

In partnership with



Appendix A

Herefordshire Council

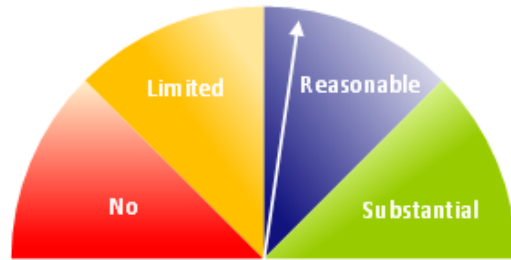
Internal Audit Annual Opinion Report 2021/22

Internal Audit ■ Risk ■ Special Investigations ■ Consultancy

Unrestricted






Internal Audit Annual Opinion – 2021/22: ‘At a Glance’

Annual Opinion



There is generally a sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives.

The Headlines

| | |
|---|--|
|  | <p>Reasonable internal audit opinion provided, however recognition that breadth of assurance audit work somewhat reduced and restricted in 2021/22 due to additional COVID grant work and there are key areas highlighted where control weaknesses exist: including those highlighted in the Hereford City Centre Transport Package (HCCTP) Special Investigation and the thematic findings relating to data quality/data management.</p> <p>Other key areas of concern have been highlighted however recognition is given where improvements to control frameworks have already commenced including those relating to corporate project management. In addition to this we have highlighted where future work is needed to provide assurance control frameworks are in place.</p> |
|  | No Significant Risks identified in year. However, the HCCTP Special Investigation resulted in the agreement of 11 actions, 8 of which were priority 2 and 1 priority 1. Significant control weaknesses were identified and link to current risks on the corporate risk register. |
|  | 57 reviews delivered as part of the 2021/22 Internal Audit Plan. Includes assurance, advisory and follow up reviews. |
|  | <p>Thematic control weaknesses identified across the Council include:</p> <ul style="list-style-type: none"> • Procedure/Policy Documents • Data Quality/Data Management |
|  | Completion of a baseline assessment for the maturity of fraud, fraud risk assessment and risk maturity assessment allow the Council to identify their current position, and structure plans to improve control frameworks and increase both fraud and risk maturity. |

Internal Audit Assurance Opinions 2021/22

| | |
|--|-----------|
| Substantial | 3 |
| Reasonable (inc. Grant Certifications) | 35 |
| Limited | 7 |
| No Assurance | 0 |
| Other (inc. advisory, special investigations & follow ups) | 12 |
| Internal Audit Agreed Actions 2021/22 | |
| Priority 1 | 1 |
| Priority 2 | 26 |
| Priority 3 | 48 |
| Total | 75 |



Executive Summary

Internal Audit provides an independent and objective opinion on the effectiveness of the Authority's risk management, control and governance processes.



Purpose

The Head of Internal Audit (SWAP Assistant Director) should provide a written annual report to those charged with governance to support the Authority's Annual Governance Statement (AGS). This report should include the following:

- An opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and internal control environment, including an evaluation of the following:
 - the design, implementation and effectiveness of the organisation's ethics-related objectives, programmes, and activities,
 - whether the information technology governance of the organisation supports the organisation's strategies and objectives,
 - the effectiveness of risk management processes, and
 - the potential for the occurrence of fraud and how the organisation manages fraud risk.
- Disclose any qualifications to that opinion, together with the reasons for the qualification.
- Present a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies.
- Draw attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement.
- Compare the work undertaken with the work that was planned and summarise the performance of the internal audit function against its performance measures and criteria.
- Comment on compliance with these standards and communicate the results of the internal audit quality assurance programme.

The purpose of this report is to satisfy this requirement and Members are asked to note its content and the Annual Internal Audit Opinion given.

Executive Summary

Three Lines Model

To ensure the effectiveness of an organisation's risk management framework, the Audit and Governance Committee and senior management need to be able to rely on adequate line functions – including monitoring and assurance functions – within the organisation.

The 'Three Lines' model is a way of explaining the relationship between these functions and as a guide to how responsibilities should be divided:

- the first line – functions that own and manage risk.
- the second line – functions that oversee or specialise in risk management, compliance.
- the third line – functions that provide independent assurance.

