

Internal Audit

Internal Audit Plan 2019-2020

Plymouth City Council Audit Committee

March 2019

Not Protectively Marked

Robert Hutchins
Head of Audit Partnership



Auditing for achievement

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<p>Devon Audit Partnership</p> <p>The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay, Devon, Torridge and Mid-Devon councils and we aim to be recognised as a high quality internal public sector service provider. We work with our partners by providing professional internal audit service and assurance services 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>Confidentiality and Disclosure Clause</p> <p>This report is protectively marked in accordance with the government security classifications. 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>
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Introduction

Internal auditing is defined by the Public Sector Internal Audit Standards (PSIAS) which set out the requirements of a 'Board' and of 'senior management'. For the purposes of the internal audit activity within The Council the role of the Board within the Standards is taken by the Council's Audit Committee and senior management is the Council's Corporate Management Team.

This Council's Internal Audit Charter formally describes the purpose, authority, and principal responsibilities of the Council's Internal Audit Service, which is provided by the Devon Audit Partnership (DAP) as represented in the audit framework at appendix 1, and the scope of Internal Audit work. The PSIAS make reference to the role of "Chief Audit Executive". For The Council this role is fulfilled by the Head of Devon Audit Partnership. The Audit Committee, under its Terms of Reference contained in the Council's Constitution, is required to review and approve the Internal Audit Plan to provide assurance to support the governance framework (see appendix 2).

The chief audit executive is responsible for developing a risk-based plan which takes into account the organisation's risk management framework, including using risk appetite levels set by management for the different activities or parts of the organisation as represented in appendix 3.

The audit plan represents the proposed internal audit activity for the year and an outline scope of coverage. At the start of each audit the scope is discussed and agreed with management with the view to providing management, the Chief Finance Officer (Section 151) and members with assurance on the control framework to manage the risks identified. The plan will remain flexible and any changes will be agreed formally with management and reported to Audit Committee.

Expectations of the Audit Committee for this annual plan

Audit to Committee members are requested to consider:

- the annual governance framework requirements;
- the basis of assessment of the audit work in the proposed plan;
- the resources allocated to meet the plan;
- proposed areas of internal audit coverage for 2019/20.

In review of the above the Audit Committee are required to approve the proposed audit plan.

Robert Hutchins
Head of Audit Partnership

Annual Service Level Plans

Customer & Corporate / Finance

In support of the Head of Health, Safety & Wellbeing, we will undertake reviews within service areas to ensure compliance with H&S Standards; including the management of the control of exposure to vibration.

With ever more services available digitally, the risk remains that a cyber incident could result in the loss of data as well as disruption to council services. Audit will continue to assess the Cyber Security arrangements in place against standards defined by the NCSC and industry best practice. We will liaise, as appropriate, with the Corporate Information Manager and Delt.

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.

Executive Office

The Council is committed to high ethical standards and in support of these standards we will review the arrangements in place for the declaration of gifts and hospitality.

Performance information must be underpinned by good quality data. We will work in collaboration with Oversight and Governance to review the quality and robustness of the source data used in the reporting of corporate indicators.

Place

Reorganisation within Street Services has resulted in the Garage and Fleet becoming separate business entities and management have requested an independent view on the effectiveness of the governance and administrative arrangements in operation for both Fleet and Garage.

Work to review the effectiveness of arrangements in place across the three Councils for monitoring & delivery of the Plymouth and South West Devon Joint Local Plan has been requested by the Service Director for Strategic Planning & Infrastructure and agreed by the Deputy Head of Paid Service for S.Hams / W.Devon Councils.

People

As the Council strives to improve the standards of private rented sector in the City, our work will consider the effectiveness of the enforcement system for decent homes standards.

The Universal Youth Service is not actually a statutory function and the Service Director for Community Connection is keen for audit to undertake a review which will evaluate the basis of the items offered, consider the use of buildings, spend, outcome and the added value of the service.

This years plan also allows time to look at:

- Childrens Short Break Service;
- Provider market for Children's Residential Placements;
- Integrated Care Partnersip.

Due to transformational change a pot of days has been included for use by Educations, Participation and Skills. Audit to meet with the Head of Service at the end April when the picture will be clearer to determine where the days are to be used.

ODPH

Management have requested that we consider the arrangements in place for the administration of the Private Hire and Hackney Carriage trading accounts.

