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Meeting	Audit Committee
Date	4 April 2006
Subject	2006/7 Internal Audit Annual Plan
Report of Summary	Chief Internal Auditor The Committee is asked to consider the Internal Audit annual plan for 2006/7.

Officer Contributors	Chief Internal Auditor
Status (public or exempt)	Public
Wards affected	N/A
Enclosures	Appendix A: 2006/7 Internal Audit Draft Annual Plan
For decision by	Audit Committee
Function of	Council
Reason for urgency/ exemption from call-in (if appropriate)	Not applicable
Contact for further information	Michael Bradley, Chief Internal Auditor Tel No 0208 359 7151

1 RECOMMENDATIONS

- 1.1 That the Audit Committee approve the Draft 2006/7 Internal Audit Annual Plan.

2 RELEVANT PREVIOUS DECISIONS

- 2.1 None

3 CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Council is committed to Best Value and to showing that services represent value for money and that there is a continuous drive to improve quality, efficiency and effectiveness of the service (Corporate Plan).

4 RISK MANAGEMENT ISSUES

- 4.1 The purpose of this report is to seek approval for the annual Internal Audit plan for 2006/7. This plan should focus audit resources on the highest risk areas facing the organisation.

5 FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 5.1 None

6 LEGAL ISSUES

- 6.1 None

7 CONSTITUTIONAL POWERS

- 7.1 Constitution Part 3, Section 2 details the functions of the Audit Committee including "Satisfying the Council that the internal auditor carries out sufficient systematic reviews of the internal control arrangements, both operational (relating to effectiveness, efficiency and economy) and financial".

8 BACKGROUND INFORMATION

2006/7 Draft Annual Audit plan

- 8.1 Attached as an Appendix A to this report is a draft annual audit plan for 2006/7 prepared by the Chief Internal Auditor after a detailed risk assessment of the Council's systems and consultation with the key stakeholders. The audit plan for 2006/7 is presented to the Committee for comment and approval.

8.2 The Committee should be satisfied that it can make an appropriate assessment of the internal control environment based on the programme of work outlined in Appendix A.

9 LIST OF BACKGROUND PAPERS

9.1 None

Legal: MM

CFO: CM

Appendix A

London Borough of Barnet

Internal Audit Service

Draft Audit Plan 2006 - 2007

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Internal Audit Services 2006 - 2007 Audit Plan

Introduction

Background

The Council has a statutory duty to maintain an adequate and effective internal audit function. The Internal Audit unit provides this function.

Our primary objective is to offer the Council (via the Audit Committee) and Chief Executive an independent and objective appraisal of whether objectives are being met efficiently, effectively and economically. We also provide advice and guidance to management on risk and control issues within individual systems. We aim to achieve this through a planned programme of work based on an annual assessment of the major risks facing the authority.

External Audit

The council's External Auditors, Robson Rhodes, verify the accuracy of the Council's annual financial statements and review the systems in place to support their production. In order to work towards a managed audit approach, we meet regularly with the external auditors to ensure that we plan our work effectively, minimise any duplication of work and ensure that we satisfy the statutory audit requirements.

Internal Audit Performance Standards

Although there are no national performance indicators for Internal Audit, we are continuing our efforts to improve our service to managers. We have a suite of local performance indicators which are approved and monitored by the Audit Committee.

Internal Audit Resources

The annual plan has been drawn up to address the statutory requirements and key risks for the Council, taking into account the available resources within the section. We will be working jointly with our audit partners to deliver the annual plan.

Follow-up audits

All planned audit work undertaken is subject to a formal follow up to ensure that the agreed action to address all recommendations has been implemented. The timing of each follow up review is agreed with the client for the original audit, who will remain responsible for ensuring recommendations are addressed. We report to the Audit Committee summary findings of all internal audit work as well as levels of implementation of agreed recommendations and the impact that this has on our risk assessment of that area.

Recommendations

Internal Audit reports in 2006-7 will not contain any recommendations from the audit team. The report will state the findings and associated risk and the management action to address the risk will be agreed at the time of the exit meeting. The intention is to try and achieve maximum ownership of the response to identified risks as well as further embedding principles of risk management and internal control.

