

GOVERNANCE COMMITTEE

WEDNESDAY, 20TH NOVEMBER 2019, 2.30 PM
COMMITTEE ROOM 1, TOWN HALL, CHORLEY

I am now able to enclose, for consideration at the above meeting of the Governance Committee, the following reports that were unavailable when the agenda was published.

Agenda No	Item	
4	UPDATE ON THE CHORLEY COUNCIL CAPITAL STRATEGY	(Pages 69 - 74)
	To receive and consider the report of the Chief Finance Officer.	
7	AUDIT PLAN PROGRESS REPORT APRIL - OCTOBER 2019	(Pages 75 - 82)
	To receive and consider the report of the Interim Audit and Risk Manager.	

GARY HALL
CHIEF EXECUTIVE

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Report of	Meeting	Date
Chief Finance Officer	Governance Committee	20/11/19

UPDATE ON THE CHORLEY COUNCIL CAPITAL STRATEGY

PURPOSE OF REPORT

- Provide members with an update on the Capital Strategy that was approved at Full Council on 26 February 2019

RECOMMENDATION(S)

- Members note the updates provided in the report including the four updated prudential indicators

EXECUTIVE SUMMARY OF REPORT

- The Capital Strategy was approved at Full Council on 26 February 2019 and as outlined in the budget report the Governance Committee will be responsible for receiving an annual update on the strategy.
- The report updates the Capital Strategy's prudential indicators and provides an update regarding the income from its investments. The council will continue to be increasingly reliant on the net income (after borrowing costs) from its capital investments to fund its revenue expenditure budgets.
- Capital expenditure has increased by £28m due to the purchase of the Logistics House site. Borrowing has increased however it is all supported through income generated by the assets purchased.
- The council has over £5.5m of reserves that can be used to manage potential revenue risks surrounding its capital programme.

Confidential report Please bold as appropriate	Yes	No
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BACKGROUND

- The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires local authorities to provide a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with corporate objectives and take account of stewardship, value for money, prudence, sustainability and affordability.
- The capital strategy sets out a framework for the self-management of capital finance and examines the following areas:
 - Capital expenditure
 - Treasury Management

- Commercial Activity
 - The future ambition of the council's capital programme
9. The Capital Strategy was approved at Full Council on 26 February 2019 and as outlined in the budget report the Governance Committee will be responsible for receiving an annual update on the strategy.
10. Table 1 below outlines the prudential indicators set for 2018/19 to 2021/22 that were approved at Full Council on 26 February 2019.

Table 1: Prudential Indicators 2018/19 to 2021/22

Indicator	2018/19	2019/20	2020/21	2021/22
Estimated Capital Expenditure	£31.190m	£13.986m	£3.881m	£3.940m
Financing as a % of adjusted net revenue	6.28%	8.38%	11.15%	11.55%
Estimated Capital Financing Requirement	£51.879m	£59.885m	£61.859m	£63.685m
% Net Income to Gross Directorate Budgets	11.84%	10.05%	15.06%	15.48%

CORPORATE PRIORITIES

11. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all	A strong local economy	✓
Clean, safe and healthy homes and communities	An ambitious council that does more to meet the needs of residents and the local area	✓

CAPITAL PROGRAMME

12. The affordability of the capital programme is one of the Capital Strategy key performance indicators, table 2 below outlines the changes to the approved capital programme since February 2019. These adjusted figures have been taken to Executive Cabinet on 14 November 2019 for approval.

Table 2: Changes to the Capital Programme

Directorate	2019/20 £m	2020/21 £m	2021/22 £m	Total £m
Total Capital Expenditure – Feb 2019*	21.148	3.882	3.941	52.999
Reprofiled Expenditure	(0.190)	0.190	0.000	0.000
Additional Expenditure – Logistics House	33.668	0.000	0.000	33.668
Additional Expenditure – Other	0.823	0.109	0.109	1.040
Expenditure removed – Housing Company	(1.103)	(2.816)	(2.875)	(6.793)
Expenditure removed - Other	(0.655)	0.000	0.000	(0.655)
Total Capital Expenditure – Nov 2019	53.691	1.365	1.175	80.259

* adjusted for final budget adjustments - Revenue & Capital outturn report approved by Executive Cabinet 20 June 2019

13. The largest change to the capital programme was the purchase in August 2019 of Logistics House, Buckshaw Avenue, Revolution Park, Chorley. This was approved by Full Council on 22 July 2019. The purchase will be funded through borrowing and is forecast to bring a net

annual revenue return to Chorley Council of over £400k per year rising to £900k towards the end of the 15 year lease with the current occupier. To recognise this gain will require the Council to set up a wholly owned company, this process is underway and will be completed before the end of the financial year.

