

# **BRACKNELL FOREST COUNCIL**

## **PROVISIONAL INTERNAL AUDIT PLAN 2019/20**

## Introduction

The role of internal audit is that of an:

*‘Independent, objective assurance and consulting activity designed to add value and improve an organisations operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.*

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

The aim of internal audit’s work programme is to provide independent and objective assurance to management, in relation to the business activities; systems or processes under review that:

- the framework of internal control, risk management and governance is appropriate and operating effectively; and
- risk to the achievement of the Council’s objectives is identified, assessed and managed to a defined acceptable level.

The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of internal audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements.

Internal Audit focus should be proportionate and appropriately aligned. The plan will remain fluid and subject to on-going review and amendment, in consultation with the relevant Executive Directors/ Directors and Audit Sponsors, to ensure it continues to reflect the needs of the Council. Amendments to the plan will be discussed and agreed with the S151 officer.

## The Internal Audit Team

The internal audit service is led by Sally Hendrick, Head of Audit and Risk Management supported by Michele Woodhatch, Internal Audit Contract Manager. Delivery of audits is mainly outsourced to Mazars LLP, with some general audit work being undertaken by Wokingham Council internal audit team and all IT audit work being carried out by TIAA Ltd. In addition, counter fraud support is provided by Reading Borough Council Fraud Investigation Team.

## Conformance with internal auditing standards

The internal audit service is designed to conform to the Public Sector Internal Audit Standards (PSIAS). Under the PSIAS there is a requirement for audit services to have an external quality assessment every five years. In March 2016, Ian Withers, the Audit and Governance Manager at the London Borough of Croydon was commissioned to complete an external quality assessment of Bracknell Forest Council's internal audit services against the PSIAS, Local Government Application Note and the International Professional Practices Framework.

In selecting the Institute of Internal Auditors (IIA) a conscious effort was taken to ensure the external assessment was undertaken by a credible source. Ian Withers holds a master's degree in internal audit and management (MSc), is a fully qualified member of the Chartered Institute of Public Finance & Accountancy (CPFA) and the Chartered Institute of Internal Auditors (CMAA and FCMA). He has more than thirty years' experience of internal audit including eleven years as a local government Head of Internal Audit and previous experience of conducting numerous similar reviews at major public sector organisations.

In considering all sources of evidence the external assessor concluded:

*'Based on the scope of the work carried out, the overall conclusion of this review is that internal audit at Bracknell Forest Council GENERALLY CONFORMS with the Public Sector Internal Audit Standards with a high level of compliance.'*

Some minor areas for improvement were identified.

## Conflicts of Interest

We are not aware of any relationships that may affect the independence and objectivity of the team, and which are required to be disclosed under internal auditing standards.

## The Council Plan

The Public Sector Internal Audit standards state that:

*"The chief audit executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals"*

The organisation's current goals are set out in the Council Plan 2015-2019 which was developed to address the financial challenges facing the Council and deliver the commitments made in the 2015 election manifesto. A new Council Plan will be due for development in 2019 and once this is in place the Internal Audit activity will be aligned to the new Council Plan. The 2019/20 Internal Audit Plan has been developed to link to the organisation's current goals as set out in the strategic themes in the Council Plan 2015-2019 as set out below:



## Council Risk

The Council has a clear framework and approach to risk management. The strategic risks assessed by the Council are a key focus of our planning for the year to ensure it meets the organisation's assurance needs and contributes to the achievement of their objectives. We will monitor the strategic risk register closely over the course of the year to ensure our plan remains agile to the rapidly changing landscape.

