

## Internal Audit Plan for 2006/2007

This document sets out the provisional Internal Audit coverage for the 2006/2007 financial year. This plan has been completed following meetings with the majority of members of CEMB although meetings are still to be held with the new Chief Executive, Director of the Children's Service and Assistant Chief Executive - Strategy. We will also be attending the SMT's throughout the Council in order to finalise the audit coverage. Any changes will be presented to the next Audit Committee. The plan has been set out according to the individual Departments, with a number of audit days included within our Corporate Audit Coverage.

It should be noted that with the commencement of the ALMO, Homes 4 Haringey, from the 1 April 2006 our audit coverage from the Council perspective will be focused on management arrangements in place within the Council to liaise and monitor with Homes 4 Haringey.

### Corporate Audit Coverage:

The document below sets out a number of audits that will be completed across the Council. These will include an element of central audit work whilst also working within the individual departments of the Council.

Audit time has instead been focused on a number of new areas. This includes Project Assurance, which will be completed across the entire Council, with coverage determined by the Council's own Project Risk Assurance, an increased level of Pro-Active fraud work (which will be agreed with the Head of Audit and Risk Management and a large scale exercise linked into Value for Money across the Council.

Audit area	Reason for Inclusion	Scope	Qtr	Client
<b>Control Environment Audit Coverage</b>				
CE1: Project Assurance Work (150 days)	Implementation of the Councils new Project Management Assurance Framework.	The audit work will consider key projects as identified by the Council as part of the overall delivery of the plan. Each audit will seek to identify and assess the application of the following key processes: <ul style="list-style-type: none"><li>• Application and understanding of the Council Project</li></ul>	1-4	CEMB / Project Sponsors

Audit area	Reason for Inclusion	Scope	Qtr	Client
<b>Control Environment Audit Coverage</b>				
		<p>Management;</p> <ul style="list-style-type: none"> <li>• Project monitoring and reporting;</li> <li>• Impact of risks and issues, and the distinction between the two;</li> <li>• Delegation of responsibility;</li> <li>• Monitoring of the Critical Path; and</li> <li>• Actions to ensure delivery of the project, and contingency reporting and actions.</li> </ul> <p>Individual audits will consider the following areas with regards to the set up of projects:</p> <ul style="list-style-type: none"> <li>• Overview of the project organisational structure at a high level, i.e. project sponsors, project board etc.;</li> <li>• Understanding of the criticality of the project to the business, and get a feel for the business case;</li> <li>• Brief overview of the project to date, and the key risks within the project;</li> <li>• Details of the project team and relevant skills;</li> <li>• Key third party involvement;</li> <li>• Process of management and the managements' views on risk management;</li> <li>• Role of the project office;</li> <li>• Change management and enablement controls and procedures;</li> <li>• Technology used in the project / programme; and</li> <li>• Issues with implementing the solution.</li> </ul>		

Audit area	Reason for Inclusion	Scope	Qtr	Client
<b>Control Environment Audit Coverage</b>				
CE2: Project Risk and Control Advisory work (50 days)	To provide risk and control advice where identified by management.	The use of the audit days will be determined by management of the Projects. The resource is to provide risk and control advice in the development of new systems and project progress. Individual audit projects will be scoped and a terms of reference agreed with the Project Sponsor.	1-4	CEMB / Project Sponsors
CE3: Corporate Governance (20 days)	To assess the arrangements in place that provides assurance that the Council is discharging its responsibilities.	Key processes to be covered by the audit include: <ul style="list-style-type: none"> <li>• Control environment;</li> <li>• Commitment to Quality and Competence;</li> <li>• Ethical Standards and Control Consciousness;</li> <li>• Organisational Structure;</li> <li>• Delegation of Authority and Accountability;</li> <li>• Corporate Objectives and Strategic Planning;</li> <li>• Information and Communication; and</li> <li>• Monitoring and Corrective Action.</li> </ul>	1	Chief Executive
CE4: Risk Management (25 days)	To assess the implementation and embedding of Risk Management, both centrally and within individual Departments and Business Units.	Key processes to be covered by the audit include: <ul style="list-style-type: none"> <li>• Implementation of the risk management strategy;</li> <li>• Risk identification;</li> <li>• Risk assessment;</li> <li>• Risk treatment plans;</li> <li>• Risk reporting and action;</li> <li>• Cross departmental risk identification; and</li> <li>• Updating of risk registers.</li> </ul>	4	Chief Executive

