

Report of the Chief Officer (Financial Services)

Report to Corporate Governance and Audit Committee

Date: 26 June 2018

Subject: Internal Audit Update Report March to May 2018

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The Corporate Governance and Audit Committee has responsibility for reviewing the adequacy of the council's corporate governance arrangements. Reports issued by Internal Audit are a key source of assurance providing the Committee with some evidence that the internal control environment is operating as intended. This report provides a summary of the Internal Audit activity for the period from March to May 2018 and highlights the incidence of any significant control failings or weaknesses.

Recommendations

2. The Corporate Governance and Audit Committee is asked to receive the Internal Audit Update Report covering the period from March to May 2018 and note the work undertaken by Internal Audit during the period covered by the report. The Committee is also asked to note that there have been no limitations in scope and nothing has arisen to compromise the independence of Internal Audit during the reporting period.

1 Purpose of this report

- 1.1 The purpose of this report is to provide a summary of the Internal Audit activity for the period March to May 2018 and highlight the incidence of any significant control failings or weaknesses.

2 Background information

- 2.1 The Corporate Governance and Audit Committee has responsibility for reviewing the adequacy of the council's corporate governance arrangements, including matters such as internal control and risk management. The reports issued by Internal Audit are a key source of assurance providing the Committee with some evidence that the internal control environment is operating as intended.
- 2.2 The reports issued by Internal Audit are directed by the Internal Audit Annual Plan. This has been developed in line with the Public Sector Internal Audit Standards (PSIAS) and has been reviewed and approved by the Committee.
- 2.3 This update report provides a summary of the Internal Audit activity for the period from March to May 2018.

3 Main issues

3.1 Audit Reports Issued

- 3.1.1 The title of the audit reports issued during the reporting period and level of assurance provided for each review is detailed in table 1. Depending on the type of audit review undertaken, an assurance opinion may be assigned for the control environment, compliance and organisational impact. The control environment opinion is the result of an assessment of the controls in place to mitigate the risk of the objectives of the system under review not being achieved. A compliance opinion provides assurance on the extent to which the controls are being complied with. Assurance opinion levels for the control environment and compliance are categorised as follows: substantial (highest level); good; acceptable; limited and no assurance.
- 3.1.2 Organisational impact is reported as either: major, moderate or minor. Any reports issued with a major organisational impact will be reported to the Corporate Leadership Team along with the relevant directorate's agreed action plan.

Table 1: Summary of Reports Issued March to May 2018

Report Title	Audit Opinion		
	Control Environment Assurance	Compliance Assurance	Organisational Impact
Key Financial Systems			
Central Purchasing Card Controls	Good	Substantial	Minor
Pension Fund Contributions	Memo issued – no issues identified		
FMS Creditor Purchase and Payments	Substantial	Substantial	Minor
Treasury Management and Bankline	Substantial	Substantial	Minor
CIS Payments (Community Care Finance Follow Up)	Good	Acceptable	Minor
City Development			
Flooding Grants	Good	Acceptable	Minor
External Advertising Income	Limited	Limited	Minor
Resources and Housing			
Financial Governance and Control Arrangements for Partnerships	Acceptable	N/A	Moderate
IR35 Legislation	Limited	Limited	Minor
Leeds Building Services – Out of Hours (Lifts)	Limited	No	Moderate
Procurement and Contracts			
Contract Monitoring Review: Homecare	Substantial	N/A	Minor
Contract Review: Joint Venture (NPS Leeds City Council) - Follow Up	Memo issued – further follow up review required		
ICT and Information Governance			
Business Application Audit – BACS payment system	Acceptable	N/A	Minor
Business Application Audit – Income Management System	Good	N/A	Moderate