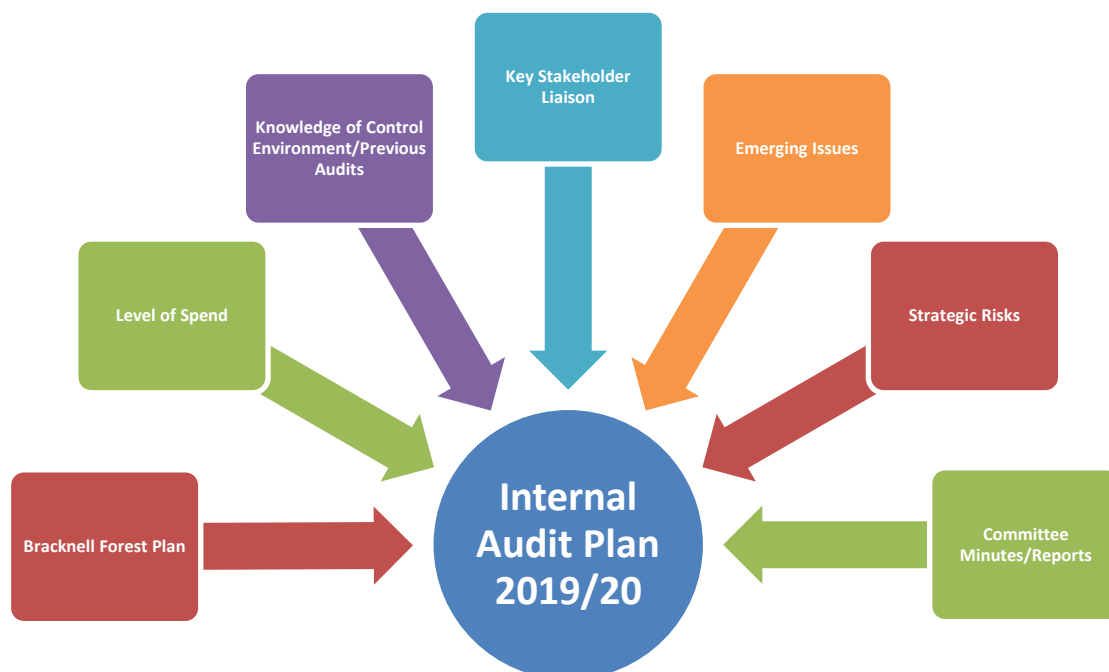
REF.	STRATEGIC RISK	CURRENT RATING
Risk 1	Finance	Yellow
Risk 2	Transformation Programme	Yellow
Risk 3	Staffing	Red
Risk 4	Brexit	Red
Risk 5	School Places	Red
Risk 6	Demand for Services	Yellow
Risk 7	Adult Social Care Supply Chain	Red
Risk 8	Safeguarding	Red
Risk 9	IT	Yellow
Risk 10	Cyber attack	Yellow
Risk 11	Information Security	Yellow
Risk 12	Business Continuity	Yellow

## Developing the internal audit plan 2019/20

We have used various sources of information and discussed priorities for internal audit with the following groups:

- Chief Executive
- Corporate Management Team
- Directorate Management Teams
- Executive Directors/Directors
- Assistant Directors
- ICT
- Internal Audit Providers




Based on these conversations with key stakeholders, review of key corporate documents and our understanding of the organisation the Head of Audit and Risk Management has developed an annual audit plan for the coming year. The Council are reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not seek to cover all risks and processes within the organisation. We will however continue to monitor closely the of other assurance providers to ensure that duplication is minimised and a suitable breadth of assurance is obtained









**2019/20 INTERNAL AUDIT PLAN**






AUDIT	DAYS BY QUARTER				TOTAL	TOTAL
	Q1	Q2	Q3	Q4	DAYS	DAYS 2018/19
1.GOVERNANCE	20	12	13	16	61	
2.COUNCIL WIDE AUDITS	25	33	22	25	105	
3.CORE FINANCIAL SYSTEMS	2	7	49	10	68	
4.IT AUDIT	8	33	7	9	57	
5.PLACE, PLANNING, AND REGENERATION	8	10	7	0	25	
6.ORGANISATIONAL DEVELOPMENT, TRANSFORMATION AND HUMAN RESOURCES	0	0	8	0	8	
7.DELIVERY	32	8	7	0	47	
8.PEOPLE	44	33	15	7	99	
9.SCHOOLS	12	0	26	9	47	
<b>TOTAL</b>	<b>151</b>	<b>136</b>	<b>154</b>	<b>76</b>	<b>517</b>	<b>454</b>

**DETAILED BREAKDOWN****1.GOVERNANCE**









AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
Officer Expenses (Ltd 2018/19)	7	7	0	0	0	Director of Finance	1	
Members Expenses and Governance Declarations	7	0	0	0	7	Executive Director:Delivery		
Risk Management	5	0	0	5	0	Director of Finance	1-12	

