



Haringey Council

Agenda item:

[No.]

Audit Committee

On 19 April 2011

Report Title: Internal Audit Annual Plan and Strategy 2011/12

Report authorised by: Director of Corporate Resources

J. Power 11/4/11

Report of and Contact Officer: Anne Woods, Head of Audit and Risk Management

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Wards(s) affected: All

Report for: Non-key decision

1. Purpose of the report

1.1 The purpose of this report is to inform members of the proposed Annual Internal Audit Plan for 2011/12.

1.2 The report also advises Members of the internal audit strategy.

2. State link(s) with Council Plan Priorities and actions and/or other Strategies:

2.1 Audit and Risk Management contribute to the Council priority to deliver excellent, customer focused, cost effective services by reviewing key services and making recommendations for improvement where appropriate. Follow up work is undertaken to ensure that managers implement agreed recommendations and improvements.

3. Recommendations

3.1 That the Audit Committee notes and approves the internal audit strategy.

3.2 That the Audit Committee approves the Annual Internal Audit Plan for 2011/12.

4. Reason for recommendation(s)

4.1 The Audit Committee is responsible for reviewing and approving the annual internal audit plan as part of its Terms of Reference. In order to facilitate this, a draft audit plan is provided for review and approval by the Audit Committee.

5. Other options considered

5.1 Not applicable

6. Summary

6.1 The internal audit service makes a significant contribution to ensuring the adequacy and effectiveness of internal control throughout the authority. This report sets out the planned programme of work for 2011/12.

6.2 The information has been compiled from information held within Audit & Risk Management and from records held by business units across the Council.

7. Head of Legal Services Comments

7.1 The Head of Legal Services has been consulted in the preparation of this report, and in noting that both the plan and the strategy adopt recognised current best practice, advises that there are no direct legal implications arising out of the report.

8. Chief Financial Officer Comments

8.1 The Chief Financial Officer notes the proposed 2011/12 internal audit plan and strategy and the allocation of the 1000 days of work to be delivered from the contracted out service. The plan reflects current best practice requirements for internal audit and ensures that, over the life of the contract, the Council's key systems and services will be appropriately reviewed according to risk. This approach also ensures that the council operates a fully integrated internal audit and risk management process.

8.2 As outlined in section 15.2 the small in-house team is responsible for investigations into allegations of financial irregularity, pro-active anti-fraud work, provision of advice on risk and controls and grant certification work. This is on top of the planned work set out in the attached appendix.

8.3 The Council's 2011/12 financial planning process included a reduction in planned audit days of 150 compared to 2010/11 generating an on-going saving for the Council. The Chief Financial Officer is confident that this will not compromise the integrity of the audit service and can be managed without risk to the Council.

9. Head of Procurement Comments

9.1 Not applicable

10. Equalities and Community Cohesion Comments

10.1 This report deals with how risks to service delivery are managed across all areas of the council, which have an impact on various parts of the community. Improvements in managing risks and controls will therefore improve services the Council provides to all sections of the community.

11. Consultation

11.1 No external consultation was required or undertaken in the production of this report. Consultation has been undertaken with respective service managers, Assistant Directors, Directors and the Assistant Chief Executive in the production of the draft internal audit plan.

12. Service Financial Comments

12.1 There are no direct financial implications arising from this report. The work completed by Deloitte and Touche to undertake the annual audit plan is part of the five year contract which was awarded following a competitive tendering exercise in compliance with EU regulations from 1 April 2007. The costs of this contract are contained and managed within the Audit and Risk Management revenue budget.

13. Use of appendices

13.1 Appendix A – Draft internal audit plan and strategy 2011/12.

14. Local Government (Access to Information) Act 1985

14.1 For access to the background papers or any further information please contact Anne Woods on 0208 489 5973.

15. Background

15.1 Local authorities are required by law to maintain an internal audit function. In addition, The Accounts and Audit (Amendment) (England) Regulations 2006 reinforce the statutory requirement and re-state the need for the Council to maintain an adequate and effective system of internal audit.

