

Appendix 1: Internal Audit Plan 2018/19

Dept & (Lead)	Service Activity and focus of the audit	Fraud risk	Status at 14 th September 2018
Managing the Business			
All Aims			
CE (JR)	<p>Information Governance, General Data Protection Regulation</p> <p>To assess the robustness of the Council's arrangements for complying with the new General Data Protection Regulations to ensure this has been done in line with recognised good practice guidance / statutory requirements.</p>	No	Planned for October to December 2018.
CE (JC)	<p>Shareholder Board</p> <p>To assess the robustness of the new governance arrangements established to oversee the financial and operational performance of the Council's wholly owned companies that are being used as an alternative method to deliver outcomes for residents.</p>	No	Planned for December 2018 to March 2019.
CE	<p>Southend 2050</p> <p>To assess the risks regarding the delivery of this and then agree the focus of any work with management.</p>	No	To be assessed October 2018 to January 2019 when Vision and Corporate Plan Outcomes known.
Managing Service Delivery Risks			
Safe			
PE	<p>Management Response to Quality Assurance Audits (2017/18)</p> <p>To assess whether senior management's revised arrangements for ensuring prompt action is taken to address the improvements required where a children's social care file is assessed as 'inadequate' or 'inadequate critical', are operating effectively to minimise the risk to Children.</p>	No	Current status report issued to Management July 2018.

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PE (JO'L)	<p>Assessment and Intervention of Families <i>(Interim Management Review)</i></p> <p>To assess whether there are suitable processes in place to make sure families are assessed promptly and that appropriate action is taken to keep children safe, where necessary.</p>	No	Deleted. Change of approach being developed within Children's Services.
PE (BM)	<p>Children Centres Contract Management</p> <p>To assess whether the contract is being effectively managed to ensure the planned outcomes for children and families are being delivered in compliance with the specified performance and/or quality standards, at the correct price.</p>	No	Planned for October to December 2018.
PL/PE	<p>Safeguarding Arrangements – service to be determined</p> <p>To assess whether appropriate arrangements are in place to identify and effectively manage safeguarding risks when delivering the service.</p>	No	Planned for October to December 2018.
PE / PL (SH)	<p>Social Care IT Case Management System, Project Implementation "Go Live" Readiness Assessment for Adults (Liquid Logic)</p> <p>To independently challenge and report on the Project Team's assessment against the success criteria within the "Go Live" Readiness framework, prior to any decision being made by the Project Board to 'Go Live'.</p>	No	Completed. Reported to July 2018 Audit Committee.
PE (SH)	<p>Social Care, Hospital Discharge Process</p> <p>To assess whether there is a robust process in place to ensure people are discharged from hospital, to an appropriate setting, when they are ready, reducing the risk of re-admission.</p>	No	Work in progress.
PE (JO'L)	<p>Social Care Payments to Individuals and Providers (Children's)</p> <p>To assess whether the control framework in the new Liquidlogic case management system and the ContrOCC finance module are robust enough to ensure that accurate and timely social care payments are made.</p>	Yes	Completed. Reported to April 2018 Audit Committee.

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PE (SH)	<p>Vibrance Contract Management</p> <p>To assess whether the contract is being effectively managed to ensure the planned services to support people to manage their direct payments is delivered, other specified performance and / or quality standards are met and the correct fee is paid to the contractor.</p>	Yes	Planned for October to December 2018.
PE (BM)	<p>Virtual School</p> <p>To assess whether there are robust processes in place for the Virtual School to ensure that "Looked After Children" achieve the outcomes in their Personal Education Plans.</p>	No	Planned for October to December 2018.
Clean			
PL (CR)	<p>Recycling, Waste and Street Cleansing Services Contract Management (2017/18)</p> <p>To assess whether the contract is being effectively managed to ensure the planned outcomes and/or benefits for residents are delivered in compliance with the specified performance and quality standards, at the correct price.</p>	Yes	<p>Planned for December 2018 to March 2019.</p> <p>Terms of reference drawn up.</p>
Healthy			
PE (JL)	<p>Commissioned Services Contract Letting</p> <p>To assess whether the needs and outcomes required were properly assessed, appropriately translated into the contract and contract procedure rules were properly applied.</p>	Yes	Planned for October to December 2018
PE (JL)	<p>Commissioned Services Contract Management</p> <p>To assess whether the contract is being effectively managed to ensure the planned outcomes and/or benefits for residents are delivered in compliance with the specified performance and quality standards, at the correct price.</p>	Yes	Planned for October to December 2018.