14. The majority of the additional expenditure in the capital programme is funded through additional external contributions such as S106 received for play and open space and additional DFG grant allocations from government.
15. The Housing Company has been removed from the capital programme however it remains the council's ambition to create a wholly owned company to deliver growth in council owned housing and council owned investment sites. Other reduced budgets include a £200k final underspend in the purchase of homes for Syrian Refugees. The council purchased 10 homes to house refugees at a total cost of £1.431m against an original budget of £1.672m. All the purchases have been financed through borrowing that is funded through rental income.
16. Despite these large changes to the capital programme it remains affordable and is funded as follows:

Table 3: Changes in Funding of the Capital Programme

Directorate	2019/20 £m	2020/21 £m	2021/22 £m	Total £m
Total Capital Expenditure	21.148	3.882	3.941	52.999
Capital Receipts	0.073	0.000	0.000	0.073
Reserves	(0.159)	0.000	0.000	(0.159)
Grants	(0.190)	0.109	0.109	0.027
Developer Contributions	0.325	0.000	0.000	0.325
Borrowing	(0.190)	0.190	0.000	0.000
Self-Financed Borrowing	32.684	(2.816)	(2.875)	26.994
Total Financing	53.691	1.365	1.175	80.259

17. Table 3 summarises that there has been no additional borrowing in the capital programme since February 2019 other than borrowing supported through additional income generated by the assets funded. The capital programme remains affordable subject to income streams from investments, the risks associated with these income streams is outlined later in the report.

DEBT AND NET INCOME STREAMS

18. The Capital Strategy proposed the following performance indicators to measure the extent to which the councils borrowing repayments are reliant on income (Council Tax, Business Rates, New Homes Bonus and net income from investments)

Table 4: Financing and Net Revenue Streams

	2019/20 £m	2020/21 £m	2021/22 £m
Capital Financing/Net Revenue Stream – Feb 19	8.39%	11.16%	11.56%
Capital Financing/Net Revenue Stream – Nov 19	11.40%	17.41%	17.22%

19. The ratio has increased due to the investment in Logistics House. The annual net revenue stream is forecast to be over £400k to the council, £1.661m of annual lease income compared to borrowing costs of £1.270m. However, the financing/revenue ratio has increased due to the increase in borrowing being proportionally higher against existing borrowing than the additional income is against existing net income.
20. This indicator should be considered alongside others outlined in this report. As demonstrated in table 3, the council's investments have resulted in no additional borrowing, other than that supported through additional income.
21. The indicator in table 4 is likely to increase if the Government's proposals to reduce New Homes Bonus allocations are approved as part of the final finance settlement of 2019. These reductions have not been included in this report as they are not yet confirmed however it is likely that the Council's reliance on income generation to fund its expenditure will increase over the coming years and therefore so too will this percentage performance indicator.

PRUDENCE

22. The Prudential Code states that "In order to ensure that over the medium term net debt will only be for a capital purpose, the local authority should ensure that net debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years." This is a key indicator of prudence.

Table 5: Capital Financing Requirement 2019/20 to 2021/22

	2019/20 £m	2020/21 £m	2021/22 £m
Closing Capital Financing Requirement – Feb 19	59.885	61.859	63.685
Closing Capital Financing Requirement – Nov 19	93.785	95.759	97.585

23. As such there is a requirement to ensure that net debt (the sum of borrowing and other long-term liabilities, net of investments) in 2019/20 does not, except in the short term, exceed £95.8m (i.e. the estimated CFR for 2020/21). Further details are provided in the mid-year Treasury report update also on this committee's agenda.

RISK

24. The final performance indicator of the Capital Strategy is the relative level of directorate budgets funded through income generation. This provides members with an understanding of the level of the council's running costs (including staff costs) that is supported through the income it generates through investments. As government funding reduces this ratio will increase subject to budget savings. The council's MTFS seeks to balance the need to make savings whilst investing in income generating assets within the borough.

