

**Agenda Item No. 14.**

**TITLE                    DRAFT INTERNAL AUDIT PLAN 2019/20**

**To:                        Audit & Accounts Committee**

**Date:                    28<sup>th</sup> March 2019**

**From:                   Duncan Wilkinson, Chief Internal Auditor**

**1.                        PURPOSE**

1.1                    To present the draft 2019/20 Internal Audit Plan and invite comments from the Committee.

**2.                        BACKGROUND**

2.1                    The role of Internal Audit is to provide the Audit and Accounts Committee and management independent assurance on the effectiveness of the controls in place to ensure that the Council's objectives are achieved. Internal Audit coverage is planned so that the focus is upon those areas and risks which will most impact upon the Council's ability to achieve these objectives.

2.2                    This report outlines the proposed 2019/20 Internal Audit Plan (at Appendix 1, p.8). This Plan has been reviewed and approved by SMT, on the 7<sup>th</sup> March 2019.

**RECOMMENDATION**

Audit & Accounts Committee is requested to consider and comment on the contents of this report, and approve the proposed 2019/20 Audit Plan as attached, subject to any changes agreed at the meeting.

# 1. THE INTERNAL AUDIT PLAN

## 1.1 BACKGROUND

CIPFA and the Chartered Institute of Internal Auditors launched a common set of Public Sector Internal Audit Standards (PSIAS) in April 2013. The PSIAS set out the standard for internal audit across the public sector.

The principles in the PSIAS are consistent with the previous CIPFA code of practice for internal audit which applied across local government. They include the need for risk-based plans to be developed for internal audit and for plans to receive input from management and the 'Board'; for the purposes of the key duties laid out in the PSIAS, the Audit & Accounts Committee is effectively the 'Board' for the Council.

Under the Local Government Act, the Council's Section 151 officer is responsible for ensuring that there are arrangements in place for the proper administration of the Authority's financial affairs. The work of Internal Audit is therefore directly relevant to these responsibilities.

## 1.2 AUDIT PLANNING

PSIAS Performance Standard 2010 – *Planning* states that:

*“The Chief Audit Executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals.”*

The standards refer to the need for the risk-based plan to consider the organisation's risk management framework, and to take into account the requirement to produce an annual internal audit opinion and the assurance framework.

Within the Council, the Chief Audit Executive is the Chief Internal Auditor, for the purposes of the PSIAS. Performance Standard 2450 – *Overall Opinions* states that:

***“The Chief Audit Executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement. The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.”***

The risk-based plan therefore needs to include an appropriate and comprehensive range of work which is sufficiently robust to confirm that all assurances provided as part of the system of internal audit can be relied upon by the Audit & Accounts Committee. The Chief Internal Auditor will ensure that internal audit resources are appropriate, sufficient and effectively deployed to achieve the internal audit plan.

### 1.3 THE PLANNING PROCESS

The plan is based on assurance blocks that each provides an opinion over key elements of the control environment, targeted towards in-year risks, rather than a more traditional cyclical approach examining each system over a number of years. For each assurance block, the most appropriate level of coverage necessary to provide an effective annual assurance opinion and added value to the organisation has been developed.

The audit plan is intended to remain dynamic in nature and will be reviewed and re-aligned on a regular basis to take account of new, emerging and changing risks and priorities. Resources will then be re-prioritised towards the areas of highest risk. The audit plan will be reported to Audit & Accounts Committee every quarter, and should be reviewed and robustly challenged by the Senior Management Team, the S151 Officer and the Audit & Accounts Committee.

In order to develop the audit plan, there must be a sound understanding of the risks facing the Council. The Internal Audit risk assessment of the authority is updated during the year and used to form the basis of the Internal Audit plan, alongside the Corporate Risk Register. Internal Audit has also engaged with members of senior management to ensure that known and emerging risks are considered in annual audit planning. Potential audit areas identified through this process are then assessed and weighted according to the level of risk they relate to.

### 1.4 THE ANNUAL PLAN

The Internal Audit Plan for the next year must be sufficiently flexible to enable assurance to be obtained over current risk areas, as well as emerging risks, and those risks which are yet to be identified. This is particularly relevant as we move into 2019/20, with the Council continuing to evolve and transform in the face of ongoing financial challenges. To reflect this, the draft 2019/20 Plan includes a particular focus on procurement and contract management. The time allocated for these reviews has been increased by 200 days, to enable audit review of a greater number of key organisational contracts, including framework contracts, in the coming year.

Inevitably, the potential for risks is increased during periods of change. For instance, reductions or high levels of turnover in the workforce provide an opportunity for controls to break down – as well as an opportunity to consider new and more efficient ways of organising people, systems and processes, without adversely impacting internal control. To reflect this risk, the Audit Plan contains an allocation of time for advice and guidance. Reviews of the key financial systems and pro-active anti-fraud and compliance audits will provide assurance that the basic governance and control arrangements are continuing to operate effectively, minimising the risks of misappropriation, loss and error.

The Audit Plan reflects the environment in which public sector audit operates, recognising that this has changed considerably over the past few years with more focus on, for example, better assurance, safeguarding and achieving best value. The

planned audit coverage is intended to ensure stakeholders receive a valuable assurance and that the audit service tangibly adds value to the organisation.

Maintaining an Audit Plan which is dynamic, challenging and prioritised based on the organisation's risks is not a new concept; however, in the current environment it is ever more critical if Internal Audit is to help the Council to respond effectively to the scale of change required in 2019/20 and beyond.

