

## **INTERNAL AUDIT ANNUAL REPORT 2015/16**

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# **LGSS Internal Audit & Risk Management – Annual Report 2015/16**

## ***Cambridgeshire County Council***

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# **1. INTRODUCTION**

## **1.1 The Annual Reporting Process**

- 1.1 The Public Sector Internal Audit Standards (Performance Standard 2450) state that the Chief Audit Executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement. Cambridgeshire County Council's Chief Audit Executive is the LGSS Head of Internal Audit.
- 1.2 The annual report is required to incorporate the opinion; a summary of the work that supports the opinion; and a statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement plan.

## **2. HEAD OF INTERNAL AUDIT OPINION 2015/16**

### **2.1 Head of Internal Audit Opinion**

- 2.1.1 The Public Sector Internal Audit Standards (Performance Standard 2450) state that *'the Chief Audit Executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.'* This must be based on an objective assessment of the framework of governance, risk management and control and include an evaluation of the adequacy and effectiveness of controls in responding to risks within the organisation's governance, operations and information systems.
- 2.1.2 My opinion is derived from an assessment of the range of individual opinions arising from assignments contained within the risk-based Internal Audit Plan. This assessment has taken account of the relative materiality of these areas, and management's progress in addressing control weaknesses.

*On the basis of the audit work undertaken during the 2015/16 financial year, the internal control environment (including the key financial systems, risk and governance) is well established and operating effectively in practice. In addition, there are no outstanding significant issues arising from the work undertaken by Internal Audit*

*However, no systems of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit give that assurance.*

*The level of assurance therefore remains at a similar level from 2014/15.*

## **3. REVIEW OF INTERNAL CONTROL**

### **3.1 How Internal Control is reviewed**

- 3.1.1 In order to support the annual Internal Audit opinion on the internal control environment, each year Internal Audit develops a risk-based Audit Plan. This includes a comprehensive range of work to confirm that all assurances provided as part of the system of internal audit can be relied upon by stakeholders.
- 3.1.2 The changing public sector environment and emergence of new risks increasingly necessitates re-evaluation of the Audit Plan throughout the year. In 2015, a major review and revision of the Cambridgeshire Internal Audit Plan was approved by the September meeting of the Audit & Accounts Committee. Further minor revisions, to reflect the changing risk profile of the organisation, were approved on an ongoing basis throughout the year.
- 3.1.3 Each Internal Audit review has three key elements. Firstly, the control environment is reviewed by identifying the objectives of the system and then assessing the controls in place mitigating the risk of those objectives not being achieved. Completion of this work enables Internal Audit to give an assurance on the control environment.
- 3.1.4 However, controls are not always complied with, which will in itself increase risk, so the second part of an audit is to ascertain the extent to which the controls are being complied with in practice. This enables Internal Audit to give an opinion on the extent to which the control environment, designed to mitigate risk, is being complied with.
- 3.1.5 Finally, where there are significant control environment weaknesses or where key controls are not being complied with, further substantive testing is undertaken to ascertain the impact these control weaknesses are likely to have on the organisation's control environment as a whole.
- 3.1.6 Three assurance opinions are therefore given at the conclusion of each audit: control environment assurance, compliance assurance, and organisational impact. To ensure consistency in reporting, the following definitions of audit assurance are used:

<b>Control Environment Assurance</b>	
<b>Level</b>	<b>Definitions</b>
Substantial	There are minimal control weaknesses that present very low risk to the control environment
Good	There are minor control weaknesses that present low risk to the control environment
Moderate	There are some control weaknesses that present a medium risk to the control environment

Limited	There are significant control weaknesses that present a high risk to the control environment.
No Assurance	There are fundamental control weaknesses that present an unacceptable level of risk to the control environment

Compliance Assurance	
Level	Definitions
Substantial	The control environment has substantially operated as intended although some minor errors have been detected.
Good	The control environment has largely operated as intended although some errors have been detected
Moderate	The control environment has mainly operated as intended although errors have been detected.
Limited	The control environment has not operated as intended. Significant errors have been detected.
No Assurance	The control environment has fundamentally broken down and is open to significant error or abuse.

- 3.1.8 Organisational impact will be reported as major, moderate or minor. All reports with major organisation impacts are reported to SMT, along with the agreed action plan.

