

APPENDIX 1

Tees Valley Audit & Assurance Service

Internal Audit and Assurance Plan

2019/20

Middlesbrough Council

TEES VALLEY AUDIT & ASSURANCE SERVICES

Internal Audit and Assurance Plan 2019/20

INTRODUCTION

Purpose

- 1 This document sets out the proposed programme of internal audit and assurance work for 2019/20 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 several 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. In the current challenging economic climate, it is vital that the annual programme of internal audit and other assurance work focuses on what really matters and supports the Council in delivering its vision for Middlesbrough.

Middlesbrough Council's Strategic Plan

- 2 The Council has an ambitious Strategic Plan 2019-2022 and internal audit work should contribute to the attainment of aims by having a programme of work that is built around the risks and priorities of that Plan. This Plan may be subject to change during 2019/20 therefore some of the audit priorities may similarly change during the year and any such amendments will be reported to the Corporate Affairs and Audit Committee.

Content of the Plan

- 3 The content of the internal audit and assurance plan is risk based and the basis for the risk assessment is the Council's priorities, the strategic and directorate risk registers and the service's own prepared fraud and loss risk assessment. The content of the internal audit plan is influenced by a variety of sources which can be summarised as follows:
 - The Council's strategic 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 the Corporate Affairs and Audit Committee;
 - Specific requests from LMT and DMTs.
- 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). 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 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 inform the Council's Annual Governance Statement.

TVAAS Vision

- 5 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

- 6 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. Three staff are also pursuing Certified Internal Auditor status.

2019/20 Audit and Assurance Plan for Middlesbrough Council

- 7 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 priorities by helping 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 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 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 Strategic Plan 2019-22;

- 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

8 TVAAS will perform different categories of work to provide assurance to the Council that it has an effective control environment in place. In **Appendix A**, the internal audit plan has been separated into several 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
- 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.

9 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 several recommendations. Risk verification assignments are aimed at providing assurance on the effectiveness of the Council’s risk management framework.

Many of the audits will involve sample testing and discussion with officers across all directorates of the Council to be able to provide assurance at a corporate level. However, several 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, health and safety incidents and whistleblowing allegations. Only a small contingency is included for 2019/20 due to reduced resources.

B) **Liaison, support and reporting** – the Team produces and contributes to numerous reports throughout the year including outstanding actions reports for LMT and the Risk Management Group and reports for Corporate Affairs and Audit Committee, LMT and directorate management teams.

Progress against the Plan

- 10 Progress against the plan will be monitored throughout the year and key issues reported to the Strategic Director for Finance, Governance & Support 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 against the agreed performance measures.
- 11 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

- 12 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 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 be notified to the appropriate member of LMT or Corporate Affairs and Audit Committee who may choose to overrule the manager's request.
- 13 The procedure for completing each individual assignment may vary to some extent but the usual process is summarised below:
 - The Assurance Lead/Auditor will contact the responsible officer(s) for an audit at least four weeks before the scheduled audit date to confirm arrangements and to arrange a meeting to discuss the scope of the audit.
 - At some point within the four weeks prior to the scheduled start date, the scoping meeting will be held between the relevant TVAAS staff and the responsible officer(s) for the audit.
 - After that meeting, the audit lead will prepare a proposed term of reference document outlining the focus of the audit and how it will be undertaken. This will be sent to the responsible officer(s) and/or Assistant 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 can 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 Significant 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. Audit reports covering corporate matters e.g. risk management; performance management will also be issued to LMT.
- 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. Reports that have an opinion of Cause for Concern or lower or which contain a P1 recommendation are provided to elected Members in full.

Quality

- 14 TVAAS staff are committed to delivering a quality service to the highest professional standards that adds value to its customers. The Service actively monitors its performance and a customer satisfaction survey is issued with each draft audit report (excluding investigations). In accordance with the Public Sector Internal Auditing Standards, the Team also monitors its own quality and completes an annual self assessment of compliance with the Standards. In 2018, TVAAS internal audit arrangements were independently assessed as meeting the PSIAS.

Performance Measures

- 15 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 several 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 has been reviewed and compared to other internal audit services and it is proposed that the measures for 2019/20 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 2019/20.
 - 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%.

