

Proposed Internal Audits 2020/21

APPENDIX 3

No.	Service Area	Audit Area	Priority Score	SODC Days	VWHDC Days
1	Finance	Payroll (incl. travel & subsistence, pension administration, annual leave payments)	22	20	20
2		National Non-Domestic Rates (NNDR) (incl. Covid-19 Business Grants)	22	15	15
3		Council Tax	20	16	16
4		Housing Benefits & Council Tax Reduction Scheme (HB & CTRS)	20	17	17
5		Pro-active Anti-Fraud Review	19	10	10
6		General Ledger - limited review	19	7.5	7.5
7		Treasury Management	18	10	10
8		Capital Management & Accounting	16	8	8
9	Planning	Building Control	15	10	10
10	Policy & Programmes	Covid-19 Response Governance Review	N/A*	20	20
11	Corporate Services	Health & Safety	17	10	10
12		HR Management & Reporting (incl. annual leave calculation)	13	14	14
Planned Assurance Work Total Days				157.5	157.5
13	Housing & Environment	Grounds & Parks Maintenance In-Sourcing	N/A	10	10
14	Development & Regeneration	Corporate Landlord Approach	N/A	10	10
Planned Consultancy Work Total Days				20	20

*the audit covers many topics, all with varying priority scores.

Proposed Audit Coverage and Start Dates

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No.	Audit Area	Proposed Audit Coverage	Proposed Start Date		
			Q2	Q3	Q4
1	Payroll	<ul style="list-style-type: none"> Amendments to standing data (starters, leavers, overtime, variations). Monthly payroll processing. Payroll records, including reconciliations between systems. Annual leave calculations (incl. full time, part time employees). 		Nov	
2	NNDR (incl. Covid-19 Business Grants)	<ul style="list-style-type: none"> Valuation records for new and amended properties. NNDR billing, payment and refund transactions. Debt recovery and write offs. 		Oct	
3	Council Tax	<ul style="list-style-type: none"> Liabilities, including discounts and exemptions. Payments, credits, refunds and suspense transactions. Recovery, enforcement and write-offs. 	Sep		
4	HB & CTRS	<ul style="list-style-type: none"> Housing benefits and CTRS payments. Benefits assessments and subsidy claims. Benefit overpayments. 		Oct	
5	Pro-Active Anti-Fraud Review	<ul style="list-style-type: none"> Series of tests designed to evaluate the effectiveness of fraud and anti-corruption controls within key financial processes. 	Ongoing		
6	General Ledger (limited review)	<ul style="list-style-type: none"> Policies, procedures and assignment of roles and responsibilities, including segregation of duties. Bank reconciliations. Suspense account management. Journal processing and recording. 		Nov	
7	Treasury Management	<ul style="list-style-type: none"> Investments and borrowings (including authorisation, counterparty limits, coding). Treasury management performance. Access level controls within treasury management and banking systems. 			Jan
8	Capital Management & Accounting	<ul style="list-style-type: none"> Capital financial strategy and asset management plan. Capital contracts and budget monitoring. Completeness and accuracy of asset register, including reconciliations. 			Jan
9	Building Control	<ul style="list-style-type: none"> Building control fee billings and collection. ISO readiness assessment and review progress against ISO recommendations. 			Feb
10	Covid-19 Response Governance Review	<ul style="list-style-type: none"> Review of the councils' response to Covid-19, including decision making, grant funding, information governance, community hub activities, officer well-being, IT asset management, data protection and comments and complaints. 	Aug		

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No.	Audit Area	Proposed Audit Coverage	Proposed Start Date		
			Q2	Q3	Q4
11	Health & Safety	<ul style="list-style-type: none"> Review of health and safety activities across the councils, including policies and procedures, risk identification and assessments, contractors, premises and land management, incident reporting and training and awareness. 		Oct	
12	HR Management & Reporting (incl. annual leave calculation)	<ul style="list-style-type: none"> Policies, procedures and training. Starters, leavers, and increment/change processes. Administration, management and access controls within HR systems. Management of HR data. Annual leave entitlement balances and calculations. Statutory reporting, including pay policy statements, equalities, staff surveys. 	Aug		
13	Grounds & Parks Maintenance In-Sourcing	<ul style="list-style-type: none"> Development of processes and procedures due to the in-sourcing of grounds maintenance and public convenience cleaning, with a focus on compliance, efficiency and cost effectiveness. 	Ongoing		
14	Corporate Landlord Approach	<ul style="list-style-type: none"> Independent and objective assessment of the project to centralise the management of council assets. 			Jan

Key:

Audits in bold text are key financial audits, performed every year.

Planned Assurance Audits:

Planned assurance audits are rated within the schedule of auditable activity taking into consideration the following factors:

- Risk scores for the level of exposure to financial, fraud, reputational, legal and corporate risk; and
- Officer requests for a review.

This generates a priority score which, together with internal audit and the section 151 officer's opinion on key risk areas, determines which planned assurance audits are placed in the annual audit plan.

Planned Consultancy Audits:

Consulting services are defined as advisory and client related service activities, the nature and scope of which are agreed with the client, are intended to add value and improve an organisation's governance, risk management and control processes without the internal auditor assuming management responsibility. Examples include counsel, advice, facilitation and training. As planned consultancy audits are performed at the request of senior management these reviews are not assigned a priority score.

Proposed Audit Coverage:

The proposed audit scope, based on planning activities and previous audit reviews is detailed above. Prior to the start of each individual audit a risk assessment and scoping exercise will be performed by the auditor, which will be agreed with the auditee(s).

Audit Start Date

The audit start date indicates the estimated month the audit fieldwork is due to commence; however, some audits may be performed over more than one month/quarter. We will seek to agree a date which ensures the availability of key management and officers.