

**Haringey** Council

<b>Report for:</b>	Corporate Committee 20 March 2012	<b>Item number</b>	
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<b>Title:</b>	<b>Annual Internal Audit Plan and Strategy 2012/13</b>
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<b>Report authorised by :</b>	Director of Corporate Resources <i>J. Power 8/13/12</i>
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<b>Lead Officer:</b>	Anne Woods, Head of Audit and Risk Management Tel: 020 8489 5973 Email: <a href="mailto:anne.woods@haringey.gov.uk">anne.woods@haringey.gov.uk</a>
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<b>Ward(s) affected: ALL</b>	<b>Report for: Non-Key Decision</b>
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### 1. Describe the issue under consideration

1.1 The Corporate 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 for 2012/13, together with the internal audit strategy, is provided for review and approval by the Corporate Committee.

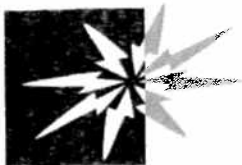
### 2. Cabinet Member Introduction

2.1 Not applicable

### 3. Recommendations

3.1 That the Corporate Committee reviews and approves the Internal Audit strategy.

3.2 That the Corporate Committee reviews and approves the Annual Internal Audit Plan for 2012/13.



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#### **4. Other options considered**

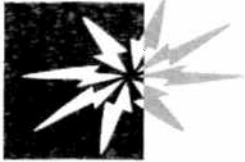
4.1 Not applicable.

#### **5. Background information**

- 5.1 Local authorities are required by law to maintain an internal audit function. In addition, The Accounts and Audit (Amendment) (England) Regulations 2010 reinforce the statutory requirement and re-state the need for the Council to maintain an adequate and effective system of internal audit.
- 5.2 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 corporate anti-fraud team is responsible for investigations into allegations of financial irregularity, pro-active and reactive corporate anti-fraud work, provision of advice on risk and controls and grant certification work.
- 5.3 Appendix A contains the proposed annual audit plan for 2012/13, 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; changes to legislation; and fraud investigation work completed in 2011/12. This approach reflects current best practice requirements for internal audit and ensures that, over the life of the contract, the Council's key financial and non-financial 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.
- 5.4 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.

#### **6. Comments of the Chief Financial Officer and Financial Implications**

- 6.1 There are no direct financial implications arising from this report. The work which will be completed by Deloitte and Touche to undertake the annual audit plan in 2012/13 is part of the three year contract which was awarded, in compliance with EU regulations, from 1 April 2012. The costs of this contract are contained and managed within the Audit and Risk Management revenue budgets which are monitored on a monthly basis.



6.2 The audit plan reflects current best practice requirements for internal audit and ensures that, over the life of the contract, the Council's key financial and non-financial 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.

6.3 The corporate anti-fraud 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 Appendix A.

## **7. Legal Implications**

7.1 The Head of Legal Services has been consulted in the preparation of this report, and in noting that both the audit plan and the audit strategy have been drafted in accordance with industry best practice guidance, advises that there are no direct legal implications arising out of the report.

7.2. The Head of Legal Services also confirms that the Corporate Committee has the delegated power and responsibility, under its Constitutional terms of reference, to implement the recommendations contained in the report.

## **8. Equalities and Community Cohesion Comments**

8.1 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.

## **9. Head of Procurement Comments**

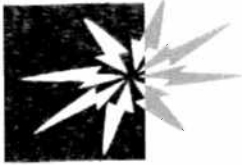
9.1 Not applicable.

## **10. Policy Implications**

10.1 There are no direct implications for the Council's existing policies, priorities and strategies. However, reducing the opportunity for fraud to take place in the first place, and taking appropriate action to detect and investigate identified fraud will assist the Council to use its available resources more effectively.

## **11. Use of Appendices**

11.1 Appendix A – Annual Internal Audit Plan and Strategy 2012/13



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## 12. The Annual Audit Plan 2012/13

- 12.1 The proposed annual internal audit plan for 2012/13 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. Indicative 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.
- 12.2 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.
- 12.3 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 2012/13 to ensure that use of audit resources is effective.
- 12.4 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. A programme of full reviews every three years, with high level reviews in the intervening years ensures that all key risks and controls are appropriately reviewed. This programme of work has been agreed with both the managers responsible and the council's external auditors.

## London Borough of Haringey – Draft Internal Audit Plan and Strategy 2012/13

This document sets out the annual internal audit plan for Haringey internal audits to be completed during 2012/13. The audits proposed within the plan are based on the potential risks facing business units and departments across the council 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 2011/12 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 Corporate Committee for final approval in accordance with the committee's terms of reference.

