aim to work towards the establishment of an independent legal entity. This consultancy review will examine the governance arrangements put in place by the Council for the oversight of new Community Interest Company which has now been created.	1	Planned to be completed 01/10/2020 to 31/03/2021
Housing Benefits	Identified as part of RBIAP  SRR 1.2 and 1.4  <b>Carry forward from 2019/20</b>	Tax Support is in excess of £40m per annum. The rules surrounding the entitlement to Housing Benefit and Council Tax support are complex and have the potential to lead to a number of under/overpayments. The final scope agreed with the Council's Intelligent Client Officer was a review of the controls operating to minimise and if required to recover overpayments.	2	<b>Completed</b>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Section 202 reviews	Requested by Head of Communities  SRR 1.1, 1.2 and 1.13	The Homelessness Reduction Act 2017 places a legal duty on the Council to offer more support to a wider range of people who are homeless or threatened with homelessness and to intervene earlier. The new act expands the list of decisions that can be reviewed to include the new prevention and relief duties. This audit will review the arrangements within Housing Services when request to review a decision is received from an applicant.	<b>2</b>	<b>Defer for consideration in 2021/22</b>
Tenancy Rescue	Requested by Housing Services Operational Lead  SRR 1.1, 1.2 and 1.13	<p>The Homelessness Prevention Grant is to be used to reduce the financial pressures on the annual revenue temporary accommodation budget. The Council's feasible options include support for:</p> <ul style="list-style-type: none"> <li>➤ Tenant rent arrears, subject to a landlord providing a fixed term tenancy for a minimum of 6 months;</li> <li>➤ Property repairs which are the responsibility of tenants;</li> <li>➤ Deposits to secure a tenancy;</li> <li>➤ Top Up of weekly rent; and</li> <li>➤ Furnishings.</li> </ul> <p>There is a need to demonstrate that the grant funds allocated have been used for legitimate reasons and this audit will review the effectiveness of the arrangements established within Housing Services.</p>	<b>2</b>	<b>Defer for consideration in 2021/22</b>

## Internal Audit Plan 2020/21

### Cultural

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
City Events Programme	Requested by Corporate Director  SRR 1.2, 1.3, 1.4 and 1.5	This audit will review the effectiveness of the management arrangements established by the Council over the activities that will be commissioned (and managed in-house) following the cessation of trading of Marketing Gloucester Limited.	1	<b>Defer for consideration in 2021/22.</b>  <b>Note: Management update on progress will be provided (18<sup>th</sup> January 2021) as part of Annual Governance Statement (AGS) - 2019/20 improvement Plan update process.</b>
Guildhall, Blackfriars and Museum – Income received from events	Limited Assurance Follow Up  SRR 1.1, 1.2 and 1.6	The Council generates substantial income for hiring out areas / rooms to business and members of the public to hold meetings, live events, functions and weddings across the three sites.  The 2019/20 audit concluded that only 'Limited Assurance' can be provided that the risks material to the achievement of the objectives for this area were being managed effectively.  This audit will provide assurance that the action taken by management to address the issues identified has been effective.	1	<b>Planned to be completed 01/10/2020 to 31/03/2021</b>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Shopmobility - Fees and Charges	<p>Limited Assurance Follow Up</p> <p>SRR 1.1 and 1.2</p>	<p>This service provides battery powered scooters, wheelchairs, battery chairs, power chairs and rollators to help people who have limited mobility through permanent or temporary disablement, accident or age to use the facilities in the City Centre, the Gloucester Quays Designer Outlet Centre and the Docks.</p> <p>The 2019/20 audit concluded that only 'Limited Assurance' can be provided that the risks material to the achievement of the objectives for this area were being managed effectively.</p> <p>This audit will provide assurance that the action taken by management to address the issues identified has been effective.</p>	<b>1</b>	<b>Planned to be completed 01/10/2020 to 31/03/2021</b>
Museum of Gloucester – income from generic sales and exhibition admission fees	<p>Identified as part of RBIAP</p> <p>SRR 1.1, 1.2 and 1.6</p>	<p>Income is generated by the Museum of Gloucester from sales of souvenirs' and fees from the public to access specific exhibitions.</p> <p>This audit will review the controls to ensure that all income due to the Council from this source is received and accounted for.</p>	<b>2</b>	<b>Defer for consideration in 2021/22</b>