APPENDIX A - SUMMARY OF INTERNAL AUDIT PLAN 2019/20

Audit Theme	Description	Plan Days 2019/20	Plan Days 2018/19
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.	36	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	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.	113	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	135
Growth & Place	Audits focussed on key priorities within the Growth & Place directorate as agreed with DMT.	76	54
Public Health	Audits focussed on key priorities within Public Health as agreed with the Director of Public Health.	15	10
Children's Services	Audits focussed on key priorities within the Children's Services directorate as agreed with DMT.	70	80
Social Care	Audits focussed on key priorities within the Social Care directorate as agreed with DMT.	59	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.	55	69
Investigation Contingency	Contingency time for any investigations and other unplanned work.	55	50
Annual Certifications	Reviewing and certifying grant claims and other returns where the funding body requires annual sign off.	25	23
Contingency	Allocation of time to carry out additional work on emerging risks and priorities.	45	35
Follow Up	Time to confirm the implementation of previous audit recommendations.	47	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.	124	161
TOTAL		875	855

APPENDIX B – DETAILED AUDIT AND ASSURANCE PLAN 2019/20

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); **Sch** (Schools specific assignments); **CF** (Counter fraud related assignments); **Con** (Contingency - allocation of time for the unexpected); **LR** (Liaison and reporting).

SECTION 1 – INTERNAL AUDIT ASSIGNMENTS

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 2019.</p>								
Risk in Focus area	Hot Topic - Data protection and strategies post GDPR	R	5	Cross	SRR	For each risk area, a series of high level key questions have been provided for auditors to consider.	We will make sure that our business management practices compare with those of the best performing councils.	Failure to comply with GDPR.
Risk in Focus area	Hot Topic - Digitalisation and automation	A	3	Cross	Corp	For each risk area, a series of high level key questions have been provided for auditors to consider	Through our digital strategy, make it easier to access our services online and by phone. Our city centre will be transformed, to create an iconic and regional centre for media, digital creativity, learning and leisure.	Failure to transform culture and services to deliver services.
Risk in Focus area	Hot Topic - Sustainability, the environment and social ethics	A	3	Cross	Corp	For each risk area, a series of high level key questions have been provided for auditors to consider	We will change perceptions of Middlesbrough and raise local	Failure to develop effective partnerships.

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							aspirations, working with our partners to give local communities the opportunity to influence how Middlesbrough is transformed and how local public services are changed and improved.	
Risk in Focus area	Hot Topic - Anti-bribery and anti-corruption compliance	A	5	Cross	Corp	For each risk area, a series of high level key questions have been provided for auditors to consider	We will continue to ensure that we develop and deliver balanced budgets every year, eliminating structural budget pressures where possible to minimise the impact on our medium-term financial plan.	Failure to comply with statutory duties.
Risk in Focus area	Hot Topic - Workplace culture: discrimination & staff inequality	R	5	Cross	Corp	For each risk area, a series of high level key questions have been provided for auditors to consider	We will use our people strategy to become recognised as a good employer, with employees who are happy in their jobs, demonstrate our values, and deliver our priorities.	Failure to comply with statutory duties. Failure to recruit/retain key staff.

NOT CLASSIFIED

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
Risk in Focus area	Hot Topic – Communications: protecting brand and reputation	A	5	Cross	Corp	For each risk area, a series of high level key questions have been provided for auditors to consider	<p>We will change perceptions of Middlesbrough and raise local aspirations, working with our partners to give local communities the opportunity to influence how Middlesbrough is transformed and how local public services are changed and improved.</p> <p>We will promote the Middlesbrough 'place brand' to improve the town's reputation, attract new investment, visitors and residents, and add to civic pride.</p>	Failure to transform culture and services to deliver services.
Risk in Focus area	Hot Topic – Risk governance and controls	A	5	Cross	Corp	For each risk area, a series of high level key questions have been provided for auditors to consider	We will make sure that our business management practices compare with those of the best performing	All risks.

