

APPENDIX 1

Tees Valley Audit & Assurance Service

Middlesbrough Council
Internal Audit and
Assurance Plan
2018/19

TEES VALLEY AUDIT & ASSURANCE SERVICES

Internal Audit and Assurance Plan 2018/19

INTRODUCTION

Purpose

- 1 This document sets out the proposed programme of internal audit and assurance work for 2018/19 for Corporate Affairs and Audit Committee's final comment and endorsement. In accordance with good practice, internal audit is required to prepare an audit plan on at least an annual basis. The Plan included in **Appendix A** is based on a number of sources of information but needs to be flexible to allow some amendment throughout the year in response to new and emerging risks and changes in priorities. The Plan is formulated in order to support the Council in achieving its Strategic Plan 2018-22 and its vision *Fairer, Safer, Stronger*.
- 2 The content of the internal audit and assurance plan is risk based and the basis for the risk assessment is the Council's corporate and directorate risk registers and the service's own prepared fraud and loss and health and safety risk assessments. The content of the internal audit and assurance plan is influenced by a variety of sources which can be summarised as follows:
 - The Council's Strategic Plan and key priorities;
 - The Council's key risks;
 - Fraud and loss risk self assessment;
 - Networking with other local authorities and chief audit executives' 'hot topics';
 - Areas of previous weakness;
 - Specific requests from LMT and the Corporate Affairs and Audit Committee;
 - Specific requests from LMT and DMTs.
- 3 TVAAS began as the shared internal audit service between Redcar and Cleveland and Middlesbrough Councils and was established on 1 January 2011. The service later expanded in 2014 and now includes a range of different assurance services including health and safety, risk management, business continuity and insurance.
- 4 The assurance work of TVAAS is driven by legislative and regulatory requirements for example all local authorities have a statutory requirement to make provision for internal audit in accordance with proper standards of professional practice as set out in the Public Sector Internal Auditing Standards (PSIAS). Other assurance work is also backed by legislation including the Health and Safety at Work Act. TVAAS has a key role in helping both councils achieve their objectives by examining the effectiveness of the governance arrangements and providing assurance to both councils that controls are operating effectively in order to manage the key risks facing the achievement of their objectives. The work of the Team contributes to an

improved corporate governance framework which will help inform the Council's Annual Governance Statement.

Middlesbrough Council's Strategic Plan

- 5 The Council has an ambitious Strategic Plan 2018-2022 that summarises how it will help achieve the 2025 Vision for Middlesbrough *Fairer, Safer, Stronger*. The Council has launched the Middlesbrough Investment Prospectus which sets out its plans for regenerating the town and will soon launch its social regeneration strategy for improving the lives of local people. The Council has stated its commitment to working with its communities and partners to facilitate the achievement of joint goals. The Strategic Plan sets out the priorities under each of the aims over the next four years.

TVAAS Vision

- 6 A service which seeks to deliver in time, on time, to the highest quality; and which is regarded as an effective provider of assurance. A Service which adds value and helps support public services to deliver better outcomes for local people.

Auditor Code of Ethics

- 7 In common with other professional bodies, UK internal auditors in the UK public sector must comply with the Institute of Internal Auditors (IIA) Code of Ethics principles as follows:

- Integrity
- Objectivity
- Confidentiality
- Competency

These standards will apply to all members of TVAAS who must also have regard to the *seven principles of public life* and the requirements of membership of other professional bodies. The Audit and Assurance Manager is a qualified Chartered Internal Auditor and Accountant, has the Qualification in Internal Audit Leadership and sits on the Institute of Internal Auditor's Professional Development Committee. The Assurance Lead – Health and Safety is a qualified health and safety practitioner whilst other staff within the Team have a wide range of local government and governance experience and many are either a member of or have successfully completed the exams of a recognised professional accountancy body or the Association of Accounting Technicians. A number of staff are also pursuing Certified Internal Auditor status.