We will also review progress in implementing audit recommendations relating to the resilience of Council partners and contractors in the supply chain for critical services.

Value Added

All our work aims to "add value" the authority, be this by way of improving control and minimising risk, or making the most of opportunities in an effective manner. We will undertake the annual follow up on all audit areas identified as 'Improvements Required' in 2018/19. Proactive anti-fraud work will be carried out in liaison with the Corporate Fraud Team who transferred to Devon Audit Partnership May 2018.

Service Area Overview of Audit Coverage

**Thematic Overview
Audit Coverage**

Service Area Overview of Audit Coverage						Value Added
Customer & Corporate / Finance	Executive Office	People	ODPH	Place		
HR/Payroll Business Solution	Data Quality	Commissioning Childrens - Short Breaks and Residential Placements	Taxi Licensing Trade Accounts	Joint Local Plan	Health & Safety	
Deputyships	Gifts & Hospitality	Private Rented Sector Enforcement	Business Continuity Follow-Up	Fleet Management	GDPR	
Temporary and Interim Employees		Integrated Care Partnership		Capital Programme	National Fraud Initiative	
Client Financial Services		Universal Youth Service		Tech Forge Business Solution	Advice	
		Special Guardianship Orders			Audit Follow Up	
Business Processes & Governance – Corporate Information Management, Grant Certification, Purchasing						
Key Financial Systems – Inc. Main Accounting System, Creditors, Debtors, Income Collection, Council Tax, Business Rates, Housing Benefits						
ICT – Operational Arrangements (common to key systems), Cyber Security (arrangements to safeguard the Council's logical data assets)						

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 proposed audit reviews and associated risks.

High Level Audit Plan

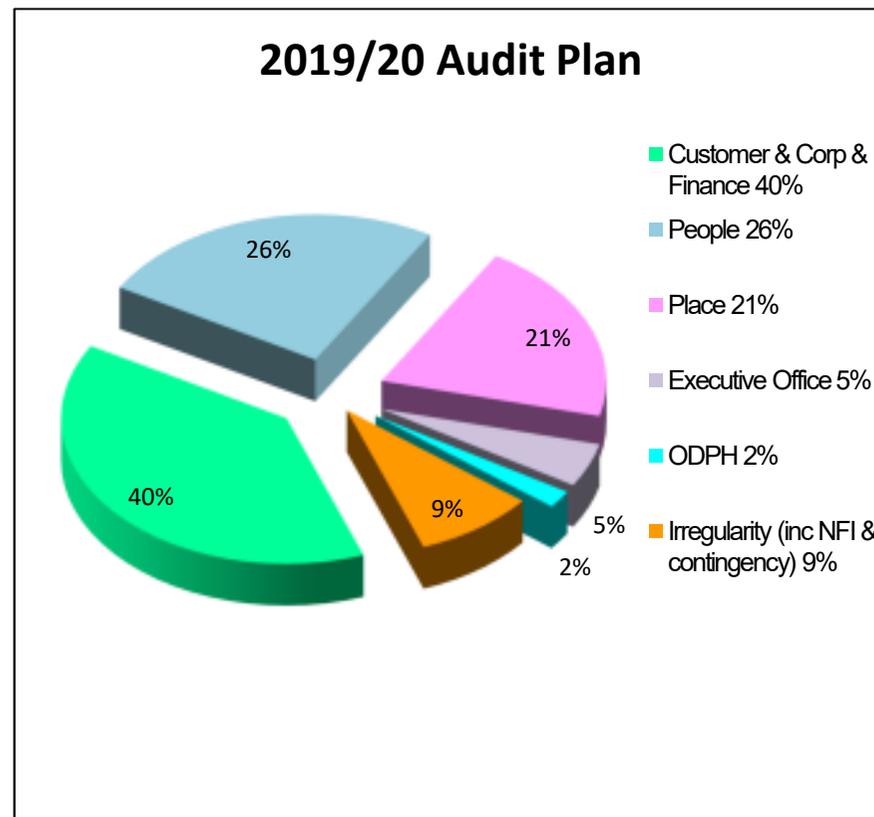
This table shows a summary of planned audit coverage for the year totalling 1,139 direct days. It should be borne in mind that, in accordance with the Public Sector Internal Audit Standards, the plan needs to be flexible to be able to reflect and respond to the changing risks and priorities of the Authority 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 small 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 the following schedule.