Table 6: Net Income to Net Directorate Budgets

Directorate	2019/20 £m	2020/21 £m	2021/22 £m
% Net Income to Net Directorate Budgets – Feb 19*	6.12%	10.97%	11.36%

Net income including borrowing costs

Market Walk Shopping Centre	(0.946)	(0.946)	(0.946)
Other Town Centre Property	(0.218)	(0.218)	(0.218)
Industrial Estate Property	(0.050)	(0.050)	(0.050)
Land, Garages and Plots	(0.081)	(0.081)	(0.081)
Net Income – Market Walk Extension	(0.204)	(0.300)	(0.300)
Net Income – Primrose Retirement	0.085	(0.006)	(0.014)
Net Income – Strawberry Fields Digital Office	0.208	(0.089)	(0.125)
Net Income – Logistics House	(0.227)	(0.454)	(0.454)
Total Net Income (including borrowing costs)	(1.433)	(2.144)	(2.188)
Gross Directorate Budgets Chorley Council	16.025	15.399	15.278
% Net Income to Net Directorate Budgets	8.94%	13.92%	14.32%

* figures adjusted from original capital strategy to account for borrowing costs of Market Walk excluded from the original prudential indicator

25. The level of directorate budget funded through net income will increase in the coming 2 to 3 years as outlined in Table 6. The percentage has increased due to the purchase of Logistics House.
26. The assumptions in the Table 6 include:
- 75% occupancy at Market Walk Extension in 19/20 based on 4 of the 8 units being occupied. From 2020/21 onwards it is assumed 85% occupancy ongoing. This target is ambitious however there are several enquiries regarding the final units.
 - 90% occupancy at Primrose Gardens including voids, the retirement village is forecast to be fully occupied by the end of March 2020.
 - 75% to 80% occupancy rates at Strawberry Fields in 2021/22 and 2022/23. The site opened in October 2019 with occupancy steadily increasing. Running costs have been increased by £50k per annum to account for potentially higher than originally budgeted security costs and a higher assessment of business rate liability at the entire site.

RISK PROFILE

27. There remain a number of risks to the council's investment portfolio
- On 9 October the Government increased its lending rate to local authorities by 1%, although this seems minimal it represents a 55% increase on the 50 year borrowing rates. The council's borrowing to fund Logistics House was done prior to

this rate increase however the costs and viability of future projects will be challenged by this rate increase. The council will increasingly look to external funding, such as S106, CIL and grants from external organisations, to manage the affordability of investments within the borough.

- The retail market continues to face challenging times, despite this Market Walk is performing well with only one void unit expected by the end of 2019/20. However, recent rent reviews indicate a falling trend in revenues that the council will manage through its budget setting process.
- The council holds the following reserves to manage unforeseen expenditure or a fall in forecast income:
 - £4m General Fund Reserve
 - £440k Income Equalisation Reserve for Market Walk
 - £880k Business Rates Equalisation Reserve
 - £300k to Support Local Businesses & Corporate Priorities during the potential disruption caused by the UK's exit from the EU

IMPLICATIONS OF REPORT

28. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal		Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

29. This report provides an update to members regarding the council's Capital Strategy. Any forecast figures provided in this report are considered prudent and based on the most up to date information available at the time. The report will be updated once more for the final budget to Full Council on 25 February 2020.

COMMENTS OF THE MONITORING OFFICER

30. No comments

GARY HALL
CHIEF EXECUTIVE AND CHIEF FINANCE OFFICER

Report Author	Ext	Date
James Thomson	5025	11/11/19



Report of	Meeting	Date
Interim Head of Shared Assurance Services	Governance Committee	20 th November 2019

Internal Audit Progress Report as at 31st October 2019

PURPOSE OF REPORT

1. To provide the Governance Committee with a summary of Internal Audit work undertaken for Chorley Council and the Shared Services element for the period 1st April 2019 to 31st October 2019.

RECOMMENDATION(S)

2. Members are asked to consider and note the contents of the report.
3. Members are asked to note and approve the minor changes to the Audit Plan for 2019/20.

EXECUTIVE SUMMARY OF REPORT

4. Governance Committee are required to be informed of and review Internal Audit work as part of their review of the Council's internal control environment and overall Governance arrangements. To that end the report outlines the work undertaken for the period outlined, the individual opinion of the internal control environment of those pieces of work outlined; the progress of work to 31st October 2019 and the status of planned and ongoing work.
5. The detailed information in regard to progress against individual areas of work / auditable areas has been provided at Appendix 1.

