

SCC Internal Audit Plan 2017/18

Appendix A

Service Area	Audit Type and Area	Q1	Q2	Q3	Q4	Total	Reason in the plan	Audit Proposed By
	<b>Key Control Audits</b>							
Finance & Performance	Creditors				30	30	Post transfer of responsibility from Southwest One. Include sample for Somerset Waste Partnership.	Strategic Manager - Finance Governance
Finance & Performance	Debt Management			30		30	Post transfer of responsibility from Southwest One. Focus on debt recovery in light of 16/17 partial opinion.	Strategic Manager - Finance Governance
Finance & Performance	Payroll			30		30	Not carried out full review since 2014/15. Include IR35 changes. Post transfer from Southwest One. Include sample for Somerset Waste Partnership.	Strategic Manager - Finance Governance
Children and Learning	Troubled Families - phase 2 claims	7	7	4	7	25	Internal Audit requirement by DCLG to review claims submitted. 10 claim periods.	Strategic Commissioner Early Help and Complex Families.
	<b>TOTALS:</b>	<b>7</b>	<b>7</b>	<b>64</b>	<b>37</b>	<b>115</b>		
	<b>Governance Audits</b>							
Commercial and Business	Procurement - The Monitoring and Control of Savings Made		25			25	From <b>Healthy Organisation Strategic Review</b> . Commercial and third party spend is the second largest themed area for making savings across the Council, with minimum planned savings of £4.6million between 2017/18 and 20/21. Plans to achieve targets are captured in work streams of the Third Party spend outline business case. Whilst there is a process and rationale to capture procurement identified savings, there are multiple interdependencies which can impact on the realisation of stated savings.	Strategic Manager - Commercial and Procurement
Commercial and Business	Procurement - Category Management				25	25	From <b>Healthy Organisation Strategic Review</b> . Category management is a key component of potential savings but the system for identifying opportunities and capturing benefits is at an early stage.	Strategic Manager - Commercial and Procurement
Finance & Performance	MTFP - the Commissioning lead approach		25			25	From <b>Healthy Organisation Strategic Review</b> . New Commissioning lead approach. Given budgetary pressures a key risk area.	Director of Finance and Performance. Strategic Manager for Commissioning will be key contact.
Finance & Performance	Value for Money Strategy and Reporting			25		25	From <b>Healthy Organisation Strategic Review</b> . SCC is in the process of creating and implementing a strategy and work is also ongoing to determine how Value for Money should be reported by the Council.	Strategic Manager - Finance Governance
Commercial and Business	People Strategy		25			25	From <b>Healthy Organisation Strategic Review</b> . The overall people strategy is in the process of being updated. There is also a need for a more detailed plan to support the strategy to ensure that organisational objectives are achieved.	HR and OD Director

Commercial and Business	Workforce Planning				25	25	From <b>Healthy Organisation Strategic Review</b> - the aim of the work force planning initiative is to look at the Council's actual needs for the future and provide appropriate workforce resource to address and deliver these. A workforce planning toolkit has been developed and implementation is in progress on a prioritised basis; the main focus being on children's and adults Services. This has been included in the plan because the work force planning initiative is not yet organisational wide.	HR and OD Director
Commercial and Business	Strategic Asset Management				25	25	From <b>Healthy Organisation Strategic Review</b> . The Corporate Asset Management Plan is in the process of being updated.	Head of Property
Commercial and Business	Project Management - of projects outside of core council programme	30				30	From <b>Healthy Organisation Strategic Review</b> due to reduced assurance of control outside of core council programme. Need to consider a range of projects and therefore recommend 30 days for this review.	Strategic Manager Business Change
Commercial and Business	Project Management - Benefits Realisation of projects outside of core council programme			25		25	From <b>Healthy Organisation Strategic Review</b> due to reduced assurance of control outside of core council programme.	Strategic Manager Business Change
Finance & Performance	Performance Management - Service Planning		25			25	From <b>Healthy Organisation Strategic Review</b> . Service planning refresh taking place for 2017/18. The 2016/17 service plan templates included a greater focus on the MTFP and forward planning, in light of expected reductions in SCC's budget. However, the template was not used by all service areas and some have taken a long time to be finalised. The new model for 2017/18 is expected to be an improvement as it is more tailored to the service and some data is populated automatically.	Group Manager - Performance
Commercial and Business	Social Value Policy	20				20	Deferred from 2016/17. Also from <b>Healthy Organisation Strategic Review</b> . The social value policy does not currently include specific targets in place for social value or a defined method for capturing this across the organisation. A social value toolkit is in development. The AGS asks us to consider the ethical behavior of suppliers and the audit can help provide evidence of this.	Strategic Manager - Commercial and Procurement
Commercial and Business	Corporate Contracts - Performance Management			30		30	Select three contracts for review. Consider whether a corporate approach can be demonstrated to ensure VFM is being achieved. Include CYP within the scope of this work. Was deferred from 16/17 to give sufficient time for new toolkit be embedded. Also follow-up outstanding recommendations from previous audit.	Strategic Manager - Commercial and Procurement
Finance & Performance	Local preparations for managing National Fraud Risks		20			20	Some similarities with Managing Fraud Locally but the checklist will not be used.	Strategic Manager - Finance Governance