## Internal Audit Plan 2020/21

### Place

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Amey Contract	<p>Identified as part of RBIAP</p> <p>Follow Up</p> <p>Requested by Audit and Governance Committee</p> <p>SRR 1.4</p>	<p>The services provided in the contract are for waste collection and recycling, street cleansing and grounds maintenance. As part of the 2016/17 Audit Plan a number of improvement actions were identified in order to enhance the corporate oversight and management arrangements of this key services contract. In January 2020 management provided the Audit and Governance Committee with an update on the progress made concerning the outstanding actions.</p> <p>Whilst the committee acknowledge that good progress had been made, it was agreed that Internal Audit would undertake an independent review as part of the 2020-21 work plan.</p>	1	<p><b>Planned to be completed 01/10/2020 to 31/03/2021</b></p>
Building Control Shared Service	<p>Identified as part of RBIAP</p> <p>Limited Assurance Follow Up</p> <p>SRR 1.2 and 1.4</p>	<p>The Council agreed to enter into a shared service arrangement for the Building Control function with Stroud District Council in January 2015. A Section 101 agreement sets out the duties and functions to be delegated from one authority to another. It also incorporates the mechanism for day-to-day management, financial arrangements and dispute resolution.</p> <p>The 2019/20 audit concluded that only 'Limited Assurance' can be provided that the risks material to the achievement of the objectives for this area were being managed effectively.</p> <p>This audit will provide assurance that the action taken by management to address the issues identified has been effective.</p>	1	<p><b>Planned to be completed 01/10/2020 to 31/03/2021</b></p>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Community Infrastructure Levy (CIL)	<p>Identified as part of RBIAP</p> <p>SRR 1.1, 1.2, 1.5, 1.7 and 1.13</p>	<p>New CIL Regulations came into effect on 1 September 2019 and bring into practice the Government's reforms to developer contributions. The changes are designed to make the existing system less complex, more transparent and easier for local authorities to introduce, review and enable CIL and S106 to operate together by removing the pooling restrictions.</p> <p>The Regulations also require those bodies responsible for charging and spending developer contributions from CIL and S106 to publish this information in the form of Strategic Infrastructure Funding Statements (SIFS).</p> <p>This audit will review the income collection established by the Council under CIL.</p>	2	Defer for consideration in 2021/22
Gloucester Car Boot and Flea Market	<p>Identified as part of RBIAP</p> <p>SRR 1.1, 1.2 and 1.6</p>	<p>The Council operates a Car Boot and Flea Market at Hempstead, on Wednesdays and Sundays throughout the year. The site is managed by a third-party provider for a fixed fee with the Council also receiving a share of any surpluses generated. This audit will review the accounting records maintained by the provider to support the levels of income generated / expenditure incurred which are then used calculate the Council's share of the surplus generated under this arrangement.</p>	2	<p><b>Cancelled.</b></p> <p><b>No longer the responsibility of the Council</b></p>

## Internal Audit Plan 2020/21

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Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Licensing - Premises	Identified as part of RBIAP  SRR 1.1 and 1.2	<p>The Council supports the local economy by ensuring businesses providing licensable services are regulated to protect the public or others from harm. Licences are subject to a fee designed to cover service costs. This audit shall review the fee-setting / collection arrangements, administration and the monitoring of compliance with legislated requirements for the granting of licences for the:</p> <ul style="list-style-type: none"><li>➤ Sale / supply of alcohol for consumption on or off the premises;</li><li>➤ Provision of regulated entertainment; and</li><li>➤ Provision of late-night refreshment (provision of hot food and/or hot drink between 11pm and 5am).</li></ul>	<b>2</b>	<b>In Progress. Planned to be completed by 31/10/2020.</b>

