

APPENDIX A - 2009/10 DRAFT INTERNAL AUDIT PLAN

2009/10 Audit Plan

AUDITABLE AREA	AUDIT RISK	PLANNED DAYS	PROPOSED TIMING	REASON FOR INCLUSION	OUTLINE SCOPE
Key Financial Systems (82 days)					
Budgetary Control	High	7	Qtr 2	No previous audit coverage and strategic risk (S7) Managed Audit Approach	Budget Setting
Housing Benefits	Medium	15	Qtr 3	Cyclical review Managed Audit Approach	Year 2 audit scope - Security of data, backdated payments, changes of circumstances, disputes and appeals, staff training
Payroll	Medium	12	Qtr 3	Cyclical review Managed Audit Approach	Year 2 audit scope - Overtime payments, travel and subsistence, agency staff, timesheets, variations to pay (maternity, paternity, sickness payments) emergency payments, services provided to third parties, data security and management information
Creditors	Medium	8	Qtr 3	E-series is being phased in Managed Audit Approach	Review changes introduced as a result of e-series.
Key Financial Systems Follow Up and Walk-through Testing	Medium	40	Qtrs 3 and 4	To confirm implementation of previous Key Financial Systems audit recommendations and confirm existing controls are operating effectively. Managed Audit Approach	Follow up and walkthrough testing of the following systems: Asset Management, Cash and Payments, Council Tax, Main Accounting System, National Non Domestic Rates, Treasury Management, Sundry Debtors (also update flowcharts and system notes on any changes the implementation of the new Capita system will cause)
Operational Audits (74 days)					
National Indicators	High	20	Qtrs 1 and 2	Annual Compliance Managed Audit Approach	Review corporate arrangements and testing of a sample of indicators after a risk assessment.
Licensing	Medium	10	Q1	Carried forward from 2008/09	Personal, Retail and Entertainment, scope will include reviewing, issuing and renewing licences, handling appeals, income management, inspections.

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Partnerships	High	20	Q2	Operational Risk Embedded topic within organisational assessment (Use of Resources)	To include Stevenage Leisure Limited
Elections	High	12	Q2	Operational Risk	Reviewing compliance with applicable regulation and legislation, focusing on controls surrounding employee training, voter applications, postal voting and counter fraud arrangements.
Medium Term Financial Strategy (MTFS)	High	12	Q3	Strategic Risk KLOE 1.1	Review programme of actions to meet MTFS targets, MTFS monitoring arrangements, validating results and outcomes of the strategy.
Risk Management and Governance (25 days)					
Risk Management	High	10	Qtr 4	Required for Head of Internal Audit Opinion purposes. Strategic Risk KLOE 2.4	Review effectiveness of the risk review process and registers.
Corporate Governance	Medium	10	Qtr 4	Required for Head of Internal Audit Opinion purposes KLOE 2.3	Review effectiveness of the corporate governance arrangements.
Annual Governance Statement		5	Qtr 4	Governance Compliance	Provide Assurance on the system of Internal Control
IT Audits (20 days)					
Network Infrastructure	Medium	8	TBA	No previous audit coverage	Review of controls around the network infrastructure.
Application review (system to be allocated)	Medium	8	TBA	Cyclical review of IT applications	Access controls, data input, data processing, output controls, interface controls, management (audit) trails, back and recovery, support arrangements
IT Management	N/A	4		To select and manage an external IT audit provider	Co-ordinate procurement process with Herts partners, facilitate the completion of the IT audit programme, quality review of key deliverables.
Advice, Consultancy and non Assurance work (46 days)					
Ethics and Probity	N/A	6	Qtrs 1 to 4	Mandatory Induction Training	Deliver four mandatory training sessions Update training material.
Ad hoc advice	N/A	10	Qtrs 1 to 4	To provide officers with ad hoc advice	To be allocated as required
Regulation of Investigatory Powers Act 2000 (RIPA) Compliance	Medium	15	Qtrs 1 to 4	Adherence to RIPA 2000	Development of a monitoring programme, quarter monitoring of

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					RIPA activity, implementation of previous recommendations, prepare annual report for Senior Management Board
Experian Checks	N/A	15	Qtrs 1 to 4		Provide Experian credit checks on request.
Procurement (45 days)					
Contract Payments	High	45	Qtrs 1 to 4	Previously identified significant control weaknesses	Probity checks and year end report
Counter Fraud (30 days)					
National Fraud Initiative (NFI)	Medium	20	Qtrs 1 to 4	Participation in the national data matching exercise KLOE 2.4	Co-ordinated the completion of the NFI data matches, liaison with the Audit Commission.
Counter Fraud Audit Strategy	N/A	5	Qtr 2	To provide strategic direction on audit activity	Development of an audit strategy to counter fraud, to include a Risk Assessment.
Whistleblowing Arrangements	N/A	5	Qtrs 1 to 4	To comply with Governance arrangements KLOE 2.4	Administration of reported whistleblowing cases
Follow Up of Previous Audit Report Recommendations (66 days)					
Follow ups	N/A	66	Qtrs 1 to 4	To confirm implementation of previous audit recommendations	Follow up of 22 audits
Management (36 days)					
Audit Committee	N/A	4	Qtrs 1 to 4	To comply with Governance arrangements	Prepare and present Internal Audit reports at Audit Committee
External Audit Liaison	N/A	4	Qtrs 1 to 4	To facilitate co-ordination of Internal and External audit activity	Quarterly liaison meeting and response to ad hoc requests
Annual Report and Head of Internal Audit Opinion	N/A	8	Qtr 4	To comply with Governance arrangements	Prepare and present the Internal Audit 2009/10 report and the Head of Internal Audit Opinion
Use of Resources	N/A	2	Qtr 4	To comply with Governance arrangements	Provide year end statements of the System of Internal Control.
Internal Audit Procedures Development	N/A	10	Qtrs 1 to 4	To adhere to Internal Auditing standards	Update Internal Audit procedures including the Audit Manual.
2010/11 Audit Plan	N/A	8	Qtr 4	To produce the 2010/11 audit plan	
Contingency (40 days)					
		40		For flexibility within the audit plan and to deal with emerging risks	To be allocated as required.
TOTAL PLAN DAYS		464			