

PLYMOUTH CITY COUNCIL

Subject: Internal Audit Plan 2015/16
Committee: Audit Committee
Date: 26 March 2015
Cabinet Member: Councillor Lowry
CMT Member: Lesa Annear (Strategic Director for Transformation & Change)
Author: Robert Hutchins, Head of Devon Audit Partnership
Contact details robert.hutchins@devonaudit.gov.uk T: 01752 306710
Ref: AUD/RH
Key Decision: No
Part: I

Purpose of the report:

This report provides information on the legislative requirement for local authorities to provide an Internal Audit (IA) service in accordance with the Accounts and Audit Regulations and Public Sector Internal Audit Standards; the need for an annual risk-based IA plan to be prepared; and the methodology of identifying the audit needs for the Authority.

The report comments on the delivery of the Council's Internal Audit provision by Devon Audit Partnership (DAP) which is a shared service arrangement between Plymouth City, Devon County and Torbay Councils and which commenced on 1st April 2009.

This report comments on IA resources available to carry out the 2015/16 plan, and identifies the work to be carried out analysed between audit support and contribution to Transformation, value added work, core assurance, key financial systems, school's reviews, anti-fraud work, consultancy, corporate governance, grant certification and other chargeable work. The report also contains details of the specific audits to be undertaken.

The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

The work of the internal audit service assists the Council in maintaining high standards of public accountability and probity in the use of public funds. The service has a role in promoting high standards of service planning, performance monitoring and review throughout the organisation, together with ensuring compliance with the Council's statutory obligations.

The delivery of the Internal Audit Plan assists all directorates in delivering outcomes from the Corporate Plan:-

- Pioneering Plymouth – by ensuring that resources are used wisely and that services delivered meet or exceed customer expectations;
- Confident Plymouth - the Government and other agencies have confidence in the Council and partners.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

None.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

The work of the internal audit service is an intrinsic element of the Council's overall corporate governance, risk management and internal control framework.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? No

Recommendations and Reasons for recommended action:

It is recommended that:

1. The report be noted
 2. The proposed Internal Audit Plan for 2015/16 at Appendix 1 be approved.
-

Alternative options considered and rejected:

None, as failure to maintain an adequate and effective system of internal audit would contravene the Accounts and Audit Regulations 2003, 2006 and 2011 and the Public Sector Internal Audit Standards.

Published work / information:

None

Background papers:

None

Title	Part I	Part II	Exemption Paragraph Number						
			1	2	3	4	5	6	7

Sign off:

Fin		Leg		Mon Off		HR		Assets		IT		Strat Proc	
Originating SMT Member													
Has the Cabinet Member(s) agreed the contents of the report? Yes / No													

Internal Audit

Internal Audit Plan 2015-16

Plymouth City Council Audit Committee

March 2015

Not Protectively Marked

Robert Hutchins
Head of Audit Partnership



Auditing for achievement

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Devon Audit Partnership	Confidentiality and Disclosure Clause
<p>The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay and Devon councils. We aim to be recognised as a high quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards.</p> <p>The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at robert.hutchins@devonaudit.gov.uk .</p>	<p>This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the Council, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation’s disclosure policies.</p> <p>This report is prepared for the organisation’s use. We can take no responsibility to any third party for any reliance they might place upon it.</p>

Audit Framework

All principal Local Authorities, including Plymouth City Council, are subject to the Accounts and Audit Regulations 2003 (as amended), and the Accounts and Audit Regulations 2006 and 2011, which require that the Authority should make provision for Internal Audit. From April 2013, organisations in the UK public sector are required to adhere to the Public Sector Internal Audit Standards.

The Standards require that the Head of Internal Audit must “establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation’s goals”. When completing these plans, the Head of Internal Audit should take account of the organisation’s risk management framework. The plan should be adjusted and reviewed, as necessary, in response to changes in the organisation’s business, risk, operations, programs, systems and controls. The plan must take account of the requirement to produce an internal audit opinion and assurance framework.

