

AUDIT PANEL

Day: Tuesday
Date: 24 October 2017
Time: 2.00 pm
Place: Lesser Hall 2 - Dukinfield Town Hall

Item No.	AGENDA	Page No
1.	APOLOGIES FOR ABSENCE To receive any apologies for the meeting from Members of the Panel.	
2.	DECLARATIONS OF INTEREST To receive any declarations of interest from Members of the Panel.	
3.	MINUTES The Minutes of the meeting of the Audit Panel held on 30 May 2017 to be signed by the Chair as a correct record.	1 - 6
4.	PROGRESS REPORT ON RISK MANAGEMENT AND AUDIT ACTIVITIES APRIL TO SEPTEMBER 2017 To consider a report of the Head of Risk Management and Audit Services.	7 - 34
5.	URGENT ITEMS To consider any additional items the Chair is of the opinion shall be dealt with as a matter of urgency.	

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AUDIT PANEL

Tuesday, 30 May 2017

Commenced: 2.00 pm

Terminated: 3.00 pm

Present: Councillors Ricci (Chair), Affleck (Deputy Chair) and Fairfoull

In Attendance: Ian Duncan Assistant Executive Director - Resources
Wendy Poole Head of Risk Management and Audit Services

Apologies for Absence: Councillors Bailey, J Fitzpatrick and K Welsh

1. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

2. **MINUTES**

The Minutes of the proceedings of the meeting of the Audit Panel held on 7 March 2017 were agreed and signed as a correct record.

3. **ACCOUNTING POLICIES AND ESTIMATES FOR 2016/17 ACCOUNTS**

The Assistant Executive Director (Finance) submitted a report, which sought to bring the following items to the attention of the Panel in advance of the closure of the accounts for 2016/17:-

- The proposed accounting policies;
- The critical judgements made in applying the accounting policies; and
- Assumptions made about the future and other major sources of estimated uncertainty within the accounts.

The accounting policies, published within the Statement of accounts in accordance with International Financial Reporting Standards, were used to produce the financial statement for 2016/17 and were appended to the report.

Judgements applied in the accounting policies of the Council when preparing the accounts were detailed and included accounting for schools (balance sheet recognition of schools and transfers to academy status), investment properties, property plant and equipment, business rates, pensions fund liability, Manchester Airports Group, housing benefit subsidy and reserves. Particular reference was made to business rates and minimum revenue provision.

RESOLVED

- That the Statement of Accounting Policies, as appended to the report, be approved; and**
- That the critical judgements and major sources of estimated uncertainties included within the Statement of Accounts and the impact of alternative estimation bases being used, be noted.**

4. AUDIT PLAN

Consideration was given to Grant Thornton's Audit Plan for Tameside Metropolitan Borough Council and Greater Manchester Pension Fund. The report outlined the challenges and opportunities the Council and the Fund were facing and considered the impact of developments in the sector, whilst taking account of national audit requirements as set out in the Code of Audit Practice.

The audit approach was highlighted including the focus on risk with any significant and other risks identified. The results of interim audit work were detailed alongside key dates of the audit cycle and value for money. Panel Members were notified that there were no significant risks identified as part of value for money risk assessment and planning.

RESOLVED

That the audit plan be noted.

5. AUDIT FEE LETTER

Consideration was given to the audit fee letter from Grant Thornton for the external audit of 2017/18.

It was reported that the Public Sector Audit Appointments Limited (PSAA) would oversee the Commission's audit contracts for local government bodies until they ended in 2018. Their responsibilities included setting fees, appointing auditors and monitoring the quality of auditor's work. The PSAA prescribed that 'scale fees are based on the expectation that audited bodies are able to provide the auditor with complete and materially accurate financial statements, with supporting papers, within agreed timescales'.

The PSAA had proposed that the 2017/18 scale audit fees be set at the same level as the scale fees applicable for 2016/17. The audit planning process for 2017/18, including the risk assessment, would continue as the year progressed and fees would be reviewed and updated as necessary as work progressed.

Audit planning and interim audit procedures would be undertaken from November 2017 to January 2018 and upon completion a detailed audit plan setting out findings and the audit approach would be issued. The final accounts audit and work on the value for money conclusion would be completed in June and July 2018.

RESOLVED

That the letter be noted.

6. GMPF STATEMENT OF ACCOUNTS 2016-2017 GOVERNANCE ARRANGEMENTS

The Assistant Director of Pensions (Local Investments and Property) submitted a report informing Members of the governance arrangements for approval of the accounts for Greater Manchester Pension Fund (GMPF) as part of the accounts of Tameside MBC as administering authority. The report also asked Members to note the key assumptions for estimates to be used in the accounts.

It was explained that the key decision making bodies for the Council were the Audit Panel, which received accounting policy reports for both GMPF and the Council, and the Overview (Audit) Panel, which received the report of the external auditor following the audit of the accounts. The Council retained overall responsibility for the accounts of both and the follow-up on the audit reports received for both, but in practice delegated the responsibility for GMPF to GMPF.

The provisional timetable for approval of the accounts and audit reports by these bodies for 2017/18 was outlined in the report. The plan for the year was for the pre-audit of the Council and GMPF

accounts to be signed off by the S151 officer by 31 May 2017 with the external audit commencing thereafter and the process to be completed by 31 July 2017.

The key continuing assumptions used in production of the accounts included accruals basis, fair value for investments, market prices at bid where possible, compliance with accounting standards and best practice for non-listed assets, liabilities in compliance with International Accounting Standard 19 and continued phased implementation of CIPFA's guidance on accounting for management costs in the Fund.

RESOLVED

- (i) **That the governance arrangements for approval of GMPF accounts be noted; and**
- (ii) **The assumptions for estimates to be used in the GMPF accounts be noted.**

7. REVIEW OF INTERNAL AUDIT 2016/2017

The Assistant Executive Director (Finance) submitted a report, which reviewed the effectiveness of internal audit and measured practices and performance of the Internal Audit function with the standards set out in the Public Sector Internal Audit Standard, which contributed to the overall effectiveness of the system of internal control.

Information was given with regard to the background to the review, the requirements of the Public Sector Internal Audit Standards, the process that had been adopted and details of the review itself. The standards and an assessment against each of the Public Sector Internal Audit Standards and the results for 2016 compared to 2017 were detailed and showed that the service was fully compliant.

It was reported that an external review of internal audit was undertaken every five years as part of the Public Sector Internal Audit Standards. A decision had been made at the North West Chief Audit Executive Group for different Local Authorities to audit other authorities. It was confirmed that Blackpool Council and Bury Council would assess Tameside in December 2017 and January 2018 and the findings would be reported back to the Audit Panel in due course.

The report concluded that following the review of internal audit the service helped the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The outcome of the review, together with the positive comments received from the External Auditors and also from Senior Management Teams/Executive Members, demonstrated that the Council had an adequate and effective internal audit function, which contributed to the overall effectiveness of the system of internal control.

RESOLVED

That the report be noted.

8. RISK MANAGEMENT AND AUDIT SERVICES - ANNUAL REPORT 2016/2017

The Head of Risk Management and Audit Services submitted a report, which summarised the work performed by the Service Unit and provided assurances as to the adequacy of the Council's system of internal control.

The key achievements of the service unit for 2016/17 were highlighted and included 93% of planned audits being delivered and 92% of audit recommendations being implemented with positive customer feedback and adherence to statutory deadlines.

It was explained that the report presented to the Audit Panel in May 2016 provided an overview of the work planned for 2016/17. The plan, as reported during the year, had been revised to ensure

that it was aligned to changes in service priorities, risks, directorate structures and resources available.

The full year position of the audit plan by Directorate/Service Area was detailed, which displayed the approved and revised plan for 2016/17, actual days as at 31 March 2017 and the percentage completed. In terms of the overall plan 1,592 actual days were delivered against a revised plan of 1,686.

Examples of the audit work undertaken in each directorate and a summary of the audit opinions issued in relation to system based audit work and also schools for 2016/17, compared to 2015/16 and 2014/15, was provided.

