



ISLINGTON

Islington Council

Internal Audit and Investigations

Annual Audit Plan – 2014/15 - Draft



Summary of Allocation of Planned days

Service Area	Total Planned Days
Corporate /Cross Cutting Reviews	105
Finance and Resources – Key Financial Systems, Finance and DST	225
Children's Services	145
Environment and Regeneration	90
Housing and Adult Social Services	120
Chief Executive's Department	60
Anti-Fraud	180
Follow-ups to 2013/14 projects	140
Contingency	100
Total	1,165

Internal Audit Plan

Corporate / Cross Cutting Audits

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
CC14_1	Programme Management	Project management review of the processes and outcomes of the 8 transformation programmes to ensure they are in line with objectives; robust risk management is in operation and; appropriate governance arrangements are in place.	2	20
CC14_2	Business Planning	Audit of Corporate and Directorate arrangements for business planning and associated governance arrangements; objective setting and performance monitoring.	2	15
CC14_3	Corporate Data Protection	Review to be undertaken prior to the visit from the ICO to assess compliance with data protection legislation and assess new and emerging risks.	1	20
CC14_4	Customer Transformation Programme	Programme management review to ensure project is in line with objectives; robust risk management is in operation and; appropriate governance arrangements are in place.	2	15
CC14_5	Leaseholder service & Major Works charges (HASS & Finance)	Risk based review to ensure Leaseholder and major works charges are accurate, complete and timely with consideration given to compliance with Council procurement procedures. Assessment of costing, financial controls and adjustments. Calculation of charges, notification and consultation of proposed works, charges to leaseholders and the prompt collection of charges will also be assessed.	3	20
CC14_6	Public Health	Joint review with Camden - tbc with Director of Public Health	3	15
		Total Days		105

Finance and Resources

225 days have been allocated to this department which covers: Financial Management, Financial Operations, Corporate Property Services and Digital Services & Transformation (DST).

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
Finance				
FR14_1	Continuous Auditing/KFS Audits	Follow Up and control testing on key financial systems.	1-4	100
FR14_2	Bailiffs*	Further work following special in 13/14; legislation on bailiff enforcement action will take effect from April; significant negative press around use of bailiffs	1	10
FR14_3	Finance Function - New Model of Operation following Review	Review of implementation including management and communication of findings; residual risks; service quality assurance.	2	15
FR14_4	VAT	At department's request following HMRC request. This review will assess the Council's procedures and controls that are in place to correctly identify, assess and report levels of input and output VAT. Particular focus will be paid to providing assurances over the accuracy of the Council's VAT returns, its partial exemption calculations and whether the appropriate and most beneficial VAT treatment has been applied in relation to income and expenditure (review to focus on Car Parking and Opted Properties and follow up any issues from 13/14 Purchase Card review).	2	15
FR14_5	Grant Claim Preparation	Deferred from 2013/14. Review of grant claim completion with a view to ensuring that claims are monitored and reviewed before sign off.	3	10
DST				
FR14_6	PSN Audit	Specialist review of PSN requirements and their application. Following through to a strategic review over mobile working processes including current security arrangements associated with the use of employee's own devices, home working etc to ensure opportunities are maximised and risk appetite is appropriate.	1	20
FR14_7	Departmental IT Applications Key Control Testing	An assessment of IT key controls in place for 3-4 high risk departmental applications/databases including an assessment of controls over: access; change management; security; interfaces and; back up procedures.	2	20
FR14_8	IT Strategy & Governance	Review of IT alignment with Council objectives and the harnessing of new technology. Assess whether IT are enabling and maximising opportunities.	2	10
FR14_9	Data Centre*	Review of the transition of Camden's Data Centre to Islington. The review will provide assurance over data quality; data loss including accountability; data segregation	2/3	10

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
FR14_10	Master Data Management	Review of controls over the Council's master data including the accuracy and completeness of data, duplication, and standardisation of processes and data restrictions.	3	15
		Total Days		225

** Possible Joint Reviews with Camden*

Children's Services

145 days of the audit programme are allocated to this area of work covering Early Years, Schools, and Strategy.

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
CS14_1	Children's Centres Monitoring	Approach to be reviewed following outcome of 2013/14 monitoring audit. Approach to include Community Nurseries	1 to 4	15
CS14_2	Schools x 12	Risk based reviews of schools' governance, risk management and financial management arrangements	1 to 4	85
CS14_3	Stronger Families PbR Claim	Audit sign off of LBI claim submission	1 to 4	15
CS14_4	Assurance Mapping	Review of sources of assurance for children's services; identification of any gaps; discussion with AD's.	2	10
CS14_5	Local Education Partnership (LEP)	LBI have established a Local Education Partnership (LEP), Transform Islington, in conjunction with Transform Schools and Building Schools for the Future Investments (BSFI), the company established nationally to invest in LEPs. Review of risks relating to ICT provision/ managing and reporting faults/ benchmarking/ invoicing.	3	20
		Total Days		145

Environment and Regeneration

90 days have been allocated for audit reviews in this service which cover Public Protection, Public Realm and Planning and Development.

