**22023/24 Internal Audit Plan - Consultation**

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| **DIRECTORATE** | **NAME** | **TITLE** |  |
|  | Alex Dewsnap | Managing Director |  |
|  | Sharon DanielsJessica FarmerFern SilverioNimesh MehtaSharon DanielsTasleem KazmiDonna Edwards Jessie Mann Jo Frost Justin Phillips Neale Burns Internal Audit Team Corporate Anti-Fraud Team  | Acting Director of Finance & Assurance/S151Acting Director of Legal & Governance (Monitoring Officer)Divisional Director Collections & BenefitsHead of ProcurementHead of Strategy & Technical Finance/Deputy S151Finance Business Partner Housing & RegenerationFinance Business Partner People (Adults)Finance Business Partner CommunityFinance Business Partner People (Children)Corporate Anti-Fraud Service ManagerInterim Risk ManagerAuditorsFraud Investigators |  |
| **Resources** | Ben Goward | Director of ICT |  |
|  | Stacy Bailey | Director of HR & OD |  |
|  | Shumailla Dar | Interim Assistant Director Strategy and Partnerships  |  |
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| **People** | Senel ArkutPeter Tolley | Corporate Director People Divisional Director Children & Young People Services |  |
|  | Shaun Riley | Interim Director of Adult Social Services |  |
|  | Patrick O’Dwyer | Director of Education |  |
|  | Johanna Morgan | Divisional Director Commercial & Regeneration |  |
|  | Shumailla Dar | Interim Assistant Director Strategy |  |
| **Place** | Dipti Patel  | Corporate Director Place |  |
|  | Cathy Knubley | Interim Director Environmental Services |  |
|  | Mark BillingtonKirstan Shiels | Director Inclusive Economy, Leisure & CultureInterim Director Regeneration Programme |  |
|  | David McNulty | Director of Housing |  |
|  | Viv EvansMatthew Adams | Interim Chief Planning OfficerAssistant Director Climate Change |  |
|  | Julian Wain | Interim Director Commercial Development |  |
|  | Emma Talbot | Director of Regeneration & Sustainability |  |

**Internal Audit Plan**

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| **Review Area** | **Risk Assessment[[1]](#footnote-2)**  | **Reason for inclusion**  | **Proposed Audit Coverage** | **Audit Days** | **Qtr** |
| **Core Financial Systems**  |
| Payroll  | H | Core Financial System | Evidence Based Control Self- Assessment  | 10 | Q1 |
| Corporate Accounts Payable  | H | Core Financial System | Evidence Based Control Self- Assessment  | 10 | Q1 |
| Corporate Accounts Receivable  | M | Core Financial System | Evidence Based Control Self- Assessment | 10 | Q1 |
| Housing Benefit  | H | Core Financial System | Evidence Based Control Self- Assessment  | 1.5 | Q1 |
| Treasury Management  | M | Core Financial System | Evidence Based Control Self- Assessment | 1.5 | Q1 |
| Housing Rents  | M | Core Financial System | Evidence Based Control Self–Assessment | 3 | Q1 |
| Council Tax  | H | Core Financial System | Evidence Based Control Self- Assessment  | 1.5 | Q1 |
| Capital expenditure + Follow-up  | H | Core Financial System | Key Control Review – Follow-up of recommendations  | 3.5 | Q1 |
| Business Rates | H | Core Financial System  | Key Control Review – Follow-up of Recommendations | 3 | Q1 |
| **IT** |
| IT Support – Service Integration and Management | H | New arrangements in place, some in-house provision and some contracts  | A review of how the elements of the support work together and are being managed | 20 | Q3/4 |
| Cloud Systems – third party hosted | H | To provide assurance our systems and data are adequately protected by the third parties providing these systems. | A review of cloud based systems provided, hosted and supported by third parties. Almost all our systems and our biggest cyber risks are now in this category. Contractual element i.e. do our contracts place correct obligations on the providers and allow for us to audit them against these from technical perspective.   | 20 | Q4 |