15.2 Within Haringey, the Internal Audit function is comprised of Deloitte and Touche, who undertake the majority of the internal audit work in accordance with the contract in place, including IT and procurement audit. The in-house team is currently responsible for investigations into allegations of financial irregularity, pro-active anti-fraud work, provision of advice on risk and controls and grant certification work.

15.3 Appendix A contains the proposed annual audit plan for 2011/12, which is fully risk based and has been derived following consideration of: planned organisational and efficiency savings; risk registers; new projects and procurement activities reported to the Cabinet and the Cabinet Procurement Committee; the Annual Audit and Inspection

Letter; and fraud investigation work completed in 2010/11. This approach reflects current best practice requirements for internal audit and ensures that, over the life of the contract, the Council's key systems and services will be appropriately reviewed according to risk. This approach also ensures that the council operates a fully integrated internal audit and risk management process.

15.4 Appendix A also includes the audit strategy which will be used to deliver the council's internal audit plan. As part of the contract with Deloitte and Touche, it is considered appropriate to keep members advised of the strategy and the way in which the service will be delivered and request their approval of it. The strategy has been drafted in accordance with the 2006 CIPFA Code of Practice and best practice guidance for public sector audit services.

16. The Annual Audit Plan 2011/12

16.1 The proposed annual internal audit plan for 2011/12 is attached as Appendix A to this report. It gives outline details of the planned audit work on the key financial and other systems of the Council. The detailed scope for each project will be agreed with the client for the work at the planning stage of the audit. Timings for the projects have also been agreed, wherever possible, with the nominated clients to take account of any cyclical or other work pressures, although these may be subject to change during the course of the year.

16.2 The proposed projects have been discussed with directors and their management teams and will be subject to further discussions with the nominated client for each audit as part of the detailed planning process. All completed projects are subject to a formal follow up review process and the results of the follow up reviews will continue to be reported for information to Members, on a quarterly basis.

16.3 We will continue to work with the Council's external auditors, Grant Thornton, to ensure that audit coverage is maximised and duplication is avoided wherever possible in order to make the best use of our combined resources. A programme of meetings has already been planned during 2011/12 to ensure that use of audit resources is effective.

16.4 Included in the audit plan (within Corporate Resources and People & Organisation Development) are audits of key financial systems. We consider key systems to be those which are essential to the successful management of the Council, and where failure of the system would have a material effect on the organisation. These key systems, including payroll, accounts payable, accounts receivable, council tax, and housing benefits are therefore subject to regular review. This programme of work has been agreed with both the managers responsible and the council's external auditors.

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This document sets out the annual internal audit plan for Haringey internal audits to be completed during 2011/12. The audits proposed within the plan are based on the potential risks facing business units and departments across the council in 2011/12 and take into consideration the corporate, departmental and business unit risk registers; business plans; and the Council's fraud profile and pro-active and reactive fraud work undertaken during 2010/11 to provide a fully integrated risk based annual audit plan. The proposed audits have been discussed and agreed with Directors and their management teams and the plan is submitted to the Audit Committee for final approval.

The council's strategy for delivery of the audit plan is included at the front of the 2011/12 annual audit plan. The strategy is set out below and presented to the Audit Committee for formal approval. It builds on the work completed by Deloitte and Touche since their re-appointment in April 2007. It is proposed that this approach is used for the contract with Deloitte and Touche and any significant changes to the internal audit strategy are reported to the Audit Committee for formal approval.

1. Introduction

1.1 Purpose of the Internal Audit Strategy

The purpose of the draft internal audit strategy is to define the approach and methodology to be followed which will enable us to:

- Provide the Audit Committee with an opinion on the council's risk management, control and governance arrangements;
- Audit the risk management, control and governance arrangements through annual audit plans, which give priority to the organisation's objectives and risks;
- Identify improvements to the council's risk management, control and governance by providing management with recommendations arising from the audit work;
- Identify the audit resources required to deliver an audit service which meets relevant statutory requirements; and
- Ensure effective liaison and co-operation with both the council's and Homes for Haringey's external auditors.

1.2 Roles and Responsibilities

The role of internal audit is to provide an independent and objective opinion to the Audit Committee on risk management, control and governance. The opinion given by internal audit is a key element of the framework of assurance which the Audit Committee needs to report on as part of their statutory annual reporting processes.