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
Alternative Delivery Models	5	5	0	0	0	Director of Finance		
<b>Counter Fraud</b> Counter Fraud Training	5	1	1	1	2	Director of Finance	1-12	
Proactive fraud work	20	5	5	5	5	Director of Finance	1-12	
<b>Grant Certifications</b> Bus Service Operator	1	0	1	0	0	Director of Place, Planning and Regeneration	1	
Integrated Transport Block Allocation	3	0	3	0	0	Director of Place, Planning and Regeneration	1	
Troubled Families	8	2	2	2	2	Executive Director: People	1	
<b>TOTAL</b>	<b>61</b>	<b>20</b>	<b>12</b>	<b>13</b>	<b>16</b>			



## 2. COUNCIL WIDE

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor(s)	Strategic Risk	Strategic Theme (s)
Debt Management Including the Accounts Receivable Team (Ltd 2018/19)	12	0	0	12	0	Director of Finance	1	
Purchase Cards (Ltd 2018/19)	3	0	3	0	0	Director of Finance	1	
Absence Management –joint audit (Ltd 2018/19)	15	0	0	0	15	Director of OD, transformation and HR	1 and 3	
Procurement	20	0	20	0	0	Director of Finance	1	
Revenue Budgeting/Transformation Savings	15	15	0	0	0	Director of Finance/ Director of OD, Transformation and HR	1 and 2	
<b>Contingency</b>	<b>40</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>			
<b>TOTAL COUNCIL WIDE AUDITS</b>	<b>105</b>	<b>25</b>	<b>33</b>	<b>22</b>	<b>25</b>			









### 3. CORE FINANCIAL SYSTEMS

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
Main Accounting and Reconciliations	9	0	0	9	0	Director of Finance	1	
Treasury Management	2	2	0	0	0	Director of Finance	1	
Payroll	8	0	0	8	0	Director of Finance	1	
Cash Management	7	0	7	0	0	Director of Finance	1	
Council Tax	8	0	0	8	0	Director of Finance	1	
Business Rates	9	0	0	9	0	Director of Finance	1	
Creditors	10	0	0	0	10	Director of Finance	1	
Housing Benefit and Council Tax Reduction	15	0	0	15	0	Executive Director: People	1	
<b>TOTAL</b>	<b>68</b>	<b>2</b>	<b>7</b>	<b>49</b>	<b>10</b>			




### 4. IT AUDIT


AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4		Strategic Risk	Strategic Theme (s)
Cyber liability (Ltd 18/19)	3	0	0	3	0	Executive Director: Delivery	10	
IT Asset management (Ltd 18/19)	3	0	3	0	0	Executive Director: Delivery	9	




AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4		Strategic Risk	Strategic Theme (s)
Enterprise Agreement (Ltd 18/19)	3	0	0	3	0	Executive Director:Delivery	9	
Social Media (Ltd 2018/19)	3	0	3	0	0	Director of OD, Transformation and HR	11	
Agresso	7	7	0	0	0	Director of Finance	1	
Enterprise Programme (365 Project) Review	9	0	9	0	0	Executive Director: Delivery	1	
Remote Access VPN Solution	8	0	8	0	0	Executive Director:Delivery	10	
ICT Continuity Management	8	0	0	0	8	Executive Director:Delivery	12	
Emergency Duty Service General ICT Controls	9	0	9	0	0	Executive Director:People	8	
IT Audit Management	4	1	1	1	1	Executive Director:Delivery	1	
<b>TOTAL</b>	<b>57</b>	<b>8</b>	<b>33</b>	<b>7</b>	<b>9</b>			

## 5. PLACE, PLANNING, AND REGENERATION








AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
Ringway contract – street lighting	7	0	0	7	0	Director of Place, Planning and Regeneration	1	
Public Transport	6	0	6	0	0	Director of Place, Planning and Regeneration	1	
CIL/S106 Follow Up (Ltd 2018/19)	4	0	4	0	0	Director of Place, Planning and Regeneration	1	

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
Highways Network Management	8	8	0	0	0	Director of Place, Planning and Regeneration	1	
<b>TOTAL</b>	<b>25</b>	<b>8</b>	<b>10</b>	<b>7</b>	<b>0</b>			