## Internal Audit Plan 2020/21

### Policy and Resources

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Blackfriars Priory Turnover Certificate	Annual requirement  SRR 1.4 and 1.7	The rent charges paid by the Council to English Heritage are based on a percentage of the income generated from holding events at Blackfriars Priory. It is a condition of the lease that the Council provides a turnover certificate from a qualified auditor to confirm the level of income received. This audit will provide assurance that the turnover values stated to English Heritage are in accordance with the records held by the Council.	1	<b>Completed</b>
Council Tax - Refunds	Requested by Chair of the Audit and Governance Committee  SRR 1.1, 1.2, 1.4 and 1.6	<p>Council Tax refunds are as a result of the receipts from the tax payer for a financial period, when liability is not due:</p> <ul style="list-style-type: none"> <li>➤ Change of residential address outside of the city boundaries;</li> <li>➤ Retrospective single person discount awards;</li> <li>➤ Property exemption; and</li> <li>➤ The Valuation Office amends the residential property band A to H.</li> </ul> <p>Initiation of the refund of Council Tax is supported by a request from the taxpayer for return of the amount overpaid. This audit will review the arrangements established by the provider to ensure the refunds are processed accurately and timely.</p>	1	<b>Planned to be completed 01/10/2020 to 31/03/2021</b>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Debt Management (Sundry Debtors and Business Rates)	<p>Identified as part of RBIAP</p> <p>Requested by Chair of the Audit and Governance Committee</p> <p>SRR 1.1, 1.2 and 1.6</p>	<p>Income generated from sundry debtors and the collection of Business Rates is a significant source of revenue to support the Council's strategic and operational plans. Financial controls are therefore of critical importance to minimise inherent risks to the income generated by the Council.</p> <p>This audit will review the effectiveness of control framework to monitor outstanding debts and to effect recovery if the debt is not paid.</p>	<b>1</b>	<b>Planned to be completed 01/10/2020 to 31/03/2021</b>
<p>Elections - claims for reimbursement of expenditure for:</p> <ul style="list-style-type: none"> <li>➤ Gloucester City Council (May 2020);</li> <li>➤ Police and Crime Commissioner (May 2020); and</li> <li>➤ General Election (December 2019).</li> </ul>	Requested by Policy and Governance Manager	<p>The General Election took place in December 2019 and the Local Elections for Gloucester City Council and Gloucestershire Police and Crime Commissioner will take place in May 2020.</p> <p>The costs incurred by the Local Returning Officer for managing and administering the elections which will be paid through Gloucester City Council's payment systems may be claimed back from the Electoral Commission (EC).</p> <p>This audit will provide assurance that, in all significant respects, the claim for each election (to be signed off by the Returning Officer) is complete and accurate and appropriately evidenced.</p>	<b>1</b>	<b>Elections did not take place. Defer for consideration in 2021/22.</b>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Accounts Payable	Identified as part of RBIAP  SRR 1.2 and 1.16	<p>The objective of the Accounts Payable function is to pay valid supplier invoices in respect of goods or services received within agreed payment terms. In 2018/19 creditors were responsible for circa £31.7m of payments (inclusive of VAT), it is therefore important to have robust and effective controls.</p> <p>This audit will review the effectiveness of the arrangements for setting up new vendors, vendor changes and invoice control.</p>	<b>2</b>	<b>Completed</b>
Bank Reconciliation	Identified as part of RBIAP  SRR 1.2 and 1.6	<p>The accurate and timely processing of bank reconciliations is a fundamental financial control process to ensure the integrity of the transactions in the accounting system (Civica financials).</p> <p>This audit will examine the reconciliation processes that are currently in operation to verify their regularity, accuracy, completeness and timeliness.</p>	<b>2</b>	<b>Defer for consideration in 2021/22</b>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Cemeteries and Crematorium – compliance with GDPR	Identified as part of RBIAP  SRR 1.8	<p>The General Data Protection Regulation (GDPR) is a legal framework that sets guidelines for the collection and processing of personal information of individuals within the European Union (EU). GDPR regulation covers all organisations that deal with data of EU citizens, so it is a critical regulation for corporate compliance. The regulation was adopted on 27 April 2016 and became enforceable from 25 May 2018.</p> <p>This audit will review the personal data held by the service to provide assurance that personal information gathered is only used for the purpose for which it was originally intended and held in accordance with GDPR principles.</p>	2	<b>Defer for consideration in 2021/22</b>
FOI	Identified as part of RBIAP  SRR 1.2 and 1.8  <b>Carry fwd from 2019/20</b>	<p>The Freedom of Information Act 2000 provides public access to information held by public authorities. It does this in two ways:</p> <ul style="list-style-type: none"> <li>➤ Public authorities are obliged to publish certain information about their activities; and</li> <li>➤ Members of the public are entitled to request information from public authorities.</li> </ul> <p>This audit will review the processes and procedures put in place by the Council to ensure it fulfil its legal obligations under this Act and when responding to the requests received.</p>	2	<b>Completed</b>

