

## APPENDIX 6: INTERNAL AUDIT PLAN 2011/12

LEAD DEPT	CORPORATE AIM SUPPORTED	LAST AUDITED	AUDIT ACTIVITY	STATUS / DATES PROPOSED
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### MANAGING THE BUSINESS

P&I	All	Not audited	<b>Assurance Framework</b>	The team is working with system owners to develop the framework for 2011/12. Compliance with it will be tested in Aug / Sept 2011.
			<b>Key Corporate Business Processes</b>	
P&I / SS	All	2006 / 07	<ul style="list-style-type: none"> <li>• Performance Management, focus team plans and staff appraisals (all directorates)</li> </ul>	The Terms of Reference has been agreed with the Head of Communications and HR.
			<ul style="list-style-type: none"> <li>• Children and Learning</li> </ul>	Work to start in June 2011.
			<ul style="list-style-type: none"> <li>• Adult &amp; Community Services</li> </ul>	
			<ul style="list-style-type: none"> <li>• Enterprise, Tourism and the Environment</li> </ul>	
			<ul style="list-style-type: none"> <li>• Support Services</li> </ul>	
SS	All	2009 / 10	<ul style="list-style-type: none"> <li>• Financial Management / Value for Money</li> </ul>	
P&I	All	2009 / 10	<ul style="list-style-type: none"> <li>• Data Quality - spot checks on systems and accuracy of PIs</li> </ul>	
P&I	All	2008 / 09	<ul style="list-style-type: none"> <li>• Procurement</li> </ul>	
SS	All	Not audited	<ul style="list-style-type: none"> <li>• Information Management</li> </ul>	Audit will include information security during office moves.
P&I	All	Annually	<b>Manager Assurance Statements</b>	Work completed. Reported to June 2011 Audit Committee.

**Total on Managing the Business**

**160**

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<b>MANAGING SERVICE RISKS</b>				
<b>ACS</b>			<b>Risk based jobs</b>	
	3, 4, 5	2006 / 07	<ul style="list-style-type: none"> <li>• Library Service including the Elmer Square capital project</li> </ul>	Jun / Jul
	1, 3, 4, 5	2007 / 08	<ul style="list-style-type: none"> <li>• Integrated Locality Restructuring</li> </ul>	Q3
	All	2006 / 07	<ul style="list-style-type: none"> <li>• Value for Money Review of ALMO / Implications of Changes to HRA</li> </ul>	Q3 / Q4
			<b>Critical Friend Jobs Completed</b>	
			<ul style="list-style-type: none"> <li>• None to date</li> </ul>	
			<b>Other Potential Risks</b>	
	All	2007/08	<ul style="list-style-type: none"> <li>• Data Protection</li> </ul>	Nov / Dec
	1, 3, 4, 5	New	<ul style="list-style-type: none"> <li>• GP Led Commissioning Arrangements</li> </ul>	Dec / Jan
	1, 3, 4, 5		<ul style="list-style-type: none"> <li>• Residential Care</li> </ul>	
	1, 3, 4, 5	2009 / 10	<ul style="list-style-type: none"> <li>• Personalised Budgets</li> </ul>	July / Aug
	All	New	<ul style="list-style-type: none"> <li>• Implementing "Big Society" within Culture Services</li> </ul>	
			<b>Contracts / Capital Projects (value &gt;£1m)</b>	
	All	New	<ul style="list-style-type: none"> <li>• Fossets Farm Development</li> </ul>	
<b>C&amp;L</b>			<b>Risk based jobs</b>	
	3, 4	Not Audited	<ul style="list-style-type: none"> <li>• Contract Management of Early Years Sure Start Contracts</li> </ul>	June 2011
	4	Not Audited	<ul style="list-style-type: none"> <li>• Home to School Transport</li> </ul>	July/August 2011
	4, 5	Not Audited	<ul style="list-style-type: none"> <li>• School Improvement Service</li> </ul>	July 2011
			<b>Critical Friend Jobs Completed</b>	
			<ul style="list-style-type: none"> <li>• None to date</li> </ul>	