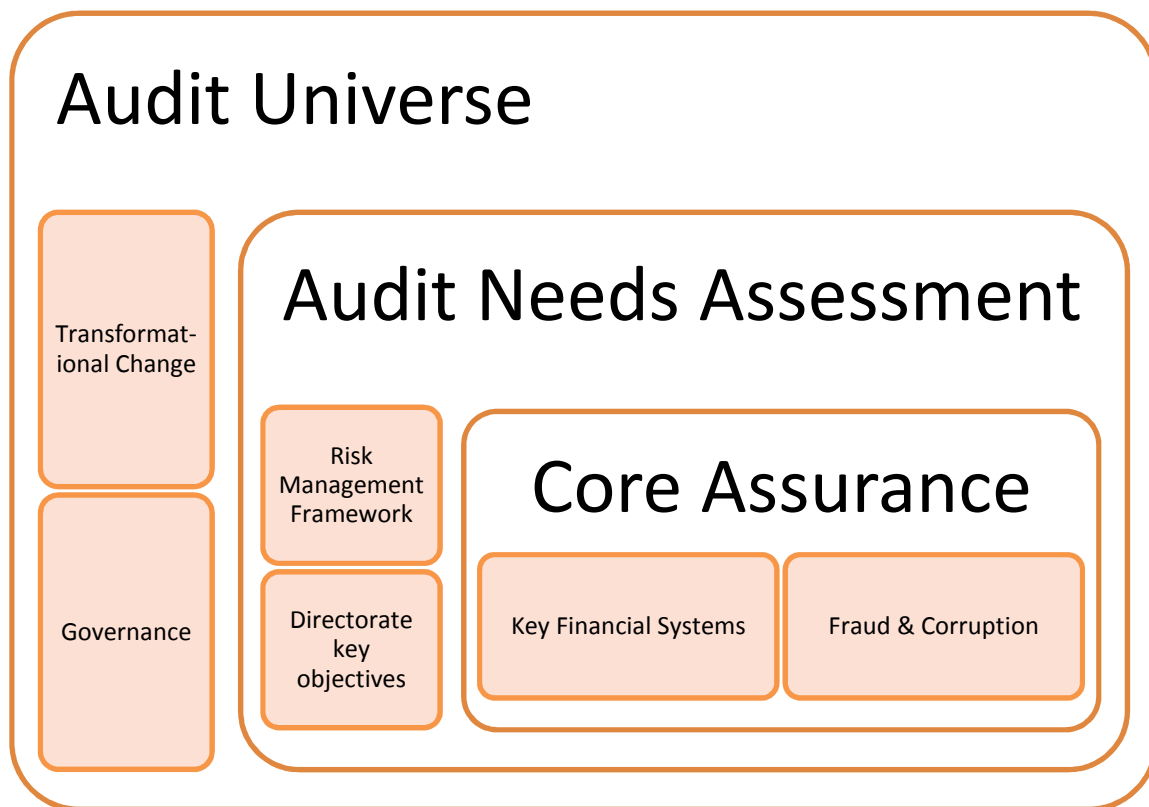
This audit plan has been drawn up, therefore, to enable an opinion to be provided at the end of the year in accordance with the above requirements



We will seek opportunity for shared working across member authorities. In shared working Devon Audit Partnership will maximise the effectiveness of operations, sharing learning & best practice, helping each authority develop further to ensure that risk remains suitably managed.

Audit Needs Assessment

We employ a risk based priority audit planning tool to identify those areas where audit resources can be most usefully targeted. This involves scoring a range of systems, services and functions across the whole Authority, known as the “Audit Universe” using a number of factors/criteria. The final score, or risk factor for each area, together with a priority ranking, then determines an initial schedule of priorities for audit attention.



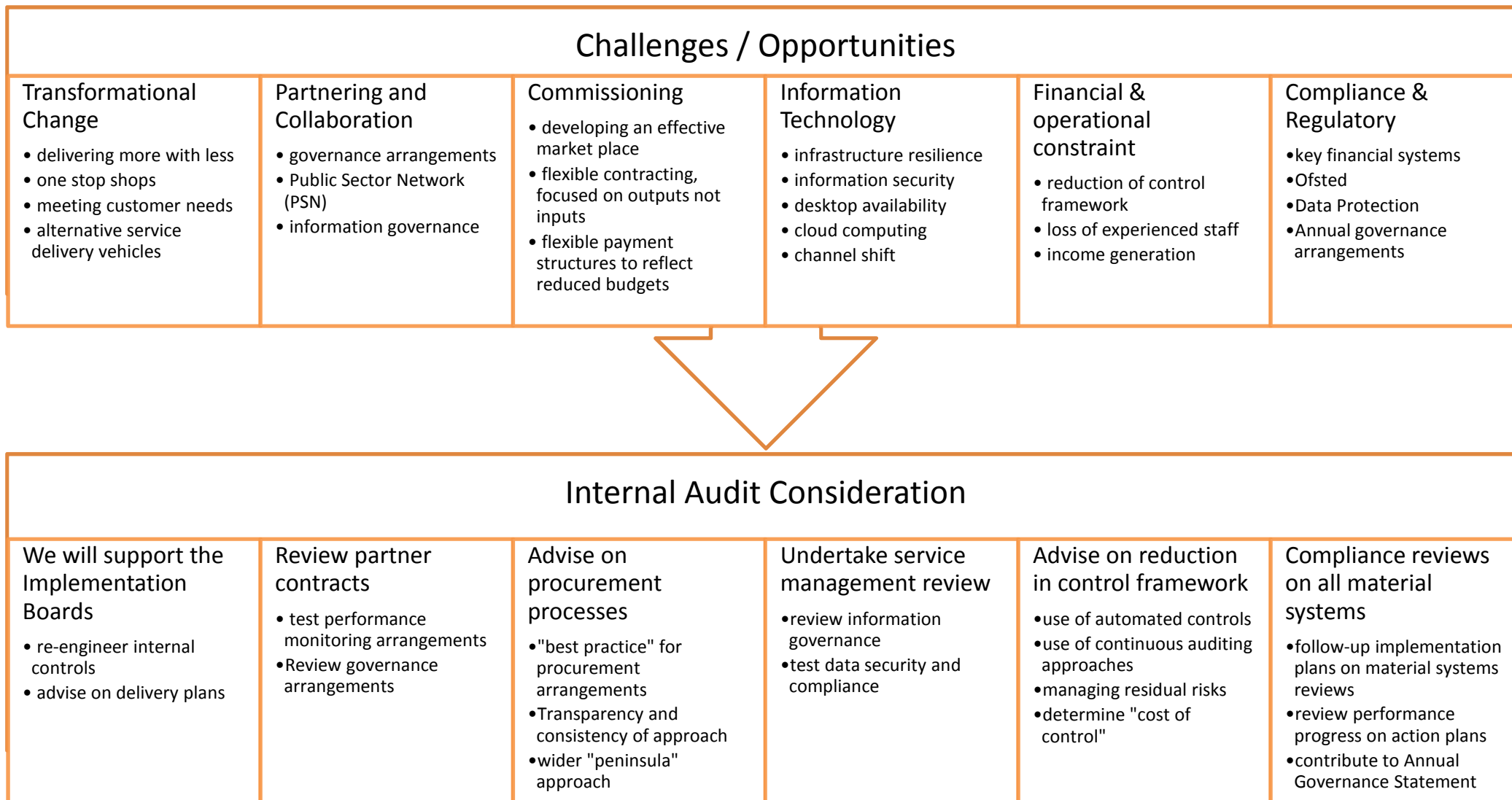
The resultant Internal Audit Plan for 2015/16 is set out in the high level plan and Appendix 1

