



Northumberland
County Council

Internal Audit and Risk Management Service

2021/22 Opinion on the Adequacy and Effectiveness of the Framework of Governance, Risk Management and Control

May 2022

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Executive Summary

Internal Audit is required to be alert to changes in the risk environment and conditions in which any audited entity operates. A number of changes in the Authority's risk profile and operations occurred during 2020/21 and into 2021/22. This has required Internal Audit's planned coverage during 2021/22 to flex and change accordingly, to reflect the emerging risks faced by the Authority and the resulting impact on the framework of governance, risk management and control.

Internal Audit's work performed during 2021/22 found that the County Council's internal systems of control and risk management are satisfactory overall. This judgement is informed by the outcomes of Internal Audit work during 2021/22 and recognises the 'significant assurance' or 'full assurance' audit opinions issued in relation to the County Council's key financial systems during the year. No 'critical priority' recommendations were made by Internal Audit during the year, and no 'no assurance' audit opinions have been issued or are pending.

However, the Chief Internal Auditor would draw attention to specific aspects of governance within the County Council's framework of governance, risk management and control, where weaknesses exhibited during 2021/22 require strengthening. These matters should continue to be a specific focus of the County Council's attention in improving governance and control. The Chief Internal Auditor is also aware that the County Council has commissioned an independent external governance review, which has not yet been concluded.

As the risk environment within which local government and the County Council operates continues to change, we will incorporate emerging risk areas within our audit coverage. This will help to ensure that the annual opinion considers all material issues likely to affect the Chief Internal Auditor's judgement on governance, risk management and control.

1 Purpose of Report

- 1.1 This report has been written by the Chief Internal Auditor to provide an annual opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control, taking into account the expectations of the Council's Executive Team, Audit Committee and other key stakeholders.

2 Governance, Risk Management and Control

- 2.1 Management's responsibility for the effectiveness of the internal control system is clearly set out in the Council's Finance and Contract Rules which state:
- The Chief Finance Officer is responsible for advising on effective systems of internal financial control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use;
 - It is the responsibility of Directors to ensure that effective systems of internal control are in place, to ensure compliance with Financial Regulations and Financial Procedures and to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets.
- 2.2 When auditing, Internal Audit assist management by testing to see whether the controls established for any given system are appropriate. It is important to stress that Internal Audit, while part of the Council's overall assurance framework, is not a substitute for effective internal control within the Council's systems.
- 2.3 Effective controls will depend, amongst other factors, on:
- The nature, size and volume of transactions;
 - The degree of control which management is able to exercise personally;
 - The geographical distribution of the enterprise; and
 - The cost of operation of the controls against the benefits expected from them.
- 2.4 There are eight main types of internal control, namely:

Preventative Controls

- (i) Segregation of duties (no one person should be responsible for processing and recording a complete transaction).
- (ii) Authorisation and approval (all financial transactions should require authorisation by an appropriate responsible official; the limits of authorisation should be specified).
- (iii) Physical (custody of / access to tangible assets should be secure and limited to authorised personnel).

Detective Controls

- (iv) Arithmetic & Accounting (controls within the recording function to check that transactions have been authorised, are included, are correctly recorded and are accurately processed).

Directive Controls

- (v) Organisation (responsibilities should be defined and allocated; reporting lines should be identified; delegation of authority should be clearly specified).
- (vi) Supervision (all actions by all levels of staff should be supervised; the responsibility for this supervision should be clearly laid down and communicated to the person being supervised).
- (vii) Personnel (procedures should exist to ensure that staff are competent to carry out the jobs assigned to them, including proper recruitment and performance management procedures, career prospects, training and pay policies).
- (viii) Management (controls exercised by management outside the day to day routine of the system, including supervision).