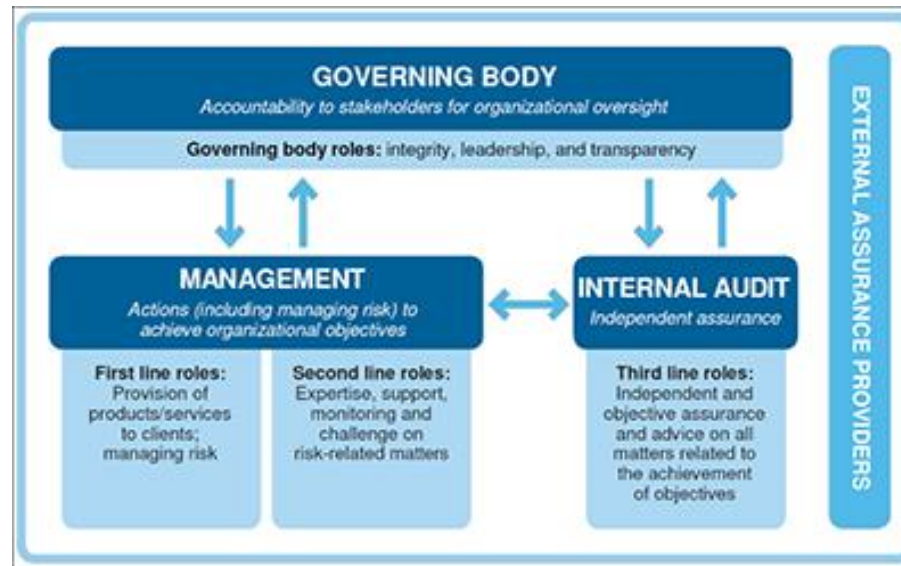


Background

The Internal Audit service for Herefordshire Council is provided by SWAP Internal Audit Services. The team's work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note. The work of the team is guided by the Internal Audit Charter which is reviewed annually.

Internal Audit provides an independent and objective opinion on the Authority's control environment by evaluating its effectiveness. This report summarises the activity of the Internal Audit team for the 2021/22 year.

The position of Internal Audit within an organisation's governance framework is best summarised in the Three Lines model shown below.



Internal Audit Annual Opinion 2021/22

The Head of Internal Audit (SWAP Assistant Director) is required to provide an opinion to support the Annual Governance Statement.



Annual Opinion

On the balance of our 2021/22 audit work for Herefordshire Council, enhanced by the work of external agencies, I am able to offer a **Reasonable Assurance** opinion in respect of the areas reviewed during the year.

The Annual Opinion is made based on the following sources of information:

- Completed audits (during the year 2021/22) which evaluate risk exposures (including new and emerging risks) relating to the organisation's governance, operations and information systems, reliability and integrity of information, efficiency and effectiveness of operations and programmes, safeguarding of assets and compliance with laws and regulations.
- Observations from consultancy/advisory support.
- Follow up of previous audit activity, including agreed actions.
- Significant/material risk where management has not accepted the need for mitigating action.
- Notable changes to the organisation's strategy, objectives, processes or IT infrastructure.
- Assurances from other providers, including third parties, regulator reports etc.

The following are considered key pieces of audit work that support the annual opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and control:

- Key Financial Controls
- Grant Certification Assurance Work
- Disaster Recovery
- Risk Maturity
- Baseline Assessment for the Maturity of Fraud and a Fraud Risk Assessment
- Hereford City Centre Transport Package Special Investigation

The Head of Internal Audit (SWAP Assistant Director) is required to provide an opinion to support the Annual Governance Statement.



Annual Opinion

Most areas reviewed were found to be adequately controlled and whilst I have some concerns regarding certain aspects of the control environment, there were **no areas of significant corporate risk** reported to the committee during the year in question. Key areas of concern include:

Project Management

In late 2019, because of control weaknesses identified in the existing oversight of the capital programme/capital project, a consultant was assigned a brief for the review and development of the capital programme. The consultant recommended a revised new capital programme process to be introduced. The Head of Programme Management Officer and Programme Manager evaluated the proposal to determine its fit with Herefordshire Council requirements and consequently made revisions where appropriate. The Chief Finance Officer and Acting Chief Executive approved the new capital programme/capital projects process on 25 January 2021.

Control weaknesses were demonstrated in the Hereford City Centre Transport Package (HCCTP) Special Investigation and there are currently risks on the corporate risk register relating to this project. Although it is recognised the Council now have a corporate Project Management Office in place and assurance was provided in the 2020/21 Capital Programme Audit that these processes would address previously identified control weaknesses, further work is scheduled for the 2022/23 plan to ensure corporate project management processes are embedded and that previous audit actions agreed have been implemented (these will include those from the following reviews: Blueschool House Refurbishment Special Investigation, South Wye Transport Package Phase 1 and 2 and the two pieces of work completed in relating to the HCCTP..

Data quality/Data Management

Data quality and data management has been identified as a thematic control weakness in the period the report relates to with thematic findings being made across several audits. However, we have been made aware the Council have recognised a need to improve their data maturity and the Corporate Performance Team have put together a proposal to achieve this. In addition to this we recognise the Councils aims regarding digital transformation and recognise this will impact on the Councils data maturity.

The Head of Internal Audit (SWAP Assistant Director) is required to provide an opinion to support the Annual Governance Statement.



Annual Opinion

SWAP Internal Audit will continue to include the use of the council's data in future audits where appropriate which may see the continued identification of control weaknesses in relation to data and there is work agreed on the 2022/23 plan relating to data maturity/data management.