In addition, we estimate that our work on maintained schools within the City will total 31 days.



Proposed audit reviews and associated risks

Risk Assessment Key

SRR / ORR – Local Authority Strategic or Operational Risk Register reference

ANA - Audit Needs Assessment risk level

Risk Area / Audit Entity	Risk / Audit Needs Assessment (ANA)	Proposed Audit Work / Scope	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
Customer and Corporate / Finance				
Core Assurance – Key Financial System				
I.T. Material Systems	ANA - High	Review of core operational processes that are common to all the Council's Key Financial Systems using work programmes based on core ICT control areas.	Q3 – Q4	15
Civica Financials: <ul style="list-style-type: none"> • Creditors • Main Accounting • Debtors • Purchasing 	ANA <ul style="list-style-type: none"> - High - High - Medium - High 	System walkthrough to consider the design and effectiveness of key controls with focused test sampling to determine compliance. Follow-up of any recommendations made in 18/19.	Q2 – Q4	75
Academy Revs & Bens: <ul style="list-style-type: none"> • Housing Benefits • Council Tax • Business Rates NNDR 	ANA <ul style="list-style-type: none"> - High - Medium - Low 	System walkthrough, focused risk based sample testing and follow-up of 18/19 reviews for each service area.	Q3 – Q4	52
Cash / Bank Receipting System	ANA - High	System review will include consideration of the effectiveness of income collection arrangements in operation across the Council.	Q3	30
Treasury Management	ANA - Medium	System walkthrough, focused risk based sample testing and follow-up of 18/19 review.	Q3	10
iTrent - Payroll	ANA - Medium	System walkthrough with risk based sample testing expanded to include PCC client controls.	Q3	30
Core Assurance - Other				
Corp Information Management	ANA – High	Audit support the Authority's ILOG and examine policies and processes relating to the management of information held throughout the organisation.	Q1 – Q4	6

Risk Area / Audit Entity	Risk / Audit Needs Assessment (ANA)	Proposed Audit Work / Scope	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
Cyber Security	ANA - High	Being conducted alongside the ICT Material Systems review, Audit will continue to assess the Cyber Security arrangements in place to safeguard the Council's logical data assets. Audit will refer to standards defined by the NCSC and industry best practice and liaise, as appropriate, with the Corporate Information Manager and Delt.	Q3 – Q4	15
General Data Protection Regulation (GDPR)	ANA – High Client Request	The GDPR apply from 25 May 2018 and have introduced new elements and some significant enhancements to the DP Act. Review of arrangements in place across the organisation to measure compliance.	Q2	15
HR/Payroll Business Solution	ANA – High Client Request	Delt to implement new HR/Payroll system - pot of days for audit oversight / advice.	Q1 – Q4	5
Health & Safety	ANA - High	Following on from H&S self-assessments, provide support by undertaking system reviews within service areas to ensure compliance; including the management of the control of exposure to vibration.	Q1 – Q4	30
Procurement	ANA – High Client Request	We will liaise with procurement officers to determine how this pot of days is best used to support the business.	Q1 – Q4	10
Temporary & Interim Employees	ANA – High Client Request	Review volume of temporary contracts and the requirements of IR35 on interim contracts to understand the impact on the Council.	Q1	26
Client Financial Services	ANA – High	Detailed follow-up to measure progress in implementing the action plan following the 18/19 review which was Improvements Required. To include those processes undertaken by Livewell SW.	Q2 – Q3	15
Deputyships	ANA – Medium	Detailed follow-up to measure progress in implementing the action plan following 18/19 review which was Improvements Required.	Q2 – Q3	15
Schools Financial Value Standards (SFVS)	Statutory ANA - Low	Collection of SFVS self assessments completed by schools. Preparation of the Direct Schools Grant (DSG) Chief Financial Officer (CFO) Assurance Statement for 17/18 to be returned to DfE by 31 st May 2017	Q1 & Q4	3
Audit Advice to Customer & Corporate / Finance and carry forward for completion of 18/19 work	n/a		n/a	40

