

SCC Internal Audit Plan 2018/19

Draft

Service Area	Audit Type and Area	Q1	Q2	Q3	Q4	Total	Reason in the plan	Other Comments	Audit Sponsor
	Key Control Audits								
Finance, Legal and Governance	Creditors			25		25	Continued focus on creditors to monitor the embedding of previous recommendations. Creditor payments are significant in terms of value and number of transactions and nationally recognised as a high risk of fraud and error.		Service Manager - Chief Accountant
Finance, Legal and Governance	Debt Management			35		35	Continued focus on debt recovery to monitor the embedding of recommendations and the 2017 Income Code of Practice.		Service Manager - Chief Accountant
Finance, Legal and Governance	Healthy Organisation		50	40		90	First carried out in 2016/17. The review will reassess across eight corporate areas. This is a key review carried out across the SWAP partnership to help ensure that there is an adequate governance framework in place. It is proposed that this is run on a 2 year cycle, one year to review and one year for SCC to respond.	Leads will be Julian Gale, Kevin Nacey, Scott Wooldridge, Vicky Hearn, Donna Fitzgerald, Jan Stafford, Louise Day, Mike Kenworthy, Chris Squire and Claire Lovett.	Chief Executive
Finance, Legal and Governance	Cash Handling	30				30	High inherent risk of fraud and error. Select a series of services/establishments to check compliance with agreed policy. Also consider PCI implications given partial assurance in 2017/18.	To include Dillington House and cover as part of the Dillington Review audit.	Service Manager - Chief Accountant
Children and Learning	Troubled Families - phase 2 claims	8	8	6	8	30	Internal Audit Requirement by DCLG to review claims submitted. Six claim periods per year and volume of number claimed scheduled to significantly increase in 2018/19.	Ongoing - approved in 16/17	Troubled Families Coordinator
	TOTALS:	38	58	106	8	210			
	Governance Audits								
Commercial and Business	Procurement - Category Management	25				25	Rolled over from 2017/18. From Healthy Organisation Strategic Review . Category management is a key component of potential savings but the system for identifying opportunities and capturing benefits is at an early stage.	Agreed in 17/18	Strategic Manager - Commercial and Procurement
Commercial and Business	People Strategy		20			20	Non Opinion review carried out in 2017/18. Agreed that this would be followed up with an opinion based review.		HR and OD Director

Commercial and Business	Workforce Planning			25		25	Rolled over from 2017/18. From Healthy Organisation Strategic Review - 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.	Agreed in 17/18. Chris Squire request for later in the year.	HR and OD Director
Corporate Affairs	Performance Management	25				25	Rolled over from 2017/18. From Healthy Organisation Strategic Review . Service planning refresh taking place for 2017/18. The new model is expected to be an improvement as it is more tailored to the service with some data populated automatically.	Agreed in 17/18. Currently consulting of reporting arrangements.	Strategic Manager - Customers and Communities
Commercial and Business	Corporate Contracts - Performance Management		20			20	Corporate contract management is an annual review in the audit plan reflecting the importance of effective contract management to SCC. The audit will consider compliance with corporate policy including the contract toolkit. This year's review will focus on the contract monitoring arrangements for the Somerset Partnership.	Agreed in 17/18	Strategic Manager - Commercial and Procurement
Finance, Legal and Governance	Combatting Tax Evasion		25			25	The Criminal Finance Act 2017 includes the Corporate Criminal Offence: failure to prevent tax evasion. This audit will test SCC's arrangements to ensure compliance with the requirements. (This was discussed in the January 2018 Fraud and Corruption Review).	Schools will need to be included. VAT Officer and Head of Payroll also to be involved.	Strategic Manager - Finance Governance
Adults and Health	Management of Blue Badges		20			20	Identified as potential area for fraud risk as part of the 2017/2018 SWAP review of local controls in place to combat known national fraud risks.		Strategic Manager - Finance Governance
Commercial and Business	Premises Management Health and Safety - SCC establishments (non schools)		35			35	Previous corporate risk reported in relation to this. Follow-up concluded that centrally improvements had been made. The audit will be used to confirm the extent to which improved arrangements have been fully embedded by premises managers.		Head of Property
Commercial and Business	Role of the Somerset Manager	25				25	Identified as a risk area following investigations across SWAP in 2017/18. This review will determine whether there is adequate guidance/ procedural instruction/training for the role of a Somerset Manager, and then assess compliance with this across the Council, particularly in relation to their individual responsibilities.	Dorset have also included this. Scope likely to focus on grade 10 and above.	Strategic Manager - Finance Governance/HR and OD Director.
Finance, Legal & Performance	Provision for Fraud and Corruption Work	7	6	6	6	25	Advice and work as required		Strategic Manager - Finance Governance.

