



Internal Audit Plan 2021/22

Guildford Borough Council

KPMG Internal Audit, Risk & Compliance Services

March 2021



Summary of the internal audit plan 2021/22

01

We set out below the proposed schedule for delivering the Internal Audit Plan 2021/22. This schedule has been aligned with the planned dates of the Corporate Governance and Standards Committee to ensure a smooth and balanced cycle of reporting throughout the year.

		Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
01/22	Housing Revenue Account: right to buy receipts												
02/22	Performance monitoring – KPI Review One												
03/22	Performance monitoring – KPI Review Two												
04/22	Performance monitoring – KPI Review Three												
05/22	Safeguarding												
06/22	Key learnings from COVID (deferred from 2019/20)												
07/22	Future Guildford programme												
08/22	Financial controls: capital management (deferred from 2020/21)												
09/22	Financial controls: income and accounts receivable compliance												
10/22	Financial controls: expenditure and accounts payable compliance												
11/22	Financial controls: procurement												
12/22	Follow up reviews from 2020/21												
13/22	Risk management												
14/22	Financial controls: budgetary control												
	Corporate Governance and Standards Committee Dates	❖		❖	❖		❖		❖		❖		❖



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Detailed internal audit plan 2021/22

02

We set out below the proposed schedule for delivering the Internal Audit Plan 2021-2022. This schedule has been aligned with the planned dates of the Corporate Governance and Standards Committee to ensure a smooth and balanced cycle of reporting throughout the year.

#	Name	Rationale for inclusion and scope	Sponsor
01/22	Housing Revenue Account: (HRA) Rights to buy receipts	<p>We will review the processes and controls in place for monitoring the receipt of and spending against Right to Buy (RTB) monies within the Housing Revenue Account. This will include:</p> <ul style="list-style-type: none"> • How progress is monitored internally; • The process for identifying potential repayments arising, using the Capita RTB model; • How data related to RTB is reviewed by management prior to the quarterly pooling return (we note that the year end pooling return is subject to external audit so we will not perform substantive testing on the return) <p>We will undertake testing of key controls identified from the above processes.</p> <p>We will review governance structures in place to understand how RTB monies are monitored and overseen. We will consider:</p> <ul style="list-style-type: none"> • The process for monitoring potential repayments arising against the RTB monies to relevant groups and Committees • The design of reporting within the governance structure to ensure timely sight of potential repayments arising against the RTB monies from relevant groups and Committees, including the process for bringing key issues or concerns to attention in a timely fashion • The process for timely escalation of risks associated with not meeting spending expectations and the arising risk of RTB repayment within the governance structure <p>We will review papers and minutes of relevant groups and Committees as identified by management to consider the information presented</p>	Claire Morris, Director of Resources



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#	Name	Rationale for inclusion and scope	Sponsor
02/22 03/22 04/22	Data quality: Performance monitoring (KPIs)	We will review the arrangements in place to manage and monitor performance across the Council by looking at three key performance indicators as selected by Management. As part of this, we will consider overall management of performance; including collation and reporting of data. We will consider the frequency of performance meetings, escalation of identified issues and tracking of actions. For each of the key controls identified, we will test the operating effectiveness. Through the use of data analytics, we will also consider the quality of data used to monitor performance of each of the selected KPIs.	Amanda Hargreaves, Performance Officer, Strategy and Communications
05/22	Safeguarding	<p>We will review the policies, controls and training in place at the Council to ensure that staff are adequately aware of their roles and responsibilities in relation to Safeguarding. This will encompass a review of the training requirements and frequency as well as the sufficiency of training provided.</p> <p>Through a workshop we will assess the culture in relation to safeguarding with key staff members across the Council using our soft controls framework. We will assess the effectiveness of the soft controls underpinning the identified hard controls in place for serious incident management. In doing so we will evaluate behavioural drivers in key eight areas: clarity, role modelling, achievability, commitment, transparency, discussability, accountability, and enforcement</p> <p>As part of the workshop and our subsequent analysis we will identify themes and trends in relation to the eight areas and use these to identify areas for improvement to the safeguarding policy and associated procedures in place at the Council.</p>	Ian Doyle, Director of Service Delivery



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#	Name	Rationale for inclusion and scope	Sponsor
06/22	Key Learnings from COVID	<p>The COVID-19 pandemic represents the largest disruption to day to day operations that has been seen in years. It has meant that some of the Council's services have been disrupted. It has meant the Council has quickly had to adapt new ways of working, and implement business continuity plans and incident response teams. We will support the Council in conducting a 'lessons learned' exercise to identify where processes and controls operated effectively in the circumstances, and where improvements might be made to current processes to ensure that the Council is well equipped to deal with future incidents.</p> <p>We will support the Council in undertaking a 'lessons learned' exercise to assess the effectiveness of the Council's processes during Covid-19. As part of this we will consider:</p> <ul style="list-style-type: none"> • How effectively business continuity plans were used, and whether the captured the necessary events to respond to the pandemic; • How customers were contacted to amend / cancel services where appropriate, and how the decision to do so was made; and • How staff were redeployed to areas of priority across the Council. 	Justine Fuller, Head of Environmental and Regulatory Services
07/22	Future Guildford Programme	<p>Future Guildford is a Council-wide approach which proposes to reorganise the whole organisation, informed through the Management Consultants 'Ignite'. Future Guildford bases value on investing in IT infrastructure, increasing customer self-service and commercial opportunities.</p> <p>We will:</p> <ul style="list-style-type: none"> • Review the governance arrangements in place to manage the Future Guildford project; • Review the reporting of progress; • Review the approach taken to risk assessment in the Future Guildford project; and • Review processes and controls for budget monitoring. 	Claire Morris, Director of Resources



Detailed internal audit plan 2021/22

#	Name	Rationale for inclusion and scope	Sponsor
08/22 09/22 10/22 11/22 14/22	Financial Controls	<p>We undertake our work on financial systems on a cyclical basis, reviewing separate systems each year to provide coverage across key systems over the life of strategic plan. In 2021/22 we will undertake a review across your financial systems designed to assess the robustness of controls implemented. We will work with the finance team to develop shared process documentation of the control systems that can be utilised in forthcoming periods. We will develop data analytics routines to assess the consistency with which controls have operated as designed. In 2021/22 we will review the following areas:</p> <ul style="list-style-type: none"> • Capital Management • Income and Accounts Receivable • Expenditure and Accounts Payable • Procurement • Budgetary Management 	Claire Morris, Director of Resources
12/22	Follow Ups	We will deliver seven follow up reviews specifically targeting previously audited areas that received challenging recommendations. We will prioritise follow up reviews that were given 'no assurance' or 'partial assurance with improvements required' ratings. Additionally, we will follow up on a sample of previously audited areas that were given an assurance rating of 'significant assurance with minor improvement opportunities' as selected by the Council.	Joan Poole
13/22	Risk Management	We will review the process for identifying, capturing and escalating local risks. We will review the design of the process for managing local risks, and assess how these feed in to the Council's ongoing risk management processes. For a sample of risks across services, we will assess whether they have been scored and managed in line with the Council's risk management policy. We will select a wider sample to assess whether the quality of risk action updates is appropriate, timely, and whether there is evidence to support the implementation of the action.	Steve Benbough, Strategy and Communications Manager





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