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
ER14_1	Planning Notification Procedures and Consultation	Risk based review of processes and procedures in place surrounding planning notification and consultation. To ensure compliance with Council Protocol and Legislation.	1	15
ER14_2	CCTV	Review of corporate arrangements for the installation, management and monitoring of CCTV to ensure that these meet the council's corporate policies and objectives and relevant legislation.	1	15
ER14_3	Transport Planning & Strategy including Street Scene Programme	Risk based review of delivery of the transport strategy, financial monitoring and links with other relevant strategies (e.g. street scene programme, planning etc).	2	15
ER14_4	Open Spaces/Parks Management*	Review of income maximisation (sports facilities & events), grounds maintenance contract arrangements and monitoring and use of voluntary groups.	2	15
ER14_5	Planning/S106/Building Control	Extended follow up of 12/13 review with a focus on the arrangements since the implementation of the new IT System	2	10
ER14_6	Waste Management	Risk based review of controls surrounding key service objectives.	3	10
ER14_7	Libraries	Risk based review of Libraries Service including income collection, purchasing best value, SLA with schools and prison services and links with other front line services.	3	10
		Total Days		90

* Possible Joint Reviews with Camden

Housing and Adults Social Services (HASS)

120 days of the audit programme are allocated to this area of work, covering areas within the Housing and Adults Social Services Directorate. A further HASS review has been included under Corporate and Cross Cutting reviews.

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
HASS14_1	Intermediate Care Service- Supported discharge Rehabilitation Scheme	Deferred from 13/14. To examine the administrative and financial controls of clients discharged from hospital to the community under council care as an intermediate care service, determination of care packages eventually allowing clients to return home.	1	15
HASS14_2	Intermediate Care Service- Occupational Health Service	Deferred from 13/14. Review assessments and charging for services provided: prevent people from being admitted to hospital/ long-term residential care; support people to return home after a recent hospital admission; enable people to live at home rather than in a care home, if they choose; To establish more information and could be combined with above.		
HASS14_3	Property Services - Legal Repairs Surveying Team	Deferred from 13/14. Review of management of risk over disrepair claims, complaints, and management and monitoring of the High Value Repairs Panel Budget.	2	15
HASS14_4	ASC Client Reviews*	Risk based review of processes to assess that client's ongoing needs are being reviewed regularly, met promptly and effectively. Include review arrangements for LBI clients placed in other local authorities. Include fraud risk of payments to fictitious clients.	2	15
HASS14_5	Self-Directed Care Services, Individual Budgets and Direct Payments*	Audit input into risk assessment and how any relaxation of this may impact. To consider cost modelling, scenarios, reduction of controls, proactive fraud reviews etc)	2	10
HASS14_6	Safeguarding Adults*	Review of the notification of clients requiring safeguarding ensuring they meet criteria, working with agencies including foundation trust, other local authorities, police appropriate, clients services monitored and reviewed with approval processes for services, funding / payment applied.	3	10
HASS14_7	Housing Allocations including transfers	Risk based review of controls in place surrounding the assessment of application for housing support and making housing allocations. Include anti-fraud measures to prevent and deter tenancy fraud in this process.	2	15
HASS14_8	TMOs x4 (Brunswick deferred from 13/14 plus 3 others)	TMO comply with legal and regulatory framework, provide effective financial management and administrative control, value for money from procurement of contract and services ensuring the effective management and maintenance of repairs of the buildings/estate it is responsible for improving housing conditions and the environment for the benefit of residents.	1 to 4	20
HASS14_9	Repairs	Assistance with redesign of controls. Post - implementation audit for 15/16.	1	5
HASS14_10	Finsbury Park Community Hub	Risk based review of community hub including due diligence, review of income streams and value for money.	1	15
		Total Days		120

* Possible Joint Reviews with Camden

Chief Executive's Department

60 days have allocated to reviews in this department across the two divisions - Governance and HR (Legal, HR and Democratic Services) and Strategy and Community Partnerships (Communications, Community Safety, Partnerships & Employability Strategy, Equality & Performance)

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
CE14_1	HR Service - Review of Starters and Leavers Process	Deferred from 13-14. Assurance on redesigned process following systems thinking review. To include a review Staff Induction Processes i.e. review of controls surrounding corporate and local inductions processes.	1	15
CE14_2	Third Sector Organisations – Solace & Refugee Therapy Centre (deferred from 13-14)	Review of governance and financial management arrangements in specific organisations funded by the council to ensure that they are complying with the minimum standards framework established by the Third Sector Strategic Forum; to assist organisations in maintaining the necessary infrastructure to manage the delivery of council funded services. Site visits will be made to a sample of organisations. Scope will include an evaluation of the robustness of governance and accounting records - transparency of decision making process, budgetary control and monitoring, and quality of management information systems maintained to support agreed service delivery outcomes.	1 to 4	20
CE14_3	Impact of budget cuts on crime, disorder and community tension	Examination of controls and processes developed to meet service targets within reduced budget. To include an assessment of any control gaps that may have an adverse impact on service performance.	2	15
CE14_4	Performance Management Improvement - KPIs and Data Quality Management	Review of controls surrounding the validity, integrity and robustness of the corporate performance management process, and those underpinning linkage with other corporate processes (i.e. Service planning, Risk management).	3	10
		Total Days		60