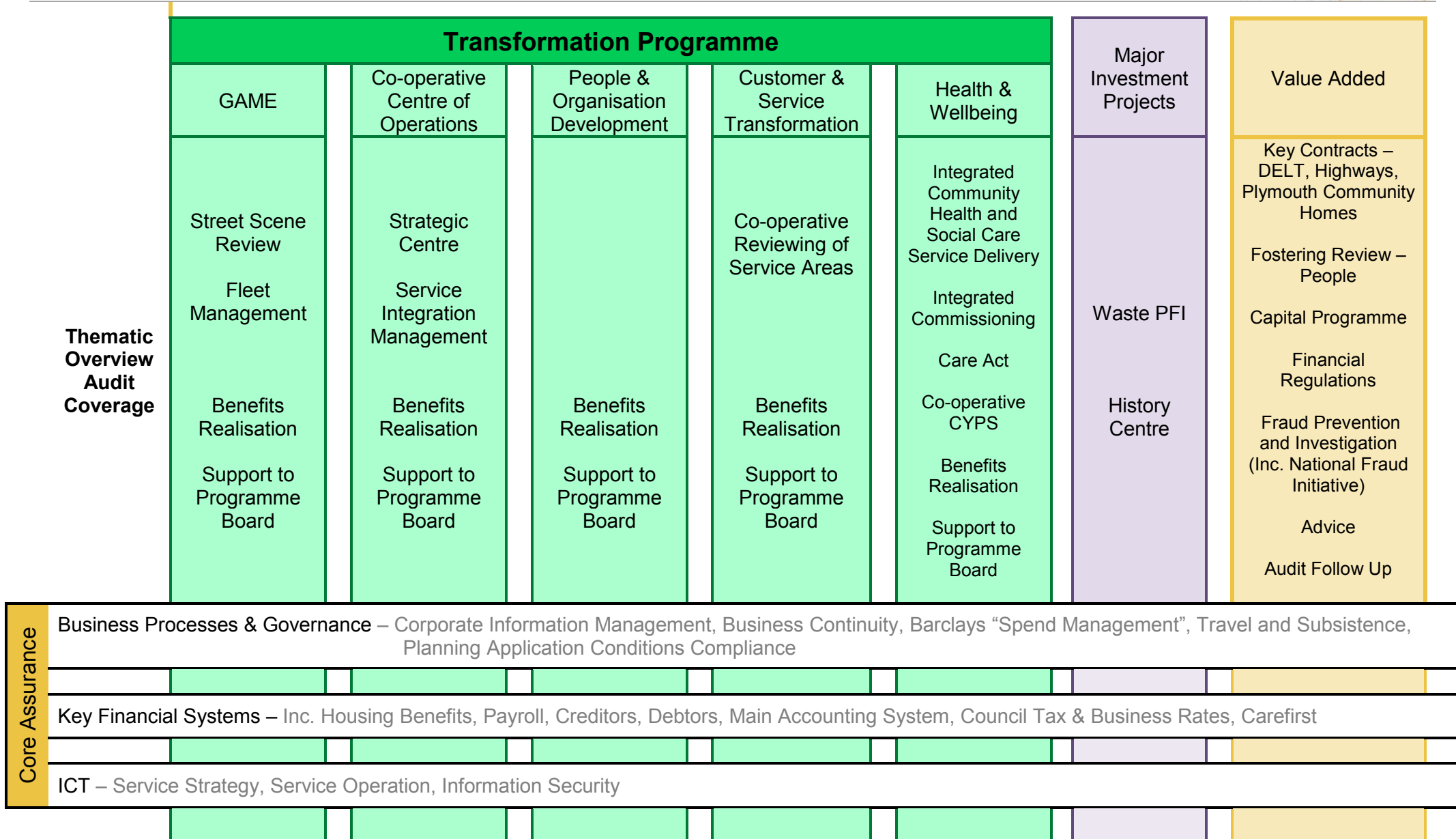
The audit plan for 2015/16 plan has been created by:

- Consideration of risks identified in the Authority’s strategic and operational risk registers
- Review and update of the audit universe
- Discussions and liaison with Directors and Senior Officers regarding the risks which threaten the achievement of corporate or service objectives, including changes and / or the introduction of new systems, operations, programs, and corporate initiatives
- Taking into account results of previous internal audit reviews
- Taking into account Internal Audit’s knowledge and experience of the risks facing the Authority, including factors and systems that are key to successful achievement of the Council’s delivery plans
- Requirements to provide a “collaborative audit” approach with the external auditors

Consideration of your business objectives

From consideration of the corporate goals and strategic risk registers we have discussed the key challenges and opportunities the Authority is facing with senior management. Our consideration and proposed action is set out below.