Business Continuity

In the period 2021/22 the Council have seen a significant change in the structure and staffing in the organisation particular in senior management. In addition to this the Disaster Recovery audit has identified control weaknesses which require immediate attention. There is concern that the Councils Business Continuity arrangements require improvement. SWAP Internal Audit Services will follow up the Disaster Recovery agreed actions as part of next year's audit plan.

Education Health and Care (EHC) Plans

The EHC Plans - Preparation for Adulthood audit received a limited assurance and the previous piece of work done in this area relating to the annual reviews also received limited assurance. Further work is planned in the pipeline to follow up work done previously however we would recommend a review of the control framework to provide assurance the Council is performing in line with its statutory responsibilities in this area.

Contract Management (Public Realm Contract)

In previous years we have referred to and highlighted the control weaknesses relating to procurement and the use of the Public Realm Contract. A limited assurance opinion was given in relation to the Contract Management BBLP Audit this year however we recognise that the Council has already taken significant steps to address this. From September 2021 an interim Highways and Public Realm Contract Manager was put in post to review the Contract Management functions, to ensure VfM and establish best practice for the monitoring and reporting of the Public Realm contract. In addition to this there is further internal audit work planned for next year to provide assurance in relation to the Public Realm Contract.

The Head of Internal Audit (SWAP Assistant Director) is required to provide an opinion to support the Annual Governance Statement.



Annual Opinion

Baseline Assessment for the Maturity of Fraud

The baseline assessment provided a RAG rating of key fraud requirements. This review highlighted one 'Red' area relating to the Council not having identified the key fraud risks to the organisation. As part of the Fraud Risk Assessment completed by SWAP Internal Audit Services and the Counter Fraud Manager this has now been completed and work continues to enhance the process. A follow up of the Baseline Assessment is scheduled for 2022/23 and the fraud risk assessment has been used to inform future work.

Grant Work

Throughout a further challenging year in relation to COVID, we have tried to ensure a balance between providing direct assistance to the Council in these areas and maintaining a continuum of audit work. Whilst the disruption to our audit work has been much more limited than during the first year of COVID, the breadth and range of our audit work this year has been impacted to some degree with a large proportion of COVID grant work being completed. It is important to recognise that these grants from central government have a requirement for Chief of Internal Audit sign off.

The professional requirements of PSIAS have remained unchanged and in line with these, new audit priorities to cover the risks from the impact of the COVID-19 pandemic have been agreed throughout the year and that work supports the annual opinion.

As a result of the additional work arising from the COVID-19 pandemic, we have seen other audit work being deferred and this has been reported to the committee throughout the year. Any work deferred will be included in the 2022/23 planning process to identify if the risk is still present and the audit is still required.

Follow Up of Agreed Actions

The Councils Corporate Performance team report regularly to the Audit and Governance committee with an update regarding the agreed actions from the audit work completed. In addition to this SWAP Internal Audit Services carry out follow up work on audits which have received limited assurance and will consider previously agreed actions as part of all audit work completed.

The Head of Internal Audit (SWAP Assistant Director) is required to provide an opinion to support the Annual Governance Statement.



Annual Opinion

Generally, the follow up work confirms the responsive nature of management at Herefordshire Council in implementing agreed actions to mitigate exposure to areas of significant risk. However, we have identified that there are actions outstanding in the following areas of significance i.e., where SWAP have referred to specific control weaknesses on pages 4 and 5 of the report:

- Education Health and Care Plans - Annual Review

In addition to this there are a number of actions identified as overdue and in progress relating to one of the thematic areas SWAP has reported on: update/management of procedure/policy documents, these include:

- Commercial Properties Rents (2020/21)
- Income Charging (2019/20).

This information is as per the internal audit progress recommendation report taken to the Audit and Governance Committee in June 2022.

There should continue to be careful consideration when defining actions and targets dates for future work to ensure significant control weaknesses are addressed promptly.

Over the year, the Internal Audit Team have found Senior Management of Herefordshire Council to be supportive of Internal Audit findings and responsive to the actions that are agreed. In addition, there is a good relationship with Management whereby they feel they can approach the Internal Audit Team openly in areas where they perceive potential problems, this is reflected by the additional work completed at the request of Senior Management.

Summary of Audit Work 2020/21

Definitions of Corporate Risk

High Risk

Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.

Medium Risk

Issues which should be addressed by management in their areas of responsibility.

Low Risk

Issues of a minor nature or best practice where some improvement can be made.



Significant Corporate Risks

For those audits which have reached report stage through the year, no risks were assessed as 'High' at corporate level.

Although no areas of significant corporate risk have been identified there have been thematic key control weaknesses identified including policy and document management and data quality/data management. We have also identified some thematic findings relating to grant administration, however as we have provided continuous assurance in these areas, we have assurances that these issues have been resolved before the grants have been signed off.