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| **Corporate Compliance Checks** |
| HR Policies(Annual Assurance)  | H | To provide assurance on the implementation of HR Policies annually, with a focus on different policies each year in consultation with the Director of HR&OD  | Sample check across the council to ensure that HR Policies are understood and adhered to - areas of focus for 201/22 Job Evaluation and Honorariums | 10 | Q3/4 |
| **Corporate Risk Based/Governance Reviews** |
| Corporate Governance | Statutory RequirementLinks to CR2 - H | **Requirement under the Accounts & Audit Regulations 2015:** *A relevant authority must, each year conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement* | Co-ordination of the annual review of governance, including Management Assurance, assessment against the CIPFA Financial Management Standards plus drafting of the Annual Governance Statement | 30 | Q1/4 |
| Corporate Assurance |  | Following on from work undertaken in 2022/23 covering the Commissioning Cycle, Risk Management, Corporate Governance and Health & Safety to provide assurance on key areas of the Council as determined by the Governance Board | A review of the following areas:* Asset Management
* Financial Management
* Human Resources
* Information & Data Management
* Performance Management
* Programme & Project Management

Plus development of action plans for work undertaken in 2022/23 | 40 | Q2-4 |
| Tell Us Once/Legacy Systems | H | Changes of circumstances notified to the Council are not always shared with appropriate services and this has led to overpayments and fraud. | A review to identify the barriers to information being shared across key services, Housing, Council Tax and Housing Benefits and the Tell Us Once system and an exploration of potential solutions | 10 | Q3/4 |
| Financial Resilience | Links to CR1 - H | Financial Resilience is key to the authority remaining viable, stable and effective in a climate of growing demand and reduced funding | Using CIPFA publication Building Financial Resilience as a guide a review of the authority’s financial resilience | 15 | Q3/4 |
| **Resources Risk Based Reviews** |
| Nothing Planned  |  |  | Covered in core financial systems & governance reviews |  |  |
| **Place Risk Based Reviews** |
| Facilities Management Statutory Compliance | H | There are a number of statutory duties that must be complied with | A review of the processes in place to ensure that the Council’s statutory duties are met | 10 | Q3 |
| Bus Subsidy Grant\* | Statutory Requirement | Grant condition requirement | Annual HIA Certification | 2 | Q2 |
| HSDP/Council Owned Companies Governance\* | CR4 – H  | New arrangements, issues highlighted in other authorities with such arrangement, potential high risks  | A review of how governance arrangements are working in practice across Council owned companies Q3/Q4 | 10 | Q3/4 |
| Planned Housing Repairs  |  | To complete the suit of reviews of Housing Repairs following work on Compliance and Reactive Housing Repairs undertaken in 2022/23 | To review the adequacy, application and effectiveness of controls in place to manage planned housing repairs | 15 | Q3 |
| Licensing |  | High risk of fraud (back handers) | To review the adequacy, application and effectiveness of controls in place to manage the licencing function and to mitigate the risk of fraud | 10 | Q3 |
| Aids & Adaptations |  | A review of the process required following a whistleblowing investigation | Review of the process plus a follow-up of whistleblowing recommendations | 10 | Q3 |
| Highways Review 2nd Follow-up |  | The first follow-up of this review demonstrated an inadequate level of implementation of recommendations due to the impending implementation of IT software | To follow-up the implementation of outstanding recommendations and provide an updated assurance rating | 3 | Q1 |
| Leaseholders Service Charges Follow-up |  | Follow-up of 2022/23 review | To follow-up the implementation of the recommendations and provide an updated assurance rating | 2 | Q2 |
| HMO 2nd Follow-up |  | The first follow-up of this review demonstrated an inadequate level of implementation of recommendations | To follow-up the implementation of outstanding recommendations and provide an updated assurance rating | 2 | Q2 |
