

Chargeable Audit & Investigations Work**Summary**

Area	Description	Proposed Days
Key financial systems	Meeting section 151 and external audit statutory duties	123
Governance building blocks	Facilitating the overall internal audit assurance opinion	100
Key corporate risks	Providing assurance to Management on the Council's most significant risks	135
Operational risks	Providing assurance to Management on the Council's operational risks	240
Fraud & investigation	Focusing on cashable saving fraud work as per agreed strategy	200
Servicing the business	Various, majority of which is at request of management	83
TOTALS		881

Details

Key Financial Systems				
Traditionally, the service has undertaken full coverage of the key financial systems below. The coverage is listed in the outline scope. The Service will be continually reviewing this coverage in consultation with the Council's External Auditor and the Director of Corporate Services (section 151 officer) in year to ensure that audit coverage, if any, is relevant and focused correctly.				
Audit	Reason for Audit	Outline Scope	Proposed Days	2017/18 Audit
Payroll	Main financial system	To provide assurance that only bona fide, authorised and accurate payments are made in a timely manner; to ensure that all payroll transactions are accurately reflected in the accounting system; to ensure correct classification on payments made to individuals to confirm the Council is compliant with guidance regarding the employment status of workers.	12	Y

Income systems and Debtors	Main financial system	To provide assurance that income-generating activities are identified and accurately invoiced; that all invoices are paid and the income is accounted for and reflected in the Council's accounts; the extent of debt is minimised and overdue accounts are promptly followed up.	8	Y
Payment systems and Creditors	Main financial system	To provide assurance that creditor payments are valid authorised, accurate and timely in respect of goods and services ordered and received by the Council.	8	Y
General Ledger	Main financial system	To provide assurance that all financial transactions of the Council are recorded, including ensuring their completeness and integrity with the aim of providing the data from which management accounts, final accounts and statutory returns can be prepared.	5	Y
Cash & bank reconciliation	Main financial system	To provide assurance on the effectiveness, accuracy and completeness of reconciliations.	5	Y
Cashiers	Main financial system	To provide assurance on the operation of the cashiering function.	5	Y
Treasury Management	Main financial system	To provide assurance on the implementation and operation of the treasury function in compliance with the Treasury Management Strategy.	8	Y
Housing Rents	Main financial system	To provide assurance on effectiveness, timeliness, accuracy and completeness of housing rent collection.	10	Y
Benefits/CTRS	Main financial system	To provide assurance on Benefit/CTRS operations.	12	Y
Council tax and NNDR	Main financial system	To provide assurance on Council tax and NNDR collection and recovery processes.	12	Y

Capital Accounting	Main financial system	To provide assurance that the Council is correctly and accurately accounting for its assets.	10	Y
Budgetary Control and Reporting including MTFP	Main financial system	To provide assurance on the Council's budget setting, budget monitoring including forecasting, budgetary control and reporting process.	15	Y
Fixed asset register	Main financial system	To provide assurance on the completeness and accuracy of the fixed asset register.	8	Y
BACS/CHAPS/Cheques	Main financial system	To provide assurance on the effectiveness, security and accuracy of payments.	5	Y
SUB TOTALS			123	

Governance Building Blocks

These reviews cover the key governance elements and are necessary for the formation of the Head of Internal Audit Opinion (HIAO) and Annual Governance Statement (AGS)

Audit	Reason for Audit	Outline Scope	Proposed Days	2017/18 audit
Facilitating the preparation of the AGS	Governance and reporting	To support and advise Directors and Assistant Directors in producing Management Assurance Statements as evidence for the Annual Governance Statement which forms part of the Council's financial statements. To include the golden thread of Corporate Governance	20	Y
Procurement	Building block	To cover; Compliance with Procurement Directive, Engagement with consultants , Compliance with EU thresholds, Compliance with WBC thresholds, Material decisions, Use of standing lists, Major Suppliers	0	Y
Project Management	Building block		20	N

Performance management	Building block	<ul style="list-style-type: none"> • Objective of the Performance Management • Alignment of the Key Performance Indicators (KPIs) with the Council's Vision and Council Plan • Alignment of the KPIs with Service Plans • Progress of the KPI reporting and plans for implementation • Clarity of roles and responsibilities for maintaining the Performance Management System • Accuracy of KPIs and Quality Assurance 	10	N
Risk management	Building block	<ul style="list-style-type: none"> • Assessment of risk management governance including risk appetite, risk maturity, policy and procedures & analysis scores. • Follow-up of the previous audit concerns identified 	10	N
Constitution	Building block	<ul style="list-style-type: none"> • Constitution is fit for purpose and complied with 	10	N
Statutory roles and responsibilities	Building block	<ul style="list-style-type: none"> • Statutory Officer Roles and Responsibilities including legal and governance across all directorates Include Corporate Manslaughter responsibilities across all directorates 	10	N
Corporate Governance		To include decision making, vision, strategy, whistleblowing, HR policies and reporting.	20	N
SUB TOTALS			100	

Key Corporate Risks

With reference to the Council's Corporate Risk Register, these audits are intended to provide assurance to management that the expected mitigating actions and controls to manage risks are operating as expected. All key corporate risks are expected to be covered over a two to three year period.

