

Partneriaeth Pen-y-Bont a'r Fro  
Bridgend & Vale Partnership  
working together - gweithio ar y cyd



**INTERNAL AUDIT SHARED SERVICE  
DRAFT ANNUAL AUDIT PLAN**

**2013 - 2014**

**Table 1 – Productive Resource Availability & Utilisation April 2013 to March 14 – Draft Proposals.**

<b>Resources Available</b>	<b>Total Days</b>
Total Productive days Available	<b>1,374</b>
<b>Time Allocated to Audit Work</b>	
Performance / Resources <ul style="list-style-type: none"> <li>• Finance</li> <li>• Human Resources</li> <li>• Governance</li> <li>• ICT assurance coverage</li> <li>• Property</li> </ul>	<b>350</b>
Legal and Regulatory Services <ul style="list-style-type: none"> <li>• Legal Services</li> <li>• Regulatory</li> </ul>	<b>80</b>
Children (Including Schools) <ul style="list-style-type: none"> <li>• Learning</li> <li>• Strategy, Partnerships &amp; Commissioning</li> <li>• Safeguarding &amp; Family Support</li> <li>• Schools</li> </ul>	<b>204</b>
Communities <ul style="list-style-type: none"> <li>• Regeneration and Development</li> <li>• Streetscene</li> </ul>	<b>174</b>
Wellbeing <ul style="list-style-type: none"> <li>• Adult Social Care</li> <li>• Healthy Living</li> </ul>	<b>130</b>
Cross Cutting	<b>156</b>
External	<b>20</b>
Contingency – unplanned	<b>160</b>
Contingency – Fraud and Error	<b>100</b>
<b>OVERALL TOTAL</b>	<b>1,374</b>

**INTERNAL AUDIT SHARED SERVICE DRAFT ANNUAL PLAN 2013 -2014**

Internal Audit is an assurance function that provides an independent and objective opinion to the organisation on the control environment which encompasses the systems of governance, risk management and internal control, by evaluating its effectiveness in achieving the organisation's objectives. It examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources. Public Sector Internal Audit Standards (PSIAS) effective from 1<sup>st</sup> April 2013

**Performance / Resources**

<i>Area</i>	<i>Audit Scope</i>	<i>Total days</i>
<i>12/13 Audit close down</i>	<i>Finalising 12/13 audits which remain outstanding at the end of the Financial Year.</i>	<i>10</i>
<i>Core Financial Systems</i>	Full system and compliance audits to provide assurance over the effectiveness of the Council's Core Financial Systems: <ul style="list-style-type: none"> <li>• Council Tax – Council Tax Reduction Scheme</li> <li>• Benefit Administration,</li> <li>• Income Management,</li> <li>• Creditor Payments/Accounts Payable,</li> <li>• Debtors/Accounts Receivable,</li> <li>• Business Rates,</li> <li>• Cash,</li> <li>• Budget Monitoring &amp; Reporting,</li> <li>• Budget Setting,</li> <li>• Treasury Management,</li> <li>• General Ledger.</li> </ul>	<i>120</i>
<i>Capital Accounting</i>	Systems based approach considering key risk exposures and including process mapping of key controls. The review will include the accuracy of forecasting, indentifying slippage and cost overruns.	<i>20</i>
<i>Delivery of Savings – monitoring arrangements</i>	To review the arrangements that supports the effective monitoring of the delivery of savings and management of changes in assumptions having regard to the potential impact on the Council's budget and the associated risks.	<i>20</i>
<i>Management of Fixed Assets</i>	Review of the system operating for the handling, recording and accounting for fixed assets including the validation and verification process	<i>10</i>

<i>Grants</i>	To review the effectiveness of controls including the rationale for giving grants and how usage and compliance with grant conditions are monitored. The review will include the corporate recording of all grants to ensure no duplication and will include the Local Investment Fund	15
<i>Procurement</i>	Review of the Council's corporate framework for procurement. To include compliance with the Council's policies and procedures including Contract Standing Orders, Procedure Rules and relevant legislation. The review will be aligned to the Council's Corporate Risk Assessment – Impact of the Recession and using resource effectively.	20
<i>ICT</i>	<p>To finalise 12/13 audits which remain outstanding at the start of the Financial Year.</p> <p>To review the operation, efficiency and effectiveness of the Council's Information and Security governance arrangements.</p> <p>To review the operation, efficiency and effectiveness of the Council's Customer Relationship Management Application (CRM), Electronic Data Records Management Application (EDRM) and Cedar Open Accounts (COA) hosting.</p> <p>To provide assurance that adequate controls are in place in relation to Shared Access to Data and Social Media.</p>	75
<i>Property</i>	Follow up on the Building Maintenance review to ensure the recommendations made during 2012/13 have been fully implemented, embedded and being adhered to.	20
<i>Human Resources</i>	Payroll – To review the operation, efficiency and effectiveness of the Council's payroll system. A systems based approach will be utilised considering key risk exposure and controls. The review will examine HR records to ensure the completeness and accuracy of the establishment, HR records and contractual evidence. The approach will include continuous auditing of key controls throughout the year using techniques such as data mining. In addition, and audit of staff overtime, allowances and expenses will be undertaken to ensure the system processes and controls are operating effectively focussing on risk areas across the Council.	40
<b>Overall Total – Performance</b>		<b>350</b>