## **1.5 HOW ASSURANCE CAN BE GIVEN**

As detailed above, the plan is split into both assurance blocks and directorate areas for ease of understanding as well as to demonstrate how assurance on the organisation's control environment can be given. There are a number of key assurance blocks, which are summarised below:

### *1.5.1 Key Financial Systems*

This is the traditional area of internal audit work, required by external audit, and very much focuses on providing the Section 151 officer assurance that "the Council has made arrangements for the proper administration of its financial affairs." With the single finance system operated across LGSS partners, LGSS Internal Audit can deliver economy of scale via core testing on systems, supported by transactional testing of individual client operations.

These systems are agreed in advance with External Audit, with a focus on the systems that have the highest financial risk, and are used as the basis by which External Audit area able to place reliance on Internal Audit work. These reviews also give an opinion as to the effectiveness of financial management procedures and the arrangements to ensure the integrity of accounts.

### *1.5.2 Governance and Assurance, and Risk Management*

The Plan incorporates annual assurances over core elements of the organisation's overall control system, including performance management, risk management and the Council's Code of Corporate Governance. These reviews provide assurance that key policies and procedures are up to date; fit for purpose; effectively communicated; routinely complied with across the organisation; monitored and regularly improved.

### *1.5.3 Compliance*

Compliance work is fundamental as it provides assurance across all Directorates and therefore supports the Head of Internal Audit opinion on the control environment. The proposed coverage for compliance is underpinned by an assessment of the Council's framework of controls (informed by policies and procedures) and includes those core areas where a high level of compliance is necessary for the organisation to carry out its functions properly. The work involves compliance checks across the organisation to provide assurance on whether the critical controls within the key policies and procedures are being routinely complied with in practice. This work will

continue to challenge the existing controls to ensure that they are modern, effective and proportionate.

#### *1.5.4 Value For Money*

In order to address increased financial pressure on the organisation, the Council needs to ensure that it maintains a drive to achieve value for money across the entire organisation. Providing assurance over this area includes consideration of financial planning and regulation, major transformation and project management, and ensuring that outcomes are delivered as planned. In 2018/19, Internal Audit has carried out work to develop an assurance framework to identify and monitor the Council's most high-risk projects, and time has also been allocated in 2019/20 to further develop and embed this process across the Council. This work will help ensure that good project management is embedded within the Council and that evidence is available that supports decisions taken at the key 'gateways'.

#### *1.5.6 Commissioning and Contracts*

Commissioning and contracts remains a key area of risk for the Council. Effective and proportionate contract monitoring is essential not only to ensure that expected outcomes are achieved, but also that the Council achieves good cost control; meaning that CCC pays what it should, based on actual costs (or equivalent contract conditions). Higher-risk contracts have been selected for review, incorporating open-book assurance where possible, to ensure that these are operating in accordance with the terms of the contracts and value for money is being achieved by contract management activities. Work to examine the commissioning process as a whole is also included in this assurance block. To reflect the importance of this risk area, and in light of the findings of audit reviews in 2019/20, the number of planned audit days in this assurance block has been increased.

#### *1.5.7 Anti-Fraud and Corruption*

This is a key development area and a high-risk area across the public sector. This includes both reactive and pro-active elements, along with initiatives to raise awareness of the council's anti-fraud and corruption culture and to report on the arrangements in place. In addition to the time allocation for fraud investigation work including the risk assessment process for referrals, the assurance block includes an allocation of days for pro-active fraud strategy work.

#### *1.5.8 Key Organisational Risks and Director Requests*

This section of the plan covers areas that have been identified as key organisational risk areas, by Internal Audit's risk assessment process and/or by individual Directors.

#### *1.5.9 ICT and Information Governance*

The ICT assurance block includes time for reviews of key ICT risk areas, as well as time for reviews of key risk areas around information governance and information security.