2018/19 Audit and Assurance Plan for Middlesbrough Council

- 8 The priority and focus of the Team and the work contained within the annual plan at **Appendix A (Summary) and B (Detailed)** reflects the risks and priorities facing the Council. TVAAS' priority remains to help support the Council in implementing its Strategic Plan and vision *Fairer, Safer, Stronger* by helping it to maintain an effective

control and governance environment during these challenging times. The content of the proposed audit and assurance plan very much reflects the challenges facing the Council and is designed to:

- Continually develop new ways of working for the Audit and Assurance Team in order to be able to provide assurance on the effectiveness of the governance, risk management and internal control environment;
- Provide advice on the design, implementation and operation of appropriate controls so as to minimise the risk of fraud and error;
- Support the Council in making effective use of its resources and thereby supporting the attainment of its planned savings and Strategic Plan;
- Act as a visible deterrent against all fraudulent activity, health and safety and information security breaches, corruption and other wrong doing;
- Support the Council in providing an appropriate and effective response and investigation into any instances of suspected fraud or corruption.

Providing Assurance to the Council

9 TVAAS will perform different categories of work in order to provide assurance to the Council that it has an effective control environment in place. In the detailed Plan at **Appendix B**, the internal audit and assurance plan has been separated into a number of different categories of assurance as follows:

- Corp - Corporate assurance
- Fin - Financial/material systems
- SRR – audits linked to areas included on the Council’s strategic risk register
- Comp - Internal control compliance assignments
- IT – Information communication technology audits
- Sch – Schools specific assignments
- CF - Counter fraud related assignments
- Con - Contingency (allocation of time for the unexpected)
- LR – liaison and reporting for committees, DMTs, LMT and with members and external audit.

10 A high level summary of the Plan is detailed in **Appendix A** whilst the full list of individual assignments is set out in **Appendix B**. The detailed Plan sets out the links (where relevant) to the Council’s strategic priorities and risks. The detailed Audit and Assurance Plan for Middlesbrough Council is split between:

- A) **Internal audit** – the internal audit assignments aimed at providing assurance on the control environment and identifying where remedial action is required. These audits result in a formal report that provides an overall opinion on the control environment of the area or system concerned and makes a number of recommendations.

Many of the audits will involve sample testing and discussion with officers across all directorates of the Council in order to be able to provide assurance at a corporate level. However, a number of audits are specific to one directorate.

Contingency - the content of the audit plan needs to offer some flexibility so that it can be amended throughout the year in response to changes in risks, priorities, legislation, and whistleblowing allegations. Only a small contingency is included for 2018/19 due to reduced resources.

- B) **Liaison, support and reporting** – the Team produces and contributes to numerous reports throughout the year including audit outcomes for quarterly performance reports; reporting on outstanding actions and reports for Corporate Affairs and Audit Committee, Leadership Management Team, directorate management teams and corporate working groups.

Progress against the Plan

- 11 Progress against the plan will be monitored throughout the year and key issues reported to the Corporate Director for Resources as S151 Officer. The Audit and Assurance Manager will also report to the Corporate Affairs and Audit Committee on key issues arising from the work included in the Plan. The Audit and Assurance Manager will also report to the Corporate Affairs and Audit Committee on TVAAS' performance according to the agreed performance measures.
- 12 The Plan will be subject to regular re-evaluation throughout the financial year to ensure that audit and assurance resources are prioritised and continually directed towards the areas of highest risk. Any significant variations to the Plan will be reported to the Chair and Vice Chair of the Corporate Affairs and Audit Committee.

Completing the Plan

- 13 Once the content of the Plan and its individual assignments has been agreed, contact will be made with all relevant managers whose area of responsibility is included within the Plan. The purpose of this contact is to agree, well in advance, timing for the assurance and compliance audits to be carried out. Once the timing has been agreed, it is requested that managers do not request a change to that schedule unless absolutely necessary and that they allow time in their schedules to accommodate the provision of information and responses to contribute to the audit's effectiveness. Managers should be aware that many of the assignments are included in the Plan specifically at the request of a member of the Leadership Management Team or Corporate Affairs and Audit Committee and therefore any request to cancel or defer an audit will have to be notified to the appropriate member of LMT or Corporate Affairs and Audit Committee who may choose to overrule the manager's request.