Risk Area / Audit Entity	Risk / Audit Needs Assessment (ANA)	Proposed Audit Work / Scope	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
Audit planning, monitoring and performance reporting	n/a		n/a	25
Audit Governance	n/a	Performance reporting to Directors and reporting to and attending Audit Committee (see p12)	n/a	35
Executive Office				
Core Assurance - Other				
Data Quality	ANA – High	In liaison with the Performance Team in Oversight & Governance, we will undertake reviews of the quality and robustness of the source data used in the reporting of corporate indicators.	Q1 – Q4	25
Gifts & Hospitality	ANA – Medium	Review of the policies and practices relating to gifts and hospitality.	Q3	10
Audit Advice to Executive Office	n/a		n/a	10
Audit planning, monitoring and performance reporting	n/a		n/a	6
Audit Governance	n/a		n/a	6
People				
Core Assurance – Key Financial System				
CareFirst - Children Independent Placements	ANA – Medium Client Request	Review of the new spend & approval processes (including forms and workflow) currently being developed.	Q3 – Q4	20
Core Assurance - Other				
Finance & Assurance Review Group (FARG)	ANA – High Client Request	The purpose of FARG is to provide oversight, scrutiny and assurance of the integrated fund and under the membership requirements laid down in the terms of reference, internal audit will continue to have a seat on FARG to providing real time support and challenge through their attendance.	Q1 – Q4	5

Risk Area / Audit Entity	Risk / Audit Needs Assessment (ANA)	Proposed Audit Work / Scope	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
Special Guardianships (Children)	ANA – High	Review of the arrangements in place for payments where special guardianship orders have been made. These give a person parental responsibility in law for a child / young person whilst not severing all links with birth parent(s).	Q1	15
Legal Care Proceedings (Childrens)	ANA – Medium	Follow-up review to measure progress in implementing the recommendations from the 17/18 review.	Q2	2
Childrens's Short Break Contracts	ANA – Medium Client Request	The short break service is for children and young people with a disability & gives carers a short break from responsibilities. We will review the effectiveness of the systems in place to administer these breaks.	Q2 -Q3	20
Commissioning Contracts	ANA – Medium Client Request	Audit review of the provider market for Children's Residential Placements.	Q2 – Q3	25
Anti-Social Behaviour Tools	ANA – Medium Client Request	Audit review and validation of the way in which Anti-Social Behaviour tools are being used.	Q2	10
Children's Safeguarding	ANA - Medium	Progress in setting up a Review Panel included in 18/19 audit plan. Small pot of days to provide independent assurance that the panel is in place and the governance arrangements robust.	Q1 – Q3	5
HMO Licensing	ANA – Medium Client Request	Review of the system in place for the licensing of Houses in Multi Occupation (HMO's).	Q3 – Q4	15
Universal Youth Services	ANA – Medium Client Request	Evaluate the basis of the items offered, use of buildings, spend, outcome and added value.	Q2 – Q3	25
Dynamic Purchasing System (DPS)	ANA – Medium Client Request	New business system developed in partnership with Independence CIC (INCIC) for Disabled Facility Grant adaptations.	Q1	10
Private Sector Enforcement	ANA – Medium Client Request	Consider the effectiveness of the enforcement system for decent homes standards in the private rented sector.	Q1 -Q2	15
Integrated Care Partnership	ANA – Medium	A review of the enagement and procurement process. This will be a joint review undertaken with the CCG internal audit service.	Q1 – Q2	15
Education, Participation & Skills Dept	ANA – Medium Client Request	Due to transformational change a pot of days requested. Audit to meet with Head of Service end April when the picture will be clearer to determine where the days to be used.	Q1 – Q4	30

Risk Area / Audit Entity	Risk / Audit Needs Assessment (ANA)	Proposed Audit Work / Scope	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
Families with a Future (Payment by Results)	Statutory Client Request	Audit review and certification for each monthly claim.	Q1 – Q4	25
Audit Advice to People and carry forward for completion of 18/19 work	n/a		n/a	15
Audit planning, monitoring and performance reporting	n/a		n/a	19
Audit Governance	n/a		n/a	25
Office of the Director of Public Health				
Taxi Licensing Trade Accounts	ANA – Medium Client Request	Review of the arrangements for the administration of the Private Hire and Hackney Carriage trading accounts.	Q2	5
Business Continuity Follow -Up	ANA - High	Light touch follow-up to measure progress in implementing audit recommendation following work in 17/18 which considered the resilience of Council partners and contractors in the supply chain for critical services.	Q2	3
Audit Advice to Public Health	n/a		n/a	10
Audit planning, monitoring and performance reporting	n/a		n/a	4
Audit Governance	n/a		n/a	4
Place				
Waste PFI	ANA – High	Processes around contract management including recycling credits. Audit presence on Project Board.	Q1 – Q4	3
Highways, Fleet & Garage – Insurance Claims	ANA – Medium Client Request	Review the Council's ability to successfully defend insurance claims within these service areas.	Q2 – Q4	25