**Legal and Regulatory Services**

<i>Area</i>	<i>Audit Scope</i>	<i>Total days</i>
DPA/FOI	To provide assurance that adequate controls are in place for the administration of DPA / FOI including Record Management and EDRM.	30
Whistleblowing	To review the effectiveness of the Council's Whistleblowing arrangements	10
Corporate Complaints Management	To review the effectiveness of controls in managing complaints	20
Registrars	To review the effectiveness of controls.	10
Regulatory and Enforcement	To review the effectiveness of controls.	10
<b>Overall Total – Legal &amp; Regulatory Services</b>		<b>80</b>

**Children's Directorate**

<i>Area</i>	<i>Audit Scope</i>	<i>Total days</i>
12/13 Audit close down	<i>Finalising 12/13 audits which remain outstanding at the end of the Financial Year.</i>	4
Education Grants (WAG)	To certify that education grants are fairly stated and in accordance with their grant conditions.	20
Programme of School visits	Compliance with approved policies and procedures. The schools selected for review will be identified through a risk assessment so that resources are targeted towards the higher risk schools.	120
Fostering and Adoption	To review the effectiveness of controls in particular payments made.	10
Children with Disabilities	To review the effectiveness of the control processes relating to Identification/referral of disabled children, assessment of needs, funding packages and communication with parents.	15
Leaving Care - Commissioning	To review economy, efficiency and effectiveness in respect of the commissioning of the provision of accommodation and outreach support to young people leaving care.	15

<b>Schools – Information to Governors</b>	<b>Ensure that Governors are provided with information of sufficient quality and quantity and in a timely manner to enable them to fulfil their responsibilities.</b>	<b>10</b>
<b>Youth Services – Delivery of Statutory Obligations.</b>	<b>Ensure that there are robust systems in place to support decision making and provide assurance over the delivery of statutory obligations.</b>	<b>10</b>
<b>Overall Total - Children's</b>		<b>204</b>

### Communities Directorate

<i>Area</i>	<i>Audit Scope</i>	<i>Total days</i>
<b>12/13 Audit close down</b>	<b><i>Finalising 12/13 audits which remain outstanding at the end of the Financial Year.</i></b>	<b>7</b>
<b>Council Transport Fuel</b>	<b>To review the controls over the management of fuel.</b>	<b>10</b>
<b>Highways – Traffic Orders</b>	<b>Compliance with legal requirements and procedures for issue of permanent traffic orders.</b>	<b>10</b>
<b>Homelessness</b>	<b>Arrangements support reduction in the use of temporary accommodation.</b>	<b>15</b>
<b>Transport Fleet Management</b>	<b>Review of the robustness of arrangements for procurement, utilisation and general management of the Council's transport fleet.</b>	<b>15</b>
<b>Regeneration Projects</b>	<b>Review of the major administrative and financial systems operating and contract arrangements within Regeneration. Review a sample of initiatives where external funding has been secured to ensure compliance with any terms and conditions. Audit involvement should be aligned to the Directorate priorities in relation to regeneration and the challenges facing the service as outlined in the Council's Corporate Risk Assessment.</b>	<b>30</b>

<b>Waste Disposal</b>	To review the Council's arrangements for meeting the Welsh Government's waste strategy "Towards Zero Waste" targets to avoid the risk of imposed fines on the council. The review will also include the impact on the contract monitoring arrangements in place in relation to the Waste disposal contract (MREC).	<b>20</b>
<b>Fleet Services</b>	Systems based audit to review the procedures and processes in place to provide assurance on the adequacy of the internal control environment.	<b>15</b>
<b>Communities First</b>	To review the adequacy and effectiveness of the governance arrangements of the Communities First programme to ensure outcomes are achievable.	<b>20</b>
<b>Home to School Transport</b>	To follow up on the 2012/13 audit, to review the effectiveness of the contracts for the provision of Home to school transport.	<b>10</b>
<b>Disabled Facilities Grants</b>	To review the adequacy and effectiveness of the control environment surrounding the administration of Disabled Facilities Grants (this review will also include the role of the Occupational Therapist).	<b>22</b>
<b>Overall Total - Communities</b>		<b>174</b>