3 Opinion on the Adequacy and Effectiveness of the Framework of Governance, Risk Management and Control

- 3.1 The Chief Internal Auditor is required under the Public Sector Internal Audit Standards (PSIAS), introduced in April 2013 and revised April 2017, to provide an annual opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.
- 3.2 The opinion of the Chief Internal Auditor includes a summary of the audits and assurance sources which support the opinion provided and covers each of the component elements of the framework of governance, risk management and control. This opinion on the framework of governance, risk management and control has been prepared in accordance with the Public Sector Internal Audit Standards and the accompanying Local Government Application Note issued by the Chartered Institute of Public Finance and Accountancy as the 'relevant Internal Audit standard setter'.
- 3.3 Governance
 - 3.3.1 As reported to Audit Committee in December 2020, a series of unprecedented emerging governance matters concerning the Authority occurred during 2020/21. These matters were wide ranging in nature and in volume and continue to be managed according to appropriate processes / procedures. Whilst certain governance concerns have been identified and action taken during 2020/21 and 2021/22 to strengthen arrangements, until the processes which are underway have been concluded and resolved, the impact of these matters on the framework of governance, risk management and control can not be fully evaluated or determined by Internal Audit.

- 3.3.2 The Chief Internal Auditor is aware that a number of governance matters have continued to be identified during 2021/22 which have not yet been fully resolved or concluded. Similarly, any impact of these matters has not yet been able to be fully evaluated or determined by Internal Audit.
- 3.3.3 In 2020/21, the opinion of the Chief Internal Auditor was that further work continued to be needed to embed governance arrangements within the Advance Northumberland Group of Companies. The opinion was informed by a number of 'Limited Assurance' audit opinions given to individual assignments during the year. In respect of 2021/22, the opinion of the Chief Internal Auditor is that work has continued to embed governance arrangements within the Advance Northumberland Group of Companies. This judgement is informed by the outcomes of Internal Audit work performed during 2021/22 which included Significant Assurance audit opinions in relation to Risk Management, Payroll, Debtors, Pre-Employment Checks and Regulatory Landlords Responsibilities.
- 3.3.4 Although a number of positive assurance opinions have been presented during 2021/22 the Chief Internal Auditor is aware that the governance arrangements for the Advance Group of Companies have been in the process of being modified during 2021/22, including the recent reintroduction of an Audit Committee within Advance Northumberland. Any fundamental changes to governance arrangements will have a resulting impact on the framework of governance, risk management and control and the opinion level for the entity overall cannot be considered fully satisfied until an adequate level of control is established that can be demonstrated.
- 3.3.5 In response to the Coronavirus pandemic, the County Council was required to respond and mobilise resources quickly in an unprecedented set of circumstances which saw risks crystallise for the whole of local government as a sector. The County Council's response, including governance arrangements implemented thereto, was effective in responding to and managing the risks brought about by the pandemic and the Chief Internal Auditor is aware that these governance arrangements extended into 2021/22.
- 3.3.6 At the time of writing this opinion, the Chief Internal Auditor is aware that the County Council has commissioned an independent external governance review and that this review is underway. The outcomes from the review have not yet been received and the Chief Internal Auditor is unable to draw conclusions on the findings of the review, or the impact on the wider framework of governance, risk management and control, until the report is presented by the external review team.

3.4 Risk Management

- 3.4.1 Attention is drawn to the 'significant assurance' opinion provided in respect of the Internal Audit review of Risk Management undertaken in 2020/21. Appropriate arrangements were found to be in place across the County Council and given the importance of effective risk management, a 'significant assurance' opinion in respect of this aspect of the Council's arrangements is to be welcomed. During 2021/22 risk management processes have continued to embed across the organisation with a number of requests for assistance received by the Risk Management team.