- 14 The procedure for completing each individual assignment may vary to some extent but the usual process is summarised below:
- The Auditor will contact the responsible officer(s) for an audit in order to confirm arrangements and to arrange a meeting to discuss the scope of the audit.
 - The scoping meeting will be held between the relevant TVAAS Auditor and the responsible officer(s) for the audit.
 - As a result of that meeting, the Auditor will prepare a proposed term of reference document outlining the main focus of the audit and how it will be undertaken. This will be sent to the responsible officer(s) and/or Director for agreement and amendment as necessary. **It is the responsibility of the responsible officer(s) to ensure that their staff are aware of the audit and its purpose and that they are able to make time to engage with the audit staff throughout the scheduled period.** This meeting will also discuss practical arrangements e.g. access to systems, documents so that the responsible officer may prepare accordingly.
 - The field work of the audit will commence on the scheduled date as agreed. The nature of the field work will vary considerably according to different assignments but will typically involve audit presence on site, requests for meetings and information from and with managers and their staff. TVAAS staff will aim to carry out their work with sensitivity and causing the minimum of disruption to teams affected.
 - Any significant concerns identified during the audit will be communicated to the responsible officer(s) on an ongoing basis.
 - Following the completion of the fieldwork, the TVAAS audit and assurance officer will produce a draft report outlining the main findings from the audit together with recommendations for action. The report and associated working papers and evidence collated will be reviewed by an assurance lead. Most draft reports are also reviewed by the Audit and Assurance Manager before its issue.
 - Depending upon the content of the draft report, a discussion meeting may then be held with responsible officers or the draft may be issued to them (usually the head of service) directly. If the report contains significant findings or recommendations, it is probable that a meeting will be held so that the auditor can present their findings and ask for management comments. However, if the report has identified no major issues or recommendations then it may not be necessary for a meeting to be held and instead the report can be issued as a draft for management comment.
 - The draft report will provide an overall level of assurance that the audit and assurance officer(s) has concluded is appropriate based on their findings of those areas examined. There are five possible assurance levels as follows: **Strong, Good, Moderate, Cause for Concern and Cause for Considerable Concern.** The definition for each of these assurance levels is

provided in each TVAAS audit report as an appendix. Health and safety audits have the same methodology.

- It is at this stage that the audit and assurance officer(s) will require the responsible officer(s) to provide 'management comments' which detail the proposed remedial action to be taken to address the findings in the report together with target dates for completion of these actions. If the audit and assurance officer(s) considers that the management comments do not adequately address the finding then the action proposed will be revisited with the responsible officer(s).
- Following agreement of the draft report and the receipt of a management response to each of the recommendations, the final report, including the management responses, will be issued to the relevant officers and a copy also issued to the director and, where appropriate, to the External Auditor and Risk Business Partner.
- All agreed recommendations are ranked according to three priority levels with a priority 1 recommendation being the most significant. All P1 recommendations and the progress being made to implement them are reported to Corporate Affairs and Audit Committee.
- The findings on all internal audit work, resulting in Moderate or lower, are reported in summary form to the Corporate Affairs and Audit Committee once the report has been issued in final. This is at the request of Members of the Committee.

Quality

- 15 TVAAS staff are committed to delivering a quality service to the highest professional standards that adds value to its customers. The Service maintains a Quality Assessment and Improvement Programme (QAIP) and actively monitors its performance with a customer satisfaction survey issued with each final audit report (excluding investigations). In accordance with the Public Sector Internal Auditing Standards, the Team will also monitor its own quality and maintains a self assessment against the standards of the PSIAS.

Performance Measures

- 16 A service level agreement for the provision of internal audit services is in place between Redcar and Cleveland Borough Council and Middlesbrough Council and includes a number of performance measures (additional measures have since been added by the Audit and Assurance Manager). The status against each of these measures is reported to Corporate Affairs and Audit Committee on an ongoing basis. The relevance of the current measures have been reviewed and compared to other internal audit services and it is proposed that the measures for 2018/19 will be as follows:

- 1) Percentage completion of the agreed annual audit plan (Target 95%).
- 2) To achieve an average customer satisfaction survey score of 3.8 (4 being the highest).

- 3) Percentage of draft reports issued within 15 days of the end of fieldwork – target will be 100% for 2018/19.
- 4) Average productivity for the Team target 90% - this is based on all team members including managers and reflects the proportion of time at work that will be spent of the provision of assurance to the councils. The remaining 10% is management and supervision time (recruitment, personnel matters, training, day release for professional qualifications, conferences, staff briefings, team meetings, system support and administration). The target will also be for 100% of team members to meet their individual productivity target.
- 5) Number of assignments completed according to deadline set – target 95%
- 6) Number of assignments completed within the budgeted time allocation – target 95%.