Organisational Impact	
Level	Definitions
Major	The weaknesses identified during the review have left the Council open to significant risk. If the risk materialises it would have a major impact upon the organisation as a whole
Moderate	The weaknesses identified during the review have left the Council open to medium risk. If the risk materialises it would have a moderate impact upon the organisation as a whole
Minor	The weaknesses identified during the review have left the Council open to low risk. This could have a minor impact on the organisation as a whole.

- 3.1.9 Specifically for the compliance reviews undertaken, the following definitions will be used to assess the level of compliance in each individual reviewed:

Opinion for Compliance Audits – Levels of Compliance	
Level	Definitions
High	There was significant compliance with agreed policy and/or procedure with only minor errors identified.
Medium	There was general compliance with the agreed policy and/or procedure. Although errors have been identified there are not considered to be material.
Low	There was limited compliance with agreed policy and/or procedure. The errors identified are placing system objectives at risk.

## 3.2 The Basis of Assurance

- 3.2.1 The findings and assurance levels provided by the reviews undertaken throughout 2015/16 by Internal Audit form the basis of the annual opinion on the adequacy and effectiveness of the control environment.
- 3.2.2 In 2015/16, the Audit Plan has been based on assurance blocks that each give an opinion on the key control environment elements, targeted towards in-year risks, rather than a more traditional cyclical approach that looks at each system over a number of years. The Audit Plan reflects the environment in which the public sector audit operates, recognising that this has changed considerably over the past few years with more focus on, for example, better assurance, safeguarding and making every penny count.

## 4. INTERNAL AUDIT IN 2015/16

### 4.1 Overview and Key Findings

- 4.1.1 This section provides information on the audit reviews carried out in 2015-16, by assurance block.
- 4.1.2 For the reviews undertaken during 2015/16, only one area was identified where it was considered that, if the risks highlighted materialised, it would have a major impact on the organisation as a whole. This related to our review of Home to School Transport. An action plan to address the identified weaknesses in the control environment was agreed by the service, and a full update on the implementation of these actions to date is being brought to the Audit and Accounts Committee meeting in June 2016.
- 4.1.3 In each instance where it has been identified that the control environment was not strong enough, or was not complied with sufficiently to prevent risks to the organisation, Internal Audit has issued recommendations to further improve the system of control and compliance. Where these recommendations are considered to have significant impact on the system of internal control, the implementation of actions is followed-up by Internal Audit and is reported to Audit and Accounts Committee on a quarterly basis. An overview of the implementation of actions in 2015-16 is summarised in Table 1, below<sup>1</sup>:

**Table 1: Implementation of Audit Recommendations 2015-16**

	Category 'Red' recommendations	Category 'Amber' recommendations	Total
Agreed and implemented.	27	53	80
Agreed and due within the last 3 months, but not yet implemented.	0	7	7
Agreed and due over 3 months ago, but not yet implemented.	0	1	1
<b>TOTAL</b>	0	8	8

- 4.1.4 Of the actions still outstanding at the end of the year, 7 related to the Central Library Enterprise Centre review. A number of the actions agreed as part of this major review have significant dependencies on the current Corporate Capacity review which has in some cases delayed their implementation. A separate report on progress with implementation of these actions is presented

<sup>1</sup> Please note that the total reflects the number of recommendations required to be implemented within 2015-16, and therefore includes recommendations made in 2014-15.



to each Audit & Accounts Committee, giving full details of ongoing work and any outstanding actions.

- 4.1.5 1 further action (outlined in the below table) is outstanding at the end of 2015-16. This represents a significant reduction in outstanding actions compared to 2014-15, when there were 29 recommendations still outstanding at the end of the year.

Audit	Recommendation	Target date
Traded Services	<b>Annual business plans</b> Units that do not produce an annual business plan create these plans in future, in order to improve clarity of purpose and ensure consideration of both the short- and long-term within service planning and targeting.	31/12/15