3.5 Control

- 3.5.1 Judgement is informed by the well-established framework of core financial systems which are in place within the County Council, with the opinions in respect of these audits undertaken during 2021/22 providing 'Significant Assurance' and 'Full Assurance' opinions. Other governance and IT system reviews have identified areas for improvement in the overall control environment with a number of 'Limited Assurance' audit opinions issued, however, no 'No Assurance' audit opinions have been issued during 2021/22. A summary of each of the reviews, including assurance opinions and recommendations, has been reported to the Audit Committee throughout the year in regular Key Outcomes reports. A full list of audits performed and opinions issued is included at **Annex A**.
- 3.6 This opinion is informed by the areas reviewed by Internal Audit, and the progress made by the organisation to action Internal Audit recommendations. Assurance can never be absolute, and neither can Internal Audit work be designed to identify all weaknesses that might exist. The Chief Internal Auditor has not needed to place reliance on the work of other bodies in forming this view, and there are no limitations in the scope of the opinion.
- 3.7 In accordance with its role, Internal Audit has agreed recommendations with management aimed at further strengthening the control environment in operation within the organisation. It is management's responsibility to implement agreed recommendations. Following the end of the Shared Internal Audit and Risk Management Service with North Tyneside Council at the end of 2021/22 Internal Audit is undertaking an internal review of operational procedures, including the approach to evidence checking the extent to which agreed recommendations have been implemented. In doing so, Internal Audit must balance the value to be gained from revisiting previous recommendations, management's own responsibility for their implementation and the respective value to be gained by reviewing new areas of emerging risk. Internal Audit are working with colleagues in Information Services to explore development of an audit management solution, incorporating the management, follow-up and reporting of recommendations.
- 3.8 It is recommended that the Chief Internal Auditor's overall opinion on the framework of governance, risk management and control is considered as a source of assurance for the preparation of the Annual Governance Statement for 2021/22, and its subsequent approval by the Audit Committee.

4 **Audit Resourcing During 2021/22**

- 4.1 The Regulations governing the operation of Internal Audit are the Public Sector Internal Audit Standards (PSIAS) 2017. In terms of resourcing, the PSIAS state that Internal Audit must be "appropriately positioned and adequately resourced". The PSIAS goes on to state that the Chief Internal Auditor must ensure that internal audit resources are appropriate, sufficient and effectively deployed to achieve the approved plan. Where the Chief Internal Auditor believes that the level of agreed resources will impact adversely on the provision of the annual internal audit opinion, the consequences must be brought to the attention of the board (in Northumberland, the Audit Committee).

- 4.2 Resourcing is closely monitored. During 2021/22, a post within the team became vacant and the vacant post held, pending the identification of resource requirements following the decision to end the shared service arrangement at the end of the 2021/22 financial year, and fully return the service to within the Council. The impact upon completion of planned activity during 2021/22 has not resulted in the ability to provide an internal audit opinion. A revised team structure has been developed and recruitment to all posts is now almost complete.

5 Internal Audit Work Performed During 2021/22

- 5.1 Internal Audit has provided an audit, advice and programme assurance service to the Council in 2021/22. The work of Internal Audit is governed by the PSIAS and the accompanying Local Government Application Note issued by the Chartered Institute of Public Finance & Accountancy as the 'relevant Internal Audit standard setter'.
- 5.2 The audit reports issued during 2021/22, and those related to this period which are currently being finalised with our audit clients, are set out **Annex A**.
- 5.3 During 2021/22 Internal Audit undertook a high volume of work in response to emerging assurance issues, and accordingly it was necessary to switch resource from some scheduled audit and assurance activity. As a result, and in accordance with professional auditing guidelines, the Chief Internal Auditor re-assessed and reviewed the overall Plan to ensure audit resources were directed to areas of maximum benefit.
- 5.4 A framework of opinion classifications is used in Internal Audit reporting. The framework applies an overall assurance judgement to each system audited, as defined below:

Assurance Level	Description
Full Assurance	The system of internal control is designed to meet the organisation's objectives and controls are consistently applied in all the areas reviewed.
Significant Assurance	There is a generally sound system of control designed to meet the organisation's objectives. However, some weakness in the design of, or occasional non-compliance with, key controls put the achievement of the organisation's objectives at risk in some of the areas reviewed.
Limited Assurance	Weaknesses in the design of, or regular non-compliance with, key controls put the achievement of the organisation's objectives at risk in some or all of the areas reviewed.
No Assurance	Significant weaknesses in the design of, or consistent non-compliance with, key controls could result (have resulted) in failure to achieve the organisation's objectives in the areas reviewed.

