

Appendix 1: Internal Audit Plan 2015/16

Dept	Council activity and focus of audit work	Work type *	Status as at 26 February 2016
Managing the Business			
Aim: Excellent			
All	Business Continuity To assess whether the Council has effectively analysed the results of Operation Meltdown and introduced the required improvements.	Core	Terms of Reference agreed. Start date: March 2016 Complete fieldwork: March 2016 Draft report: April 2016
All	Complaints Handling To assess whether stage one and two complaints have been handled in compliance with the policy.	Core	Fieldwork completed. Draft reports: March 2016
PE	Partnership Management: Section 75 Agreements To assess whether Section 75 agreements clearly set out the service requirements and how the service will be managed on an ongoing basis.	Core	Terms of Reference to be agreed Start date: March 2016 Complete fieldwork: March 2016 Draft report: April 2016
All	Procurement To provide critical but supportive challenge as the Head of Procurement develops and implements the new procurement and contract management.	Core Fraud Risk	Terms of Reference agreed. Start date: March 2016 Complete fieldwork: March 2016 Draft report: April 2016
All	Risk Management To assess whether risks, controls and assurances in risk registers are being properly identified and recorded in line with the requirements of the Risk Management Policy and Strategy.	Core	Start date: January 2016 Complete fieldwork: March 2016 Draft report: April 2016
	Risk Management To assess whether project risks are properly understood and consistently defined in accordance with the Council's Risk Management Strategy and Toolkit.	Core	Start date: January 2016 Complete fieldwork: March 2016 Draft report: March 2016
Managing Service Delivery Risks			
Aim: Safe			
PL	Licensing To assess whether licence applications are effectively and promptly processed and all due income is received	Core Fraud Risk	Report issued November 2015.

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Aim: Clean			
	<p>Repair and Renew (Flooding) Grant To certify approved claims for the flood support scheme as required by the memorandum of understanding between the Department for the Environment, Food and Rural Affairs and the Council.</p>	New In year risk	Grant Claim signed off November 2015. Unqualified opinion given.
Aim: Healthy			
Adult Social Care Services			
PE	To assess whether improvement actions identified by the Care Quality Commission inspections are effectively and promptly dealt with.	Core	Audit deleted as there were no outstanding inspection reports to be reviewed.
PE	<p>Personal Budgets To assess whether personal budgets paid by direct payments are valid, accurate and complete as per the client's assessed needs.</p>	Core Fraud Risk	Terms of Reference agreed. Start date: March 2016 Complete fieldwork: March 2016 Draft report: April 2016
PE	<p>Financial Monitoring of Direct Payments To assess whether there are robust financial monitoring arrangements in place to ensure payments directly to clients are used properly.</p>	New Core Fraud Risk	Audit postponed until 2016/17 as the service is still developing the arrangements in this area.
PE	To assess whether there is robust management review of adult social care files to ensure they met all required statutory and good practice requirements.	Core	Work completed July 2015.
PE	To assess whether residential care placements are effectively and economically procured to meet the client's assessed needs.	Core Fraud Risk	Terms of Reference to be agreed. Start date: March 2016 Complete fieldwork: March 2016 Draft report: April 2016
PE	<p>Fostering and Adoption To assess whether payments to foster and adoption parents are valid, accurate and complete.</p>	Core Fraud Risk	Fieldwork completed. Draft report: March 2016

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Aim: Healthy			
Safeguarding			
PE	To assess whether any required improvement actions identified by the review of the arrangements to prevent child sexual exploitation have been formed into a robust action plan and implemented in a timely manner.	Core	Fieldwork completed. Draft report: March 2016
PE / PL	To assess whether action plans produced following safeguarding reviews (children's and or adult Serious Case Reviews and or Domestic Homicide reviews) are being implemented, in a timely manner and actively monitored by senior management.	Core	Start date: March 2016 Complete fieldwork: March 2016 Draft report: April 2016
PE	Special Educational Needs To assess whether allocations of Special Educational Needs budgets to schools are accurately calculated and there is effective use of top up funding to those with most acute needs.	Core	Fieldwork completed. Draft report: March 2016
PH	0 to Five Year Old Commissioning To assess whether the 0 to five year old services to be transferred to the Council in October 2015 are effectively integrated into the Council and associated budgets are sufficiently understood to ensure the services can be affordable delivered future years	In year risk	Terms of Reference agreed. Start date: February 2016 Complete fieldwork: March 2016 Draft report: March 2016
CS	Essential Living Fund To assess whether there are robust procedures in place for the accurate, consistent, timely and appropriate award of grants from the Essential Living Fund and that arrangements to monitor expenditure against the fund are effective.	Core	Report issued September 2015.
Aim: Healthy			
Health Protection			
PH	To assess whether there are robust policies, procedures and working arrangements in place with relevant parties to ensure public safety, prevent transmission of diseases and manage incidents which threaten the public's health.	Core	Terms of Reference agreed. Start date: February 2016 Complete fieldwork: March 2016 Draft report: March 2016