Whilst no significant corporate risks have been identified we have outlined areas of concern on pages 4 and 5 of the report.

SWAP Internal Audit Services have also noted the significant findings from the external auditor's report and will be working with Herefordshire Council to ensure sufficient coverage in these areas in the subsequent financial year where appropriate.

Summary of Audit Work 2020/21

At the conclusion of audit assignment work each review is awarded a “Control Assurance Definition”

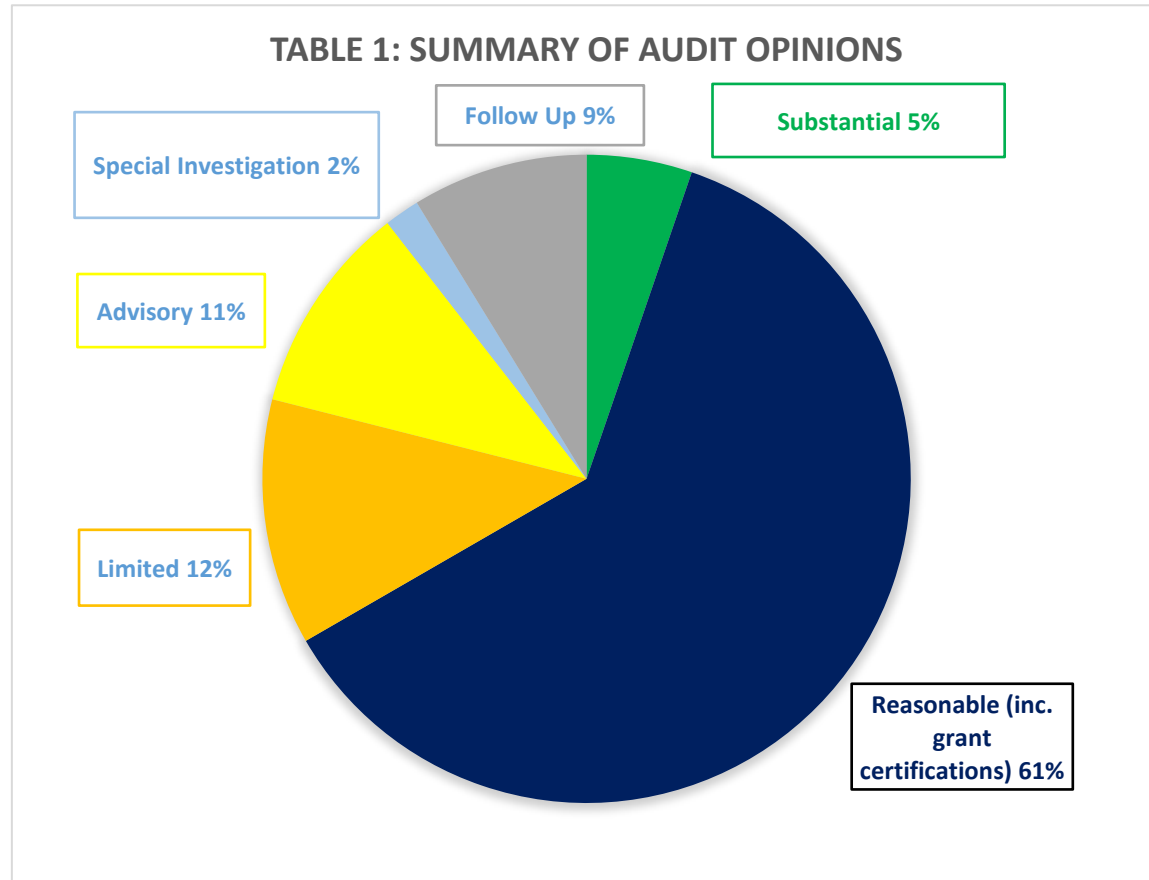
Assurance Definitions

| | |
|---------------------|--|
| No Assurance | Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited. |
| Limited | Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited. |
| Reasonable | There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited. |
| Substantial | A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited. |



Summary of Audit Opinion

Table 1 below indicates the spread of assurance opinions across our work during the past year.