## 4.2 Financial and Other Key Systems

- 4.2.1 This is the 2015/16 suite of annual core systems reviews, undertaken to provide assurance to management and External Audit that expected controls are in place for key financial systems; that these controls are adequately designed and are routinely complied with in practice. The work is focused on the systems that have the highest financial risk; these are agreed in advance with External Audit and assist in providing assurance to External Audit that systems recording transactions within the 2015/ 16 financial year are free from material misstatement. These reviews also give an opinion as to the effectiveness of financial management procedures and the arrangements to ensure the integrity of accounts.
- 4.2.2 During 2015/16, the audits were undertaken as joint reviews of Cambridgeshire County Council and Northamptonshire County Council LGSS systems.
- 4.2.3 Audit coverage during the year has provided sufficient evidence to conclude that the key financial control systems are sound and that these controls continue to work well in practice although there are some minor areas where improvements have been recommended. The level of assurance provided for all key financial systems reviews was good or substantial.
- 4.2.4 Table 2 below details the assurance levels of all key systems audits undertaken in 2015/16 compared to the assurance levels in 2014/15:

**Table 2 – Key Financial Systems Audits 2015/16**

Key Financial Systems:	Audit Opinion 2015-16		Audit Opinion 2014-15
	Environment	Compliance	
Budgetary Control	Substantial	Good	Substantial
Purchase to Pay	Substantial	Substantial	Substantial
Accounts Receivable	Substantial	Substantial	Substantial
Payroll	Substantial	Substantial	Substantial
Pensions*	Good	Good	Substantial
General Ledger	Substantial	Substantial	Substantial
IT General Controls*	Substantial	Substantial	Substantial

\* Pensions and IT General Controls were still at draft stage at the time of writing this report but the emerging opinions are included.

### 4.3 *Compliance*

- 4.3.1 Compliance work is fundamental, as it provides assurance across all Directorates and therefore underpins the Head of Internal Audit opinion on the control environment. The audit coverage for compliance is underpinned by an assessment of the Council's framework of controls (often directed by policies and procedures) and includes a focus on those core areas where a high level of compliance is necessary for the organisation to carry out its functions properly. The work involves compliance checks across the organisation to provide assurance on whether key policies and procedures are being complied with in practice. As a part of this work, the existing controls are challenged to ensure that they are modern, effective and proportionate.
- 4.3.2 The Plan for 2015/16 included coverage of compliance in the following areas:
- Compliance with Safe Recruitment policies and procedures for staff and volunteers who work with children and vulnerable adults;
  - Compliance with Direct Payments policy and procedures;
  - Compliance with policies around the use of framework and corporate contracts.
- 4.3.3 The sample testing undertaken throughout the year has not identified any significant non-compliance issues. Where weaknesses have been identified, recommendations have been made to improve procedures and controls; all recommendations which are considered to be of significant impact on the control environment are followed up by Internal Audit to ensure they have been implemented.

### 4.4 *Risk-Based Reviews*

- 4.4.1 Risk-based reviews have been a key element of the assurance on the entire control environment of the authority in 2015/16. This assurance block includes reviews which have been targeted towards key areas of high risk, as identified through consultation with senior management, review of risk registers, and the Internal Audit risk assessment of the organisation. This block also incorporates on-going work on initiatives to promote the value of *making every penny count*. Each audit we undertake includes consideration of value for money at its core.
- 4.4.2 This assurance block includes audit work undertaken using our 'embedded assurance' approach; this applies to reviews where auditors attended Project Boards and/or gave independent advice and support to project or programme work, with periodic reporting as appropriate.
- 4.4.3 The outcomes of all risk-based reviews issued in 2015/16 can be seen at Appendix 1.

### 4.5 *Procurement and Contracts Reviews*

- 4.5.1 In 2015/16, Internal Audit has provided advice and support to the Highways Transformation programme and the associated ongoing competitive dialogue. Reviews have also been conducted focusing on the Street Lighting and Waste PFIs. Work in these key high-value contract areas will continue into the 2016/17 financial year.
- 4.5.2 In addition, a number of cross-cutting reviews have been undertaken, with a particular focus on key aspects of the Council's procurement framework, including:
- The Council's capital programme, including review of the relevant financial regulations;
  - A review of a sample of high-value contracts and compliance with the Council's Contract Procedure Rules;
  - A review of compliance with policies around the use of framework and corporate contracts.
- 4.5.3 The reviews undertaken throughout the year have not identified any significant non-compliance issues. Where weaknesses have been identified, recommendations have been made to improve procedures and controls.