Audit area	Reason for Inclusion	Scope	Qtr	Client
<b>Control Environment Audit Coverage</b>				
CE5: Partnership Arrangements (25 days)	To assess the processes in place for Partnership Management and management of partnership risk.	Key processes to be covered by the audit include: <ul style="list-style-type: none"> <li>• Identification of potential partners;</li> <li>• Identifying existing partnerships;</li> <li>• Identification of partnership outcomes;</li> <li>• Establishment of partnerships;</li> <li>• Assessment of partnerships, including appropriateness assessment;</li> <li>• Establishing contractual/ Service level agreements;</li> <li>• Monitoring and evaluation of partnerships;</li> <li>• Monitoring of outcomes;</li> <li>• Changes to the partnership; and</li> <li>• Ending partnership relationships.</li> </ul>	2	Head of Improvement & Performance
CE6: Value for Money (100 days)	To complete an exercise across the Council to identify whether there are arrangements in place to identify and manage Value for Money, and whether this is understood by staff.  All areas of the Council will be covered over a two year period.	This work is to be further scoped and agreed with the Director of Finance. Areas that will be included within the coverage include: <ul style="list-style-type: none"> <li>• Costs within Business Units and services, including understanding of the cost identification and budget setting process;</li> <li>• Identification of performance of the Business Unit and services and linkages to cost; and</li> <li>• Staff understanding of customer perception of the services being provided, how this is communicated and understood, and where appropriate, that action is being taken.</li> </ul>	1-4	Director of Finance

Audit area	Reason for Inclusion	Scope	Qtr	Client
<b>Control Environment Audit Coverage</b>				
CE7: Council Constitution Compliance (50 days)	To assess whether Business Units are adhering to aspects of the Councils Constitution.	<p>The overall plan for this work will be agreed centrally and communicated to all areas of the Council.</p> <p>Key processes included within the compliance audits will include:</p> <ul style="list-style-type: none"> <li>• Council standing order's;</li> <li>• Financial regulations;</li> <li>• Delegation of Authorities;</li> <li>• Recording of exemptions;</li> <li>• Equalities Standard for local government; and</li> <li>• Anti Fraud and Corruption.</li> </ul>	1-4	Director of Finance
CE8: Risk Management Support (60 days)	To update the Departmental level risk registers within the Council.	The days will be allocated for the facilitation of Control Risk Self Assessment workshops across Departments in order to update the Departmental Level Risk Registers.	1-2	Directors

## Finance Services Provisional Audit Plan for 2006/2007

This document sets out the provisional plan for the Finance audits to be completed during 2006/2007. We have also included, for information purposes, the audit work that will be completed at a corporate level. In contrast to previous years, for the key financial systems, we will only be completing key control testing. This will involve documenting any changes to the system and updating the system flowcharts and focusing our testing on those controls identified as being “key”. Full systems audits of the financial systems will be completed on a cyclical basis.

There will be a separate Procurement Audit plan (100 days) which will be scoped directly with the Head of Corporate Procurement and presented for approval.

Audit Area	Reason for inclusion	Scope	Qtr	Client
<b>Financial Systems Audits</b>				
RMF1: Risk Management Liaison (10 days)	To further develop and embed risk management within the department.	During the year we will work with the nominated officer to update the risk register information held on the Risk Register database for Finance. Reports will be provided to the Senior Management Team (SMT) on a quarterly basis.	1-4	Director/ Assistant Directors
RMF2: Risk Management Audit Coverage (20 days)	To provide assurance that key risks are being managed.	The scope of work will be agreed on a quarterly basis by the SMT. Following the monthly/quarterly meetings we will agree a programme of work with regards to the key risks. Dependent on agreement with the SMT, we will either provide advice regarding controls to manage the risk, assess the adequacy of the controls identified and/or assess the effectiveness of the controls identified.	1-4	Director/ Assistant Directors

Audit Area	Reason for inclusion	Scope	Qtr	Client
<b>Financial Systems Audits</b>				
MS1: Strategic Financial Management and Budgetary Control (10 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis – key control testing.</p>	<p>This will be a high level review focusing on the management controls to ensure that objectives are met, covering the following areas:</p> <ul style="list-style-type: none"> <li>- Budget setting;</li> <li>- Budgetary control and variance analysis;</li> <li>- Departmental management reporting;</li> <li>- Virements;</li> <li>- Corporate management reporting; and</li> <li>- Close down procedures.</li> </ul>	4	Head of Corporate Finance/ Finance Manager
MS2: Cash Receipting (10 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis – key control testing.</p>	<p>High level audit, including documentation and testing of both key and significant controls covering the following areas:</p> <ul style="list-style-type: none"> <li>- Policies and procedures;</li> <li>- Staff training;</li> <li>- Reconciliations;</li> <li>- Posting of receipts to the general ledger;</li> <li>- Segregation of duties;</li> <li>- Investigation of unidentified payments;</li> <li>- Storage of income;</li> <li>- Banking of income;</li> <li>- Returned cheques;</li> <li>- Management information being produced; and</li> <li>- IT access, security and disaster recovery.</li> </ul>	3	Head of Corporate Finance