Report Title	Audit Opinion		
	Control Environment Assurance	Compliance Assurance	Organisational Impact
Leeds Building Services – Information Governance (Records Management)	N/A	Limited	Moderate
Implementation of the Client Information System (CIS) Follow Up	Memo issued		
Children’s and Families			
Approval to commence care proceedings and payments to providers of external placements – Follow Up	Good	N/A	Minor
Governance Arrangements for One Adoption West Yorkshire	Substantial	N/A	Minor
Schools			
Primary School	Limited	N/A	N/A
Primary School	Acceptable	N/A	N/A
Primary School Follow Up	Good	Good	N/A
School Voluntary Funds x 5	Certification of balances		
Adults and Health			
Reablement	Substantial	Good	Minor
Data Quality in relation to Safeguarding	Good	N/A	Minor

3.1.3 In addition to the reports detailed in table 1 above, the following assurances have been finalised during the reporting period:

- West Yorkshire Combined Authority Treasury Management Assurance
- Families First Grant Claim (March)
- Disabled Facilities Grant Claim

3.2 Summary of Audit Activity and Key Issues

3.2.1 During the reporting period, there have been no limitations in scope and nothing has arisen to compromise our independence. We have finalised 31 audit reviews (excluding continuous audit, work for external clients and fraud and irregularity

work) and we have not identified any issues that would necessitate direct intervention by the Corporate Governance and Audit Committee.

Limited or No Assurance Opinions

- 3.2.2 Of the audit reviews finalised during the period, no weaknesses have been identified that would result in a 'major' organisational impact.
- 3.2.3 A relatively high number of the areas audited during the period have received a low assurance opinion. It should be noted that each of these audits were included within the audit plan as management had already identified that they were areas that would benefit from an independent review. Although the low assurance opinions show that there are control weaknesses that require attention, it is positive that management have highlighted these areas to us and it is indicative of a commitment to transparency and continuous improvement.
- 3.2.4 The following areas have received a limited or no assurance opinion for all or part of the audit coverage:

IR35 Legislation

- 3.2.5 From April 2017, HMRC brought in new legislation which placed the onus on public sector bodies to identify Personal Service Companies (where workers have set up their own limited company) and to ensure that payment to them is made by the correct method. The purpose of the legislation is that if the worker would be an employee if they were providing their services directly, then they should be paid via payroll with tax and national insurance being deducted. The council's taxation team had highlighted this as a risk to the Financial Services Group and our review was undertaken to gain assurance that the council is complying with these new responsibilities. The audit resulted in a limited assurance opinion as more needs to be done to improve awareness of the legislation amongst engaging officers.
- 3.2.6 At the time of the audit, the Financial Management team were working on developments to the Financial Management System to ensure that Personal Service Companies are identified and paid appropriately. The system development recognises the need to supplement the original communication of the legislation with a mechanism that prompts officers to check that they are complying for each engagement. The audit made recommendations that feed into the system development process and highlighted the need to provide effective communication to raise awareness of these changes.
- 3.2.7 Our findings have been presented to the Resources and Housing Senior Leadership Team at the request of the Director and, following this, plans are in place to hold targeted workshops to further raise awareness of the requirements with the officers who are most likely to be engaging with these types of suppliers. A follow-up audit will be completed to ensure that the improvements have resulted in increased compliance.

External Advertising Income

- 3.2.8 Management requested the audit to review existing processes for the management and collection of advertising income within the directorate. The review found that income is being received and monitored, and that there are recognised lines of accountability for the staff managing the external contracts. The audit resulted in a limited assurance opinion overall as the control arrangements were not configured in a manner that ensured that all income due to the council was being identified and collected. These issues are in the process of being addressed by the service.