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			<b>Other Potential Risks</b>	
	3, 4, 5	New	<ul style="list-style-type: none"> <li>• Merging of Family Support and Attendance Teams</li> </ul>	
			<b>Contracts / Capital Projects (value &gt;£1m)</b>	
	4,5	New	<ul style="list-style-type: none"> <li>• Belfairs Adult College</li> </ul>	
	4,5	New	<ul style="list-style-type: none"> <li>• Hinguar Primary School</li> </ul>	
<b>ET&amp;E</b>			<b>Risk-based jobs:</b>	
	All	New	<ul style="list-style-type: none"> <li>• Managing Change within the Department for Enterprise, Tourism and the Environment</li> </ul>	Terms of reference for two areas of change have been developed and initial work underway
			<ul style="list-style-type: none"> <li>• Administrative Support</li> </ul>	June - Sept
			<ul style="list-style-type: none"> <li>• Regulatory Services</li> </ul>	June – Sept
			<ul style="list-style-type: none"> <li>• Highways and Traffic Management</li> </ul>	August – October
			<ul style="list-style-type: none"> <li>• Area Enforcement Teams</li> </ul>	August - October
	All	Not Audited	<ul style="list-style-type: none"> <li>• Monitoring / Management of Contracts in the Capital Programme</li> </ul>	
	4, 5	2010 / 11	<ul style="list-style-type: none"> <li>• Compliance with Contract Procedure Rules Revisit</li> </ul>	
			<b>Critical Friend Jobs Completed</b>	
			<ul style="list-style-type: none"> <li>• None to date</li> </ul>	
			<b>Other Potential Risks</b>	
			None	
			<b>Contracts / Capital Projects (value &gt;£1m)</b>	
			<ul style="list-style-type: none"> <li>• Pier Head and Structure</li> </ul>	
			<ul style="list-style-type: none"> <li>• Pier Redevelopment</li> </ul>	
			<ul style="list-style-type: none"> <li>• Western Esplanade Cliff Stabilisation</li> </ul>	
			<ul style="list-style-type: none"> <li>• Local Transport Plan Maintenance</li> </ul>	

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			<ul style="list-style-type: none"> <li>Highways Planned Maintenance Investment</li> </ul>	
			<ul style="list-style-type: none"> <li>Local Transport Plan Integrated Transport</li> </ul>	
			<ul style="list-style-type: none"> <li>Waste Infrastructure</li> </ul>	
			<ul style="list-style-type: none"> <li>Airport Access Enhancement</li> </ul>	
<b>SS</b>			<b>Risk-based jobs</b>	
	All		<ul style="list-style-type: none"> <li>Fully evaluate the IT environment of the Council and produce an integrated plan of IT work</li> </ul>	This will start in June and will require some bought in technical support
			<b>Critical Friend Jobs Completed</b>	
			<ul style="list-style-type: none"> <li>None to date</li> </ul>	
			<b>Other Potential Risks</b>	
			<ul style="list-style-type: none"> <li>None</li> </ul>	
			<b>Contracts</b>	
			<ul style="list-style-type: none"> <li>Outsourced HR services</li> </ul>	
<b>P&amp;I</b>			<b>Risk-based jobs</b>	
			<ul style="list-style-type: none"> <li>None</li> </ul>	
			<b>Critical Friend Jobs Completed</b>	
			<ul style="list-style-type: none"> <li>None to date</li> </ul>	
			<b>Other Potential Risks</b>	
			<ul style="list-style-type: none"> <li>None</li> </ul>	
<b>All</b>	All		<b>Quarterly Follow Up of Recommendations Made</b>	
<b>Total on Managing Service Risks</b>				<b>535</b>

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<b>MANAGING PARTNERSHIP RISKS</b>				
LSP	All	2010/11	<b>Local Strategic Partnership: Governance Arrangements</b>	Q2 / Q3
LSP	All	New	<b>Health &amp; Wellbeing Board: Governance / Operating Arrangements</b>	Q2 / Q3
LSP	All		<b>Business Continuity Arrangements, of the Council, Key Contractors and Partners</b>	
LSP	1, 3, 4, 5	2010 / 11	<b>Children &amp; Learning: Serious Case Review: Additional Support</b>	
			<b>Other Potential Reviews</b>	
LSP			<ul style="list-style-type: none"> <li>• Follow up reviews of Deep Dives progress made in implementing findings</li> </ul>	
	1, 3, 4, 5	2010/11	<ul style="list-style-type: none"> <li>• Independent Living</li> </ul>	
	1, 3, 4, 5	2010/11	<ul style="list-style-type: none"> <li>• Mental Health</li> </ul>	
	1, 3, 4, 5	2010/11	<ul style="list-style-type: none"> <li>• Domestic Abuse</li> </ul>	
LSP	All		<ul style="list-style-type: none"> <li>• Cross Partner Reviews of the public experience of a jointly provided service</li> </ul>	
LSP	All		<b>Support the Cross Partner Internal Audit Working Group</b>	
<b>Total on Managing Partnership Risk</b>				<b>60</b>