Finance & Performance	Provision for Fraud and Corruption Work	7	7	6	5	25	Advice and work as required	Strategic Manager - Finance Governance.
Commercial and Business	Corporate Management of Health and Safety			25		25	Following partial assurance opinions for Premises Health and Safety Management for SCC and school establishments this audit has been added to the plan to review the corporate assurance framework for Health and Safety. To include corporate reporting, monitoring and the role of Health & Safety audits.	HR and OD Director
Customers and Communities	Data Subject Access Request (DSAR) Review	20				20	Request from Customer Feedback Manager following a complaint that was referred to the Ombudsman. An audit was agreed in response to this. The audit was deferred from the 16/17 plan.	Strategic Manager - Customers and Communities
	<b>TOTALS:</b>	<b>77</b>	<b>127</b>	<b>111</b>	<b>80</b>	<b>395</b>		
	<b>IT Audits (up to 10% plan)</b>							
Commercial and Business	General Data Protection Regulation	10				10	Investigate work already completed and that intended to take place to ensure the Council understands the challenges of the GDPR (EU General Data Protection Regulation). Q1 piece of work so any required work can be completed before the legislation goes live in May 2018.	Information Governance Manager
Commercial and Business	Use of the Internet as a means of Surveillance.	10				10	Investigate how the internet is being used across the Council for investigative purposes and see if these should/could need applications for covert surveillance under RIPA. Agreed by Richard Williams and following the Council's interaction with the Office of Surveillance Commissioners.	Information Governance Manager
Commercial and Business	Payment Card Industry Data Security Standard (PCISS)		15			15	We know we are not compliant as we do not file attestations for all activities. Are we aware of our PCI status and associated level of risk. What attestations have gone in. What are our MID's. Do we understand where transactions take place. What is our Merchant Level and can we evidence this. What training is in place. Are we on the PCI radar through our third parties used to deliver any services.	Strategic Manager ICT
Commercial and Business	Follow up incident/problem/change management.				10	10	Follow up incident problem change	Strategic Manager ICT
Commercial and Business	Follow up Hardware asset management.				10	10	Hardware asset management	Strategic Manager ICT
Commercial and Business	Network Resilience and Authentication			3		3	Position Statement on network project progress as follow up to DR connectivity risk.	Strategic Manager ICT