Commercial and Business	Corporate Management of Health and Safety				25	25	Deferred from 2017/18 due to an ongoing review of corporate reporting arrangements. Previous corporate risk in relation to premises management - to review the corporate assurance framework for Health and Safety. To include corporate reporting, monitoring, training and the role of H & S audits.		Head of Property
Governance and Risk	Ethical Governance - members and officers gifts including declarations of interest and gifts and hospitality.		25			25	A review covering both staff and members, including gifts and hospitality and declarations of interest. Identified as a risk area following investigations in 2017/18. Cover awareness, requirement to complete, review of small value contracts.	Dorset have also included this. To cover related party disclosures if possible as this will assist external audit.	Strategic Manager - Finance Governance/Strategic Manager Governance and Risk
TOTALS:		82	151	31	31	295			
IT Audits (up to 10% plan)									
ICT Service	GDPR			15		15	Follow up and bedding in New Regulation.	Key contact - Information Governance Manager	Head of ICT
ICT Service	RIPA Use of internet as a means of surveillance	5				5	Partial Assurance in 2017/18	Key contact - Information Governance Manager	Head of ICT
ICT Service	Payment Card Industry Data Security Standard Compliance		5			5	Partial Assurance in 2017/18	Key contact - Strategic Manager Enterprise Architecture and Governance	Head of ICT
ICT Service	WAN connection and inefficient use of data circuits	20				20	"Review the management of the use of data circuits. Significant spend both through the rental costs of WAN nodes in relation to legacy buildings/teams and the ordering of high capacity annual data circuit contracts where the building is not fully occupied or occupied at all for the whole year.		Head of ICT
ICT Service	Asset Management - telephony				15	15	Not audited previously and service wish to look at the management of telephony		Head of ICT
ICT Service	Risk Analysis full lifecycle		15			15	Risk management by ICT services through to Corporate risk register is an area for improvement. There is a risk that ineffective use of risk registers means accountability and PIA requirements for GDPR are less likely to be able to be evidenced. Risk that are still active but have no ongoing risk treatment or mitigation have tacit acceptance and therefore if still reported as active may not accurately reflect the current risk landscape for the Council.		Head of ICT
ICT Service	ES, Microsoft Windows Defender, Advanced Threat Protection, Security Suite deployment				15	15	The cyber security, threat management element of the plan. This is also a large new system deployment which may benefit from the first tranche of (BRM and ROI being looked at, high Level),-has the project delivered its goals?	Key contact - Strategic Manager Enterprise Architecture and Governance	Head of ICT

ICT Service	ICT Procurement.	15			15	There is a risk that staff and funding resources are being used inefficiently through buying new hardware/software/services that rather than getting the functionality through the innovative use of current assets. Looking at the classification of contract value by data risk as well as commercial risk.		Head of ICT	
ICT Service	Back-ups - Azure		15		15	To ensure industry standards for back-ups are being kept up with the new solution.		Head of ICT	
ICT Service	BRM Infolink Azure			20	20	Has the cloud based applications and DR delivered what was expected? Is the ongoing development pathway understood for the technology and other cloud services understood? If not covered in the Defender/ATP audit this should have extra time to cover Cloud security.	Key contact - Strategic Manager Enterprise Architecture and Governance	Head of ICT	
TOTALS:		40	35	35	30	140			
Service Reviews									
Children & Learning	Team around the School	30			30	Non Opinion review carried out in 2016/17 during the early stages of the programme. Agreed that this would be followed up with an opinion based review once progresses fully embedded.	Will require visits to schools.	Head of Outcomes and Sufficiency	
Children & Learning	Corporate Property Maintenance - Schools			25	25	Previous audit <i>structural review of school buildings</i> awarded partial assurance and follow-up only limited evidence of implementation of recommendations. Significant issues reported in relation to condition surveys.		Head of Outcomes and Sufficiency	
ECI	Delivery of Major Transport Projects				25	25	Non Opinion review carried out previously and followed up in 2016. Further work to give assurance of embedding of recommendations. No major projects had been completed when the initial follow-up audit took place.	Service request for further support.	Director of Economic and Community Infrastructure Operations
ECI	Concessionary Fares - validation of claims				20	20	To assess continued embedding of control framework. To include the fixed deal with First Bus.	Service request for further support.	Strategic Manager - Community and Traded Services
Commercial and Business	Dillington House Financial Controls Review	20			20	20	Non opinion review carried out in 2017/18 and agreed an opinion based review will follow once processes embedded.	To include cash handling and include results into cash handling audit.	Strategic Manager - Organisational Development Support Services for Education
Adults and Health	LD - Discovery Contract				25	25	New LD contract. Over the length of the contract scheduled to save £6 million, although expenditure will be more during the early stages. Schedule for Q4 to avoid overlap with Task and Finish group.	Requested by Audit Committee in November 2017.	Director of Adult Social Services / Director of Finance, Legal and Governance
Adults and Health	LD - Review to Improve Lives			25	25	25	Key project as £6 million saving forecast in MTFP.		Director of Adult Social Services