Assurance Levels

All internal audit projects result in a statement of assurance of either 'satisfactory', 'limited' or 'no' assurance. These conclusions are based on the number of 'priority 1' recommendations made in the report - this indicates that, in the auditor's opinion, there is significant risk that either objectives will not be met efficiently and effectively or that fraud or irregularity will not be prevented or detected.

Deferrals

Occasionally it is necessary to defer (or sometimes delete) audits which have been included in the agreed plan. To ensure that audit resources are maximised we have introduced a short 'substitute list' of audits to be included when audits are 'dropped' from this plan.

The 2006 - 2007 Internal Audit plan

Key denoting the Corporate Priorities:

STV = Supporting the Vulnerable in our Community

RRAP = Repairing Roads and Pavements

FCE= First Class Education Service

CGB = Cleaner, Greener Barnet

TC = Tackling Crime

CORPORATE AUDITS

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
BVPIs	A review to be conducted in conjunction with CPO, examining the reasons for continuing amendments to be necessary to submitted BVPI documentation	Head of CPO	2	All
Community Plan	Deferred from 2005-6, this review will consider the effectiveness of procedures for producing, disseminating and monitoring the outcomes of the Community plan.	Head of CPO	2	All
Consultation	A review of the effectiveness of consultation arrangements particularly focusing on monitoring the benefits achieved from addressing the outcomes of consultation exercises.	Head of CPO	2	All
Corporate Governance	Key Control Review	Head of CPO	2	All

Golden Thread	This review will consider management arrangements for ensuring that KPP requirements are owned and delivered through management to front line staff. The adequacy of appraisals to effect this will form part of the focus. This review will be extended to include Learning and Development and appraisals.	Head of CPO	2/3	All
Performance and Policy Cycle	This review will seek to provide assurance on the arrangements for greater 'self-organisation' by services. One aspect of the review will be an examination of the improvements delivered by the findings from the staff survey	Head of CPO	2/3	All
Partnership Arrangements	Key Control audit	Head of CPO	3	All
BVPIs	Follow-up of work conducted in 2005-06	Head of CPO/ Head of ASS	2	All
Freedom of Information Act	Follow-up of work conducted in 2005-06	Director of Resources	2	All
Constitution	Follow-up of work conducted in 2005-06	Head of CPO	4	All
Letting of Contracts/ DPRs	Follow-up of work conducted in 2005-06	Director of Resources	4	All

EDUCATION AND CHILDREN

Director of Children's Services

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
Children's Act	Systems review to examine the arrangements to ensure that the outcomes as envisaged by the Children's Act will be delivered efficiently, effectively and economically.	Director of Children's Services	3	FCE STV

Education

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
Standards and Effectiveness				
Development and Consultancy	Audit to review the traded training services to schools. The review will look at whether management's objectives for this area are fully met and optimum value obtained.	Deputy Chief Education Officer/ Development and Consultation Manager	2	FCE STV TC CGB

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
Resources and Performance				
Primary Schools Capital programme	Ongoing project work and follow up of any recommendations made in 2005-06	Head of Education and Chief Education Officer	Ongoing	FCE STV TC CGB
Schools Asset Management	A full review will be undertaken of asset management within the Education Service.	Head of Business Performance	1	FCE CGB
Human Resources Traded Service	Deferred review from 2005-06	Head of Education and Chief Education Officer	2	FCE STV TC
Catering	Full review of the catering service including arrangements for monitoring and control over financial targets.	Head of Education and Chief Education Officer	3	FCE STV
HR Data from Schools	Deferred review from 2005-06.	Director of Resources	4	FCE

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
Education Finance	Follow-up of work conducted in 2005-06	Head of Education and Chief Education Officer/ Borough Treasurer	4	FCE STV
Research and Management Information	Follow-up of work conducted in 2005-06	Head of Education and Chief Education Officer	4	FCE
Standards and Inclusion				
SEN Budget and Contract	<p>Systems audit to review the tracking, processing and monitoring of all financial information relating to pupils with a Statement of SEN. This includes pupils attending Barnet mainstream and special schools, pre school settings and out-borough placements.</p> <p>Review to included arrangements for commissioning for SEN and children with disabilities focusing on the joint arrangements with the PCT.</p> <p>Consideration will be given at the planning stage of this audit to including arrangements for Looked after children.</p>	Head of Education and Chief Education Officer	2	FCE STV