## Internal Audit Plan 2020/21

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Property Investment Strategy	Identified as part of RBIAP SRR 1.14  <b>Carry fwd from 2019/20</b>	The Council has a substantial property portfolio across the City.  This audit will review the effectiveness of the decision making process and controls concerning the acquisition and disposal of property owned by the Council.	<b>2</b>	<b>In Progress. Planned to be completed by 31/03/2021.</b>
The Arbor – Income Collection	Identified as part of RBIAP  SRR 1.1, 1.2 and 1.6	The Mulberry room and the Willow tea room are available for hire at the Arbor (Gloucester Crematorium) and aim to provide a tranquil setting for family and friends to gather and celebrate the life of a loved one. On a daily basis, the Willow tea room is also open to the general public if this area is not being fully utilised by a function.  This audit will review the controls to ensure that all income due to the Council from this facility is received and accounted for.	<b>2</b>	<b>Defer for consideration in 2021/22</b>

## Internal Audit Plan 2020/21

### ICT

The ICT audit needs assessment 2020/21 has been compiled by ARA's ICT audit specialists in consultation with and having input from the Council and Civica officers. The ICT internal audits proposed by the ICT audit needs assessment are as follows:

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Business Continuity and IT Disaster Recovery	Limited Assurance Follow Up SRR 1.2, 1.8 and 1.10	The objective of the 2019/20 internal audit was to review the alignment of the Business Continuity arrangements and ITDR capability of the Council, to identify any gaps in capability to recover systems and any expectations gaps for service managers. The 2019/20 audit concluded that only 'Limited Assurance' could be provided for the control environment, due to the lack of a documented and authorised IT Disaster Recovery plan matching recovery arrangements against Council priorities.  This audit will provide assurance that action has been taken by management to address the issues identified.	1	Planned to be completed 01/10/2020 to 31/03/2021
Cyber Security	Identified as part of RBIAP SRR 1.2, 1.8 and 1.10	There have been significant changes regards Cyber Security requirements, since the previous cyber security internal audit reviews were undertaken during 2017/18 (this excludes completed follow up activity). This review will consider the Council's information risk management regime including ICT Security related policies and procedures, secure configuration of devices, perimeter security, managing user privileges, user education and awareness, incident management, malware prevention, monitoring, removable media controls and home and mobile working.	1	Planned to be completed 01/10/2020 to 31/03/2021

## Internal Audit Plan 2020/21

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Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Patch Management	Identified as part of RBIAP  SRR 1.2, 1.8 and 1.10	Review of the Council's patch management processes and controls, subsequent to the identified risk and recent incident relating to the loss of a file server after installing a Microsoft patch.	<b>1</b>	<b>Planned to be completed 01/10/2020 to 31/03/2021</b>