Leeds Building Services (LBS)

- 3.2.9 LBS Lifts section are responsible for the maintenance and repair of all high and low rise lifts across the city as well as stair lifts, through floor lifts and hoists, within both domestic and commercial properties. This includes the provision of a call out service to undertake repairs outside normal working hours.
- 3.2.10 Our review found a number of weaknesses in the process for allocating and recording the work undertaken by LBS operatives. We were unable to provide assurance that all overtime hours paid is correct due to the gaps in the evidence held to support the work undertaken. The review also highlighted potential health and safety risks if the hours worked by individual operatives are excessive.
- 3.2.11 The review of Information Governance arrangements within LBS assessed compliance against the corporate Records Management Policy to gain assurance on the security of information held. The service is currently working with the Information Management and Governance Team to restructure their electronic records so the focus of our review was on the security and retention of non-electronic information assets held at the LBS base. The review resulted in recommendations that should ensure that the confidentiality, integrity and availability of information retained by the service is adequately protected.
- 3.2.12 It should be noted that the service was already aware of performance issues within these areas of LBS and had proactively asked Internal Audit to undertake these reviews. The service has been responsive to the recommendations contained within the reports and have advised us that they are in the process of undertaking a full review within these service areas that will include a performance and Value For Money review to assess a full range of options to ensure that the business makes the required changes to implement the audit recommendations.

Primary School Reviews

- 3.2.13 During the reporting period, we have audited the financial management arrangements at two primary schools. One of the reviews resulted in a limited assurance opinion overall and the other received a limited assurance opinion for part of the audit coverage. This was due to improvements being required in relation to the receipt and banking of income and the operation of the school voluntary fund at both schools. All recommendations made during the course of the audits were agreed with the schools and follow up reviews will be undertaken to confirm that the required improvements have been made.

Follow Up Reviews

3.2.14 Our protocols specify that we undertake a follow up review where we have previously reported 'limited' or 'no' assurance for the audited area. Our audit reports include an assurance opinion for each objective reviewed within the audited area. Follow up audits are undertaken for those areas where a specific objective within the review resulted in limited or no assurance in addition to those where the limited or no assurance opinion was provided for the review overall.

3.2.15 During this reporting period we have finalised five follow up reviews:

Approval to commence care proceedings and payments to providers of external placements

3.2.16 We have previously reported limited assurance that value for money was being obtained when external providers of residential care and independent fostering agencies were being commissioned. This is a significant area of expenditure and limited assurance was provided because evidence was not being retained to confirm that the provider offering the best value was selected from the available suitable matches (suitable matches are providers that meet the care needs of the child or young person). We have completed two follow up reviews since the original audit and can provide assurance that the service now retains appropriate supporting records. These records provide evidence to confirm that once a suitable match has been identified, the correct process is followed in respect of the financial considerations of external placements. Audit testing on a sample of external placements confirmed the use of non-framework providers only where there were no suitable matches with in-house or framework providers.

Contract Review: Joint Venture (NPS Leeds City Council)

3.2.17 We have previously reported that limited assurance has been provided in relation to the performance management of the relationship with the professional property and building services joint venture. We have carried out two follow up reviews since the original audit and found that whilst some steps had been taken towards implementing the recommendations made, these actions have not progressed and in practice formal performance management of the relationship is not taking place.

3.2.18 The service has agreed to implement an appropriate mechanism for the performance management of the contract, including formalising reporting and monitoring requirements and clarifying responsibilities within the Authority in respect of contract management. We will undertake a further follow up review later in the year to confirm that this recommendation has been implemented and working in practice.

Implementation of the Client Information System (CIS) Follow Up and CIS Payments (Community Care Finance Follow Up)

3.2.19 Adult Social Care implemented a new customer record and finance system, CIS, in August 2015. The CIS payments system (formerly Community Care Finance) is

used to make payments to care homes for users in receipt of residential or nursing care and for payments to individuals in receipt of direct payments.