## 4.6 *Anti-Fraud and Corruption*

- 4.6.1 This is a high-risk area across the public sector. LGSS Internal Audit undertakes work on anti-fraud and corruption which includes both reactive and pro-active elements, along with a number of initiatives to raise awareness of the council's anti-fraud and corruption culture and to report on the arrangements in place, and pro-active fraud strategy work.
- 4.6.2 Details of specific cases have been reported to the Audit and Accounts Committee throughout the year. In addition to the full investigations outlined in Table 3 below, advice and guidance is provided to officers on an ad-hoc basis.

**Table 3 – Investigations 2015-16**

Type of referral	No. Cases	Outcomes
<b>Prosecution of former Workforce Development manager.</b>	1 case	The former manager pled guilty to the charges against her on the 10 <sup>th</sup> December 2015. The Council is now seeking to recoup the defrauded funds through the Proceeds of Crime Act.
<b>Complaint regarding the disposal of Estover Road site.</b>	1 case	A full report was provided to the Audit & Accounts Committee.
<b>Cambridge Library Enterprise Centre review.</b>	1 case	A full report was provided to the Audit & Accounts Committee.
<b>Alleged theft of cash from library safe.</b>	2 cases	Visits carried out to the affected libraries, advice and guidance given.
<b>Allegations in relation to misuse of concessionary travel passes.</b>	2 cases	In both cases, following investigation the issue was referred to police. No further action was taken by police, as the suspects were under 18.

		LGSS Internal Audit provided advice and support to the service, which has made adjustments to processes to ensure that any future cases can be referred and investigated swiftly, and are more likely to result in effective action.
<b>Allegations in relation to fraud by social care providers.</b>	2 cases	In both cases, Internal Audit liaised with the relevant Safeguarding investigation. Advice and guidance was given, but no further action was taken.
<b>Allegations relating to misuse of Direct Payments.</b>	3 cases	<p>In one case, the investigations are ongoing; in the second case, the investigation was closed and advice was provided, as the issues related to debt management rather than suspected fraud. In the third case, the investigation concluded that although there was insufficient evidence to identify fraud, there was evidence of misuse of payments. A number of recommendations were made to improve procedures to ensure that any future cases can be investigated effectively.</p> <p>In 2015/16, significant work has been undertaken to identify key issues and strengthen the control environment around Direct Payments, including a full audit review and compliance testing. A follow-up compliance review has been included in the 2016/17 Audit Plan.</p>
<b>Investigation into concerns from a review of Purchasing and Payments at a school.</b>	1 case	Further testing carried out as part of the investigation indicated that the school's arrangements had improved over the calendar year and there were no indications of wrongdoing. Advice and support was provided to the school to strengthen procedures further.
<b>Allegations that a dependent's pension due to a disabled service user had been paid to, and used by, other family members.</b>	1 case	The allegations were substantiated. Payments to the incorrect family member were ceased and redirected to the service user. Owing to a number of issues, it was agreed with the Safeguarding leads that the Council would not seek prosecution but would seek repayment of the funds.
<b>Allegations relating to a manager inappropriately acting as line manager for close family members and possibly approving fraudulent remuneration claims.</b>	1 case	This case is still under review and the investigation is ongoing. An interim report on findings to date has been provided to HR and management.

- 4.6.3 The results of the National Fraud Initiative (NFI) data matching exercise were received by the Council in February 2015. A number of investigations were undertaken into data matches. As a result of this exercise, a number of issues were identified, including over £10,000 of duplicate payments which were then recouped by Cambridgeshire County Council, and an instance of identity fraud carried out by a member of staff.

## **4.7 *ICT Audit***

- 4.7.1 During 2015/16, LGSS Internal Audit has recruited to the post of IT Auditor, meaning that greater specialist skill in this highly technical area of audit is now available. Reviews undertaken this year include a review of the access controls for key Council IT systems and IT General Controls.
- 4.7.2 Throughout 2015/16, LGSS Internal Audit has been providing ongoing advice and guidance to the planning process for implementation of a new Enterprise Resource Planning system (ERP) within LGSS; this is the key database system which incorporates financial, human resources and other organisational information. LGSS Audit attended the Design Principle Workshops for the new system between August 2015 and December 2015, providing advice and guidance on the design of the processes which will operate within the new system, to ensure that they incorporate robust internal controls. Internal Audit also continues to attend the ERP Next Generation Programme Board and will continue to do so in 2016/17; implementation of the new system is planned to take place between December 2016 – March 2017.