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
Performance Management of SEN Specialist Service	Follow-up of work conducted in 2005-06	Head of Education and Chief Education Officer	4	FCE STV

Youth Service and Connexions				
Use of Premises	Audit to review the premises used by the Youth Service to seek to give assurance that maximum value is obtained – to include how they are used; assessments of fit for purpose; income management. The review will take account of the review of Community Centres being undertaken by the Housing Service.	Head of Education and Chief Education Officer	3	STV FCE
Libraries, Museums & Local Studies				
Stock Management	Audit to review management arrangements for procurement, handling stock, write-offs, disposals and accuracy of stock record across the service.	Head of Education and Chief Education Officer	2	FCE STV

Children and Families

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
Child Protection	A systems review will be undertaken to ensure that the needs of children are met through effective review system, case planning and improved outcomes.	Head of Children and Families	3	STV
Fostering	Audit will provide assurance that effective processes are in place to address recommendations reported following the review by CSCI (Commission for Social Care Inspection) of the Service.	Head of Children and Families	3	STV
Looked After Children	Follow-up of work conducted in 2005-06	Head of Children and Families	3	STV

ENVIRONMENT

Highways and Environment

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
Street Lighting 2006/07	Ongoing project work and follow up of any recommendations made in 2005-06	HHE	Ongoing	TC STV
Green Space	Full review of the Service (it is likely that this area will be subject to a restructure with effect from 1 April 2006)	HHE	1	CGB
Public Transportation and Traffic Mgmt	Full systems review of the process to deliver Mayor's Transportation strategy through Local Implementation Plan (LIP).	HHE	1	STV RRAP
Stores	A full systems review including arrangements for security of stock and use of SAP for management monitoring and control. The planning stage for this audit may conclude that advice on risk assessment may be the most valuable audit input.	HHE	1	CGB RRAP
Refuse Commercial – Trade Waste	Deferred review from 2005-06.	HHE	2	CGB
Winter Maintenance	Full systems review to confirm implementation of the new policy from the Government and to ensure that spending delivers value for money.	HHE	2	RRAP

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
Graffiti	Full review of the current service provision.	HHE	3	CGB TC
Parking Control	Key control review and a separate follow-up of the Controlled Parking audit completed in January 2006.	HHE	3	RRAP
TMA 2004	Full systems review of the arrangements to implement changes and new standards, including facility to raise additional income, contained in the Traffic Management Act 2004.	HHE	3	RRAP
Waste Minimisation 2006/07	Full systems audit.	HHE	3	CGB
Transport	Full review in preparation for re-tendering in the following year.	HHE	4	STV RRAP
Parking Unit	Follow-up of the Parking Unit project completed in April 2005 which will be extended to include a full risk assessment of the Parking Unit's objectives.	HHE	1	RRAP
Grounds Maintenance	Follow-up of work conducted in 2005-06	HHE	2	CGB
Street Enforcement Service	Follow-up of the review completed during 2005-6.	HHE	3	CGB RRAP TC

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
Rechargeable Works & Other Income	Follow-up of the review completed during 2005-6.	HHE	4	RRAP
Recycling	Follow-up of the ECT contract monitoring review completed during 2005-6.	HHE	4	CGB
Transport for London	Follow-up of the TFL review completed during 2005-6.	HHE	4	RRAP

Planning and Regulation

Audit Title	Scope/Audit History/Comments from Client	Client	Quarter	Contribution to the Corporate Priorities
Hendon Cemetery and Crematorium	There are plans to externalise the management of this function, audit will provide assurance on the risk assessment process before transition.	Head of Planning and Regulation	1	CGB
Works in Default	Full review to include examination of arrangements for the recovery of debts and the use of charge to properties.	Head of Planning and Regulation	1	STV
Building Control	Key systems review including assessment of risks resulting from changes following the restructure, introduction of SAP and actions taken post follow-up review.	Head of Planning and Regulation	3	CGB
Planning Service	Further follow-up to establish level of implementation of outstanding recommendations from 2005-6 follow-up review.	Head of Planning and Regulation	1	CGB
Regulatory Services	Follow-up of the review completed during 2005-6.	Head of Planning and Regulation	2	CGB
Trading Standards	Follow-up of the review completed during 2005-6.	Head of Planning and Regulation	2	STV
Licences	Follow-up of the review completed during 2005-6.	Head of Planning and Regulation	3	TC

