

## **AUDIT COMMITTEE**

**9 March 2010**

### **Report of the Director of Governance & Procurement**

#### **ITEM 10     Internal Audit Plan 2010/11**

##### **Purpose of the Report**

To present the proposed Internal Audit plan for 2010/11, and the updated Strategic Audit plan for 2010 to 2013.

##### **Action Requested**

The Committee is asked to note the proposed Audit Plans.

##### **Policy Context**

The Council is required by the Accounts & Audit Regulations 2006 (as amended) to maintain an adequate and effective internal audit service.

##### **Background**

It is good practice for Internal Audit to operate to an annual audit plan, derived from a strategic audit plan which is designed to ensure all significant auditable areas are reviewed over a cycle. The Council operates a rolling 3 year strategic audit planning cycle.

The proposed annual audit plan for 2010/11 is attached at Appendix 1, and the proposed strategic audit plan for 2010 to 2013 is attached as Appendix 2. Both plans have been prepared following a risk based approach, including consultation with the Senior Management Team. An allowance of 45 audit days has been included in the proposed plan to review controls and mitigating actions relating to the strategic risk register for 2010/11, which is due to be approved by Cabinet in April 2010.

The annual audit plan for 2010/11 also allows for completion of any audits not finished to final report stage from the 2009/10 annual plan.

Specialist computer audit work is sourced externally. It is proposed to let a 3 year contract for this work during 2010/11, and to include an IT audit needs assessment in the first year of the contract to ensure that computer audit work is targeted effectively.

##### **Options Available with Reasons**

The Committee can request further explanation in respect of any item included within the proposed audit plans.

## **Financial and Legal Implications**

None arising.

## **Risk Management**

The risks associated with the options available and proposed actions to mitigate those risks are set out in the table below.

Risk Identified	Likelihood	Impact	Risk Management Actions Planned
Failure to approve a satisfactory audit plan could lead to ineffective targeting of internal audit resources	Medium	Medium	The audit plans have been derived using a risk based methodology and in consultation with the senior management team

Background Papers:           None.

Officer(s) to Contact :   Adrian Ward  
(01509) 634573  
[adrian.ward@charnwood.gov.uk](mailto:adrian.ward@charnwood.gov.uk)

Simon Jackson  
(01509) 635699  
[simon.jackson@charnwood.gov.uk](mailto:simon.jackson@charnwood.gov.uk)

**Internal Audit Plan 2010/11**

	<b>DAYS</b>
<b>Key Financial Systems</b>	
Housing & Council Tax Benefits	15
Treasury Management	12
Salaries & Wages	10
Debtors	10
Creditors	10
Income Collection	10
Council Tax	10
Accountancy & Budgetary Control	10
NNDR	8
Capital Programme	8
Rent Accounting (Key Controls)	6
	<b>109</b>
<b>Strategic &amp; Service Risks</b>	
Risk Management (Strategic Risks)	45
Data Quality (Performance Indicators)	15
Contract Monitoring - Revs & Bens	10
Programme & Project Management	10
Allowances & Expenses (Members & Officers)	10
Industrial & Commercial Units	10
Anti Fraud & Corruption / NFI	10
Legal Services (External Advice / Case Management)	10
Community Safety Grants	10
Customer Service Processes	10
Corporate Governance	10
Town Hall	10
South Charnwood Swimming Pool	10
Markets & Fairs	10
Car Parks	10
Right to Buy	10
ALMO (Capital Contract Delivery)	10
Dog & Pest Control	8
Contract Monitoring – Fleet	8
Freedom of Information Act	8
Insurance	8
Health & Safety	8
Communications SLA	6
	<b>256</b>
<b>Other Work</b>	
Recommendations - Follow Ups	25
Contingency	30
IT Asset Checks	4
Allowance to complete 2009/10 Audits	20
	<b>79</b>
<b>TOTAL</b>	<b>444</b>
<b>Computer Audit (Sourced Externally)</b>	