With regard to anti-fraud work, 27 cases had been investigated during the period April 2016 to March 2017 and investigations by fraud type, the value, the amount recovered to date and potential annual savings were provided. One Direct Payment Fraud had been prosecuted through the courts and the defendant was ordered to repay the overpayment of £53,000 and there was an outstanding Proceeds of Crime Act Hearing relating to Procurement fraud.

Work continued during 2016/17 on the matches identified from the National Fraud Initiative 2016 data matching exercise and the results were summarised.

The report further detailed the following:-

- Risk Management and Insurance;
- Performance indicators; and
- Audit opinion based on results of 2016/17 activity.

The report concluded that reasonable assurance should be taken as arrangements to secure governance, risk management and internal control were suitably designed and effectively applied. It was accepted that the gross risk for the Council had increased in recent years (due to reduced capacity, whilst still having to deliver a significant change programme to meet financial challenges). Controls were in place to mitigate such risks and where improvements had been highlighted, managers had agreed to implement the suggested recommendations. This would aid the management of risk and support the overall control environment.

RESOLVED

That the report be noted.

9. ANNUAL GOVERNANCE REPORT 2016/17

The Assistant Executive Director (Finance) submitted a report, which sought Members' views on the following:-

- The Draft Annual Review against the Code of Corporate Governance for 2016/17; and
- The Draft Annual Governance Statement for 2016/17.

The report explained that the Framework *Delivering Good Governance in Local Government* published in 2016 set the standard for local authority governance in the UK. The core principles of the framework were outlined.

It was reported that a review had been completed assessing the Council's position against the approved Code of Corporate Governance in order to demonstrate compliance, ongoing developments/improvement and to prepare for the compilation of this year's Annual Governance Statement and Statement of Assurance, which were required by the Accounts and Audit Regulations 2015.

The draft Annual Review for 2016/17 and the draft Annual Governance Statement for 2016/17 were appended to the report.

RESOLVED

- (i) That the draft Annual Review against the Code of Corporate Governance for 2016/17 be approved;**
- (ii) That the draft Annual Governance Statement for 2016/17 be approved; and**
- (iii) That delegated authority be granted to the Assistant Executive Director (Finance) to make further amendments to the Draft Annual Governance Statement upon receipt of further comments.**

10. RISK MANAGEMENT AND AUDIT SERVICES PLANNED WORK 2017/2018

The Assistant Executive Director (Finance) submitted a report, which presented the planned work for the Risk Management and Audit Service for 2017/18. The report set out in detail the work of Internal Audit and sought approval for the Annual Audit Plan for 2017/18, which was appended to the report. It also highlighted the planned work in relation to Counter Fraud/Investigation Work, the Risk Management and Insurance Team and the National Anti-Fraud Network team

The Head of Risk Management and Audit Services explained that the Plan was reviewed and revised each year to take into account service and legislative changes, which could result in large shifts in priorities and culminated in the production of the Annual Audit Plan.

It was reported that Audits were prioritised based on an assessment of risk and allocated a numerical risk score, which equated to either 'High, Medium/High, Medium, Low/Medium or Low'. A range of factors were taken into account, which were outlined.

The Annual Plan for 2017/18 was appended to the report and the report provided a summary of the key audits to be undertaken in each Directorate, including those planned for the Greater Manchester Pension Fund. The total days required to deliver the plan were 1,666 days and had been matched to available resources. It was further reported that the Plan would be kept under constant review and regular meetings would be held with Executive Members and the Senior Management Team to ensure that it reflected the key risks for the Council going forward as it continued to change in shape and size to meet the financial challenges placed upon it.

The report also detailed the following:-

- Internal Audit Staffing
- Internal Audit Reporting Process
- Annual Governance Statement
- Internal Audit Strategy and Charter
- Quality Assurance and Improvement Programme
- Proactive Fraud Work/Irregularity Investigations
- Risk Management and Insurance
- National Anti-Fraud Network - Data and Intelligence Services
- Performance Monitoring
- Member Training

It was reported that the Public Sector Internal Audit Standards had been updated in March 2017 therefore an internal review was underway to assess the services compliance against the revised requirements. A formal review would be undertaken by April 2018.

RESOLVED



- (i) That the draft Internal Audit Annual Plan for 2017/18 be approved and the planned work for the Risk Management and Insurance Team and the National Anti-Fraud Network Team be noted;
- (ii) That the Internal Audit Strategy for 2017/18 be approved;
- (iii) That the Internal Audit Charter for 2017/18 be approved; and
- (iv) That the Quality Assurance and Improvement Programme for 2017/18 be approved.

11. URGENT ITEMS

There were no urgent items.

CHAIR

Agenda Item 4.

Report To:	AUDIT PANEL
Date:	24 October 2017
Reporting Officer:	Kathy Roe – Director of Finance (Section 151 Officer) Wendy Poole – Head of Risk Management and Audit Services
Subject:	PROGRESS REPORT ON RISK MANAGEMENT AND AUDIT ACTIVITIES APRIL TO SEPTEMBER 2017
Report Summary:	To advise members of the work undertaken by the Risk Management and Internal Audit Service between April and September 2017 and to comment on the results.
Recommendations:	That members note the report and the performance of the Service Unit for the period April to September 2017.
Links to Community Strategy:	Internal Audit supports the individual operations, which deliver the objectives within the Community Strategy.
Policy Implications:	Effective Risk Management and Internal Audit supports the achievement of Council objectives and demonstrates a commitment to high standards of corporate governance.
Financial Implications: (Authorised by the Section 151 Officer)	Effective Risk Management and Internal Audit assists in safeguarding assets, ensuring the best use of resources and reducing losses due to poor risk management. It also helps to keep insurance premiums and compensation payments to a minimum and provides assurance that a sound control environment is in place.
Legal Implications: (Authorised by the Borough Solicitor)	Demonstrates compliance with the Accounts and Audit Regulations 2015.
Risk Management:	Assists in providing the necessary levels of assurance that the significant risks relating to the council's operations are being effectively managed.
Access to Information:	The background papers can be obtained from the author of the report, Wendy Poole, Head of Risk Management and Audit Services by contacting:  Telephone: 0161 342 3846  e-mail: wendy.poole@tameside.gov.uk

1. INTRODUCTION

- 1.1 This is the first progress report for the current financial year and covers the period April to September 2017.
- 1.2 The main objective of this report is to summarise the work undertaken by the Risk Management and Internal Audit Service during the first half of the year in respect of the approved Plan for 2017/2018, which was presented to the Audit Panel in May 2017.

2. RISK MANAGEMENT AND INSURANCE

- 2.1 The Risk Management and Insurance Team provide services to the whole Council including schools. The key priorities for the team during 2017/2018 are:-
- To review the risk management system to ensure that it complies with best practice but is still practical for use by the organisation;
 - To facilitate the delivery of risk workshops to enable both the Corporate Risk Register to be updated and Operational Risk Registers to be maintained by managers;
 - To facilitate the continued implementation of the Information Governance Framework and prepare for the introduction of the General Data Protection Regulations which become effective from May 2018;
 - To review the Business Continuity Management system in place to streamline the process to create a management tool that is workable, with the capability to provide knowledge and information should a major incident occur affecting service delivery; and
 - To continue to support managers to assess their risks as services are redesigned to ensure that changes to systems and procedures remain robust and resilient offering cost effective mitigation and that claims for compensation can be successfully repudiated and defended should litigation occur.
- 2.2 The Tameside risk management system is now under review and as part of the process information from other councils is being collected. The system operated by the Tameside and Glossop Clinical Commissioning Group has also been reviewed with a view to recommending a revised system before the end of the year.
- 2.3 Work to review the Information Governance Framework in light of the introduction of the General Data Protection Regulations which become applicable in May 2018 is ongoing and work across Greater Manchester to create a suite of documents has commenced and will support this review.
- 2.4 The Data Protection Bill will update data protection laws for the digital age and was introduced to the House of Lords on 13 September 2017. The Data Protection Bill will:-
- Make our data protection laws fit for the digital age in which an ever increasing amount of data is being processed;
 - Empower people to take control of their data;
 - Support UK businesses and organisations through the change; and
 - Ensure that the UK is prepared for the future after we have left the EU.
- 2.5 Further details about Bill are as follows:-
- Replace the Data Protection Act 1998 with a new law that provides a comprehensive and modern framework for data protection in the UK, with stronger sanctions for malpractice;

- Set new standards for protecting general data, in accordance with the GDPR, give people more control over use of their data, and provide new rights to move or delete personal data;
- Preserve existing tailored exemptions that have worked well in the Data Protection Act, carrying them over to the new law to ensure that UK businesses and organisations can continue to support world leading research, financial services, journalism and legal services; and
- Provide a bespoke framework tailored to the needs of our criminal justice agencies and national security organisations, including the intelligence agencies, to protect the rights of victims, witnesses and suspects while ensuring we can tackle the changing nature of the global threats the UK faces.