LAW AND PROBITY

Audit Title	Scope/Audit History/Comments from Client	Client	Quarter	Contribution to the Corporate Priorities
Business Continuity	A full systems review to ensure that there are adequate business continuity arrangements for all key services.	Borough Solicitor	3	All
Emergency Planning	A full systems audit to review the recently enhanced Emergency Planning arrangements.	Borough Solicitor/ Head of CAFT	3	STV
Money Laundering	A full systems review to ensure that there are adequate money laundering arrangements for all key services.	Borough Solicitor	3	TC
Municipal Elections	Systems audit deferred from 2005-6 to review the arrangements for the effective conduct of municipal elections.	Borough Solicitor	4	All
RDT System	Follow-up of work conducted in 2005-06	Borough Solicitor/ Democratic Services	4	STV
General Elections	Follow-up of work conducted in 2005-06	Borough Solicitor	4	All
Money Handling	Follow-up of work conducted in 2005-06	Borough Solicitor	4	All
Registrars	Follow-up of work conducted in 2005-06	Borough Solicitor	4	All

COMMUNITY SERVICES

Adult Social Services

Audit Title	Scope	Client	Quarter	Contribution to the Corporate Priorities
Electronic Single Assessment Process	Project – Internal Audit will provide input into the on-going development of Electronic Single Assessment Process.	Head of Adult Social Services	ongoing	STV
Financial management and invoice payments	Project – continuation from 2005-6 of input to focus on risk and control during systems review and design.	Head of Adult Social Services	1	STV
Adult Social Services Income & Assessment	Full systems audit to include review of changes resulting from the implementation of SAP and progress made on outstanding recommendations from the follow-up review. (The Audit Committee have requested that this review be undertaken in Q1 of 2006/7)	Head of Adult Social Services	1	STV
Data Capture	A full review of this system to address issues identified in previous Internal Audit work in this area.	Head of Adult Social Services	1	STV
Learning Disability	Key control audit to include review of changes since last audit and progress made on outstanding recommendations from the follow-up review.	Head of Adult Social Services	1	STV

Reviewing Team	Deferred review from 2005-06	Head of Adult Social Services	2	STV
Electronic Social Care Records	Full systems review to ensure objectives of the project are delivered effectively.	Head of Adult Social Services	4	STV
Grant systems (received)	Follow-up of work conducted in 2005-06	Head of Adult Social Services	2	STV
Swift (Project)	Follow-up of work conducted in 2005-06	Head of Adult Social Services	3	STV
Adult Social Services Income	Follow-up of work conducted in 2005-06	Head of Adult Social Services	4	STV
Direct Payments	Follow-up of work conducted in 2005-06	Head of Adult Social Services	4	STV
Home care	Follow-up of work conducted in 2005-06	Head of Adult Social Services	4	STV
Procurement & Contract Management	Follow-up of work conducted in 2005-06	Head of Adult Social Services	4	STV
Reviewing Team	Follow-up of work conducted in 2005-06	Head of Adult Social Services	4	STV
Strategic Planning and Health Partnership	Follow-up of work conducted in 2005-06	Head of Adult Social Services	4	STV

Housing

Audit Title	Scope/Audit History/Comments from Client	Client	Quarter	Contribution to the Corporate Priorities
Pericles: Housing Benefit	Ongoing IA input	HSSC	Ongoing	All
Housing Needs & Resources	Full systems review of private sector leasing to ensure the scheme is self financing and safety risks are managed effectively.	Head of Housing	1	STV
Decent Homes Investment Programme	Full review of the monitoring process to ensure delivery of decent homes under Barnet Homes investment programme.	Head of Housing	2	STV
Home Ownership	Full review of the monitoring process to ensure that Barnet Homes are providing effective service to Council home owners.	Head of Housing	2	STV
Rent Deposit Schemes	Key control audit to include review of changes since last audit and progress on managing outstanding risks since the follow-up review.	Head of Housing	2	STV
Housing Benefits	Key systems audit review including risks associated with document imaging arrangements and separate follow-up of review completed in 2005-6. Full systems review if Pericles implemented for Housing Benefits.	Head of Housing	3	STV