The Council's strategy for delivery of the audit plan is included at the front of the 2012/13 annual audit plan. The strategy is set out below and presented to the Corporate Committee for formal approval. It is proposed that any significant changes to the annual internal audit plan and/or the internal audit strategy are reported during the year to the Corporate Committee for formal approval.

### 1. Introduction

Audit and Risk Management provides the internal audit service for the London Borough of Haringey and Homes for Haringey. The Head of Audit and Risk Management has a statutory responsibility to provide an annual opinion on the effectiveness of the risk management, internal control and governance framework supporting the Council's work.

Internal Audit is an independent assurance function and has an important role in assisting the Council to demonstrate it is achieving high standards of corporate governance and has appropriate accountability and transparency arrangements. The Head of Audit and Risk Management's annual audit report helps to support the Council's Annual Governance Statement, which is published with the annual statement of accounts.

The work of internal audit is reported to the Council's Corporate Committee, which is responsible for making arrangements for the proper administration of financial affairs under section 151 Local Government Act 1972. Specific audit functions, as required by the CIPFA guidance on the role of the audit committee, are also within the responsibility of the Corporate Committee.

### 2. Internal Audit Planning and Work Programme

Internal Audit maintains a database of establishments, systems and processes which are in place across the Council (the 'audit universe'). Internal Audit delivers risk based work plans focused on reviewing those areas which are important to the Council in achieving its priorities and objectives. It is not necessary to audit every aspect of risk, control and governance every year, but Internal Audit aims to cover all major systems on a four year cyclical basis, informed by an assessment of current risks.

To determine the coverage for the annual internal audit plan, we adopt the following approach:

- Review and update the audit universe to include new systems/establishments/processes; record audit work and/or any identified fraud work completed during the year; key findings and/or recommendations not implemented;

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- Review of all current risk registers, business plans and/or savings targets for each business unit across the Council to highlight those high risk areas identified by the business units;
- Review of any outcomes from the work completed as part of the National Fraud Initiative to identify any areas with the potential for ongoing fraud;
- Review of any proposed changes due to take place during the next 12 months e.g. new legislation, shared services arrangements;
- Discuss the identified risks with the Council's external auditors and Directors to confirm their understanding and agreement of internal audit's assessments and planned audit work.

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. This enables external audit to place reliance on our work and helps to minimise any duplication of audit work. We meet regularly with the Council's external auditors to review our audit plans, identify any areas of concern or emerging risks and seek opportunities for co-operation.

### 3. Reporting Protocols

Following approval of the annual internal audit plan, planning meetings are arranged with the identified clients for each audit to agree the detailed terms of reference for the relevant 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.

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 manager and this is provided to all Directors with the agreed audit plan. 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 Director and Audit Manager. Following completion of the fieldwork, the auditor will provide feedback on the findings to the service manager at an exit meeting. Draft audit reports will be produced within two weeks of this meeting with final reports being issued within two weeks of the receipt of management's response to the draft report.

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.

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- 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.

A report is presented to the Council's Corporate Committee on a quarterly basis, and includes a list of completed work, together with detailed summaries for any completed internal audits which received a 'limited' assurance rating.

Members of the Committee are also 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 Corporate Committee is also 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, and commentary on significant areas or recommendations not implemented.

#### 4. Quality Assurance

We are committed to delivering internal audit services of the highest quality and technical standards. Internal Audit work is carried out in line with professional standards supported by a robust performance management and monitoring framework. Both the in-house team and Deloitte and Touche have detailed audit manuals which cover all aspects of our service provision.

We report details of the service's performance to the Council's Corporate Committee to assist with the monitoring and review of the effectiveness of the organisation's internal audit function. The performance indicators which are currently provided to the Committee on a quarterly basis for the Internal Audit Service are:

- Completion of the internal audit plan (95% within the financial year);
- Implementations of audit recommendations (with focus on Priority 1 recommendations); and
- Length of time taken to complete investigations into financial irregularities.

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### 5. Resources

The internal audit service is delivered by a mix of in-house staff and an externally provided contract. The contract for the provision of internal audit services was awarded to the London Borough of Croydon, via a framework agreement, in January 2012. The three year contract, let in accordance with the Council's procurement regulations, will be delivered from April 2012 by Deloitte and Touche Public Sector Internal Audit Ltd. The in-house Corporate Anti-Fraud Team undertake pro-active counter-fraud projects, working with other Council departments e.g. on tenancy fraud projects; investigate potential breaches of the council's disciplinary codes of practice; provide advice on risks and controls to managers and undertake 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 statutory 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. The business unit complies fully with the CIPFA Code of Practice for Internal Audit in Local Government.