5.5 The opinions given to audits issued during 2021/22 are also shown in **Annex A**.

5.6 In addition to the overall opinion given on every audit assignment, individual recommendations within each report are classified as critical, high, medium or low priority. This prioritisation is designed to assist management in assessing the importance of each recommendation. The definitions of these priority classifications are set out below:

Priority	Classification	Description
1*	Critical / Catastrophic	Action that is considered critical to ensure the organisation is not exposed to unacceptable risks.
1	High / Fundamental	Action that is considered urgent to ensure that the service area / establishment is not exposed to high risks.
2	Medium / Significant	Action that is considered necessary to avoid exposure to considerable risks.
3	Low / Less Significant	Action that is considered desirable or best practice and would result in enhanced control or better value for money.

5.7 The number of Internal Audit recommendations agreed with management during the 2021/22 audit year, classified against each priority, is provided in the table below (data from previous years is also shown for comparative purposes).

Priority Level	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Critical Priority	Nil	Nil	Nil	Nil	Nil	Nil
High Priority	11 (4%)	3 (3%)	Nil	7 (4%)	3 (3%)	2 (2%)
Medium Priority	119 (49%)	47 (53%)	54 (39%)	53 (29%)	32 (30%)	57 (52%)
Low Priority	115 (47%)	39 (44%)	86 (61%)	123 (67%)	72 (67%)	51 (46%)
TOTAL	245 (100%)	89 (100%)	140 (100%)	183 (100%)	107 (100%)	110 (100%)

5.8 Prioritisation of Internal Audit recommendations is controlled through Internal Audit's quality control and file review processes. This is in accordance with the requirements of Public Sector Internal Audit Standards, which requires that a Quality Assurance and Improvement Programme is in place for Internal Audit's work.

Audit Highlights 2021/22

- 5.9 This section of the report is designed to draw attention to significant audits and findings from Internal Audit work carried out in the 2021/22 year. It should be read in context of the overall audit opinion described above.
- 5.10 Overall, the Council can be assured by the overall level of control within its key financial systems, with two systems receiving Full Assurance opinions; the Council Tax and Housing Benefits & Council Tax Support systems. Other key systems, including Business Rates, Creditor Payments, and Debt and Income Management received Significant Assurance opinions.
- 5.11 A number of Limited Assurance opinions were issued in relation to governance reviews undertaken during the year. These included; a review of the Authority's arrangements for Delivery of Major Capital Projects which found there was no corporate project management framework to ensure a corporate and consistent approach; a review of Contract Management Arrangements which identified weaknesses in identifying contracts and contract managers, and a low level of completion of the available training. In addition, a follow-up review of the Authority's Information Governance arrangements retained the Limited Assurance opinion provided in our previous audit of this area. The review found that whilst there had been improvements to assist with GDPR compliance, the majority of the recommendations from the original review had not been fully implemented. The Authority has identified resourcing as impacting on progress in this area and has taken steps to address this with new appointments made to the Information Governance Team.
- 5.12 Regarding Information Technology arrangements, there are aspects of the systems in place which require improvement. Audits of Hardware and Software, Network Management follow-up, and BACS System follow-up all received Limited Assurance opinions.
- 5.13 In respect of the governance and IT audits referenced above, management have confirmed that action is being taken to address the issues identified and implement the agreed recommendations. In each case we will continue to work closely with the services and follow-up audits have been included in the 2022/23 Strategic Audit Plan.
- 5.14 A review was undertaken at a selection of schools to provide assurance to the County Council and Headteachers that controls in place in relation to the administration of Schools' Local Account are robust, and Financial Procedures are complied with. A number of recommendations were made to the schools covered by the review to strengthen existing arrangements and a summary of findings will be presented to the Authority and shared with all schools.
- 5.15 Internal Audit's work involving the Advance Northumberland Group of Companies (which replaced the Arch Group of Companies, that was wound down during 2018/19) is referenced above at paragraphs 3.3.3 and 3.3.4. This work is material to the County Council's framework of governance, risk management and control and hence is referenced in this report.