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Prosperous			
PL	<p>Highways Contract Management (2017/18)</p> <p>To assess whether the highways block of contracts are being effectively managed.</p>	Yes	Planned for October to December 2018.
PL	<p>Car Park Management Contract (Lot 1) Contract Management (2017/18)</p> <p>To assess whether there are robust arrangements in place to ensure that the car park compliance (Lot 1) contract is delivering the planned outcomes and / or benefits in compliance with the specified performance and quality standards, at the correct cost / price.</p>	Yes	Draft report is with the Audit Manager for review.
PL	<p>Car Park Management Contract (Lot 2) Contract Management (2017/18)</p> <p>To assess whether the Car Park Management arrangements (cash collection) as part of the Parking Management contract are being effectively managed.</p>	Yes	Draft report is with the Audit Manager for review.
PL (EC)	<p>Better Queensway</p> <p>To assess whether the needs and outcomes required are properly assessed, appropriately translated into the contract and Contract Procedure Rules are properly applied.</p>	Yes	Draft Interim Management report being discussed with client.
PL (PG)	<p>South Essex Active Travel Project</p> <p>To assess whether there are robust accounting, monitoring and transparency arrangements in place to ensure the outcomes set out in the original bid for funding will be met.</p>	Yes	Draft report being prepared.
<i>Implementing Action Plans</i>			
PL (EC)	<ul style="list-style-type: none"> • Airport Business Park <p>To check that actions agreed have been effectively implemented and are now embedded into the day to day operation of the service.</p>	Yes	Included in 2018/19 Audit Plan in error. Work undertaken during 2017/18 and reported to Audit Committee January 2018.
PL (EC)	<ul style="list-style-type: none"> • Better Queensway <p>To check that actions agreed have been effectively implemented and are now embedded into the day to day operation of the service.</p>	Yes	Planned for October to December 2018.

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Excellent			
PL (CR)	Building Control To assess whether there are suitable processes in place to ensure a consistent, effective and commercial building control service is delivered in accordance with statutory building regulations.	Yes	Work in Progress.
PL (NC)	Cyber Security To assess whether there are suitable processes in place to ensure a consistent, effective and commercial building control service is delivered in accordance with statutory building regulations.	Yes	Risks and scope to be determined after the results of the Local Government Association's 'stocktake' of resilience arrangements against cyber-attacks which will cover every council in England. Results due during the autumn of 2018.
PE (JO'L)	Data Quality of Children's Service's Key Performance Indicators To assess whether there are adequate and effective arrangements in place to produce accurate, complete and timely performance indicators for senior management.	No	Work in Progress.
PL (NC)	IT Enterprise Change Management To assess the adequacy and effectiveness of the Council's formal processes that ensure any changes to the IT environment (e.g. through applications or infrastructure) are introduced in a controlled and coordinated manner to minimise the risk of disruption to Council services.	No	Completed. Reported to Audit Committee July 2018.
<i>Implementing Action Plans</i>			
PL (NC)	<ul style="list-style-type: none"> • Agresso System Access Control To check that actions agreed have been effectively implemented and are now embedded into the day to day operation of the service.	Yes	Work in Progress.
CE (JC)	<ul style="list-style-type: none"> • Procurement Cards (2017/18) To check that actions agreed have been effectively implemented and are now embedded into the day to day operation of the service.	Yes	Report issued September 2018.

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Key Financial Systems			
All Aims			
CE	<p>Payroll, Self-Serve Mode (2017/18)</p> <p>To assess whether the new arrangements for processing and approving expense, mileage and overtime allowance claims are working effectively.</p>	Yes	Draft report is with the Audit Manager for review.
CE (JC)	<p>Financial systems work to support the production of the Council's Financial Statements</p> <p>To confirm that selected key objectives and associated controls within financial systems:</p> <ul style="list-style-type: none"> • are designed to prevent or detect material financial errors • have been in place during 2018/19 and therefore, can be relied when producing the Council's Statement of Accounts. 	Yes	Deleted as the new external auditor has confirmed that they do not plan to utilise this this work.
CE (JR)	<p>Payroll</p> <p>To assess the robustness of arrangements which ensure staff are paid the right amount at the right time in line with Council policies and legislative requirements.</p>	Yes	Planned for October to December 2018.
Grant Claims			
PE	<p>Disabled Facilities Grant</p> <p>To certify, in all significant respects, that the conditions attached to the grant have been complied with.</p>	Yes	Work Completed pending final sign off by Head of Internal Audit.
PL	<p>Highways Maintenance Challenge Fund</p> <p>To certify, in all significant respects, that the conditions attached to the grant have been complied with.</p>	Yes	Work Completed pending final sign off by Head of Internal Audit.
PL	<p>Local Transport Plan Block Funding</p> <p>To certify, in all significant respects, that the conditions attached to the grant have been complied with.</p>	Yes	Work Completed pending final sign off by Head of Internal Audit.