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PE	<p>School Improvement</p> <p>To assess whether any required improvement actions identified by the review of the School Support and Improvement Board have been effectively implemented in a timely manner.</p>	Core	<p>Terms of Reference agreed.</p> <p>Start date: March 2016</p> <p>Complete fieldwork: March 2016</p> <p>Draft report: April 2016</p>
PE	<p>Schools</p> <p>This programme of work is funded by schools directly and the audit resource is bought in through the framework contract.</p>	Core Fraud risk	See Schools Audit Programme section below.
Aim: Prosperous			
PL	<p>Development Control</p> <p>To assess whether planning applications are effectively and promptly processed and all due income is received</p>	Core Fraud Risk	Report issued November 2015.
PL	<p>Local Growth Fund and City Deal</p> <p>To assess whether the projects as part of the Local Growth Fund and City Deal are well managed to ensure they deliver their required outcomes, to timetable and budget meeting any associated terms and conditions.</p>	Core	Assurance provided by external sources as part of obtaining the grant funding so audit no longer required.
PL	<p>Southend City Deal Grant</p> <p>To certify, in all significant respects, that the conditions attached to the grant have been complied with.</p>	New	<p>Grant Claim signed off January 2016.</p> <p>An unqualified opinion given.</p>
PE	<p>Schools Audit Programme: Finance Management and Governance</p> <p>This programme of work is funded by schools directly and resourced through the framework contract.</p>	Fraud Risk	See below for details.
PE	<p>Strategic Housing</p> <p>To assess whether robust governance and operational planning arrangements have been or are being established to set up a Local Authority Housing Company to deliver increased numbers of affordable housing.</p>	In year risk	Deleted as further work on the project is still required before an audit would be appropriate.
PL	<p>Local Transport Plan, A127 and Pothole Repair Grants.</p> <p>To certify, in all significant respects, that the conditions attached to the grant have been complied with.</p>	Grant Claim	<p>Grant Claims signed off September 2015.</p> <p>Three unqualified opinions given.</p>
PL	<p>Local Sustainable Transport Fund Grant</p> <p>To certify, in all significant respects, that the conditions attached to the grant have been complied with.</p>	New	<p>Start date: February 2016</p> <p>Opinion required by 31 March 2016</p>

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PE	<p>Troubled Families Intervention To challenge Troubled Families Grant returns in line with Department for Communities and Local Government requirements.</p>	Grant Claim	Claims reviewed: <ul style="list-style-type: none"> • June 2015 • September 2015 • February 2016
	To provide advice and support as the Extended Troubled Families Programme is developed.	Grant Claim	Interim feedback provided September 2015 and March 2016 .
Aim: Excellent			
PE	<p>Children's Services and Adult Services To assess whether the replacement IT system for CareFirst, the Children's Services and Adult Service case management system, is:</p>	In year risks	
	<ul style="list-style-type: none"> • appropriately specified and selected, so audit focus will be how the package was procured 		Start date: February 2016 Complete fieldwork: March 2016 Draft report: April 2016
	<ul style="list-style-type: none"> • implemented properly, so the audit focus will be the development of the project implementation plan. 		Start date: January 2016 Complete fieldwork: February 2016 Draft report: March 2016
	<p>Contract Letting To assess whether the A W Hardy works contract was let properly, met the clients' expectations and delivered in budget.</p>		Start date: March 2016 Complete fieldwork: March 2016 Draft report: April 2016
	<p>Contract Management To assess whether a sample of contracts are being effectively managed to ensure:</p> <ul style="list-style-type: none"> • required outcomes are achieved • accurate and valid payments are made to the contractor and or income received. 	Core Fraud Risk	(See contracts listed below)
PE	<ul style="list-style-type: none"> • Family Mosaic 		Report issued January 2016.
CS	<ul style="list-style-type: none"> • Cleaning Services Contract Management 		Report issued December 2015.
PL	<ul style="list-style-type: none"> • Highways Contract, Processing Payments 		Terms of Reference agreed. Start date: February 2016 Complete fieldwork: March 2016 Draft report: April 2016

