

ASSURANCE LEVELS AND RECOMMENDATIONS 2022 / 2023

Audit Activity	Description
ANNUAL GOVERNANCE AND ASSURANCE	
Annual Audit Plan & Strategy	Completed - To produce the IA plan for 2023-24 a discussion report was presented to Audit Committee on emerging themes and planning approach on 30 January 2023. The Plan, Strategy, Code of Ethics and Charter were presented to Audit Committee on 20 March 2023.
Mid-Year Audit Progress Report	Completed - Annual Audit Progress Report 2022 /2023 presented to Audit Committee on 28 November 2022.
Annual Audit Opinion	Completed Annual Opinion 2021 / 2022 presented to Audit Committee on 25 July 2022. Annual Opinion 2022 / 2023 presented to Audit Committee on 24 July 2023.
Annual Governance Statement	Completed 2021 / 22 AGS drafted by Internal Audit and referred to Audit Committee on 25 July 2022. Corporate Leadership Team took responsibility for finalising prior to finalisation of Statement of Accounts. 2022 / 23 AGS drafted by Internal Audit in revised format. Circulated to Corporate Leadership Team for challenge / updates. Latest version included on Audit Committee agenda (24 July 2023). Corporate Leadership Team to take responsibility for any further amendments if required prior to finalisation of Statement of Accounts.
Annual Investigations Report	Completed Annual Report 2021 / 2022 presented to Audit Committee on 25 July 2022. Annual Report 2022 / 2023 presented to Audit Committee on 24 July 2023.
Internal Audit Effectiveness	On-going - Monitoring, review and update against the PSIAS standards and associated action plan.
Audit Committee Support	On-going - This includes a review of Audit Committee effectiveness, update of the Audit Committee Handbook, provision of training and attendance at meetings.

Audit Activity	Description
CORPORATE GOVERNANCE	
Information Governance Board	<p>Ongoing</p> <p>Membership of the Information Management Strategic Board and involvement in emerging issues.</p>
Risk Management Board	<p>Ongoing</p> <p>Chief Internal Auditor is a member of the Risk Management Board which is chaired by the Interim Risk Manager (previously by Executive Director of Corporate Services and s.151 Officer). Reports have been presented to the Audit Committee by the Chief Internal Auditor in year to September 2022 but responsibility for this activity has now been realigned within the department following on from discussions at Audit Committee.</p>
National Fraud Initiative	<p>In Progress</p> <p>Co-ordination of data uploads for the bi-annual data matching exercise. Resultant reports, which include matches relating to, for example, blue badges, concessionary fares, benefits and council tax, right to work, were released during February 2023 and work has commenced to review them.</p>
Anti-Fraud Policies	<p>Complete</p> <p>Counter Fraud Policies are refreshed on regular basis. Fraud Policies reviewed in year and remaining as current, with no new legislative changes. These covered:</p> <ul style="list-style-type: none"> • Money Laundering • Sanction and Prosecution Policy (Council Tax) • Sanction and Prosecution Policy (Blue Badges / Permit Permits) <p>A further refresh was completed into the Fraud and Corruption Statement. The Position Statement was reported to Audit Committee on 30 January 2023 and set out:</p> <ul style="list-style-type: none"> • Councils approach to countering fraud and corruption • Roles and responsibilities; and • Guidance for officers
Compliance / Probity / Fraud activities	<p>Complete</p> <p>Initial reviews of whistleblowing allegations or management concerns to determine whether further work is warranted. An assessment of Fraud Risks was undertaken during the year and is included within the Annual Fraud report.</p>

Audit Activity	Department	Assurance Level	Description
CERTIFICATION			
Integrated Transport Grant	PEC	Certified	A DfT scheme via the CPCA to help local authorities cut carbon emissions and create local growth.
Highways Maintenance	PEC	Certified	A DfT grant via the CPCA. This grant is used by local authorities for small transport improvement schemes costing less than £5 million and also for planning and managing the road networks
Pothole Action Fund	PEC	Certified	A capital funded DFT grant via the CPCA to support pothole repairs.
Traffic Signals Maintenance	PEC	Certified	Additional funding to the capital transport grants via the CPCA. Paid directly by the DfT to local authorities to help improve and manage road networks.
Protect and Vaccinate Grant	PEC	Certified	Funding received from the DLUHC to support the protection and vaccination of rough sleepers.
CPCA - Transport	PEC	Certified	A management request for quarterly transport claim documentation to be reviewed by internal audit prior to CPCA submission. 4 claims completed.
PIRI	PEC	Certified	Funding from Innovate and BEIS for a local energy feasibility study. Verification of last claim completed.
Homelessness Prevention Grant	PEC	Certified	Funding received from MHC&LG in relation to supporting the implementation of the Homelessness Reduction Act.
Rough Sleeper Initiative	PEC	Certified	Funding received from the DLUHC in relation to rough sleeper initiative funded services.
City College - Arts Council Grant	PEC	Certified	Funding received from the Arts Council to support cultural organisations impacted by government restrictions during the covid pandemic. 2 claims have been reviewed in year.
Household Support Fund	ACE/PEC	Certified	Funding to support households, particularly those with children or pensioners, to meet essential living costs. A management request to provide assurance prior to sign off. Q2 and 3 completed.
Disabled Facilities	ACE	Certified	Non-ring-fenced capital funding towards Disabled Facilities grants that PCC can award to disabled clients for housing alterations.