- 3.2.20 At the Corporate Governance and Audit Committee meeting in April 2017, we reported limited assurance in respect of Community Care Finance and issues in relation to the implementation of CIS. The original review found that processes required strengthening to ensure that all changes in circumstances and all deferred and statutory charges are identified. Opportunities were also identified to improve the efficiency of the process in respect of recovering overpayments due from providers. A number of these issues followed the introduction of the new customer record and finance system.
- 3.2.21 Our follow up review has found that good progress has been made to address the weaknesses identified and the increased assurance opinion levels reflect the improvements made. An outstanding issue remains in respect of the lessons learnt review that we recommended following the implementation of CIS. A formal end of project / lessons learnt report has not been completed, with the team citing a lack of resource and funding and relevant individuals being moved on to other projects. No further audit recommendations are being made in relation to this, as at this point it would be difficult to undertake a lessons learnt exercise given the length of time since the completion of the project. We will review the benefits realisation process in relation to IT projects as a whole as part of our planned audit work later in the year.

Primary School Follow Up

- 3.2.22 During the reporting period, we have followed up the issues reported to the Corporate Governance and Audit Committee at the September 2017 meeting in relation to the financial management arrangements at one of our primary schools. The original review found some administration issues and we could not provide assurance that all income received was banked by the school, as supporting documentation was not retained for all strands of income (for example, school trips). This resulted in a limited assurance opinion for part of the audit coverage. The follow up review has concluded that the school has made improvements in these areas and an overall opinion of good has been given, recognising the progress made since the original review.

Counter Fraud and Corruption

- 3.2.23 The counter fraud and corruption assurance block within the Internal Audit Plan includes both the reactive and proactive approaches to the council's zero tolerance to fraud and corruption.

Review of the Whistleblowing and Raising Concerns Policies

- 3.2.24 The updated Whistleblowing and Raising Concerns Policies were presented in draft to the Corporate Governance and Audit Committee at the meeting in March 2018. Following this, the revised policies have now been approved by the Chief Officer (Financial Services) and published on the council's intranet and internet sites.

Proactive Anti-Fraud Work

- 3.2.25 During the reporting period, we have continued to raise awareness of fraud risks and preventative action through communications with senior managers and reviews of the anti-fraud and corruption measures in place in key areas across the organisation.

Reactive Anti-Fraud Work

- 3.2.26 During the reporting period we have received 17 potential irregularity referrals. Of these, 13 were classified under the remit of the Whistleblowing or Raising Concerns policies. All reported irregularities were risk assessed by Internal Audit and are either being investigated by ourselves, the relevant directorate or HR colleagues, as appropriate.
- 3.2.27 One of the referrals received during the reporting period related to high levels of expenditure being incurred at one of the council's establishments. The Internal Audit investigation has resulted in a referral to the police due to potential fraudulent activity in relation to the use of petty cash at the establishment.
- 3.2.28 During the reporting period 13 referrals have been closed. There are 20 referrals that are currently open and being investigated.

Internal Audit Performance

- 3.2.29 The Corporate Governance and Audit Committee has responsibility for monitoring the performance of Internal Audit. The information provided below in respect of our quality assurance and improvement programme provides the Committee with assurances in this area.
- 3.2.30 All our work is undertaken in accordance with our quality management system and we have been ISO certified since 1998.
- 3.2.31 We actively monitor our performance in a number of areas and encourage feedback. A customer satisfaction questionnaire (CSQ) is issued with every audit report. The questionnaires ask for the auditee's opinion on a range of issues and asks for an assessment ranging from 5 (for excellent) to 1 (for poor). The results are presented as an average of the scores received for each question.
- 3.2.32 The results of the questionnaires are reported to the Audit Leadership Team and used to determine areas for improvement and inform the continuing personal development training programme for Internal Audit staff.
- 3.2.33 For the period from 1 April 2017 to 31 March 2018, 46 Customer Satisfaction Questionnaires were received. A summary of the scores from these questionnaires will be included in the Internal Audit Annual Report which is due to be presented to the Committee at the next meeting. During the period 1 March to 31 May 2018, 9 completed Customer Satisfaction Questionnaires have been received. A summary of the scores is presented in table 2.

