

Appendix B

Watford Borough Council & Three Rivers District Council 2013/14 SIAS Audit Plan: Shared Service Coverage

Name of Audit in Plan	Plan Days	Risk Assessment	Audit Desirability	Qtr	Comments
<b>Key Financial Systems</b>					
Main Accounting System	19	n/a	2	3/4	Standard 'managed audit' approach and also as currently covered under FMS Reconciliations, journals and internal transfers
Payroll	14	n/a	2	3/4	Standard 'managed audit' approach, Northgate system
NNDR	12	n/a	2	3/4	Standard 'managed audit' approach, particular focus on recovery arrangements as impacted by new business rates arrangements
Council Tax	12	n/a	2	3/4	Standard 'managed audit' approach
Benefits Administration	15	n/a	2	3/4	Standard 'managed audit' approach and adjustments to Council Tax support arrangements, and relevant changes under Welfare Reform agenda
Creditors	11	n/a	2	3/4	Standard 'managed audit' approach
Debtors	11	n/a	2	3/4	Standard 'managed audit' approach
Income Collection					This has been done in 11/12 and 12/13 - propose not to cover in 14/15 subject to further discussion
<b>Operational audits - initial indication subject to further discussion with management teams</b>					
Recruitment and vetting - follow up	5	TBC	2	1	Deferred from 12/13 and considered worthwhile in 13/14. Ties in with Councils' fraud prevention work as referred to by Grant Thornton in their forensic audit in 2012/13
Health and Safety	10	TBC	2	1	Review effectiveness of arrangements in this area
<b>Procurement &amp; Contract Management</b>					
New IT contract - contract management review	10	B	2	3	Review arrangements to ensure contract management is robust vis a vis the new IT provider. Focus on change control, control of development days, performance reporting, escalation and rectification of issues
<b>Counter Fraud</b>					
Review of counter fraud arrangements in Shared Service Benefit Fraud Team	5	B	2	2	
<b>Risk Management and Governance</b>					
See local plans					
<b>IT audits - initial indication subject to further discussion with management teams</b>					
IT vulnerabilities - extended follow up	10	B	2	2	To follow up the IT vulnerabilities report and give assurance on the approach in this area given by the new contractor
Cyber Risk	10	B	2	4	Could include risk and incident management, defences from cyber-attacks, access management, mobile network and device security, identity assurance - but note that the IT vulnerabilities follow up will provide some assurance
<b>SIAS joint reviews</b>					
New ways of working - seminar	1	B	2	3	SIAS CFOs have identified new types of financial arrangements as an area of emerging risk. SIAS will organise an event for finance staff to learn about initiatives such as 'risk and reward' schemes, payment by results and deliver a report back to authorities
Comparative review of budget setting and monitoring arrangements	1	B	2	2	SIAS CFOs have identified the criticality of effective budget monitoring at the present time. SIAS will organise an even for finance staff to benchmark good practice in this area and deliver a report back to authorities
<b>Contingency</b>					
See local plans					
<b>12-13 Projects requiring completion</b>					
Time required to complete work commenced in 2012/13	24	n/a	n/a	1	Based on an estimate provided by the internal audit team
<b>Strategic Support</b>					
See local plans					
<b>Totals</b>	<b>170.0</b>				

Appendix B

Watford Borough Council 2013/14 SIAS Audit Plan: WBC functions coverage

Name of Audit in Plan	Plan Days	Risk Assessment	Audit Desirability	Qtr	Comments
<b>Key Financial Systems</b>					
Treasury Management	5	n/a	2	2	Including as deferred from 12/13. Also shown in TRDC plan
Budget Monitoring	8	n/a	2	2	Including as deferred from 12/13. Also shown in TRDC plan
Asset Management	8	n/a	2	3	Including as deferred from 12/13. Also shown in TRDC plan
<b>Operational audits - initial indication of high priority areas subject to further discussion with management teams</b>					
	10	B	2	3	There are a number of major projects in place at WBC particularly in respect of redevelopment and regeneration; review arrangements for prioritisation and resource planning, protection of Council's interests and risk management. The review will consider developments such as Charter Place, and also any outcomes from our work on the Health Campus.
Project and Change Management	10	B	2	TBC	Review housing system from assessment to letting. Ensure processes and procedures observed. Ensure checking regime is appropriately targeted
Housing redesign - advisory support	10	B	2	TBC	Review adequacy of mapping information on corporate GIS system
Review of Corporate Spatial Data	10	B	2	2	Provide assurance around effective governance and oversight of the LABVI on completion of current phase
Health Campus	6	B	2	TBC	Assurance that income collection relating to the Councils commercial property portfolio is effective, ensuring effective communication between property team and sundry debtors team
Commercial Rent	6	B	2	TBC	Request for follow up activity in this area
Data Protection Follow up					
<i>Indication of days available to be distributed over highest ranking areas</i>					
<b>Procurement and Contract Management</b>					
Procurement & Contract Management baseline assessment	10	B	2	2	Contract management will be a key area of focus for WBC going forward
Outsourcing Decision	10	B	2	2	Possible review of contract mobilisation of new arrangements, depending on outcome of outsourcing decision
<b>Counter Fraud</b>					
Anti Fraud and Corruption Baseline Assessment	10	B	2	1	Will cover off Bribery Act 2010 and Money Laundering, and Fraud Good Governance reviews postponed from 12/13. Will pick up on aspects referred to by Grant Thornton in their forensic audit in 2012/13
<b>Risk Management and Governance</b>					
Risk Management	5	n/a	2	1	Review the Council's Risk Management arrangements
Corporate Governance	5	n/a	2	2	Watford's arrangements are changing as a result of the Future Council project. Further changes will occur when the Section 151 officer arrangements are amended
<b>IT audits</b>					Covered in Shared Services Plan
See shared services plan					
<b>Contingency</b>	2				
<b>SIAS joint reviews</b>					
<i>Herts Waste Partnership</i>	1	B	2	2	SIAS CFOs identified an assurance requirement in respect of the Hertfordshire Waste Partnership. Discussions are in train to confirm the proposed coverage in this area.
<b>12-13 Projects requiring completion</b>					
See Shared Services section					
<b>Strategic Support</b>					
Head of Internal Audit Opinion 2012/13	2	n/a	n/a	1	To prepare the HIAO for 2012/13
Introduction of Public Sector Internal Audit Standards	1	n/a	n/a	1	To produce and discuss an Audit Charter in order to comply with the new PSIAS
Audit Committee	8	n/a	n/a	All	To prepare and agree the internal audit committee reports, meet with the audit committee chair prior to the meeting, read committee reports, and present audit reports at the committee meeting
Monitoring & Client Liaison	5	n/a	n/a	All	To produce performance and billing information, work scheduling and to meet with the section 151 officer
2014/15 Audit Planning	3	n/a	n/a	4	To consult and prepare the 2014/15 audit plan
SIAS Development	3	n/a	n/a	All	The Council's contribution to developing the partnership
Follow up of recommendations	10	n/a	n/a	All	Based on follow up of all recommendations on a quarterly basis
<b>Totals</b>	<b>148.0</b>				

Following risk assessment the following deferred audits from 12/13 have been removed: Colluseum; Museum - Care of Collection; Grants - new commissioning framework  
The following topics have been risk assessed not to meet the criteria for inclusion in the plan: Housing Letting, Rent Deposit Scheme, expenditure of Parking Reserve money, customer access, licensing, asbestos