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APPENDIX A - SUMMARY OF INTERNAL AUDIT PLAN 2018/19

Audit Theme	Description	Plan Days
Hot Topic Audits	Areas identified across a range of sectors and European countries resulting in a series of hot topics that reflect risk areas that are being prioritised by chief audit executives in their audit plans for 2018.	27
Strategic Risk Verification	Testing of a sample of strategic risks to provide assurance that stated mitigation controls are in place and effective. The focus will be on the high scoring risks.	20
Corporate Governance	Audits that link to corporate governance frameworks that affect the whole or most of the Council e.g. data quality, performance management, project management, contract management etc.	116
Financial and Material System Controls	Financial systems provide the Section 151 Officer with assurance that the Council has made proper arrangements for the effective administration of its financial affairs and support the integrity of the Council's accounts.	135
Growth & Place	Audits focussed on key priorities within the Growth & Place directorate as agreed with DMT.	54
Public Health	Audits focussed on key priorities within Public Health as agreed with the Director of Public Health.	10
Children's Services	Audits focussed on key priorities within the Growth & Place directorate as agreed with DMT.	80
Social Care	Audits focussed on key priorities within the Growth & Place directorate as agreed with DMT.	33
Anti Fraud Audit Work	Mostly short assignments targeted at areas that are traditionally susceptible to fraud. Will also include update of relevant policies to ensure they reflect current legislation/regulation.	69
Investigation Contingency	Contingency time for any investigations and other unplanned work.	50
Annual Certifications	Reviewing and certifying grant claims and other returns where the funding body requires annual sign off.	23
Contingency	Allocation of time to carry out additional work on emerging risks and priorities.	35
Follow Up	Time to confirm the implementation of previous audit recommendations.	42
Liaison and Reporting	Report writing/attendance at committees, DMTS, LMT, liaison with external audit, compilation of annual audit plan and other ad hoc tasks that may not result in the production of a report.	161
TOTAL		855

APPENDIX B – DETAILED AUDIT AND ASSURANCE PLAN 2018/19

Directorate key – Cross (assignment cuts across all directorates); FGS (Finance, Governance & Support); CS (Children’s Services); G&P (Growth & Place); PH (Public Health); SC (Social Care).

Assurance category key - **Corp** (Corporate assurance); **Fin** (Financial/material systems); **SRR** (audits linked to areas included on the Council’s strategic risk register); **Comp** (Internal control compliance assignments); **IT** (Information communication technology audits); **Sch** (Schools specific assignments); **CF** (Counter fraud related assignments); **Con** (Contingency - allocation of time for the unexpected); **LR** (Liaison and reporting).

BI – Business Improvement
PR – Physical Regeneration
SR – Social Regeneration

SECTION 1 – INTERNAL AUDIT

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
<p>Hot Topic audits – these areas have been identified via in depth interviews with chief audit executives across a range of sectors and European countries and were documented in the Risk in Focus report. This has resulted in a series of hot topics that reflect risk areas that are being prioritised by chief audit executives in their audit plans for 2018.</p>								
Risk in Focus area	Hot Topic – Cyber Security	A	3	Cross	IT	For each risk area, a series of high level key questions have been provided for auditors to consider	BI06 – Business management practices.	
Risk in Focus area	Hot Topic - Compliance with General Data Protection Regulations (combined with follow up of previous audit)	R	5	Cross	Corp and SRR	For each risk area, a series of high level key questions have been provided for auditors to consider.	BI06 – Business management practices.	Failure to respond effectively and efficiently to legislative changes places the Council in breach of statutory duties.
Risk in Focus area	Hot Topic - Investment in new IT technologies	A	3	Cross	IT	For each risk area, a series of high level key questions have been provided for auditors to consider	BI06- Business management practices	Failure to deliver required transformation of services, culture change or savings
Risk in Focus area	Hot Topic - Impact of political risks and events e.g. Brexit	A	3	Cross	Corp	For each risk area, a series of high level key questions have	PR priorities.	Targeted investment within Middlesbrough disproportionately

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
						been provided for auditors to consider		affected by low economic growth (e.g. following Brexit).
Risk in Focus area	Hot Topic - Vendor risk and third party assurance (outsourcing)	A	3	Cross	Corp	For each risk area, a series of high level key questions have been provided for auditors to consider	BI03 – greater VFM when buying services and managing contracts	Failure to deliver required transformation of services, culture change or savings.
Risk in Focus area	Hot Topic - Corporate culture (maintaining employee trust, public confidence and reputation)	R	5	Cross	Corp	For each risk area, a series of high level key questions have been provided for auditors to consider	BI07 and 08 – Gaining a greater understanding of needs of customers and partners. People Strategy to be recognised as a good employer.	Failure to deliver required transformation of services, culture change or savings.
Risk in Focus area and flagged up at Corporate Affairs and Audit Committee	Hot Topic – Workforce Planning	A	5	Cross	Corp	For each risk area, a series of high level key questions have been provided for auditors to consider	BI08 – People Strategy to be recognised as a good employer.	
Strategic risk management	Strategic Risks - Reds	A	20	Cross	SRR	Testing of a sample of strategic risks that score as reds to confirm mitigation controls are in place and effective.	BI06 – Business management practices.	Multiple