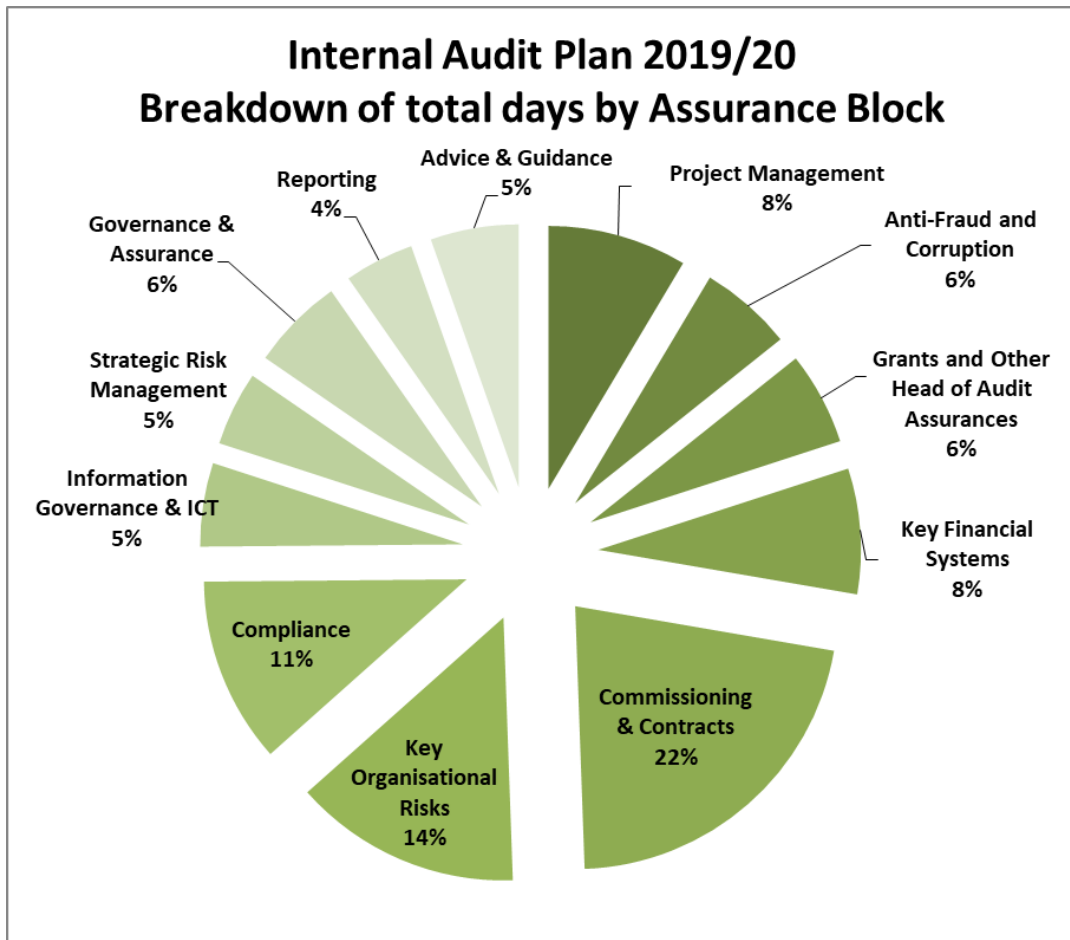
## 1.6 PLAN SUMMARY AND RESOURCES

In summary, the Audit Plan maintains a focus on risk-based and compliance audits as well as providing assurance on key financial systems. This reflects the need to focus on the management of emerging risks and to ensure the continued operation of key controls within the Council's governance arrangements, systems and processes.

The Audit Plan is proposed as 1,750 days, an increase of 200 days compared to the 2018/19 Plan. The additional 200 days have been allocated to the 'Commissioning & Contracts' assurance block, to allow audit review of a higher number of major corporate contracts and procurements and provide further assurance over this key risk area.

### 1.6.1 Analysis of Audit Plan by Assurance Block

The proposed approximate split of time across the 2019/20 Audit Plan is as follows:

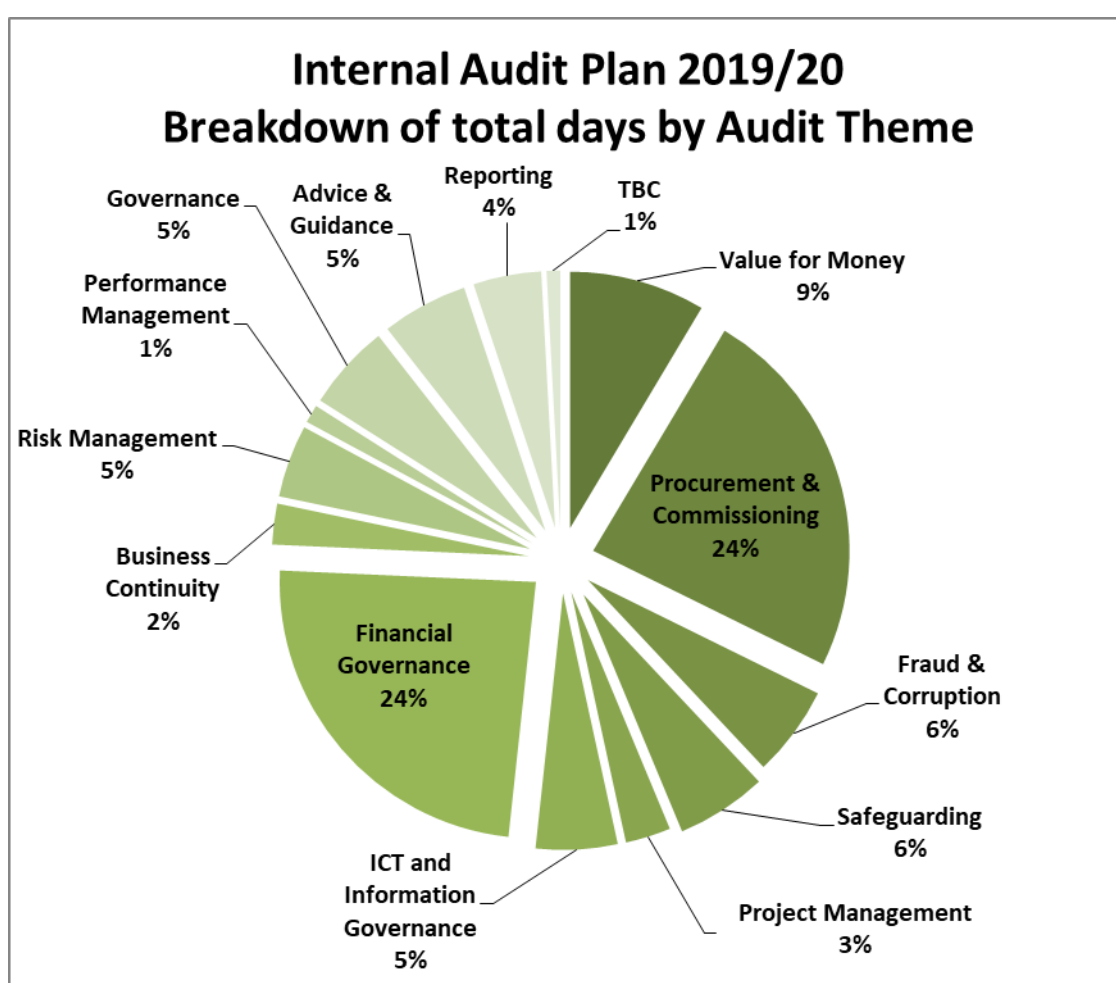


### 1.6.2 Analysis of Audit Plan by Audit Theme

To help understand the breadth of audit coverage across the organisation, we have also broken the draft Plan down into organisational themes. This helps to demonstrate how the planned reviews will provide coverage of key organisational risk areas.

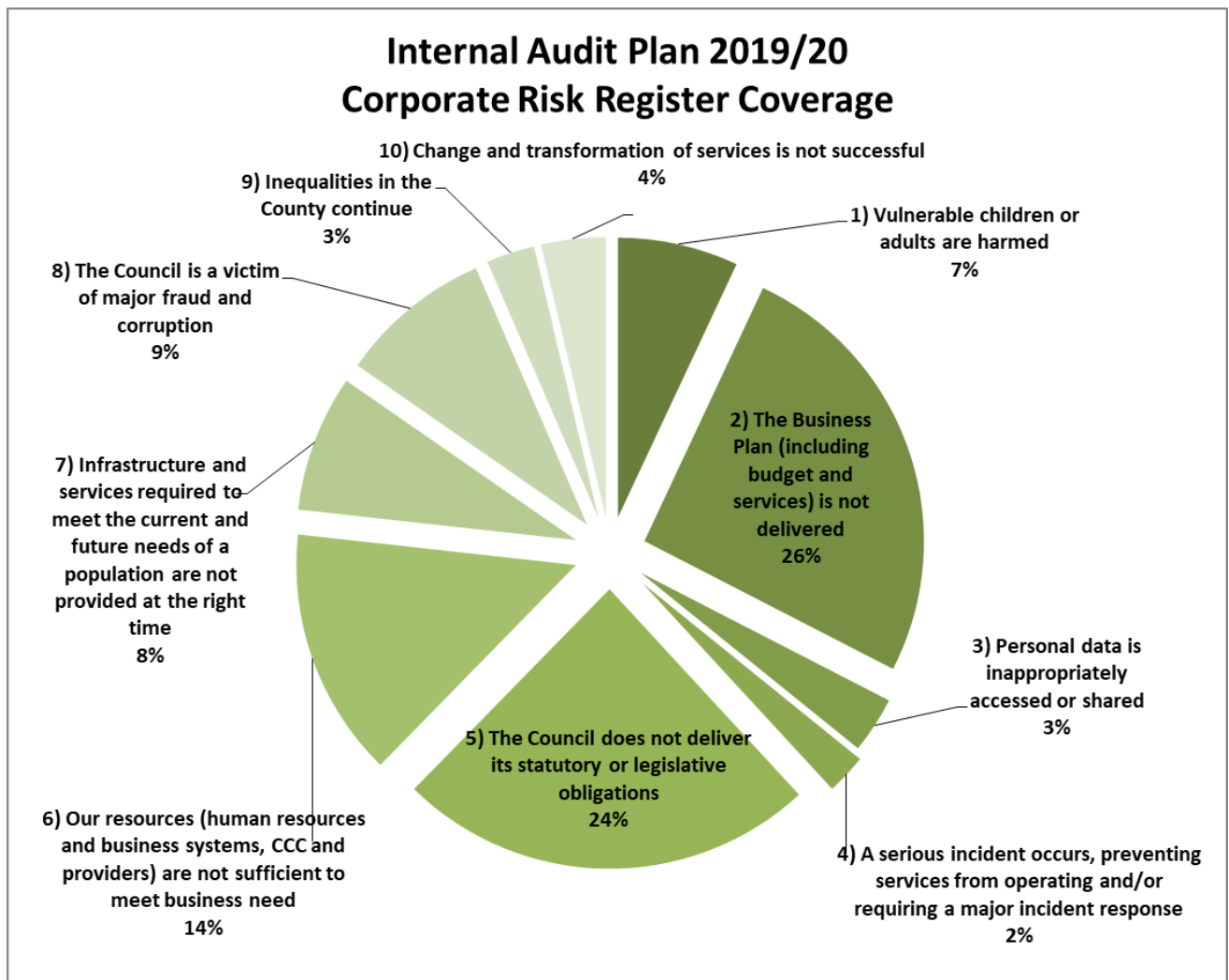
In particular, this analysis clearly demonstrates the overarching focus of the Plan on financial governance and procurement/contract management, while also providing coverage across broader risk areas.

