

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	50
Key corporate risks	Providing assurance to Management on the Council's most significant risks	110
Operational risks	Providing assurance to Management on the Council's operational risks	215
Fraud & investigation	Focusing on cashable saving fraud work as per agreed strategy	306
Servicing the business	Various, majority of which is at request of management	85
TOTALS		889

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	2018/19 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	2018/19 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	10	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	20	N

Corporate Governance	Building Block	To include decision making, vision, strategy, whistleblowing, HR policies and reporting.	20	Y
SUB TOTALS			50	

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	2018/19
Transport infrastructure	Key corporate risk	Coverage of risk mitigations as per risk register	10	N
Health & safety	Key corporate risk	Coverage of risk mitigations as per risk register	10	N
Information security including GDPR compliance	Key corporate risk	Coverage of risk mitigations as per risk register	15	Y
Delivering SEN role	Key corporate risk	Coverage of risk mitigations as per risk register	15	N
Vulnerable adults	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	15	Y
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	N
Brexit	Key corporate risk	Coverage of risk mitigations as per risk register	5	N
SUB TOTALS			110	

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	2018/19
Procurement cards	Key Operational Risk	Coverage of risk mitigations as per risk register	10	N
Shared Property Services (follow up)	Key Operational Risk	Coverage of risk mitigations as per risk register	10	Y
Highways	Key Operational Risk	Coverage of risk mitigations as per risk register	15	N
Governance and operations of WBC Housing companies	Key Operational Risk	To ensure appropriate corporate governance is in place for the WBC companies.	15	N
Leisure Centre Contract	Key Operational Risk	To cover; Contract content, contract management and contract monitoring	15	N
Borough Local Plan	Key Operational Risk	To cover; 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	Key Operational Risk	Coverage of risk mitigations as per risk register	10	N
Equality	Key Operational Risk	Coverage of risk mitigations as per risk register	10	N
Civil Parking Enforcement	Key Operational Risk	Coverage of risk mitigations as per risk register	10	N
Property Assets	Key Operational Risk	Coverage of risk mitigations as per risk register	15	N
Communities	Key Operational Risk	Coverage of risk mitigations as per risk register	20	N
Elections	Key Operational Risk	To review governance, planning and operation of elections	10	N
Direct Payments – Adults	Key Operational Risk	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	20	N

Direct Payments – Children’s (follow up)	Key Operational Risk	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	Key Operational Risk	Coverage of risk mitigations as per risk register	10	N
Childcare Provision	Key Operational Risk	Coverage of risk mitigations as per risk register	10	N
Investment Strategy	Key Operational Risk	Coverage of risk mitigations as per risk register	10	N
SUB TOTALS			215	

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		80	Y
National Fraud Initiative	Management of Council’s provision of data and investigation of matches		10	Y
Member Code of Conduct investigations	Investigations into breaches of Code of Conduct on behalf of the Monitoring Officer		30	Y
Disciplinary investigations	Investigations on behalf of management		30	N
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
			306	

Servicing the Business			
Reason	Outline Scope	Proposed Days	2018/19
Optalis	Jointly commissioned by WBC and RBWM as the shareholders.	20	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	Progress on PSIAS Action Plan.	5	Y
Advice on demand	Requests for adhoc advice on control, risk management and governance issues	10	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		85	

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