Strategic Audit Plan 2010 to 2013

Service Area	Audit Title	2010/11	2011/12	2012/13
Key Financial Systems	As required by external audit	Y	Y	Y
Human Resources	<ul style="list-style-type: none"> <li>• Staff Recruitment &amp; Selection</li> <li>• Agency &amp; Temporary Staff</li> </ul>		Y	Y
Information & Communication Services	<ul style="list-style-type: none"> <li>• Computer Audit</li> <li>• Telephones &amp; Mobile Phones</li> </ul>	Y	Y	Y
Change Programme Support	<ul style="list-style-type: none"> <li>• Project &amp; Programme Management</li> <li>• Revenue &amp; Benefits Contract Management</li> </ul>	Y Y		Y
Democratic Services	<ul style="list-style-type: none"> <li>• Elections</li> <li>• Land Charges</li> <li>• Members Allowances &amp; Expenses</li> </ul>	Y	Y	Y
Property Services	<ul style="list-style-type: none"> <li>• Industrial &amp; Commercial Units</li> <li>• Repairs &amp; Maintenance</li> <li>• Contract Audit – Major Projects</li> </ul>	Y	Y Y	
Governance & Procurement	<ul style="list-style-type: none"> <li>• Data Protection &amp; FOI</li> <li>• Charnwood Grants</li> <li>• Information Security</li> <li>• Procurement</li> </ul>	Y	Y Y	Y
Performance & Audit	<ul style="list-style-type: none"> <li>• Data Quality</li> <li>• Performance Management</li> <li>• Strategic Risks</li> <li>• Insurance</li> <li>• Anti-fraud and Corruption</li> <li>• RIPA</li> </ul>	Y Y Y Y	Y Y Y	Y Y Y Y
Legal Services	<ul style="list-style-type: none"> <li>• External Advice &amp; Case Management</li> </ul>	Y		
Communities & Partnerships	<ul style="list-style-type: none"> <li>• Partnership Working</li> <li>• Community Safety Grants</li> </ul>	Y	Y	
Customer Services & Contact Centre	<ul style="list-style-type: none"> <li>• Customer Services Processes</li> <li>• Complaints Handling</li> <li>• Licensing</li> <li>• CCTV</li> </ul>	Y		Y Y Y
Emergency Planning & Business	<ul style="list-style-type: none"> <li>• Business Continuity</li> </ul>		Y	

Strategic Audit Plan 2010 to 2013

Service Area	Audit Title	2010/11	2011/12	2012/13
Continuity	<ul style="list-style-type: none"> <li>• Health &amp; Safety Arrangements</li> <li>• Emergency Planning</li> </ul>	Y		Y
Regeneration & Economic Development	<ul style="list-style-type: none"> <li>• Economic Development</li> </ul>			Y
Development	<ul style="list-style-type: none"> <li>• Building Control</li> <li>• Development Control</li> <li>• Concessionary Travel</li> </ul>		Y Y	Y
Leisure & Culture	<ul style="list-style-type: none"> <li>• Grounds Maintenance</li> <li>• Town Hall</li> <li>• Charnwood Museum</li> <li>• South Charnwood Swimming Pool</li> <li>• Markets</li> <li>• Client Management (Leisure Contract)</li> </ul>	Y Y Y	Y Y	Y
Environmental Services	<ul style="list-style-type: none"> <li>• Waste Contract</li> <li>• Fleet Contract</li> <li>• Garden Waste Scheme</li> </ul>	Y	Y Y	
Street Management	<ul style="list-style-type: none"> <li>• Civil Parking Enforcement</li> <li>• Car Parks</li> </ul>	Y		Y
Strategic & Private Sector Housing	<ul style="list-style-type: none"> <li>• Private Sector Housing Grants</li> <li>• Allocations</li> <li>• Homelessness</li> <li>• ALMO Monitoring</li> <li>• Sustainability &amp; Climate Change</li> <li>• Right to Buy</li> </ul>	Y Y	Y Y Y	Y Y Y
Environmental Health	<ul style="list-style-type: none"> <li>• Food Hygiene</li> <li>• Dog &amp; Pest Control</li> </ul>	Y	Y	
Corporate	<ul style="list-style-type: none"> <li>• Allowances &amp; Expenses (Members &amp; Officers)</li> </ul>	Y		