Audit Title	Scope/Audit History/Comments from Client	Client	Quarter	Contribution to the Corporate Priorities
Housing Revenue Account	Full review of the monitoring process to ensure that Barnet Homes are meeting Council requirements for maintaining Housing Revenue Account.	Head of Housing	3	STV
Housing Strategy & Performance	Full systems audit of the strategy and business planning to ensure delivery of the most current Housing Strategy.	Head of Housing	4	STV
Barnet Homes Monitoring	Follow-up of the review completed during 2005-6.	Head of Housing	1	STV
Affordable Housing	Follow-up of the review completed during 2005-6.	Head of Housing	3	STV
Housing Rents	Follow-up of the review completed during 2005-6.	Head of Housing	3	STV

Strategic Development Proposed Audit Plan 2006-7

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Cricklewood and Brent Cross Regeneration	Ongoing IA input. Review arrangements for costed resource schedule for Council liabilities in Q1 and follow-up in Q3.	Head of Strategic Development Unit	Ongoing	STV
Grahame Park Regeneration	Ongoing IA input. To include a review of arrangements for the 1 st phase of housing construction in Q3 2006/7 to confirm robust arrangements to deliver development.	Head of Strategic Development Unit	Ongoing	STV
Stonegrove Regeneration	Ongoing IA input. Review arrangements for agreement on head of terms (for entering into contract) in Q2.	Head of Strategic Development Unit	Ongoing	STV
West Hendon Regeneration	Scope of ongoing audit involvement to be agreed at an early planning meeting in 2006/7	Head of Strategic Development Unit	Ongoing	STV

RESOURCES: STRATEGIC SERVICES

Strategic Finance

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Treasury Management	Follow-up of review completed in 2005-6.	CFO/HSF	3	All

Strategic HR

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Attendance Management	Full systems review to ensure that attendance is managed effectively and sickness performance data is accurate & timely. Shared Services will be the lead on performance information for this review.	Director of Resources	3	All
Devolved HR Operations	A full systems review, deferred from 2005-6, to ensure minimum standard of the HR service has been established and is being monitored for effectiveness and consistency.	Director of Resources	3	All

Human Resources Strategy	Full systems review to provide assurance that a robust strategy is in place with supporting policies and arrangements for ensuring compliance.	Director of Resources/CFO	3	All
Use Of Consultants	Follow-up of the review completed during 2005-6.	Director of Resources	2	All
Equalities	Follow-up of the review completed during 2005-6.	Director of Resources	4	All
Safer Recruitment	Follow-up of the review completed during 2005-6.	Director of Resources	4	All

IS Strategy

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
IS Development Systems	Follow-up of review completed in 2005-6.	Director of Resources	4	All
IS/IT Strategy	Follow-up of review completed in 2005-6.	Director of Resources	4	All

Strategic Procurement Team

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Central Contract Monitoring Unit	A review to assess whether the corporate risks around management of contracts are managed effectively.	Director of Resources	2	All

Property Services

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Accommodation Strategy	A systems review to ensure effective arrangements for the delivery of the accommodation strategy.	Director of Resources	3	All
Property Asset Management	A corporate review of the council's asset management arrangements. Deferred from 2005-6.	Director of Resources	3	All
Management of HRA Shops	Follow-up review of work conducted in 2004-5. Deferred from 2005-6.	Director of Resources	2	STV

RESOURCES: SHARED SERVICES

Shared Service Centre

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Modernising Core Systems	Ongoing Internal Audit involvement in key stages of Phase II of the MCS project.	Director of Resources	Ongoing	All
Modernising Infrastructure – project	Ongoing Internal Audit involvement in the Modernising Infrastructure project	Director of Resources	Ongoing	All
Document management systems	Follow-up of review completed in 2005-6.	Director of Resources	1	All
Content Management System	Follow-up of review completed in 2005-6.	Director of Resources	3	All
Electronic Social Care Records-project	Follow-up of project work completed in 2005-6.	Director of Resources	3	All