Audit	Reason for Audit	Outline Scope	Proposed Days	2017/18
Transport infrastructure	Key corporate risk	Coverage of risk mitigations as per risk register	0	Y
Health & safety	Key corporate risk	Coverage of risk mitigations as per risk register	0	Y
Information security including GDPR compliance	Key corporate risk	Coverage of risk mitigations as per risk register	30	Y
Risk of inability to match supply and demand for school places	Key corporate risk	Coverage of risk mitigations as per risk register	20	N
Vulnerable child/young person	Key corporate risk	Coverage of risk mitigations as per risk register	20	N
Vulnerable adult	Key corporate risk	Coverage of risk mitigations as per risk register	20	N
21 st Century Council	Key corporate risk	Coverage of risk mitigations as per 21C transitional risk registers	25	Y
Failure of Health and Social Care System	Key corporate risk	Coverage of risk mitigations as per risk register		
Risk that the Council fails to deliver key investment priorities through insufficient resources or inadequate planning	Key corporate risk	Coverage of risk mitigations as per risk register	20	
Inability to cope with increased burdens associated with the change to eligibility criteria and other additional requirements of the Care Act	Key corporate risk	Coverage of risk mitigations as per risk register		
SUB TOTALS			135	

Operational Risks

With reference to the Departmental Risk Registers and through discussion with Directors, these audits are intended to provide assurance to management that the expected mitigating actions and controls to manage risks are operating as expected.

Audit	Reason for Audit	Outline Scope	Proposed Days	2017/18
Procurement cards	Corp Services Register	Coverage of risk mitigations as per risk register	0	Y
Shared Property Services	Corp Services Register	Coverage of risk mitigations as per risk register	20	Y
Highways	Env Risk Register	Coverage of risk mitigations as per risk register	0	Y
Governance of WBC companies		To ensure appropriate corporate governance is in place for the WBC companies.	15	N
Leisure Centre Contract		To cover; Contract content, contract management and contract monitoring	15	N
Borough Local Plan		To cover; <ul style="list-style-type: none"> • Achieve, complete and adopt the BLP • BLP working Member Group • Staff resources and Pan Berkshire Council relationships • Changes in national and larger than local planning policy 	15	N
Consultation		Includes consultation across the council and with the public	10	N
Equality		To cover; EQIAs including consistent application	10	N
Civil Parking Enforcement		To cover; Compliance with legislation, programme implementation and follow-up.	10	N
Town Centre Regeneration		Scope to be developed.	20	N
Property Assets		Scope to be developed.	15	N
Communities		Scope to be developed.	20	N
Public Health		To cover; compliance with legislation – details to be developed with lead officers.	20	N
Elections		To review governance, planning and operation of elections	10	N
Direct Payments - Adults		To cover; Policies and Procedures, Application, Self directed and financial assessments, approval, safeguarding guidance, PA	20	N

		employment guidance, support plan, review, performance monitoring and reporting, agreements, financial monitoring and risk assessments, unspent funds and record maintenance		
Direct Payments – Children’s (follow up)		To cover; Policies and Procedures, Application, Self directed and financial assessments, approval, safeguarding guidance, PA employment guidance, support plan, review, performance monitoring and reporting, agreements, financial monitoring and risk assessments, unspent funds and record maintenance	10	N
People Services Recovery Plan		Detailed scope to be agreed with Director of People Services	10	N
Childcare provision		Implementation of extended childcare provision (wef Sept 17) – detailed scope to be agreed with Director of People Services	10	N
Investment Strategy		Detailed scope to be agreed with Director of Corporate Services	10	N
SUB TOTALS			240	

Fraud and Investigation				
Activity	Outline Scope	Proposed Days	2017/18	
Reactive Investigations	Investigation of ad hoc referrals, including whistleblowing work where suspected irregularity has been detected	150	Y	
Proactive Investigations	Proactive counter fraud work that includes targeted testing of processes with inherent risk of fraud (Council Tax Reduction, Council Tax Discounts, New Homes Bonus) – to be undertaken jointly with any audits in the same area	90	Y	
National Fraud Initiative	Management of Council’s provision of data and investigation of matches	4	Y	
Training	Development and delivery of Fraud Awareness Sessions - authority wide and service specific	3	N	
Other	Continued development of Counter Fraud policies in line with current legislation and best practice; providing Statutory data such as Transparency information.	3	N	
		250		

Servicing the Business			
Reason for Audit	Outline Scope	Proposed Days	2017/18
Optalis	Jointly commissioned by WBC and RBWM as the shareholders. Part of audit provision to cover quality assurance framework – detailed scope to be developed with Director of People Services.	20	Y
Health & Safety	Requested by management	0	Y
Schools Finance	Undertake testing of the following areas; Governance, Financial Stability, Budget Setting, Budget Monitoring, Payroll and Income.	25	Y
Effectiveness of internal audit	Mandatory QA review	5	Y
Advice on demand	Requests for adhoc advice on control, risk management and governance issues	8	Y
Grant certifications	Statutory compliance e.g. DfT, Troubled Families	10	Y
Follow ups	High risk only	5	Y
Contingency	To cover management/member and other unforeseen requests throughout the year for both audit and investigation	10	Y
SUB TOTALS		83	