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							councils.	
Risk in Focus area	Hot Topic – Business continuity and crisis response	A	5	Cross	Corp	For each risk area, a series of high level key questions have been provided for auditors to consider	We will make sure that our business management practices compare with those of the best performing councils.	Terrorist incident.
Risk Verification Audits - Risk verification audits are short focussed assignments on specific strategic risks which seek to provide assurance that stated mitigation controls exist and are operating to mitigate the stated risk. The exact risk to be audited will be agreed with the Strategic Director, Finance, Governance & Support.								
Strategic risk management	Strategic Risks - Reds	A	20	Cross	SRR	To provide assurance that stated mitigation controls are in place and are working effectively for high scoring strategic risks.	We will make sure that our business management practices compare with those of the best performing councils.	All risks.
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.								
Agreed at FGS DMT	Project Management – sample test	G	10	Cross	Comp	To provide assurance on the effectiveness of project management by selecting a different sample of projects each year.	We will develop Middlehaven as an education, leisure, sports and entertainment centre of	Failure of TeesAMP development to provide expected benefits and

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							national significance. We will develop Centre Square as the Tees Valley's main office location and a major focus of cultural and leisure activity.	returns. Failure of Centre Square development to provide expected returns.
Requested by Member of the Corporate Affairs and Audit Committee	Project/contract Management – Snow Centre and Southlands Demolition	R	10	Cross	Corp	A specific focus on the management (to date) of the Snow Centre project and the demolition of the Southlands Centre.	We will develop Middlehaven as an education, leisure, sports and entertainment centre of national significance.	
Requested by Children's DMT	Commissioning	R	15	Cross	Corp	To provide assurance or identify remedial action in relation to the Council's commissioning arrangements.	Achieve greater value for money when buying services and managing our contracts.	Failure to transform culture and services to deliver services.
Agreed at FGS DMT	Contract Management – sample test	B	10	Cross	Corp	To provide assurance on the effectiveness of project management by selecting a different sample of contracts each year.	Achieve greater value for money when buying services and managing our contracts.	Failure to transform culture and services to deliver services.
Agreed at FGS DMT	Land & Property Disposals – sample check	B	8	FGS	Comp	An annual check to confirm that effective processes are in place and are being complied with.	We will make sure that our business management practices	Failure to comply with statutory duties.

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							compare with those of the best performing councils.	
Material system, strategic priority and risk	Budgetary planning and control/MTFP	B	10	FGS	Fin	Material systems audit	<p>We will continue to ensure that we develop and deliver balanced budgets every year, eliminating structural budget pressures where possible to minimise the impact on our medium-term financial plan.</p> <p>Introduce a 'unit cost' budgeting approach to our services to try to see where we can make further efficiency savings.</p>	MTFP inaccurate, resulting in unmitigated gap.
Strategic priority area	Investment Strategy/Capital programme	G	10	FGS	Fin	Material systems audit		MTFP inaccurate, resulting in unmitigated gap.
Agreed at FGS DMT	Recruitment & Retention	A	10	FGS/Cross	Comp	To provide assurance that there are clearly defined recruitment procedures that are being complied with and which comply with legislation.	We will use our people strategy to become recognised as a good employer, with employees who are	Failure to recruit/retain key staff.

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							happy in their jobs, demonstrate our values, and deliver our priorities.	
Requested by Head of Strategy, Information, Governance	Data Quality	A	10	Cross	Corp	To provide assurance for the Senior Information Risk Owner regarding the Council's data quality controls.	We will make sure that our business management practices compare with those of the best performing councils.	Failure to comply with statutory duties.
Requested by G&P DMT	Handling of Media & Information Requests (including Freedom of Information)	B	10	Cross	Corp	To review the controls in place to ensure that there is a consistent and coordinated approach to handling media enquiries and other information requests.	<p>We will make sure that our business management practices compare with those of the best performing councils.</p> <p>We will gain a greater understanding of the needs of our customers and of our partners, by introducing new ways of improving communication and consultation.</p>	Failure to comply with statutory duties.
Requested by Chief	Public Involvement & Consultation	A	10	Cross	Corp	To provide advisory/critical friend support to review the	We will make sure that our business	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
Executive						arrangements and processes for democratic engagement, community involvement and consultation.	management practices compare with those of the best performing councils.	
<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	Main accounting/bank reconciliation	R	10	FGS	Fin	Material systems audit	We will continue to ensure that we develop and deliver balanced budgets every year, eliminating structural budget pressures where possible to minimise the impact on our medium-term financial plan.	MTFP inaccurate, resulting in unmitigated gap.
Material system	Accounts payable	R	20	FGS	Fin	Material systems audit	We will continue to ensure that we develop and deliver balanced budgets every year, eliminating structural budget pressures where possible to	MTFP inaccurate, resulting in unmitigated gap.

