



ADUR & WORTHING COUNCILS

Ward(s) Affected: N/A

2018/19 INTERNAL AUDIT PLAN

REPORT BY THE ACTING HEAD OF INTERNAL AUDIT

Executive Summary

1. Purpose

- 1.1 This report Asks Members to consider and approve the 2018/19 Internal Audit Plan.

2. Recommendations

2.1 Recommendation One

That the Committee consider whether there are any specific audits which they would like to see progressed in 2018/19 which are not currently contained within the proposed plan.

2.2 Recommendation Two

That the 2018/19 Audit Plan be approved.

3. Context

3.1 Background

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

When developing the Audit Plan 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 proposed 2018/19 Audit Plan, attached as **Appendix A**, 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; and
- Considering the requirements of the Chartered Institute of Internal Auditors (CIIA) International Standards which became effective from 1 April 2013.

4. Issues for Consideration

- 4.1 The proposed 2018/19 Internal Audit Plan consists of 32 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	289
Audits of High Risk areas	Cross service audits	20
ICT Audits	Specialist ICT related audits and Application Reviews	60
Contract Audits	Specialist reviews & Contract examination	40
NFI	Co-ordination & investigation of matches	22
Follow Up	Follow up to confirm implementation of agreed audit recommendations	20
Other	Management & Contingency	60
Total Days in Plan		511

- 4.2 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.
- 4.3 The Committee is also asked to consider whether there are any specific areas of interest which they would like to see covered in the 2018/19 Audit Plan.

5. Engagement and Communication

- 5.1** The draft 2018/19 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 proposed plan.

6. Financial Implications

- 6.1** This plan is based on the reduced audit plan agreed in order to achieve the savings reported to Overview & Scrutiny Committee on 26 November 2015.

7. Legal Implications

- 7.1** There are no legal matters arising as a result of this report.

Background Papers

None

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Sustainability & Risk Assessment

1. Economic

Matter considered and no issues identified.

2. Social

2.1 Social Value

Matter considered and no issues identified.

2.2 Equality Issues

Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

Matter considered and no issues identified.

2.4 Human Rights Issues

Matter considered and no issues identified.

3. Environmental

Matter considered and no issues identified.

4. Governance

The report does not seek to meet any particular Council priority.

DRAFT 2018-19 AUDIT PLAN

CHIEF EXECUTIVE	DAYS	Q1	Q2	Q3	Q4	RISK REGISTER ISSUES	NOTES
COMMUNITIES		APR-JUN	JUL-SEP	OCT-DEC	JAN-MAR		
Adur Worthing Contract Services							
Waste Management	10	10				AWCS03, AWCS04, AWCS05	No previous audit - AWCS services audited in 2016/17
Environment							
Cemeteries & Crematoria	10	10					last audited in 2013/14
Housing							
Tenancy Management	10				10		postponed from 17/18 plan, Horizon Scanning
Private Sector Leasing	10		10				Horizon scanning. Last audited 2013/14
Right to Buy	10	10					
Rent Collection and Collection of Arrears	10			10		H12 & H13	Annual audit
Wellbeing							
Food Hygiene & Licensing for Businesses	10	10					last audited in 2012-13
Air/Water Quality & Pollution	10		10			W06	Horizon Scanning - No previous audit
DIGITAL & RESOURCES							
Business & Technical Services							
Pool Cars	8	8					Requested by Head of B&TS
Health & Safety	10				10		Requested by Director of Digital & Resources
Customer Contact							
Elections & Referenda	10		10			CC03	Last audited 2015-16
Customer & Digital Services							
Risk Management	10				10		Annual audit
Compliance with the Freedom of Information Act	10	10				CC06	Last audited in 2015/16
Financial Services							
General Ledger	10			10			Annual audit
Capital & Fixed Asset Accounting	8				8		Annual audit
Treasury Management	8				8		Annual audit
Creditors	10			10			Annual audit
Debtors	10			10			Annual audit
Payroll	10				10		Annual audit
Cashiering	10			10			Annual audit
Legal Services							
Corporate Governance	10		10				Annual audit
Revenues & Benefits							
Revenues (Council Tax & NDR)	25			25			Annual audit
Benefits	20			20			Annual audit
ECONOMY							
Culture							
Theatres Box Office	10		10				postponed from 17/18 plan
Place & Investment							
Asset Management	10			10		P106, Commercial income corporate risk - Amber	Annual audit
Planning & Development							
Economic Development	10	10				Economic uncertainty corporate risk - Amber	
Development Management	10				10	PD04, PD06	
COMPUTER AUDITS							
To be agreed following ICT Needs Assessment, possible coverage:-	60	15	15	15	15		
GDPR compliance							Gap analysis in 17/18, Horizon Scanning
Housing Repairs - Matsoft processes							
CONTRACT AUDITS							
Construction - Adur Civic Centre Phase 1	20		20			PD10, Major Project delivery corporate risk - Red	
Fire Doors	10			10		FS08, H02, H04	
Car Parks	10				10	FS08, BTS05	
CROSS SERVICE REVIEWS							
Emergency Planning & Business Continuity	10		10			BTS04 & Emergency Response corporate risk	Horizon Scanning
Energy Management	10	10					Horizon Scanning - No previous audit
OTHER							
Management & Admin							
Ad-Hoc/Contingency	20	5	5	5	5		
NFI Co-Ordination							
NFI Testing	10	2.5	2.5	2.5	2.5		
Follow Up							
	20	5	5	5	5		
	511	118.5	120.5	155.5	116.5		

23.19%	23.58%	30.43%	22.80%
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