### Contingency for emerging risks from COVID 19

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Contingency	COVID 19	<b>UNPLANNED</b>  Allocation to provide unplanned assurance and/or general support to service areas as a consequence of the current pandemic.	<b>1</b>	<b>As required</b>

## Internal Audit Plan 2020/21

### Counter Fraud

Audit	Reason for Audit	Outline Scope	Priority	Proposal to Audit and Governance Committee
Fraud Investigation / Detection	To support the Annual Governance Statement  Strategic Risk Register (SRR) 6	Allocation to continue the development and implementation of the Council's Anti-Fraud and Corruption arrangements based on latest best practice.  This also includes an allocation for increasing the profile and awareness of anti-fraud, conducting pro-active counter-fraud reviews and undertaking investigations as required.	1	Ongoing
National Fraud Initiative (NFI)	To support the Annual Governance Statement  Strategic Risk Register (SRR) 6	To continue to co-ordinate activity as part of the NFI (a national data matching exercise that compares data/records i.e. payroll, licences, housing waiting list, single person discounts, creditors etc.) for a wide range of public services, including ensuring that matches are investigated promptly and thoroughly, and reporting of results.	1	Ongoing
Fraud Risk Management	To support the Annual Governance Statement  Informs the Risk Based Internal Audit Plan	The CIPFA Counter Fraud Centre has issued guidance on actions to be taken to 'Manage the Risk of Fraud and Corruption' within an organisation.  This allocation is to continue to self assess against the criteria set out in the guidance in order to direct/prioritise our counter fraud and internal audit resources/activity accordingly.	1	Ongoing

## Internal Audit Plan 2020/21

### Management Activity to Support the Audit Opinion

Activity	Reason for Activity	Outline Scope	Priority	Proposal to Audit and Governance Committee
Annual Governance Statement (AGS)	Statutory Requirement	This allocation is to lead on the development and implementation of the governance assurance framework and to develop and publish the 2020/21 AGS and Local Code of Corporate Governance.	1	Ongoing
Audit and Governance Committee / Member / Officer and Chief Financial Officer Reporting	Management activity to support the audit opinion	This allocation covers Member reporting procedures, mainly to the Audit and Governance Committee, plan formulation and monitoring and regular reporting to and meeting with, the Chair and Vice Chair of the Audit and Governance Committee and the Head of Policy and Resources.	1	Ongoing
Quality Assurance and Improvement Programme (QAIP) including the annual review of the effectiveness of Internal Audit and the external assessment	Statutory Requirement  To support the AGS	The Accounts and Audit Regulations 2015 states that Internal Audit should conform to 'proper practices' and it is advised that proper practice for internal audit is currently set out in the Public Sector Internal Audit Standards (PSIAS) 2017.  This allocation is to undertake an annual self assessment and when required, commission and deliver an external quality assessment, against the Standards.	1	Ongoing

## Internal Audit Plan 2020/21

Activity	Reason for Activity	Outline Scope	Priority	Proposal to Audit and Governance Committee
External Working Groups	Activity to support the audit opinion	Attendance / work in relation to the Local Authority Chief Auditor's Network (National Group), Midland Counties and Districts Chief Internal Auditors Group and the Fraud and ICT Groups to enable networking and to share good practice.	1	Ongoing
External Audit Liaison	Management activity to support the audit opinion	The External Auditor and the Chief Internal Auditor regularly meet to discuss plans and audit findings, to ensure that a "managed audit" approach is followed in relation to the provision of internal and external audit services.	1	Ongoing
Provision of Internal Control / General Advice	To support an effective control environment	This allocation allows auditors to facilitate the provision of risk and control advice which is regularly requested by officers within the Council.	1	Ongoing
Recommendation Monitoring	Activity to support the audit opinion	Whilst it is management's responsibility to manage the risks associated with their outcomes/objectives, this allocation enables Internal Audit to monitor management's progress with the implementation of high priority recommendations.	1	Ongoing
Internal Working Groups	Activity to support the audit opinion	Internal Audit is frequently asked to nominate representatives for working groups to advise on risk and control.	2	Ongoing