The breakdown of the proposed Plan across these organisational audit themes is as follows:



### 1.6.3 Mapping of Audit Plan to the Corporate Risk Register

Finally, the proposed Audit Plan has also been mapped against the Council's Corporate Risk Register, to ensure that it includes coverage of all key corporate risks. In conducting this mapping process, both the primary and secondary risk focus of each review has been taken into account:



## 1.7 CONCLUSIONS

The 2019/20 Audit Plan has used a risk-based approach to prioritising internal audit work and includes sufficient coverage to ensure an evidence-based assurance opinion on the control environment can be provided at the end of the year.

The Plan is responsive in nature and all efforts will be made to maximise coverage to provide the most effective and agile internal audit service possible that focuses on key risks facing the organisation throughout the year.

Progress against the plan will be monitored throughout the year and key issues reported to SMT and the Audit Committee each quarter.

## 1.8 THE DRAFT INTERNAL AUDIT PLAN 2019/20

The Draft Internal Audit Plan is presented at Appendix 1.

Any changes agreed as a result of this meeting will be incorporated into the draft Plan prior to presentation to Audit & Accounts Committee on the 28<sup>th</sup> March.

## APPENDIX 1 – DRAFT INTERNAL AUDIT PLAN 2019/20

CCC Draft Internal Audit Plan 2019/20						
Audit	Days	Theme	Qtr	Month	Directorate	Why?
<b>Value For Money</b>						
<i>In order to address increased financial pressure on the organisation, the Council needs to transform and develop more effective working across all services. This work provides cross-cutting assurance over the management of key 'value for money' risks which accompany major transformation, and that benefits are delivered as planned.</i>						
Financial Planning, Demand Management and Control	30	Financial Governance	Q2	July	Cross-Cutting	Review of the Financial Management arrangements against best practice, and review of how the s151 Officer can assess the adequacy of (and compliance with) the financial control environment; for example, using the CIPFA FM Model.
Financial Regulations Monitoring & Compliance, including Delegated Authorities	20	Financial Governance	Q2	July	Cross-Cutting	Review to ensure that budget variations are approved in line with the requirements of the Finance Procedure Rules and the Constitution.
Transformation Fund Benefits Realisation	30	Value for Money	Q1	April	BI&D	Review of benefits realisation within the Transformation Fund, covering "Invest to Save/Improve/Advance/Innovate" schemes, to provide assurance that investments are delivering planned benefits and that benefits are accurately recorded and reported.
Capital Project Variations and Overspends	20	Value for Money	Q2	August	Cross-Cutting	Review of a sample of capital projects which have experienced significant overspends or variations, to gain assurance over risk and issue management, including the risk of over-specifying projects, and identify any lessons learned for dissemination. To include at least one project from the Schools capital programme.

## For the public sector



Development of Project Assurance Framework	10	Project Management	Q1	Ongoing	BI&D	Development of Council-wide projects assurance process, to ensure all projects are risk-assessed and the most high-risk projects have a project assurance officer assigned from Audit, Finance or Transformation.
Project Assurance of High Risk Projects	40	Project Management	Q2	July	BI&D	Project assurance of high-risk projects by designated Internal Audit project assurance officers.
Total Project Management:	150					
Anti-Fraud and Corruption						
Allocation of time for risk assessment and investigation of fraud and theft referrals. Should significant fraud be identified in-year SMT will be consulted as to the best way to investigate as well as, where appropriate, how to improve the control environment to reduce the risk of re-occurrence.						
National Fraud Initiative	40	Fraud & Corruption	Q1	June	Cross-Cutting	Management of statutory National Fraud Initiative.
Fraud Investigations	60	Fraud & Corruption	Q1	Ongoing	Cross-Cutting	Receive WB referrals and allocation of time to investigate alleged fraud or theft.
Total Anti-Fraud and Corruption:	100					
Key Financial Systems						
Providing assurance that the Council has made arrangements for the proper administration of its financial affairs, these system audits are agreed in advance with External Audit and focus on the systems with the highest financial risk. These reviews give an opinion as to the effectiveness of financial management procedures and arrangements to ensure the integrity of accounts. LGSS IA will use the shared services ethos to minimise the resources required to undertake these audits, whilst still giving effective assurance to CCC.						
Accounts Receivable	20	Financial Governance	Q3	December	Cross-Cutting	Annual assurance over LGSS Key Financial Systems conducting transactional testing across core systems, review scopes agreed with External Audit.

***For the public sector***



Purchase to Pay	20	Financial Governance	Q3	December	Cross-Cutting	Annual assurance over LGSS Key Financial Systems conducting transactional testing across core systems, review scopes agreed with External Audit.
Payroll	20	Financial Governance	Q3	December	Cross-Cutting	Annual assurance over LGSS Key Financial Systems conducting transactional testing across core systems, review scopes agreed with External Audit.
General Ledger	10	Financial Governance	Q3	December	Cross-Cutting	Annual assurance over LGSS Key Financial Systems conducting transactional testing across core systems, review scopes agreed with External Audit.
Bank Reconciliation	5	Financial Governance	Q3	December	Cross-Cutting	Annual assurance over LGSS Key Financial Systems conducting transactional testing across core systems, review scopes agreed with External Audit.
Treasury Management	10	Financial Governance	Q3	December	Cross-Cutting	Annual assurance over LGSS Key Financial Systems conducting transactional testing across core systems, review scopes agreed with External Audit.
VAT	5	Financial Governance	Q3	December	Cross-Cutting	Annual assurance over LGSS Key Financial Systems conducting transactional testing across core systems, review scopes agreed with External Audit.
Financial Systems IT General Controls	10	Financial Governance	Q3	December	Cross-Cutting	Annual assurance over LGSS Key Financial Systems conducting transactional testing across core systems, review scopes agreed with External Audit.
Debt Recovery	20	Financial Governance	Q3	December	Cross-Cutting	Annual assurance over LGSS Key Financial Systems conducting transactional testing across core systems, review scopes agreed with External Audit.
Pensions	20	Financial Governance	Q3	December	Cross-Cutting	Annual assurance over LGSS Key Financial Systems conducting transactional testing across core systems, review scopes agreed with External Audit.
Total Key Financial Systems:	140					
Grants and Other Head of Audit Assurances						