Confidential report Please bold as appropriate	Yes	No
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CORPORATE PRIORITIES

6. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy homes and communities		An ambitious council that does more to meet the needs of residents and the local area	X

BACKGROUND

7. This is the progress report of work undertaken for the 2019/20 Plan, which was previously agreed with the Governance Committee

Audit Plan Progress

8. This is the report in respect of the period 1st April 2019 – 31st October 2019; it includes those items carried forward from 2018/19, that are now completed, progress against the 2019/20 plan and the status of individual audit areas. The appendix outlines the actual time spent against the planned time for each area and the assurance opinion where work is completed.
9. A number of reviews have commenced in the previous period since the last Governance Committee. These are outlined below:-
 - GDPR Compliance Review
 - Syrian Resettlement Funding
10. Following discussions with the Deputy Chief Executive in respect of emerging risks in his service area it was agreed to delete the audit of Time Credits and include an audit review of the processes in respect of the Syrian Resettlement funding, this was due to the officer considering this area to be of more high risk to the Council and requiring assurance in respect of the controls in place to ensure risks are mitigated. This is reported to the Governance Committee for your information.
11. A number of reviews are in progress and at draft report stage at this time, these are outlined below:-
 - Corporate Credit Cards
 - Asset Management – repairs and maintenance
 - Commercial Properties
 - Assurance Mapping
 - NFI Data Matching – Creditors & Payroll
12. In regard to Asset Management & Commercial Properties, the audit has been approached in a different manner, this was agreed with the Chief Executive and the Director, in that, a gap analysis has been completed for each service identifying the actual processes / controls against the defined expected process / controls; the gap analysis are to be agreed with Management and an action plan produced and agreed for both services, Internal Audit will review the progress against the action plan in the final quarter of the year.
13. The following table outlines the main pieces of work undertaken in the last period:-

Audit Area	Assurance Rating	Comments
Chorley BC		
Environmental Permitting Regulations – Follow Up	ADEQUATE	Previous opinion of the control environment was classified as Limited , the follow up review has identified that significant progress has been made, however, not all recommendations had been implemented at the time of the follow up review; further timescales for the remaining management actions have been agreed and will be monitored to ensure they are implemented.
Shared Services		
Payroll	LIMITED	Control weaknesses identified relating to the contract with Blackpool Council for the provision of payroll services; the contract has been rolled over for a number of years, there are no cabinet decisions or waivers of contract procedure rules evidenced to support this continuous rolling on.

		<p>There is no performance review meetings being held and no performance indicators being reported, further there is currently no regular reconciliation of the budgeted establishment with the Selima Vision HR system increasing the risk of error and misreporting.</p> <p>Management actions have been agreed and the audit will be followed up in the next 3-6 months and an update reported to this Governance Committee.</p>
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14. A number of resource issues arose last year in the Shared Assurance Service that impacted on the Internal Audit Service, initially relating to long term sickness and latterly relating to the investigation and Governance work for South Ribble BC being carried out by the Interim Head of Shared Assurance with support from Auditors where required.
15. Two changes to the plan have been requested by officers, these are identified on the attached Appendix. Firstly, in relation to the deletion of the Time Credits review as this was not considered to be of significant risk, however, this is being replaced with a review of the funding and operation of the Syrian Resettlement funding is considered of significant risk and the Deputy Chief Executive requires assurance that the systems / processes are operating as they should. Secondly, the Chief Legal Officer has requested the postponement of the Elections Audit, due to the impact of the imminent General Election, the elections team have limited availability to co-operate with the Elections Team, further the outstanding Boundary review and all out elections in March as well as PCC elections at the same time would make it difficult to deliver in Q4. It is therefore proposed to move the review to Q3 2020/21.
16. There are a significant number of days been spent on investigation and governance work for SRBC which has impacted on the level of work completed at both SRBC and Chorley BC. In order to address this a number of temporary arrangements have been put in place; the service currently have two temporary auditors from recruitment agencies, one started 21/10/19 and is contracted to the end of December and the other auditor to the end of March 2020; 1 of the Auditors is acting up into the Principal Auditor role in order to provide oversight and review of work completed. The work in respect of the investigation is coming to a conclusion, however, the Interim Head of Shared Assurance will be required to focus on the control issues arising and the effects the findings have on the Annual Governance Statement and the Governance of the Council.
17. The '% of audit plan completed' for this period (April – October 2019) currently stands at 10.2% (total of planned and unplanned work against the audit planned work). The level of completion of the audit plan is now being closely monitored and reviewed by the Interim Head of Shared Assurance and a plan has been put in place to address the shortfall in the planned work at Chorley BC, in that 2 of the auditors have been assigned a number of audit reviews taken from the Chorley Audit Plan. This impact will lessen as the benefit of the temporary arrangements put in place comes to fruition. The completion of some major pieces of work including Creditors and GDPR Compliance review at SRBC along with the investigation work coming to a close will aid with the lessening of the current impact.