Table 2: Results from Customer Satisfaction Questionnaires for the period 1 March to 31 May 2018

Question	Average Score (out of 5)
Sufficient notice was given	5
Level of consultation on scope	5
Auditor's understanding of systems	4.67
Audit was undertaken efficiently	4.89
Level of consultation during the audit	4.89
Audit carried out professionally and objectively	5
Accuracy of draft report	4.89
Opportunity to comment on audit findings	5
Clarity and conciseness of final report	4.78
Prompt issue of final report	4.67
Audit recommendations will improve control	4.63
The audit was constructive and added value	4.89
Overall Average Score	4.86

3.2.34 During the period, our resources have been focussed on completing the audit assignments in the Audit Plan for 2017/18. The Internal Audit Plan for 2018/19 was approved by the Committee at the meeting in March 2018. A summarised version of the Audit Plan and the progress against each review is appended to this report. The number of audits planned and delivered during the year will increase as the blocks of time allocated for areas of work (such as contract reviews and schools) are broken down to specific audit assignments and to address emerging issues and follow up audit work that arises during the year.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 This report did not highlight any consultation and engagement considerations.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 This report does not highlight any issues regarding equality, diversity, cohesion and integration.

4.3 Council policies and Best Council Plan

4.3.1 The terms of reference of the Corporate Governance and Audit Committee require the Committee to review the adequacy of the council's corporate governance arrangements. This report forms part of the suite of assurances that provides this evidence to the Committee. The Internal Audit Plan has links with the council's strategic objectives and has close links with the council's value of spending money wisely.

4.4 Resources and value for money

4.4.1 The Internal Audit Plan includes a number of reviews that evaluate the effectiveness of financial governance, risk management and internal control arrangements that contribute towards the council's value of spending money wisely.

4.4.2 The Internal Audit Quality Assurance and Improvement Programme and service development work that is reported to the Committee demonstrates a commitment to continuous improvement in respect of efficiency and effectiveness.

4.5 Legal Implications, Access to Information and Call In

4.5.1 None.

4.6 Risk Management

4.6.1 The Internal Audit Plan has been and will continue to be subject to constant review throughout the financial year to ensure that audit resources are prioritised and directed towards the areas of highest risk. This process incorporates a review of information from a number of sources, one of these being the corporate risk register.

4.6.2 The risks relating to the achievement of the Internal Audit Plan are managed through ongoing monitoring of performance and resource levels. This information is reported to the Committee.

5 Conclusions

5.1 There are no issues identified by Internal Audit in the March to May 2018 Internal Audit Update Report that would necessitate direct intervention by the Corporate Governance and Audit Committee.

6 Recommendations

6.1 The Corporate Governance and Audit Committee is asked to receive the Internal Audit Update Report covering the period from March to May 2018 and note the work undertaken by Internal Audit during the period covered by the report. The Committee is also asked to note that there have been no limitations in scope and nothing has arisen to compromise the independence of Internal Audit during the reporting period.

7 Background documents

7.1 None.

Appendix A – Planned Audits from the 2018/19 Audit Plan and Follow Up Reviews

Audit Area	Overview of Assurance	Status
Grants and Head of Audit Assurances		
Grants and Head of Audit Assurances arising during the year	Independent examination of accounts and / or assurance that the grant claim has been spent in accordance with the grant determination.	Planned
ICT and Information Governance		
General Data Protection Regulation (GDPR)	To gain assurance that appropriate arrangements are in place to manage the risks associated with the new legal framework for data protection.	In progress
Acceptable Use Proactive Monitoring Framework	With reference to the Corporate Governance and Audit Committee meeting in September 2017, the audit will review the framework in place to monitor the use of LCC ICT equipment in line with the council's Acceptable Use Policy and test a sample of LCC owned devices.	In progress
ICT Projects - Benefits Realisation Follow Up	To review progress in implementing the recommendations made in the previous audit, reported to the Corporate Governance and Audit Committee at the January 2018 meeting.	Planned
Password Configuration	Deferred from 2017/18 pending the implementation of a new council Password Policy, the audit will test whether systems enforce the password requirements in line with the new policy.	Planned
ICT Projects	Time reserved to provide internal audit support for ICT related projects.	Planned
Externally Hosted Software	To provide assurance that there are adequate contractual arrangements in place where software is hosted by an external supplier.	Planned
Essential Services Programme	To provide assurance over the processes in place to develop and monitor the essential services programme.	Planned
Management of the Cyber Incident Risk	To review how the Cyber Incident risk is being managed, including the effectiveness of	Planned