## 6. ORGANISATIONAL DEVELOPMENT, TRANSFORMATION AND HUMAN RESOURCES

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
Pre-Employment Checks including DBS	0	0	0	8	0	Director of OD, transformation and HR	1 and 3	
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0</b>			

## 7. DELIVERY



AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme
Libraries including use of volunteers	15	15	0	0	0	Executive Director:Delivery		
The Look Out	7	7	0	0	0	Executive Director:Delivery	1	
Electoral Registration	7	0	0	7	0	Executive Director:Delivery		
Registrars	7	0	7	0	0	Executive Director:Delivery	1	
Waste Collection-Management of Suez	7	7	0	0	0	Executive Director:Delivery	1	
Home to School Transport Follow Up	1	0	1	0	0	Executive Director:Delivery	8	
Car Parks Follow Up	3	3	0	0	0	Executive Director:Delivery	1	
<b>TOTAL</b>	<b>47</b>	<b>32</b>	<b>8</b>	<b>7</b>	<b>0</b>			





## 8. PEOPLE

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme
Contracts governance and monitoring in adults and children	5	0	0	5	0	Executive Director:People	1	
Hospital Discharge and Reablement	7	0	0	0	7	Executive Director:People	6 and 8	
Blue Badges	5	0	0	5	0	Executive Director:People	6	
Continuing Care	6	6	0	0	0	Executive Director:People	6 and 8	
Deprivation of Liberties	5	0	5	0	0	Executive Director:People	8	
Social Care Pathway (Ltd 2017/18)	4	4	0	0	0	Executive Director:People	8	
ASC Residential care contracts Follow up (Ltd 2018/19)	4	0	4	0	0	Executive Director:People	6 and 8	
Direct payments Follow up (Ltd 2018/19)	4	0	4	0	0	Executive Director:People	6 and 7	
CSC Residential Contracts	5	5	0	0	0	Executive Director:People	6 and 8	
Parenting assessments under FSM	6	0	6	0	0	Executive Director:People	6 and 8	
FSM Strategy Meetings	6	0	6	0	0	Executive Director:People	6 and 8	

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme
Fostering reviews	6	6	0	0	0	Executive Director:People	6 and 8	
Forestcare Follow Up (Ltd 2017/18 and 2018/19)	3	3	0	0	0	Executive Director:People	8	
Housing Rents and Deposits Re-Audit (Ltd 2018/19)	7	7	0	0	0	Executive Director:People	1	
Homelessness	6	0	6	0	0	Executive Director:People	1	
Nursery places	5	5	0	0	0	Executive Director:People	1	
Public Health Follow Up (Ltd 18/19)	2	0	2	0	0	Executive Director:People	1	
SEN	7	7	0	0	0	Executive Director:People	6	
PEP Follow up (Ltd 2017/18 and 2018/19)	1	1	0	0	0	Executive Director:People	6	
Services to Schools	5	0	0	5	0	Executive Director:People	1	
<b>TOTAL</b>	<b>99</b>	<b>44</b>	<b>33</b>	<b>15</b>	<b>7</b>			

## 9. SCHOOLS

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme
School A Fox Hill (follow up -Ltd 2017/18 and 2018/19)	2	0	0	2	0	Executive Director:People	1	
School B College Town (Junior School limited in 2016/17)	4	4	0	0	0	Executive Director:People	1	

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme
School C (due 2018/19 but deferred)	4	4	0	0	0	Executive Director: People	1	 People have the life skills and education opportunities they need to thrive
College Hall Pupil Referral Unit	4	4	0	0	0	Executive Director: People	1	 People have the life skills and education opportunities they need to thrive
<b>SCHOOL AUDIT CONTINGENCY FOR SCHOOLS ON ROTATION</b>	18	0	0	9	9	Executive Director: People	1	 People have the life skills and education opportunities they need to thrive
<b>THEMED SCHOOL AUDITS</b> Safeguarding	15	0	0	15	0	Executive Director: People	8	 Strong, safe, supportive and self-reliant communities
<b>TOTAL</b>	<b>47</b>	<b>12</b>	<b>0</b>	<b>26</b>	<b>9</b>			