Competency Centre	Full systems review to ensure key elements of competency service is delivered effectively.	Director of Resources	2	All
Shared Information And Business Intelligence	Full systems review to assess whether the objectives of the Information Observatory regarding the identification, gathering and handling of key corporate information.	Director of Resources	3	All
Project Support	Full systems review to establish if the objectives of the Project Support function are being met.	Director of Resources	4	All
Service Desk	Follow-up of review completed in 2005-6.	Director of Resources	4	All

Infrastructure and IS Operations

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Computer Misuse and the Law	Key control review deferred from 2005/6	Director of Resources	2	All
IT Assets Management & Disposals	Full systems review to ensure change management is effective. (i.e. to cover any staff changes; hardware or software changes; organisational changes - e.g. restructure, externalisation etc.	Director of Resources	3	All

Infrastructure	Full systems review of externalised arrangements to ensure effective delivery of service on completion of the project.	Director of Resources	4	All
Mobility	Follow-up of review completed in 2005-6.	Director of Resources	2	All
Operating Systems	Follow-up of review completed in 2005-6.	Director of Resources	2	All
E-mail	Follow-up of review completed in 2005-6.	Director of Resources	4	All
Physical & Environmental Security	Follow-up of review completed in 2005-6.	Director of Resources	4	All
Software Applications Management	Follow-up of the Upgrade Control audit completed in 2005-06	Director of Resources	4	All

Revenues

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Pericles: Council Tax	Ongoing IA input.	Head of Shared Service Centre (HSSC)	Ongoing	All
Debtors - Balance Sheet	Full review of the arrangements to ensure that the value of all debtors on the balance sheet give a true and a fair view.	HSF	1	All
Accounts Receivables – Income & Debt Management	Key systems audit including review of post SAP recovery systems (Norwell) & new mortgage systems and a separate follow-up of the Debt Management audit completed in 2005-6.	HSSC/ CRO	3	All
Council Tax	Key systems audit and separate follow-up of the review completed in 2005-6. Full systems review if Pericles implemented for Council Tax.	HSSC/ CRO	3	All
NNDR/ Business Rate	Key systems audit and separate follow-up of review completed in 2005-6.	HSSC/ CRO	3	All
Grants	Ongoing IA input	HSSC	Ongoing	All

Bailiffs	Follow-up of review completed in 2005-6.	HSSC/ CRO	2	All
Cashiers Systems	Follow-up of Axis review completed in 2005-6.	HSSC/ CRO	2	All

Corporate Services

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Risk Management	Full systems audit to review the development of Corporate Risk Management since responsibility transferred to the Directorate.	CFO	2	All

Finance Support Services

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Budgetary Control	Full systems review deferred from 2005/6.	Head of Strategic Finance(HSF)/ HSSC	1	All
Creditors - Balance Sheet	Full review of the arrangements to ensure that the value of all creditors on the balance sheet give a true and a fair view.	HSF	1	All
Stock - Key Control	Key systems review of the arrangements to ensure that the value of stock on the balance sheet give a true and a fair view.	HSF	1	All
Fixed Assets - Key Control	Key systems review of the arrangements to ensure that the value of fixed assets on the balance sheet give a true and a fair view.	Director of Resources (DOR)/ Head of Property Services	2	All
Milly Apthorp	Annual audit of accounts.	CFO	2	STV
Capital Expenditure	Consultancy review to examine arrangements for monitoring of the Capital Programme and post completion reviews	Chief Finance Officer(CFO)/ Capital Assets Group	3	All

Accounts Payable – Payments	Key control review for 2006-7 including a separate follow-up of review completed in 2005-6.	HSSC	4	All
Cash Book Reconciliation	Key control and separate follow-up of work completed in 2005-06.	HSSC/ Chief Revenue Officer (CRO)	4	All
BACS	Follow-up of review completed in 2005-6.	HSSC	3	All
Banking	Follow-up of review completed in 2005-6.	HSSC	4	All
Financial Systems and General Ledger	Follow-up of review completed in 2005-6. (Future audit work in this area to more closely align with SAP arrangements and terminology)	HSSC	4	All
P-Cards	Follow-up of the review completed during 2005-06	CFO	4	All
VAT	Follow-up of the review completed during 2005-06	HSSC	3	All

