

Ward: N/A

Internal Audit Plan 2017/18

Report by the Acting Head of Internal Audit

1.0 Summary

1.1 This report presents the 2017/18 Internal Audit Plan for consideration and approval.

2.0 Background

2.1 Audit Plans have since 1998, been presented annually to Members for approval.

2.2 When developing the Audit Plans approved by this Committee on 22 March 2016, a re-assessment of the Councils' audit universe was completed in order to focus reduced Audit resources on audits in high risk areas. In drafting the 2017/18 Audit Plan, the Acting Head of Internal Audit considered this assessment and updated it by:

- Mapping the Councils directorates and services against the risks contained within the Councils' corporate and service risk registers to identify potential audits;
- Mapping audits performed in recent years and current issues impacting on Local Government against the directorates and service areas to identify further potential audits;
- Considering the requirements of the Chartered Institute of Internal Auditors (CIIA) International Standards which became effective from 1 April 2013.

2.3 The draft 2017/18 plan was discussed with the Chief Financial Officer, updated and issued to the Councils' Leadership Team and all Heads of Service for comment. Any comments received have been addressed within the attached plan.

2.4 The proposed 2017/18 Annual Audit Plan (which includes the proposed quarterly split) is attached as **Appendix A**.

3.0 Proposals

3.1 The proposed 2017/18 Internal Audit Plan is presented for approval by this Committee. The plan consists of 34 audits and 511 days of work allocated as summarised below:

Category of Work	Type of Work	Number of Days
Audits of High Risk areas	System audits & annual testing of key financial and governance systems	280
Audits of High Risk areas	Cross service audits	26
ICT Audits	Specialist ICT related audits and Application Reviews	60
Contract Audits	Specialist reviews & Contract examination	20
NFI	Co-Ordination & investigation of matches	35
Follow Up	Follow up to confirm implementation of agreed audit recommendations	25
Other	Management & Contingency	65
Total Days in Plan		511

3.2 An ongoing system of monitoring the progress of audit work against the plan is in place. Monthly progress is reported to the Chief Financial Officer and quarterly reports on progress are presented to this Committee. In accordance with the Terms of Reference, other reports may be presented to the Committee as necessary during the year.

3.3 The Committee is also asked to consider whether there are any specific areas of interest which they would like to see covered in the 2017/18 Audit Plan.

4.0 Legal

4.1 There are no legal matters arising as a result of this report.

5.0 Financial implications

5.1 This plan has been based on the reduced audit plan agreed in order to achieve the savings reported to Overview & Scrutiny Committee on 26 November 2015.

6.0 Recommendations

- 6.1 That the Committee consider whether there are any specific audits which they would like to see progressed in 2017/18 which are not currently contained within the proposed plans.
- 6.2 That the 2017/18 Audit Plan be approved.

Local Government Act 1972 Background Papers:

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Schedule of Other Matters

1.0 Council Priority

1.1 The report does not seek to meet any particular Council priorities.

2.0 Specific Action Plans

2.1 (A) Matter considered and no issues identified.
(B) Matter considered and no issues identified.

3.0 Sustainability Issues

3.1 Matter considered and no issues identified.

4.0 Equality Issues

4.1 Matter considered and no issues identified.

5.0 Community Safety Issues (Section 17)

5.1 Matter considered and no issues identified.

6.0 Human Rights Issues

6.1 Matter considered and no issues identified.

7.0 Reputation

7.1 Matter considered and no issues identified.

8.0 Consultations

8.1 (A) Matter considered and no issues identified.
(B) Matter considered and no issues identified.

9.0 Risk Assessment

9.1 Matter considered and no issues identified.

10.0 Health & Safety Issues

10.1 Matter considered and no issues identified.

11.0 Procurement Strategy

11.1 Matter considered and no issues identified.

12.0 Partnership Working

12.1 Matter considered and no issues identified.

	DAYS	ANNUAL AUDIT	Q1	Q2	Q3	Q4
			APR-JUN	JUL-SEP	OCT-DEC	JAN-MAR
COMMUNITIES						
Housing						
Housing Tenancy	8		8			
Rent Collection and Collection of Arrears	10	Y			10	
Leasehold Management	8					8
Homelessness	15			15		
Wellbeing						
Contract Management audit - Voluntary & Community contract	10			10		
CUSTOMER SERVICES						
Revenues & Benefits						
Revenues (Council Tax & NDR)	30	Y			30	
Benefits	25	Y			25	
ECONOMY						
Culture						
Theatres Box Office	10					10
Place & Investment						
Fixed Assets	10	Y	10			
Estates	10					10
Growth						
Local Plans for new homes	10			10		
DIGITAL & RESOURCES						
Finance						
Budget Monitoring	10		10			
General Ledger	10	Y			10	
Capital Accounting	8	Y				8
Treasury Management	8	Y				8
Tax Risk assessments (VAT & employee taxes)	8			8		
Creditors	10	Y			10	
Debtors	10	Y			10	
Payroll	10	Y				10
Cashiering	10	Y				10
Legal Services						
Corporate Governance	10	Y		10		
Compliance with the Data Protection Act	10		10			
Digital & Design						
ICT Management & Strategy	10			10		
Risk Management	10	Y				10
People						
Human Resources	10		10			
COMPUTER AUDITS						
Cyber Security	20			20		
Thematic review of password security of all key systems	15		15			
Web Security	15				15	
Mobile Devices	10					10
CONTRACT AUDITS						
Contract Management audit	10		10			
Compliance with Public Contracts Regulations 2015	10			10		
CROSS SERVICE REVIEWS						
Debt Management	8			8		
Ethics (including gifts & hospitalities and declarations of interest)	8		8			
Change Management	10		10			
OTHER						
Management & Admin	40		10	10	10	10
Ad-Hoc/Contingency	25		10	5	5	5
NFI Co-Ordination	10		2.5	2.5	2.5	2.5
NFI Testing	25		25			
Follow Up	25		6.5	6	6.5	6
	511		145	124.5	134	107.5

28.38%	24.36%	26.22%	21.04%
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