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PE	<p>Corporate Procurement Team</p> <p>To assess whether the Corporate Procurement Team is appropriately staffed and operating in a manner that complies with statutory requirements and recognised good practice.</p>	In year risk Core	Initial feedback provided. This is being followed up as part of the Procurement work contained in the Managing the Business section above.
PL	<p>Debt Collection</p> <p>To assess whether there are robust processes in place to ensure all debt due is cost effectively collected.</p>	Core Fraud Risk	Fieldwork completed. Draft report: March 2016
CS	<p>IT Data Security</p> <p>To assess whether the relevant standards are met to ensure the Council's data is secure.</p>	Core	Terms of Reference agreed. Start date: January 2016 Complete fieldwork: March 2016 Draft report: March 2016
CS	<p>IT Disaster Recovery</p> <p>To assess whether there are robust plans and procedures in place to minimise the impact and duration of any distribution to the Council's services following a disaster incident.</p>	Core	Review deleted as new arrangements are being put in place.
CS	<p>IT Infrastructure</p> <p>To assess whether the ongoing management of IT fixed assets ensures the IT infrastructure meets the Council's service needs.</p>	Core (new)	Terms of Reference agreed. Start date: November 2015 Complete fieldwork: March 2016 Draft report: April 2016
CS	<p>IT Service Changes Benefits Realisation</p> <p>To assess whether there is evidence the new structures and processes are at an early stage delivering the required improvements in service outcomes.</p>	Core	Report issued August 2015.
CS	<p>Third Party Hosting</p> <p>To evaluate whether services hosted with third parties are effectively planned and managed.</p>	Core	Report issued December 2015.

Key Financial Systems

Aim: Excellent

To assess whether the key controls in each of the key financial systems effectively prevent or detect material errors on a timely basis so that this information can be relied upon when producing the Council's statement of accounts.

CS	Accounts Payable	Annual Fraud Risk	Fieldwork completed. Draft report: March 2016
CS	Accounts Receivable:		

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CS	<ul style="list-style-type: none"> General 		Draft report produced
PE	<ul style="list-style-type: none"> Social Care Debtors 		Fieldwork completed. Draft report: March 2016
CS	Business Rates		Draft report produced
CS	Council Tax		Draft report produced
CS	General Ledger		Draft report produced
CS	Housing Benefit		Draft report produced
CS	Income Receipting and Banking		Draft report produced
CS	Payroll		Fieldwork completed. Draft report: March 2016
CS	Treasury Management		Draft report produced
CS	Payroll Improvement Project		
CS	Computer Assisted Audit Techniques (CAATs)	Completed for Accounts Payable and Payroll audits. <ul style="list-style-type: none"> Update March 2016 	

Implementing Action Plans

All	Audit Reports to be Revisited To check that actions agreed have been implemented, properly, in a timely manner.	Core	
PL	<ul style="list-style-type: none"> Capital Project Management 		Report issued December 2015.
PE	<ul style="list-style-type: none"> Children's Social Care File Quality Assurance Review 		Report issued September 2015.
PE	<ul style="list-style-type: none"> Accounts Receivable, Social Care Debt 		Fieldwork completed. Draft report: March 2016
	<ul style="list-style-type: none"> The Forum 		Fieldwork completed.

Other Work

N/A	The Leas Sun Shelter To assess whether proper processes have been followed by the Council when dealing with all matters relating to the Leas Sun Shelter in its roles as planning authority, land owner and custodian of the public space.	Fraud Risk	Work completed and feedback provided. No further action required.
PE	To fundamentally review the approach	New	Work completed February 2016

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	adopted to auditing schools to see if it is fit for purpose going forward, taking into account potential assurance available from other Council services.	Core Fraud risk	
PE	To assess the level of assurance that can be placed on work being undertaken with schools by other services within the Council.	New Core	Work not required given the findings from the review to update the schools audit approach.
All	Working with the Counter Fraud & Investigation Directorate To work collaboratively where an investigation identifies the need for an audit of an activity to ensure control weaknesses are properly mitigated or proactively on audits in the plan that are considered to be high fraud risks.	Fraud Risk	
Managing Delivery of the Audit Plan			
	Audit Planning, Resourcing		
	Managing Contractor Work		
	Reporting to Management Team and Audit Committee		
	Contingency		

Audit Plan Definitions

Departments:

- CS: Corporate Services
- PE: People
- PH: Public Health
- PL: Place

* **Core work** means those service activities that score as high risk (i.e. risk level 1 or 2 out of 4) from an audit perspective based on the criteria set out in the Internal Audit Strategy.