Audit Area	Overview of Assurance	Status
	the controls in place, back up processes and the assurance reporting arrangements.	
Business Applications	Individual reviews of a sample of key computer applications, including system access and administration, input, processing and output controls.	Planned
Key Financial Systems		
Benefits Reconciliations	A review of the reconciliation processes between Orchard, Academy and FMS for Housing Benefit and Council Tax Support.	Planned
Benefits: Assessment and Payments	To gain assurance over the processes and performance within the Benefits Assessment Unit, including ensuring that Housing Benefit and Council Tax Support payments are accurately processed and paid.	Planned
Council Tax	To gain assurance over the council tax processes for billing, income collection, recovery action, refunds and write offs.	Planned
Business Rates	To gain assurance over the business rates processes for billing, income collection, recovery action, refunds and write offs.	Planned
Capital Programme Central Controls	To gain assurance that expenditure in the capital programme is appropriately approved, controlled and monitored and that the accounting system provides accurate and timely information.	Planned
Financial Management Central Controls	To provide assurance over the central budget setting and budget monitoring arrangements.	Planned
Treasury Management and Bankline	To provide assurance that treasury management transactions are authorised, correct, appropriately recorded and reported, and are in line with relevant strategies and guidelines.	Planned
Housing Rents	To gain assurance over the housing rents processes for charging, income collection, amendments and write offs.	Planned
Sundry Income Central Controls	To provide assurance over the central management of income collection for sundry charges raised within the council, including recovery procedures and write offs.	Planned

Audit Area	Overview of Assurance	Status
Sundry Income Directorate Reviews	To provide assurance that all income is identified and requests for sundry income accounts are promptly and accurately raised for a sample of service areas.	Planned
Income Management System	To provide assurance over the systems that ensure all sources of income have been identified and accurately processed through the Income Management System.	Planned
Payroll Central Controls	To provide assurance over the integrity of central payroll functions, including the accuracy of payments made and the authorisation and processing of new starters and leavers.	Planned
FMS Creditor Purchase and Payment; Central and Directorate Processes	A review of the system through which orders are raised and payments are made to suppliers for goods and services.	Planned
Central Purchasing Card Controls	To provide assurance over the central purchasing card functions performed by the Central Payment Services Purchasing Card Management Unit.	Planned
Bank Reconciliation and Cash Book	The audit assesses the accuracy and timeliness of the reconciliations performed on the cashbook and the authority's main accounts.	Planned
Total Repairs	To provide assurance that there are adequate systems in place to ensure that payments made through the Total Repairs system are made to the correct creditor for goods / services which have been provided to the council and that the payments are accurately recorded within the council's accounting system.	Planned
Procurement and Contracts		
Contract Specification and Management Follow Up	To review progress in implementing the recommendations made in the previous audit, reported to the Corporate Governance and Audit Committee at the June 2017 meeting.	In progress
Non and Off Contract Spend Follow Up	To review the root causes for non and off contract expenditure and the processes for identifying and addressing non-compliant spend.	In progress
Leeds Building Services Subcontractors Follow Up	To review progress in implementing the recommendations made in the previous audit, reported to the Corporate Governance and Audit Committee at the September 2017 meeting.	In progress
Contract Review: Electricity Follow Up	To review progress in implementing the recommendations made in the previous audit,	Planned