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PL	<p>Pothole Action Fund</p> <p>To certify, in all significant respects, that the conditions attached to the grant have been complied with.</p>	Yes	Work Completed pending final sign off by Head of Internal Audit.
PE	<p>Troubled Families Intervention</p> <p>To challenge Troubled Families Payment By Result (PBR) Grant returns to ensure they are in line with the Department for Communities and Local Government requirements.</p>	Yes	Report on the April to August 2018 submissions.
Advice and Support			
All Aims			
	<p>Good Governance Group</p> <p>To attend and provide independent support and challenge to the work of the Group.</p>		The Head of Internal Audit attends.
JR/JC	<p>Corporate Establishment</p> <p>To provide support and challenge to the cross departmental working group established to identify how to create and maintain a complete and accurate personnel establishment list within Agresso.</p>	Yes	Approach to the operation of the cross departmental working group being discussed by senior managers.
Prosperous			
PL (EC)	<p>Airport Business Park</p> <p>To provide, as required, on-going support and challenge to ensure the council's arrangements for use of the Local Growth Fund (LGF), can demonstrate compliance with grant conditions detailed in the Service Level Agreement (SLA) with Essex County Council¹. Grant conditions primarily focus on ensuring:</p> <ul style="list-style-type: none"> • expenditure is spent in accordance with all legal requirements • compliance with government reporting requirements 	Yes	Internal Audit continues to challenge and support officers to ensure grant conditions are met.

¹ The LGF is awarded by the South East Local Enterprise Partnership (SE LEP). Essex County Council is the Accountable Body to government for the SELEP's Growth Deal with government.

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Excellent			
PE (BM)	<p>Early Years Funding – Nursery School Settings</p> <p>To provide ongoing support and challenge of the arrangements currently in place and being developed within the funded childcare provision to ensure:</p> <ul style="list-style-type: none"> • the accuracy of the funding being approved by the Group Manager, Early Years • providers are fulfilling their duties in line with agreements. 	Yes	<p>Planned for October to December 2018.</p>
PE (SH)	<p>Adults Pre - payment cards</p> <p>To assess whether effective arrangements are being developed to manage the issue of as well as approve and monitor expenditure on, pre-payment cards given to clients:</p> <ul style="list-style-type: none"> • in receipt of direct payments • where the Council acts as the official receiver for Court Protection purposes. 	Yes	<p>Planned for October to December 2018.</p> <p>Terms of Reference agreed.</p>
PL (SD)	<p>Safety Of Gas Boilers</p> <p>To assess whether robust processes have and are being followed by the Council when examining issues raised by a complainant regarding potential non-compliance with Gas Safety (Installation and Use) Regulations.</p>	Yes	<p>Feedback provided.</p> <p>Draft Report being discussed with client.</p>
Safe			
PE (JO'L)	<p>Early Help Maturity Model</p> <p>To support the Council in bringing partner organisations together to work collaboratively in achieving the agreed outcomes for families and young people.</p>	No	<p>Work agreed with client for January to March 2019.</p>
PE (SH)	<p>Social Care Payments to Individuals and Providers (Adult's)</p> <p>To provide support and challenge whilst the control framework is being designed into the new Liquidlogic case management system and the ContrOCC finance module, to help ensure accurate and timely social care payments are made to individuals and providers.</p>	Yes	<p>Planned for January to March 2019.</p>

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	Healthy		
PE (SH)	<p>Aids and Adaptations Works Processes</p> <p>To provide support and challenge to the Aids and Adaptations Team in developing a process for assessing the works exceeding the £30K Disabled Facilities Grant limit provided by the Ministry of Housing and Local Government.</p> <p>(see also Grant Claims above)</p>	Yes	<p>Addition to Audit Plan August 2018.</p> <p>Work in progress.</p>
Managing Service Delivery			
<p>Delivering the internal audit service involves:</p> <ul style="list-style-type: none"> • audit planning and resourcing • managing Audit Plan delivery which includes overseeing contractor work • reporting to Corporate Management Team and Audit Committee. 			
<p>Implementing the outstanding actions arising from the External Quality Assessment undertaken by the Institute of Internal Auditors issued October 2017.</p>			

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Risk Watch List	
All	Ethical Governance
CE	Business Continuity Revisited
CE	Debt Management
CE	Emergency Planning Revisited
CE	Rechargeable Works
PE	Empty Homes Fund
PE	Family Mosaic Contract Management
PE	Financial Monitoring of Direct Payments Revisited
PE	Housing Allocations Revisited
PE	Quality Assurance in Adult Services
PE	Quality Assurance in Early Help and Family Support
PE	Residential Care Placements
PE	S75 Equipment Services Revisited
PL	Departmental Project Assurance Arrangements Revisited
PL	Development Control, Planning Application Consultation Process
PL	Environmental Health
PL	IT Disaster Recovery
PL	Licensing Revisited
PL	Parking Management
PL	Smart City Governance Arrangements
PL	The Forum Revisited

These are other potential audits that may be considered for inclusion in the Audit Plan during the year should resources permit.

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Audit Activities	Resource allocation
Managing the Business	7%
Managing Service Delivery Risks	57%
Key Financial Systems	5%
Grant Claims	6%
Advice and Support	8%
Contingency	5%
Managing Delivery of the Audit Plan	12%
Total	100%
Total Council Audit Plan Days	
	607

The days required to revisit and retest action plans from previous reports are included under each heading.

The Total Council Audit Plan Days reflects the higher cost of buying in external contractors to cover internal vacancies.

Analysis Over Departments		
All	Cross Cutting	4%
CE	Chief Executive	13%
PE	People	39%
PL	Place	27%
All	Contingency	5%
All	Managing Delivery of the Audit Plan	12%
	Total	100%