IMPLICATIONS OF REPORT

18. The matters raised in the report are cross cutting and impact upon those individual services reviewed and the Internal Control environment of the Council.

Finance	X	Customer Services	
Human Resources		Equality and Diversity	

Legal	X	Integrated required?	Impact	Assessment	
No significant implications in this area		Policy and Communications			

19. Failure to report the progress of the Audit Plan to the Governance Committee would result in the lack of awareness of those charged with the responsibility for the Governance of the Council of issues in regard to the Council's overall control environment. This could result in financial, legal and / or reputational harm to the Council.

COMMENTS OF THE STATUTORY FINANCE OFFICER

20. The audit plan will be delivered within the approved budget.

COMMENTS OF THE MONITORING OFFICER

21. There are no legal implications.

Gary Hall
Chief Executive

Background Papers		
Document	Date	File
Chorley Council Internal Audit Plan 2019/20	March 2019	
Shared Financial Services Audit Plan 2019/20	March 2019	

Report Author	Ext	Date
Janice Bamber	5470	11/01/19

INTERNAL AUDIT PLAN 2019/20
CHORLEY COUNCIL

WORK AREA	RISK	EST (Days)	ACT	BAL	REVIEW STATUS	ASSURANCE RATING	STATUS
AUDIT PLANNED WORK							
FINANCE							
Income Collection & Receipt	High	25	0	25			
Corporate Credit Cards	High	10	12.5	(2.5)	Draft Report		Draft Report with Interim Head of Shared Assurance for Review
POLICY & GOVERNANCE							
Legal, Democratic & HR Services							
GDPR Compliance Reviews	High	15	0.6	14.4	Commenced		Scope agreed / to commence in next 2 weeks
Whistleblowing Policy & Review	Medium	10	0	10			
Elections	High	15	0	15	DELETED		Due to the impact of the imminent General Election, the elections team have limited availability to co-operate with the Elections Team, further the outstanding Boundary review and all out elections in March as well as PCC elections at the same time would make it difficult to deliver in Q4. It is therefore proposed to move the review to Q3 2020/21.
Performance & Partnerships							
Performance Management Information	Medium	15	0	15			Proposed Q3
Communications & Events							
Events	Medium		0	0			Proposed Q4
CUSTOMER & DIGITAL							
Transformation							
Council Tax	High	10	0	10			Proposed Q3/4
NNDR	High	10	0	10			Proposed Q3/4
Housing Benefits	High	10	0	10			Proposed Q3/4
Sundry Debtors	High	10	0	10			Proposed Q3/4
Waste & Streetscene							
Bereavement Services	Medium	15	0	15			Proposed Q3
Refuse Collection – Contract Management/Compliance	High	15	0	15			Proposed Q3
ICT Services							
ICT Review (TBD)	High	20	2.3	17.7			Interim Head of Shared Assurance to meet with ICT to determine areas for review, work undertaken is to feed into that process. Work to be undertaken Q3 / 4.
EARLY INTERVENTION							
Health & Wellbeing							
Time Credits	High	0	0	0	DELETED		Audit Not required replaced with Syrian Resettlement, greater risk
Outdoor Leisure Contract	Medium	10	0	10			
Regulatory Services							
Housing Standards - enforcement & immigration inspections	High	15	0	15			To be undertaken Q4
BUSINESS DEVELOPMENT & GROWTH							
Market Walk & Town Centre							
Car Park Management & Enforcement	Medium	15	0	15			To be undertaken Q3

