



**LIVERPOOL
CITY REGION**
COMBINED AUTHORITY

METROMAYOR
LIVERPOOL CITY REGION

INTERNAL AUDIT UPDATE



Audit and Governance Committee
19 January 2022

Laura A. Williams MA CPFA
Head of Internal Audit

Contents

	Page
1. Introduction	2
2. Summary of Internal Audit Plan Delivery	3
3. Corporate Systems	5
4. Combined Authority: Specific Systems	9
5. Merseytravel: Specific Systems	11
6. Quality Assurance and Improvement Programme	13
7. Public Sector Internal Audit Standards	16
Appendices	
A - Internal Audit Plan 2021-22 Status Update	18
B - Internal Audit Organisational Risk Opinions and Recommendation Priority Levels	20

1. Introduction

- 1.1 The purpose of this report is to provide a summary of Internal Audit work completed in the third quarter of 2021-22, in respect of the Internal Audit Plan 2021-22.
- 1.2 The report is prepared for the Audit and Governance Committee to facilitate the discharge of obligations as defined in its Terms of Reference to highlight the outcomes of Internal Audit work as a source of assurance on the effectiveness of the Combined Authority's governance, risk and internal control environment.
- 1.3 Internal Audit is defined as: "an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes." (Public Sector Internal Audit Standards 2017)
- 1.4 The mission of Internal Audit is: "to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight".
- 1.5 This report includes:
 - A summary of Internal Audit Plan delivery for the period;
 - Details of work undertaken, and key items of note in respect of corporate systems, Combined Authority-specific systems and Merseytravel-specific systems;
 - Details of work undertaken in respect of fraud, bribery and corruption;
 - An update on internal audit performance with reference to the key performance indicators detailed in the Quality Assurance and Improvement Programme (QAIP); and
 - An update on the service's compliance with the Public Sector Internal Audit Standards (PSIAS).

2. Summary of Internal Audit Plan Delivery

2.1 Audits Completed

2.1.1 In the period since the last Internal Audit Update, eleven audits were completed. These are shown in Table 1:

Audit Name	Organisational Risk Opinion	Corporate System	Combined Authority	Merseytravel
Investment Schemes - Future Innovation Fund	Moderate		X	
Learning and Development	Minor	X		
Absence Management	Minor	X		
Application Control - SCADA	Minor	X		
Capital Programme	Minor	X		
Credit Cards	Minor	X		
LEP Creditors	Minor		X	
Asset Management - Service/Maintenance Contracts	Moderate		X	
Rail Operators - Stock Control	Minor			X
Adult Education Budget	Minor		X	
Seacombe Landing Stage	tbc			X

Table 1

2.1.2 Appendix A gives a detailed breakdown of the Internal Audit Plan 2021-22, showing the status of each item of audit work that was contained within the Plan approved by the Committee at its March 2021 meeting.

2.1.3 One of the main impacts of working in a dynamic environment is that risks facing the organisation change. The Internal Audit Plan has been reviewed to take account of such changes, to reflect the impact of new risk areas being identified during the year and others becoming less prominent. This has led to two new pieces of work being identified for completion that were not identified at the outset:



- Seacombe Ferry Terminal Contract – A significant review of the process for identifying and approving the overspends on the Seacombe Landing Stage capital project.
- External Audit request regarding transactional linkages between the Combined Authority and Liverpool City Council, arising from the Best Value Report regarding Liverpool City Council.

2.1.4 There has also been a number of pieces of work identified which will not be completed during this year, and these will form part of the risk assessment and planning process for the Audit Plan 2022-23:

- Business Continuity Management – This was intended to be an extended follow up on the embedding of recommendations arising from the audit conducted in 2020-21. However, as all recommendations are not yet implemented and revised implementation dates have been agreed, this was not appropriate timing for the audit.
- Mersey Ferries New Vessel – As a new vessel is not being procured, this work is not necessary.
- Brexit Impacts – It has been agreed with client department that this audit should consider the UK Shared Prosperity Fund due to be launched in April 2022 that will replace EU funding. However detailed requirements in respect of the fund have not yet been issued.
- Freeport – This programme is not yet developed to a stage where it would be timely for an audit to be undertaken.