Audit Area	Overview of Assurance	Status
	reported to the Corporate Governance and Audit Committee at the January 2018 meeting.	
Procurement Maturity Review	This audit will review organisational procurement arrangements against best practice, including the assessment and management of contracting risk.	Planned
Contract Management	Individual reviews of contract management arrangements on a sample of contracts to gain assurance that they are being managed to deliver their intended outcomes, incorporating open book review where necessary.	Planned
Procurement Category Actions	To review the effectiveness of the Category Management process in supporting the delivery of strategic procurement objectives.	Planned
Waivers of Contract Procedure Rules (CPRs)	To review the governance arrangements in place for the approval and management of waivers of CPRs.	Planned
Contract Review: Joint Venture Follow Up	To review progress in implementing the recommendations made in the previous audits, as referenced above at 3.2.17.	Planned
Adult Social Care and Health		
Payments to Providers of Homecare Follow Up	To review progress in implementing the recommendations made in the previous audit, reported to the Corporate Governance and Audit Committee at the January 2018 meeting.	Planned
Deprivation of Liberties Follow Up	To review progress in implementing the recommendations made in the previous audit, reported to the Corporate Governance and Audit Committee at the March 2018 meeting.	Planned
Customer Information System (CIS) Payments	To provide assurance over the accuracy and legitimacy of direct payments and residential and nursing care payments made through CIS.	Planned
Learning Disabilities Pooled Budget	To provide assurance over the governance arrangements in place for the pooled budget.	In progress
Mental Capacity Act	A review of the controls in place that ensure the council is compliant with the requirements of the Mental Capacity Act.	Planned

Audit Area	Overview of Assurance	Status
Safeguarding Clients Personal Assets	To provide assurance that there are appropriate arrangements in place to safeguard the assets of the service user where the authority acts as a Deputy or Receiver.	In progress
Unannounced Visits	Individual establishment visits to provide assurance on cash handling arrangements, including the safeguarding of service users monies.	Planned
Children's and Families		
In-House Fostering, Special Guardianship Orders and Leaving Care Payments Follow Up	To review progress in implementing the recommendations made in the previous audit, reported to the Corporate Governance and Audit Committee at the June 2017 meeting.	In progress
Direct Payments Follow Up	To review progress in implementing the recommendations made in the previous audit, reported to the Corporate Governance and Audit Committee at the June 2017 meeting.	Planned
Governance Arrangements	To review the directorate's governance arrangements around decision making, reporting and assurance.	Planned
OfSTED Inspections	To gain assurance that there are effective arrangements in place for self-evaluation and ensuring that any recommendations arising from OfSTED inspections are monitored and implemented.	Planned
Children Looked After Services	To gain assurance that there are effective arrangements in place to manage and monitor the safe reduction of the numbers of children looked after.	Planned
Payments to Providers of Residential Care and Independent Fostering Agencies	To provide assurance over the efficiency and effectiveness of financial controls.	Planned
Cluster Model and Area Inclusion Partnerships (AIP)	A review of the arrangements in place to ensure that funding is spent effectively on intervention and inclusion, in support of the intended outcomes of the Cluster Model and AIPs.	Planned
Unannounced Visits	Individual establishment visits to provide assurance on cash handling arrangements, including the safeguarding of service user monies.	Planned
Schools		
Schools Audits	Individual audits of LCC maintained schools undertaken on a risk basis and audits of	Planned