Risk Area / Audit Entity	Risk / Audit Needs Assessment (ANA)	Proposed Audit Work / Scope	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
Trade Waste Follow-Up	ANA - Medium	Follow-up on progress new manager is making on implementing audit recommendations and how the service is evolving with the introduction of "new, more commercial systems"	Q2 – Q3	10
New Business Solutions - Tech Forge (Cloud)	ANA –Medium Client Request	Audit assurance required in respect of the project to migrate of property data to Tech Forge Cloud. Work undertaken by the service will include data cleanse, centralisation of data, interfaces with Civica Financials.	Q1 – Q2	10
Capital Programme	ANA –Medium Client Request	Review of governance arrangements and options for streamlining processes.	Q3 – Q4	20
Garage	ANA –Medium Client Request	Garage now separate from the Fleet Management - review of governance and administrative arrangements.	Q2 – Q3	20
Fleet Management	ANA –Medium Client Request	Fleet Management now separate from the Garage - review of governance and administrative arrangements.	Q3 – Q4	20
Commercial Properties – Digitalisation of Proforma Process	ANA –Medium Client Request	Commercial portfolio worth £88m, generating over £6m of rental income. Work ongoing with review of Proformas - audit checks requested towards end of process.	Q1 – Q2	10
Joint Local Plan	ANA –Medium Client Request	Review of governance arrangements across PCC, SHDC & WDBC to confirm effectiveness of arrangements for monitoring & delivery of the plan. Agreement has been given by the Deputy Head of Paid Service for SH/WD.	Q1 – Q4	30
Grant Certification	Statutory	Those grants where the grant determination requires independent certification of expenditure by Internal Audit.	Q1 – Q4	30
Audit Advice to Place and carry forward for completion of 17/18 work	n/a		n/a	25
Audit planning, monitoring and performance reporting	n/a		n/a	20
Audit Governance	n/a		n/a	20

Risk Area / Audit Entity	Risk / Audit Needs Assessment (ANA)	Proposed Audit Work / Scope	Proposed Timings (Quarter)	Estimated Audit Effort (Days)
Irregularities and National Fraud Initiative (NFI)				
Advice, Irregularities, NFI & Contingency	n/a	<p>Internal Audit will continue to investigate irregularities referred to it by managers. Cases which are considered fraudulent will be referred to the DAP Counter Fraud Team for investigation and possible prosecution. Where control weaknesses are identified, the Audit Team work with service areas to address these issues.</p> <p>Co-ordinate the NFI exercises across the Authority.</p>	Q1 – Q4	<p>30</p> <p>25</p>

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. Devon Audit Partnership 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. In recognition of the guidance in the Fraud Strategy for Local Government “Fighting Fraud Locally” and the TEICCAF (The European Institute for Combatting Crime and Fraud) publication “Protecting the English Public Purse 2016”. In February 2018 Cabinet approved the transfer of the Council’s Corporate Fraud Team (CFT) to Devon Audit Partnership in May 2018 further enhancing the joint working arrangements of the Internal Audit and Counter Fraud teams, enabling intelligence to be shared and resources focussed on higher risk areas and in identifying and preventing fraud before it happens.

Additionally, new guidance recently introduced by CIPFA, in their ‘Code of practice on managing the risk of fraud and corruption’, and also the new Home Office ‘UK Anti-Corruption Plan’, will further inform the direction of counter-fraud arrangements going forwards. Nationally, the notable areas of fraud include Housing Benefit, Council Tax, Housing and Tenancy, Procurement, Insurance, Abuse of Position, Blue Badges, and Direct Payments (Social Car

The Cabinet Office runs a national data matching exercise (National Fraud Initiative - NFI) every two years. Work on the 2018/19 exercise has commenced with resulting data matches available from early 2019.

Internal Audit Governance

An element of our work is classified as Corporate Governance – 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. External Audit, Audit South West);
- 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 the year;
- On-going development within the Partnership to realise greater efficiencies in the future.