3. Corporate Systems

3.1 Background

3.1.1 Five of the audits completed in the period were of corporate systems that are provided by Merseytravel to both Merseytravel and the Combined Authority. Reporting of the outcomes from the audit work in this area formally falls within the remit of the Merseytravel Audit, Risk and Governance Board, but as the Combined Authority is a “recipient” of these services, the audit findings are also reported to the Audit and Governance Committee. This is to provide assurance that the risks associated with the area are being managed effectively.

3.2 Organisational Risk Opinion

3.2.1 The audits of corporate systems all received an organisational risk opinion of “Minor”, which means that a satisfactory level of assurance on the effectiveness of the internal controls reviewed can be derived, and that the risk presented to the organisation by the recommendations made is at a low level.

3.3 Recommendations of Note

3.3.1 The audits finalised within the period identified four recommendations classed as “high priority”. These are shown in Table 2.

Audit Title	Recommendation	Action Planned by Management
Corporate Health Safety & Well-being	A robust process must be documented, and enacted in practice, to ensure the organisation can evaluate compliance against relevant Health and Safety legislation and is therefore positioned to be able to easily report upon its compliance status and have in place robust supporting evidence. Where it is clear that a persistent lack of action by a particular team/service will cause non-compliance; ELT should be notified immediately.	Awaiting departmental response
Corporate Health Safety & Well-being	i) A list should be compiled of all services/areas of the organisation for which a Health, Safety and Well-being Risk Assessment must be completed.	Awaiting departmental response

Audit Title	Recommendation	Action Planned by Management
	ii) A key contact and responsible officer for each area should be documented. iii) Each key contact/responsible officer should be issued with relevant guidance and have received relevant training.	
Corporate Health Safety & Well-being	A robust system should be established to ensure the Health, Safety and Occupational Health Business Partner has the ability to easily determine, and, as such, report upon areas of weak or non-compliance, in relation to: <ul style="list-style-type: none"> • Which areas of the organisation have/have not completed a Health, Safety and Well-being Risk Assessment; • Details of when the last risk assessment was completed, and hence when the next one is due; and • Actions arising to address any issues raised in the Risk Assessment, and progression of implementation. 	Awaiting departmental response
Corporate Health Safety & Well-being	A robust process should be put in place, having been documented and disseminated to relevant officers, to ensure all Health, Safety and Well-being incidents, including 'near-misses', and particularly those that may be considered to be RIDDOR, are reported to the Health, Safety and Occupational Health Business Partner for evaluation and subsequent reporting to the Health and Safety Executive, where applicable. Service areas should be reminded of the need to review and update Risk Assessments.	Awaiting departmental response

Table 2

3.3.2 The implementation of recommendations is subject to ongoing monitoring and where dates of agreed action have passed and confirmation of implementation has not been received, Internal Audit contacts managers to establish progress, confirm actions completed or agree revised implementation dates, if appropriate.

3.3.3 Table 3 provides a summary of progress in respect of the implementation of previous recommendations made in respect of corporate systems:

Year	Department	Auditable Area	Recommendations							Notes
			High	Medium	Completed	In Progress	Overdue	High Overdue	Extension Requested and Agreed	
Corporate Development & Delivery										
2021-22	HR - Operations	Health, Safety and Wellbeing - Corporate Review	4	9	0	13	0	n/a	n/a	
2020-21	HR - Operations	Covid-19 Safe Working Govt Guidance - Office Based Services	0	1	0	1	1	n/a	Yes	Discussed with HoS - revised implementation dates agreed
2020-21	HR - Operations	Payroll	0	5	1	4	4	n/a	n/a	Discussed with HoS - revised implementation dates agreed
2019-20	HR - Operations	Recruitment and Selection	2	10	5	7	7	2	Yes	Discussed with HoS - revised implementation dates agreed
2019-20	HR - Strategy & Systems	Time & Attendance	1	6	6	1	1	1	Yes	Legacy system - awaiting software upgrade
2018-19	HR - Operations	Payroll	1	4	4	1	1	0	Yes	Discussed with HoS - revised implementation dates agreed
2018-19	HR - Strategy & Systems	Travel, Accommodation & Expenses	0	3	2	1	1	n/a	Yes	Discussed with HoS - revised implementation dates agreed
2017-18	HR / Legal	Ethical Policy Framework	0	10	9	1	1	n/a	Yes	Discussed with HoS - revised implementation dates agreed
IT - Governance										
2020-21	IT - Governance	Software Asset and License Management (FAST)	0	2	1	1	0	n/a	Yes	
2020-21	IT - Service Delivery	Service Desk Management	0	3	2	1	0	n/a	n/a	
2019-20	IT - Governance	Internet Monitoring	0	3	2	1	0	n/a	n/a	
2019-20	IT - Service Delivery	IT - Service Continuity	0	11	7	4	4	n/a	Yes	Discussed with HoS - revised implementation dates agreed
2018-19	IT - Service Delivery	IT - IT Asset Control (CMDB)	0	6	5	1	0	n/a	n/a	
2018-19	IT - Service Delivery	IT - Cyber Security	3	10	11	2	2	0	Yes	Discussed with HoS - revised implementation dates agreed
Corporate Services										
2021-22	Accountancy	Debtors	0	5	0	5	0	n/a	n/a	
2020-21	Accountancy	Creditors	0	3	3	0	0	n/a	No	
2019-20	Accountancy	Budget Monitoring	0	2	2	0	0	n/a	n/a	
2018-19	Accountancy	Income Reconciliation	1	8	7	2	2	0	Yes	Discussed with Manager - revised implementation dates agreed
2019-20	Accountancy / HR	Procurement Cards	1	5	5	1	1	1	Yes	Discussed with HoS - revised implementation dates agreed
2021-22	Internal Audit	LCRCA/MT Annual Governance Statement Review 2020-21	1	0	1	0	0	n/a	n/a	
2019-20	Procurement	Commissioning	2	2	1	3	1	0	Yes	Discussed with HoS - revised implementation dates agreed
2019-20	Procurement	Procurement	0	1	0	1	1	n/a	Yes	Discussed with HoS - revised implementation dates agreed
2017-18	Procurement	Procurement	0	8	7	1	1	n/a	Yes	Discussed with HoS - revised implementation dates agreed
2019-20	Programme Management Office	PMO	0	10	9	1	1	n/a	Yes	Discussed with Manager - revised implementation dates agreed
2019-20	Programme Management Office	Corporate Performance Management	0	11	10	1	1	n/a	Yes	Discussed with Manager - revised implementation dates agreed
Integrated Transport										
2020-21	AM - Technical Services	Application Control - Paxton	2	12	11	3	3	0	Yes	Discussed with Manager - revised implementation dates agreed
2019-20	AM - Technical Services	Building Security	3	7	10	0	0	0	Yes	
2017-18	AM - Maintenance Delivery	Fleet Management	3	20	19	4	4	1	Yes	Awaiting creation of Fleet Manager post
2019-20	Customer Delivery	Ancillary Income and Debt Recovery	3	2	4	1	1	0	Yes	Discussed with Manager - revised implementation dates agreed
2019-20	Customer Delivery	Business Continuity	5	14	6	13	13	3	Yes	Discussed with HoS - revised implementation dates agreed

Table 3

3.3.4 Significant work has been undertaken with members of SLT to encourage completion of outstanding recommendations, particularly those that are long-standing. This has generated engagement and has prompted fresh focus and action on progressing the issues, and consequently a number of recommendations have been closed during the period.

3.3.5 A number of recommendations have had their implementation dates revised, and these are shown in the Comments column in table 3 above. These movements have been the subject of discussions with Internal Audit, and the explanations provided were deemed to be reasonable. However, there will be ongoing attention paid to these recommendations to ensure that



**LIVERPOOL
CITY REGION**
COMBINED AUTHORITY

METROMAYOR
LIVERPOOL CITY REGION

timely implementation occurs. Discussions have been held with Heads of Service in respect of the outstanding recommendations arising from the Recruitment and Selection and Business Continuity Management audits and revised implementation dates have been provided. Internal Audit will continue to monitor implementation.