## For the public sector



*Provision of assurances over grant funding from central government where a Head of Audit opinion is required. These are increasing in number each year, and SMT will be kept informed of any new requirements arising in-year via the normal reporting mechanisms.*

Additional Highways Maintenance Grant	5	Financial Governance	Q1	May	P&E	Grant certification required.
Local Transport Capital Block Funding	5	Financial Governance	Q2	July	P&E	Grant certification required.
Bus Service Operators	5	Financial Governance	Q2	July	P&E	Grant certification required.
Flood Resilience Fund	5	Financial Governance	Q2	July	P&E	Grant certification required.
Cambridgeshire Challenge Fund	5	Financial Governance	Q1	May	P&E	Grant certification required.
Cycle City Phase II	5	Financial Governance	Q2	September	P&E	Grant certification required.
Troubled Families Grant	40	Financial Governance	Q1	Ongoing	P&C	Grant certification required. Ongoing throughout year.
SWIM Grant	5	Financial Governance	Q1	May	P&E	Grant certification required.
National Productivity Fund	5	Financial Governance	Q1	June	P&E	Grant certification required.
Disabled Facilities Grant	5	Financial Governance	Q1	May	P&C	Grant certification required.
Safer Roads Funding	5	Financial Governance	Q2	July	P&E	Grant certification required.

## For the public sector



Pothole Action Fund	5	Financial Governance	Q2	July	P&E	Grant certification required.
Broadband Grant	5	Financial Governance	Q1	April	CCS	Grant certification required.
Total Grants and Other Head of Audit Assurances:	100					
Commissioning & Contracts						
This is a key area of risk. Effective and proportionate contract monitoring by CCC is essential to ensure good cost control (i.e. we pay what we should based on actual costs/'contract' conditions) and that expected outcomes from these contracts are achieved. Higher-risk contracts have been selected for review, incorporating open-book assurance where possible to ensure that these are operating in accordance with the terms of the contracts and value for money is being achieved by contract management activities. Work to examine the commissioning process as a whole is also included in this assurance block. Contract values are taken from the Council's Contracts Register.						
Procurement Governance	30	Procurement	Q3	September	Cross-Cutting	Review covering policies and procedures governing procurement processes, and arrangements for monitoring compliance with procurement policies. Assurance over risk that best value is not being achieved across all Council procurement.
Contract Management Policy and Guidance	10	Procurement	Q1	May	Cross-Cutting	Review the availability of best practice guidance across the organisation to effectively manage contracts once awarded.
Most Economically Advantageous Tenders	20	Procurement	Q1	May	Cross-Cutting	Review MEAT where lowest priced tender was not succesful to assess the cost of additional quality. Review the appropriateness of specification, evaluation criteria (and compliance) including rationale for award.
Highways Contract Open Book Review	50	Procurement	Q1	Ongoing	P&E	3 Interim open book reviews of the Highways Contract, annual value c.£60m, and the year-end Final Account audit.
Waste PFI Open Book Review	30	Procurement	Q2	September	P&E	Final account open book review of the Waste PFI Contract, annual value c.£22m.

## For the public sector



Street Lighting PFI Open Book Review	30	Procurement	Q1	April	P&E	Final accounts open book review of the Street Lighting Contract, annual value c.£8.12m.
Contract Management - Cambridgeshire Energy Performance Contracting Project	25	Procurement	Q3	November	P&E	Review of contract management within the Cambridgeshire Energy Performance Contracting project, which holds two major contracts with a combined annual value of £11m.
Contract Management - Eastern Highways Alliance	25	Procurement	Q2	August	P&E	Review of the controls and contract management in place for the Eastern Highways Alliance Framework Contract, with an annual value of c.£4.5m.
Contract Management - Provision of Community Equipment Services	20	Procurement	Q1	May	P&C	Review of the controls and contract management in place for the Provision of Community Equipment Services contract with an annual value of £4.36m.
Contract Management - Home and Community Support Service Framework	20	Procurement	Q2	July	P&C	Review of controls and contract management of home and community support service providers, under the Council's framework contract with an annual value of c.£30m.
Contract Management – Supported Living Services for Adults with a Learning Disability	20	Procurement	Q1	May	P&C	Review of the controls and contract management in place for the Supported Living Services for Adults with a Learning Disability Contract, annual value of c. £22.6m.
Contract Management - Integrated Drug and Alcohol Treatment System	20	Procurement	Q3	November	PH	Review of the controls and contract management in place for the Cambridgeshire Integrated Drug and Alcohol Treatment System contract which was awarded in May 2018 and has an annual value of £4.875m.
Contract Management - Cambridgeshire Lifestyle Services	20	Procurement	Q1	April	PH	Review of the controls and contract management in place for the Cambridgeshire Lifestyle Services contract, with an estimated annual value of c.£2.2m.
LGSS Law Ltd	20	Procurement	Q1	April	Cross-Cutting	"Client-side" review of the contracting relationship with LGSS Law, from a Cambridgeshire County Council perspective.