Partnership working with other auditors

We will continue to develop and maintain 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 with the aim of improving the effectiveness and efficiency of the audit process, through avoidance of instances of “re-inventing the wheel” in new areas of work.

In December 2017, the PSAA board approved the appointment of Grant Thornton (GT) as the authority’s external auditors and we will liaise with and provide information to GT, maximising the benefits of closer working. We have also developed an effective working relationship with Audit South West, internal auditors for the NHS Trust and the CCG, as the Council’s integration with Health continues.

Appendix 1 - Audit Framework

Internal Audit is a statutory service in the context of The Accounts and Audit (England) Regulations 2015, which state: “A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards (PSIAS) or guidance”.

DAP, through external assessment, demonstrates that it meets the Public Sector Internal Audit Standards (PSIAS).

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 has taken account of the Authority’s risk management framework. The plan has been adjusted and reviewed, as necessary, in response to changes in the Authority’s business, risk, operations, programs, systems and controls. The plan takes 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.

Appendix 2 - 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 Framework *Delivering Good Governance in Local Government 2016*.



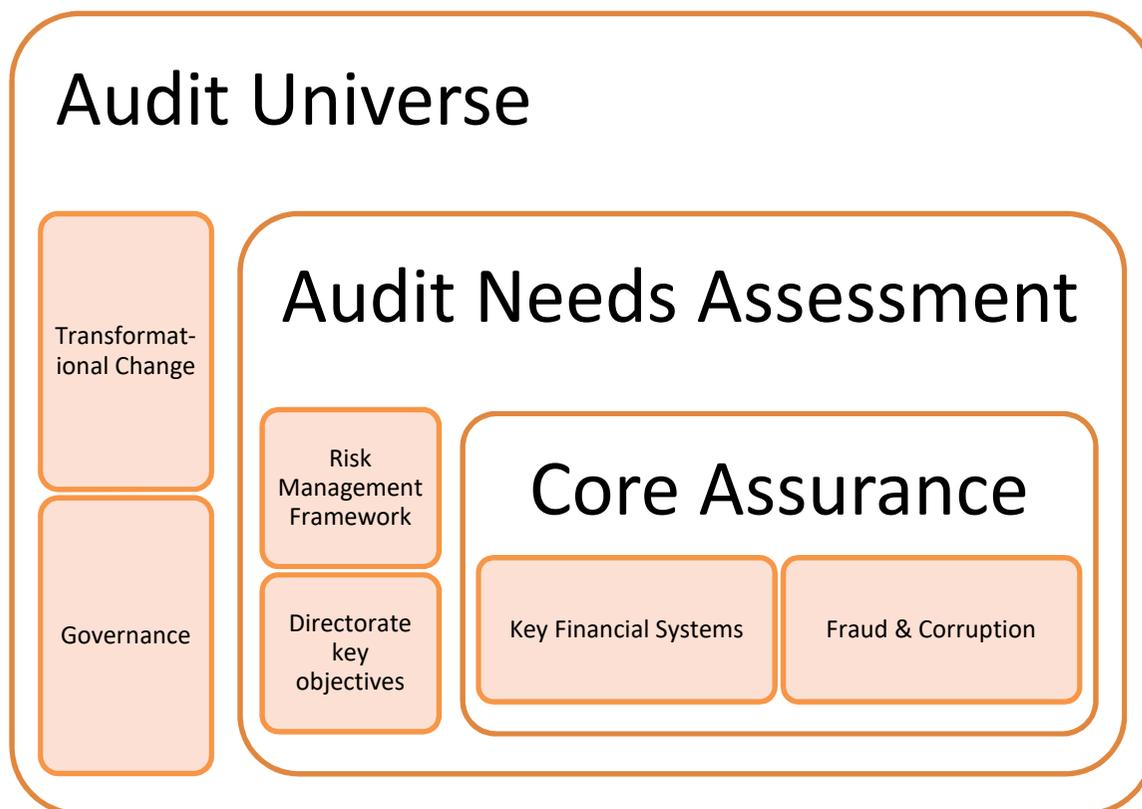
The AGS needs to be presented to, and approved by, the Audit Committee, and then signed by the Chair.

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.

Appendix 3 - 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.

