

# Audit Services Annual Audit Plan 2010/11

Apportionment of the Plan



**APPENDIX A**

	<b>Audit Assignments</b>	<b>Advice and Consultancy</b>	<b>Corporate Arrangements</b>	<b>Sub Total</b>	<b>Contingency Allowance</b>	<b>Total</b>
<b>Community Services</b>	177	35		212	25	237
<b>Corporate Services</b>	117	74		191	25	216
<b>Children's Services</b>	135	75		210	25	235
<b>Chief Executives</b>	30	15		45	10	55
<b>Core Corporate</b>	77	75	90	242	15	257
	<b>536</b>	<b>274</b>	<b>90</b>	<b>900</b>	<b>100</b>	<b>1000</b>

## Community Services Department

AUDIT ASSIGNMENTS	Brief Synopsis of Work to be Undertaken/Areas of Coverage	Audit Days
Housing Benefits	To include: benefit overpayments, LHA processes, BACS payment processes , control team functions, system application controls, management processes.	20
Housing Rents	To include: income control, BACS processes, Orchard Housing system application controls, annual rent increase, debit controls, other charges, interface controls.	10
Contract Audit - Implementation of Capital Process Review	To include: implementation of new arrangements, project management arrangements , tender/selection processes, variations to contracts, time extensions, payment to contractors, adequacy of contractual documentation, systems and procedural documentation, management and supervision arrangements.	25
Waste Contract	Review of the new waste management contract arrangements	15
Street Scene	Review of the management arrangements, control mechanisms and processes employed by Street Scene.	15
Stores	To include: purchasing, issues, receipts, stock control, security, process and management controls.	10
Transport	To include: review of the Fleetmaster implementation, vehicle maintenance, vehicle hire, control over usage, fuel consumption, vehicle procurement, management arrangements.	10
Dolphin Centre	To include: income and admission controls, IT system controls, security, complimentary admissions, controls over fitness packages, classes, bookings , promotions, equipment hire and sales.	10
Dolphin Centre - Catering	To include: stock control, income collection, functions, consumptions, wastage, vending, security and management arrangements.	12
Building Maintenance	To include: contractual arrangements, process flows, job costing, control of jobs, quality control, billing arrangements.	15
Adult Services - Supported Living	To include: procedural documentation, care management records, client	10

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Scheme	accounts, expenditure records, transport.	
Adult Services - Independent Sector Payments	To include: adherence to statutory regulations, provider contracts and payments, care assessments, care payments, charging policy, debt management.	15
Creditors	To include adherence to financial/purchasing procedures, value for money, control over procurement cards, petty cash accounts	10
<b>CONSULTANCY/ADVICE</b>		
Information Governance - Data Set Review	Review of information process flows and information security including receipt, transmissions, retention and disposal of sensitive information.	10
Benefits/Council Tax Efficiencies	Providing advice and assistance as required in respect of the implementation of Anite in Local Taxation and the integration of the systems administration function between the two services	5
Care First	Provide advice upon control issues and assistance with the implementation of relevant CareFirst modules	5
Direct Payments	Provide advice and assistance with the implementation of revised procedures and monitoring arrangements	5
General Provision - inc. audit recommendations follow up	Issues arising within the department requiring audit input/advice, etc. Follow up of audit recommendations to ensure implementation by the dates agreed with management.	10
<b>Contingency Activity Allowance</b>		
Notional Allocation	Any unforeseen issues or assignments (special investigations etc). requests from the Director, arising during the course of the year	25
<b>Total Person days Allocated</b>		<b>237</b>