## For the public sector



High Value Supplier Contract Management Reviews	25	Procurement	Q3	November	Cross-Cutting	Review of a sample of the Council's highest-value suppliers, to provide assurance that expenditure with these suppliers is tied to a corporate contract or contracts, and that appropriate contract management arrangements are in place to control spend.
Business Continuity for Key Contracts	25	Business Continuity	Q2	July	Cross-Cutting	Review of a sample of key strategic suppliers, with a focus on suppliers of care and transport to vulnerable service users, to identify assurances in place over supplier resilience, data protection/information security and continuity planning.
Total Commissioning & Contracts:	385					
Key Organisational Risks & Director Requests						
These are areas of risk specifically identified by directors during the consultation process and have been requested to be included in the 2019/20 Audit Plan. This block also includes areas where the Audit Committee require additional assurances. Assurance over key organisational risks and requests for specific audit reviews by individual Directors will not only give directors the assurance they have requested but will support the annual Head of Internal Audit opinion across the control environment.						
Rental Income	20	Value for Money	Q3	July	Cross-cutting	Review of income from assets e.g. land rental agreements, to provide assurance that commercial rates are achieved, voids managed, and governance arrangements ensure value for money.
This Land Limited	25	Governance	Q1	May	Cross-Cutting	To review governance arrangements in place to protect CCC and ensure expected outcomes are achieved.
Key Inspection Action Plans	20	Safeguarding	Q2	November	P&C	Review of action plans from key inspections/reviews (e.g. Ofsted etc.) to verify that plans to address key findings are in place and are being actively implemented and monitored.

## For the public sector



Provision of Section 17 Financial Assistance	20	Financial Governance	Q1	May	P&C	Analysis of expenditure and review of governance and ongoing management of financial assistance payments made to families under Section 17 of the Children Act 1989.
Strategic Approach to Schools Charging	20	Financial Governance	Q1	April	P&C	Review of the Council's strategy for charging schools for commercial services. To provide assurance that charges are calculated to recover relevant costs; that charges are made in a timely, co-ordinated and cost-effective way; and that income is allocated to the appropriate service.
Special Educational Needs Placements	20	Value for Money	Q2	July	P&C	Analysis of expenditure and review of governance and ongoing management of special educational needs placements, with a focus on value for money.
Annual Safeguarding Assurance	25	Safeguarding	Q2	September	P&C	Annual assurance on safeguarding, guided by a review of assurances over the Council's safeguarding arrangements for children and adults, including internal review processes, contractual assurances, and assurances received from third parties such as Ofsted, peer reviews etc. and gap analysis work.
Adult Social Care Finance	20	Financial Governance	Q2	September	P&C	Assurance following the major restructure and centralisation of the Adults Social Care Finance team, particularly reviewing invoicing processes, cost recovery and the link to debt management.
Safeguarding the Assets of Clients in External Establishments	25	Safeguarding	Q3	September	P&C	To provide assurance that there are appropriate arrangements in place to safeguard the assets of the service user and to ensure correct charges are being made to the Council.
Business Continuity	20	Business Continuity	Q3	October	C&CS	Review of Business Continuity arrangements in the event of serious disruption, and ongoing management and monitoring of arrangements, following a major review of Business Continuity.

## For the public sector



Other People & Communities Risk Based Audits	15	TBC	Q1	Ongoing	P&C	Allowance of time for risk-based reviews, based on discussions with Senior Management.
Coroners Service	15	Financial Governance	Q1	April	P&E	Allowance of time for risk-based reviews, based on discussions with Senior Management.
<b>Total Risk-Based Audits:</b>	<b>245</b>					
<b>Compliance</b>						
<i>Compliance checks across the organisation to provide assurance on whether critical controls within key policies and procedures are routinely complied with in practice. Proposed coverage is underpinned by an assessment of the Council's framework of controls and findings from previous audit work.</i>						
Key Performance Indicators	15	Performance	Q2	September	Cross-Cutting	Review of a sample of Key Performance Indicators to confirm that they are calculated and reported accurately in order to appropriately inform decision-making.
Regulation of Investigatory Powers Act Policy Compliance	15	Governance	Q3	December	Cross-Cutting	Review of compliance with the Council's new RIPA Policy and training, introduced in early 2019.
Property Asset Disposals & Acquisitions Policy Compliance	20	Financial Governance	Q3	October	Cross-Cutting	Review of a sample of property asset disposals and acquisitions, to confirm that the Council's policy is complied with, to achieve best value.
Fire Safety Checks	10	Safeguarding	Q3	October	Cross-cutting	Review to ensure compliance with legislation.
Procurement Compliance	20	Procurement	Q3	September	Cross-Cutting	2x reviews throughout the year of a sample of invoices, to provide assurance over risk that best value is not being achieved across all Council procurement. Once invoices have been selected, the review will work backwards through the commissioning process to confirm compliance and VFM.