2.6 Work in relation to business continuity will be picked up in the new-year in quarter 4.

2.7 Support in relation to insurance claims has been provided to both service areas and schools throughout the first six months of the year to ensure that claims against the Council are robustly defended.

3. INTERNAL AUDIT OVERVIEW

3.1 The Audit Plan approved on 30 May 2017 covered the period April 2017 to March 2018 and totalled 1,666 Days. This was made up of 1,179 days on planned audits and 487 days on reactive fraud work.

3.2 Table 1 below provides a summary of progress against the plan to 30 September 2017. The actual days delivered at Quarter 2 are 686, which equates to 42% of the total audit days planned for 2017/18 at 1,666, compared to 42% at this stage during 2016/17, 41% in 2015/16 and 50% in 2014/15. **Appendix 1** provides a detailed breakdown of the 2017/18 Audit Plan.

3.3 The Pie Charts below present the plan for the year and the actual days delivered to 30 September 2017.

3.4 Performance to date is in line with previous years, however, an Auditor left the team in May and the recruitment process to find a replacement is still in progress.

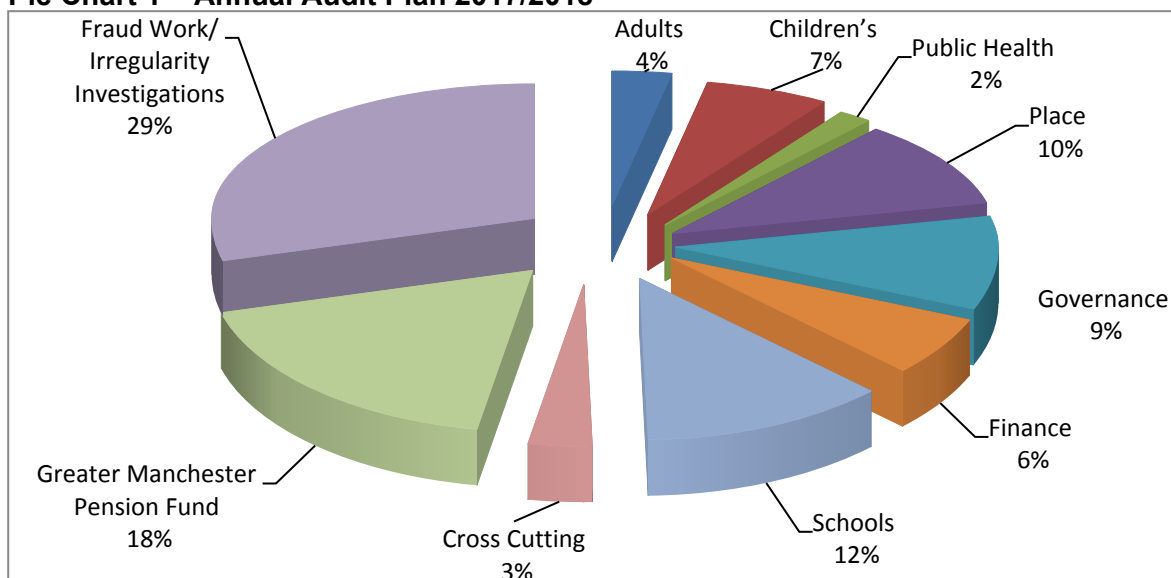
3.5 Table 1 – Annual Audit Plan Summary 2017/2018

Service Area / Directorate	Plan Days 2017/18	Actual Days 30 Sept 2017	%
Adults	59	26	44
Children's	117	45	38
Population Health	29	11	38
Place	160	61	48
Governance	156	54	35
Finance	100	30	30
Schools	205	84	41
Cross Cutting	53	4	8
Greater Manchester Pension Fund	300	132	44
Fraud Work/Irregularity Investigations	487	248	51
Total Planned Days for 2017/2018	1,666	695	42

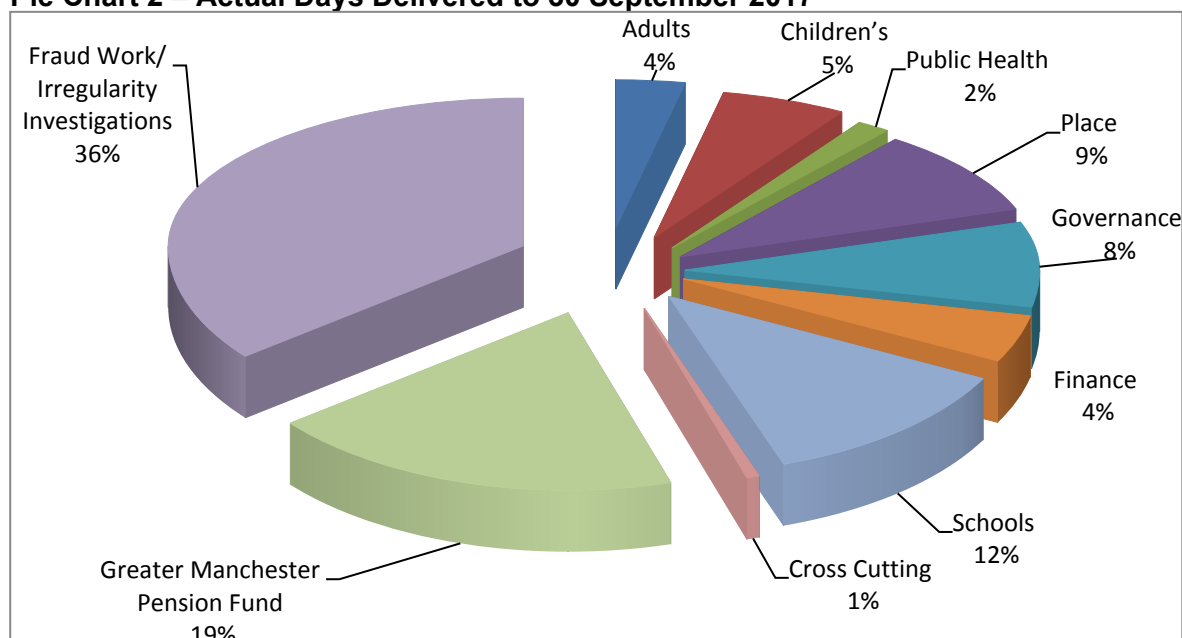
3.6 A detailed review of the audit plan is currently underway in conjunction with senior management to ensure that the plan is still relevant and meets the needs of the Council. The original plan of 1,666 days was based on estimated resources at the beginning of the

year and the revised plan will be reported to a future meeting of the Panel, taking into account any changes to available resources.

3.7 **Pie Chart 1 – Annual Audit Plan 2017/2018**



3.8 **Pie Chart 2 – Actual Days Delivered to 30 September 2017**



4. **AUDIT ACTIVITY TO 30 SEPTEMBER 2017**

- 4.1 During the first half of the year, 8 Final Reports were issued in relation to systems, risk and managed audits, the results of which are summarised in table 2 below.