- 5.16 In addition to performing internal audits of existing systems within the Council and responding to queries on the operation of such systems, during 2021/22 Internal Audit continued to have an increasing role in advising on new systems and processes within the Council. A full list of the programme assurance work and project groups supported by Internal Audit is shown at **Annex A**. Whilst the time spent on such assurance work reduces the number of available audit days, it is considered an efficient use of Internal Audit's resource, in that assurance is obtained that effective controls are incorporated into new systems and processes from the outset. In turn, this minimises the risk of weaknesses in systems and strengthens the control environment. It is expected that this type of audit work will continue in future years.
- 5.17 During 2021/22 a significant amount of Internal Audit resource has continued to be directed towards assurance work in respect of Covid-19 business grants. This has included supporting the Authority in complying with assurance and certification requirements from the Department for Business, Energy & Industrial Strategy (BEIS) and supporting the development of controls and assurance arrangements in relation to the most recent Covid-19 business grant funding provided between January and March 2022.
- 5.18 There are a number of funding organisations that require an Internal Audit review prior to final grant claim submission and this has continued to be a significant area of our work, particularly due to the number of Covid-19 related grant funding streams requiring certification. This area of our activity is also shown at **Annex A** and involved the certification of £35.11m grant funding in 2021/22.

6 Schools' Financial Value Standard

- 6.1 Time was included in the audit plan for 2021/22 to support and co-ordinate the work required by the Schools Financial Value Standard (SFVS) on behalf of the Authority.
- 6.2 The SFVS has been designed in conjunction with schools to assist them in managing their finances and to give assurance that they have secure financial management in place. Governing bodies have formal responsibility for the financial management of their schools, and so the standard is primarily aimed at governors; however, the Authority's Chief Finance Officer is responsible for ensuring that submissions made by schools are in line with the judgements on these schools which have already been reached by Internal Audit.
- 6.3 On behalf of the Interim Executive Director of Finance (Section 151 Officer), Internal Audit co-ordinated, received and reviewed Schools' Financial Value Standard submissions, for the County Council's grant-maintained schools. All schools were required to submit their self-assessments by the deadline of 31 March 2022 and all submissions were received by the deadline. The Annual Certification to the DfE by the Section 151 Officer is currently being completed and will be submitted by the deadline of 31 May 2022.

7 Special Investigations, Counter Fraud and the National Fraud Initiative (NFI)

- 7.1 In common with previous years, Internal Audit has performed a number of investigations and management requests during 2021/22. These relate to issues which could not be foreseen in advance, and where irregularity may have been indicated. As such, it is important that the organisation can call upon Internal Audit resource to respond quickly to assess the control and governance issues indicated and to secure evidence if required. Internal Audit's work in this area has included:
- interrogation of ICT systems and records;
 - data breaches; and
 - bank account mandate fraud.
- 7.2 Where irregularities were confirmed, swift action was taken by management (supported by Internal Audit) to cease the potential for ongoing impropriety. Causes were then investigated and this, as is typically the case in this area of work, tended to highlight the need for enhanced directive control (see paragraph 2.3), in particular management and supervisory controls.
- 7.3 Northumberland County Council is part of the Cabinet Office's National Fraud Initiative and is thus legally obliged to provide relevant information under the requirements of the Audit Commission Act 1998. Before this information can be provided, the Authority is required to ensure that appropriate steps have been taken to notify data subjects held in the organisation's relevant information systems that data may be used for the prevention and detection of fraud.
- 7.4 As in previous years, Internal Audit have acted as the lead within the Authority for the NFI data-matching exercise, extracting data from the relevant Authority systems, and submitting these to the Cabinet Office in preparation for the 2021/22 exercise. Details of data matches have now been released and officers within relevant departments are investigating and updating the NFI system with outcomes. A further data set in relation to Covid 19 business grants, this time covering grants paid out by the Authority between November 2020 and February 2022, was also submitted and the results are pending.