## London Borough of Haringey – Draft Internal Audit Plan and Strategy 2012/13

### Haringey Internal Audit Coverage: 2012/13

The table below sets out the internal audit work to be completed during the 2012/13 financial year, which is in accordance with the contract. The total number of days to be delivered is 950; which does not include audit work that will be completed as part of the Service Level Agreement with Homes for Haringey, or the corporate anti-fraud team's work. The breakdown of work can be summarised as:

Area	Directorate	Days
Key Financial Systems (KFS)	Corporate Resources	90
Directorate Systems and Risks	Corporate Resources	30
Procurement Audit	Corporate Resources	60
IT Audit	Corporate Resources	75
Directorate Systems and Risks	Place & Sustainability	80
Directorate Systems and Risks (including School Audits)	Children's Service	191
Directorate Systems and Risks	Adult and Housing Services	45
Directorate Systems and Risks (including KFS)	Chief Executives – People and Organisational Development	80
Directorate Systems and Risks	Public Health	16
Follow Up	All Directorates	50
Management	All Directorates	80
	Sub-total	807
	Contingency	143
	<b>Total</b>	<b>950</b>

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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	10
Cash Receipting (KFS)	High Level Review (HLR): Identifying any changes to the system since the last full audit, updating system documentation and flowcharts, and testing those controls which are key to the effectiveness of the system, plus follow up of previous recommendations.	Head of Corporate Finance/ Head of Finance – Budgets, Accounting & Systems	3/4	5
Treasury Management (KFS)	High Level Review (HLR): Identifying any changes to the system since the last full audit, updating system documentation and flowcharts, and testing those controls which are key to the effectiveness of the system, plus follow up of previous recommendations.	Head of Corporate Finance/ Head of Finance – Pensions & Treasury	3	5
Accounting & General Ledger (KFS)	High Level Review (HLR): Identifying any changes to the system since the last full audit, updating system documentation and flowcharts, and testing those controls which are key to the effectiveness of the system, plus follow up of previous recommendations.	Head of Corporate Finance/ Head of Finance – Budgets, Accounting & Systems	4	5
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	10
Pension Fund Investment (KFS)	High Level Review (HLR): Identifying any changes to the system since the last full audit, updating	Head of Corporate Finance/	4	5

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Audit title	Indicative Scope	Client	Quarter	Days
Accounts Receivable (Sundry Debtors) (KFS)	<p>system documentation and flowcharts, and testing those controls which are key to the effectiveness of the system, plus follow up of previous recommendations.</p> <p>High level system audit, including follow-up of previous audit recommendations; and including documentation; and testing of both key and significant controls.</p>	<p>Head of Finance – Pensions &amp; Treasury</p> <p>Head of Corporate Finance/ Head of Finance – Budgets, Accounting &amp; Systems</p>	3	10
Housing Benefits (KFS)	<p>Full system review: Full risk based audit of the system, including updating system documentation and flowcharts, identifying any changes since previous audit and agreeing these with system managers, testing of both key and significant controls (ensure all external audit requirements are included), plus follow up of any previous recommendations.</p>	Head of BLT	3	20
Council Tax (KFS)	<p>Full system review: Full risk based audit of the system, including updating system documentation and flowcharts, identifying any changes since previous audit and agreeing these with system managers, testing of both key and significant controls (ensure all external audit requirements are included), plus follow up of any previous recommendations.</p>	Head of BLT	4	15
NDR (KFS)	<p>High Level Review (HLR): Identifying any changes to the system since the last full audit, updating system documentation and flowcharts, and testing those controls which are key to the effectiveness of the system, plus follow up of previous recommendations.</p>	Head of BLT	4	5