| Parking Operations 2nd Follow-up  |  | The first follow-up of this review demonstrated an inadequate level of implementation of recommendations | To follow-up the implementation of outstanding recommendations and provide an updated assurance rating | 2 | Q2 |
| Housing Repairs Compliance Follow-up |  | Follow-up of 2022/23 review | To follow-up the implementation of the recommendations and provide an updated assurance rating | 2 | Q2 |
| Reactive Housing Repairs Follow-up |  | Follow-up of 2022/23 review | To follow-up the implementation of the recommendations and provide an updated assurance rating | 2 | Q4 |
| **People Risk Based Reviews** |
| Schools | H | **Links to Corporate Priority:** Sustaining quality education and trainingThe Council has 34 maintained schools with delegated budgets most of which are in excess of £1m however schools are facing ever increasing financial pressures | Reviews to be undertaken to provide assurance on Budget Management or Governance & Financial Control. Schools that decide to leave the FMS system will be considered a higher risk and will be prioritised.To include Roxeth Primary and The Helix | 20 | Q3/4 |
| SFVS | Funding Requirement  | To provide assurance to S151 Officer responsible for signing off statutory return  | Review of the statutory return to the Department Education to be signed by the s151 Officer confirming the number of Schools to complete the Schools Financial Value Standard (SFVS) self-assessment | 1 | Q1 |
| Together with Families Programme (Troubled Families Grant) | Grant Requirement | **Links to Corporate Priority:** Tackling poverty and inequality - testing by internal audit is a grant condition  | Sample testing of claim prior to grant submission | 4 | Q1-4 |
| Children Placements | Links to CR5 - H | A high percentage of the Children Budget spent on placements | A review of the adequacy, application and effectiveness of decisions and review of placements  | 10 | Q3/4 |
| Safeguarding Team  | Links to CR3 & CR5 – H | Management request– requested by Santokh DulaiAssistant Director -Specialist Learning Disabilities Care, Mental health, CYAD Services and Provider Services | A review of the effectiveness, decision making, advice giving and offloading cases  | 15 | Q3/4 |
| Woodlands Investigation Follow-up |  | Follow-up of 2022/23 review | To follow-up the implementation of the recommendations and provide an updated assurance rating | 2 | Q2 |
| Cedars Manor Investigation Follow-up |  | Follow-up of 2022/23 review | To follow-up the implementation of the recommendations and provide an updated assurance rating | 2 | Q2 |
| Cedars Manor Governance & Finance Follow-up |  | Follow-up of 2022/23 review | To follow-up the implementation of the recommendations and provide an updated assurance rating | 2 | Q2 |
| **TOTAL OPERATIONAL AUDIT DAYS IN 2023/24 PLAN** | **320** |  |
| Contingency Allowance | 16 |  |
| **Support & Advice**  |
| \*Professional Advice | H/M/L | To provide a pro-active response to management requests for support and guidance on control, risk management and guidance | Advice on control, risk management and governance |  | Q1-4 |
| \*Irregularity/whistleblowing Reviews | H | To provide a pro-active response to irregularity and/or whistleblowing allegations | Review of allegations to support management |  | Q1-4 |
| Grants | H | Certain government grants require HIA sign-off | Where required sample testing to confirm grant conditions have been met before sign-off by the HIA and Chief ExecutiveComf (Contain outbreak management fund)CRF (cultural recovery fund) | 5 | Q1-4 |
| **TOTAL DAYS IN 2023/24 PLAN 336** |

 \* Management support from HIA time which is not included in the operational plan

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|  | **Internal Audit Performance Indicator 2022/23** | **Target** |
| 1 | Recommendations agreed for implementation | 95% |
| 2 | Follow up undertaken – red and red/amber assurance reviews | 100% |
| 3 | Follow-up undertaken – amber assurance reviews | 70% |
| 4 | Plan achieved for key control reviews | 100% |
| 5 | Plan achieved overall (key indicator) | 90% |
|  | **Corporate Performance Indicator** | **Target** |
| 1 | Implementation of recommendations | 90% |

1. Wherever possible risk ratings are taken from the Corporate Risk Register (indicated as CR), an audit risk assessment is undertaken for all other reviews. [↑](#footnote-ref-2)