4. Combined Authority: Specific Systems

4.1 Background

- 4.1.1 Four of the audits completed in the period were of systems that are specific to Liverpool City Region Combined Authority. From a governance perspective, these fall entirely within the remit of the Audit and Governance Committee and would not be routinely reported to the Merseytravel Audit, Risk and Governance Board.

4.2 Organisational Risk Opinion

- 4.2.1 Two of the audits of Combined Authority specific systems received an organisational risk opinion of “moderate”, and this indicates that the audit identified weaknesses that present a moderate risk to the organisation, and that the risks identified should be considered for inclusion within service risk registers (if these have not already been included). The other two audits received an organisational risk opinion of “Minor”, which means that a satisfactory level of assurance on the effectiveness of the internal controls reviewed can be derived, and that the risk presented to the organisation by the recommendations made is at a low level.

4.3 Recommendations of Note

- 4.3.1 The audits finalised within the period identified no recommendations classed as “high priority”.
- 4.3.2 Table 4 provides a summary of progress in respect of the implementation of previous recommendations made in respect of Combined Authority - specific systems:

Year	Department	Auditable Area	High	Medium	Completed	In Progress	Recommendations			Notes
							Overdue	High Overdue	Extension Requested and Agreed	
Commercial Development & Investment										
2020-21	Investment / PMO / Finance	Pre Payment Assurance	0	3	0	3	0	n/a	n/a	
2019-20	Investment	SIF2 Assurance Framework	0	1	1	0	0	n/a	n/a	
Policy, Strategy & Government Relations										
2021-22	Programme Delivery	Race Equality	0	7	4	3	3	n/a	Yes	Discussed with Manager - revised implementation dates agreed
2020-21	Programme Delivery	Digital	0	8	7	1	1	n/a	Yes	Discussed with Manager - revised implementation dates agreed
2021-22	Tidal	QS Procurement	0	10	8	2	2	n/a	Yes	Discussed with Project Director - revised implementation dates agreed
Strategic Commissioning & Delivery										
2021-22	Adult Education Budget	Adult Education Budget	0	2	0	2	0	n/a	n/a	
2020-21	Policy Coordination	Housing First (VFM)	1	14	7	8	8	n/a	Yes	Discussed with HoS - revised implementation dates agreed
Other										
2020-21	LEP	LEP Governance Annual Review	0	2	2	0	0	n/a	n/a	

Table 4

4.3.3 The implementation of recommendations is subject to ongoing monitoring and where dates of agreed action have passed and confirmation of implementation has not been received, Internal Audit contacts managers to establish progress, confirm actions completed or agree revised implementation dates, if appropriate.

4.4 Grant Certification

4.4.1 In the period since the last Internal Audit Update, the following grant claims shown in Table 5, were reviewed, so as to confirm compliance with grant conditions:

Grant Name	Number of Claims Audited	Value Audited (£)
SIF	12	1,201,176
SIF Pre-Development Funding	2	25,729
SIF Skills	7	544,105
TOTAL	19	1,771,010

Table 5

5. Merseytravel: Specific Systems

5.1 Background

5.1.1 Two of the audits completed in the period was of a system that is specific to Merseytravel. From a governance perspective, these fall entirely within the remit of the Audit, Risk and Governance Board, but are also reported to the Audit and Governance Committee for information and in the interests of transparency.

5.2 Organisational Risk Opinion

5.2.1 One of the audits received an organisational risk opinion of “Minor”, which means that a satisfactory level of assurance on the effectiveness of the internal controls reviewed can be derived, and that the risk presented to the organisation by the recommendations made is at a low level. The other audit is in the process of being finalised and the opinion agreed.

5.3 Recommendations of Note

5.3.1 The audits finalised within the period identified no recommendations classed as “high priority”.

5.3.2 The implementation of recommendations is subject to ongoing monitoring and where dates of agreed action have passed and confirmation of implementation has not been received, Internal Audit contacts managers to establish progress, confirm actions completed or agree revised implementation dates, if appropriate.