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Audit title	Indicative Scope	Client	Quarter	Days
<p>Teachers' Pensions contributions (Grant certification requirement 2011/12)</p>	<p>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.</p>	<p>Head of Corporate Finance/ Head of Finance, CYPS</p>	<p>1</p>	<p>5</p>
<p>Customer Services and BLT integration</p>	<p>This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements, information management and data sharing arrangements, income and expenditure; and the systems are compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.</p>	<p>Head of BLT</p>	<p>2</p>	<p>10</p>
<p>Corporate Savings Programme</p>	<p>Review of key savings targets and progress for the HESP programme, including validation and monitoring of key delivery targets, progress against 2012/13 savings targets and planning processes and assumptions for 2013/14.</p>	<p>Director of Corporate Resources</p>	<p>4</p>	<p>10</p>
<p>Corporate Anti-fraud Programme – delivered by in-house Corporate Anti-Fraud and HB Investigation Team</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>Development of continuous monitoring/auditing for the key financial systems (budgetary control and accounts receivable)</p>	<p>The programme to develop continuous monitoring/auditing for budgetary control and accounts receivable will begin in 2012/13. The quarterly reviews will aim to provide assurance</p>	<p>Head of Finance Accounting Control &amp; Income</p>	<p>1-4</p>	<p>5</p>

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Audit title	Indicative Scope	Client	Quarter	Days
	that key financial controls are in place and operating effectively across the year. This ongoing review will support the annual key financial system audit.			
<b>Total</b>				<b>120</b>

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### Procurement Audit:

Audit title	Indicative Scope	Client	Quarter	Days
Use of 'Compete For' portal and quotation processes	This will be a review to provide assurance that departmental use across the Council of the 'Compete For' quotation portal is compliant with statutory requirements and the Council's financial procedure rules.	Head of Corporate Procurement	2	10
Use of non-order (FB60) processes.	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; and that usage falls within the acceptable vendor categories.	Head of Corporate Procurement	1	10
Contract monitoring procedures	This will be a review to provide assurance that contract monitoring processes are in place and effective across the Council for a sample of medium and high risk contracts. The review will ascertain whether the processes in place are compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.	Head of Corporate Procurement	2	20
Commissioning of services	This will be a review to provide assurance that commissioning processes are in place and effective across the Council for a sample of medium and high risk service areas. The review will ascertain whether the processes in place are compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders. The review will examine the strategies in place within departments and confirm that these contain appropriate challenge mechanisms and regular service/procurement reviews are in place and effective.	Head of Corporate Procurement	3	15

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Development of continuous monitoring/auditing for the key financial system (accounts payable)	The programme to develop continuous monitoring/auditing accounts payable will begin in 2012/13. The quarterly reviews will aim to provide assurance that key financial controls are in place and operating effectively across the year. This ongoing review will support the annual key financial system audit.	Head of Corporate Procurement/ Head of Audit	1-4	5
<b>Total</b>				<b>60</b>

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### IT Audit:

Audit title	Indicative Scope	Client	Quarter	Days
IT Services – Data Migration and Testing for key service processes	This will be a review to provide assurance that the system is compliant current IT Security Policies, and other statutory and local requirements, including the Council's financial procedure rules. The audit will include a review of key controls over physical and logical security arrangements, change management processes, data transfer and reconciliation processes, monitoring reporting and management arrangements.	Head of IT Services	3/4	12
IT Services – physical and logical security arrangements	This will be a review to provide assurance that the system is compliant current IT Security Policies, and other statutory and local requirements, including the Council's financial procedure rules. The audit will include a review of key controls over the Council's physical and logical security arrangements including the firewall, together with monitoring, reporting and management arrangements.	Head of IT Services	3/4	12
IT Services – resilience arrangements including BCP, disaster recovery and firewall arrangements	This will be a review to provide assurance that the system is compliant current IT Security Policies, and other statutory and local requirements, including the Council's financial procedure rules. The audit will include a review of key controls over monitoring and management arrangements, including any arrangements hosted externally.	Head of IT Services	3	12
IT Services – Information Governance arrangements	This will be a review to provide assurance that the system is compliant current IT Security Policies, and other statutory and local requirements, including the Council's financial procedure rules. The audit will include a review of key controls over monitoring, reporting and management arrangements together with a follow up of any recommendations made by external assessments.	Head of IT Services	3	5
IT Services – Service Support	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	Head of IT Services	3/4	10