NOT CLASSIFIED

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							<p>minimise the impact on our medium-term financial plan.</p> <p>Achieve greater value for money when buying services and managing our contracts</p>	
Material system	Accounts receivable	R	20	FGS	Fin	Material systems audit	<p>Improve the financial performance of services we charge for, and look for new income from a range of commercial investments</p>	MTFP inaccurate, resulting in unmitigated gap.
Material system	Council tax and business rates	R	15	FGS	Fin	Material systems audit but with a specific focus on strategies for business rates growth	Our business base will continue to grow, with new commercial workspace and support for innovation sectors.	
Material system	Benefits and CTAX Support Scheme	R	15	FGS	Fin	Material systems audit	We will take action to promote financial inclusion (where everyone has the same access to financial products and services) and reduce income	

NOT CLASSIFIED

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							inequality within the town, including improving community advice and welfare services and promoting the South Tees Community Bank.	
Material system	Housing benefits	R	15	FGS	Fin	Material systems audit	We will take action to promote financial inclusion (where everyone has the same access to financial products and services) and reduce income inequality within the town, including improving community advice and welfare services and promoting the South Tees Community Bank.	
Material system	Payroll, travel and expenses	R	20	FGS	Fin	Material systems audit	We will make sure that our business management practices compare with those of the best performing councils.	MTPP inaccurate, resulting in unmitigated gap.

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							Achieve greater value for money when buying services and managing our contracts	
Material system	Pensions Investments & Admin	R	20	FGS	Fin	Material systems audit	We will make sure that our business management practices compare with those of the best performing councils.	MTFP inaccurate, resulting in unmitigated gap. Failure to comply with statutory duties.
Directorate assurance and compliance audits - a series of audits focussed on key priorities within a specific directorate.								
Agreed at Children's Services DMT	Children's Services financial management	R	15	CS	SRR and Fin	Review of financial management strategies, monitoring and control.	Achieve greater value for money when buying services and managing our contracts.	MTFP inaccurate, resulting in unmitigated gap.
Agreed at Children's Services DMT	Special Educational Needs & Disability Value for Money	R	10	CS	SRR and Fin	Review of financial management strategies, monitoring and control and delivery of savings plan. Carry out audit in Quarter 4.	Achieve greater value for money when buying services and managing our contracts.	MTFP inaccurate, resulting in unmitigated gap.
Agreed at Children's Services DMT	Data Quality & Performance management	R	15	CS	SRR and Fin	To review data quality across the Directorate and performance management arrangements within	We will continue to promote the welfare of our children, young people and	Failure to comply with statutory duties.

NOT CLASSIFIED

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
						Children's Social Care Teams. To provide assurance that accurate and timely information is available and is being used.	vulnerable adults and protect them from harm, abuse and neglect.	Children impacted by social care transformation.
Agreed at Children's Services DMT	Inclusion Strategy	A	10	CS	Sch	To review the processes in place for monitoring the inclusion strategies and policies.	We will continue to promote the welfare of our children, young people and vulnerable adults and protect them from harm, abuse and neglect.	Poor skills profile of school leavers.
Agreed at Children's Services DMT	Education and schools	A	20	CS	Sch	Individual audits on a sample of schools.	We will increase educational and vocational attainment for all children and adults, by working with nurseries, schools, colleges, Teesside University, other education and vocational training providers and local employers.	Insufficient primary school places in Central Middlesbrough. Failure to manage place planning of international new arrivals. Poor skills profile of school leavers.
Deferred from 2018/19 and strategic priority link	Integrated Transport Unit	A	10	GP	Corp	To confirm that effective processes are in place and being complied with.	We will make sure that our business management practices compare with those of the best	

