

## APPENDIX

### INTERNAL AUDIT ANNUAL PLAN 2017-18

The Plan indicates how the work of internal audit links to the five corporate priorities of the Council, together with an additional probity category to reflect the highest standards of financial and ethical conduct expected, as follows:

#### CORPORATE PRIORITIES

VALUE FOR MONEY	CLEAN & GREEN	VIBRANT ECONOMY	GREAT PLACE TO LIVE	GREAT PLACE TO VISIT	PROBITY
1	2	3	4	5	6
Council Finances Budget Management Performance Customer Focus Service Delivery	Public Health Parks & Open Spaces Waste Services Infrastructure	Transport Infrastructure Car Parking Development Control Economic Development	Local Plan Housing Heritage Assets Leisure Crime Reduction	Coast & Countryside Arts & Heritage Tourism Events	Governance Framework Democratic Processes Accountability Stewardship Ethical Standards

**INTERNAL AUDIT ANNUAL PLAN 2017-18**

Description of Audit Area	Indicative Days	Comment	Corporate Plan					
			1	2	3	4	5	6
Core Financial Systems								
Business Rates (FCAT)	12	Key financial system. Testing matrix for compliance with approved management procedures and internal controls.	x					x
Cash Collection	18	Key financial system. System and compliance audit to provide assurance over the effectiveness of a core financial system.	x					x
Council Tax Collection	20	Key financial system. A review to provide assurance over the effectiveness of a core financial process. This is a joint audit with Blackpool Council internal audit.	x					x
Council Tax (FCAT)	12	Key financial system. Testing matrix for compliance with approved management procedures and internal controls.	x					x
Creditors/Purchasing	10	Slippage item: key financial system. System and compliance audit to provide assurance over the effectiveness of a core financial system.	x					x
Housing Benefits Risk Based Verification	20	Key financial system. System and compliance audit to provide assurance over the effectiveness of a core financial process. This is a joint audit with Blackpool Council internal audit.	x					x
Housing Benefits (FCAT)	12	Key financial system. Testing matrix for compliance with approved management procedures and internal controls.	x			x		x
Payroll (FCAT)	12	Key financial system. Testing matrix for compliance with approved management procedures and internal controls.	x					x
Treasury Management	16	Key financial system. System and compliance audit to provide assurance over the effectiveness of a core financial system.	x					x

Description of Audit Area	Indicative Days	Comment	Corporate Plan					
			1	2	3	4	5	6
Other Risks								
Car Parking	5	Slippage item: Testing there are effective controls in place for income management and cash handling	x		x			x
Coastal Defence Project - Assurance Assessment	20	An audit to determine and review the adequacy of the assurance arrangements in place to secure the delivery of the project to the specification	x		x		x	x
Disabled Facilities Grant	16	An evaluation of the controls in place for the effective delivery of disabled facilities grants	x			x		x
Emergency Planning	16	Slippage item: A periodic review of the arrangements for emergency planning		x		x		
Green Waste Charges	15	A review of the controls established for the newly introduced green waste collection charge	x	x				x
HMO Licensing	12	An audit of the controls to ensure legislative and policy objectives are achieved in the licensing of House in Multiple Occupation		x		x		
ICT Allowance - Paper Reduction Project	4	A review of the allowance awarded to members in terms of its effectiveness in paper reduction	x					x
Information Governance	3	Slippage item: A periodic review of the arrangements for dealing with data security/protection, records management and FOI	x					x
Personal Data Handling & Security	15	A review to provide assurance that effective controls are in place for the secure handling of personal data off-site	x					x
Corporate Governance								
Annual Governance Review	14	Annual review of governance arrangements in support of the process for evidencing and compiling the Annual Governance Statement	x					x
Audit Committee – Review of Effectiveness	2	Annual self-assessment with the Chair and Vice Chair in relation to the effectiveness of the Audit and Standards Committee						x
Internal Audit - Review of Effectiveness	2	Annual assessment of internal audit service against Public Standards for Internal Audit – CIPFA checklist						x
Risk Management	16	Biennial review of arrangements and support to ensure there is an effective risk management process within the governance framework	x					x

Description of Audit Area	Indicative Days	Comment	Corporate Plan					
			1	2	3	4	5	6
Computer Audit								
ICT	16	Specific areas to be agreed with management following risk assessment. The audit work will be led by an external provider						x
Anti-Fraud								
Corporate Fraud	5	Shared service monitoring and liaison. Overseeing the delivery of the shared corporate fraud service. The fraud service is provided by Preston City Council	x			x		x
National Fraud Initiative	5	Co-ordination of the Council’s response to the NFI including data collation, review of matches and action to address anomalies	x			x		x
Prevention of Fraud & Corruption	5	To review key anti-fraud policies and arrangements	x			x		x
Follow Up								
Follow Up	15	Follow-up of agreed Internal Audit recommendations and updating action plans	x					x
Communication & Consultancy								
Consultancy and Advice	20	Professional advice and assistance adding value to all services in support of transformation within a robust control environment	x					x
Communication and Liaison	23	Reporting and presentations/attending meetings and groups	x					x
Public Sector Internal Audit Standards	10	Peer review: Participation in a periodic external assessment of the effectiveness of internal audit services on a reciprocal basis						x
Reactive Work								
Contingency	15	Contingency to respond to emerging risks						
TOTAL AUDIT WORK	386							

Description of Audit Area	Indicative Days	Comment	Corporate Plan					
			1	2	3	4	5	6
<b>Audit Team</b>								
Management & Administration	80	Audit team management, planning and administration						
<b>Non-Audit Work</b>								
Corporate & Democratic Core	9	Committee attendance, corporate initiatives						
Directorate Matters	2	Directorate briefings, service planning						
Risk Services	3	Annual strategic risk identification and facilitation of Management Team risk assessment process						
Other	6	Reactive duties possibly including controlled stationery, occupational health & safety, office relocation etc.						
<b>TOTAL DAYS ALLOCATED</b>	<b>486</b>							