The opinion can, however, only be reasonable in the sense that no opinion or assurance can ever be absolute and is by definition an extrapolation of the evidence available. It is important to note that in practice the scope of the audit opinion may be constrained by factors such as the scope of audit access.

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The Internal Audit opinion does not supersede the Audit Committee's responsibility for risk, control and governance and as long as internal audit work is demonstrably conducted in accordance with the Standards on Due Professional Care there can be no question of internal auditors being responsible for control failures.

2. Internal Audit Coverage, Approach and Assurance

2.1 Internal Audit Coverage

2.1.1 Identifying Internal Audit Coverage

It is not necessary to audit every aspect of risk, control and governance every year, but in determining the internal audit coverage we have taken account of the following:

- The Council's risk management processes and risk registers;
- Business plans and savings targets for each business unit across the Council;
- The pro-active and reactive anti-fraud work completed by internal audit and as part of the Council's participation in the National Fraud Initiative;
- The overall coverage will encompass the whole range of risks which the Council, and its external auditors, has identified as "key" to the achievement of its aims and objectives;
- High-risk systems or processes, as identified by the Council, will need to be audited on a regular basis to deliver the assurance required. However, such systems and processes need not be fully and systematically audited every year;
- An appropriate range of non-key risks will be included in each year's coverage to add to the comprehensiveness of the opinion;
- Risks not defined as key still require attention, to gain assurance that adverse impacts are not arising;
- In addition to existing risk, control and governance, consideration will be given to the extent of change taking place or planned to take place within the Council. Changing processes can be inherently more risky than established and known processes, and the identification and correction of weaknesses during development is more economical than after the process has been put in place; and
- Internal audit will discuss the assurance required with the Audit Committee to help ensure that appropriate coverage is planned.

2.1.2 Gathering of Information

To enable us to prepare our internal audit strategy and proposed annual operational plan we will consult with key officers within the Council. At this point we have prepared a draft plan based on the considerations at 2.1.1, together with the results of our previous years' work for Haringey Council and our knowledge of the organisation. The proposed coverage may be further amended following discussions with Directors and their management teams during the year. Any significant changes to the audit plan during the financial year will be provided to the Audit Committee for formal approval.

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2.2 Internal Audit Approach and Assurance

2.2.1 Risk Management Framework

The Council has a well established approach to risk management and the Audit Committee approves the Council's Corporate Risk Management Policy and Strategy on a regular basis. Risk management is included as part of the key corporate processes including business planning, project management framework and the development of business unit, departmental and corporate risk registers. All of these areas are considered when producing the draft annual audit plan. In some cases, these procedures and processes may be included in the audit plan to be reviewed in their own right.

2.2.2 Key Financial Systems

The Council has a number of systems which are important to achieving its operational objectives and have been identified by internal and external audit as 'key financial systems'. The key financial systems are those which would have a material impact on the council if they were to fail and include payroll, strategic financial management and budgetary control, accounts payable, accounts receivable, housing and council tax systems. As a result, a planned programme of work is in place which ensures that the key controls are tested on an annual basis and in-depth reviews are completed on a cyclical basis.

2.2.3 Assignment Planning

The assignments are planned to various depths and frequencies as follows:

Depth of audit. The definition of each type of audit is as follows:

Verification:

An audit to determine both the adequacy and effectiveness of the internal controls.

Evaluating the adequacy of internal controls will normally involve:

- Confirming the risks and the possible causes preventing the achievement of the aims and objectives of the area/system; and
- Assessing whether the controls are sufficient for the level of risk in the achievement of the aims and objectives of the area / system.

Effectiveness testing is carried out on key controls, normally on a sample basis, to assess their effective operation in practice. Key controls are those identified as vital to prevent a particular error, or covering a large number of causes of error.

Validation:

As an alternative to verification, for less significant areas and risks, a high-level audit will be carried out. This would determine if the documented risk is sensible, relevant and has an appropriate control strategy, action plan and assurance activities.

Follow up:

An audit to ascertain that previous audit recommendations have been implemented effectively.