The diagram shows the thematic approach to the elements proposed for audit coverage in the coming year as identified through risk assessment and discussion with Senior Management. This overview is supported by the detailed plans, by theme, in appendix 1.

High Level Audit Plan 2015-16

This table shows a summary of planned audit coverage for 2015/16 totalling 1,332 direct days. It should be borne in mind that, in accordance with the Public Sector Internal Audit Standards, the plan needs to be flexible to be able to reflect and respond to the changing risks and priorities of the Authority and, to this end, it will be regularly reviewed with directorates, and updated as necessary, to ensure it remains valid and appropriate. As a minimum, the plan will be reviewed in six months to ensure it continues to reflect the key risks and priorities of the Council given the significant changes across the public sector. In order to allow greater flexibility, the Internal Audit Plan includes a contingency to allow for unplanned work.

We have set out our plan based on the current organisational structure for the Authority. Detailed terms of reference will be drawn up and agreed with management prior to the start of each assignment – in this way we can ensure that the key risks to the operation or function are considered during our review. The following pages give a brief overview of the focus of proposed audit coverage for the year.

A detailed analysis of proposed audit reviews is provided in Appendix 1.

Core Activity for Internal Audit Review	Coverage in Days
Transformation	309
Major Investment Projects	20
Value Added	135
Core Assurance – Key Financial Systems	190
Core Assurance - Other	200
Public Health	20
Anti Fraud and Corruption	170
Grant Certification	30
Other Chargeable Activities	258
Total internal audit plan for Plymouth City Council	1332
Schools (estimated)	135

Service Level Plans – Transformation & Change, Place, People and Public Health

Transformation & Change

As part of the challenge to reduce its funding gap, the Council has developed a transformation programme which will see radical change to the way services are provided. The 2015/16 internal audit plan reflects the transition of many programme workstreams into the design and development stages of the change lifecycle and includes resource to examine, support and challenge areas of the programme during this stage.

Audit will continue to support Co-operative Centre of Operations (CCO) as they develop the Assure and Evolve projects. We will contribute to the development of proposed governance and methodologies for commissioning and procurement and support and challenge the work undertaken by the Council to ensure better, more efficient use of its current financial systems.

Assurance work will be undertaken on areas termed as key financial systems; these process the majority of income and expenditure of the Council, and which have a significant impact on the reliability and accuracy of the annual accounts.

In addition to work on the financial systems, Internal Audit coverage will include auditing, support and advice on other areas identified through review of risk registers and discussions with Senior Management. These include:

- Information Governance, working with relevant managers and ILOG to review key areas of strategic and operational information management practice,
- the use of corporate contracts,

With respect to ICT, we will review the management of the new DELT contract and the role of the retained client function. We will work alongside the Transformation programme as new delivery models are designed that involve the implementation of new ICT business systems. We will work

with the Council and its business areas to ensure that their objectives are appropriately supported and the value of ICT is fully realised.

Place

Auditors will provide management with advice, support and assurance on areas within Street Scene and fleet management as part of the GAME transformation programme. We will continue to support both the South West Devon Waste Partnership, as the new facility opens, and the History Centre project. In addition, we will contribute to the development of a new service specification for Highways, as well as review the governance around approval of capital schemes, test the robustness of the process for planning condition compliance and assist in identifying ways to improve how advice is provided on works to listed buildings.

People

Audit will continue its three year audit plan which commenced last year, majoring on the transformation programme including reviews around Integrated Community Health & Social Care service delivery and Integrated Commissioning. Work will include review of the governance arrangements, risk management, financial control and protection against fraud. Material systems work will focus on the residential care payments and billing systems. Support will be provided to assist in the successful implementation of the Care Act.

Audit will also contribute to the development of an outcomes plan for Phase 2 of the Troubled Families (Families With A Future) programme. Completion of a review of the Fostering Service will occur early in the financial year, comparing Plymouth with its Audit Commission 'nearest neighbours'.

Public Health

Our work will provide assurance around the ongoing delivery of services as commissioned by Public Health.

Fraud Prevention and Detection and Internal Audit Governance

Fraud Prevention and Detection and the National Fraud Initiative

Counter-fraud arrangements are a high priority for the Council and assist in the protection of public funds and accountability. Internal Audit will continue to investigate instances of potential fraud and irregularities referred to it by managers, and will also carry out pro-active anti-fraud and corruption testing of systems considered to be most at risk to fraud. As part of this, Audit will continue to develop the working relationship with the Council's Corporate Fraud Team. In recognition of the guidance in the Fraud Strategy for Local Government "Fighting Fraud Locally" and the Audit Commission publication "Protecting the Public Purse" internal audit resource will be allocated to allow a focus on identifying and preventing fraud before it happens. Nationally, the notable areas of fraud include Procurement, Housing Benefit and Council Tax, Business Rates, Payroll, Blue Badges, and Direct Payments.

The Audit Commission runs a national data matching exercise (National Fraud Initiative - NFI) every two years. The 2014/15 exercise has now provided the Council with the resulting data matches, and work has begun (and will continue throughout 2015), with Council departments, to ensure that the matches are reviewed and action taken as may be necessary.

Internal Audit Governance

An element of our work is classified as "other chargeable activities" – this is work that ensures effective and efficient audit services are provided to the Council and the internal audit function continues to meet statutory responsibilities. In some instances this work will result in a direct output (i.e. an audit report) but in other circumstances the output may simply be advice or guidance. Some of the areas that this may cover include:-

- Preparing the internal audit plan and monitoring implementation;
- Preparing and presenting monitoring reports to Senior Management and the Audit Committee;
- Assistance with the Annual Governance Statement;
- Liaison with other inspection bodies (e.g. Grant Thornton);
- Corporate Governance - Over recent years Internal Audit has become increasingly involved in several corporate governance and strategic issues, and this involvement is anticipated to continue during 2015/16
- On-going development within the Partnership to realise greater efficiencies in the future.