Audit Area	Reason for inclusion	Scope	Qtr	Client
<b>Financial Systems Audits</b>				
MS3: Treasury Management & Implementation of Prudential Code (10 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis.</p>	<p>High level system audit including follow-up of previous audit recommendations, including documentation, and testing of both key and significant controls covering the following;</p> <ul style="list-style-type: none"> <li>- Legislative requirements are complied with;</li> <li>- Council assets are protected;</li> <li>- Necessary financial information is provided to ensure that the performance of the Council's net cash flow is maximised;</li> <li>- Regular reconciliation carried out to support the integrity of loans and investments made;</li> <li>- Reporting complies with the legislation; and</li> <li>- Access to data is restricted.</li> </ul>	2	Finance Manager
MS4: Accounting/General Ledger (15 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis – key control testing.</p>	<p>High level system audit, including documentation and testing of both key and significant controls covering the following areas;</p> <ul style="list-style-type: none"> <li>- Data entry;</li> <li>- Completion &amp; recording of journals;</li> <li>- Management information &amp; reports produced;</li> <li>- Control account reconciliation;</li> <li>- Structure of the ledger; and</li> <li>- IT access, security &amp; disaster recovery.</li> </ul>	3	Finance Manager



Audit Area	Reason for inclusion	Scope	Qtr	Client
<b>Financial Systems Audits</b>				
MS5: Creditors (15 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis – key control testing.</p>	<p>High level system audit, including documentation and testing of both key and significant controls covering the following areas;</p> <ul style="list-style-type: none"> <li>- Receipt &amp; certification of invoices;</li> <li>- Input of invoices to system;</li> <li>- Payments;</li> <li>- Amendments to supplier master file;</li> <li>- BACS controls;</li> <li>- Cheque controls;</li> <li>- IT access, security &amp; disaster recovery; and</li> <li>- Follow up.</li> </ul> <p>Duplicate payments to be covered by the Pro Active fraud work with regards to Accounts Payable.</p>	3	Finance Manager
MS6: Payroll and Expenses (15 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis – will be linked to Human Resources.</p>	<p>High level system audit, including documentation and testing of both key and significant controls covering the following areas;</p> <ul style="list-style-type: none"> <li>- Policies &amp; procedures;</li> <li>- IT access, security &amp; disaster recovery;</li> <li>- Reliability &amp; integrity of transactions;</li> <li>- Joiners;</li> <li>- Leavers;</li> <li>- Variations &amp; adjustments to pay;</li> <li>- Payroll deductions; and</li> <li>- System reconciliation.</li> </ul>	4	Pay Support Manager / Head of Personnel

Audit Area	Reason for inclusion	Scope	Qtr	Client
<b>Financial Systems Audits</b>				
MS7: Pension Fund Investment (10 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis.</p>	<p>High level system audit, including documentation and testing of both key and significant controls covering the following areas;</p> <ul style="list-style-type: none"> <li>- Guidance &amp; training;</li> <li>- Verification of investments;</li> <li>- Purchases &amp; sales;</li> <li>- Income;</li> <li>- Performance monitoring; and</li> <li>- IT access, security &amp; disaster recovery</li> </ul>	3	Finance Manager
MS8: Debtors (10 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis.</p>	<p>High level system audit including follow-up of previous audit recommendations, including documentation, and testing of both key and significant controls covering the following;</p> <ul style="list-style-type: none"> <li>- Policies and procedures;</li> <li>- Raising of invoices;</li> <li>- Cash receipts;</li> <li>- Reconciliation to general ledger; and</li> <li>- Debt recovery.</li> </ul>	3	Finance Manager
MS10: Housing Benefits (20 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis – key control testing.</p>	<p>High level system audit including follow-up of previous audit recommendations, including documentation, and testing of both key and significant controls covering the following;</p> <ul style="list-style-type: none"> <li>- Policies and procedures;</li> <li>- IT access, security and disaster recovery;</li> <li>- Segregation of duties;</li> <li>- Compliance with scheme;</li> <li>- Backdated claims;</li> <li>- Fraud management;</li> <li>- Payments;</li> </ul>	4	Head of Benefits and Local Taxation