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<b>KEY FINANCIAL SYSTEMS</b>				
SS	All	New	<b>Agresso Implementation</b> test check of transfer of opening balances	Q2 / 3
SS	All	Annually	<b>*General Ledger</b> (Main Accounting)	This work will be completed (twice for Cedar and then Agresso for systems marked*) in two phases: <ul style="list-style-type: none"> <li>• System design September / October</li> <li>• Operation of controls testing between October and March</li> </ul>
SS	All	Annually	<b>*Accounts Payable</b> (Creditors)	
SS	All	Annually	<b>*Accounts Receivable</b> (Debtors)	
SS	All	Annually	<b>*Cash and Banking</b> (Income)	
SS	All	Annually	<b>*Payroll</b>	
SS	All	Annually	<b>Housing Rents</b>	
SS	All	Annually	<b>Council Tax</b>	
SS	All	Annually	<b>Housing Benefit</b>	
SS	All	Annually	<b>National Non-Domestic Rates</b>	
SS	All	Annually	<b>Treasury Management</b>	
<b>Total on Key Financial Systems</b>				<b>190</b>
<b>SCHOOLS</b>				
C&L	3, 4, 5	Annually	<b>Schools Cyclical Reviews</b> including Financial Management	Q3
<b>Total on Schools</b>				<b>45</b>
<b>CORPORATE PROJECTS</b>				
All	All	New	<b>Delivering the Savings Programme</b> (joint review with PKF)	Q1 / Q2 initially then ongoing monitoring
All	All		<b>Arrangements to Deliver the Capital Programme</b>	
All		2010 / 11	<b>Grant Work</b>	
		Not audited	<ul style="list-style-type: none"> <li>• Arrangements to comply with grant terms and conditions</li> </ul>	A corporate approach produced with guidance, to monitoring grants. To be implemented by July.

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				Approach and guidance re bidding for grants is to be produced in Q3.
ET&E C&L			<ul style="list-style-type: none"> <li>Sample check of compliance with grant terms and conditions</li> </ul>	Ongoing.
			<b>Critical Friend Jobs Completed</b>	
SS	All	New	<ul style="list-style-type: none"> <li><b>Agresso Implementation Project</b></li> </ul>	Ongoing. Monthly Project Boards are attended and support / challenge provided as required.
<b>Total on Corporate Projects</b>				<b>110</b>
<b>OTHER AUDIT WORK</b>				
			<b>Corporate Fraud and Corruption Support</b>	
			<ul style="list-style-type: none"> <li>Maintaining the corporate framework</li> </ul>	The Anti Fraud & Corruption, Whistleblowing and Anti Money Laundering Policies, Strategies and supporting Action Plan updated and reported to the Audit Committee in June 2011.
			<ul style="list-style-type: none"> <li>Setting up a data warehouse</li> </ul>	A Terms of Reference has been agreed and work has commenced on setting up an appropriate framework to enable data matching to take place.
			<ul style="list-style-type: none"> <li>National Fraud Initiative</li> </ul>	Data matches were received in January 2011. They have been allocated to services to review.  The first progress report was presented to the Audit Committee in June 2011.

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			<b>Grant Certification Work</b>	
			<ul style="list-style-type: none"> <li>Stroke Care Grant</li> </ul>	Q1
			<ul style="list-style-type: none"> <li>Contact Point</li> </ul>	
<b>SEH</b>	All	Annual	<b>South Essex Homes</b> (Separate Audit Plan)	17 reviews in the 2011/12 Audit Plan of which: <ul style="list-style-type: none"> <li>1 completed</li> <li>1 work in progress</li> </ul>
<b>Total on Other Audit Work</b>				<b>167</b>
<b>MANAGING THE AUDIT PLAN</b>				
N/A	N/A	N/A	<b>Audit Planning and Resourcing</b>	
N/A	N/A	N/A	<b>Reporting to Management Team and Audit Committee</b>	
<b>Total on Managing the Audit Plan</b>				<b>85</b>
<b>APPROX TOTAL NUMBER OF AUDIT DAYS</b>				<b>1,300</b>

KEY TO CORPORATE AIMS		KEY TO LEAD DEPARTMENTS	
<b>Corporate Aims</b>	<b>Reference</b>	<b>ACS</b>	Adults & Community Services
Safe	1	<b>C&amp;L</b>	Children and Learning
Clean	2	<b>ET&amp;E</b>	Enterprise, Tourism & the Environment
Healthy	3	<b>SS</b>	Support Services
Prosperous	4	<b>P&amp;I</b>	Policy & Improvement
Excellent	5	<b>LSP</b>	Local Strategic Partnership



## APPENDIX 5: INTERNAL AUDIT PLAN 2011/12

<b>INDICATIVE TIME ALLOCATION</b>	<b>Day</b>
Managing the Business	160
Managing Service Risks	530
Managing Partnership Risks	600
Key Financial Systems	190
Schools	450
Corporate Projects	110
Other	160
Managing the Audit Plan	85
<b>TOTAL</b>	<b>1,300</b>