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Audit title	Indicative Scope	Client	Quarter	Days
<p>Authority ICON including e-payments</p>	<p>include a review of key controls over monitoring and management arrangements.</p> <p>This will be an application review to provide assurance that the system is compliant current IT Security Policies, and other statutory and local requirements, including the Council's financial procedure rules. The audit will include a review of all key controls over processing, governance arrangements, information security and management, e-payments, reconciliation processes, physical and logical security arrangements, the hosting arrangements with Civica, monitoring, reporting and management arrangements.</p>	<p>Head of IT Services</p>	<p>4</p>	<p>12</p>
<p>Parking – CE application audit</p>	<p>This will be an application review to provide assurance that the system is compliant current IT Security Policies, and other statutory and local requirements, including the Council's financial procedure rules. The audit will include a review of all key controls over processing, revenue collection, governance arrangements, information security and management, e-payments, reconciliation processes, physical and logical security arrangements, the hosting arrangements with Civica, monitoring, reporting and management arrangements.</p>	<p>Head of IT Services</p>	<p>4</p>	<p>12</p>
<p><b>Total</b></p>				<p><b>75</b></p>

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### Place and Sustainability Directorate:

Audit title	Indicative Scope	Client	Quarter	Days
Tottenham Regeneration Programme	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 governance arrangements, income and expenditure, contract monitoring and management arrangements.	Director, Place and Sustainability	2	10
Property Services Review	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 disposal of corporate and other properties; management of empty corporate properties; transfer arrangements for corporate properties from service departments to Corporate Property Services; income and expenditure; and a follow up of previous recommendations.	Head of Property Services	1	15
Illegal Money Lending	This will be a high level review of the arrangements with Birmingham City Council – including governance arrangements, policy and procedures, compliance with statutory and local requirements, expenditure, review of key risks and controls in place.	Assistant Director Single Frontline	1	5
Trading Standards Regulations	This will be a review of the shared services arrangements with Waltham Forest to provide assurance over the governance arrangements (and MOU), compliance with statutory and local requirements, expenditure, review of key risks and controls in place	Assistant Director Single Frontline	4	10
Mortuary Service	This will be a review to provide assurance that the service is compliant with statutory and local requirements, including the Council's financial	Assistant Director Single Frontline	1	10

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Audit title	Indicative Scope	Client	Quarter	Days
Parking Services (business and essential service parking permits)	<p>procedure rules and governance arrangements; income and expenditure; and include a review of key controls over monitoring, review, reporting and management arrangements.</p> <p>This will be a review to provide assurance that the service is compliant with statutory and local requirements, including the Council's financial procedure rules and governance arrangements; income and expenditure; reconciliation processes; and include a review of key controls over monitoring, review and management arrangements.</p>	Assistant Director Single Frontline	3	5
Parking Services (Car Pound)	<p>This will be a review to provide assurance that the service is compliant with statutory and local requirements, including the Council's financial procedure rules and governance arrangements; income and expenditure; reconciliation processes; and include a review of key controls over monitoring, review and management arrangements.</p>	Assistant Director Single Frontline	3	5
Community Infrastructure Levy	<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>	Assistant Director Planning, Regeneration and Economy	2	10
Trade Waste	<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>	Assistant Director Single Frontline	4	10
<b>Total</b>				<b>80</b>

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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 Prevention & Early Intervention	1-4	15
Children and families establishment	An establishment audit 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	3	5
Multi-Agency Safeguarding Hub (MASH)	This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements, information management and data sharing arrangements, income and expenditure; and the systems are compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.	Deputy Director Children and Families	4	10
School admissions – in year admission processes	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 local and statutory requirements and the Council's financial procedure rules, governance arrangements, information management, monitoring review and reporting arrangements	Deputy Director Prevention & Early Intervention	3	10

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Audit title	Indicative Scope	Client	Quarter	Days
<p>Troubled Families Initiative</p>	<p>This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements, information management and data sharing arrangements, income and expenditure; and the systems are 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 service's key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements, information management and data sharing arrangements, expenditure and payments to third parties and external organisations; and the systems are compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders.</p>	<p>Assistant Director Safeguarding</p>	<p>3</p>	<p>10</p>
<p>Leaving care arrangements Foster and Adoption Services</p>	<p>This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements, information management and data sharing arrangements, expenditure and payments to third parties and external organisations; and the systems are 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 service's key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements, information management and data sharing arrangements, expenditure and payments to third parties and external organisations; costs and value for money; compliance with local and statutory timescales; and the systems are compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders, monitoring review and reporting arrangements.</p>	<p>Deputy Director Children and Families</p>	<p>2</p>	<p>10</p>
<p>Transfer Processes – academy schools</p>	<p>This will be a review to provide assurance that the processes' key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements, asset management and residual liabilities, expenditure and</p>	<p>Deputy Director Prevention &amp; Early Intervention</p>	<p>tbc</p>	<p>10</p>