Partnership working with other auditors

We will continue to work towards the development of effective partnership working arrangements between ourselves and other audit agencies where appropriate and beneficial. We will participate in a range of internal audit networks, both locally and nationally, which provide for a beneficial exchange of information and practices. This often improves the effectiveness and efficiency of the audit process, through avoidance of instances of "re-inventing the wheel" in new areas of work which have been covered in other authorities.

We shall continue to work with External Audit colleagues from Grant Thornton with regard 2014/15. Grant Thornton are to be replaced by BDO from April 2016 but, in the meantime, Devon Audit Partnership will start to build a relationship with them to understand their requirements and to provide information that they will require. We will look to set up regular liaison arrangements to maximise the benefits of close working.

In addition, we are working closely with colleagues from Audit South West, the internal auditors for Health, as the Council's integration with Health progresses.

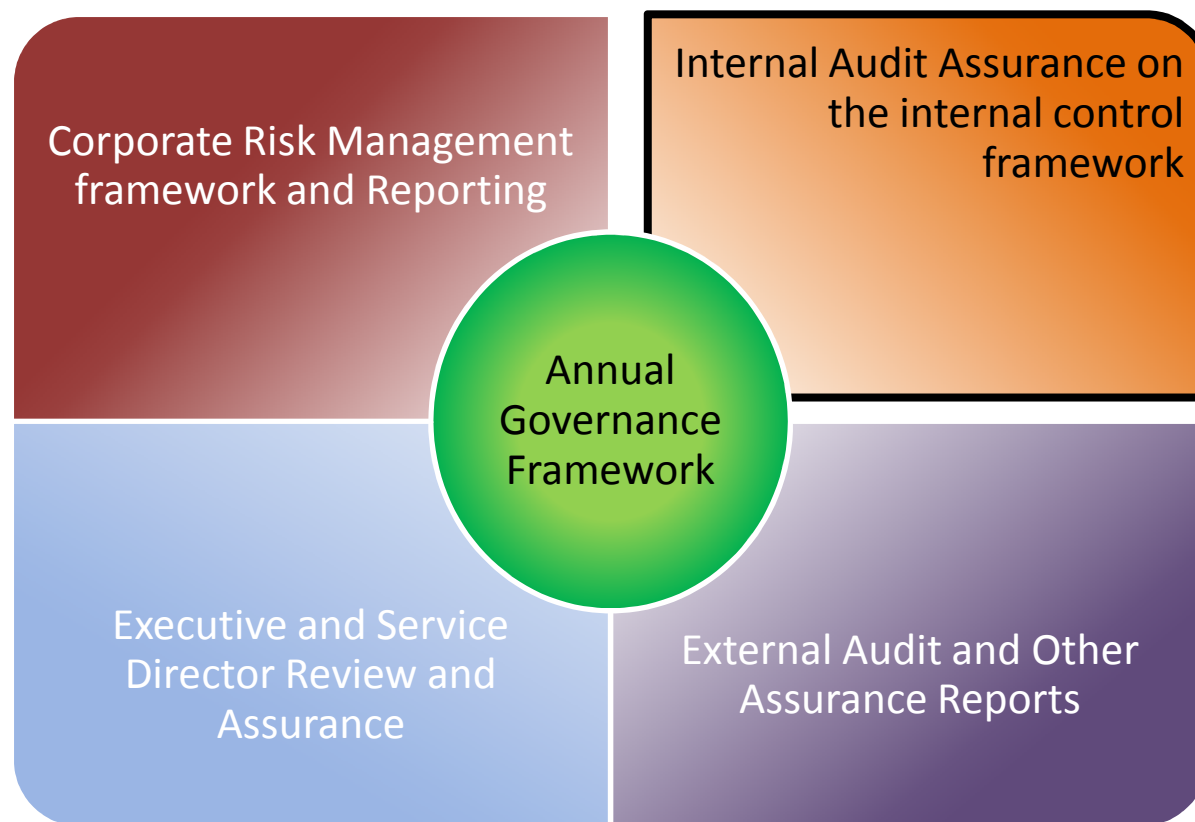
Annual Governance Framework Assurance

The Annual Governance Statement provides assurance that

- The Authority's policies have been complied with in practice;
- high quality services are delivered efficiently and effectively;
- ethical standards are met;
- laws and regulations are complied with;
- processes are adhered to;
- performance statements are accurate.