## Corporate Services

<b>AUDIT ASSIGNMENTS</b>	<b>Brief Synopsis of Work to be Undertaken/Areas of Coverage</b>	<b>Audit Days</b>
Income Collection/Reconciliation	To include: reconciliation controls in respect of income received from all sources, debit and credit card payment systems and controls, departmental bankings, departmental receipt books, BACS , cash handling, security.	15
Council Tax	To include: system application controls, user security, tax setting, property and debit controls, arrears recovery, bailiffs , income and direct debit controls, AUDDIS paperless direct debit, new property controls.	15
Payroll/HR	To include: residual and feeder controls into the partnership payroll processing system, including contractual arrangements, incremental progression, honorariums, overtime, sickness management, authorisation of payments.	10
Sickness Absence	To include: management and HR monitoring arrangements, linkages into Xentrall Absence Services, adherence to policy arrangements.	15
Treasury Management	To include: compliance with all relevant legislative requirements, adequacy of control over all transactions both investment and borrowing, appropriate contractual arrangements in place with external bodies, controls over PWLB.	10
Creditors	To include adherence to financial/purchasing procedures, value for money, control over procurement cards, petty cash accounts.	10
Procurement	Review of Procurement Framework, best practice, value for money.	15
Business Continuity	To include: review of arrangements in place including testing regimes.	15
VAT	To include: accurate and timely completion of VAT returns, accurate accounting of VAT on all taxable activities, adequacy of documented procedures and appropriate training in place in respect of VAT issues.	12
<b>CONSULTANCY / ADVICE</b>		
Darlington and Stockton Partnership	Provide advice and assistance as required in respect of the	20

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	implementation of the Partnership including governance and associated control environment and operational issues	
Information Governance - Data Set Reviews	Review of information process flows and information security including receipt, transmissions, retention and disposal of sensitive information.	10
Call/Contact Centre	Provide advice and assistance in the development of processes, both income and non income related to services within the call /contact centre	10
Plastic Card Industry Data Security Standard	Facilitate the implementation of the PCI Data Security Standard to ensure compliance with mandatory industry standards and the introduction of best practice in respect of plastic card data security.	5
International Financial reporting Standard - IFRS	Provide advice and assistance as required in respect of the new standard	5
Finance Practitioners Group	Attendance at the monthly Finance Practitioners Group providing advice, guidance and general input as required.	4
Benefits/Council Tax Efficiencies	Provide advice and assistance as required in respect of the implementation of Anite in Local Taxation and the integration of the systems administration function between the two services	5
Carbon Reduction Scheme	Provide advice and assistance as required in respect of the implementation of the Carbon Reduction Commitment Energy Efficiency Scheme (CRC)	5
General Provision - inc. audit recommendations follow up	Issues arising within the department requiring audit input/advice, etc. Follow up of audit recommendations to ensure implementation by the dates agreed with management.	10
<b>CONTINGENCY ACTIVITY ALLOWANCE</b>		
Notional Allocation	Any unforeseen issues or assignments (special investigations etc). requests from the Director, arising during the course of the year	<b>25</b>
<b>Departmental Total</b>		<b>216</b>

## Children's Services

<b>AUDIT ASSIGNMENTS</b>	<b>Brief Synopsis of Work to be Undertaken/Areas of Coverage</b>	<b>Audit Days</b>
Primary Schools x 10	To include: arrangements for governance, financial planning, budgetary control, purchasing, income, asset management, data security, payroll and personnel and reassessment of the FMSiS Standard.	60
Looked After Children	To include: payment processes, recharges to other local authorities, record keeping and adequacy of procedural documentation,	18
Building Schools for the Future	Review of contractual, management and procedural arrangements in place in respect of the BSF programme.	15
Contract Monitoring - PFI Scheme	Review of contract monitoring arrangements in place in respect of PFI schemes	10
Special Education Services	Review of procedures in respect of Special Education Services within the Borough.	10
Schools Finance Support Team	Review of the services provided to schools.	10
Creditors	To include: adherence to financial/purchasing procedures, value for money, control over procurement cards, petty cash accounts	10
Trusts and Funds	Undertake the annual audit of accounts.	2
<b>CONSULTANCY / ADVICE</b>		
Locality Working and Integration Arrangements	Provide assistance with the implementation of locality working and integration arrangements.	20
VFM in Schools	To include: a review of the implementation of the Audit Commission Report: "Valuable Lessons – Improving Economy and Efficiency in Schools.	20
Information Governance - Data Set Reviews	Review of information process flows and information security including receipt, transmissions, retention and disposal of sensitive information.	10
Contact Point	Provide advice upon control issues in the implementation of Contact Point.	10