## **4.8 *Grants and Other Head of Audit Assurances***

- 4.8.1 In 2015/16, 8 grants received by Cambridgeshire County Council required review and certification by Internal Audit to verify that funds have been spent in accordance with grant conditions. A review was also conducted of the use of the Public Health Grant, to provide the Director of Public Health with assurance for her sign-off of the grant.
- 4.8.2 The requirements for verification of the Government's Troubled Families grant initiative have evolved significantly throughout the year, and Internal Audit has worked closely with the Together for Families team to establish a new procedure for verifying claims.

## **4.9 *Policies and Procedures***

- 4.9.1 In 2015/16, Internal Audit has maintained a focus on review of financial and anti-fraud policies and procedures, to ensure that these are: up to date; fit for purpose; effectively communicated; routinely complied with across the organisation; monitored and routinely improved. Work has included proposing a Fees and Charges policy and associated guidance for the Council, and revisions of the Anti-Fraud and Corruption Policy and the Bribery Policy.
- 4.9.2 In addition to work which focuses specifically on individual Council policies and procedures, every risk-based audit review undertaken considers the current policies and procedures in the service area under review, and audit recommendations include suggested revisions or updates to policies as appropriate.

## **4.10 *Schools Audits***

- 4.10.1 Schools audit has been a significant development area for LGSS Internal Audit in 2015/16, and the programmes of work undertaken for each audit have been reviewed and improved to offer greater added value. Internal Audit

has moved to using a risk-based sampling method to select the schools for review. This ensures that resources are focused on the schools which will benefit most from the guidance and support of Internal Audit; however, it does also mean that the average assurance level across all schools reviewed by Audit may be reduced.

- 4.10.2 For every schools report issued an action plan has been agreed with the school. The implementation of these actions will ensure that the control environment at these schools is improved to an appropriate level. Follow-up audits are conducted at schools which have previously achieved low assurance levels, to verify that improvements have been made. Internal Audit is also now providing additional training and support to school governors, to support them in carrying out their role.

#### *4.11 Other Work*

- 4.11.1 Internal Audit continues to provide advice and guidance to officers on a wide range of issues, including the interpretation of Council policies and procedures, risks and controls within systems or processes, and ad-hoc guidance on queries relating to projects or transformation. Internal Audit aims to provide clear advice and risk-based recommendations with a view to reducing bureaucracy whilst maintaining a robust control environment. Where appropriate, we also refer queries or concerns on to specialist services such as Information Governance or IT Security.
- 4.11.2 Internal Audit also leads on maintaining the Council's Assurance Framework and co-ordinating risk management work across the organisation.

#### *4.12 Summary of Completed Reviews*

- 4.12.1 A summary of all audit reports issued in 2015/16 is attached at Appendix 1.

## 5. INTERNAL AUDIT PERFORMANCE AND QUALITY ASSURANCE

### 5.1 Delivery of the 2015/16 Internal Audit Plan

- 5.1.1 The Cambridgeshire County Council Internal Audit Plan was revised in September 2015, at which point it was agreed that 1550 days would be delivered on areas identified for audit activity.
- 5.1.2 The actual days spent on the Audit Plan in 2015/16 was 1599, meaning that Internal Audit exceeded this target and delivered 103% of the planned audit days.
- 5.1.3 The days spent in each area of the Audit Plan, analysed by the major categories of our work, is set out in Table 5, below:

**Table 5 – Internal Audit Resource Input**

Audit Area	Days
Cross-Cutting (CCC-Wide)	388
Children, Families & Adults	224
Economy, Transport & Environment	159
Public Health	53
Key Financial Systems	180
Grant Certification	42
Counter-Fraud	233
Risk Management	74
Follow-Up of Actions and Advice & Guidance	96
Governance and Other Chargeable Activity	151
<b>TOTAL AUDIT DAYS DELIVERED</b>	<b>1599</b>
Agreed days in the revised Audit Plan	1550
<b>Days delivered in excess of the Audit Plan</b>	<b>49</b>

### 5.2 Customer Feedback

- 5.2.1 When final reports are issued, Internal Audit issue Customer Feedback Questionnaires to all officers who receive the final report, and request feedback. Officers have the opportunity to score the Internal Audit team against a range of criteria on a scale of 1 – 4, with 1 being “Very Disappointed” and 4 being “Very Satisfied”. The team’s target is for each returned questionnaire to average a score of 3 or higher.
- 5.2.2 The results of the feedback received in 2015-16 is summarised in Table 6 below, with the figures for 2014-15 for comparison. The average score for all

feedback received in 2015-16 was 3.67, a positive result and an improvement on 2014-15.