The statement relates to the governance system as it is applied during the year for the accounts that it accompanies. It should:-

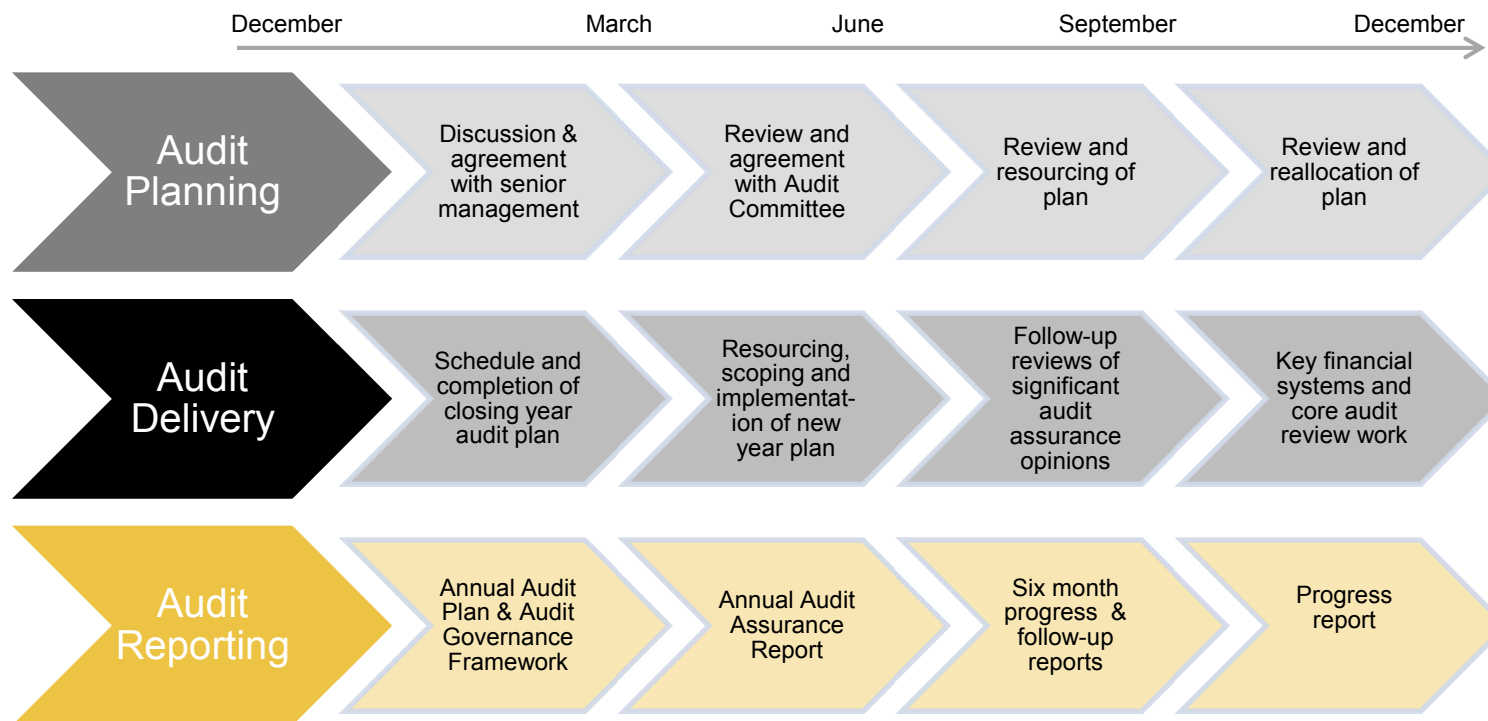
- be prepared by senior management and signed by the Chief Executive and Leader of the Council;
- highlight significant events or developments in the year;
- acknowledge the responsibility on management to ensure good governance;
- indicate the level of assurance that systems and processes can provide;
- provide a narrative on the process that is followed to ensure that the governance arrangements remain effective. This will include comment upon;
 - The Authority;
 - Audit Committee;
 - Risk Management;
 - Internal Audit
 - Other reviews / assurance
- Provide confirmation that the Authority complies with CIPFA / SOLACE Framework *Delivering Good Governance in Local Government*. If not, a statement is required stating how other arrangements provide the same level of assurance.



The AGS needs to be presented to, and approved by, the Audit Committee, and then signed by the Chair.

The Committee should satisfy themselves, from the assurances provided by the Annual Governance Statement Working Group, CMT and Internal Audit that the statement meets statutory requirements.

Our Audit Team and the Audit Delivery Cycle



Date	Activity
Dec / Jan 2015	Directorate planning meetings
March 2015	Internal Audit Plan presented to Audit Committee
	Internal Audit Governance Arrangements reviewed by Audit Committee
	Year end field work completed
Apr / May 2015	Annual Performance reports written
June 2015	Annual Internal Audit Report presented to Audit Committee
	Follow –up work of previous year’s audit work commences
Sept 2015	Follow-up and progress reports presented to Audit Committee
Dec 2015	Six month progress reports presented to Audit Committee
	2016 Internal Audit Plan preparation commences

Robert Hutchins Head of Audit Partnership T 01392 383000 M 07814681196 E robert.hutchins@devonaudit.gov.uk	David Curnow Deputy Head of Audit Partnership T 01392 383000 M 07794201137 E david.curnow@devonaudit.gov.uk	Dominic Measures Audit Manager – Specialist Services T 01752 306722 E dominic.measures@devonaudit.gov.uk
Brenda Davis Audit Manager – Corporate & Place T 01752 306713 M 07816934144 E brenda.davis@devonaudit.gov.uk	Chris Elliott Audit Manager - People T 01392 383000 M 07816947531 E chris.elliott@devonaudit.gov.uk	Anne Parsons Audit Manager – Schools and Business Development T 01392 383000 E anne.parsons@devonaudit.gov.uk