Table 2 – Final Reports System/Risk/Managed Audits

Opinion	Number	%	Total To Date	Total for 2016/17
High	5 (4)	50	5 (4)	5 (4)
Medium	4 (1)	40	4 (1)	13 (80)

Low	1	10	1	7 (2)
Totals	10 (5)	100	10 (5)	25 (14)

Note: The figures in brackets relate to Final Reports issued for the Pension Fund.

- 4.2 In addition to the final reports issued above, 7 Draft Reports have been issued for management review and responses and these will be reported to the Panel in due course.
- 4.3 Not all work undertaken by the team generates an audit opinion and several pieces of work undertaken in the period fall into this category:-
- Population Health Grant
 - Local Transport Capital Block Funding Grant
 - Local Growth Fund Grant
 - Troubled Families Financial Claim Verification
 - Pension Fund Verification Checks
 - Hattersley Collaboration Agreement
- 4.4 9 School Audits were completed during the period, the results of which are summarised in table 3 below.

Table 3 – Final Reports Schools

Opinion	Number	%	Total To Date	Total for 2016/17
High	6	67	6	6
Medium	1	11	1	5
Low	2	22	2	1
Totals	9	100	9	12

- 4.5 In addition to the final reports issued above, 2 further audits have been completed and the draft reports have been issued to the Schools for management review and responses and they will be reported to the Panel in due course.
- 4.6 Post Audit Reviews are undertaken approximately six months after the Final Report has been issued, however, where a low level of assurance is issued the post audit review is scheduled for three months to ensure that the issues identified are addressed. 12 Post Audit Reviews have been completed during the period. Internal Audit was satisfied with the reasons put forward by management where the recommendations had not yet been fully implemented. A further 21 Post Audit Reviews are in progress which will be reported to the Panel at a future meeting.

5. REVIEW OF INTERNAL AUDIT

- 5.1 The review of Internal Audit reported to the Audit Panel on 31 May 2016 against the High Level Public Sector Internal Auditing Standards (PSIAS) highlighted that the service is fully compliant with the requirements of the standard.
- 5.2 The Public Sector Internal Audit Standards (PSIAS), introduced from April 2013, require at Standard 1312 that each organisation's internal audit service is subject to an external assessment "once every five years by a qualified, independent assessor or assessment team from outside the organisation".

- 5.3 The Peer Review for the Council will take place in February 2018 and be conducted by Blackpool and Bolton.
- 5.4 Work is currently on going to assess the service against the detailed requirements of the Public Sector Internal Auditing Standards and ensure that the processes in place are effective and efficient service.

6. ANNUAL GOVERNANCE STATEMENT 2016/17

- 6.1 The Annual Governance Statement presented to the Audit Panel on 30 May 2017 and approved by the Overview (Audit) Panel on 11 September 2017 highlighted several areas for development. Table 4 below provides an update on progress to date.

Table 4 – Annual Governance Statement Development Areas

Area of Review	Improvement Required	Progress to Date
Children's Services (New)	Improvements in response to the Ofsted Report, which have been detailed in the Tameside Children's Services Improvement Plan, need to be implemented and a Project Board is in place to monitor progress.	Two further Ofsted Inspections have taken place and the service is now working on improvements which will be inspected in December 2017. There has been a change in the senior leadership of the service with the appointment of the First Deputy taking responsibility for Children's Services and a new Interim Director of Children's Services joining the Council from 9 October.
Risk Management and Business Continuity Planning (New)	Enhancements are needed to the systems in place so that they meet with the requirements of the organisation and best practice.	Initials meetings have taken place with colleagues in the CCG to discuss risk registers and business continuity planning and the processes are now under review.
Health and Safety (New)	To Review process and procedures in place to ensure consistency of approach and embrace electronic recording where appropriate	<p>Directorate Health and Safety Meetings established to ensure consistency of approach across the organisation. This will need a further review to reflect recent organisational changes.</p> <p>Electronic recording of accident management system being established. This is subject to the completion of a system sign off document required by Internal Audit.</p> <p>Corporate Health and Safety Policy currently being reviewed. Draft copy ready for consultation. This outlines Health and Safety Responsibilities within the organisation.</p>

Area of Review	Improvement Required	Progress to Date
Managing Change (Carry Forward)	The ongoing level of change across the organisation, reduced resources and staff capacity to deliver the challenges faced by the Council, is managed by ensuring that proper governance and risk management procedures are in place to safeguard that the overall control environment is not adversely affected.	A risk based Internal Audit Plan is in place that addresses the keys risks facing the council. Risk management is embedded in service delivery, as all decision have to detail the risk implications to ensure that they are being managed. Assistance from Risk Management and Audit is provided when requested in relation to new/ changes to processes and systems.
Care Together (Carry Forward)	<p>As we continue to develop integrated health and social care services and move provision as close to home as possible, strong governance arrangements need to be in place to ensure we deliver our vision, improving healthy life expectancy, reducing inequalities and moving towards a financially sustainable economy.</p> <p>Although there has been substantial progress, implementation of the new model of care will need to gather pace to ensure delivery of our core objectives.</p>	<p>The Care Together Programme has established a Care Together Project Management Office (PMO) focused on ensuring rigorous plans are held for all transformational and savings schemes and to provide transparency and accountability across the local health and social care economy. Dashboards demonstrating progress in planning, finance, and performance metrics are presented at monthly Locality Executive Groups and to the Care Together Programme Board and the CCG's Governing Body.</p> <p>The Q1 Self-assessment to Greater Manchester was submitted in September showing progress of schemes to date against the GM HSCP transformation funding.</p> <p>Work is underway to enable the transfer of Adult Social Care into the ICFT in 2018 as well as a separate workstream looking at transformational schemes in Adult Social Care. Both of these plans are being reviewed and challenged by the PMO.</p>
Vision Tameside (Carry Forward)	This is a multi-million pound project in partnership with Tameside College, and needs to be delivered in accordance with agreed milestones. It is essential that the risks to service delivery during the interim period are kept under review to minimise disruption to the people and businesses of Tameside so that, together, the	Build programme is on target for completion June 2018 with re-occupation starting that month. Financials are reported with contingency still in place at a required level.

Area of Review	Improvement Required	Progress to Date
	mutual benefits of the project will be recognised and celebrated. It is also important to ensure that the benefits of the new building are realised in terms of different ways of working and reducing future running costs.	
Pension Fund Pooling of Investments (Carry Forward)	Greater Manchester Pension Fund is working with other large metropolitan LGPS funds to create a £40+ billion asset pool. Pooling of assets will provide greater scope to allow the funds to invest in major regional and national infrastructure projects such as airport expansion, major new road and rail schemes, housing developments and energy production growth, all driving economic growth and prosperity. Strong governance arrangements will need to be in place, underpinned by robust and resilient systems and procedures, to ensure the desired outcomes are realised.	<p>The Government has provided approval for the submission made by Greater Manchester Pension Fund, West Yorkshire Pension Fund and the Merseyside Pension Fund to create the Northern Pool.</p> <p>The 3 funds have established a vehicle to make collective direct infrastructure investments and are creating a similar vehicle to make collective private equity investments.</p> <p>A procurement exercise is underway to appoint a pool custodian and a formal joint committee governance structure will be established.</p> <p>Representatives of the Fund will continue to work closely and seek professional advice, as required, in order to create the Pool during 2017 and 2018.</p>

7. IRREGULARITIES/COUNTER FRAUD WORK

- 7.1 Fraud, irregularity and whistle-blowing investigations are conducted by two members of the Internal Audit Team under the direction of a Principal Auditor and the Head of Risk Management and Audit Services to ensure consistency of approach.
- 7.2 All investigations and assistance cases are reviewed by the Standards Panel every month and where appropriate the members of the Panel challenge and comment on the cases and offer further guidance and direction. Assistance cases can range from obtaining information for an investigating officer to actually undertaking a large proportion of the analysis work to provide evidence for the investigatory process.
- 7.3 The number of cases investigated during the period April to September 2017 is summarised in Table 5 below.