Commercial and Business	Homefinders Follow Up	5				5	Standard follow up audit for Homefinders audit of 2015/16	Strategic Manager ICT
Commercial and Business	Active Directory/User Admin				15	15	Brought forward from 16/17	Strategic Manager ICT
Commercial and Business	Threat Management				15	15	Brought forward from 16/17	Strategic Manager ICT
Commercial and Business	Business Applications - Business Critical System Capita One		20			20	Management of key system to ensure ICT strategy adhered to and good system management practices in place in service areas.	Director of Childrens Services
Commercial and Business	SAP - Financial System IT Controls			15		15	Not audited recently. Key area of assurance with the ending of the SW One contract.	Strategic Manager - Finance Governance
Commercial and Business	Position Statement on outstanding follow-up audits including software and Healthy Organisation.				12	12	To update the audit committee on progress made to mitigate risks relating to partial assurance audits yet to be followed up and areas identified from Healthy Organisation work.	Strategic Manager ICT
	<b>TOTALS:</b>	<b>25</b>	<b>35</b>	<b>18</b>	<b>62</b>	<b>140</b>		
Children & Families	Independent Placements for Children Looked After and Education - Financial Controls	25				25	Audit carried out in 16/17 - significant number of priority recommendations to retest for both CLA and Education Placements. To expand scope of review to include financial forecasting arrangements for placements.	Director of Childrens Services
Children & Learning	The Education of Children Looked After		20			20	Non opinion review carried out in 15/16 as the service was undergoing much change. An opinion based review in 17/18 will assess the extent to which these improvements have been embedded.	Strategic Manager Improving Outcomes
Children & Learning	Use of Part-time Timetables in Schools			25		25	Recent report listed 188 SEND/CLA/in need/CP Plan children with 80% or less attendance over the previous 12 weeks. Part-time timetables should only be put in place where the SCC Protocol issued to schools in January is followed. Audit to check compliance with this protocol. Could also consider off-site education and assurance schools over attendance and appropriateness of this.	Strategic Manager Improving Outcomes

Children & Learning	The Transport of Children				25	25	To include high needs children as no assurance in 15/16. Follow-up based on the pilot took place in 16/17 however improvement still needed and updated system to be the subject of this review. Also look to widen scope of this review to include Children Social Care as a new risk assessment based system is being rolled out in April 2017.	Director of Childrens Services
Children & Learning	Structural Failure of School Buildings				25	25	Previous review of property maintenance arrangements gave partial assurance and follow-up undertaken at start of contract with SKANSKA so there was only limited evidence of implementation of recommendations. One finding of the <b>Healthy Organisation Strategic Review</b> is also relevant. It was identified that there wasn't a fully developed maintenance strategy in place and this will be a priority area of work following the ending of the Southwest One contract. BMIS is being replaced on 1st April and replaced with SSE purchased support. An audit in Q4 would allow a review of these new arrangements to be undertaken.	Strategic Manager Improving Outcomes
Children and Families	Childrens Direct Payments		25			25	The Children Act 1989 states that direct payments may be made to a parent of a disabled child who has been assessed as requiring support from Children's services. Under the Health and Social Care Act 2002, a local authority has a duty to make a direct payment if conditions are met.	Director of Childrens Services
ECI	Concessionary Fares - Key control review				20	20	Previous review was partial and recommendations not fully implemented at time follow-up undertaken. To be scheduled once new post created and member of staff established in their role.	Strategic Manager - Finance Governance
ECI	Dillington House Financial Controls Review	10				10	To include: adherence to financial regulations, obtaining quotes, cash handling, controls relating to food.	Strategic Manager - Finance Governance
Adults and Health	Risk of Care Provider Failure	25				25	SW Internal Audit People Group identified this as a key area. Under the Care Act, LAs have responsibility to provide care if a care provider fails.	Director of Adult Social Services & Adults & Health Operations Director.
Adults and Health	Mental Health			25		25	New model implemented in 1/10/2016. Audit to review how well embedded after one year including delivery of mental health assessments and associated guidance.	Director of Adult Social Services & Adults & Health Operations Director.
Adults and Health	The efficiency and effectiveness of the new Operating model				25	25	Original basis for inclusion in the plan: Currently 30% calls do not require further action by SCC. This compares to an average figure of 50%, a median figure of 60% and 70% for top performing authorities. The MTFP has a financial saving depending on increasing this figure which will be challenging. Risk of doing this too soon is that if not carried out properly will result in clients presenting with higher needs at a later date. Deferred from 16/17 due to review of SW One which required some redesign of the model.	Director of Adult Social Services & Adults & Health Operations Director.

