

Watford Borough Council
Audit Committee
12 March 2014

Watford Borough Council 2014/15 Draft Internal Audit Plan

Audit	Proposed Outline Scope / Reason for Inclusion	Proposed Days	Target Quarter
KEY FINANCIAL SYSTEMS			
Budget Monitoring	Review of the Budget Monitoring system to confirm implementation of previous audit recommendations and that existing controls are adequate and operating effectively in the following areas: a) Budget monitoring process, b) Accuracy and timeliness of budget data, and c) Budget variance approval.	8	Q3/4
Treasury Management	Review the Treasury Management system to confirm implementation of previous audit recommendations and that existing controls over the management of the Council's investment and loan portfolio are adequate and operating effectively. The use of a Control Risk Self-Assessment (CRSA) methodology has been agreed with management. SIAS will work with management to develop the CRSA approach to identifying, recording and monitoring key controls.	5	Q3/4
OPERATIONAL AUDITS			
Asset Management	Review of the Asset Management system to confirm implementation of previous audit recommendations and that existing controls over the Council's land and property portfolio are adequate and operating effectively.	8	Q3/4
Community	Review the operation of community centres, including bookings and income	6	Q1

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Centres	collection. Review the nature of service provision and monitoring of agreed SLAs with the six organisations running the Community Centres.		
Community Grants	Review of the community grant funding programme, including Palace Theatre, CAB, Watford & Three Rivers Trust and Shopmobility. Review allocation of grants and on-going monitoring of spend.	6	Q3
Enforcement	Review of enforcement activities across the Council. Specific areas of coverage to be determined when the audit assignment is planned. Typical areas to include planning, building control, food safety and parking.	15	Q2/3
Health Campus	Provide on-going assurance during project lifecycle. Focus on the adequacy and effectiveness of internal controls, processes and records in place to mitigate risks in the following areas as the project moves to the next stage: a) Governance, b) Benefits realisation, c) Project resources, and d) Risk and issue management.	12	Q3
PROCUREMENT			
Procurement and Contract Baseline Assessment	Follow up implementation of agreed recommendations and actions from the 2013/14 audit.	3	Q2

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Follow Up			
Sport & Leisure Management Ltd (SLM) and HQ Theatres Contract Management	Examine and evaluate the contract management procedures of these two contracts as part of the wider development of a 'Centre of Excellence'. This will help to ensure alignment and consistency of contract management processes within Client Services.	12	Q1/2
Veolia Contract Monitoring Follow Up	A follow up of implementation of agreed management actions for recommendations made in the 2013/14 audit of this major contract.	5	Q3
JOINT REVIEWS			
Risk Management & AGS	Scope to be confirmed at SIAS Board – anticipated to involve benchmarking, comparison and assessment of differences between the Strategic Risk Registers and Annual Governance Statements of the SIAS client authorities.	2	Q4
COUNTER FRAUD			
	See shared services audit plan.		

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RISK MANAGEMENT AND GOVERNANCE			
Risk Management	The audit will involve a high level review of strategic and operational risk management arrangements, and whether risk management has been embedded in operational decision-making and activity. Any emerging issues will be considered as part of the audit planning process. This audit informs the Annual Governance Statement.	5	Q4
Corporate Governance	The audit will involve a review of strategic and operational corporate governance arrangements, and whether corporate governance has been embedded effectively within the Council. Any emerging issues will be considered as part of the audit planning process. This audit informs the Annual Governance Statement.	5	Q4
AD HOC ADVICE			
Ad Hoc Advice	This planned time has been allocated to provide for ad hoc advice to management on matters, issues or queries relating to risk, control, governance and anti-fraud. Ad hoc advice is relevant to activities that typically take less than one day to complete, e.g. advice on new policies or strategies.	3	As and when required
IT AUDITS			

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	See shared services audit plan.		
CONTINGENCY			
	To provide for adequate response to risks emerging during 2014/15.	5	As required
FOLLOW-UP AUDITS			
Follow-up of outstanding audit recommendations	Obtaining updates on the status of internal audit recommendations from action owners and reporting these quarterly to Audit Committee.	10	Quarterly
STRATEGIC SUPPORT			
Audit Committee	To provide services linked to the preparation and agreement of Audit Committee reports and presentation of reports / participation at Audit Committee, as well as to provide Committee Member training prior to Audit Committee meetings.	12	Quarterly
External Audit Liaison	To meet the external auditors and providing information as required.	1	On-going

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Head of Internal Audit Opinion 2013/14	To prepare and agree the Head of Internal Audit Opinion for 2013/14.	2	Q1
Monitoring & Client Meetings	To produce and monitor performance and billing information, work allocation and scheduling, and to meet with the Council's Audit Champion and other key officers.	10	Quarterly
SIAS Development	Included to reflect the Council's contribution to developing the partnership.	3	Q1
2015/16 Audit Planning	To provide services in relation to preparation and agreement of the 2015/16 Annual Audit Plan.	6	Q3/4
2013/14 PROJECTS REQUIRING COMPLETION			
2013/14 projects requiring completion	Additional time, if required, for the completion of 2013/14 audit work carried forward into 2014/15.	5	Q1
TOTAL AUDIT PLAN DAYS		149	

2014/15 RESERVE LIST			
Compliance Maintenance Contract	New contract procured across a number of Hertfordshire District / Borough Councils. Contract expected to go-live on 1 April 2014. Review operation of the new contract.	8	
Vinci contract	Review enforcement activities for the parking services contract.	5	
Social Media	Review of this emerging risk for Council's, using a methodology applied at other SIAS clients.	8	
Veolia Contract	New contract commencing July 2013 for a 7 year period (with an 8 year extension clause). Contract audited in 2013/14 and follow up planned for 2014/15. Retain on reserve list in view of the size of the contract.	6	
Equalities	Review application of the new equalities agenda.	6	
Cemetery	Service reorganisation underway in conjunction with Veolia. Review how this new arrangement is working.	6	
Use of Consultants	Analyse the use of consultants by service areas across the Council. Ascertain the reasons for using consultants, whether it is cost-effective and whether the correct procedures have been followed, including compliance with the Council's Contract	8	

	Procedure Rules and EU procurement regulations.		
Parking Services	Review decision making processes for restricted parking zones and disabled bays. Assess how these decisions link to the overall parking strategy and how changes in restricted parking areas are reported.	10	
Cassiobury Park	Review of application process for Lottery grant funding.	8	