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
<p>Corporate governance and assurance audits – these assignments aim to provide assurance on the adequacy of areas and systems relating to corporate governance or significant risk areas and often are key areas underpinning delivery of the Strategic Plan.</p>								
Suggested by Head of Performance & Partnerships and strategic priority and risk link	Data quality	A	8	Cross	SRR	To provide assurance that reported outcomes and performance is accurate	BI06 -Business management practices,	Failure to deliver required transformation of services, culture change or savings
Strategic priority and risk link	Performance management	A	10	Cross	SRR	To review whether the Council has an effective performance management framework in place	BI06 - Business management practices.	Failure to deliver required transformation of services, culture change or savings
Strategic priority and risk link	Medium term financial plan	G	5	FGS	SRR	Material systems audit	BI06 - Business management practices.	Failure to adapt to the new funding model for local government results in a new funding gap. Failure to align Strategic Plan with TVCA plans adversely affects MTFP and

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
								Investment Prospectus progress
Strategic priority and risk link	Investment Strategy	R	10	Cross	SRR	Review to provide assurance that effective arrangements are in place to monitor strategy delivery.	All physical regeneration priorities	<p>Failure to align Strategic Plan with TVCA plans adversely affects MTFP and Investment Prospectus progress.</p> <p>Targeted investment within Middlesbrough disproportionately affected by low economic growth (e.g. following Brexit).</p>
Suggested by Head of ICT and strategic priority and risk link	ICT Strategy Measurement	A	6	FGS	SRR	Corporate assurance audit on the progress to deliver the strategy.	BI06 – Business management practices	Failure to deliver required transformation of services, culture change or savings
Suggested by Strategic Director Finance Governance & Support and	Project Management	A	5	Cross	SRR	Review of a sample of projects to confirm compliance with	PR02-05 - Development of Middlehaven, town centre and Centre Square	Failure to deliver required transformation of services, culture change or savings

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
strategic priority link						framework.		
Suggested by Corporate Strategy Manager/Head of Performance & Partnerships and strategic priority link	Compliance with grievance policy and process	A	10	FGS/Cross	Comp	Compliance audit based on sample testing.	BI08 – People Strategy to be recognised as a good employer.	
Suggested by the Head of Human Resources and strategic priority link	Attendance Management	A	10	FGS/Cross	Comp	Compliance audit based on sample testing.	BI08 - People Strategy to be recognised as a good employer.	
Deferred from 2017/18	Contract management	A	10	FGS	Comp	Corporate assurance on framework and Compliance audit based on sample testing.	B102 - greater VFM when buying services and managing contracts	Failure to deliver required transformation of services, culture change or savings
Linked to external audit qualified Vfm opinion and strategic priority link	Land & property disposals sample check	R	5	FGS	Comp	Compliance audit based on sample testing.	BI06 – Business management practices.	Failure to deliver required transformation of services, culture change or savings
Periodic assurance check	Members' allowances	A	5	FGS	Comp	Compliance audit based on sample	BI06 – Business management	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
required						testing.	practices.	
Deferred from 2017/18 and strategic priority and risk link	Agresso	A	10	FGS	IT	Corporate assurance on system objectives.	BI06 – Business management practices.	Failure to deliver required transformation of services, culture change or savings.
Suggested by Chair of Corporate Affairs and Audit Committee and strategic priority and risk link	Health and safety compliance/training	R	15	FGS	Corp	Corporate assurance on framework and Compliance audit based on sample testing.	BI08 - People Strategy to be recognised as a good employer.	Failure to respond effectively and efficiently to legislative changes places the Council in breach of statutory duties.
Suggested by Head of ICT and Corporate Strategy Manager and strategic priority and risk link	ICT disaster avoidance	A	10	FGS	IT	Corporate assurance on the effectiveness of disaster avoidance plans.	BI06 – Business management practices.	Failure to deliver required transformation of services, culture change or savings.
<p>Financial control audits - Financial systems remain an important area of the internal audit and assurance plan as they provide the Section 151 Officer with assurance that the Council has made proper arrangements for the effective administration of its financial affairs and support the integrity of the Council's accounts.</p>								
Material system	Budgetary planning and control	A	10	RES	Fin	Material systems audit	BI06 – Business management practices.	Failure to adapt to the new funding model for local