8 Ad-hoc Queries / Requests for Advice

- 8.1 Internal Audit receives requests for ad-hoc advice and support throughout the year, in respect of which we may be required to extract prime data or produce analysis but where it is not usually appropriate to issue a formal report.

9 Public Sector Internal Audit Standards: Summary of Conformance

- 9.1 All public sector internal audit providers in the UK are required to comply fully with the Public Sector Internal Audit Standards (PSIAS). The PSIAS require the Chief Internal Auditor to develop and maintain a Quality Assurance and Improvement

Programme (QAIP) to enable the Internal Audit service to be assessed against the PSIAS, and a related Local Government Application Note (LGAN), for conformance.

9.2 The QAIP must include both internal and external assessments. Internal assessments are both ongoing and periodical and external assessment must be undertaken at least once every five years. In addition to evaluating compliance with the PSIAS, the QAIP also assesses the efficiency and effectiveness of the internal audit activity, identifying areas for improvement.

9.3 During 2021/22 Internal Audit services were delivered to the Authority by the Shared Internal Audit Service and Risk Management Service (which provides services to North Tyneside Council and Northumberland County Council). The Shared Internal Audit Service was externally assessed for compliance with the PSIAS during 2017 / 2018 and the assessment concluded that:

“The Shared Internal Audit Service is compliant with the requirements of the Public Sector Internal Audit Standards. There are a small number of areas which require action but these do not significantly impact on the overall opinion. There were no areas of concern to be reported.”

9.4 In accordance with PSIAS, annual self-assessments have been completed since the external inspection which are congruent with the opinion of the external assessment. The small number of areas in which further development had been identified, (e.g. the involvement of the Chair of Audit Committee in the Chief Internal Auditor’s performance appraisal) have been implemented.

10 Clients’ Views and Quality Assessment and Improvement Programme

10.1 For several years, Internal Audit has sought client feedback in respect of all audit reports issued, at the conclusion of each audit assignment. The feedback received from respondents for 2021/22 remains very positive. Clients score the service from 1 to 4 against a number of criteria, with 1 being very satisfied and 4 being very dissatisfied. From all the returned feedback forms, clients’ overall opinion was that audits are constructive and provide value to management. The overall average score in 2021/22 was 1.43 (1.0 is the highest that can be achieved). The full results for 2021/22 are shown at **Annex B**.

10.2 Internal Audit seeks to continually improve and will be reviewing and implementing new processes through its Quality Assessment and Improvement Programme. The theme of comments added to the feedback is that audits are conducted in a professional manner and findings and recommendations will lead to system improvements.

11 Annual Governance Statement 2021/22

11.1 The Annual Report from the Chief Internal Auditor is one source of intelligence for the organisation when preparing the Annual Governance Statement. Internal Audit has continued to target its assurance activity at areas of risk in its 2021/22 coverage

in line with the agreed audit plan. Regular reports have been presented to Audit Committee during the year to allow the Audit Committee to develop awareness of the application of the Council's governance structure.

- 11.2 It is suggested that the following issues are considered for inclusion in the Annual Governance Statement:

Overall Opinion on the organisation's internal systems of governance, risk management and control:

Internal Audit's work performed during 2021/22 found that the County Council's internal systems of control and risk management are satisfactory overall. This judgement is informed by the outcomes of Internal Audit work during 2021/22 and recognises the 'significant assurance' or 'full assurance' audit opinions issued in relation to the County Council's key financial systems during the year. No 'critical priority' recommendations were made by Internal Audit during the year, and no 'no assurance' audit opinions have been issued or are pending.

However, the Chief Internal Auditor would draw attention to specific aspects of governance within the County Council's framework of governance, risk management and control, where weaknesses exhibited during 2021/22 require strengthening. These matters should continue to be a specific focus of the County Council's attention in improving governance and control. The Chief Internal Auditor is also aware that the County Council has commissioned an independent external governance review, which has not yet been concluded.