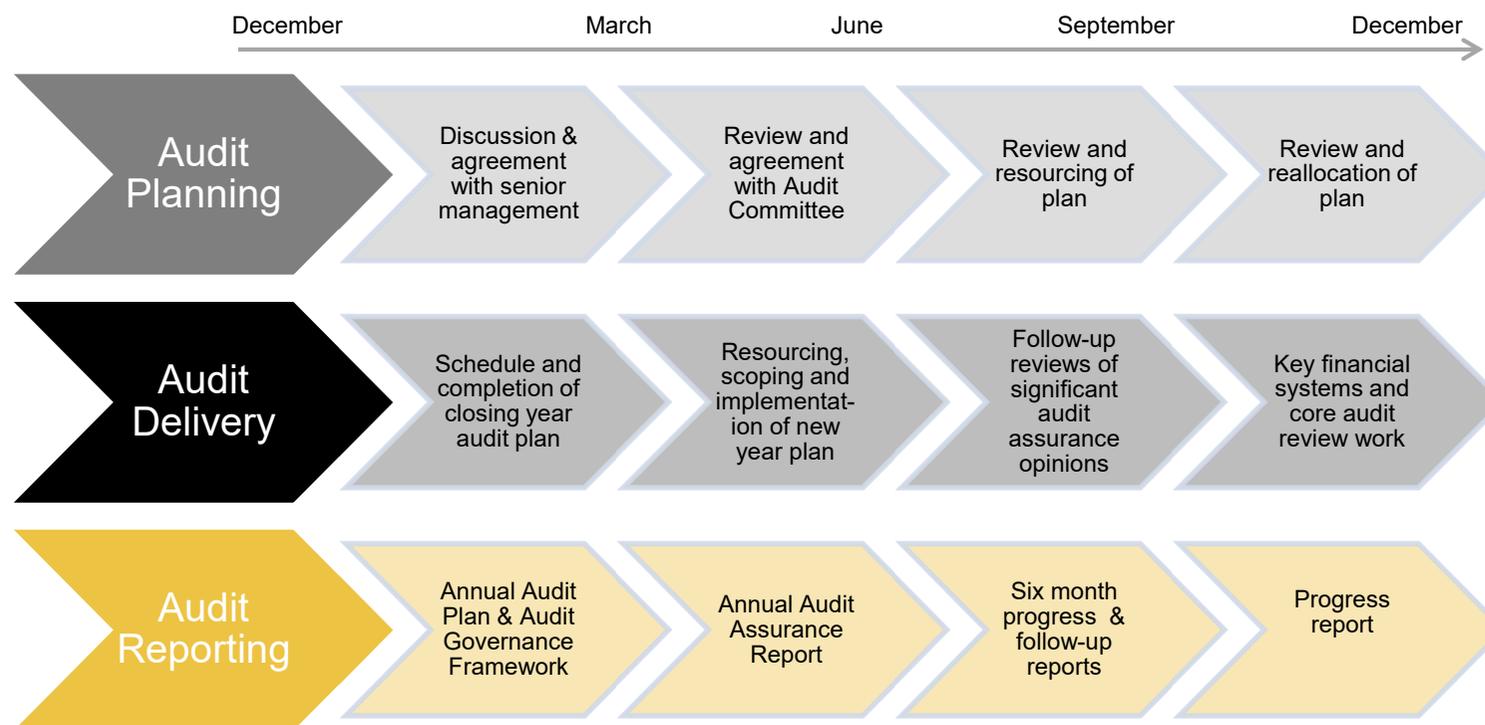
The resultant Internal Audit Plan is set out in the ‘proposed audit plan’. There are a number of areas where risk, needs assessment and discussions with management have identified audit need but where there are not sufficient resources in the plan to review them at this stage (see appendix 5). The plan will remain flexible and should priorities need these areas may for part of the planned work.



The audit plan for the year 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

Appendix 4 - Our Audit Team and the Audit Delivery Cycle



Date	Activity
Dec / Jan 2019	Directorate planning meetings
March 2019	Internal Audit Plan presented to Audit & Gov Committee
	Internal Audit Governance Arrangements reviewed by Audit & Gov Committee
	Year end field work completed
Apr 2019	Annual Performance reports written
Jul 2019	Annual Internal Audit Report presented to Audit & Gov Committee
	Follow –up work of previous year’s audit work commences
Sept 2019	Follow-up and progress reports presented to Audit & Gov Committee
Dec 2019	Six month progress reports presented to Audit & Gov Committee
	2020/21 Internal Audit Plan preparation commences

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