Audit Area	Reason for inclusion	Scope	Qtr	Client
<b>Financial Systems Audits</b>				
		<ul style="list-style-type: none"> <li>- Overpayments;</li> <li>- Reconciliation;</li> <li>- Budgetary control; and</li> <li>- Performance review.</li> </ul>		
MS11: Council Tax (10 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis – key control testing.</p>	<p>High level system audit including follow-up of previous audit recommendations, including documentation, and testing of both key and significant controls covering the following areas;</p> <ul style="list-style-type: none"> <li>- Organisational structure;</li> <li>- Methods of payment</li> <li>- Reconciliation between debit and valuation list;</li> <li>- Discount &amp; reduction applications;</li> <li>- Billing;</li> <li>- Receipts from taxpayers;</li> <li>- Suspense accounts;</li> <li>- Debt recovery action;</li> <li>- Write off;</li> <li>- Monitoring of collection rates;</li> <li>- Reconciliation with general ledger;</li> <li>- Refunds;</li> <li>- Void allowances;</li> <li>- Benefits assessments;</li> <li>- Policies and procedures; and</li> <li>- IT access, security &amp; disaster recovery.</li> </ul>	4	Head of Benefits and Local Taxation

Audit Area	Reason for inclusion	Scope	Qtr	Client
<b>Financial Systems Audits</b>				
MS12: NNDR (including Computer Audit) (10 days)	<p>Key Financial system.</p> <p>Identified in the Audit Needs Assessment as an area of High Risk.</p> <p>Completed on an annual basis – key control testing.</p>	<p>High level system audit, including documentation and testing of both key and significant controls covering the following areas;</p> <ul style="list-style-type: none"> <li>- Organisational structure;</li> <li>- Reconciliation between debit &amp; valuation list;</li> <li>- Charitable relief;</li> <li>- Billing;</li> <li>- Receipts from taxpayers;</li> <li>- Suspense accounts;</li> <li>- Debt recovery action;</li> <li>- Write off;</li> <li>- Monitoring of collection rates;</li> <li>- Reconciliation with general ledger;</li> <li>- Refunds;</li> <li>- Void allowance;</li> <li>- Policies &amp; procedures; and</li> <li>- IT access, security &amp; disaster recovery.</li> </ul>	4	Head of Benefits and Local Taxation
MS18: VAT (20 days)	Classified as High Risk in the Audit Needs Assessment.	We will agree the areas of focus of our work with management at the time of the audit. The audit will focus on key areas of concern regarding aspects of the VAT procedures.	1	Finance Manager
MS20: Income (10 days)	Classified as High Risk in the Audit Needs Assessment.	We will agree the areas of focus of our work with management at the time of the audit. The audit will focus on key areas of concern regarding aspects of the income collection and/or generation process.	3	Head of Corporate Finance

<b>Audit Area</b>	<b>Reason for inclusion</b>	<b>Scope</b>	<b>Qtr</b>	<b>Client</b>
<b>Financial Systems Audits</b>				
MS21: Imprest Accounts (25 days)	To verify the Imprest Accounts in operation, including cash held, controls over monies, insurance and security arrangements.	We will identify all Imprest Accounts currently in operation. The checks will include: <ul style="list-style-type: none"> <li>• Level of the Imprest;</li> <li>• Use of the Imprest Account;</li> <li>• Monies held;</li> <li>• Reimbursement;</li> <li>• Cash transit arrangements; and</li> <li>• Insurance.</li> </ul>	1	Head of Corporate Finance
MS22: Pro Active Fraud (80 days)	To complete a series of Pro Active Fraud audit pieces of work to attempt to identify fraudulent practise across the Council.	This is to be agreed as a separate plan across the Council.	1-4	Head of Audit and Risk Management
Follow Up	To verify that management have taken appropriate action to address outstanding risks.	Issue self-certification records to management. These will be followed up on a sample basis.	1-4	Audit Committee/ Directors

### Social Services – Internal Audit Coverage 2006/2007

To develop the risk management process within the Council it has been agreed by CEMB that the departmental risk registers will be refreshed and this information populated into the Risk Register database. The time to refresh the risk registers will be allocated from our central budget of risk management days and will not be included within departmental audit plans.