Table 5 – Investigations Undertaken from April to September 2017

Detail	No. of Cases
Cases B/Forward from 2016/2017	15

Current Year Referrals	3
Total	18
Cases Closed	7
Cases Still under Investigation	11
Total	18
Assistance Cases	5

7.4 The above investigations can be categorised by fraud type as shown in Table 6 below.

Table 6 – Investigations by Fraud Type

Fraud Type	No. of Cases	Value £	Recovered To Date £	Potential Annual Savings £
Direct Payment	8	125,148		25,058
Procurement/Duplicated Invoices Fraud	2	100,354	To be recovered on retirement - £58,000 (2023)	
Misappropriation of Monies/Stock	7	19,826	£19,576 to be recovered via court proceeding	
Staff Conduct (Time/HB Fraud)	1	Not Proven	-	-
Total	18	225,752		25,058

7.5 Matches identified from the National Fraud Initiative (NFI) 2016 Exercise were received in January/February 2017 and some of the key matches identified are shown below in table 7.

Table 7 – NFI Data Matches 2016

NFI Data Set	Total Number of Matches	Number of Rec'd Matches	Comments		
			Processed	In Progress	No. of Error/Frauds and Value
Pensions to DWP Deceased Persons	849	483	845	4	1 (F) £16,641
Pensions to Payroll	2,123	614	1,233	890	-
Deferred Pensions to DWP Deceased	87	76	87	-	1 (E)
Housing Benefits to Student Loans	67	16	16	-	0
Housing Benefits Claimants to DWP Deceased	100	60	60	-	-
Council Tax Reduction Scheme to Housing Benefit	85	58	58	-	-
Personal Budgets to DWP Deceased	5	4	5	-	-
Blue Badge to DWP Deceased	43	42	43		35 (E)

NFI Data Set	Total Number of Matches	Number of Rec'd Matches	Comments		
			Processed	In Progress	No. of Error/Frauds and Value
Private Residential Cares Homes to DWP Deceased	47	21	39	8	-
Creditors Duplicate Records/Payments	1,564	154	96	58	-
Totals	4,970	1,528	2,482	960	1 (F) 36 (E)

- 7.6 The expectation from the Cabinet Office in relation to the above matches is that all "Recommended Matches" are investigated. Any requests for data from other local authorities are dealt with by Internal Audit in conjunction with service areas (where appropriate) to ensure compliance with the Data Protection Act 1998.

8. NATIONAL ANTI FRAUD NETWORK DATA AND INTELLIGENCE SERVICES

- 8.1 The revised structure of the team was fully implemented in the first quarter of 2017/18 with the addition of a Business Development Manager to strengthen the Leadership Team to better coordinate the introduction of new services and support the Head of Service in managing business development opportunities. The post coordinates and promotes external training for NAFN members to improve their knowledge and raise awareness to encourage greater use of the NAFN service. As well as lead on delivery of the Marketing Strategy bringing innovation, creativity and direction to retain and win new business.
- 8.2 NAFN exists to support members in their protection of the public purse and acts as an Intelligence Hub providing a single point of contact for members to acquire data and intelligence in support of investigations, enforcement action and debt collection. A breakdown of the membership is provided in Table 8 below:-

Table 8 – NAFN Membership

Member Type	Sept 2017	March 2017	Target	%	% Increase (Decrease)
Local Authorities	352	359	420	84	(2)
Housing Associations	53	47	N/A	-	13
DWP	1	1	N/A	-	-
Other Public Bodies	13	11	N/A	-	18
Totals	419	418	-	-	0.2

- 8.3 As mentioned above the recruitment of the Business Development Manager is starting to pay dividends as the service continues to attract new members from housing associations and other public authorities.
- 8.4 NAFN is introducing a webinar programme for members. This training solution enables members to take part in bite size online sessions to discover more about the services NAFN offer. Six events were held in September covering eBay, PayPal, Gumtree, Prevention of Social Housing Fraud, the Sanction Information Database and National Hunter with all proving to be extremely popular across the membership. The aim is to hold a maximum of four webinar sessions per month.

- 8.5 The number of requests received during 2017/18 as detailed in Table 9 below has increased overall by 36% from the same period in the previous year. However, this is mainly due to the increase in online requests.

Table 9 – NAFN Requests Received

Type of Request	2017/18 Apr-Sep	2016/17 Apr-Sep	% Increase (Decrease)
General Data Protection Requests	18,927	23,818	(20)
Driver and Vehicle Licensing Agency	8,654	7,911	9
Regulation of Investigatory Powers Act	379	505	(25)
Prevention of Social Housing Fraud Act/Council Tax Reduction Scheme	5,764	4,096	41
Right to Buy Fraud	49	N/A	N/A
Sub Total	33,773	36,330	(7)
Type B (Online)	53,394	27,971	91
Grand Total	87,167	64,301	36

- 8.6 Whilst the number of Regulation of Investigatory Powers Act (RIPA) requests continues to be a concern for the Executive Board. The introduction of the Investigatory Powers Act in 2018 which repeal's RIPA is expected to reverse this trend with access to additional data and a review of the current judicial approval process which significantly impacts on member resources.
- 8.7 The increase in Type B (Online) requests is in line with expectations and further development is planned to add further services.
- 8.8 NAFN is working closely with the Local Government Association and Institute of Licensing to develop, deliver and host a national register of taxi and private hire drivers who have had their licences refused or revoked, improving the safety of the travelling public. It is expected that the register will be operational in early 2018.

9. LOCAL AUDIT AND ACCOUNTABILITY ACT 2014

- 9.1 A report was presented to Board on 14 September 2017 by the Section 151 Officer providing an update on progress in relation to the procurement of External Auditors. The Sector Led procurement exercise concluded in August and all councils were notified by email on 14 August of their proposed new External Auditor. The consultation period closed on 22 September and following the above meeting confirmation was provided to Public Sector Audit Appointments Limited accepting the appointment.
- 9.2 Official notification will be received in December confirming the appointment of Mazars.
- 9.3 Mazars is a large global audit and accounting firm with over 18,000 professionals in 79 countries worldwide. In the UK the firm ranks in the top ten with 1,700 employees and 140 partners working out of 19 offices, and UK fee income in 2016 of £160 million. The firm's dedicated public audit team has significant experience in providing external audit to public sector bodies. It comprises individuals with experience of auditing councils, combined authorities, police bodies, fire and rescue authorities, local government pension funds and other public bodies. In addition to its audit contract with Public Sector Audit Appointments Limited, the firm also has a substantial portfolio of NHS audits and is one of the National Audit Office's framework suppliers for central government audit.

- 9.4 PSAA has well-established arrangements for handover of audits between firms, currently set out in Appendix 12 of the Terms of Appointment. It is recognised that rotating the appointment of an auditor can present difficulties for the audited body and both the outgoing and incoming auditors if not properly managed. In order to minimise disruption to all parties, and maximise the transfer of the outgoing auditor's knowledge of the audited body, in summary Public Sector Audit Appointments Limited expects the following:-
- co-operation between the outgoing and incoming auditor to ensure that the incoming auditor is fully briefed on the specific audit issues facing the audited body;
 - co-operation between the outgoing and incoming auditors to determine responsibility for undertaking specific pieces of audit work in the lead up to, or period immediately following, handover and advise the audited body accordingly;
 - where appropriate, co-operation between the outgoing and incoming auditor to ensure that the incoming auditor is fully briefed on the wider issues facing the audited body; and
 - timely communication by the incoming auditor to the audited body, as soon as possible after formal appointment, of the contact details of the audit team and future audit arrangements, requirements and expectations.
- 9.5 Once officially appointed officers within the Council will work with both Grant Thornton and Mazars to ensure a smooth transition takes place.

10. RECOMMENDATIONS

- 10.1 That members note the report and the performance of the Service Unit for the period April to September 2017.