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Frequency of audit. Each audit will be prioritised depending on its significance to the Council and the planned depth and frequency will be as follows:

Priority Significance	Depth	Frequency of audit
High	Follow up and Verification	Annual
Medium	Follow up and Validation	Selected on the basis of risk
Low	Follow up and Validation	By Request Only

For each element of internal audit work identified, an estimate of the number of staff days, which will be required to conduct the work, will be made.

3. Relationship with External Auditors and other Assurance Providers

3.1 Relationship with the External Auditors

As the Council and Homes for Haringey's Internal Auditors we will seek to meet regularly with the External Auditors for both organisations to:

- Consult on the audit plans;
 - Discuss matters of mutual interest;
 - Discuss common understanding of audit techniques, methods and terminology; and
 - Seek opportunities for co-operation in the conduct of audit work.
- In particular, we will offer the External Auditors the opportunity to rely on our work where appropriate. In any case of conflict with the External Auditors, we will consult with, or refer the matter to, the Chief Executive of the Council and/or Homes for Haringey.

3.2 Reliance on Other Assurance Providers

It is not always necessary for internal audit to audit processes directly in order to gain assurance about them. The council's risk management processes identifies the officers responsible for managing risks and/or controls. As part of each audit we will consider the following:

- What other assurance processes are in place (e.g. Stewardship Reporting processes, documented Controlled Risk Self Assessment reviews, the work of other review or inspection teams); and
- The way in which these processes can themselves be audited and quality assured, in order that Internal Audit can consider how the work of these assurance processes can contribute to the overall assurance (without conduct of audit work which repeats actions already taken). This may involve:
 - Specific quality assurance audits of other assurance processes;
 - Auditing on a sample basis the specific work of assurance functions to gauge reliability of findings; and
 - Joint working with other review teams.

4. Reporting Protocols

4.1 Timing of Audits and Notification

Following approval of the annual internal audit plan, planning meetings will be arranged with the relevant managers to agree the detailed terms of reference for the relevant audit. This will take place at least three weeks before the commencement of the audit. Terms of reference will include the area objectives, audit scope and approach, planned schedule of interviewees, planned budget days and planned date for the exit meeting.

4.2 Reporting

4.2.1 Audit Reports

We have an agreed audit reporting protocol, which sets out the key stages of each audit and the responsibilities of both the auditor and the service managers and this has been provided to all service directors. Formal audit reports will be produced for each audit project contained within the annual audit plan, including establishment audits. The style of report may be varied by agreement with the relevant service director and Audit Manager, for example if major findings arise in one area. Following completion of the fieldwork, the auditor will provide feedback on the findings to the service manager in an exit meeting. Draft audit reports will be produced within three weeks of this meeting with final reports being issued within two weeks of the receipt of management's response to the draft report.

Reports will normally be produced in the agreed format. This will include:

- An executive summary explaining the context of the audit, summarising all conclusions and highlighting key issues arising;
- Detailed recommendations supported by a rationale together with management response, responsibility and agreed deadlines for implementation; and
- Timing of audit follow up work where appropriate.

Audit reports will provide an overall opinion on the level of control exercised over the auditable area or risk. This opinion will be based on the findings from the audit which will be assessed as follows:

Priority 1:

Critical business risk not being adequately addressed; weaknesses in key business controls; substantial non-conformance with regulations and accepted standards.

Priority 2:

Important business issues to be addressed; improvement area; inadequate risk identification or reduction; non-conformance with regulations.

Priority 3:

Minor non-conformances with the business management system; other business issues to be addressed, good working practices.

The following levels of opinion will be used in audit reports:

- Full Assurance:* There is a sound system of control designed to achieve the system objectives.
- Substantial Assurance:* There is a basically sound system, but there are weaknesses which put some of the system objectives at risk.
- Limited Assurance:* Weaknesses in the system of controls are such as to put the system objectives at risk.
- No Assurance:* Control is generally weak leaving the system open to significant error or abuse.

4.2.2 Audit Committee Reports

A progress report will be presented to the Council's Audit Committee on a quarterly basis, and will include a summary of completed work, plus the following details for each of the completed internal audits which received 'limited' assurance:

- Objectives of the audit;
- Overall conclusion about the level of assurance;
- Number of recommendations in each priority category;
- Full details of all recommendations;
- A note about any management responses which are of concern to the internal auditors; and
- A note about any failures by the management to fulfil the actions agreed in earlier internal audit reports.