Annex A: Formal Audit Reports issued

Audit	Opinion
Accounts Payable	Significant
Accounts Receivable	Significant
BACS System Review	Limited
Business Rates	Significant
Contract Management Arrangements	Limited
Council Tax	Full
Delivery of Major Capital Projects	Limited
Hardware and Software Management	Limited
Housing Benefit & Council Tax Support	Full
Information Governance & GDPR Follow up	Limited
Network Management Follow Up	Limited
Northumberland Fire & Rescue Service – Systems and procedures to manage and report on priority areas for improvement	Briefing Note issued
Schools Thematic Review – Local Account – High School	Significant
Schools Thematic Review – Local Account – Middle School	Significant
Schools Thematic Review – Local Account – Primary School	Limited
Schools Thematic Review – Local Account – Special School	Limited

Reports Pending from 2021/22 (within Internal Audit quality review process/draft report issued)

Audit
Arrangements for Managing Delivery of the Council's Climate Change Action Plan
Cash and Bank
ICT Change and Incident Management
Compliance with the Authority's Wellbeing Policy
Office 365 / Sharepoint
Oracle Fusion
Payroll
Review of Planning Procedures
Schools Thematic Review – Local Account – High School
Schools Thematic Review – Local Account – Directorate Report
Streetlighting

Grant Claim work / certification

- Bus Service Operators Grant - £0.5m
- Covid19 Sales Fees and Charges (procedural review)
- Covid19 Additional Home to School Transport April 2021 claim - £0.13m
- Covid19 Additional Home to School Transport August 2021 - £0.43m
- Covid19 Additional Home to School Transport October 2021 - £0.59m
- Covid19 Travel Demand Management - £0.15m
- Covid19 Bus Services Support Grant - £0.39m
- Local Transport Plan & associated grants – £32.17m
- North of Tyne Combined Authority Funding - Tour of Britain Grant - £0.35m
- Supporting Families – £0.36m
- The Sele First School - £0.04m

Programme Assurance / Projects Groups

- Adult Social Care Partnership Arrangements
- Application of CIPFA Financial Management Code & Standard
- Covid-19 Business Grant Funding, including pre and post payment assurance and returns to BEIS
- Energy Bills Council Tax Rebates
- Northumberland Communities Together - Grant Allocation Processes

Ad-hoc Queries / Requests for Advice

Internal Audit receives requests for ad-hoc advice and support throughout the year, in respect of which we may be required to extract prime data or produce analysis but where it is not always appropriate to issue a formal report. During 2021/22 work in this area has included:

- HR and Payroll key information form developments
- Financial analysis for a service area
- Information governance
- Online collection of Benefits data
- Support to the ongoing review of the Council's Constitution and Finance and Contract Rules

Annex B: Overall Results from Client Feedback Forms 2021/22

Satisfaction score between 1 and 4 with 1 being very satisfied and 4 being very dissatisfied:

AUDIT PLANNING & CONSULTATION	Average Score
• With the period of notice for commencement of the audit	1.71
• With the explanation provided of the audit process	1.29
• With the areas of coverage from the audit	1.43
• That your requirements were reflected by the audit	1.36
AUDIT APPROACH	
• Attitude and professionalism of the auditor	1.14
• Auditor's knowledge and understanding of auditee's operational requirements	1.64
• Communication skills of the auditor	1.29
• Being kept informed of audit progress, including consultation on findings and likely recommendations	1.57
REPORTING ARRANGEMENTS	
• With the arrangements for consultation on the draft report	1.43
• With the accuracy and materiality of the report findings	1.57
• With the usefulness and practicality of the conclusion and recommendations in the report	1.50
• With the clarity of the report	1.50
• With the format and presentation of the report	1.43
• The time taken to receive the report following the audit visit	1.64
OVERALL OPINION	
• That the audit was constructive and useful	1.43