Audit Area	Overview of Assurance	Status
	year end school voluntary fund accounts.	
Primary School Follow Ups	To review progress in implementing the recommendations made in the previous audits, as referenced above at 3.2.13.	Planned
Resources and Housing		
Leeds Building Services Tools and Equipment Follow Up	To review progress in implementing the recommendations made in the previous audit, reported to the Corporate Governance and Audit Committee at the September 2016 meeting.	In progress
Leeds Building Services Stores Follow Up	To review progress in implementing the recommendations made in the previous audit, reported to the Corporate Governance and Audit Committee at the April 2017 meeting.	In progress
Lettings Enforcement Follow Up	To review progress in implementing the recommendations made in the previous audit, reported to the Corporate Governance and Audit Committee at the January 2018 meeting.	Planned
Belle Isle Tenant Management Organisation (BITMO) Assurance	Time set aside to provide assurance that the BITMO is managing the key risks that have been delegated under the Modular Management Agreement. Outline of specific assurance to be confirmed.	Planned
Annual Home Visits	A review of the Annual Home Visit process to ensure that outcomes from the visits are actioned and monitored appropriately.	Planned
Leeds Building Services Assurances	Time set aside to provide assurance that key risks relating to Leeds Building Services are appropriately managed. Outline of specific assurance to be confirmed.	Planned
Fire Safety	To provide assurance over the controls in place to mitigate the risk of fire in council properties.	In progress
Electrical Inspections	To provide assurance over the controls in place to mitigate the health and safety risks of electrical fault incidents in council properties.	Planned
Homelessness and Temporary Accommodation	A review of the arrangements in place for preventing and managing homelessness in the city.	Planned

Audit Area	Overview of Assurance	Status
Private Sector Regulation	A review of the processes in place for ensuring that Homes of Multiple Occupancy are licenced and inspected as appropriate.	Planned
Responsive Repairs	A review of the responsive repairs contract, focussing on charging, quality and performance monitoring.	Planned
Financial Management Maturity Review	A review of organisational financial management arrangements against best practice.	Planned
Apprentice Levy	A review of the arrangements in place to ensure that the Apprentice Levy is utilised effectively.	Planned
Right to Buy	A review of the processes in place to assess and manage Right to Buy applications.	Planned
Performance	Time set aside to provide assurance over performance reporting. Outline of specific assurance to be confirmed.	Planned
Civic Enterprise Leeds – Income Collection	To provide assurance that all external income is identified and collected.	Planned
LCC Vehicle Fleet Clean Air Zone Standards	Time set aside to support the directorate in ensuring that appropriate plans are in place to mitigate environmental risks relating to LCC's vehicle fleet.	Planned
Application of HR Policies	To gain assurance that a sample of HR policies are consistently and properly applied across the authority.	Planned
Financial Due Diligence	A review of the arrangements in place to ensure that due diligence is consistently and appropriately applied before entering into an agreement or financial transaction with another party.	Planned
Passenger Transport	A value for money review of the in-house provision by the internal fleet and the external provision through the use of taxis and private hire vehicles.	Planned
Invest to Save – Benefits Realisation	To review how the benefits realisation process has been implemented for a sample of Invest to Save projects.	Planned
IR 35 Legislation Follow Up	To review progress in implementing the recommendations made in the recent audit as reported above at 3.2.5.	Planned

Audit Area	Overview of Assurance	Status
Communities and Environments		
Parking Services	To review the systems in place for issuing parking permits and parking tickets, collecting income and managing appeals.	Planned
Child Poverty	A review of the arrangements in place to tackle child poverty across the city.	Planned
Recycling Strategy	To provide assurance that the council's recycling strategy is being effectively implemented.	Planned
Customer Satisfaction	A review of the processes that support continual improvement in respect of the customer experience.	Planned
Unannounced visits	Individual establishment visits to provide assurance over cash handling arrangements.	Planned
City Development		
Community Infrastructure Levy Follow Up and Section 106 Monies	To review progress in implementing the recommendations made in respect of Community Infrastructure Levy made in the previous audit, reported to the Corporate Governance and Audit Committee at the September 2017 meeting and to provide assurance that Community Infrastructure Levy and Section 106 Monies are collected, recorded and spent appropriately.	Planned
Income collection	To provide assurance that all external income is identified and collected.	Planned
External Advertising Income – Follow Up	To review progress in implementing the recommendations made in the recent audit as reported above at 3.2.8.	Planned