At the conclusion of audit assignment work each review is awarded a “Control Assurance Definition”

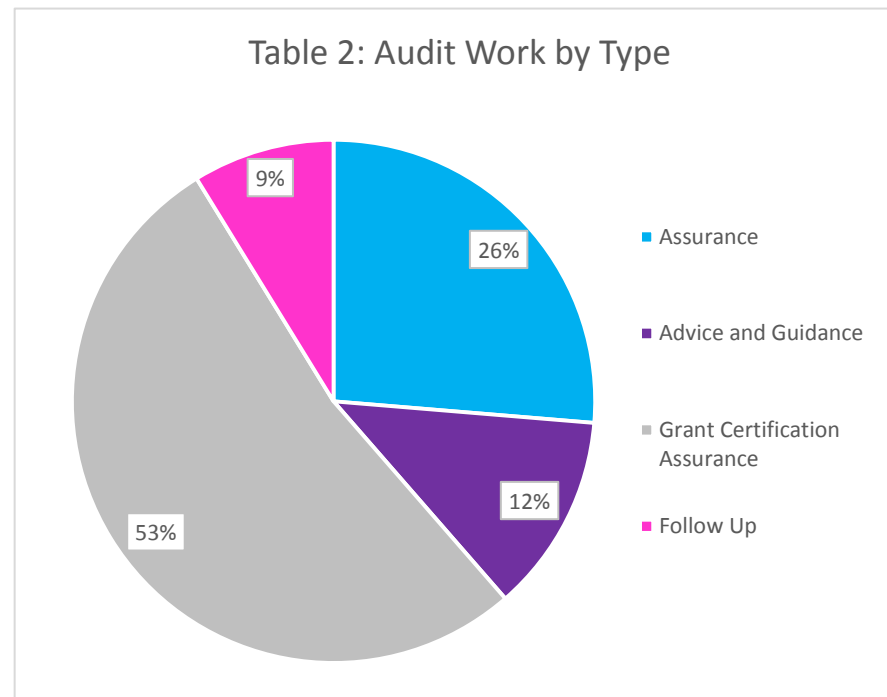
Assurance Definitions

| | |
|---------------------|--|
| No Assurance | Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited. |
| Limited | Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited. |
| Reasonable | There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited. |
| Substantial | A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited. |



Summary of Audit Opinion

Table 2 indicates the audit work by type. Whilst assurance work is the main focus of internal audit, internal audit has the knowledge and skills to be able to provide advisory work that supports the organisation. In addition, there has been a significant increase in the requirement for grant certification assurance work, mainly due to the substantial number of COVID related government grants available to the council and the requirement for the Head of Internal Audit to provide certification of these grant awards.



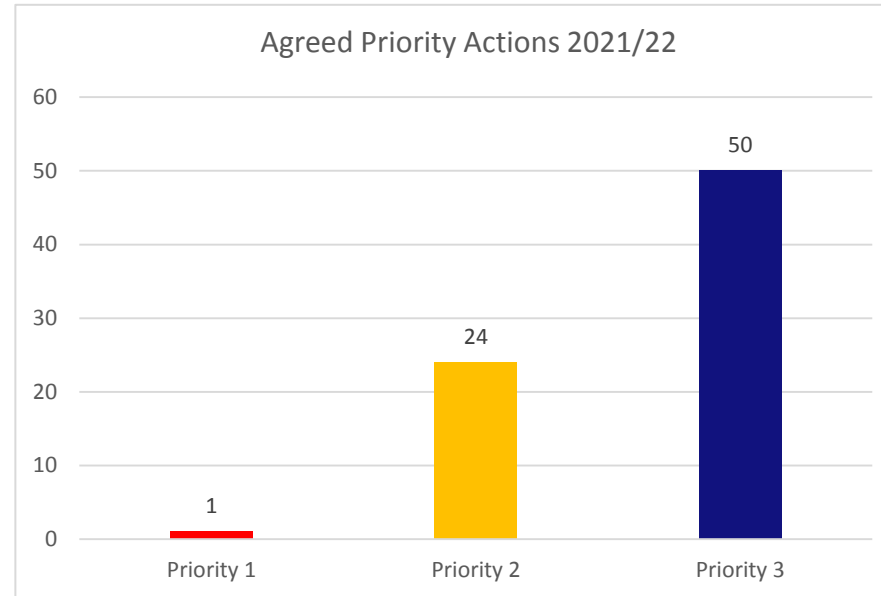
Plan Performance 2021/22

SWAP Performance - Summary of Audit Actions by Priority

We rank our actions on a scale of 1 to 3, with 3 being medium or administrative concerns to 1 being areas of major concern requiring immediate corrective action



Priority Actions



Added Value

Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.



Added Value

Throughout the year, SWAP strives to add value wherever possible i.e., going beyond the standard expectations and providing something 'more' while adding little or nothing to the cost.

Benchmarking

During the year we have provided benchmarking data across either the SWAP partnership or the wider reach of the Local Authority Chief Auditors Network (LACAN) for:

- Point of Practice – Paypal
- Point of Practice – Direct Payments
- Approved Mental Health Professionals – terms and conditions
- Point of Practice – Declaration of Interest
- Schools Forum Governance
- Registration Services
- Licensing – Member Training
- Customer Services

Innovations and Enhancements to our Audit Process

We have seen the continued use and embedding of the innovations and enhancements we made during the 2021/22 financial year including:

- The concept of 'Agile Auditing'. With increased collaboration and a joint commitment with the service under review, it is possible to complete audits more efficiently. Agile also enables us to keep the client updated throughout the review and agree actions to findings as they are identified. We have seen improvements in the time taken between audit work being finalised and reports being issued.
- One page reporting, summarising all the key messages of the audit on one page for ease of consumption as well as increasing impact. Feedback on the report style continues to be extremely positive.
- SWAP's Counter Fraud Team continues to facilitate access to counter fraud intelligence resources and issued alerts and newsletters to key officers in the Council.