NOT CLASSIFIED

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							performing councils.	
Deferred from 2018/19 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 management.	We will work with local people to improve community life, making sure that all adults and children and young people feel safer.	
Agreed at G&P DMT	Housing Delivery Vehicle	A	10	GP	Corp	To provide assurance that the HDV has effective governance to ensure the delivery of objectives.	<p>We will build 1,800 new homes to meet the needs and ambitions of a growing population. More affordable housing will be created, to develop balanced, sustainable communities where people want to live.</p> <p>More affordable housing will be created, to develop balanced, sustainable communities where people want to live.</p>	Failure to develop effective partnerships.
Agreed at G&P DMT	Town Hall	A	8	GP	Comp	Provide assurance on the controls, processes and	We will develop Middlehaven as an	

NOT CLASSIFIED

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
						procedures in place for the management of the Town Hall.	education, leisure, sports and entertainment centre of national significance.	
Agreed at G&P DMT	Highways Inspection Management	A	10	GP	Comp	To focus on changes in system and processes and to consider how inspection regime has impacted upon the level of insurance claims.	We will improve the town's environment, working with local communities to make sure that our roads, streets and open spaces are well-designed, clean and safe.	
Agreed at G&P DMT	Commercial Property Portfolio Management	A	10	GP	Corp	Provide assurance that the Council is optimising its arrangements and measures to ensure value for money is achieved and that the value of commercial investments is sustained.	Achieve greater value for money when buying services and managing our contracts.	MTFP inaccurate, resulting in unmitigated gap.
Agreed at G&P DMT	Anti-Social Behaviour Management	G	10	GP	Corp	To consider the Council's role in relation to the reduction of anti-social behaviour and to provide assurance that its measures and policies support this.	We will work with local people to improve community life, making sure that all adults and children and young people feel safer.	Failure to develop effective partnerships.
Agreed at G&P DMT	School Crossing Patrols	G	8	GP	Corp	To provide assurance that there is effective resource planning and management of the crossing patrols	We will improve the town's environment, working with local communities to make	

NOT CLASSIFIED

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
						(carry out audit later in year).	sure that our roads, streets and open spaces are well-designed, clean and safe.	
Deferred from 2018/19 and strategic priority and risk link	Public health joint service	G	15	PH	Corp	Critical friend advice and support	We will 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.	Failure to develop effective partnerships.
Deferred from 2018/19 and Strategic priority link	Safeguarding adults processes	A	15	SC	Comp	Compliance audit based on sample testing.	We will work with local people to improve community life, making sure that all adults and children and young people feel safer.	
Previous area of control weakness. Strategic priority and risk link	Social care and emergency payments	A	10	SC	Comp	To assess compliance with processes and procedures to ensure that funds are being directed to areas of greatest need.	We will take action to promote financial inclusion (where everyone has the same access to financial products and services) and reduce income inequality within the	MTFP inaccurate, resulting in unmitigated gap.

NOT CLASSIFIED

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							town, including improving community advice and welfare services and promoting the South Tees Community Bank.	
Deferred from 2018/19 and strategic priority and risk link	Domestic Abuse Prevention – Pre Inspection	A	8	SC	Corp	Assurance audit – terms of reference to be agreed.	We will work with local people to improve community life, making sure that all adults and children and young people feel safer.	
Agreed at SC DMT	Reablement Service	A	10	SC	Corp		We will 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.	
Agreed at SC DMT	Appointeeships	A	10	SC	Corp	To provide assurance that appointeeships are being effectively managed and that thresholds are being applied correctly.	We will work with local people to improve community life, making sure that all adults and children and young people feel safer.	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
Agreed at SC DMT	S117 Follow Up	R	6	SC	Corp	To confirm that all agreed actions have been implemented.	We will work to improve local health and wellbeing, including mental health, and reduce health inequalities within the town, focusing particularly on self-care, community-led prevention and early intervention.	
<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>								
Previous cause for concern report	Purchasing Cards	R	10	FGS/Cross	Fin	To provide assurance that controls have and remain improved.	Achieve greater value for money when buying services and managing our contracts.	MTFP inaccurate, resulting in unmitigated gap.
Agreed at G&P DMT	Car Parking	A	10	GP	CF	Compliance audit based on sample testing. Focus on processes for income collection and accounting.	We will make sure that our business management practices compare with those of the best performing councils.	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							Look at new ways of delivering our services, working with local communities and a range of partners	
Mandatory data matching exercise	National Fraud Initiative Data Matching Exercise	R	20	Cross	CF	Coordination of the data matching exercise for the Council for the purposes of identifying fraud and error	We will make sure that our business management practices compare with those of the best performing councils.	
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	We will make sure that our business management practices compare with those of the best performing councils.	
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	We will make sure that our business management practices compare with those of the best performing councils.	
Contingency	Counter fraud briefings, training and alerts	A	5	Cross	CF	An allocation of time to carry out briefings as required and publicise any	We will make sure that our business management	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
						fraud alerts	practices compare with those of the best performing councils.	
Contingency	Special investigations and other counter fraud contingency	G	45	Cross	Con	A contingency for investigating any allegations and responding to contacts made via the whistleblowing arrangements when they arise	We will make sure that our business management practices compare with those of the best performing councils.	
<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 must be completed to a specific deadline.</p>								
Annual requirement	Trust Funds	A	3	FGS	Comp	Auditor verification of grant return	We will make sure that our business management practices compare with those of the best performing councils.	
Annual requirement	Troubled families grants	A	10	SC	Comp	Auditor verification of grant return	We will transform children's social work and early help, to allow more families to stay together where it is safe for them to do so and reduce the	Failure of early help services.