Property Services							
Asset Management - repairs & maintenance	High	10	3.4	6.7	Gap Analysis Completed		Gap analysis for both services completed, action plan to be agreed with Service Managers / Director; Audit to be followed up in Q3/4.
Commercial Properties	Medium	8	4	4	Gap Analysis Completed		
TOTAL PLANNED WORK		248	22.8	225.2			9.19% of planned work completed
UNPLANNED WORK							
Environmental Permitting Regulations Follow Up	High	0	2.5	(2.5)	COMPLETED	ADEQUATE	Follow Up as previous classified as Limited, opinion improved, however, not all recommendations fully implemented. Further timescales have been agreed for the outstanding issues.
Syrian Resettlement *	High	10	0	10	Commenced		Initial Meeting and scope agreed
* transfer days from Time Credits							
TOTAL WORK Planned & Unplanned)		248	25.3	222.7			10.2% of work plan completed (Planned & Unplanned)
WORK AREA	RISK	EST (Days)	ACT	BAL	REVIEW STATUS	ASSURANCE RATING	STATUS
ONGOING WORK THROUGHOUT THE YEAR							
CORPORATE AREAS							
Annual Governance Statement	N/A	10	9.3	0.7	COMPLETED	N/A	Work for 2018/19 AGS is completed, reported to Governance Committee 24/07/19
Assurance Mapping	N/A	5	0	0	In Progress		Work to identify all assurance provided and provide assurance map to ensure audit work is complementary to other assurance work and does not duplicate.
Anti-Fraud & Corruption	N/A	10	0	0			
National Fraud Initiative (NFI)	N/A	10	0.7	9.3	Ongoing	N/A	Data Matching upload requests for Single Person Discount
Governance Committee	N/A	10	3	7	Ongoing	N/A	Producing reports
TOTAL CONTINUOUS WORK		45	14.5	30.5			
WORK OUTSIDE AUDIT PLANNING PROCESS							
GENERAL AREAS							
GRACE System Administration	N/A	10	1.2	8.8			
Post Audit Reviews / Follow Up Recommendations	N/A	5	4.2	0.8	Ongoing	N/A	Recommendations for last 2 years to be issued to Directors / Service Managers to ensure implemented. Outcomes will be reported to Governance Committee.
Project Support	N/A	10	0	0		N/A	No work requested at this time
Residual Work 2018/19							
Maintenance & Inspections	N/A		0.8		COMPLETED	ADEQUATE	
Choice Based Lettings	N/A		3.6		COMPLETED	SUBSTANTIAL	
Governance Financial Arrangements	N/A		19.8		COMPLETED	ADEQUATE	Paper to be presented to SMT Programme Board
Early Intervention H & S	N/A		4		COMPLETED	ADEQUATE	
Contingency / Consultancy & Investigations							
Contingency / Consultancy			6.9				Advice, Support and issues arising that require Internal Audit input
Irregularities / Investigations			0				No irregularities / investigations
Total Contingency / Irregularities	12			5.1			
TOTAL ONGOING WORK & WORK OUTSIDE PLAN		92	51.3	40.7			55% of Ongoing & Work outside plan completed

GRAND TOTAL 340 76.6 265.9 **22% of total plan completed**

SHARED FINANCIAL SERVICES

WORK AREA	RISK	EST (Days)	ACT	BAL	REVIEW STATUS	ASSURANCE RATING	COMMENTS
AUDIT PLANNED WORK							
Creditors	High	20	4.2	15.8	Ongoing		Testing Completed at Chorley, some testing relating to South Ribble outstanding, to be completed November 2019
Financial Systems;	High	20	0	20			
~ Payroll							
~ Main Accounting							
Procurement	High	30	0	30			
Money Laundering	High	20	0	20			
NFI Data Matching Reviews of Financial Matches inc. Creditors / Payroll / Housing Benefits		10	5	5	Draft Report		Work undertaken on Creditors & Payroll matches re employees, Draft Report to be reviewed
Total Planned		100	9.2	90.8			
General Areas							
GRACE System Administration	N/A	5	0	5			
Post Audit Reviews	N/A	5	0	5			
Total General Areas		10	0	10			
Residual Work from 2018/19							
Cash & Bank	N/A		9.7		Completed	Substantial	3 Minor areas of weakness identified no materiality
Treasury Management	N/A		0.6		Completed	Substantial	Previously Reported
Payroll					Completed	Adequate	Management actions agreed with Officers
Main Accounting							
Residual Work Total Days		5	10.3	(5.3)			
Contingency / Irregularities							
Total Contingency / Irregularities		5	0	5			
Unplanned Work							
Shared Services Review of Accounts	N/A		5.2	(5.2)			
Total Unplanned		0	5.2	(5.2)			
	TOTAL		5.2				
TOTALS		120	24.7	95.3			