Added Value

Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.



Added Value

The 2021/22 financial year also saw the introduction of quarterly planning which has allowed SWAP Internal Audit Services to be more dynamic and agile in their approach to planning and ensure that audits completed are covering risks as and when they arise. However, the committee have highlighted a concern that they don't have sufficient coverage of audits for the year. Therefore, it is SWAP Internal Audit Services aim to move to a rolling plan of audits to ensure that planning is agile, this rolling plan will include a pipeline of potential audit work that will allow the committee to have sufficient coverage for a future 12 to 18 months.

SWAP's Data Analysis Team have supported the delivery of data analysis where possible across this year's internal audit plan, this has allowed us to provide much wider spreads assurance than sampling allows. Audits that have included data analysis include:

- Education Health Care Plans – Annual Reviews
- Local Authority Test and Trace Support Payment Scheme Funding Grant Determinations.
- Pool Cars
- Key Financial Controls
- Employee Expenses
- Councillors Allowances

Further enhancements

SWAP Internal Audit Services has seen the introduction of continuous audit reviews in relation to the key fundamental areas across some of the Partners. This is a method whereby audit testing of key controls of an area or activity, is performed on a more frequent basis. It changes the audit approach from periodic reviews incorporating a small sample of transactions, to ongoing testing of a larger overall sample, with audit results produced shortly after testing. The benefits are a more reactive and timely approach to auditing which gives a continuous assurance on systems and processes throughout the year. This will be considered for Herefordshire Council going forward.

Internal audit is responsible for conducting its work in accordance with the Code of Ethics and Standards for the Professional Practice of Internal Auditing as set by the Institute of Internal Auditors and further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS).



SWAP Performance

SWAP’s performance is subject to regular monitoring and review by both the SWAP Board of Directors and the Owners Board. The respective outturn performance results for Herefordshire Council for the 2021/22 year are as follows:

| Performance Target | Average Performance |
|---|---------------------|
| <u>Audit Plan – Percentage Progress</u> | |
| Final, Draft and Discussion 90% | 92% |
| In progress/Review and therefore rolled over to subsequent financial year | 8% |
| <u>Customer Satisfaction Questionnaire</u> | |
| Feedback 95% | 100% |

SWAP work is completed to comply with the International Professional Practices Framework (IPPF) of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note.

Under these standards we are required to be independently externally assessed at least every five years to confirm compliance to the required standards. SWAP was recently assessed in February 2020 and confirmed that we are in conformance to PSIAS.

Attribute Standard 1300 of the IPPF requires Heads of Internal Audit to develop and maintain a Quality Assurance and Improvement Programme (QA&IP). Standard 1310 continues this dual aspect by stating that the programme must include both internal and external assessments. This acknowledges that high standards can be delivered by managers, but it also implies that improvements can be further developed when benchmarking is obtained from outside the organisation and the internal audit function. Following our External Assessment, we have pulled together our QA&IP and included additional improvements and developments identified internally that we want to make, as aligned to SWAP’s Business Plan. The QA&IP is a live document and will be regularly reviewed by the SWAP Board to ensure continuous improvement and delivery on our actions.

