

AUDIT COMMITTEE

11 JULY 2013

INTERNAL AUDIT WORK PROGRAMME

Report from: Internal Audit

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Summary

To advise Members of progress in delivering the approved 2012/13 and 2013/14 work programme, and probity and follow up work undertaken since the last Audit Committee Meeting.

1. Budget and Policy Framework

1.1 It is within the remit of the Audit Committee to take decisions regarding accounts and audit issues.

2. Background – 2013/14 Programme

2.1 Members approved the internal audit 2013/14 work programme on 21 March 2013 for year ending 31 March 2014. The programme is derived from a number of sources, which are: -

- The Council's risk identification process, identified through the risk register, business and service plans,
- Internal audit's view of risk,
- Work requested by Members, Chief Executive, Chief Finance Officer, directors and other officers,
- Predetermined audits that form part of an agreed arrangement with the external auditor.

2.2 Audit work on the key financial systems, work on which external audit place reliance, corporate governance, and risk management are considered key activities and are given priority when resources are allocated. The aim is that all of the key assurance audits will be completed to meet the needs of the governance statement and external audit.

2.3 Progress to date on the 2013/14 plan, including site reviews relating to income management, is set out in **Annex A**. Progress on follow-ups is recorded in **Annex C**, and progress on the probity reviews is recorded in **Annex D**.

2.4 The Audit Programme is reviewed in year to reflect any changes of priority in year. Any proposed changes are presented to the Audit Committee for approval.

3. Progress on prior year audit plans

3.1 Outstanding audits from prior year audit plans are reported in **Annex B**.

4. Risk Management, Financial and Legal implications

4.1 There are no risk management, financial or legal implications arising directly from this report.

5. Recommendations

5.1 Members are asked to note the progress in completing the 2012/13 programme, and the one remaining audit from 2011/12. Members are also asked to note initial progress on delivering the 2013/14 audit plan. All key assurance work has been completed to support the 2012/13 annual governance statement.

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Background papers

Internal Audit Work Programme 2012/13, 29 March 2012
Internal Audit Work Programme 2013/14, 21 March 2013

Audit Plan 2013/14

Activity ↓	Authority Wide	Children and Adults	Regeneration Community and Culture	Health	Business Support
Key Financial Systems					
Council Tax					Q4
Local Business Rates (1) (Review of introduction)					Q2
Local Business Rates (2)					Q4
Housing Benefit					Q4
Housing Rents					Q4
Other Financial Systems					
Procurement	Q2				
Social Care Payments		Q3			Q3
Payroll					Q2
PCIS Compliance	Q2				
Local Income Management	Q4				Q4
Visitor Information Centre			AC 07/13		
<i>The Villager (minibus hire)</i>			F		
<i>Trading Standards</i>			F		
<i>Duke of Edinburgh Awards</i>		P			
Risk Assessed Audits					
Local Welfare Provision		Q3			
Better for Less	Q2				
Health Commissioning				Q3	
Foster Care (DBS and DP)		Q2			
Capital Projects	Q2				
Grant Payments	Q2				
Data Quality	Q3				
Asset Management - Divestments	P				
DBS – central processes	F				
DBS - compliance	Q3				
Governance Audits					
Risk Management	Q4				
Corporate Governance	Q4				
Probity Reviews					
School Financial Management (Probity reviews listed below)		Q4			Q4

Annex B					
Internal Audit Programme 2012/13					
Activity ↓	Authority Wide	Children and Adults	Regeneration Community and Culture	Health	Business Support
Council Tax					AC 07/13
Housing Benefits					AC 07/13
Housing Rents					AC 07/13
NNDR					AC 07/13
Procurement (Category Management approach)	F				
Grants Management					AC 07/13
Creditor Payments					AC 07/13
Partnerships	P				
Parking			AC 07/13		
Maintenance Contracts	F				
Academies – LA governance arrangements		AC 07/13			AC 07/13
Annual Governance Statement					AC 07/13
Risk Management					AC 07/13
Prevention of Fraud and Corruption					AC 07/13
Carbon Reduction	DR				
2011/12 Audit Work Programme					
Personal Budgets		AC 07/13			

KEY

AC = month & year reported to Audit Committee

DR = draft report issued

F = fieldwork in progress

P = audit in planning stage

Bold = audits are reported to this Audit Committee

Annex C	
Follow Ups Undertaken	
Follow Ups Undertaken 2013/14	Date to Audit Committee
Debtors	Draft

Follow Ups Pending	
Follow Up	Status
Schools Local Bank Accounts	Full follow up not due
IWorld System - Access Controls	Full follow up not due
Waste Management Contract	Full follow up not due
HR Data Security	Full follow up not due

Annex D	
Probity Reviews 2013/14	
Review	Status
St Margaret's Infant	DR
Parkwood Infant	DR
Bligh Federation	F
Hilltop Primary	F
Balfour Junior	F
St Nicholas Infant	P
Warren Wood Primary	P