Furthermore, there may be aspects of the department considered as part of our Pro- Active Fraud coverage.

Audit area	Reason for Inclusion	Scope	Qtr	Client
Risk Management Liaison (10 days)	To further develop and embed risk management within the department.	During the year we will work with the nominated officer to update the risk register information held on the Risk Register database for Social Services.  Reports will be provided to the Business Process Programme Board on a monthly/quarterly basis.	1-4	Director/ Assistant Directors
Risk Management Audit Coverage (20 days)	To provide assurance that key risks are being managed.	The scope of work will be agreed on a quarterly basis by the Senior Management Team (SMT). Following the monthly/quarterly meetings we will agree a programme of work with regards to the key risks. Dependent on agreement with the SMT or the Business Process Programme Board we will either provide advice regarding controls to manage the risk, assess the adequacy	1-4	Director/ Assistant Directors

<b>Audit area</b>	<b>Reason for Inclusion</b>	<b>Scope</b>	<b>Qtr</b>	<b>Client</b>
		of the controls identified and/or assess the effectiveness of the controls identified.		
Housing Strategy and Needs (30 days)	Business Unit transferred from Housing.	To be agreed with the Assistant Director (meeting 21 March).	1-4	Assistant Director – Housing Strategy and Needs
Direct Payments (10 days)	Developments in the service. Management of new risks to the service.	The audit work will assess the systems for the management of individual budgets for care and the development of new systems within the service to manage the proposed process. This will include any pilot scheme, transfer of responsibility to the user and identification of Gershon efficiencies.  It will be agreed prior to the work as to whether this looks at the development of the controls and provides advice on risk and control, or whether this audits the processes that have been developed.		Assistant Director – Business Improvement
Cooperscroft (10 days)	Residential property to be sold as a going concern.	The audit work will consider the operational controls in place and the handover process, including resident's monies, valuables, assets and TUPE arrangements.	1	Assistant Director – Older Peoples Service
Trentfield (10 days)	Residential property to be sold as a going concern.	The audit work will consider the operational controls in place and the handover process, including resident's	1	Assistant Director – Older Peoples Service

<b>Audit area</b>	<b>Reason for Inclusion</b>	<b>Scope</b>	<b>Qtr</b>	<b>Client</b>
		monies, valuables, assets and TUPE arrangements.		
Provider Risk Assessment (including Mental Health) (15 days)	Further development of the risk management process to meet Audit Commission requirements.	The audit work will build upon the risk management work already completed. The next stage is to consider the risk self assessment process for the service providers and verification of the checks on a sample basis.	3	Assistant Directors
Follow Up	To verify that management have taken appropriate action to address outstanding risks.	Issue self certification records to management. These will be followed up on a sample basis.	1-4	Audit Committee



## Chief Executives Services Provisional Audit Plan for 2006/2007

This document sets out the provisional plan for the Chief Executive's Service audits to be completed during 2006/2007. The audits proposed below are provisional. Following initial feedback from senior management we will complete a final draft version of the plan which will be subject to approval of the Audit Committee.

Audit area	Reason for Inclusion	Scope	Qtr	Client
Risk Management Liaison (10 days)	To further develop and embed risk management within the department.	During the year we will work with the nominated officer to update the risk register information held on the Risk Register database for Chief Executive's Services. Reports will be provided to the relevant management team on a quarterly basis.	1-4	Chief Executive/ Assistant Chief Executives/ Head of Legal Services
Risk Management Audit Coverage (20 days)	To provide assurance that key risks are being managed.	The scope of work will be agreed on a quarterly basis by the relevant senior management team. Following the quarterly meetings we will agree a programme of work with regards to the key risks. Dependent on agreement with the SMT, we will either provide advice regarding controls to manage the risk, assess the adequacy of the controls identified and/or assess the effectiveness of the controls identified.	1-4	Chief Executive/ Assistant Chief Executive's/ Head of Legal Services

