



**CITY OF YORK COUNCIL
INTERNAL AUDIT PLAN 2020/21**



Annual Internal Audit Plan 2020/21

1. INTRODUCTION

- 1.1 This plan sets out the proposed 2020/21 programme of work for the internal audit service provided by Veritau for the City of York Council. The plan includes an allocation of time for work already undertaken in 2020/21, in response to Covid-19 issues.
- 1.2 In accordance with the Public Sector Internal Audit Standards (PSIAS), internal audit is required to prepare an indicative annual audit plan. The plan is a working document, and changes are made throughout the year to reflect changes in risk and issues that may arise. This is the case every year, but is more likely to be a factor in 2020/21 due to the need to remain responsive to issues that arise as a result of the impact of Covid-19 on all areas of the council.
- 1.3 This indicative plan is based on a risk assessment that is maintained by internal audit. This risk assessment and has been updated to reflect risks arising from the impact of Covid-19.
- 1.3 The content of the audit plan is subject to consultation with directors and other senior council officers. This revised plan has been shared with the council's Governance, Risk and Assurance Group (GRAG). The plan is formally approved by the Audit and Governance Committee. The 2020/21 audit plan was originally scheduled to be presented to Audit and Governance committee for approval in April 2020. Following cancellation of that meeting Veritau has been undertaking work in response to Covid-19 issues and finalising 2019-20 work; a line is included in the plan for this work.
- 1.4 The plan sets out potential areas for audit in 2020/21. It will not be possible to carry out all of these audits and the list is not exhaustive and may change as the year progresses depending on emerging risks. Changes to the plan are agreed through the council's client management arrangements and are notified to the committee. Proposed audit work is also discussed with the council's external auditors, to ensure that there is no duplication of effort. Further details about the approach to audit planning can be found in the Audit Charter.

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2. 2020/21 AUDIT PLAN

- 2.1 The impact of Covid-19 will be a significant influence on this year's audit plan. However, the principle remains the same, in that the approach adopted is to focus on higher risk systems.
- 2.2 The council continues to face significant budgetary pressures, and these are likely to be increased by the impact of Covid-19. Covid-19 also presents many other challenges, including implementing central government legislative and regulatory changes, administering government grants, new community services, different ways of working and redeployments. In addition to this, some core financial and corporate systems remain vital to the effective operation of the council.
- 2.3 The approach adopted is to focus on higher risk systems / areas including those:
- where the volume and value of transactions processed are significant, or the impact if risks materialise is very high, making the continued operation of regular controls essential
 - areas of known concern, where a review of risks and controls will add value to operations
 - areas of significant change. This may include providing direct support / challenge to projects, reviewing project management arrangements, or consideration of the impact of those changes on the control environment for example where the reduction in resources may result in fewer controls.

These remain the core principles in identifying areas for audit. Covid-19 has changed the context in which the council operates. It has resulted, in significant changes but these areas remain the appropriate criteria for prioritising audit resources.

- 2.2 Internal Audit resources are limited and the audit plan is intended to prioritise resources towards those systems which are considered to be the most risky and / or which contribute the most to the achievement of the council's priorities and objectives. This plan has been developed with particular reference to the council's Covid-19 recovery and renewal plan.
- 2.3 The plan includes an allocation of days for key service areas within the Council. The individual audits to be conducted within these areas will be agreed with senior officers during the year.

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- 2.4 Audit work will include a mixture of assurance reviews of areas that remain higher risk for the council, reviews of the council's response to Covid-19 issues; reviews and advice and support on control and process design in light of Covid-19; and forward looking advice and support on the implementation of recovery and renewal plans.
- 2.5 Details of the 2020/21 plan are set out below. The table includes specific reference to Covid-19 related risks in some areas. However, it is the case that in most areas the audits listed would also cover additional risks due to Covid-19.

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Area	Days	Potential audits / activity (the scope and objectives for audits will cover risks relating to Covid-19)
Corporate & cross cutting (Corporate strand of Recovery and Renewal Plan)	210	Budgeting and savings plans Covid-19 Recovery and Renewal Plan Health and safety Data quality (Public Health focus) Information governance and security Procurement and contract management Project management Democratic Services New ways of working (home, remote, social distancing, digital services) Records management
Financial / corporate systems	120	Payroll Main accounting system / general ledger Debtors Ordering and creditor payments Council tax / NNDR Council tax support and benefits Covid-19 grant(s) assurance work Asset management Treasury management
ICT	50	Cyber security ICT assets and technical infrastructure ICT supplier management ICT projects and systems development
Health, Housing and Adult Social Care (Communities strand of Recovery and Renewal Plan)	160	Adult social care budgets / financial management Public health Continuing healthcare Safeguarding Placements and commissioning Homelessness Building services / council house repairs Early intervention and prevention Mental health services

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<p>Children, Education and Communities (Communities strand of Recovery and Renewal Plan)</p>	<p>130</p>	<p>Children’s social care budget / financial management Special Educational Needs and/or Disabilities (SEND) Community hubs Contract management / commissioning – leisure facilities, Explore libraries and archives, Make it York Early intervention and prevention Ward committees Dedicated schools grant Schools – themed audits Schools – individual school audits</p>
<p>Economy and Place (Economic strand of Recovery and Renewal Plan)</p>	<p>90</p>	<p>Environmental health Household waste and recycling Business continuity / emergency planning Transport and Place Strategy Covid-19 business support York Central Carbon reduction / climate change</p>
<p>Covid-19 response work & completion of 2019-20 work</p>	<p>185</p>	<p>Covid-19 related risk assessments, guidance, direct support on administration of grant schemes. Completion of assurance work delayed in 2019-20 by Covid-19 impact.</p>
<p>Contingency</p>	<p>20</p>	<p>New or emerging risks Requests from A&G or officers Significant changes Work arising from fraud investigations</p>
<p>Follow-ups</p>	<p>40</p>	<p>Follow-up of previously agreed audit actions</p>
<p>Support, Advice and Liaison, including audit planning</p>	<p>40</p>	<p>Support and advice to officers Attendance at GRAG and support with Annual Governance Statement preparation Audit planning Monitoring of plans and resourcing External audit liaison</p>

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Audit and Governance Committee	30	Preparing committee reports Attendance at committee Support and Additional advice for committee
Data Analysis	10	Development of data analysis Specific data matching exercises
FOI Act Requests	10	Providing responses Answering queries about audit work from councillors and the public
TOTAL	1,095	