Appendix 1 – Proposed audit reviews and associated risks

Risk Area / Audit Entity	Audit Needs Assessment (ANA)	Proposed Audit Work	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
Transformation – Overall Programme				
Programme Boards	SRR – Red ANA - High	Audit “trusted advisor” role at all six Programme Boards to provide support, challenge and independent assurance as to their effectiveness. This will place Audit at the heart of proposed changes and enable the targeted use of audit resources to support project delivery and mitigate risks in a collaborative manner.	Q1 – Q4	50
Transformation - Co-operative Centre of Operations (CCO)				
Strategic Centre	SRR – Red ANA - High	The continued support to CCO as they develop the Assure and Evolve projects. This will include the on-going work of the Integrated Assurance project and other workstreams as they are developed. (to fit Transformation Programme needs & timing)	Q1 – Q4	30
Service Integration and Management inc. Intelligent Client, Commissioning and Procurement, Category Management and Contract Management	SRR – Red ANA - High	Audit partner in the development of proposed governance & methodologies suitable for differing models that will see the Council becoming more consistently effective on how it commissions and procures, manages contracts and categories and gets the most from its relationships with delivery partners. This will use our knowledge of how solutions are delivered at other organisations, our understanding of the operations and culture within the Council and the changes that are needed to be made as the Council looks at opportunities to collaborate with others within the region. Review of Contracts Register and possibility of commissioning of contract monitoring software.	Q1 – Q2	30
Civica Financials Project	ANA - High	Audit partner at Project Board and support and challenge work undertaken by Project Team to ensure better, more efficient use of the Council’s current financial systems whilst maintaining sound, proportionate controls. Key areas could include : <ul style="list-style-type: none"> - integrated system links; - “E” invoicing; - user lead performance analysis – FWEB; - intelligent scanning. 	Q1 – Q4	9

Risk Area / Audit Entity	Audit Needs Assessment (ANA)	Proposed Audit Work	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
Transformation – Customer & Service				
Co-operative Reviewing of Service Areas	SRR – Red ANA - High	Audit partner support during service reviews within the Customer Services Programme. Where requested Audit support will to run alongside the reviews being carried out by the Programme Team as “co-reviews” with the recommendations of both pieces of work being presented collectively.	Q1 – Q4	20
Transformation – Growth, Assets & Municipal Enterprise (GAME)				
Street Services Review	SRR – Red ANA - High	Internal Audit will continue its work with management to provide assurance that service efficiencies are identified, evaluated and where appropriate, delivered within Street Services, e.g. waste collection.	Q1 – Q4	35
Fleet Management	SRR – Red ANA - Medium	Internal Audit will act as “trusted advisor” to work alongside officers to provide advice, support and assurance with the implementation of a new fleet management system, the introduction of a category management approach to the procurement of the fleet and as the Council explores additional commercial opportunities in this area.	Q1 – Q4	35
Transformation – Integrated Approach to Health & Wellbeing				
Integrated Community Health and Social Care Service Delivery	SRR – Red ANA - High	Audit partner support of programme development of robust and suitable solutions. This will include co-review with the business across partners including PCC, CCG & PCH to ensure the adequacy of appropriate controls within these solutions. Key areas will include as appropriate: <ul style="list-style-type: none"> - Governance arrangements; - Risk management; - Delivery model and operational process - Financial control, alignment across partners and “authorisation” of care packages; - Fraud protection. 	Q1 – Q4	25
Integrated Commissioning	SRR – Red ANA - High		Q1 – Q4	25
Implementing the Care Act	SRR – Red ANA - High		Q1 – Q4	25
Co-operative Children and Young People Services	SRR – Red ANA - High		Q1 – Q4	25
Transformation – People & Organisation Development				
Devon Audit Partnership will maintain a ‘trusted advisor’ and support the programme where appropriate as it continues to develop, especially where it is considered that there is fundamental change which impacts on existing controls or new risks emerge. Specific audit briefs to be identified through ongoing consultation process aligned to fit with programme need.				

Risk Area / Audit Entity	Audit Needs Assessment (ANA)	Proposed Audit Work	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
Major Infrastructure & Investment Projects				
History Centre (Record Office)	ORR – Amber ANA - Medium	Continued “trusted advisor” role as the project progresses, providing support and challenge through the new build development.	Q1 – Q4	5
Waste PFI	ANA - Medium Client Request	Review of the proposed contract management procedures and Audit and Assurance plans. Continued “trusted advisor” role to the Executive Board to provide support and challenge.	Q1 – Q4	15
Value Added				
People – Completion of Fostering Review	ANA – High Client Request	Examination of policies and processes, benchmarking with other Authorities to identify / share best practice.	Q1	15
Early Intervention (Families With a Future)	Statutory Client Request	Phase 2 “Early Starter” FWWAF Audit will provide advice on the development of an outcomes plan and associated monitoring evidence systems that will be required. Audit will evaluate reported outcomes for families and certify the “Payments By Results” claim.	Q2	15
Management of DELT contract	ANA – High Client Request	To provide independent assurance that the Council’s interests are being protected and that the contract is being maximised.	Q2 – Q3	10
Customer Services - Review of Implemented Transformation Changes	ANA – High Client Request	Review and assure changes for the business once implementation of proposals are in place, as and when requested. Initial commission is for a review of changes in Revenues and Benefits at the end of quarter Q1.	Q1 – Q4	10
Highways Contract	ANA – High Client Request	Providing support and challenge as a new contract specification is developed by officers.	Q1 – Q4	15
Commissioning of Events	ANA - Medium	Review of process used to commission services for Council events.	Q2	15
Plymouth Community Homes Contract	ANA - Medium Client Request	Review of contract with regard to the liability for treatment of asbestos in properties and the financial impact on both PCH and the City Council. To understand what is the Council’s best interest from use of capital receipt	Q1	10