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
ADULTS						
Home Care	To provide assurance that effective internal controls are in place in respect of the provision of homecare.	0	0	0	Audit rescheduled to next year as Reablement now a priority	
Reablement	To provide assurance that effective internal controls are in place in respect of the reablement service.	15	2	13	Work in Progress	
Learning Disabilities Client Accounts	To provide assurance that effective internal controls are in place to ensure that clients monies are safeguarded and appropriately accounted for.	10	16	-6	Draft Report Stage	
PAR - Planning and Commissioning - Strategic Management	Follow up work to ensure audit recommendations have been implemented.	1	2	-1	Follow up work in progress	
PAR - Nursing and Residential Home Placements-Payments	Follow up work to ensure audit recommendations have been implemented.	3	0	3	Follow up work in progress	
PAR - Community Response and Telecare-Telehealth	Follow up work to ensure audit recommendations have been implemented.	1	2	-1	Follow up work in progress	
Planning & Control - Adult Services	Provision of days for planning/controlling the plan including activity reporting, meetings with Senior Management and Executive Members to ensure that changes throughout the year are reflected in the plan where appropriate.	8	4	4	Ongoing	
Advice - Adult Services	Provision of days to support management in the development and maintenance of effective controls in light of new risk exposures and service changes.	9	0	9	Ongoing	
Post Audit Reviews	Follow up work to ensure audit recommendations have been implemented.	12	0	12	Days allocated as Post Audit Reviews are needed	
Totals		59	26			

CHILDREN'S

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
Childrens Services Reporting of Performance Data to the Improvement Board	Days allocated to review the performance data provide to the Improvement Board for accuracy and completeness.	15	6	9	Q3 or Q4	
Safeguarding	This review will examine the risks and the controls in place to mitigate those risks, in relation to Safeguarding Children.	15	17	-2	Draft Report Stage	
Childrens Homes	The financial procedures at the Homes will be reviewed.	20	0	20	Q3 or Q4	
Placements North West	Placements Northwest is a regional children`s service project which assists the 22 local authorities in the Northwest in making "Out of Authority" placements. These placements cover four board areas: Education, Fostering, Leaving Care and Residential sectors. Tameside is the lead authority for the project. This audit follows on from an audit on the Procurement of Placements which was conducted in 2015/16. We will review the processes in place for the award of contracts/frameworks that have been set up, and also the monitoring of the contracts/frameworks.	15	0	15	Q3 or Q4	
Leaving Care	To provide assurance that internal controls are in place to ensure effective transition from the leaving care service.	15	19	-4	Draft Review Stage	
Emergency-Cash Payments	To provide assurance that internal controls are in place to ensure effective transition from the leaving care service.	10	0	10	Q3 or Q4	
PAR - Procurement of Placements for Children	Follow up work to ensure audit recommendations have been implemented.	0	2	-2	Follow up work in progress	
PAR - ISCAN Short Term Care - Jubilee Gardens	Follow up work to ensure audit recommendations have been implemented.	1	0	0	Post Audit Review Completed Recommendations Implemented	
Troubled Families	To provide assurance that internal controls are in place to ensure effective transition from the leaving care service.	10	1	9	Work in Progress	
Planning & Control - Childrens		6	0	6	Ongoing	

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
Post Audit Reviews - Childrens		6	0	6	Ongoing	
Advice - Childrens		5	0	5	Days allocated as Post Audit Reviews are needed	
	Totals	117	45			

PUBLIC HEALTH

Public Health - Contract Monitoring - Provision of a Drug and Alcohol Recovery Service	To review the process in place for monitoring the Drugs and Alcohol contract to ensure that it is robust and achieving the required outcomes	2	2	0	Final Report Issued	Low Level of Assurance
Health & Wellbeing - Health Visiting Service	To review the process in place for the commissioning and monitoring of the Health Visiting Service as an aspect of the mandatory Healthy Child Programme (0-5)	15	0	15	Q3 or Q4	
Ring-fenced Public Health Grant	Certification to confirm that expenditure has been incurred in accordance with the grant conditions.	5	6	-1	Certification work complete, no issues highlighted.	
PAR - Public Health - Contract Monitoring - Provision of a Drug and Alcohol Recovery Service	Follow up work to ensure audit recommendations have been implemented.	2	1	1	Follow up work in progress	
Post Audit Review - Information Governance	Follow up work to ensure audit recommendations have been implemented.	1	1	0	Post Audit Review Completed, a few minor recommendations to be implemented	
Planning & Control		3	1	2	Ongoing	
Advice		1	0	1	Ongoing	
	Totals	29	11			

PLACE

Section 106 Agreements, Developer Levy and Community Infrastructure Levy		1	1	0	Final Report Issued	Assurance Level reported in 2016/17
Hattersley Collaboration Agreement	To undertake an audit of the Final Accounts.	1	1	0	Assurance work complete	
Hattersley Collaboration Agreement	To undertake an audit of the Final Accounts.	6	6	0	Assurance work complete	
Estate Management	To provide assurance that the Council's Estate is being effectively managed and appropriate governance is in place in respect of acquisitions and disposals.	15	4	11	Work in Progress	

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
Capital Projects	To examine the project management process in respect of a number of major capital schemes to provide assurance that it is operating effectively and achieving the required outcomes.	15	0	15	Q3 or Q4	
Inspired Spaces - Monitoring Of The Catering Contract	To provide assurance that effective contract monitoring processes are in place in order to ensure compliance.	15	0	15	Q3 or Q4	
Planning & Control		4	1	3	Ongoing	
Advice & Support		2	0	2	Ongoing	
Post Audit Reviews		3	0	3	Days allocated as Post Audit Reviews are needed	
OPERATIONS AND NEIGHBOURHOODS						
Use Of CCTV	To provide assurance that effective internal controls are in place in respect of the provision of the Closed Circuit Television system.	15	23	-8	Draft Report Issued	
Health and Safety Consultancy Review	To provide assurance that health and safety is being effectively managed throughout the Council and ensure compliance with legislation.	3	3	0	Consultancy Report Issued	
Audit of Final Accounts	To provide assurance that the figures contained within the final accounts are correct.	5	0	5	Q3 or Q4	
Environmental Services Income	To review the process in place for the collection of environmental services income to ensure that it is maximised, promptly collected and appropriately accounted for.	15	0	15	Q3 or Q4	
Waste Disposal Levy	To provide assurance that effective internal controls are in place to ensure that the waste disposal levy has been correctly determined.	15	1	14	Work in Progress	
Provision of the Integrated Transport Service	To provide assurance that effective internal controls are in place to ensure that the waste disposal levy has been correctly determined.	15	5	10	Work in Progress	

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
Local Authority Bus Subsidy Grant	To provide assurance that effective internal controls are in place to ensure that the waste disposal levy has been correctly determined.	1	0	1	Q3 or Q4	
PAR - Stores & Stock Control	Follow up work to ensure audit recommendations have been implemented.	1	1	0	Post Audit Review Completed Recommendations Implemented	
PAR - Markets Operations	Follow up work to ensure audit recommendations have been implemented.	2	1	0	Post Audit Review Completed Recommendations Implemented	
PAR - Car Parking and Enforcement Income	Follow up work to ensure audit recommendations have been implemented.	2	4	-2	Post Audit Review Completed, a few minor recommendations to be implemented	
Planning & Control		7	2	5	Ongoing	
Advice		12	8	4	Ongoing	
Post Audit Reviews		7	0	7	Days allocated as Post Audit Reviews are needed	
	Totals	160	61			

GOVERNANCE

NNDR Full System	To examine the internal controls in place regarding the collection of NNDR income to ensure it is maximised, promptly recovered and correctly accounted for.	15	8	7	Work in Progress	
Determination and Recovery Of Charges	To review the processes in place within Exchequer Services to ensure that charges are being correctly calculated and promptly recovered.	15	0	15	Q3 or Q4	
Council Tax Full System	To examine the internal controls in place regarding the collection of Council Tax income to ensure it is promptly collected, maximised and correctly accounted for.	15	0	15	Q3 or Q4	
Debtors	To provide assurance that all invoices are correctly raised and income is promptly collected and appropriately accounted for.	15	0	15	Q3 or Q4	
PAR - Direct Payments	Follow up work to ensure audit recommendations have been implemented.	3	2	1	Follow up work in progress	