5.3.3 Table 6 provides a summary of progress in respect of the implementation of previous recommendations made in respect of Merseytravel specific systems:

Year	Department	Auditable Area	Recommendations							Notes
			High	Medium	Completed	In Progress	Overdue	High Overdue	Extension Requested and Agreed	
Integrated Transport										
2018-19	AM - Maintenance Delivery	Vehicle Tracking System	1	3	2	2	2	0	Yes	Awaiting creation of Fleet Manager post
2020-21	Bus - Network Performance	Bus Services - Contract Management	0	10	0	10	0	n/a	n/a	Awaiting response - continued reminders
2019-20	Bus - Network Performance	Bus Services - Contract Management	0	4	1	3	3	n/a	Yes	Continued Reminders
2021-22	Customer Delivery	Application Control - Haven System	1	9	4	6	0	n/a	n/a	
2020-21	Customer Delivery	Fast Tag Account Management	1	1	1	1	0	0	n/a	
2021-22	Customer Operations (Ferries)	Application Control - Commuter Club	0	8	0	8	0	n/a	n/a	
2020-21	Customer Operations (Ferries)	Mersey Ferries - Retail and Stock Reconciliation	1	10	10	1	0	0	Yes	
2020-21	Customer Operations (Hubs)	Travel Centres	0	10	10	0	0	n/a	n/a	
2021-22	Customer Operations (Tunnels)	Tunnel Tolls Income Recording	0	2	0	2	0	n/a	n/a	
2020-21	Police Operations (Tunnels)	CCTV	1	8	7	2	1	0	Yes	Discussed with Manager - revised implementation dates agreed
2019-20	Customer Delivery	Catering Concession - Contract Management	0	5	4	1	1	n/a	Yes	Discussed with Manager - revised implementation dates agreed
2020-21	Policy Development	Active Travel Fund	0	4	0	4	0	n/a	n/a	
2021-22	Rail / Bus	Financial Sustainability of Operators and Contractors COVID	2	1	0	3	0	n/a	n/a	
2020-21	Rail - Concession Development	Rail Concession Agreements (VFM)	0	3	3	0	0	n/a	n/a	

Table 6

5.3.4 Significant work has been undertaken with members of SLT to encourage completion of outstanding recommendations, particularly those that are long-standing. This has generated engagement and has prompted fresh focus and action on progressing the issues.

5.3.5 A number of recommendations have had their implementation dates revised, and these are shown in the Comments column in table 9 above. These movements have been the subject of discussions with internal audit, and the explanations provided were deemed to be reasonable. However, there will be ongoing attention paid to these recommendations to ensure that timely implementation occurs. Bus has thirteen recommendations either awaiting a response or outstanding and reminders continue to be sent to responsible officers to encourage implementation.

6. Quality Assurance and Improvement Programme

6.1 Performance Update

6.1.1 The Public Sector Internal Audit Standards (PSIAS) require that the service maintains a Quality Assurance and Improvement Programme (QAIP) which includes a series of performance measures and associated targets.

6.1.2 Performance measures defined in the QAIP are also included within the Internal Audit Service Plan and are thus reported to senior management in accordance with the corporate quarterly performance reporting process. This provides senior management oversight and scrutiny of performance and of any remedial actions required to meet identified targets.

6.1.3 Table 7 below details the performance measures and the results for the period:

Description and Purpose	Target	Actual	Variance and Explanation
<p>Compliance with Public Sector Internal Audit Standards (PSIAS) This measures the extent to which the Internal Audit Service complies with the requirements set out in the Standards and the Local Government Application Note.</p>	100%	100%	<p>No variance The result of the recent external assessment (August 2021) details that the service fully complies with the Public Sector Internal Audit Standards.</p>
<p>Percentage of the Internal Audit Plan 2021-22 completed This measures extent to which the Audit Plan is being delivered. The delivery of the Plan is vital in ensuring that an appropriate level of assurance is being provided across the organisation's systems.</p>	70% See Chart 1	47% See Chart 1	<p>Negative Variance Sickness absence impacted on completion of 2020-21 planned work with knock-on effect in respect of 2021-22 work. Two pieces of unplanned reactive work have been requested so far in 2021-22. The service had 86% of the Plan completed / underway at the end of Q3.</p>
<p>Percentage of recommendations implemented within a reasonable timescale This measures the extent to which managers feel that the recommendations made are appropriate and valuable in</p>	100%	100%	<p>No variance No concerns in respect of recommendations made in 2021-22.</p>