	<b>TOTALS:</b>	<b>60</b>	<b>45</b>	<b>50</b>	<b>95</b>	<b>250</b>		
<b>Schools and Early Years</b>								
Children & Learning	School Theme - Schools Financial Value Standard (SFVS)			45		45	Provides annual assurance in relation to financial management in schools.	Strategic Manager Improving Outcomes
Children & Learning	School Theme - Financial Governance, budget planning and monitoring	55				55	Recommended by schools finance team: 'with strong skilled leadership who have an understanding of what is required of them many of the everyday issues would be addressed and strategies put in place to ensure compliance'. Schedule visits second half of June/first half of July to be able to check latest year-end figures.	Strategic Manager Improving Outcomes
Children & Learning	School Theme - esafety				45	45	Extension of general safeguarding. To cover safe and responsible use of technology both the internet and other electronic media such as texts and e-mail.	Strategic Manager Improving Outcomes
Children & Learning	Schools Financial Value Standard Moderation		5			5	SWAP contribution to annual moderation exercise	Strategic Manager Improving Outcomes
Children & Learning	School Visit Contingency	10				10	Contingency for requested visits during the year	Strategic Manager Improving Outcomes
Children & Learning	School follow-ups to Previous Year Partial	10				10	Partial Assurance follow-up from 15/16	Strategic Manager Improving Outcomes
Children & Learning	Early Years Visits	15		15	20	50	EY years visit across the three funding periods.	Strategic Manager Improving Outcomes
Children & Learning	Early Years Themed Report		10			10	Produce a themed report from results of 15/16 EY visits.	Strategic Manager Improving Outcomes
		<b>90</b>	<b>15</b>	<b>60</b>	<b>65</b>	<b>230</b>		
<b>Follow Up Audits</b>								
Finance & Performance	Healthy Organisation Strategic Review- Follow-up	1	2	2	2	7	All areas for attention will be recorded on JCAD. The key areas where improvement required are subject to separate audits. However there are a number of findings where this is not justified and will be picked up and reported individually.	Director of Finance and Performance
Children & Families	Retention of Foster Carers	3				3	Previous follow-up complete and some actions remained outstanding	Follow-up approach agreed with audit committee
Children & Families	Multi Agency Safeguarding Board	3				3	Previous follow-up complete and some actions remained outstanding	Follow-up approach agreed with audit committee
Adults & Health	Deprivation of Liberty	3				3	Previous follow-up complete and some actions remained outstanding	Follow-up approach agreed with audit committee
Adults & Health	Direct Payments		8			8	Partial Assurance in 15/16 previous audit deferred due to a restructure in local finance teams.	Follow-up approach agreed with audit committee

Adults & Health	AIS - Data Quality		8			8	Partial Assurance in 16/17	Follow-up approach agreed with audit committee
Children & Learning	Health & Safety -Premises Management Schools			10		10	Partial Assurance in 2015/16 and follow-up review reported significant areas still to be addressed. Corporate overview of schools will be considered as part of full audit above. From April funding for H & S system (such as EEC live) will be devolved directly to schools.	Follow-up approach agreed with audit committee
Commercial and Business	Health & Safety -Premises Management SCC establishments	10				10	Partial assurance in 2016/17.	Follow-up approach agreed with audit committee
Finance & Performance	Cash Handling - Implementation of Policy		5			5	Non opinion review in 16/17. It was agreed to produce a cash handling policy as a result of this work.	Follow-up approach agreed with audit committee
Adults & Health	Adults Placements including ISP interface		20			20	Partial Assurance in 2016/17. Will need retesting and therefore 20 days required. (Need target dates). ISP interface partial in 2015/16 but audit deferred due to restructuring of the local finance teams.	Follow-up approach agreed with audit committee
Adults & Health	Adults Income Collection - Personal Finance Contributions			8		8	Previous follow-up complete and some actions remained outstanding. Need target dates.	Follow-up approach agreed with audit committee
Children & Learning	Follow-up: School Theme - The planned use of school balances	5				5	Partial assurance in 16/17	Follow-up approach agreed with audit committee
ECl	Section 106 Agreements	10				10	Partial assurance in 15/16. Follow-up timed with implementation of new system.	Follow-up approach agreed with audit committee
Various	Monitoring and Management of Partial Assurance Recommendations	4	3	4	4	15	Sign off process to provide confirmation of implementation of recommendations. Additional follow-up work also required where not all recommendations found to be fully implemented.	Follow-up approach agreed with audit committee
Various	Follow Up Reviews - Contingency	10	10	10	10	40	Contingency to follow up audits on Partial Assurance finalised after plan approved, as agreed by Audit Committee.	Follow-up approach agreed with audit committee
<b>TOTALS:</b>		<b>49</b>	<b>56</b>	<b>34</b>	<b>16</b>	<b>155</b>		
<b>Grant/Support Activities</b>								
Corporate	Corporate Advice and Planning	13	12	12	13	50	Meetings and liaison with Strategic Manager - Finance Governance. Compliation of annual internal audit plan with input and agreement of Senior Management. Ongoing support relating to delivery of the internal audit plan to ensure progress satisfactory and appropriate intervention where it is not.	Strategic Manager - Finance Governance.
Corporate	Committee Reporting/Attendance and other Corporate Meetings	7	6	6	6	25	Audit Committee attendance, including partials and preparation of papers. Attendance at SRMG, core contract group and other SCC meetings.	Strategic Manager - Finance Governance.