Risk Area / Audit Entity	Audit Needs Assessment (ANA)	Proposed Audit Work	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
		income from Right to Buy against known and potential asbestos liability.		
Historic Environment Advice	ANA – Low Client Request	Audit to assist in reviewing existing processes and identify ways to improve how advice on works to listed buildings and development in conservation areas is administered.	Q2	10
Capital Programme Governance	ANA – High Client Request	Examination of current governance arrangements for approval of capital schemes.	Q3	10
Financial Regulations	ANA - Medium Client Request	Provide support as part of the review of current Financial Regulations which sit within the Council's constitution.	Q1 – Q4	5
Core Assurance – Key Financial System				
Civica Financials: <ul style="list-style-type: none"> • Creditors • Main Accounting • Debtors 	ANA – High / Medium / Low	Identify and review the system in operation, where appropriate, and undertake a programme of testing, designed to measure compliance and to evaluate the effectiveness of system controls.	Q3 – Q4	55
Academy Revs & Bens: <ul style="list-style-type: none"> • Housing Benefits • Sys Parameters • Council Tax • Business Rates 	ANA – High / Medium / Low	Identify and review the system in operation, where appropriate, and undertake a programme of testing, designed to measure compliance and to evaluate the effectiveness of system controls.	Q3 – Q4	55
Fixed Asset Register	ANA - Medium	Identify and review the system in operation, where appropriate, and undertake a programme of testing, designed to measure compliance and to evaluate the effectiveness of system controls.	Q4	10
Treasury Management	ANA - Low	Identify and review the system in operation, where appropriate, and undertake a programme of testing, designed to measure compliance and to evaluate the effectiveness of system controls.	Q3	10
CareFirst - Adults <ul style="list-style-type: none"> • Residential Care Payments • Residential Care Billing 	ANA – High	Identify and review the system in operation, where appropriate, and undertake a programme of testing, designed to measure compliance and to evaluate the effectiveness of system controls.	Q2	40

Risk Area / Audit Entity	Audit Needs Assessment (ANA)	Proposed Audit Work	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
iTrent - Payroll	ANA - High	Identify and review the system in operation, where appropriate, and undertake a programme of testing, designed to measure compliance and to evaluate the effectiveness of system controls.	Q3	20
Core Assurance - Other				
Corp Information Management & Security <ul style="list-style-type: none"> Business IT Inc. PSN 	SRR - Amber ANA - High	Audit partner support with Authority's ILOG and examining policies and processes relating to the management of information held throughout the organisation. Review processes followed by those areas of the Council that handle high risk information e.g. PADS.	Q1 – Q4	30
Business Continuity	SRR – Green ANA - Medium	Trusted advisor role with Authority's Strategy Group and ensuring that continuity plans are maintained and tested.	Q1 – Q4	5
ICT <ul style="list-style-type: none"> Service Strategy Service Design 	ANA - High	Review key operational functions and provide assurance as to the effectiveness of the Council's ability to meet transformational requirements, deliver value through operating on a more commercial basis. Appraise the retained client function/ retained controls and provide assurance on their effectiveness in delivering, and maintaining, customer needs. ICT audit resources to input into general reviews of business systems including new business solutions, system development roadmaps and potential areas of service improvement that will deliver better value for money.	Q1 – Q4	50
Corporate Contracts	ANA – High	Examine rules and policies on purchasing, check that the role of the Authority's Strategic Procurement Team is clearly understood; that information about centrally negotiated contracts and purchasing activity is readily available; off-contract purchasing within departments is monitored and addressed; appropriate challenge is provided on contract compliance; review the adequacy of performance management, financial data and other information to enable effective monitoring;	Q2	10
Barclays "Spend Management"	ANA – High	Review of new processes being implemented following de-commissioning of DCal.	Q3	10
Travel and Subsistence	ANA - Medium Client Request	Compliance/Spot checks of travel and subsistence claims and accompanying receipts following the decision that service areas retain receipts rather than submit them centrally.	Q1-Q4 spot reviews	5

Risk Area / Audit Entity	Audit Needs Assessment (ANA)	Proposed Audit Work	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
		Ensuring Council's ability to satisfy HMRC requirements in the event of a VAT inspection.		
Planning Application Conditions Compliance	ANA – Low Client Request	Audit to test the robustness of controls within the processes following the introduction of an “e-based” system linked to the Council’s planning application software.	Q1 – Q2	15
Highways Act – Section 38 and Section 278	ANA – Low Client Request	Review of the Council’s procedures for dealing with Sec 38 and 278 agreements with developers.	Q3 – Q4	15
Mount Edgcumbe Joint Committee – Small Bodies Return	Statutory	Review of 2014/15 Small Bodies Return (Following recent rule changes, this will be the final year for this work to be carried out)	Q1 – Q2	5
Grant Certification	Statutory	Those grants where the grant determination requires independent certification of expenditure by Internal Audit.	Q1 – Q4	30
Schools Financial Value Standards (SFVS)	ANA - Low	Collection of SFVS self assessments completed by schools. Preparation of the Direct Schools Grant (DSG) Chief Financial Officer (CFO) Assurance Statement for 14/15 to be returned to DfE by 31 st May 2015	Q1 & Q4	15

Risk Assessment Key

SRR – Local Authority Strategic Risk Register score Impact x Likelihood = Total and Level
 ORR - Local Authority Operational Risk Register score Impact x Likelihood = Total and Level
 ANA - Audit Needs Assessment risk level as agreed with Client Senior Management
 Client Request – additional audit at request of Client Senior Management