Adults and Health	Adults - Client Finances		25			25	Non opinion work carried out ahead of outsourcing - not formally followed up since start of contract. Service moving over to electronic banking.		Director of Adult Social Services
Adults & Health	Adults Placements - Finance and Activity Related Controls	35				35	Deferred from 2016/17 due to restructure of local finance teams. Increase scope to look at activity also. Need to assess whether aims of reducing long-term and permanent places are on track. Also consider timeliness of process including placement decision and raising of invoices.	Partial Assurance in 16/17.	Director of Adult Social Services
Children & Families	Childrens - Special Guardianship Allowances				25	25	Value for Money considerations. Consider budget management, review process and benchmarking of allowances across partners. Request to include from Director of Childrens Services.		Director of Childrens Services
Children & Families	Independent Placements for CLA and Education - Financial Controls including Placement Panels Robust of panel	25				25	To complete placements work across the service.		Assistant Director - Commissioning and Performance
ECI	Section 106 Agreements				20	20	Further review to give assurance around embedding of the new system.		Director of Economic and Community Infrastructure
TOTALS:		110	25	50	115	300			
Schools and Early Years									
Children & Learning	School Theme - Premises Health and Safety	55				55	Previous corporate risk reported in relation to this. Follow-up concluded that centrally improvements had been made. The audit will be used to confirm the extent to which improved arrangements have been fully embedded by schools.		Head of Outcomes and Sufficiency
Children & Learning	School Theme - Schools Financial Value Standard (SFVS)			40		40	Provides annual assurance in relation to financial management in schools.		Service Manager - Schools Finance
Children & Learning	School Theme - Safer Recruitment				45	45	Important safeguarding area not reviewed for several years. Specific request to include from Director of Childrens Services		Director of Childrens Services
Children & Learning	School Theme - Sports and PE Grants				45	45	The value of these has increased. Need to ensure conditions attached to use, including the publishing of information, is being complied with.		Service Manager - Schools Finance
Children & Learning	Schools Financial Value Standard Moderation		5			5	SWAP contribution to annual moderation exercise		Service Manager - Schools Finance
Children & Learning	School Visit Contingency	3		3	4	10	Contingency for requested visits during the year		
Children & Learning	School follow-ups to Previous Year Partial	3		3	4	10	Partial Assurance follow-up from 17/18		Follow-up approach agreed with Audit Committee
		61	5	46	98	210			
Follow Up Audits									

Adults and Health	Better Care Fund	10				10	Partial assurance in 17/18.	Strategic Manager has requested Q1 or as early as possible.	Follow-up approach agreed with Audit Committee
Customers and Communities	Data Subject Access Request (DSAR)	10				10	Partial Assurance in 17/18		Follow-up approach agreed with Audit Committee
Children and Families	Childrens Direct Payments			10		10	Partial Assurance in 17/18		Follow-up approach agreed with Audit Committee
Commercial and Business	Procurement - the monitoring and control of savings made			10		10	Follow-up scheduled to align with HO review		Follow-up approach agreed with Audit Committee
Finance, Legal and Governance	MTFP - the Commissioning lead approach			10		10	Follow-up scheduled to align with HO review		Follow-up approach agreed with Audit Committee
Commercial and Business	Strategic Asset Management			18		18	Further asset management work and follow-up scheduled to align with HO review		Follow-up approach agreed with Audit Committee
Children & Learning	The Education of Children Looked After			7		7	Partial Assurance in 2016/17 – not all findings implemented when followed up in 2017/18.		Follow-up approach agreed with Audit Committee
Commercial and Business	Corporate Contract Management		10			10	Follow-up to provide assurance of embedding of corporate approach.		Follow-up approach agreed with Audit Committee
Adults and Health	Risk of Care Provider Failure			10		10	Partial Assurance in 17/18		Follow-up approach agreed with Audit Committee
Various	Follow Up Reviews - Contingency				40	40	Contingency to follow up Partial Assurance audits finalised after plan approved, as agreed by Audit Committee.		Follow-up approach agreed with Audit Committee
	TOTALS:	20	10	65	40	135			
	Grant/Investigation/advice/Support Activities								
Corporate	Corporate Advice and Planning	12	12	13	13	50	Meetings and liaison with Strategic Manager - Finance Governance, to provide technical advice and updates. Compilation 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. Includes compliance with Public Sector Internal Audit Standards.		Strategic Manager - Finance Governance.
Corporate	Committee Reporting/Attendance and other Corporate Meetings	6	6	6	7	25	Audit Committee attendance, including partials and preparation of papers. Attendance and professional advice at SRMG, core contract group and other SCC meetings. Provision of Annual Audit Opinion.		Strategic Manager - Finance Governance.
Economic and Community Infrastructure	Advice - ECI	1	1	1	1	4	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 and Support Services	Advice - Corporate	1	1	1	2	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 & Families	Advice - Children & Families	1	1	1	2	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	1	1	2	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.
TOTALS:		26	26	27	31	110			

TOTALS:						2017/18
Key Control Audits	38	58	106	8	210	115
Governance Audits	82	151	31	31	295	395
IT Audits	40	35	35	30	140	140
Operational Audits	110	25	50	115	300	250
Schools and Early Years	61	5	46	98	210	230
Follow Up Audits	20	10	65	40	135	155
Grants and Support Activities	26	26	27	31	110	115
TOTAL AUDIT TIMES:	377	310	360	353	1400	1400