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Traded Services	<p>payments to third parties and external organisations; monitoring review and reporting arrangements</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 income collection and receipt; reconciliation processes; and SLA monitoring, review and reporting arrangements.</p>	Head of Finance – Children's Service	2	10
<p><b>Schools Audit Programme:</b> 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>Schools Programme 2012/13: 20 schools</p> <ul style="list-style-type: none"> <li>• 10 Primary schools;</li> <li>• 3 Infant Schools;</li> <li>• 2 Nursery Schools;</li> <li>• 1 Junior School;</li> <li>• 3 Special Schools; and</li> <li>• 1 Secondary School</li> </ul>		Individual Schools' Head Teachers/ CYPs Finance	1-4	101
<b>Total</b>				<b>191</b>

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### Adult and Housing Services:

Audit title	Indicative Scope	Client	Quarter	Days
Homelessness Assessment Processes	This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements, expenditure and payments to third parties and external organisations; and the systems are compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders, monitoring review and reporting arrangements.	Deputy Director Housing Services	2	10
Decent Homes Programme 2012/13	This will be a review to provide assurance that the programme's key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements, expenditure and payments to third parties and external organisations; costs and value for money; compliance with local and statutory timescales; and the systems are compliant with statutory requirements and the Council's financial procedure rules, including contract standing orders, monitoring review and reporting arrangements.	Deputy Director Housing Services/ Director Housing Services HfH	tbc	10
Digital Communal Aerial Systems upgrade – post implementation review	This will be a post implementation 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	1	5
Court of Protection and Receivership	This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements, information management and data sharing arrangements, income and expenditure; payments to third parties and	Deputy Director Adult & Community Services	2	10

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	<p>external organisations; compliance with local and statutory timescales; and the systems are compliant with statutory requirements and the Council's financial procedure rules, and monitoring review and reporting arrangements.</p>			
Occupational Therapy Service	<p>This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to governance arrangements; income and expenditure; payments to third parties and external organisations; compliance with local and statutory timescales; and the systems are compliant with statutory requirements and the Council's financial procedure rules, and monitoring review and reporting arrangements.</p>	Deputy Director Adult & Community Services	1	10
<b>Total</b>				<b>45</b>



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### Chief Executive – People and Organisational and 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
Development of continuous monitoring/auditing for the key financial system (payroll)	The programme to develop continuous monitoring/auditing for payroll will begin in 2012/13. The quarterly reviews will aim to provide assurance that key financial controls are in place and operating effectively across the year. This ongoing review will support the annual key financial system audit.	Head of HR/ Head of Shared Services/ Head of Audit	1-4	5
Shared Services – Payroll	This will be a review of the shared services arrangements with Waltham Forest to provide assurance over the governance arrangements (and MOU), compliance with statutory and local requirements, expenditure, review of key risks and controls in place	Head of HR	2	5
Data Security/Information Governance Arrangements	This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to: physical and logical security across the Council; overall policy and governance arrangements; and the systems are compliant with statutory requirements and the Council's financial procedure rules, and monitoring review and reporting arrangements. The review will also include a follow up of any recommendations from external assessments.	Head of Policy Intelligence and Partnerships	1	15
Gifts and Hospitality (compliance with Bribery Act)	This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to: overall policy and governance arrangements; implementation across the Council; and the systems are compliant with statutory requirements and the	Head of HR	2	10

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	Council's financial procedure rules, and monitoring review and reporting arrangements.			
Declaration of Interests	This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to: overall policy and governance arrangements; implementation across the Council; and the systems are compliant with statutory requirements and the Council's financial procedure rules, and monitoring review and reporting arrangements.	Head of HR	2	10
Health and Safety	This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to: overall policy and governance arrangements; implementation across the Council; and the systems are compliant with statutory requirements and the Council's financial procedure rules, and monitoring review and reporting arrangements.	Head of HR	3	10
Data Quality	This will be a review to provide assurance that the service's key controls have been identified and are adequate and effective in managing the risks with regard to: overall policy and governance arrangements; implementation across the Council; and the systems are compliant with statutory requirements and the Council's monitoring review and reporting arrangements.	Head of Policy Intelligence and Partnerships	2	10
<b>Total</b>				<b>80</b>

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### Public Health:

Audit title	Indicative Scope	Client	Quarter	Days
Smoking Cessation Programme	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.	Assistant Director Public Health	Tbc	8
Health Checks Programme	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.	Assistant Director Public Health	Tbc	8
<b>Total</b>				<b>16</b>