Audit area	Reason for Inclusion	Scope	Qtr	Client
CE4: Equality (10 days)	<p>To provide assurance that the following key risks are being managed:</p> <ul style="list-style-type: none"> <li>• That the Council fails to achieve improvements against the “Equalities Standard for Local Government”.</li> </ul>	<p>Key processes to be covered by the audit include:</p> <ul style="list-style-type: none"> <li>• Identification and communication of the requirements for implementing the Equalities Standard for Local Government;</li> <li>• Strategy for implementing the Equalities Standard for Local Government;</li> <li>• Setting of departmental plans to implement the Strategy;</li> <li>• Monitoring of implementation; and</li> <li>• Feedback and lessons learnt.</li> </ul>	1	Head of Equalities
CE5: Attendance Management (15 days)	<p>To provide assurance that the following key risks are being managed:</p> <ul style="list-style-type: none"> <li>• That attendance management is not complete and completed on a timely basis;</li> <li>• That appropriate follow up action is not taken with regards to attendance issues;</li> <li>• That the reporting structures are unclear and do not allow management to address issues on a timely basis.</li> </ul>	<p>Key processes to be covered by the audit include:</p> <ul style="list-style-type: none"> <li>• Systems in place to monitor attendance;</li> <li>• Reporting systems for monitoring attendance (corporate and directorate);</li> <li>• Local systems to monitor attendance;</li> <li>• Action plans to address poor attendance; and</li> <li>• Escalation procedures and links to</li> </ul>	1	Head of Personnel

Audit area	Reason for Inclusion	Scope	Qtr	Client
		the disciplinary process.		
IT Audit Coverage (100 days)	The coverage for the IT Audit plan is to be specifically scoped and will be presented to the Audit Committee at the next meeting.		1-4	Assistant Chief Executive - Access

## Children's Service Provisional Audit Plan for 2006/2007

This document sets out the provisional plan for the Children's Service audits to be completed during 2006/2007. The audits proposed below are provisional. Following initial feedback from senior management we will complete a final draft version of the plan which will be subject to approval of the Audit Committee.

Audit area	Reason for Inclusion	Scope	Qtr	Client
Risk Management Liaison (10 days)	To further develop and embed risk management within the department.	<p>During the year we will work with the nominated officer to update the risk register information held on the Risk Register database for The Children's Service</p> <p>Reports will be provided to the SMT on a quarterly basis.</p>	1-4	Director/ Deputy Directors
Risk Management Audit Coverage (20 days)	To provide assurance that key risks are being managed.	The scope of work will be agreed on a quarterly basis by the SMT. Following the monthly/quarterly meetings we will agree a programme of work with regards to the key risks. Dependent on agreement with the SMT, we will either provide advice regarding controls to manage the risk, assess the adequacy of the controls identified and/or assess the effectiveness of the controls identified.	1-4	Director/ Deputy Directors

Audit area	Reason for Inclusion	Scope	Qtr	Client
CS2 : Child Protection (15 days)	<p>To provide assurance that the following key risks are being managed:</p> <ul style="list-style-type: none"> <li>• Children at risk are not identified;</li> <li>• Appropriate action with regards to risk assessments is taken;</li> <li>• Inappropriate care packages provided;</li> <li>• Service is not delivering its statutory responsibility;</li> <li>• Council is identified to have not taken appropriate actions when a child protection issue arises.</li> </ul>	<p>Key processes to be included:</p> <ul style="list-style-type: none"> <li>• Identification of children who are potentially at risk.</li> <li>• Assessment of client needs</li> <li>• Assessment of appropriate care package</li> <li>• Monitoring and review of service and service providers</li> <li>• Payments for services received; and</li> <li>• Budgetary Control.</li> </ul>	1	Deputy Director – Children and Families
CS3 : Child Placements (10 days)	<p>To provide assurance that the following key risks are being managed:</p> <ul style="list-style-type: none"> <li>• Children placed in an unsafe or unhealthy environment, reputation damage to the Council and failure to provide service;</li> <li>• Payments not made for the service provided;</li> <li>• Lack of funding to provide required service.</li> </ul>	<p>Key processes to be covered by the audit include:</p> <ul style="list-style-type: none"> <li>• Assessment and monitoring of service providers;</li> <li>• Placements are substantiated and supported;</li> <li>• Payments;</li> <li>• Placement Panel; and</li> <li>• Budgetary control and monitoring.</li> </ul>	1	Deputy Director – Children and Families