**For the public sector**



Safeguarding Clients' Personal Assets - Compliance	15	Safeguarding	Q2	August	P&C	To provide assurance that appropriate arrangements are in place and complied with, to safeguard the assets of the service user where the authority acts as a Deputy or Receiver.
Direct Payments Compliance	20	Value for Money	Q3	September	P&C	Sample testing of Direct Payments files to provide assurance over the following risks: Direct Payments are misused by service users or subject to fraud; the Council does not monitor these effectively; and that surplus monies due for repayment are not identified.
Procurement Waivers for Procurement Outside Contract Procedure Rules	15	Procurement	Q3	October	Cross-Cutting	Review the governance and assess compliance where CPR's are not adhered to
Consultancy Policy Compliance	20	Procurement	Q3	November	Cross-Cutting	Review of the use of consultants at the Council to gain assurance over compliance with contract procedure rules and the consultancy policy, appropriate use of employment status, and effective contract management.
Unannounced Visits	20	Value for Money	Q2	August	Cross-Cutting	2 - 3 services will be identified in conjunction with senior managers, for unannounced visits focusing on compliance with the Council's policies and expectations for management of finances and safeguarding risks, and providing an appropriate deterrent to fraud. The Registrars Service has been requested by P&E for inclusion within this review, and Childrens Centres have been requested for review by P&C.
Fees and Charges Policy & Compliance	20	Value for Money	Q2	August	Cross-Cutting	Risk that new processes around setting fees and charges are not followed, leading to the Council missing out on income or legislative non-compliance.
Total Compliance:	195					
ICT and Information Governance						
Reviews of key risk areas around information governance and information security, as well as coverage of key ICT risk areas such as major ICT						

failure.						
General Data Protection Regulations Implementation	15	ICT and Information Governance	Q2	August	C&CS	Information security remains a key corporate risk for all Councils. Review of the Council's compliance with General Data Protection Regulations.
Information Technology Audit Plan	70	ICT and Information Governance	Q1	Ongoing	Cross-Cutting	Information Technology Audit Plan to be targeted to the key areas of risk within the IT service. Disaster recovery, IT service resilience, and cybersecurity have been identified as key areas of interest.
Information Management Board	5	ICT and Information Governance	Q1	Ongoing	Cross-Cutting	Internal Audit attendance at Information Management Board.
Total ICT Audit:	90					
Strategic Risk Management						
Assurance over the Council's risk management framework in addition to support, advice and facilitation of strategic risk management processes.						
Annual Assurance on Risk Management	5	Risk Management	Q4	January	Cross-Cutting	Maintaining the CRR, reporting to stakeholders and providing an annual assurance over the Council's Risk Management framework.
Risk Management	75	Risk Management	Q1	Ongoing	Cross-Cutting	Strategic risk management processes.
Total Risk Management:	80					
Governance and Assurance						
Assurance over core governance areas including effective key policies and procedures which drive the culture and risk appetite of the organisation; a comprehensive key performance indicator framework; and other key elements of strong corporate governance.						
Annual Governance Statement/Code of Corporate Governance	15	Governance	Q3	November	Cross-Cutting	Annual Governance Statement/Code of Corporate Governance.

## For the public sector



Corporate Key Performance Indicator Framework	5	Performance	Q1	May	Cross-Cutting	Providing an annual assurance over the effectiveness of the Council's corporate Key Performance Indicator framework.
Annual Key Policies & Procedures Review	5	Governance	Q1	April	Cross-Cutting	Following previous year audit reviews of core policies and procedures, this review will provide assurance that key policies are reviewed, updated and accessible to staff.
Complaints Process	20	Governance	Q3	December	C&CS	Review of controls in place to receive, review, and respond to complaints in an appropriate and timely manner; and to minimise future complaints. The corporate policy and process for complaints have been under review with the aim to get a new system in place, so a review once this has been implemented will be beneficial.
Schools Payroll and Safe Recruitment	35	Financial Governance	Q3	November	P&C	Annual assurance over schools payroll systems and safer recruitment processing, considering assurance available from schools payroll providers; sample testing of schools; and assurance available from the Schools Intervention Service and Finance teams.
Schools Causing Concern	5	Safeguarding	Q1	Ongoing	P&C	Audit attendance at Schools Causing Concern group and ad hoc advice.
Annual Whistleblowing Policy Report and Awareness	15	Governance	Q4	January	Cross-Cutting	Work to review the whistleblowing policy, conduct awareness-raising activities across the organisation, and produce the annual report on whistleblowing cases.
Total Governance:	100					
Advice & Guidance						
Advice & Guidance	50	Advice & Guidance	Q1	Ongoing	Cross-Cutting	Providing support and guidance to staff on ad-hoc queries.
Freedom of Information Requests	5	Advice & Guidance	Q1	Ongoing	Cross-Cutting	Allowance of time to respond to FOI requests received in-year.
Follow-Ups of Agreed Actions	40	Advice & Guidance	Q1	Ongoing	Cross-Cutting	Confirming agreed actions have been implemented to reduce key organisational risks.

*For the public sector*



<b>Total Advice &amp; Guidance:</b>	<b>95</b>					
<b>Reporting</b>						
Committee Reporting	25	Reporting	Q1	Ongoing	Cross-Cutting	Reporting to Audit and Accounts Committee.
Management Reporting	25	Reporting	Q1	Ongoing	Cross-Cutting	Reporting to SMT.
Audit Plan	25	Reporting	Q1	Ongoing	Cross-Cutting	Development of the Internal Audit Plan and in-year revisions/updates.
<b>Total Reporting:</b>	<b>75</b>					
<b>Operational Plan Total - 2019/20</b>	<b>1750</b>					