Members of the Committee will also be provided with a monthly summary of all final audit reports and will be provided with full copies of our audit reports upon request. An Annual Report to the Council's Audit Committee will also be produced incorporating our annual opinion and an agreed statement of the overall assurance we are able to provide, and including details of audit coverage against audit plan, summary of major recommendations made, and commentary on significant areas or recommendations not implemented.

5. Quality Assurance

We are committed to delivering internal audit services of the highest quality and technical standards, which we achieve by:

- Applying an audit methodology and approach that complies with Government and professional standards, including those issued by the Auditing Practices Committee, the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Institute of Internal Auditors (IIA). Our assignment methodology has been developed through experience to ensure that our procedures are of the highest quality.
- Ensuring that all our staff employ the most efficient audit techniques as a result of on-the-job training and specially tailored courses given by our specialist internal audit training division "Aid to Industry".

We have also produced a detailed written Quality Manual, which covers all aspects of our service provision and includes the following features:

- Quality procedures;
- Detailed approach and documentation;
- Complaints procedures;
- Professional standards;
- Customer care procedures;
- Quality audit procedures; and
- Nominated individuals responsible for quality.

5.1 Performance Indicators

With regards to the published Combined Code and Smith Report, section D3.2 (c), the council's Audit Committee should monitor and review the effectiveness of the organisation's internal audit function. We detail below the performance indicators which are currently provided to the Audit Committee for the Internal Audit Service:

- Achievement of the internal audit plan;
- Length of time taken to complete investigations into financial irregularities; and
- Evaluation of the service by client managers.

6. Resources

The internal audit service is delivered by a mix of in-house staff and an externally provided contract. The mix of resources and work was considered and approved by the Audit Committee in June 2006. A five year contract based on the Audit Committee's recommendations was awarded to Deloitte and Touche Public Sector Internal Audit Ltd, in accordance with Council procedure rules, in April 2007. The full time, permanent members of staff investigate potential breaches of the council's disciplinary codes of practice, as well as pro-active counter-fraud audit projects, providing advice on risks and controls to managers and undertaking work to assist in the completion of specific grant certification processes. The outsourced contract will provide the remaining internal audit services in order to fulfil the council's statutory requirements under Section 151 of the Local Government Act 1972 and the Accounts and Audit Regulations. The contract for the outsourced audit work specifies the skills, resources and method statements required to enable delivery of the risk based audit plan.

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Haringey Internal Audit Coverage: 2011/12

The table below sets out the internal audit work to be completed during the 2011/12 financial year, which is in accordance with the contract. The total number of days to be delivered is 1,000; which does not include audit work that will be completed as part of the Service Level Agreement with Homes for Haringey. The breakdown of work can be summarised as:

Area	Directorate	Days
Key Financial Systems (KFS)	Corporate Resources	140
Directorate Systems and Risks	Corporate Resources	55
Procurement Audit	Corporate Resources	40
IT Audit	Corporate Resources	70
Directorate Systems and Risks	Place & Sustainability	120
Directorate Systems and Risks (including School Audits)	Children and Young People's Service	170
Directorate Systems and Risks	Adult and Housing Services	50
Directorate Systems and Risks (including KFS)	Chief Executives - People and Organisational Development	60
Follow Up	All Directorates	50
Management	All Directorates	90
Sub-total		845
Contingency		155
Total		1000

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Corporate Resources – Key Financial Systems and Directorate systems and risks:

Audit title	Indicative Scope	Client	Quarter	Days
Strategic Financial Management & Budgetary Control (KFS)	High level system audit, including follow-up of previous audit recommendations; and including documentation; and testing of both key and significant controls.	Head of Corporate Finance/ Head of Finance – Budgets, Accounting & Systems	3	15
Cash Receipting (KFS)	High level system audit, including follow-up of previous audit recommendations; and including documentation; and testing of both key and significant controls.	Head of Corporate Finance/ Head of Finance – Budgets, Accounting & Systems	3/4	15
Treasury Management (KFS)	High level system audit, including follow-up of previous audit recommendations; and including documentation; and testing of both key and significant controls.	Head of Corporate Finance/ Head of Finance – Pensions & Treasury	3	10
Accounting & General Ledger (KFS)	High level system audit, including follow-up of previous audit recommendations; and including documentation; and testing of both key and significant controls.	Head of Corporate Finance/ Head of Finance – Budgets, Accounting & Systems	4	15
Accounts Payable (Creditors) (KFS)	High level system audit, including follow-up of previous audit recommendations; and including documentation; and testing of both key and significant controls.	Head of Corporate Procurement/P2P Performance Manager/ Head of Finance – Budgets, Accounting & Systems	4	15
Pension Fund Investment (KFS)	High level system audit, including follow-up of previous audit recommendations; and including documentation; and testing of both key and significant controls.	Head of Corporate Finance/ Head of Finance – Pensions & Treasury	4	10
Accounts Receivable (Sundry Debtors) (KFS)	High level system audit, including follow-up of previous audit recommendations; and including	Head of Corporate Finance/	3	15

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Audit title	Indicative Scope	Client	Quarter	Days
	documentation; and testing of both key and significant controls.	Head of Finance – Budgets, Accounting & Systems		
Housing Benefits (KFS)	High level system audit, including follow-up of previous audit recommendations; and including documentation; and testing of both key and significant controls.	Head of BLT	3	20
Council Tax (KFS)	High level system audit, including follow-up of previous audit recommendations; and including documentation; and testing of both key and significant controls.	Head of BLT	4	15
NNDR (KFS)	High level system audit, including follow-up of previous audit recommendations; and including documentation; and testing of both key and significant controls.	Head of BLT	4	10
Teachers' Pensions contributions (Grant certification requirement 2010/11)	The Council is required to complete an annual statement showing teachers' pension contributions deducted and remitted in the year. Internal audit will complete sample testing to confirm that the requirements of the statement have been complied with for those schools with outsourced payroll providers.	Head of Corporate Finance/ Head of Finance, CYPs	1	5
Corporate Savings and Efficiency Programme	Review of key savings targets and progress for the HESP programme, including validation and monitoring of key delivery targets – suggested quarterly review against identified areas	Director of Corporate Resources	1-4	20
Use of external Counsel	Including monitoring of costs, approval processes for use, engagement, review of outcomes, market testing, contract monitoring.	Acting Head of Legal Services	1	10
Use of mobile phones	Following the corporate review of mobile phones, this audit will include compliance with the revised corporate scheme, monitoring of costs/income, approval processes for use, contract monitoring. There are two Customer Service Centres which	Head of IT Services	2	10
Customer Service Centres		Head of BLT	tbc	10

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Audit title	Indicative Scope	Client	Quarter	Days
<p>Anti-fraud Programme – delivered by in-house Corporate Anti-Fraud and HB Investigation Team</p>	<p>are scheduled to close during 2011/12. This audit will review key areas of income and expenditure to ensure that assets are retained or accounted for appropriately and any liabilities are minimised.</p> <p>National Fraud Initiative. Key investigation areas will include: Pensions; Payroll; Housing Benefit; Disabled badges; residents parking. Tenancy/Housing Fraud – joint initiatives with HfH and Housing Services. Housing Benefit Team – Investigations into fraudulent benefit applications and joint working with the police and other boroughs</p>	<p>All Directors and ACE as required</p>	<p>1-4</p>	<p>N/A</p>
<p>Total</p>				<p>195</p>

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Procurement Audit:

Audit title	Indicative Scope	Client	Quarter	Days
Contract Standing Orders/ Scheme of Delegation	This will be a review to provide assurance that departmental use of the revised contract standing orders and scheme of delegation is compliant with statutory requirements and the Council's financial procedure rules.	Head of Corporate Procurement	2	10
Homeless Persons Accommodation/Temporary Accommodation – procurement audit	This will be a review to provide assurance that the system is compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.	Head of Corporate Procurement/ Deputy Director Housing Services	3	10
Supporting People – procurement audit	This will be a review to provide assurance that the system is compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.	Head of Corporate Procurement/ Deputy Director Housing Services	3	10
Hays Resource Management Contract – procurement audit	This will be a review to provide assurance that the system is compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.	Head of Corporate Procurement/ Head of HR	2	10
Review of corporate expenditure	Quarterly reviews to provide assurance that departmental expenditure is compliant with statutory requirements and the Council's financial procedure rules, including the scheme of delegation, and focusing on areas of high expenditure. This ongoing review will be completed by the corporate anti-fraud team.	Head of Corporate Procurement/ Head of Audit	1-4	N/A
Total				40