### Wellbeing Directorate

<i>Area</i>	<i>Audit Scope</i>	<i>Total days</i>
<b>12/13 Audit close down</b>	<i>Finalising 12/13 audits which remain outstanding as the at the financial Year end.</i>	<b>5</b>
<b>Health Partnership</b>	To review the impact to the Council and partnership working specifically the Bridgend Care Partnership and the governance arrangements between ABMU and the Council.	<b>20</b>
<b>Homecare – Financial Management</b>	Invoicing and payment arrangements to ensure that the right payments are made to the right supplier for the right services at the right time.	<b>20</b>
<b>Financial Assessments Reviews</b>	To review the effectiveness of the assessment process to support effective management of risks through appropriate controls.	<b>15</b>
<b>Commissioning</b>	Governance and management arrangements support the effective commissioning of appropriate services and interventions.	<b>20</b>

<b>Supporting People</b>	To review the financial management and controls operating to ensure compliance.	<b>15</b>
<b>Residential Care Homes</b>	To review the effectiveness of controls over placements including assessment, contracts and payments.	<b>15</b>
<b>Leisure Services Contract</b>	Systems based approach considering key risk exposures. This review will incorporate the measures as set out in the Council's Corporate Risk Assessment and focus on the effectiveness of the contract management processes.	<b>20</b>
<b>Overall Total - Wellbeing</b>		<b>130</b>

### Cross Cutting & External

<i>Area</i>	<i>Audit Scope</i>	<i>Total days</i>
<b>Follow Up</b>	To undertake follow up work on the recommendations made during 2012/13 audit year to ensure that management have implemented those of high risk.	<b>15</b>
<b>Assurance from External Inspections</b>	Undertake a review of the External Inspection reports issued during the year to ensure recommended actions are being addressed.	<b>10</b>
<b>Partnerships</b>	This review will link to the Council's risk assessment and in particular collaborative working.	<b>20</b>
<b>Capital Programme and Project Management</b>	Contract Audit and Project Management – Carry out audits of live projects to ensure compliance with the Council's Project Management methodology and to ensure that adequate monitoring arrangements exist regarding contractors' costs and subsequent payments and variations.	<b>25</b>
<b>Corporate Governance Framework</b>	Annual review of overall governance to assess the adequacy across the Council including an assessment of the Council's Code of Corporate Governance.	<b>16</b>
<b>Business Continuity Management</b>	To review the effectiveness of arrangements in place for how the Council prepares for recovery from a major incidence to ensure continuity of service.	<b>15</b>
<b>Risk Management</b>	Assessment of the effectiveness of risk management arrangements throughout the Council. This will	<b>15</b>



	include both the management strategic and operational risks and the level of risk maturity of the Council.	
<b>Declaration of Interest, Gifts &amp; Hospitality</b>	To review processes to ensure robust, clearly communicated and complied with policies and procedures are in operation. This will include effective approval and monitoring of registering declarations of interest, gifts and hospitality. The review will include both officers and members.	<b>10</b>
<b>Financial and Contract Compliance</b>	Review overall compliance across the Council.	<b>10</b>
<b>CRSA</b>	To develop the use of Control Risk Self-Assessments across the Council and review and evaluate responses received.	<b>20</b>
	<b>Overall Total – Cross Cutting</b>	<b>156</b>
<b>External</b>	<b>County Borough Supplies and Crematorium</b>	<b>20</b>
<b>Contingency for Unplanned Work</b>	The pace of change across the Council continues to be rapid due to the need to react quickly and positively to the changes in government funding and how the Council applies that funding to its services. This continued pace of change requires Internal Audit to ensure that changes continue to be prioritised and necessary controls in respect of the changes in service delivery are implemented on a timely basis. Therefore, the provision of this contingency allows for time to be allocated as necessary to react in a timely manner to these rapid changes and requests from management for assistance.	<b>160</b>
<b>Contingency for Fraud and Error</b>	The provision of this contingency allows Internal Audit to be reactive to allegations of suspected fraud and corruption. This provision will include an allocation for overseeing the National Fraud Initiative.	<b>100</b>
	<b>Grand Total</b>	<b>1,374</b>