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
								government results in a new funding gap.
Material system	Main accounting/bank reconciliation	R	10	FGS	Fin	Material systems audit	BI06 – Business management practices.	
Material system	Accounts payable	R	15	FGS	Fin	Material systems audit	BI06 – Business management practices.	
Material system	Accounts receivable	R	15	FGS	Fin	Material systems audit	BI06 – Business management practices.	
Material system	Council tax and business rates	R	15	FGS	Fin	Material systems audit	BI06 – Business management practices.	
Material system	Housing benefits	R	15	FGS	Fin	Material systems audit	BI06 – Business management practices.	
Material system	Treasury management	A	5	FGS	Fin	Material systems audit	BI06 – Business management practices.	
Material system	Capital accounting	A	10	FGS	Fin	Material systems audit	BI06 – Business management practices.	
Material system	Payroll, travel and expenses	R	15	FGS	Fin	Material systems audit	BI06 – Business management practices.	
Material system	Capital programme	G	5	FGS	Fin	Material systems	BI06 – Business	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
						audit	management practices.	
Material system	Pensions Investments & Admin	R	20	FGS	Fin	Material systems audit	BI08 - People Strategy to be recognised as a good employer.	Failure to respond effectively and efficiently to legislative changes places the Council in breach of statutory duties.
Directorate assurance and compliance audits - a series of audits focussed on key priorities within a specific directorate.								
Suggested by Growth & Place DMT (Quarter 4) and strategic priority link	Integrated Transport Unit	A	10	GP	Corp	To confirm that effective processes are in place and being complied with.	PR04 - improve Middlesbrough's rail connections, promote investment in the Historic Quarter to encourage business growth and continue to improve our road network.	
Suggested by Growth & Place DMT and strategic priority link	Events management (marketing, health and safety, planning and budgetary control)	A	10	GP	Corp	To provide assurance on the arrangements and processes for events	SR12, BI06, PR01 New culture strategy; Business management	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
						management.	practices; Create Middlesbrough brand.	
Suggested by Growth & Place DMT and strategic priority link	Selected landlord licensing	G	8	GP	Comp	Compliance audit based on sample testing.	PR09 - work with local communities to redevelop Middlesbrough's disadvantaged estates, such as those in North Middlesbrough, and to put in place our empty homes strategy.	
Suggested by Growth & Place DMT and strategic priority and risk link	Housing and homes development (two assignments 1) housing delivery vehicle effectiveness and 2) delivery of affordable homes targets	R	10	GP	Corp	Assurance audit – terms of reference to be agreed.	PR07- 09 – build 2300 new homes and more affordable housing.	Targeted investment within Middlesbrough disproportionately affected by low economic growth (e.g. following Brexit).
Suggested by Growth & Place DMT and strategic priority link	Homes & Communities Agency (HCA) files quality of record keeping	A	8	GP	Comp	Compliance audit based on sample testing.	PR09, BI06 - Business management practices.	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
Suggested by Growth & Place DMT and strategic priority link	Highways planning and maintenance	G	8	GP	Corp	A review of the effectiveness of road maintenance plans and strategies	PR04 - Improve Middlesbrough's rail connections, promote investment in the Historic Quarter to encourage business growth and continue to improve our road network.	
Suggested by Growth & Place DMT and strategic priority and risk link	Public health joint service	G	10	PH	Corp	Critical friend advice and support	SR08 - join up health and social care, working with partners (including education providers) to keep children and adults healthy, avoid admissions to hospital, and improve care once people are discharged from hospital.	Reduced outcomes and incurred costs through failure to implement effective strategic and delivery partnerships.