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
Planning & Control		6	1	5	Ongoing	
Advice		10	10	0	Ongoing	
Post Audit Reviews		4	0	4	Days allocated as Post Audit Reviews are needed	
Payroll Whole System	To review the controls in place for the payment of salaries, additional payments, and the deduction of tax, other statutory deductions and pension contributions.	7	10	-3	Final Report Issued	High Level of Assurance
DBS Procedures	Review of the processes in operation across the Council, to see if the appropriate controls are in place, and whether there are any improvements that can be made.	3	2	1	Draft Report Issued	
Payroll - External Audit Checks	Grant Thornton select a sample from iTrent and Internal Audit carry out checks and provide the evidence to support the transactions. External Audit rely on this work to obtain assurance that the payroll system is operating effectively.	5	0	5	Q4	
Softbox	A review is planned to look at the whole system from Childrens Services through to the payment on Softbox, to ensure that the controls to prevent overpayments are operating effectively.	15	0	15	Q3 or Q4	
Creditors Full System	To provide assurance that all invoices and payment requisitions are paid correctly, on a timely basis, and expenditure is appropriately accounted for.	15	4	11	Work in Progress	
Registrars	An allocation is included in the Plan each year to review the records and income in respect of individual Registrars, on cyclical basis.	6	5	1	Work in Progress	
Members Allowances - Publication	To provide data assurance in relation to the publication of members allowances.	2	3	-1	Assurance Work Completed	

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
GMPF Annual Return - Compliance Checks	Checks on the compliance checklist submitted with the GMPF Annual Return, to enable it to be signed off by the Head of Internal Audit.	3	4	-1	Assurance Work Completed	
Planning and Control		6	0	6	Ongoing	
Advice and Support		3	5	-2	Ongoing	
Post Audit Reviews		8	0	8	Days allocated as Post Audit Reviews are needed	
Totals		156	54			

FINANCE						
External Audit Checks - General Expenditure	To undertake checks on a sample of expenditure transactions to ensure that they are appropriate to the needs of the Council, have been appropriately authorised and correctly accounted for. This task is undertaken on behalf of External Audit and the results are used to inform the Audit of the Final Accounts.	5	0	5	Q4	
Review of Financial Regulations	To review and make recommendations to update	1	0	1	Q4	
VAT	To provide assurance that VAT is being appropriately accounted for.	10	11	-1	Draft Report Stage	
Monitoring of Capital Programme	To provide assurance that effective monitoring arrangements are in place in respect of capital expenditure.	2	4	-2	Final Report Issued	Medium Level of Assurance
Treasury Management	To provide assurance that effective internal controls are in place in respect of the provision of the Treasury Management function.	15	0	15	Q4	
BACS - New System Sign Off	New BACS software is to be introduced and Internal Audit will carry out checks to sign it off prior to it going live.	3	2	1	Work in Progress	
PAR - Better Care Fund	Follow up work to ensure audit recommendations have been implemented.	1	1	0	Follow up work in progress	
PAR - Cashiers	Follow up work to ensure audit recommendations have been implemented.	2	2	-1	Follow up work in progress	

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
PAR - Review of Financial Systems - General Ledger & Budgetary Control	Follow up work to ensure audit recommendations have been implemented.	0	0	0	Follow up work in progress	
Planning & Control		5	0	5	Ongoing	
Advice and Support		12	1	11	Ongoing	
Post Audit Reviews		9	0	9	Days allocated as Post Audit Reviews are needed	
FINANCE - DIGITAL TAMESIDE						
Network Security (incl 3rd Party access)	This audit, to be carried out by Salford ICT Audit team, will examine the management of the network and the security measures in place, to safeguard the Authority's information assets.	10	0	10	Q3 or Q4	
Device Management	To provide assurance that effective internal controls are in place in respect of Device Management.	3	7	-4	Final Report Issued	Medium Level of Assurance
Computer Audit Contingency	This is an allocation of days to enable us to draw on the expertise of the ICT Auditors at Salford for advice and assistance with other audits.	5	0	5	Days to be allocated to support other audits where ICT advice/support needed	
Audit Needs Assessment	To undertake a risk assessment to determine the ICT Audits for future planning years	3	0	3	Work in Progress	
Planning and Control		4	0	4	Ongoing	
Advice and Support		7	1	6	Ongoing	
Post Audit Reviews		4	0	4	Days allocated as Post Audit Reviews are needed	
Totals		100	30			

SCHOOLS

PAR - Russell Scott Primary		2	0	1	Follow up work in progress	
PAR - Denton Community College		2	0	1	Follow up work in progress	
PAR - Pinfold Primary & Nursery		1	1	0	Follow up work in progress	
PAR - Canon Johnson C E Primary		1	0	1	Follow up work in progress	
PAR - Hurst Knoll C E Primary		1	1	0	Post Audit Review Completed, all recommendations implemented	
PAR - Greenfield Primary & Nursery	Follow up work to ensure audit	1	1	0	Follow up work in progress	

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
PAR - St James R C Primary & Nursery Hattersley Hyde	To follow up work to ensure audit recommendations have been implemented.	1	0	1	Follow up work in progress	
PAR - Early Years Funding		3	2	1	Follow up work in progress	
PAR - Greswell Primary & Nursery		2	1	0	Post Audit Review Completed, all recommendations implemented	
PAR - Our Lady Of Mount Carmel		3	3	0	Post Audit Review Completed, some minor recommendations outstanding.	
Poplar St Primary Nursery	To review the financial management of the school to ensure robust processes and procedures are in place in accordance with best practice to deliver a strong control environment.	6	6	0	Final Report Issued	High Level of Assurance
Arlies Primary & Nursery		6	6	0	Final Report Issued	High Level of Assurance
Millbrook Prim & Nursery		6	6	0	Final Report Issued	High Level of Assurance
Aldwyn Primary		6	0	6	Q3 or Q4	
St Anne's Primary, Denton		6	0	6	Q3 or Q4	
St Pauline Bank Primary & Nursery		0	6	-6	Draft Report Issued	
St Pauls R C Primary & Nursery Hyde		6	6	0	Final Report Issued	High Level of Assurance
Ravensfield Primary		6	0	6	Q3 or Q4	
Holy Trinity C E Gee Cross		6	0	6	Q3 or Q4	
St Johns C E Primary		6	0	6	Q3 or Q4	
St Marys R C Primary Denton		6	0	6	Q3 or Q4	
Holy Trinity C E Primary		6	0	6	Q3 or Q4	
St Marys C E Infant & Nursery Droylsden		6	0	6	Q3 or Q4	
St Marys R C Primary & Nursery, Dukinfield		6	0	6	Q3 or Q4	
St Anne's R C Primary & Nursery, Audenshaw		6	0	6	Q3 or Q4	
Samuel Laycock School		6	0	6	Q3 or Q4	
St. Georges C E Primary Mossley		6	0	6	Q3 or Q4	
Alder Community High School		10	0	10	Q3 or Q4	
Thomas Ashton Primary & Secondary Centres		10	0	10	Q3	
St Raphael's R C Primary		2	1	0	Final Report Issued	Medium Level of Assurance

