

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
SHARED HEAD OF INTERNAL AUDIT	AUDIT AND STANDARDS COMMITTEE	20 SEPTEMBER 2018	4
INTERNAL AUDIT SIX MONTH PLAN OCT 2018 – MARCH 2019			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The 2018/19 (6 month) Internal Audit Plan has been compiled in consultation with Directors and Heads of Service following a detailed risk assessment.

RECOMMENDATION

That the Committee approve the Internal Audit Plan Six Month Plan Oct 2018 - March 2019.

SUMMARY OF PREVIOUS DECISIONS

None

CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services (Value for Money)	✓
Delivering the services that customers expect of an excellent council (Clean and Green)	✓
Working with all partners (Vibrant Economy)	✓
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	✓
Promoting Fylde as a great destination to visit (A Great Place to Visit)	✓

THE ROLES OF MANAGEMENT AND INTERNAL AUDIT

1. The responsibility for implementing a strong system of governance and internal control within the Council lies primarily with management. Directors and Heads of Service need to ensure that they maintain effective control procedures not least because services and business systems are subject to on-going change.
2. Internal Audit is an independent appraisal function whose prime objective is to evaluate and report on the adequacy of the Council's system of governance, risk and internal control. This is largely achieved through an annual programme of reviews.

AUDIT PLAN

3. As members will be aware, the Annual Audit Plan is usually compiled and presented to the Committee each March. Following the departure of the previous Head of Internal Audit, the process of compiling an audit plan

was not undertaken. The 2018/19 Internal Audit Plan contains the programme of reviews for the next six months and is shown at **Appendix 1**. This has been constructed following an assessment of audit need by considering a range of factors, such as significant changes in staffing, systems and procedures, the length of time since an area was last audited and items in the Corporate Plan and Strategic Risk Register. There has also been extensive consultation within each service which has taken an overview of audit requirements.

4. The following paragraphs summarise the areas that will be subject to audit coverage from October 2018 to March 2019.

Corporate

- Undertaking corporate and service level governance reviews in support of the Annual Governance Statement.
- Review and update of anti-fraud and corruption policies.
- Co-ordinating the Council's input to the Cabinet Office National Fraud Initiative (NFI) 2018 exercise for in order to identify any potential irregularities.

Risk based reviews of the following systems:

- Licensing – administration & enforcement.
- Safeguarding arrangements.
- ICT review – to be determined in conjunction with the external provider.
- Creditors.
- Income collection.
- Maintenance and inspection regimes: trees & playgrounds
- Building control.
- Housing standards (including houses of multiple occupation).

Project Team Membership

- Coastal defence project.

General Areas

- Following up management actions agreed in earlier audit reports.
- Responding to requests from management for unplanned reviews / investigations.
- Preparing reports for and attending the Audit and Standards Committee.

AUDIT DAYS

5. The Internal Audit Plan for the remaining 6 months of 2018/19 is based on a resource of **180 audit days**. This is the number of chargeable days available within the existing budget (after deducting annual leave and other non-chargeable time). It comprises of a mix of in-house and bought-in resources from an external provider who will provide computer audit expertise.

INTERNAL AUDIT PLAN 2017/18

6. The production of an annual report is a requirement of the Public Sector Internal Audit Standards. Again, following the retirement of the previous Head of Internal Audit, this report has not been compiled. It is therefore our intention to provide an update on the reviews which have been completed from the 2017/18 Internal Audit Plan within our progress report which will be presented to the Committee in January 2019. Our progress report will also include a summary of all outstanding agreed management actions.

IMPLICATIONS	
Finance	None arising from this report
Legal	There are no legal implications arising from this report, however the provision of an Internal Audit Service is a requirement of the Accounts and Audit Regulations 2015.
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	There are no Health and Safety implications arising from this report. The Audit Plan has been developed using a risk based approach.

LEAD AUTHOR	CONTACT DETAILS	DATE
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BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Internal Audit Risk Assessment	29 th August 2018	Internal Audit Office, Town Hall

Attached documents

Appendix 1 – Internal Audit Plan Six Month Plan Oct 2018 - March 2019

INTERNAL AUDIT PLAN – Oct 2018 to March 2019

FYLDE COUNCIL	QTR	DAYS	Comments
CORPORATE AREAS			
Annual Governance Statement	4	15	To support the 2019 Annual Governance Statement
Anti-Fraud & Corruption	ALL	2	Review and update of probity policies
NFI	ALL	13	Submission of data for the 2018 exercise
RESOURCES			
Heath & Environment			
Licensing Administration and Enforcement	4	15	Review of operational activity to ensure compliance with regulatory requirements
Safeguarding	3	15	Review of the Council's Safeguarding arrangements
Customer & ICT			
ICT review	4	10	Review to be determined
Finance			
Creditors	4	15	Risk based review of key financial system
Income collection	3	15	Risk based review of key financial system
DEVELOPMENT SERVICES			
Parks, Leisure and Cultural Services			
Maintenance and Inspection Regimes: Trees & Playgrounds	3	20	Review of operational arrangement to ensure risks are being effectively managed
Technical Services			
Building Control	3	15	Risk based review of statutory services
Coastal Defence Project	ALL	5	Risk management pro - active support
Planning & Regeneration			
Housing Standards (inc HMO)	4	15	Review to ensure compliance with recent changes in legislation
GENERAL AREAS			
Post Audit Reviews	ALL	5	Follow up of agreed actions
Contingency / Irregularities		5	Unplanned reviews / contingency
Committee Reporting / Effectiveness Review	All	15	Preparation of reports and attendance at Audit & Standards Committee
FYLDE COUNCIL		180	