Dedicated School Grant Assurance Statement	ACE	Certified	An assurance statement to confirm that local authorities have deployed funding to schools in accordance with the grant and School and Early Years Finance (England Regulations 2021).
Post 16 Young People Funding	ACE	Certified	Funding provided by the ESFA to support young people aged 16-19 in accordance with attendance and achievement.
Supporting Families	ACE	Certified	Payments by results scheme to support families meeting certain criteria. DLUHC requirement to audit 10% of the claims for every submission and to review the council's Outcomes Plan, which documents how PCC will apply the scheme. 13 claims have been reviewed this year.
Hampton Hargate School NCTL	ACE	Certified	Various funding streams received from the DfE to support establishments with teaching school status.
Education Grants	ACE	Certified	A management request to review the Local Authority Chief Financial Officer return, which comprises 20 funding streams, prior to submission to the Education and Skills Funding Agency.
Education Capital Grant	ACE	Certified	An annual grant from the DfE to support the creation of school places which includes basic needs, free schools and special provisions.
Business Support Grants (Covid)	CS	n/a	Funding given to councils to distribute to businesses disrupted during the pandemic. The final part of this work, which started in 2020, entailed provision of evidence to BEIS in respect of the council's pre- and post-payment assurance work.
Test and Trace Support Payments (Covid)	CS	Certified	A UK Health and Security Agency funded grant to help councils support individuals needing to isolate during the pandemic.
S.31 Biodiversity Net Gain	PEC	Certified	A grant from DEFRA to support councils to make the preparations necessary to apply a minimum 10% increase in biodiversity to planning permissions.
Contain Outbreak Management Fund (Covid)	PH	Certified	Funding from DHSC to support a range of activities designed to prevent and manage covid outbreaks.
Drug Treatment Universal Grant Scheme	PH	Certified	A grant from Public Health England to support improvements in interventions to reduce drug-related offences and deaths.
Adult Weight Management Grant	PH	Certified	PCC passported grant funding to deliver this service to CCC. Certification work has been undertaken by CCC on behalf of PCC.

Mayor's Charities Fund	L&G	Certified	Annual audit to verify accuracy and completeness of the accounts, as well as compliance with Charity Commission requirements.
------------------------	-----	-----------	---

Audit Activity	Department	Audit Type	Assurance Level	Recommendations Made					Description
				Critical	High	Med	Low	Total	
FINANCIAL SYSTEMS									
NNDR	CS	Risk based	Limited	0	7	9	0	16	Complete A review of the adequacy and effectiveness of NNDR process to ensure that business rates revenue due to the Council is maximised, reducing the need to write off uncollected debt.
Levelling-Up Fund	PEC	Consultancy	n/a	n/a	n/a	n/a	n/a	n/a	Complete Advice in relation to the required assurance framework for a £20m fund (primarily for the University). The fund is being managed on our behalf by the CPCA and includes joint venture arrangements.
Ukrainian Support Fund	PEC	Risk based	Reasonable	0	0	5	0	5	Complete Review of the controls in place to manage the funds supplied by gov't in awarding to Ukrainians and their host families.
Pension & Payroll Processes	CS	Consultancy	n/a	n/a	n/a	n/a	n/a	n/a	Complete Following a complaint of pension errors, a review of arrangements for ensuring the accuracy and completeness of communications between Payroll and our Pension Service provider.

Energy Rebate	CS	Consultancy	n/a	n/a	n/a	n/a	n/a	n/a	Complete Consultancy advice on proposals to implement the government's energy rebate scheme using the council's NNDR system.
Direct Payments	ACE	Risk based							In Progress A review to assess the adequacy and effectiveness of controls over the set-up, payment and ongoing monitoring of Direct Payments to care service users.
Payroll	CS	Risk based							In Progress Full system review. Previous audit work has reported on weaknesses in accuracy and completeness of data.
Council Tax	CS	Risk based							In Progress A review of controls in place over the collection, enforcement, refund and write-off of Council Tax. The Service Level Agreement with Serco will also be reviewed to ensure compliance with the provisions set out within.