Audit area	Reason for Inclusion	Scope	Qtr	Client
CS4 : Building Schools for the Future (BSF)  (20 days)	<p>To provide assurance that the following key risks are being managed:</p> <ul style="list-style-type: none"> <li>• Programme is not managed to deliver required actions during 2006/07;</li> <li>• BSF fails to consider the requirements of the Childrens Act 2004.</li> </ul> <p><i>The first new and refurbished schools are expected to be open in September 2008 with the remaining schools opened during the following two years. In addition, a brand new Sixth Form Centre is due to open in September 2007.</i></p> <p><i>All secondary schools are expected to start to see immediate improvements under BSF through the enhancement of their ICT facilities, which will commence during the next school year.</i></p>	<p>Key processes to be covered by the audit include:</p> <ul style="list-style-type: none"> <li>• Overview of the project organisational structure at a high level, i.e. project sponsors, project board etc;</li> <li>• Co-ordination of the individual projects within BSF;</li> <li>• Understanding of the criticality of the project to the business, and get a feel for the business case;</li> <li>• Brief overview of the project to date, and the key risks within the project;</li> <li>• Details of the project team and relevant skills;</li> <li>• Key third party involvement;</li> <li>• Process of management and the managements' views on risk management;</li> <li>• Role of the project office;</li> <li>• Change management and enablement controls and procedures;</li> <li>• Technology used in the project / programme; and</li> </ul> <p>Issues with implementing the</p>	4	Director BSF Programme

Audit area	Reason for Inclusion	Scope	Qtr	Client
		solution.		
CS5 : Sure Start: Early Years (10 days)	Previously audited in 2004-05 as part of Early Years & Play audit	<p>This will be a full review of the controls in place to ensure that the objectives of this service are met.</p> <p>The scope of the work will focus upon the management of the Sure Start funds, and the strategic management of Neighbourhood Nurseries and Children Centre funding. Specific areas of scope to include:</p> <ul style="list-style-type: none"> <li>• Receipt of funding;</li> <li>• Identification of spending areas;</li> <li>• Monitoring of spending;</li> <li>• Corporate governance and management arrangements in place; and</li> <li>• Completion of grant returns.</li> </ul>	1	Deputy Director – School Standards and Inclusion
CS6 : Sure Start: Play (10 days)	Previously audited in 2004-05 as part of Early Years & Play audit.	<p>This will be a full review of the controls in place to ensure that the objectives of this service are met.</p> <p>The scope of the work will be</p>	1	New Deputy Director (To be Confirmed)

Audit area	Reason for Inclusion	Scope	Qtr	Client
		<p>determined from discussions with the New Deputy Director and will focus upon the management of the Sure Start funds. Suggested areas of scope to include:</p> <ul style="list-style-type: none"> <li>● Receipt of funding;</li> <li>● Identification of spending areas;</li> <li>● Monitoring of spending;</li> <li>● Corporate governance and management arrangements in place; and</li> <li>● Completion of grant returns.</li> </ul>		
<p>CS7: Financial Monitoring of Schools and Cheque book reporting (10 days)</p>	<p>This audit area has been highlighted as high risk and is audited every year. However, at the request of the client, no audit was completed for 2005-06.</p>	<p>Full system audit, including documentation, and testing of both key and significant controls covering the following areas.</p> <ul style="list-style-type: none"> <li>● Monitoring and evaluation of local and statutory returns;</li> <li>● Reconciliations; and</li> <li>● Follow up of variances.</li> </ul>	<p>2</p>	<p>Head of Children's Service Finance</p>
<p>CS8 : Primary Schools (80 days)</p>	<p>This audit area is rated as medium risk.  Audit - All schools to be covered</p>	<p>A risk based approach will be taken when deciding the frequency at which schools will be audited and will focus on risk analysis for individual</p>	<p>1-4</p>	<p>Deputy Director School Standards and Inclusion</p>



Audit area	Reason for Inclusion	Scope	Qtr	Client
	<p>within 4 years.</p> <p>Compliance with Financial Management Standard in Schools (FMSiS) – Not applicable until March 2008 for large Primary Schools.</p>	<p>schools. Factors to be taken into account include</p> <ul style="list-style-type: none"> <li>- History of financial mismanagement; and</li> <li>- Inability to manage deficits or surpluses. This will be a full review of the controls in place to ensure that the objectives of this service are met, covering the following areas: <ul style="list-style-type: none"> <li>● Management organisation;</li> <li>● School inspections and OFSTED;</li> <li>● Budgetary control;</li> <li>● Staffing;</li> <li>● Disbursement accounting records;</li> <li>● Asset management;</li> <li>● Unofficial Fund;</li> <li>● Data protection and security;</li> <li>● Income</li> <li>● Health and safety; and</li> <li>● School meals.</li> </ul> </li> </ul>		
CS9 : Secondary Schools (70 days)	This audit area is rated as medium risk.	As above for primary schools	1-4	Deputy Director School Standards and Inclusion

Audit area	Reason for Inclusion	Scope	Qtr	Client
	<p>Audit - All schools to be covered within 3 years.</p> <p>Compliance with Financial Management Standard in Schools (FMSiS) – This should be met by all Secondary Schools by March 2007. Therefore, compliance visits will be made to all Secondary Schools in the financial year, subject to agreement with the Director of Children Services.</p>	<p>Subject to agreement with the Director of Children Services, work will also include a visit to all secondary schools to check compliance with the Financial Management Standard in Schools.</p>		

## Client Side ALMO Provisional Audit Plan for 2006/2007

This document sets out the provisional plan for Housing Services audits to be completed during 2006/2007. The audits proposed below are provisional. Following initial feedback from senior management we will complete a final draft version of the plan which will be subject to approval of the Audit Committee.