HR Services

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Recruitment	Deferred review from 2005-06	Director of Resources	1	All
Payroll	Key control review and a separate follow-up of the full systems review completed during 2005-6.	Director of Resources	3	All
LG Pensions Service	Key control review and a separate follow-up of the key control review completed during 2005-6.	Director of Resources	4	All
Recruitment	Follow-up of the review completed during 2005-6.	Director of Resources	4	All

RESOURCES: ORGANISATIONAL DEVELOPMENT & CUSTOMER SERVICES

Information Observatory

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Shared Information and Business Intelligence	Full systems review to assess whether the objectives of the Information Observatory regarding the identification, gathering and handling of key corporate information are being met.	Director of Resources	3	All
Project Support	Full systems review to establish if the objectives of the Project Support function are being met.	Director of Resources	4	All

Customer Services

Audit Title	Scope/Audit History/Comments	Client	Quarter	Contribution to the Corporate Priorities
Customer Care	A systems review to ensure objectives are set and arrangements in place for the delivery of adequate customer care.	Director of Resources	2	All

Web Content Management	<p>A full systems review to examine the effectiveness of arrangements to deliver an up-to-date information portal readily available to staff within the organisation and external users."</p> <p>The planned audit will address risks associated with the following areas, in addition to any other relevant risks: - forward planning for attainment of transactional capability; web development priorities; monitoring function of the web board; training for distributed authors.</p>	Head of OD &CS	3	All
e-government	Follow-up of review completed in 2005-6.	Director of Resources	3	All
Customer relationship management	Follow-up of review completed in 2005-6.	Director of Resources	4	All

KEY SYSTEMS AUDITS

The council's external auditors minimise the work they do by placing reliance on the work of internal audit on certain key systems. These key systems, as defined by the external auditors, are listed below and included in the relevant service section above. Our approach to auditing key systems has been discussed and agreed with the external auditor with regard to timing and scope.

As a result of our risk-based analysis of the council's systems, some of these areas are identified as areas for full systems audits. The remainder, due to the fact that these systems have been subject to a full systems audit recently will be subject to a follow-up or key control audit.

We have agreed that these key systems should be subject to regular review and have therefore put together a programme, which will ensure that each system is regularly audited. The following table summarises our plans.

Key Systems and MCS

System weaknesses identified in key systems have been collated by the auditor assigned to the MCS project. As part of the ongoing audit involvement in the MCS project we will seek to ensure that developing systems are finalised taking these into account and ensuring they are appropriately addressed.

Key control audits

A "key control" review will focus on identifying changes to the system since the last review, and amending the system documentation appropriately. Testing will be restricted to those controls which address the identified risk which are of significant impact and likelihood and are therefore key to the effectiveness of the system. Key control audits will also follow up on any agreed action from previous audit work.

Financial system	2005/6	2006/7	2007/8
Accounts Receivable – Debt Management (previously – Debtors)	Key Control	Key Control	Full review
Accounts Payable - Payments (previously Creditors)	Systems Audit (RR request)	Key Control	Full review
Financial system	2005/6	2006/7	2007/8
Stock systems	Follow up (focus in Adult Social Services – RR)	Key Control	Full review
Payroll	Systems + follow-up	Systems	Full review
Treasury Management (Cash and investments)	Systems	Follow up	Key Control
Fixed assets	Follow up	Key Control	Full review
Financial ledger	Systems	Follow up	Follow-up
<u>Income systems</u>			
Council tax	Systems (with NNDR)	Systems + Follow-up	Key Control
NNDR	Systems (with CT)	Key Control + Follow-up	Key Control
Housing Rents	Systems	Follow up	Key Control

<u>Expenditure systems</u>			
Housing Benefits	Key Control – focusing on reconciliation with rents	Systems	Key Control
Council Tax	Systems	Follow-up	Key Control
Pensions	Key Control	Key Control	Key Control