Audit Activity	Department	Audit Type	Assurance Level	Recommendations Made					Comments
				Critical	High	Med	Low	Total	
PROCUREMENT & CONTRACTS									
Drug and Alcohol Treatment Contract	PH	Risk based	Reasonable	0	4	2	4	10	Complete A review of contract management carried out by Cambridgeshire CC on behalf of PCC.
Mobile Phone Contract	CS	Special Investigation	n/a	0	0	1	0	1	Complete A review of an element of the contract between PCC and EE regarding a £70k fund held by EE on behalf of PCC for the use of purchasing mobile phones. A recommendation was made to reconcile the account to enable any outstanding amounts to be recovered.
Supplier Amendments	CS	Consultancy	n/a	n/a	n/a	n/a	n/a	n/a	Complete There was a successful attempt to amend a supplier account, compromising the records and resulting in a payment being made to a bogus account. Once this was identified by Serco, Internal Audit referred the case through to Action Fraud. Works were undertaken between Internal Audit, Serco and Legal, together to establish the reasons for the compromise and whether internal controls were sufficient. Improvements have been introduced. An amount of monies in relation to the fraud was recovered through Action Fraud, albeit not the full amount. Existing procedures have been strengthened.
Supplier Verification	CS	Consultancy							In Progress Internal Audit provided consultancy advice on revised procedures for changes to supplier accounts, following the above fraud. The scope was extended to look at the whole supplier set up procedure.

TACT	ACE	Special Investigation	n/a	n/a	n/a	n/a	n/a	n/a	In Progress A review of the arrangements to terminate this contract with a fostering agency.

Audit Activity	Department	Audit Type	Assurance Level	Recommendations Made					Department
				Critical	High	Med	Low	Total	
PROJECTS									
Town's Fund Project	PEC	Risk based	Substantial	0	0	0	0	0	Complete A review of the management of a specific project within the Town's Fund programme.
Spectrum Replacement	CS	Risk based	Reasonable	0	0	0	1	0	Complete A review of project governance, including testing and go-live controls, in this project to replace the cash management system. Ongoing advice provided during the project.
Integrated Transport system	ACE	Consultancy							In Progress A project to implement a new system managing home-to-school and adult's transport. Advice on controls covering supplier payments, DBS checks, data security and route planning.
INFORMATION TECHNOLOGY									
PCI Compliance	CS	Risk based	Limited	0	4	1	0	5	Complete Review controls that ensure payment card processes comply with PCI Data Security Standards.

									Actions have been agreed with the new Deputy s151 Officer who will take charge of ensuring compliance
Back-up Protocols	CS	Consultancy	n/a	n/a	n/a	n/a	n/a	n/a	<p>Complete</p> <p>A review of AWS Back up and SnapShot options being proposed by the organisation to improve operational business effectiveness and cost savings</p>

Audit Activity	Department	Audit Type	Assurance Level	Recommendations Made					Department
				Critical	High	Med	Low	Total	
OTHER									
Business Continuity	CS	Risk based	Limited	0	1	4	4	9	Complete A review of Departmental Business Continuity processes and plans.
Teachers Pensions – Premature Requirement	CS	Consultancy	n/a	n/a	n/a	n/a	n/a	n/a	Complete Advice to a Serco project team set up to address previous recommendations made by Internal Audit. The project aimed to further investigate and recover monies overpaid.
Absence Management	CS	Follow-up	Reasonable	0	0	1	0	1	Complete A follow up of the previous report findings and extending scope to incorporate management of holiday absence. A further recommendation was made via memo.
Payments in Lieu of Notice	CS	Consultancy	n/a	0	3	3	0	6	Complete A review of the process, managed by Serco, for making payments under PILON rules. A briefing note containing 6 recs was produced and subsequently followed up.
Mayor's Charities - Governance	L&G	Compliance	Limited	0	4	11	0	15	Complete Report detailing observations from the annual audit of accounts and the follow-up of previous audit looking at the governance of this charity.
Covid-19 – Public Enquiry	PH	Consultancy	n/a	n/a	n/a	n/a	n/a	n/a	In Progress Initial work to review preparations for the public enquiry and arrangements for data retention was superseded by the development of plans by CLT and the employment of an officer to oversee this.

Climate Change	PEC	Risk based							<p>In Progress</p> <p>Assessment of arrangements for meeting the council's commitment to be a net zero carbon organisation, and to support Peterborough to become a net zero carbon city by 2030.</p>
Household Support Fund	PEC/ ACE	Risk based							<p>In Progress</p> <p>A review of grant monitoring and record management processes.</p>

This page is intentionally left blank