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
Canon Burrows C E Primary		2	3	-1	Final Report Issued	Low Level of Assurance
Livingstone Primary		1	1	0	Final Report Issued	High Level of Assurance
Hyde Community College		1	3	-2	Final Report Issued	Low Level of Assurance
Milton St Johns C E Primary		1	2	0	Final Report Issued	Assurance Level reported in 2016/17
St Peters RC Primary & Nursery Stalybridge		1	2	0	Final Report Issued	High Level of Assurance
St Stephens R C Primary Droylsden - ICT Consultancy Review	To provide assurance on the ICT provision with the school	0	3	-3	Review completed	
Wild Bank Primary and Nursery - Control Report	To improve the controls in the school	0	6	-6	Review completed	
BAR - Music Service Control Report	Follow up work to ensure audit recommendations have been implemented	0	2		Follow up work in progress	
ICT Security at Schools	Salford ICT Auditors will review the systems and processes in place at a sample of schools for ICT Security and Information Governance. Good practice and recommendations will be shared.	20	11	9	Work in Progress	
Schools Cash Flow-Deficit Recovery Plans	Review of the procedures for monitoring the cash deficits at schools and the risks to the Council with the Academisation programme.	1	2	-1	Final Report Issued	Medium Level of Assurance
Pupil Referral Service	Review of the controls in place to mitigate the risks within the Pupil referral Service.	2	2	0	Draft Report Issued	
Planning and Control		9	0	9	Ongoing	
Advice		15	3	12	Ongoing	
Post Audit Review		18	0	18	Days to be allocated as and when required	
Schools Newsletter		0	2	-2	Ongoing	
Totals		205	84			

CROSSCUTTING

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
Integrated Commissioning Fund	To provide assurance that effective internal controls are in place for the effective financial management and budgetary control of the Integrated Commissioning Fund.	15	0	15	Q3 or Q4	
Contingency for Greater Manchester Combined Authority-Devolution Assurance and Joint Working	Work programme to be determined by the Greater Manchester Audit Executive Group.	20	4	16	Ongoing - Days allocated to provide assurance to the Combined Authority in terms of	
Information Governance - Mobile Working	With the increase in mobile working, this review will aim to assess whether there are appropriate controls in place to keep information secure.	15	0	15	Q4	
Planning and Control		1	0	1	Ongoing	
Post Audit Reviews		2	0	2	Days allocated as Post Audit Reviews are needed	
	Totals	53	4			

GREATER MANCHESTER PENSION

Contribution Income	Contribution Income is reviewed annually, as it is the main income of the Pension Fund, paid over to the Fund by Employers. External Audit rely on our work on this area, to ensure that there are processes in place to monitor and review the contributions received.	3	5	-2	Draft Report Issued	
Review of Fund Manager - Investec	The audit will review the processes in place to manage the GMPF assets managed by Investec	8	10	-2	Final Report Issued	High Level of Assurance
VAT	To provide assurance that VAT is being appropriately accounted for.	9	11	-2	Work in Progress	
Debtors	Debtors is one of the Key Financial Systems of the Pension Fund. The financial systems are reviewed on a cyclical basis to ensure that there are appropriate controls in place.	1	1	0	Final Report Issued	Medium Level of Assurance

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
Employer Agreements	A review will be carried out on the Employer Agreements that are in place, following on from an audit that was undertaken in 2015/16.	3	3	0	Assurance work completed	
Pension Benefits Payable	A review is carried out annually on the Pension Payroll, as this is the main payments system within the Fund, paying pensions via three payrolls.	1	2	0	Final Report Issued	High Level of Assurance
Contributing Body Visit to National Probation Service	The audit reviews the data held on the Employer's payroll system to ensure that the correct contributions are being paid over to the Pension Fund.	10	14	-4	Draft Report Issued	
Review of the Management of Assets by LaSalle Investment Management	The audit will review the processes in place to manage the GMPF property portfolio.	1	1	0	Final Report Issued	High Level of Assurance
Greater Manchester Property Venture Fund (GMPVF)	The scope of the audit concentrated on examining the procedures in place within the GMPF for monitoring the progression/development of the First Street Development project. The audit involved reviewing the project/financial management arrangements in place within the GMPF.	15	24	-9	Draft Report Issued	
Contribution Income (including processing of Year End Returns)	Contribution Income is reviewed annually, as it is the main income of the Pension Fund, paid over to the Fund by Employers. External Audit rely on our work on this area, to ensure that there are processes in place to monitor and review the contributions received.	15	0	15	Q4	
Treasury Management	A review will be carried out alongside a review for Tameside on the Treasury Management system/process.	10	0	10	Q3 or Q4	
Benchmarking/KPI's	A review will take place of the Pension Fund's Benchmarks and Key Performance Indicators.	10	0	10	Q3 or Q4	

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
BACS	New BACS software is to be implemented, and when this is live a review will be carried out on the process followed by the Pension Fund when BACS payments are made, to ensure that internal controls are adequate.	3	2	1	Work in Progress	
Employer Transfers to GMPF	Internal Audit will carry out some data verification checks on the transfer of the data from the ceding funds, into GMPF.	20	8	12	Work in Progress	
Private Equity	A review will be carried out on the system/process followed for the Private Equity Investments.	15	15	0	Final Report Issued	High Level of Assurance
Pooling of investments	An allocation has been included in the Plan to review the Governance arrangements in relation to Pooling.	10	0	10	Q3 or Q4	
Transfer of Assets to New Credit Manager	A new Credit Manager has been procured and assets will be moved from other Fund Managers to the new Credit Manager. Checks will be carried out on the completeness and accuracy of the transfer of assets.	5	0	5	Work in Progress	
Local Investments Impact Portfolio	A review will be carried out on the system/process followed for the Local Investments Impact Portfolio.	15	0	15	Q3 or Q4	
Risk Management Review	A review is to take place of the Risk Management procedures in place within the Pension Fund.	5	0	5	Q3 or Q4	
Calculation and Payment of Benefits	Systems for the calculation of benefits will be examined, and followed through to the payment system.	15	0	15	Q3 or Q4	

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
Guaranteed Minimum Pensions (GMP)	In April 2016, contracting out status for all UK Defined Benefit schemes, including the LGPS, ended. As a result, all schemes need to reconcile their GMP data against HMRC data to ensure liabilities are recorded correctly and to avoid overpayment of pensions. Audit time has been included in the Plan to review a sample of reconciliations and the process being followed.	5	8	-3	Work in Progress	
Visits to Contributing Bodies	An allocation of days is included annually for Internal Audit to carry out visits to a sample of Employers. The auditor reviews the data held on the Employer's payroll system to ensure that the correct contributions are being paid over to the Pension Fund.	65	0	65	Days allocated as visits arranged	
Payroll - Transfer to Java	To provide assurance that the transfer is managed effectively and data transfers are controlled/reconciled.	0	3	-3	Work in Progress	
Altair	The Payroll module of Altair is being upgraded to Java and Internal Audit have been asked to perform some data checks prior to the new upgrade going live.	5	0	5	Q3 or Q4	
PAR - Visits to Contributing Bodies - Manchester College	Follow up work to ensure audit recommendations have been implemented.	1	1	0	Follow up work in progress	
PAR - Review of Key Financial Systems - Creditors		1	1	0	Post Audit Review Completed, a few recommendations outstanding that need to be addressed.	
PAR - Visits to Contributing Bodies - New Charter Housing Trust		1	1	0	Post Audit Review Completed, all recommendations implemented.	
PAR - Visit To Contributing Body - Rochdale Metropolitan Borough Council		1	0	1	Follow up work in progress	
PAR - Visits to Contributing Bodies - Manchester Airport		0	0	0	Follow up work in progress	

Auditable Area	Purpose of Audit	Revised Plan	Actual Days	Variance	Status	Level of Assurance
PAR - Visits to Contributing Bodies - Stockport College		0	3	-3	Post Audit Review Completed, a few minor recommendations to be implemented	
PAR - Visit To Contributing Body - Bolton Borough Council		1	0	1	Follow up work in progress	
PAR - Visits to Contributing Bodies - Transport for Greater Manchester		0	1	-1	Post Audit Review Completed, all recommendations implemented.	
Planning and Control		15	9	6	Ongoing	
Advice and Support		20	9	11	Ongoing	
Post Audit Reviews		12	0	12	Days allocated as Post Audit Reviews are needed	
	Totals	300	132			

FRAUD WORK/IRREGULARITY INVESTIGATIONS

Irregularity Investigations		487	248			
	Totals	487	248			
Plan Totals for 2017/18		1,666	695			

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