Economic and Community Infrastructure	Advice - ECI	1	2	1	1	5	Staff time to liaise with service, deal with ad hoc queries and keep up to date with service developments including SWAP wide specialist meetings.	Strategic Manager - Finance Governance.
Adults and Health	Advice - Adults	2	2	2	2	8	Staff time to liaise with service, deal with ad hoc queries and keep up to date with service developments including SWAP wide specialist meetings.	Strategic Manager - Finance Governance.
ICT	Advice - ICT	2	2	2	2	8	Staff time to liaise with service, deal with ad hoc queries and keep up to date with service developments including SWAP wide specialist meetings.	Strategic Manager - Finance Governance.
Corporate	Advice - Corporate	2	2	2	2	8	Staff time to liaise with service, deal with ad hoc queries and keep up to date with service developments including SWAP wide specialist meetings.	Strategic Manager - Finance Governance.
Children & Families	Advice - Children & Families	1	2	1	1	5	Staff time to liaise with service, deal with ad hoc queries and keep up to date with service developments including SWAP wide specialist meetings.	Strategic Manager - Finance Governance.
Children and Learning	Advice and School Support	1	2	1	2	6	Staff time to liaise with service, deal with ad hoc queries and keep up to date with service developments including SWAP wide specialist meetings.	Strategic Manager - Finance Governance.
<b>TOTALS:</b>		<b>29</b>	<b>30</b>	<b>27</b>	<b>29</b>	<b>115</b>		

<b>TOTALS:</b>					<b>2016/17</b>	
<b>Key Control Audits</b>	<b>7</b>	<b>7</b>	<b>64</b>	<b>37</b>	<b>115</b>	175
<b>Governance Audits</b>	<b>77</b>	<b>127</b>	<b>111</b>	<b>80</b>	<b>395</b>	215
<b>IT Audits</b>	<b>25</b>	<b>35</b>	<b>18</b>	<b>62</b>	<b>140</b>	155
<b>Operational Audits</b>	<b>60</b>	<b>45</b>	<b>50</b>	<b>95</b>	<b>250</b>	295
<b>Schools and Early Years</b>	<b>90</b>	<b>15</b>	<b>60</b>	<b>65</b>	<b>230</b>	280
<b>Follow Up Audits</b>	<b>49</b>	<b>56</b>	<b>34</b>	<b>16</b>	<b>155</b>	163
<b>Non-Opinion</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	60
<b>Grants and Support Activities</b>	<b>29</b>	<b>30</b>	<b>27</b>	<b>29</b>	<b>115</b>	190
<b>TOTAL AUDIT TIMES:</b>	<b>337</b>	<b>315</b>	<b>364</b>	<b>384</b>	<b>1400</b>	1533