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IT Audit:

Audit title	Indicative Scope	Client	Quarter	Days
External Challenge	This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over monitoring and management arrangements.	Head of IT Services	Tbc	5
Post Implementation Audit	This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over monitoring and management arrangements.	Head of IT Services	Tbc	12
Remote Working	This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over monitoring and management arrangements.	Head of IT Services	Tbc	10
iWorld Disaster Recovery Test	The test to be attended will be confirmed with the IT Security and Continuity Manager. The audit will look to review the processes for the DR test, attendance at the test and reporting of the test.	Head of Benefits & Local Taxation	Tbc	5
OHMS Application	The audit will examine as appropriate user access structure, logical access controls and security configuration of the system, together with sample testing of input, output, processing; audit trail controls, backup procedures and Business Continuity / Disaster Recovery arrangements, and any interfaces	Deputy Director – Housing Services	Tbc	10
IT Service Delivery	This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over monitoring and management arrangements.	Head of IT Services	Tbc	11
SPOCC Application audit	The audit will examine as appropriate user access structure, logical access controls and security	Head of IT Services	Tbc	10

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Audit title	Indicative Scope	Client	Quarter	Days
Server Virtualisation	<p>configuration of the system, together with sample testing of input, output, processing; audit trail controls, backup procedures and Business Continuity / Disaster Recovery arrangements, and any interfaces</p> <p>This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over monitoring and management arrangements.</p>	Head of IT Services	Tbc	12
Total				75

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Place and Sustainability Directorate:

Audit title	Indicative Scope	Client	Quarter	Days
Public Realm Contract	This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over contract monitoring and management arrangements.	Acting Assistant Director One Frontline	2	10
Parking Services – Pay and Display	This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over contract monitoring and management arrangements; income collection, banking and reconciliation processes.	Acting Assistant Director One Frontline	1	10
Parking Services – Residents and other Parking Permits	This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over contract monitoring and management arrangements; income collection, banking and reconciliation processes.	Acting Assistant Director One Frontline	3	10
Parking Services – Financial	This will be a review to provide assurance that the financial arrangements are compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls including debt provision/ identification of valid debt/ collection of debt and/or tracing of debtors	Head of Finance Place and Sustainability/ Head of Income & Debt Management	2	10
Haringey Guarantee	This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls	Assistant Director Planning Regeneration	1	10

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Audit title	Indicative Scope	Client	Quarter	Days
One Frontline – implementation/ service delivery review	<p>over monitoring and management arrangements.</p> <p>This will be a review to provide assurance that the services' key controls have been identified and are adequate and effective in managing the risks, and the system is compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.</p>	<p>& Economy</p> <p>Acting Assistant Director One Frontline</p>	3	10
Section 106 income and resources	<p>This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over income collection and receipt, banking and reconciliation; and allocation processes.</p>	<p>Acting Assistant Director One Frontline</p>	2	10
Highways income	<p>This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over income collection and receipt, banking and reconciliation; and allocation processes.</p>	<p>Acting Assistant Director One Frontline</p>	1	10
Library Service – stock management & control	<p>This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over stock control, monitoring and write off arrangements.</p>	<p>Assistant Director Culture Services</p>	2	10
Leisure Services - income	<p>This will be a review to provide assurance that the services' key controls have been identified and are adequate and effective in managing the risks, and the system is compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.</p>	<p>Assistant Director Leisure Services</p>	3	10
Parks Service – Delivery Changes – Implementation Review	<p>This will be a review to provide assurance that the services' key controls have been identified and are adequate and effective in managing the risks, and the</p>	<p>Assistant Director Leisure</p>	4	10