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
Suggested by Finance, Governance & Support DMT and strategic priority and risk link	Children's Services financial management	R	15	CS	SRR	Review of financial management strategies, monitoring and control.	BI03, 05 and 06 New ways of delivering services; Unit cost budgeting approach; Business management practices.	
Children's DMT	Delivery of short breaks provision	G	10	CS	Corp	Compliance audit based on sample testing.	SR09 - SR09 - promote the welfare of children, young people and vulnerable adults and protect them from harm, abuse and neglect.	Failure to respond effectively and efficiently to legislative changes places the Council in breach of statutory duties.
Children's DMT	Place planning for schools	G	10	CS	Sch	Assurance audit – terms of reference to be agreed.	SR06 - increase educational and vocational attainment for all children and adults.	
Children's DMT	Quality assurance framework testing	A	10	CS	Corp	Assurance audit – terms of reference to be agreed.	SR05 - transform children's social work and early help, to allow more families to stay together where it is safe for them to do	Failure to respond effectively to new Ofsted ILACs inspection system and increased inspection of children's services.

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							so.	
Strategic priority link	Education and schools	R	20	CS	Sch	Individual audits on a sample of schools.	SR06 - increase educational and vocational attainment for all children and adults.	
Strategic priority and risk link	Prevention and early help strategies	A	15	CS	Corp	Assurance audit – terms of reference to be agreed.	SR05 - transform children's social work and early help, to allow more families to stay together where it is safe for them to do so.	Individuals and families in need not provided with effective help at appropriately early stage, resulting in social issues and greater downstream costs to public services.
Strategic priority link	Safeguarding adults processes	A	15	SC	Comp	Compliance audit based on sample testing.	SR09 - promote the welfare of children, young people and vulnerable adults and protect them from harm, abuse and neglect.	
Suggested by LMT and strategic priority and risk link	Domestic Abuse Prevention – Pre Inspection	A	8	SC	Corp	Assurance audit – terms of reference to be agreed.	SR09 - promote the welfare of children, young people and vulnerable adults	Individuals and families in need not provided with effective help at

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							and protect them from harm, abuse and neglect.	appropriately early stage, resulting in social issues and greater downstream costs to public services.
Suggested by Director of Social Care and strategic priority and risk link	Health and social care integration	A	10	SC	Corp	Assurance audit – terms of reference to be agreed.	SR08 – Joining up health and social care	<p>Funding reductions for statutory partners results in impact on services delivered jointly with the Council.</p> <p>Reduced outcomes and incurred costs through failure to implement effective strategic and delivery partnerships.</p>
<p>Anti Fraud Controls - A series of short assignments targeted at areas that are traditionally susceptible to fraud and where, nationally, fraud is most likely to occur. The areas examined will be identified by the fraud and loss risk register. Update of all relevant policies to ensure they remain relevant and reflect current legislation/regulation. This section also includes the coordination of the National Fraud Initiative data matching exercise.</p>								
Key fraud risk	Asset and register inventories	A	10	Cross	CF	Counter fraud controls review	BI06 – Business management	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							practices.	
Key fraud risk	Social care and emergency payments	A	10	SC	CF	Counter fraud controls review	SR09 - promote the welfare of children, young people and vulnerable adults and protect them from harm, abuse and neglect.	Individuals and families in need not provided with effective help at appropriately early stage, resulting in social issues and greater downstream costs to public services.
Suggested by Director of Social Care and strategic priority link	Section 117/health care costs	A	10	SC	CF	Counter fraud controls review	SR09 - promote the welfare of children, young people and vulnerable adults and protect them from harm, abuse and neglect.	
Key fraud risk and previous area of concern. Suggested by Head of Financial Governance and Revenues and strategic priority link	Purchasing cards	A	5	FGS/Cross	CF	Counter fraud controls review	BI06 – Business management practices.	
Mandatory data	National Fraud	R	20	Cross	CF	Coordination of	BI06 – Business	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
matching exercise	Initiative Data Matching Exercise					the data matching exercise for the Council for the purposes of identifying fraud and error	management practices.	
Annual review	Counter fraud framework review	A	5	FGS	CF	Review and update of counter fraud related policies e.g. whistleblowing policy, anti fraud, bribery and corruption	BI06 – Business management practices.	
Annual review	Fraud and loss risk assessment	A	5	Cross	CF	Update of the fraud and loss risk self assessment to identify key fraud risk areas	BI06 – Business management practices.	
Contingency	Counter fraud briefings, training and alerts	A	4	Cross	CF	An allocation of time to carry out briefings as required and publicise any fraud alerts	BI06 – Business management practices.	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
Contingency	Special investigations and other counter fraud contingency	G	50	Cross	Con	A contingency for investigating any allegations and responding to contacts made via the whistleblowing arrangements if and when they arise		
<p>Grant and annual certification contingency - An allocation of time for reviewing and certifying grant claims and other returns. Assignments are generally short in duration but have to be completed to a specific deadline.</p>								
Annual requirement	Youth employment initiative	A	6	CS	Comp	Auditor verification of grant return.	SR02 – strengthen local economy creating 3500 new jobs.	Qualifications and skills profile of local labour does not match requirements of current employers and / or potential future investors.
Annual requirement	Troubled families grants	A	4	SC	Comp	Auditor verification of grant return	SR05 - transform children's social work and early help, to allow more families to stay together where it is safe for them to do	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							so.	
Annual requirement	Homes and Communities Agency (HCA)	G	10	Cross	Con	Contingency for other grants		
Follow Up and Contingency - Confirming implementation of all actions recommended by internal audit work and contingency time for audit work on emerging risks and priorities throughout the year.								
To confirm and report on implementation	Follow up of actions – Finance Governance & Support	R	15	FGS	Corp	Follow up on previous actions		
To confirm and report on implementation	Follow up of actions – Children's Services	R	10	CS	Corp	Follow up on previous actions		
To confirm and report on implementation	Follow up of actions – Social Care	R	10	SC	Corp	Follow up on previous actions		
To confirm and report on implementation	Follow up of actions – Growth and Place	R	5	GP	Corp	Follow up on previous actions		
To confirm and report on implementation	Follow up of actions – Public Health	R	2	GP	Corp	Follow up on previous actions		
Contingency	Other audit contingency	G	35	Cross	Con	Contingency for additional work on emerging and new risks		