Audit area	Reason for Inclusion	Scope	Qtr	Client
HS2 : ALMO Project Management (20)	<p>Identified by management as an area of High Risk.</p> <p>Use of days on an ongoing basis and based on further discussions with management.</p> <p>To provide assurance that the following key risks are being managed:</p> <ul style="list-style-type: none"> <li>• That the management mechanisms between the Council and the ALMO do not enable the Council to discharge their S151 responsibilities;</li> <li>• That the Council and the ALMO do not work together effectively.</li> </ul>	<p>Key processes to be covered by the audit include:</p> <ul style="list-style-type: none"> <li>• Establishing management framework;</li> <li>• Setting contractual/service level agreements;</li> <li>• Management liaison and reporting; and</li> <li>• Decision making processes.</li> </ul>	1-4	Director of Finance

Audit area	Reason for Inclusion	Scope	Qtr	Client
BWF TMO (15 days)	To provide assurance that there are appropriate management arrangements in place within the TMO to discharge their responsibilities, from the perspective of the Council.	We will complete a high level audit of the financial and operational controls in place. The specific scope of the work will be set subject to the arrangements put in place with regards to the TWO.	2	Director of Finance

## Environment Services Provisional Audit Plan for 2006/2007

This document sets out the provisional plan for Environment Services audits to be completed during 2006/2007. The audits proposed below are provisional. Following initial feedback from senior management we will complete a final draft version of the plan which will be subject to approval of the Audit Committee.

Audit area	Reason for Inclusion	Scope	Qtr	Client
Risk Management Liaison (10 days)	To further develop and embed risk management within the department.	During the year we will work with the nominated officer to update the risk register information held on the Risk Register database for Environment Services. Reports will be provided to the SMT on a quarterly basis.	1-4	Director/ Assistant Directors
Risk Management Audit Coverage (20 days)	To provide assurance that key risks are being managed.	The scope of work will be agreed on a quarterly basis by the Senior Management Team (SMT). Following the monthly/quarterly meetings we will agree a programme of work with regards to the key risks. Dependent on agreement with the SMT we will either provide advice regarding controls to manage the risk, assess the adequacy of the controls identified and/or assess the effectiveness of the controls identified.	1-4	Director/ Assistant Directors

Audit area	Reason for Inclusion	Scope	Qtr	Client
Emergency and Business Planning (10 days)	To provide assurance that there are arrangements in place to manage operations if a disaster occurs.	The scope of the work will include: <ul style="list-style-type: none"> <li>• Business impact analysis;</li> <li>• Risk identification and evaluation;</li> <li>• Development of the business continuity plan;</li> <li>• Embedding of the business continuity plan; and</li> <li>• Testing of the business continuity plan.</li> </ul>	3	Director – Environment
Health and Safety (15 days)	To identify how Health and Safety Arrangements are applied and understood throughout the Department.	The scope of the work will include: <ul style="list-style-type: none"> <li>• How applied across the Department;</li> <li>• Risk assessments across staff;</li> <li>• Implementation of Council Policies.</li> </ul>	1	Assistant Director – Enforcement
Waste Management (15 days)	To provide assurance that key areas of the Waste Management process are being completed.	The specific areas of scope will be agreed at the time of the audit. This will include the contract management of the Waste Management service.	2	Assistant Director – Street Scene
Parking Control and Enforcement (15 days)	To provide assurance that key areas of the Parking Control and Enforcement process are being completed.	The specific areas of scope will be agreed at the time of the audit.	3	Assistant Director – Street Scene

**Management and Administration**

Audit area	Reason for Inclusion	Qtr	Client
Audit Management (100 days)	To include attendance at client meetings, review of audit files, preparation of Audit Committee reports and attendance at Audit Committee.	1-4	Audit Committee
Follow Up (70 days)	To complete follow up of all 2005/2006 audits. Priority 1 recommendations are to be followed up until they have been fully addressed.		