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							need for children to be looked after by us.	
Annual requirement	Bus Service Operator's Grant	A	2	GP	Comp	Auditor verification of grant return	We will make sure that our business management practices compare with those of the best performing councils.	
Annual requirement	Grants and Annual Certification Contingency	G	10	Cross	Comp	Contingency for any grants or annual returns that require audit certification during the year.	We will make sure that our business management practices compare with those of the best performing councils.	
<p>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.</p>								
To confirm and report on implementation	Follow up of actions – Children's Services	R	10	CS	Corp	Follow up on previous actions	We will make sure that our business management practices compare with those of the best performing councils.	
To confirm and report	Follow up of actions – Public Health	R	2	PH	Corp	Follow up on previous actions	We will make sure that our business	

NOT CLASSIFIED

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
on implementation							management practices compare with those of the best performing councils.	
To confirm and report on implementation	Follow up of actions – Finance Governance & Support	R	15	FGS	Corp	Follow up on previous actions	We will make sure that our business management practices compare with those of the best performing councils.	
To confirm and report on implementation	Follow up of actions – Growth and Place	R	10	GP	Corp	Follow up on previous actions	We will make sure that our business management practices compare with those of the best performing councils.	
To confirm and report on implementation	Follow up of actions – Social Care	R	10	SC	Corp	Follow up on previous actions	We will make sure that our business management practices compare with those of the best performing councils.	
Contingency	Other audit contingency	G	55	Cross	Con	Contingency for additional work on emerging and new risks	We will make sure that our business management	

Reason	Assignment	RAG	Planned Days	Directorate	Assurance Category	Description	Strategic Priority (if applicable)	Strategic Risk (if applicable)
							practices compare with those of the best performing councils.	
	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 several 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 and ensure that the Service remains compliant with Public Service Internal Audit Standards.</p>				
Annual audit plan compilation and assurance mapping	10	FGS	LR	Consultation and production of annual internal audit work plan
Audit scheduling	10	Cross	LR	Liaising with service and system managers and scheduling audits
Advisory and support- Finance Governance & Support	10	FGS	LR	Advice and support provided by TVAAS staff
Advisory and support – Children’s Services	8	CS	LR	Advice and support provided by TVAAS staff

NOT CLASSIFIED

Assignment	Planned Days	Directorate	Assurance Category	Description
Advisory and support- Social Care	8	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	5	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	4	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	5	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
DMT attendance and report writing – Public Health	2	PH	LR	Preparation, report writing, minutes, attendance by TVAAS staff
Member training, liaison and queries	5	FGS	LR	Responding to Member queries and carrying out Member training
External audit liaison	5	FGS	LR	Meetings/providing information to external auditors

NOT CLASSIFIED

Assignment	Planned Days	Directorate	Assurance Category	Description
SUB TOTAL		124 Days		

GRAND TOTAL MIDDLESBROUGH COUNCIL – 875 days (2018/19 – 855)

DRAFT