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
	SUB TOTAL	694						

SECTION 2 – LIAISON, SUPPORT AND REPORTING

Assignment	Planned Days	Directorate	Assurance Category	Description
<p>TVAAS produces many reports and briefing notes throughout the year for Corporate Affairs and Audit Committee, directorate performance reports, directorate management teams and Leadership Management Team. Members of the Audit and Assurance Team also carry out a number of tasks and roles that do not necessarily result in the production of a formal report or the undertaking of an audit. However, these tasks provide an important assurance support to the Council.</p>				
Annual audit plan compilation and assurance mapping	10	FGS	LR	Consultation and production of annual internal audit work plan
Audit scheduling	15	Cross	LR	Liaising with service and system managers and scheduling audits
Advisory and support- Finance Governance & Support	20	FGS	LR	Advice and support provided by TVAAS staff
Advisory and support – Children’s Services	10	CS	LR	Advice and support provided by TVAAS staff

Assignment	Planned Days	Directorate	Assurance Category	Description
Advisory and support- Social Care	10	SC	LR	Advice and support provided by TVAAS staff
Advisory and support- Public Health	5	SC	LR	Advice and support provided by TVAAS staff
Advisory and support- Growth and Place	10	GP	LR	Advice and support provided by TVAAS staff
Corporate Affairs and Audit Committee	30	Cross	LR	Preparation, report writing, minutes, attendance by TVAAS staff
Other committees/corporate groups	7	Cross	LR	Preparation, attendance and report writing for any other committees or corporate working groups
Networking and external organisation meetings	3	Cross	LR	Meetings and networking with external agencies/organisations
LMT attendance and report writing	5	Cross	LR	Preparation, report writing, minutes, attendance by TVAAS staff
DMT attendance and report writing – Finance, Governance and Support	10	FGS	LR	Preparation, report writing, minutes, attendance by TVAAS staff
DMT attendance and report writing – Children’s Services	3	CS	LR	Preparation, report writing, minutes, attendance by TVAAS staff
DMT attendance and report writing – Social Care	3	SC	LR	Preparation, report writing, minutes, attendance by TVAAS staff
DMT attendance and report writing – Growth and Place	3	GP	LR	Preparation, report writing, minutes, attendance by TVAAS staff

Assignment	Planned Days	Directorate	Assurance Category	Description
DMT attendance and report writing – Public Health	1	PH	LR	Preparation, report writing, minutes, attendance by TVAAS staff
Member training, liaison and queries	10	FGS	LR	Responding to Member queries and carrying out Member training
External audit liaison	6	FGS	LR	Meetings/providing information to external auditors
SUB TOTAL		161 Days		

GRAND TOTAL MIDDLESBROUGH COUNCIL – 855 days (2017/18 – 855)