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Audit title	Indicative Scope	Client	Quarter	Days
Facilities Management – response repairs	<p>system is compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.</p> <p>This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over expenditure, classification of works, approval and ordering processes, and contracts</p>	<p>Services</p> <p>Head of Corporate Property Services</p>	3	10
Total				120

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Children and Young People's Service:

Audit title	Indicative Scope	Client	Quarter	Days
Children's Centres	Establishment audits will be undertaken of the controls in place in key income and expenditure areas including: Management organisation; inspections and OFSTED; Budgetary control; Staffing; Disbursement accounting records; Asset management; Unofficial Fund; Data protection and security; Income; Health and safety.	Deputy Director Children's Networks	1-4	20
Children and families establishments	Establishment audits will be undertaken of the controls in place in key income and expenditure areas including: Management organisation; inspections and OFSTED; Budgetary control; Staffing; Disbursement accounting records; Asset management; Unofficial Fund; Data protection and security; Income; Health and safety.	Deputy Director Children and Families	1-4	20
Use of Petty Cash	This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and HMRC requirements.	Head of Finance, CYPs	2	10
School admissions and place planning	This will be a review to provide assurance that the services' key controls have been identified and are adequate and effective in managing the risks, and the system is compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.	Director CYPs	tbc	10
Business Continuity and Emergency Planning	This will be a review to provide assurance that the services' key controls have been identified and are adequate and effective in managing the risks, and the system is compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.	Director CYPs	tbc	10

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Audit title	Indicative Scope	Client	Quarter	Days
<p>Schools Audit Programme: Primary and Secondary Schools</p>	<p>A risk based approach is taken in completing the schools audit programme. The audit will be a full review of the controls in place to ensure that the objectives of the service are met, covering the following areas: Management organisation; School inspections and OFSTED; Budgetary control; Staffing; Disbursement accounting records; Asset management; Unofficial Fund; Data protection and security; Income; Health and safety; and School meals.</p>	<p>Individual Schools' Head teachers/ CYP Finance</p>	<p>1-4</p>	<p>100</p>
<p>Total</p>				<p>170</p>

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Adult and Housing Services:

Audit title	Indicative Scope	Client	Quarter	Days
Homes for Haringey client-side monitoring	This will be a review to provide assurance that the system is compliant with statutory requirements and the Council's management agreement with Homes for Haringey and financial procedure rules, including contract standing orders.	Director of Adult & Housing Services	4	10
Housing Options – private renting scheme	This will be a review to provide assurance that the system is compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.	Deputy Director Housing Services	2	10
Housing in Multiple Occupation – licensing arrangements.	This will be a review to provide assurance that the system is compliant with statutory and local requirements, including the Council's financial procedure rules and include a review of key controls over monitoring and management arrangements.	Deputy Director Housing Services	3	10
Establishment audits – Day Centres (adults)	Establishment audits at a sample of Day Centres will be undertaken. The audit will be a review of the controls in place in key organisational areas including: Budgetary control; income and expenditure records and management; Staffing; Asset records and management, including inventory stock/control; Data protection and security; Health and safety.	Deputy Director Adult & Community Services	2	20
Total				50

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Chief Executive – People and Organisational Development:

Audit title	Indicative Scope	Client	Quarter	Days
Payroll – Key financial system (annual audit)	High level system audit, including follow-up of previous audit recommendations, and including documentation, and testing of both key and significant controls.	Head of Shared Services	4	15
Voluntary Redundancy Programme	This will be a full review to provide assurance that the system is compliant with statutory requirements and the Council's financial procedure rules.	Head of HR	1	10
Framework agreement for external training	This will be a review to provide assurance that the system is compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.	Head of OD	2	5
Equalities – Equality Impact Assessments and compliance with Equalities Act 2010	This will be a full review of the controls in place to ensure that the objectives of the system and statutory processes are met, including services within the Council and those services provided on behalf of the Council by the Voluntary Sector.	Head of Policy/ Assistant & Deputy Directors	2	20
Value for Money	Internal Audit will provide support and assistance to the Council's corporate policy and performance and corporate finance teams to develop unit costs for key service areas during 2011/12. Comparative data and benchmarking information will be obtained from other London authorities to assist with the project.	Head of Policy	2-4	10
Total				60