Description and Purpose	Target	Actual	Variance and Explanation
strengthening the control environment and also provides the Board with a view on how effective management action is in responding to recommendations.			
Percentage of client survey responses indicating a "very good" or "good" opinion This measures the feedback received on the service provided and seeks to provide assurance that Internal Auditors conduct their duties in a professional manner.	100%	100%	No variance Feedback positive although response levels are low.
Percentage of annual senior management survey responses indicating satisfaction with the Internal Audit service provided This measures the feedback received from Directors and Heads of Service on the service provided and seeks to provide assurance that Internal Audit is adding value at a strategic level.	100%	N/A	Survey to be completed in Q4.

Table 7

6.1.4 Chart 1 below gives a more detailed breakdown of the performance indicator “percentage of the Internal Audit Plan 2021-22 completed”. These have been profiled to show the percentage of the Plan that is the target for completion each quarter.

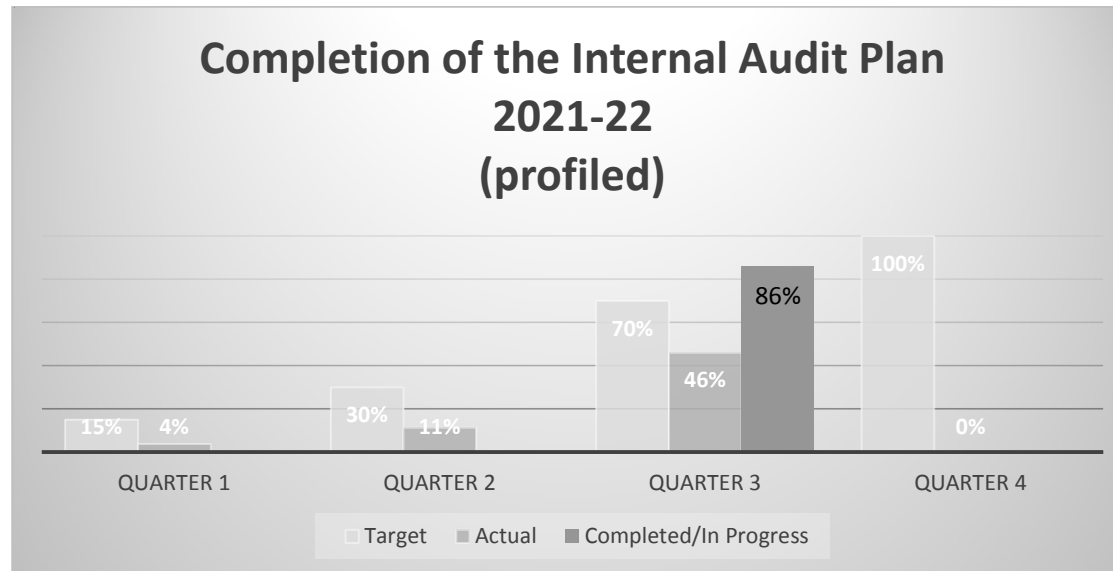


Chart 1

6.2 Resources

6.2.1 The Internal Audit service is at full complement. The team's resources have not been diverted into any areas of non-audit activity during the period.