Anti-fraud / Forensic

180 days are allocated to this area of the audit plan which comprise anti-fraud work and continuous transaction monitoring outputs from the antifraud data mining tool "Oversight". Anti-fraud covers investigations into "internal" instances of suspected fraud, proactive anti-fraud work, Regulation of Investigatory Powers Act (RIPA), training, publicity and National Fraud Initiative (NFI) support. This area excludes work by the housing benefit, housing rents and blue-badge fraud teams.

Ref	Audit title	Indicative scope	Planned Quarter	Planned Days
AF14_1	Fraud referrals	Estimated time to investigate referrals to internal audit	1-4	100
AF14_2	Anti-fraud advice and co-ordination	Ad hoc advice and information, including presenting at management induction training, providing survey returns and coordinating council fraud forums	1-4	10
AF14_3	Fraud awareness/risk workshops	A series of interactive workshops to be targeted at specific areas of the Council to raise awareness of fraud, increase the profile of corporate anti-fraud, and identify potential fraud risks in certain areas.	1-4	20
AF14_4	TMO Reserve Funds	Analysis of reserve funds and proportion of expenditure on repairs	2	10
AF14_5	Financial Abuse	Pro-active checks and review of investigation procedures	2	15
AF14_6	Third sector grants	Review of application for grant funding and monitoring of grant payments	3	15
AF14_7	NNDR	Review of property conversions to ensure legitimate rates are being collected	3	10
		Total Days		180

Follow up reviews

140 days have been allocated for follow up work to ensure that agreed actions contained in our 2013/14 reports have been implemented.

Status of implementation of 2013/14 audit recommendations will be updated and reported in our progress reports to senior management and the Audit Committee throughout 2014/15.

The schedule below shows the planned follow up and extended follow up reviews for 2014/15:

	Planned Days	Planned Quarter
Corporate/Cross Cutting		
Programme Management	2	2
Risk Management Strategy	2	2
Purchase Cards	2	3
Data Protection/ICO Audit	3	3
Public Health	3	3
Development of Council Land	3	3
Council Fleet Management	3	3
Cash Management	3	2
Finance & Resources incl. DST	Planned Days	Planned Quarter
Resident Support Scheme	2	2
Insurance Scheme	3	4
Call Centre Management	3	2
Service Desk And Delivery	3	3
PARIS Upgrade	3	3
Network Security	3	1
ICT Change Management	3	3
ICT Third Party Management	3	3
Portable Storage /Procurement & Asset Management	3	4
Server Management	3	3
Pensions Administration	3	1
Children's Services	Planned Days	Planned Quarter
Early Years Service - Children's Centre Monitoring	2	3
Schools:		
St Andrews	2	4
Montem	2	4
Ambler	2	4
Schools Traded Services	3	3
Targeted Youth Support Service and Youth Offending Service	3	3
Schools Pupil Roll Management (PLASC Returns)	3	4

Chief Executive's Office	Planned Days	Planned Quarter
Third Sector Organisations - Islington Law Centre	2	2
Third Sector Organisations - Islington Boat Club	3	3
Electoral Registration Service (to include review of revised IER process)	5	2
Season Ticket and Staff Loans	3	3
Strategy and Equality - No Recourse to Public Funds (NRPF) Service	3	3
Environment & Regeneration	Planned Days	Planned Quarter
Cemeteries	2	2
Street Environment Service - Trade Refuse	2	1
Street Environment Service - Accessible Transport	2	3
Legal Proceedings	3	3
Highways and Energy Service - Highways Maintenance	3	4
Highways and Energy Service - Home Energy Efficiency Capital Programme	3	4

HASS	Planned Days	Planned Quarter	
Housing Repairs Reintegration	2	2	
Client Affairs Team	3	3	
Supporting People Service	3	4	
HASS Material Ordering Process & Van Stock	3	3	
Area Housing Offices-Tenancy and Estate Management Services	3	4	
Data Protection (HASS)	3	3	
Tenant Management Organisations:			
	Braithwaite	3	2
	Holbrook	3	3
	Newberry	3	4

Anti-Fraud	Planned Days	Planned Quarter
Bribery Act Risk areas - Gifts and Hospitality Policy; declarations of Interest; third party arrangements	3	3
Partners - Review of Performance	3	3