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Schools Audit Programme			
<p>Below is a complete list of all schools still requiring a full audit or revisit with regard to this three year programme of audit visits. It covers 2015/16 and 2016/17 as some action plans are not due to implemented until 2016/17.</p>			
PE	<p>Full Audits covering finance, management and governance</p> <p>To assess whether effective arrangements are in place to develop and implement a suitable strategic framework as well as organise, manage and control the specified activities</p>	Fraud Risk	
	<ul style="list-style-type: none"> • Friars Primary School 		Report issued December 2015
	<ul style="list-style-type: none"> • Hinguar Community Primary School 		Report issued December 2015
	<ul style="list-style-type: none"> • Leigh North Street Primary School 		<p>The infant and junior schools have now amalgamated to become Leigh North Street Primary School.</p> <p>The new school has requested a financial audit in 2016/17.</p>
	<ul style="list-style-type: none"> • Our Lady of Lourdes Catholic Primary School 		Report issued November 2015
	<ul style="list-style-type: none"> • St George's Catholic Primary School 		Report issued July 2015
	<ul style="list-style-type: none"> • St Nicholas School 		Report issued September 2015
PE	<p>Revisiting audit reports</p> <p>To check that recommendations made have been implemented, properly, in a timely manner.</p>		
	<ul style="list-style-type: none"> • Blenheim Primary School 		Start date: 28 January 2016 Draft report: March 2016
	<ul style="list-style-type: none"> • Bournes Green Infant School 		Report issued December 2015
	<ul style="list-style-type: none"> • Chalkwell Hall Infant School 		Start date: 10 February 2016 Draft report: March 2016
	<ul style="list-style-type: none"> • Chalkwell Hall Junior School 		Start date: 18 March 2016 Draft report: March 2016
	<ul style="list-style-type: none"> • Eastwood Primary School 		Report issued September 2015
	<ul style="list-style-type: none"> • Earls Hall Infant School 		<p>The infant and junior schools have now amalgamated to become Earls Hall Primary School.</p> <p>The new school has requested a</p>

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			financial audit in 2016/17.
	<ul style="list-style-type: none"> • Friars Primary School 		Start date: Being booked Draft report: TBC
	<ul style="list-style-type: none"> • Futures Community College 		Report issued February 2016
	<ul style="list-style-type: none"> • Hamstel Infant School 		Start date: 1 March 2016 Draft report: April 2016
	<ul style="list-style-type: none"> • Heycroft Primary School 		Start date: 3 March 2016 Draft report: April 2016
	<ul style="list-style-type: none"> • Hinguar Community Primary School 		Start date: Being booked Draft report: TBC
	<ul style="list-style-type: none"> • Kingsdown School 		Start date: 11 March 2016 Draft report: April 2016
	<ul style="list-style-type: none"> • Milton Hall Primary School 		Start date: 10 March 2016 Draft report: April 2016
	<ul style="list-style-type: none"> • Our Lady of Lourdes Catholic Primary School 		Start date: Being booked Draft report: TBC
	<ul style="list-style-type: none"> • Porters Grange Primary School 		Report issued September 2015
	<ul style="list-style-type: none"> • Seabrooke College, Prittlewell (PRU) 		Start date: 17 March 2016 Draft report: April 2016
	<ul style="list-style-type: none"> • St Mary's Prittlewell C of E Primary School 		Report issued November 2015
	<ul style="list-style-type: none"> • Sacred Heart Catholic Primary School 		Start date: 19 February 2016 Draft report: March 2016
	<ul style="list-style-type: none"> • St George's Catholic Primary School 		Start date: 17 March 2016 Draft report: April 2016
	<ul style="list-style-type: none"> • St Helen's Catholic Primary School 		Start date: 31 March 2016 Draft report: April 2016
	<ul style="list-style-type: none"> • St Nicholas School 		Start date: Being booked Draft report: TBC
	<ul style="list-style-type: none"> • Thorpedene Primary School 		Report issued November 2015
	<ul style="list-style-type: none"> • The Federation of Greenways Schools 		Start date: 9 March 2016 Draft report: April 2016
	<ul style="list-style-type: none"> • West Leigh Infant School 		These schools are becoming an academy on the 1 April 2016 so no further work is being undertaken.
	<ul style="list-style-type: none"> • West Leigh Junior School 		