7. Public Sector Internal Audit Standards (PSIAS)

7.1 External Assessment

- 7.1.1 It is a requirement of the PSIAS that the service must be subject to an external assessment of its compliance with the Standards every five years. The service was subject to such an external assessment (peer review validation of self-assessment) against the requirements of the Public Sector Internal Audit Standards (PSIAS) in August 2021.
- 7.1.2 It was reported to the November Board meeting that the final report has now been received and this details that the outcome of this assessment was that the service **fully conforms** to the Public Sector Internal Audit Standards.
- 7.1.3 The recommendations arising from the review, and the associated progress being made to address these, are shown in Table 8. One recommendation has been completed, and the remaining recommendations have not yet fallen due, although action is underway to progress these items:

Recommendation	Due Date	Comments/Progress
<p>1. Internal audit should be removed from the grant awarding process</p> <p>Medium priority</p> <p>At the time of the review, Internal Audit were required to audit every grant the CA intends to make to external organisations prior to the grant payment being made. This effectively makes Internal Audit part of the grant awarding process and is therefore a potential impairment to their independence and objectivity. The CA's management should review this arrangement and find a solution that removes Internal Audit from the grant awarding process, ideally by relocating this activity to another part of the Authority.</p>	March 2022	Recommendation agreed. This is a priority for the service and discussions are ongoing with a view to removing these responsibilities and relocating these elsewhere in the organisation.
<p>2. Prepare formal service level agreements for the two external companies</p>	April 2022	Recommendation agreed. Service Level Agreements have been drafted and will be implemented from 1 April 2022.

Recommendation	Due Date	Comments/Progress
<p>Low priority</p> <p>The Service should enter into formal service level agreements with the Beatles Story and the Local Enterprise Partnership for the internal audit services provided to them.</p>		
<p>3. Consider reporting to the senior leadership teams on a regular basis</p> <p>Advisory</p> <p>It is good practice to report regularly to the Executive Leadership Team, not only to discuss progress on delivering the audit plan, but to also have a regular dialogue on other matters such as corporate issues and emerging risks where input from Internal Audit would benefit the organisations in achieving their objectives and identifying organisation wide issues and risks that could be considered for inclusion in the audit plan.</p>	November 2021	<p>Completed</p> <p>Recommendation agreed. Quarterly attendances at Executive Leadership Team to discuss delivery of the Internal Audit Plan and related issues commenced in November 2021 and will continue.</p>
<p>4. Consider introducing an annual conformation statement to supplement the declarations of interest returns</p> <p>Advisory</p> <p>It is becoming good practice in local authority internal audit services to enhance their annual declarations of interest returns by introducing or including a statement for internal audit staff to sign to confirm that they have read and understood the PSIAS, the core principles for the professional practice of internal auditing, the code of ethics, and the seven principles of public life (the Nolan Principles). The HoIA may wish to consider introducing such a statement.</p>	Q4 2021-22 and annually thereafter	<p>Recommendation agreed. A statement for the acceptance of the various ethical standards will be drafted and all audit staff will be required to complete this on an annual basis. This will follow a refresher session with the team on ethics.</p>

Table 8

Appendix A: Internal Audit Plan 2021-22 Status Update

Auditable Area	Entity			Organisational Risk Rating	Organisational Risk Opinion	Status
	Corporate	LCRCA	Merseytravel			
Rolling Stock - Power Supply Project			Y	MODERATE		Commenced
Rolling Stock - Covid-19 Impact			Y	MODERATE		
Rolling Stock - IPEMU Proof of Concept			Y	MODERATE	Negligible	Final Report Issued
Rolling Stock - Asset Ownership			Y	MODERATE		Commenced
Tidal Power - Procurement Review		Y		MAJOR	Moderate	Final Report Issued
Investment Models		Y		MAJOR	Minor	Final Report Issued
Investment Schemes - FIF		Y		MAJOR	Moderate	Draft Report Issued
Investment Schemes - Additional Restrictions Grant		Y		MAJOR		Commenced
SIF2 Assurance Framework		Y		MAJOR		Commenced
Learning and Development	Y			MODERATE	Minor	Draft Report Issued
Health, Safety and Wellbeing - Corporate Review	Y			MODERATE	Moderate	Final Report Issued
Health, Safety and Wellbeing - Office Based Services	Y			MODERATE		Commenced
Payroll	Y			MODERATE		Commenced
Absence Management	Y			MODERATE	Minor	Draft Report issued
Ethics / Standards of Conduct	Y			MODERATE		
Application Control - Haven System			Y	MODERATE	Moderate	Final Report Issued
Application Control - Commuter Club			Y	MODERATE	Minor	Final Report Issued
Application Control - SCADA	Y			MODERATE	Minor	Draft Report Issued
Capital Programme	Y			MODERATE	Minor	Draft Report Issued
Credit Cards	Y			MODERATE	Minor	Draft Report Issued
Creditors	Y			MODERATE		Commenced
Debtors	Y			MODERATE	Minor	Final Report Issued
Governance Assurance Statement 2021-22	Y			MODERATE		Commenced
LCRCA/MT Annual Governance Statement Review 2020-21	Y			MODERATE	n/a	Final Report Issued
Risk Management	Y			MODERATE		Commenced
Insurance Claims	Y			MODERATE		
Procurement	Y			MODERATE		Commenced