**Table 6: Customer Feedback Received**

	2015-16		2014-15	
	No. responses	Avg. score	No. responses	Avg. score
<b>Non-Schools Audit</b>	13	3.6	13	3.43
<b>Schools Audit</b>	5	3.73	6	3.32
<b>Totals</b>	<b>18</b>	<b>3.67</b>	<b>19</b>	<b>3.38</b>

### 5.3 *Service Development*

- 5.3.1 Continuing Professional Development has been a major focus of the quality assurance programme in 2015/16. Given the restructure of LGSS Internal Audit in-year and the turnover of staff, it has been particularly important to ensure that staff have the skills to carry out their responsibilities with proficiency and deliver work of the required quality. Consequently, in 2015 / 16 all staff had continuing professional development as a core appraisal objective. A system of post-audit assessments against the CIPFA Excellent Internal Auditor standard has also been introduced, to identify areas for development on an ongoing basis, in tandem with regular supervision of all staff.
- 5.3.2 The SharePoint system has also been implemented in 2015/16. This document management system enables sharing of documents across LGSS Internal Audit, meaning that auditors based at Cambridgeshire can easily access resources held at other LGSS Internal Audit sites. By enabling instant document sharing and collaboration between different sites, Cambridgeshire's Audit team now has access to a much greater range of professional resources to support their work.

### 5.4 *Compliance with Public Sector Internal Audit Standards*

- 5.4.1 An annual self-assessment is conducted by LGSS Internal Audit of compliance with the Public Sector Internal Audit Standards (PSIAS). The results of this self-assessment are reported in full to Audit & Accounts Committee at their June meeting each year. The 2015 /16 self-assessment has confirmed that Cambridgeshire's LGSS Internal Audit service is compliant with the requirements of the Standards.



## CCC INTERNAL AUDIT

### Summary of Completed Reviews 2015/16:

The table below summarises the Internal Audit reviews that were completed during the 2015/16 financial year, excluding counter fraud investigations and schools audits, which are itemised separately in sections 4.6 and 4.10, above.

Please note that in September 2015, LGSS Internal Audit moved to giving two assurance opinions and an organisational impact opinion on audit reviews; reviews completed prior to this date will have a single assurance opinion.

Audit Title		Area	Compliance assurance	Systems assurance	Organisational impact
CFA	Direct Payments Compliance	CFA	Moderate	N/A	Minor
	Fairer Contributions (Care Income)	CFA	Moderate	Good	Minor
	Direct Payments	CFA	Limited	Moderate	Moderate
	Home to School Transport	CFA	Good	Limited	Major
	Domiciliary Care - Missed Calls	CFA	Moderate	Limited	Moderate
	Appointeeships*	CFA	Moderate	Moderate	Moderate
	LAC Placements Strategy	CFA	Internal Audit provided a report responding to consultation on the draft LAC Strategy.		
	Care Act	CFA	Embedded assurance		
	Troubled Families Grant	CFA	Grant certification provided		
	Think Autism Capital Grant	CFA	Grant certification provided		
	Community Capacity Grant	CFA	Grant certification provided		
	Social Care Recruitment & Retention	CFA	Report on the Social Care Recruitment & Retention programme for Audit & Accounts Committee in November 2015		
	Vulnerable Clients Monies Management	CFA	Limited assurance		
	Better Care Fund	CFA	Substantial assurance		
	Traded Services	CFA	Moderate assurance		
	Older People's Finance & Performance	CFA	Consultancy review		
	Care Home Project	CFA	Embedded assurance		
ETE	Total Transport Pilot (CFT)	ETE	Good	Good	Minor
	Section 106 & CIL	ETE	Moderate assurance		
	Highways Revaluation	ETE	Assurance provided over the revaluation		
	City Deal	ETE	Embedded assurance		
	Additional Highways Maintenance Funding	ETE	Grant certification provided		