| Audit Area | Corporate Risk | Planned Quarter | Status | Opinion | No of Rec | 1 = Major ← 3 = Medium Recommendation | | |
|--|--|-----------------|----------|----------------------------------|-----------|--|---|---|
| | | | | | | 1 | 2 | 3 |
| | | | | | | 2020/21 Rolled Over Audits | | |
| Education Health Care Plans – Preparation for Adulthood | | | Complete | Limited | 4 | 0 | 3 | 1 |
| Payroll | | | Complete | Limited | 2 | 0 | 1 | 1 |
| Contract Management - BBLP | | | Complete | Limited | 5 | 0 | 1 | 4 |
| Building Maintenance and Cleaning Agreement | | | Complete | Limited | 4 | 0 | 3 | 1 |
| Corporate Centre (including ICT) | | | | | | | | |
| Risk Maturity (was Risk Management) | Linked to all risks | 1 | Complete | Advisory | - | - | - | - |
| Fraud Risk Assessment | Proactive Fraud Work | 2 | Complete | Advisory | - | - | - | - |
| Petty Cash Briefing Paper | Risk identified as part of the Fraud Risk Assessment | 3 | Complete | Advisory | - | - | - | - |
| Local Authority Community Testing Funding Grant Determination 2020/21: No 31/5389. | Grant Certification | 1 | Complete | Reasonable – Grant Certification | 2 | 0 | 0 | 2 |
| Local Authority Community Testing Funding Grant Determination 2020/21: No 31/5661. | Grant Certification | 1 | Complete | Reasonable – Grant Certification | | | | |
| Local Authority Community Testing Funding Grant Determination 2020/21: No 31/5691. | Grant Certification | 1 | Complete | Reasonable – Grant Certification | | | | |
| Local Authority Community Testing Funding Grant Determination 2020/21: No 31/5729 | Grant Certification | 1 | Complete | Reasonable – Grant Certification | | | | |
| Local Authority Community Testing Funding Grant Determination 2020/21: No 31/5772 | Grant Certification | 1 | Complete | Reasonable – Grant Certification | | | | |
| Local Authority Community Testing Funding Grant Determination 2020/21: No 31/5828. | Grant Certification | 1 | Complete | Reasonable – Grant Certification | | | | |
| Local Authority Community Testing Funding Grant Determination 2020/21: October, November, December | Grant Certification | 4 | Complete | Reasonable – Grant Certification | | | | |

Plan Performance 2021/22

| | | | | | | | | |
|--|-----------------------|---|--|----------------------------------|---|---|---|---|
| Local Authority Test and Trace Support Payment Scheme Funding Grant Determination 2020/21: No 31/5309 (January) | Grant Certification | 1 | Complete | Reasonable – Grant Certification | | | | |
| Local Authority Test and Trace Support Payment Scheme Funding Grant Determination 2020/21: No 31/5385 (February) | Grant Certification | 1 | Complete | Reasonable – Grant Certification | 4 | 0 | 2 | 2 |
| Local Authority Test and Trace Support Payment Scheme Funding Grant Determination 2020/21: No 31/5435 – (March and April) | Grant Certification | 2 | Complete | Reasonable – Grant Certification | | | | |
| Local Authority Test and Trace Support Payment Scheme Funding Grant Determination 2020/21: No 31/5668 – (May, June, July) | Grant Certification | 2 | Complete | Reasonable – Grant Certification | | | | |
| Local Authority Test and Trace Support Payment Scheme Funding Grant Determination 2020/21: No:31/5704 (August and September) | Grant Certification | 3 | Complete | Reasonable – Grant Certification | | | | |
| Local Authority Test and Trace Support Payment Scheme Funding Grant Determination 2020/21: No:31/5789 (October, November, and December) | Grant Certification | 4 | Rolled over to subsequent financial year as the grant income and letters from central government have not yet been received. | | | | | |
| Revenue grant determination (Ringfenced) Local Authority COVID-19 Test and Trace Service Support Grant Determination 2020/21: No 31/5075 | Grant Certification | | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Accounts Payable – follow up of actions from 2020-21 and areas not tested in 2020-21 | Key Financial Control | 3 | Complete | Follow Up | - | - | - | - |
| Accounts Receivable – follow up of actions from 2020-21 and areas not tested in 2020-21 | Key Financial Control | 3 | Complete | Follow Up | - | - | - | - |
| Main Accounting | Key Financial Control | 3 | Complete | Substantial | 3 | 0 | 0 | 3 |
| Treasury Management | Key Financial Control | 3 | Complete | Substantial | 2 | 0 | 0 | 2 |
| Council Tax – follow up of actions from 2020-21 and areas not tested in 2020-21 | Key Financial Control | 3 | Complete | Follow Up | - | - | - | - |
| National Non-Domestic Rates – follow up of actions from 2020-21 and areas not tested in 2020-21 | Key Financial Control | 3 | Complete | Follow Up | - | - | - | - |
| Housing and Council Tax Benefits – follow up of actions from 2020-21 and areas not tested in 2020-21 | Key Financial Control | 3 | Complete | Follow Up | - | - | - | - |
| Capital Accounting | | 3 | Complete | Substantial | 0 | 0 | 0 | 0 |