Auditable Area	Entity			Organisational Risk Rating	Organisational Risk Opinion	Status
	Corporate	LCRCA	Merseytravel			
LEP Governance Annual Review		Y		MODERATE		Commenced
LEP Creditors		Y		MODERATE	Minor	Draft Report Issued
ESIF		Y		MODERATE		Commenced
Grant Auditing Arrangements at Local Authorities - Accountable Body	Y			MODERATE		Commenced
Asset Management - Service/Maintenance Contracts		Y		MODERATE	Moderate	Draft Report Issued
Health, Safety and Wellbeing - Asset Management			Y	MINOR		Commenced
Financial Sustainability of Operators and Contractors COVID			Y	MAJOR	Minor	Final Report Issued
Alternative Delivery Models			Y	MODERATE		
Recovery Partnerships			Y	MODERATE		Advice Provided
Business Continuity Management	Y			MODERATE		Withdrawn
Fast Tag Account Management			Y	MINOR		
Health, Safety and Wellbeing - Operational Transport			Y	MINOR		Commenced
Mersey Ferries - New Vessel			Y	MODERATE		Withdrawn
Mersey Ferries - Ticketing and Admissions			Y	MINOR		
Travel Centres - Income / Stock Reconciliation			Y	MINOR		Commenced
Tunnel Tolls Income Recording			Y	MINOR	Minor	Final Report Issued
The Beatles Story - Governance Review			Y	MINOR		Commenced
Covid-19 Govt Funding	Y			MODERATE		Commenced
Operator of Last Resort			Y	MODERATE		
Rail Operators - Stock Control			Y	MODERATE	Minor	Draft Report Issued
Brexit Impacts	Y			MAJOR		Withdrawn
Freeport		Y		MODERATE		Withdrawn
Adult Education Budget		Y		MAJOR	Minor	Final Report Issued
Digital Infrastructure		Y		MAJOR		Commenced
Race Equality		Y		MINOR	Moderate	Final Report Issued
Seacombe Landing Stage Contract			Y		tbc	Draft Report Issued
Back Up Management	Y			n/a		Commenced
Proactive BAU Management	Y			n/a		Commenced
Asset Management	Y			n/a		Commenced
Cyber Security - Response (NIST)	Y			n/a		
LEP - IT Overview	Y			n/a		Commenced

Appendix B: Organisational Risk Opinions and Recommendation Priority Levels

Organisational Risk Opinions	Recommendation Priority Levels
<p>Major The risks identified in the review could, if they materialised, have a major impact on the organisation as a whole.</p>	<p>High The recommendation is essential to the management of risk within the area under review.</p>
<p>Moderate The risks identified in the review could, if they materialised, have a moderate impact on the organisation as a whole.</p>	<p>Medium The recommendation is important to the management of risk within the area under review.</p>
<p>Minor The risks identified in the review could, if they materialised, have a minor impact on the organisation as a whole.</p>	<p>Advisory The recommendation is a suggestion intended to enhance the existing management of risk within the area under review.</p>
<p>Negligible No risks were identified within the review.</p>	