

Progress against the Internal Audit Plan 2015-16

Work completed

Category	Audit Title	Proposed audit scope, i.e. confirm risks are managed to ensure that.....	Position at 4/3/16	Summary recommendations	Opinion
Risk management	Risk Management (RM) Framework	The revised risk management framework is effective in assisting the CFA achieve its objectives.	Final issued	<ul style="list-style-type: none"> • RM training to Area Managers • Consistency in RM assessments and applying further actions • Confirm role of EAB in RM • Merging registers • Improve templates • Publish approved register 	Substantial
Risk management	Anti-Fraud Related Coverage	Assessment against the Authority's conformance to the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption	Final issued	The assessment revealed a good level of performance against the Code. Effective arrangements are in place across many aspects and there is positive action to improve resilience to fraud and to manage fraud risks. There are some areas of weakness which will be reviewed.	Substantial

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Internal control	Reconciliations and balances. 2014-15 accounts final audit (*)	General Ledger, receivables, payables, investments and payroll are routinely reconciled and balanced. General tests required by the external auditor are that all reconciliations have been completed, signed and dated. For one month, detailed tests are required; significant entries are valid, calculations are accurate and evidence to support adjustments.	Final issued	None	Full
Internal control	Reconciliations and balances 2015-16 accounts interim audit (*)	As above but for 2015-16 transactions	Final issued	None	Full
Internal control	Payroll 2014-15 accounts final audit (*)	Starters, leavers and variations to pay are valid and accurately accounted for. Links to the annual fraud survey 'Protecting the public purse'	Final issued	<ul style="list-style-type: none"> • Improve procedures to avoid overpayments • Improve pre/post payroll checks 	Substantial

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Internal Control	National Fraud Initiative	Co-ordination of data download and investigation of subsequent data matches. Links to the annual report 'Protecting the public purse'	Complete	One duplicate payment of just over £4,000 was identified and recovered.	No opinion

Work in progress

Category	Audit Title	Proposed audit scope, i.e. confirm risks are managed to ensure that.....	Position at 4/3/16	Summary recommendations	Opinion
Internal control	Payroll 2015-16 accounts interim audit (*)	<p>Starters, leavers and variations to pay are valid and accurately accounted for</p> <p>Links to the annual fraud survey 'Protecting the public purse'</p>	Draft issued 3/3/16	Awaiting agreement from management	Substantial (**)
Internal control	Pensions (*)	<p>Starters, leavers and variations to pay are accurately accounted for in respect of pensionable adjustments required. Financial feeds from the payroll provider are accurately and promptly recorded within the Agresso financials system.</p> <p>Contribution banding, pensions increases and dependents pension requirements are also correctly applied</p>	Draft issued 3/3/16	Awaiting agreement from management	Substantial (**)

Category	Audit Title	Proposed audit scope, i.e. confirm risks are managed to ensure that.....	Position at 4/3/16	Summary recommendations	Opinion
Governance	Annual Statement of Assurance incorporating Performance Management	Reliance can be placed on the assurance and performance management framework in operation within the organisation in order to contribute towards an adequate and effective internal control environment	Draft imminent	Awaiting quality review	TBC
Governance	Ethics & culture	Appropriate ethics and values are promoted within the organisation – building on self-assessment work undertaken in 14/15 e.g. application of whistleblowing and Freedom of Information requirements Note: An opinion on this is required in accordance with the Public Sector Internal Audit Standards (Ref 2110)	Draft imminent	Awaiting quality review	TBC

Category	Audit Title	Proposed audit scope, i.e. confirm risks are managed to ensure that.....	Position at 4/3/16	Summary recommendations	Opinion
Internal control	ICT controls (*)	The ICT infrastructure is robust. Note: This audit is required to assess the integrity of the ICT infrastructure and associated applications that either directly or indirectly contribute to the production of the financial statements and associated management decision making.	Draft imminent	Awaiting quality review	TBC
Internal Control	Pensions CARE calculations	Unplanned : walk through testing to give assurance on the validity and accuracy of calculations with regard to payments for new pensions and lump sums	Draft imminent	Awaiting quality review	TBC

() Refers to audits required by the former external auditor in their annual assessment of the likelihood of material misstatement in the Authority's financial accounts.*

*(**) Refers to where the auditor's work has been quality reviewed by an Audit Manager and there's confidence that the opinion given will be acceptable to management and is unlikely to change.*

Work not undertaken

Category	Audit Title	Proposed audit scope, i.e. confirm risks are managed to ensure that.....	Position at 4/3/16
Governance	Organisational Change Project	A robust framework exists for planning, implementing and monitoring and aligning to the MTFP requirements e.g. efficiencies, increased income and service reductions	Deferred as agreed with Treasurer
Risk management	Procurement	Legislation and policy is complied with and collaboration opportunities are maximised. Coverage will consider the effectiveness of arrangements for detecting and addressing off-contract purchasing, and for any large scale tender processes adequate governance, risk management and internal control requirements have been considered	Deferred as agreed with Treasurer
Internal control	Agresso Business Management System	Modules of the business management system operate in accordance with business requirements <i>Areas of coverage to be defined in conjunction with the external auditor to avoid omission or duplication.</i>	Deferred as agreed with Treasurer

Other

High Importance Recommendations from 14/15 audits & resulting from 15/16 audits	High importance recommendations have been addressed in a timely manner in order to mitigate risk to an acceptable level.	None
Client Management	<ul style="list-style-type: none">• Planning & reporting• Head of Internal Audit duties – Committees, Opinions & Reports• External Audit liaison – including developing protocols, providing views on fraud etc.	Ongoing
Emerging Issues and Advice	Adequate governance, risk management and internal control requirements have been considered in respect of emerging issues.	Ongoing