| | | | | | | | | |
|--|---|---|--|----------------------------------|---|---|---|---|
| Disaster Recovery (ICT) | | 3 | Complete | Limited | 5 | 0 | 2 | 3 |
| Councillors Allowance Overspend | Identified as a risk in previous risk registers | 4 | Complete | Reasonable | 6 | 0 | 0 | 6 |
| Significant Partnerships | | 4 | Complete | Reasonable | 2 | 0 | 1 | 1 |
| Employee Expenses | Proactive Fraud Work | 4 | Complete | Reasonable | 2 | 0 | 0 | 2 |
| Leavers Process | Identified as a risk in previous risk registers | 4 | Deferred to 2022/23 to accommodate additional audits as outlined in the Q1 Plan taken to committee on 12 th April 2022. | | | | | |
| Software Asset Management to be replaced with Incident Management Review | Identified through the Cyber Security Framework audit | 4 | Rolled over to the subsequent financial year as outlined in the progress report taken to committee on 10 th May 2022. | | | | | |
| Condition Funding Grant Determination (2021): No 31/5501 | Grant Certification | 4 | Deferred to 2022/23 to accommodate additional audits as outlined in the Q1 Plan taken to committee on 12 th April 2022. | | | | | |
| Economy and Place | | | | | | | | |
| Development Regeneration Programme | EP.12 (July 2020) | 1 | Complete | Reasonable | 1 | 0 | 0 | 1 |
| Climate Change | EP.15 (July 2020) | 1 | Complete | Reasonable | 3 | 0 | 0 | 3 |
| Bus Service Support Grant Restart Scheme Tranches 6 and 7 (funding to May 2021) 31/5621 | Grant Certification | 1 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Additional Dedicated Home to School and College Transport Grant – Spring Term 31/5268 | Grant Certification | 1 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Additional Dedicated Home to School and College Transport Grant – Summer Term (1 st half) 31/5483 | Grant Certification | 2 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Additional Home to School Transport – Summer Term (2 nd half until 25 June 2021) 31/5568 | Grant Certification | 2 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Additional Home to School Transport – Summer Term (2 nd half 28 th June till end of Summer Term) 31/5678 | Grant Certification | 2 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Property Flood Resilience Support Scheme (Bellwin /Resilience Management) Quarterly Review – Quarter 1 (Yearly Report) | Grant Certification | 1 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |

| | | | | | | | | |
|--|--|---|--|----------------------------------|----|---|---|---|
| Property Flood Resilience Support Scheme (Bellwin/ Resilience Management) Quarterly Review – Quarter 2 (Yearly Report) | Grant Certification | 2 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Property Flood Resilience Support Scheme (Bellwin/ Resilience Management) Quarterly Review – Quarter 3 (Yearly Report) | Grant Certification | 3 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Property Flood Resilience Support Scheme (Bellwin/ Resilience Management) Quarterly Review – Quarter 4 (Yearly Report) | Grant Certification | 4 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Local Transport Block Funding | Grant Certification | 2 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Bus Subsidy Grant | Grant Certification | 2 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Herefordshire City Centre Transport Package – Investigation | Investigation | 2 | Complete | Special Investigation | 11 | 1 | 8 | 2 |
| Green Homes Grant: Local Authority Delivery Grant Determination 31/5187 | Grant Certification | 2 | Complete | Limited – Grant Certification | 3 | 0 | 1 | 2 |
| Pool Cars | | 2 | Complete | Limited | 6 | 0 | 3 | 3 |
| Funding for Travel Demand Management 2020/21 – No 31/5127 | Grant Certification | 1 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Car Park Signage Procurement | At request of Chief Finance Officer | 1 | Complete | Briefing Paper | - | - | - | - |
| South Wye Transport Package LEP Settlement | Request of Chief Executive Officer and Chief Finance Officer | 4 | Draft Report | Advisory | | | | |
| Adults and Communities | | | | | | | | |
| Direct Payments | Identified as a fraud risk | 2 | Rolled over to the subsequent financial year as fieldwork in progress. | | | | | |
| Customer Services | - | 2 | Complete | Reasonable | 3 | 0 | 0 | 3 |
| Infection Control and Testing | - | 4 | Rolled over to the subsequent financial year as outlined in the progress report taken to committee on 10 th May 2022. | | | | | |
| Protect and Vaccinate Grant Determination 2021/2022 No 31/5912 | Grant Determination | 4 | Rolled over to the subsequent financial year as grant certification deadline is 27 th June 2022. | | | | | |

| | | | | | | | | |
|---|---|---|--|----------------------------------|---|---|---|---|
| Oral Health Needs Assessment Plan | Request from Cllr Gandy & Director for Adults & Communities | 3 | Complete | Advisory | 0 | 0 | 0 | 0 |
| Children's and Families | | | | | | | | |
| Supporting Families – Monthly Review – Quarterly Report - Quarter 1 | Grant Certification | 1 | Complete | Reasonable – Grant Certification | 1 | 0 | 0 | 1 |
| Supporting Families – Monthly Review – Quarterly Report - Quarter 2 | Grant Certification | 2 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Supporting Families – Monthly Review – Quarterly Report - Quarter 3 | Grant Certification | 3 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Supporting Families – Monthly Review – Quarterly Report - Quarter 4 | Grant Certification | 4 | Complete | Reasonable – Grant Certification | 0 | 0 | 0 | 0 |
| Schools Thematic Audit | To provide assurance of basic standards for good financial health | 4 | Deferred to 2022/23 to accommodate additional audits as outlined in the Q1 Plan taken to committee on 12 th April 2022. | | | | | |