	Local Transport Capital Block Funding	ETE	Grant certification provided		
	Bus Service Operators Grant	ETE	Grant certification provided		
	Local Sustainable Transport Fund	ETE	Grant certification provided		
	Better Bus Area Fund	ETE	Grant certification provided		
	Highways Transformation	ETE	Ongoing support and advice to the Highways Transformation programme		
	Waste PFI	ETE	Substantial assurance. Subsequent ongoing support and advice regarding the Waste PFI contract.		
	Street Lighting PFI	ETE	Ongoing support and advice regarding the Street Lighting PFI contract.		
	Usage of s106 monies	ETE	Report on the usage of Section 106 funding for Audit & Accounts Committee in March 2016		
PH	Public Health Grant	PH	Good assurance		
	Public Health - Health Checks	PH	Moderate assurance		
	Pilot Work with Peterborough City Council	PH	Good	Good	Minor
CCC - Council-Wide	Fees and Charges	CCC	Report issued with draft recommended Fees & Charges Policy and supporting documentation.		
	Duplicate Payments	CCC	Investigative report into systems for detecting duplicate payments. Actions agreed.		
	IT - Next Generation ERP	CCC	Embedded assurance review		
	Key Systems Access Controls	CCC	Investigation into an issue identified by audit; report issued and actions agreed.		
	Health & Safety	CCC	Substantial assurance		
	Framework and Corporate Contracts*	CCC	Moderate	N/A	Minor
	Business Planning - Benefits Realisation	CCC	Good	Good	Minor
	Cash & Cheque Payments (Payment Methods)	CCC	Limited	Limited	Moderate
	CCC Safe Recruitment*	CCC	Good	N/A	Minor
	PSN Compliance and IT General Controls	CCC	Substantial assurance		
	Procurement*	CCC	Substantial	Good	Minor
Key Financial Systems	Capital Programme*	CCC	Good	Moderate	Minor
	Budgetary Control	CCC	Substantial	Good	Minor
	Accounts Receivable	CCC	Substantial	Substantial	Minor
	Purchase to Pay	CCC	Substantial	Substantial	Minor
	Payroll	CCC	Substantial	Substantial	Minor
	Pensions*	CCC	Good	Good	Minor
	General Ledger	CCC	Substantial	Substantial	Minor
	IT General Controls*	CCC	Substantial	Substantial	Minor

### **Schools Audits 2015-16**

School	Audit	Opinion
Cherry Hinton School	Schools Financial	Moderate assurance on financial

	Value Standard	management/financial governance.
Farcet School	Schools Financial Value Standard	Moderate assurance on financial management/financial governance. Limited assurance on counter fraud.
Harbour School	Schools Financial Value Standard	Limited assurance on financial management/financial governance. Limited assurance on counter fraud.
Orchards School	Schools Financial Value Standard	Moderate assurance on financial management/financial governance. Limited assurance on counter fraud.
Yaxley Infants	Schools Financial Value Standard	Moderate assurance on financial management/financial governance. Limited assurance on counter fraud.
Foxton School	Schools Financial Value Standard	Limited assurance on financial management/financial governance. Moderate assurance on counter fraud.
Glebelands School	Schools Financial Value Standard	Moderate assurance on financial management/financial governance. Limited assurance on counter fraud.
Granta School	Schools Financial Value Standard	Limited assurance on financial management/financial governance. Limited assurance on counter fraud.
Guilden Morden School	Schools Financial Value Standard	No assurance on financial management/financial governance. No assurance on counter fraud.
Linton Infants	Schools Financial Value Standard	Limited assurance on financial management/financial governance. Limited assurance on counter fraud.
Morley Memorial	Schools Financial Value Standard	Limited assurance on financial management/financial governance. Limited assurance on counter fraud.
Somersham School	Schools Financial Value Standard	Limited assurance on financial management/financial governance. Limited assurance on counter fraud.
Stukeley Meadows	Schools Financial Value Standard	Limited assurance on financial management/financial governance. Limited assurance on counter fraud.
Consolidated Report	Purchasing & Payments	Moderate assurance.
Jeavons Wood School	Purchasing & Payments	Moderate assurance.
Manea School	Purchasing & Payments	Moderate assurance.
Priory Junior	Purchasing & Payments	Moderate assurance.
Spaldwick School	Purchasing & Payments	Limited assurance.
Coton School	Purchasing & Payments	Limited assurance.
Barton School	Purchasing & Payments	Moderate assurance.
Highfield School	Pupil Premium	Moderate assurance

\* These audits were still at draft stage at the time of writing this report but the emerging opinions are included.