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EOTAS Procedural Documentation	To provide advice and assistance in the implementation of revised procedural documentation.	5
General Provision - inc. audit recommendations follow up	Issues arising within the department requiring audit input/advice, etc. Follow up of audit recommendations to ensure implementation by the dates agreed with management.	10
<b>CONTINGENCY ACTIVITY ALLOWANCE</b>		
Notional Allocation	Any unforeseen issues or assignments (special investigations etc). requests from the Director, arising during the course of the year	25
<b>Departmental Total</b>		<b>235</b>



## Corporate Core

<b>AUDIT ASSIGNMENTS</b>	<b>Brief Synopsis of Work to be Undertaken/Areas of Coverage</b>	<b>Audit Days</b>
Data Quality/Performance Indicators	To include: review of overall management arrangements to secure data quality including adequacy of arrangements, validation of data, risk assessments.	20
Corporate Governance	To include: a review of the Corporate Governance Framework.	10
VFM Arrangements	To include: a review of the Council's Value for Money arrangements.	15
Local Area Agreement	Provide assurance on the eligibility of expenditure to enable the Director of Corporate Services to sign off the year end statement of grant usage.	10
Grants	A review of corporate arrangements in respect of the production, recording and management of grant claims.	10
T.M. Barron Charity	Undertake the annual audit of accounts.	2
Inventories	To include: systems employed for acquisitions, disposals, recording and verification of assets	10
<b>CONSULTANCY etc.</b>		
Anti-Fraud Arrangements	To include: review of the arrangements in place, effectiveness, awareness, publicity, protocols.	10
Risk Management	To include: review of the risk management process, monitoring and management of identified risks, new risks, action/improvement planning to mitigate risks, reporting arrangements and awareness.	10
Council's New Business Model	Providing advice and assistance as required in the implementation of the Council's new business model.	50
General Provision	Issues arising within the department requiring audit input/advice, etc. Follow up of audit recommendations to ensure implementation by the dates agreed with management.	5
<b>CORPORATE ARRANGEMENTS</b>		

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Training - Corporate Governance Issues	Facilitate a training programme within the Council to raise awareness	15
NFI 2010	Co-ordinate the Council's response to the National Fraud Initiative 2010/11.	15
Use of Resources/CAA	Contribute to self assessment against the revised methodology for submission to PwC.	15
Audit Committee Related	Facilitate and service the committee as required.	15
External Audit Liaison	Quarterly meetings and regular ad hoc liaison to discuss areas of working, issues arising, to ensure best possible use of audit resources.	10
Managers Assurance Statements including Schools	Co-ordinate the production of Managers Assurance Statements across the departments.	10
Annual Review of Internal Audit Effectiveness	Participate in the independent review of Internal Audit Effectiveness as required by the Accounts and Audit Regulations 2006.	5
Annual Governance Statement	Co-ordinate the production of the Annual Governance Statement.	5
<b>CONTINGENCY ACTIVITY ALLOWANCE</b>		
Notional Allocation	Any unforeseen issues or assignments (special investigations etc). requests from the Director, arising during the course of the year	15
<b>Departmental Total</b>		<b>257</b>

## Chief Executives

<b>AUDIT ASSIGNMENTS</b>	<b>Brief Synopsis of Work to be Undertaken/Areas of Coverage</b>	<b>Audit Days</b>
European Grants	Audit of specific grants in accordance with European grant terms and conditions.	10
Development Control and Planning	To include; compliance with statutory requirements, control of applications, charging, income control, appeals, performance monitoring and management arrangements	10
Creditors	To include adherence to financial/purchasing procedures, value for money, control over procurement cards, petty cash accounts.	10
<b>CONSULTANCY / ADVICE</b>		
Information Governance - Data Set Reviews	Review of information process flows and information security including receipt, transmissions, retention and disposal of sensitive information.	10
General Provision - inc. audit recommendations follow up	Issues arising within the department requiring audit input/advice, etc. Follow up of audit recommendations to ensure implementation by the dates agreed with management.	5
<b>CONTINGENCY ACTIVITY ALLOWANCE</b>		
Notional Allocation	Any unforeseen issues or assignments (special investigations etc). requests from the Director, arising during the course of the year	10
<b>Departmental Totals</b>		<b>55</b>