

BRACKNELL FOREST COUNCIL

INTERNAL AUDIT PLAN 2020/21

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

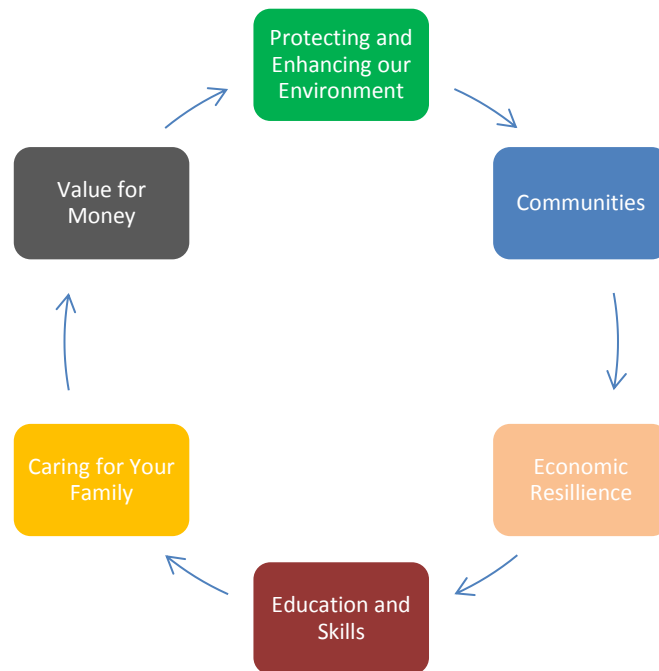
We are not aware of any relationships that may affect the independence and objectivity of the team, and which are required to be disclosed under internal auditing standards.

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 2019 -2023 which was developed to address the financial challenges facing the Council and deliver the commitments made in the 2019 election manifesto. The 2020/21 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 2019-2023 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.

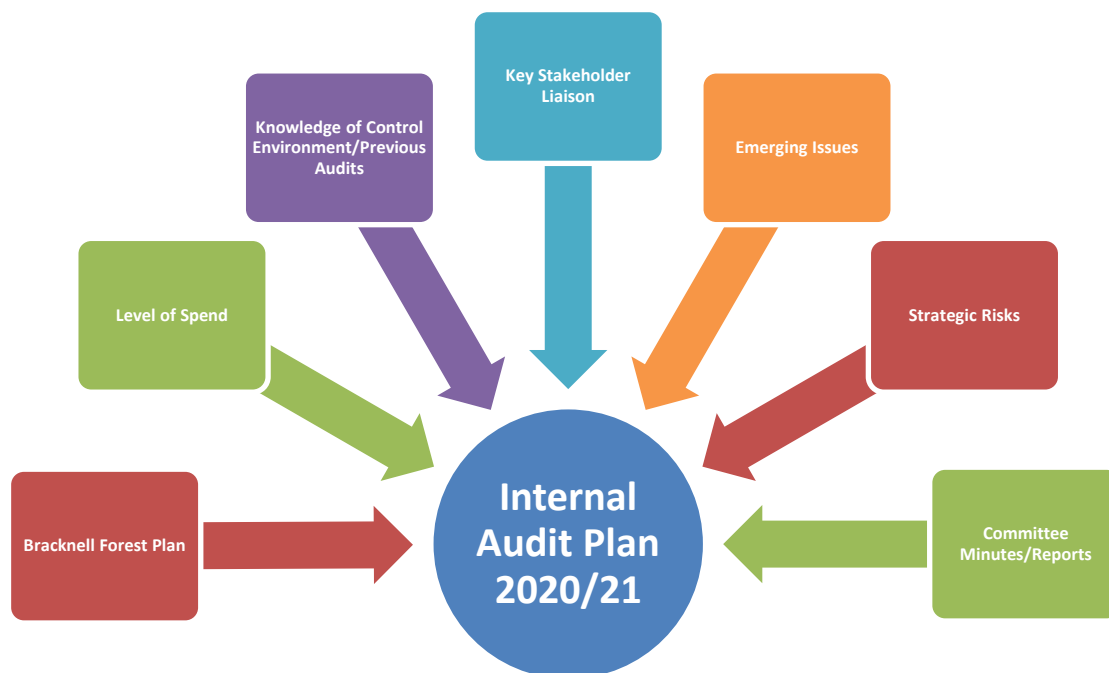
REF.	STRATEGIC RISK
Risk 1	Finance
Risk 2	Staffing
Risk 3	Brexit
Risk 4	School Places
Risk 5	Demands for Services
Risk 6	Adult Social Care Supply Chain
Risk 7	Safeguarding
Risk 8	IT Strategy and Digital Infrastructure
Risk 9	Cyber
Risk 10	Information Security
Risk 11	Business Continuity
Risk 12	Internal Control Environment
Risk 13	Housing Health and Safety
Risk 14	Coronavirus

Developing the internal audit plan 2020/21

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



2020/21 INTERNAL AUDIT PLAN

AUDIT	DAYS BY QUARTER				TOTAL	TOTAL
	Q1	Q2	Q3	Q4	DAYS	DAYS 2019/20
1.GOVERNANCE	15	12	15	31	73	61
2.COUNCIL WIDE AUDITS	15	47	10	20	92	105
3.CORE FINANCIAL SYSTEMS	17	7	41	10	75	68
4.IT AUDIT	29	13	19	10	71	57
5.PLACE, PLANNING, AND REGENERATION	0	10	14	0	24	25
6.ORGANISATIONAL DEVELOPMENT, TRANSFORMATION AND HUMAN RESOURCES	0	0	15	0	15	8
7.DELIVERY	20	0	30	7	57	47
8.PEOPLE	31	51	32	32	146	99
9.SCHOOLS	8	0	15	15	38	47
TOTAL	135	140	191	125	591	517

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 and 2019/20)	7	7	0	0	0	Director of Finance	1	Value for Money
Safeguarding governance arrangements	7	0	0	7	0	Executive Director:People	7	Caring for Your Family
Security camera controls including assignment of responsibility and consistency of and compliance with specification requirements	7	0	0	0	7	Executive Director:Delivery	7&10	Caring for Your Family
Business Continuity	15	0	0	0	15	Executive Director:Delivery	11 & 14	Caring for Your Family
Counter Fraud Counter Fraud Training	5	1	1	1	2	Director of Finance	1-12	Value for Money
Proactive and reactive fraud	20	5	5	5	5	Director of	1-12	Value for

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
work						Finance		Money
Grant Certifications Bus Service Operator	1	0	1	0	0	Director of Place, Planning and Regeneration	1	Value for Money
Integrated Transport Block Allocation	3	0	3	0	0	Director of Place, Planning and Regeneration	1	Value for Money
Troubled Families	8	2	2	2	2	Executive Director: People	1	Caring for Your Family
TOTAL	73	15	12	15	31			

2. COUNCIL WIDE

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor(s)	Strategic Risk	Strategic Theme (s)
Income targets/projects/digital analysis/assessment of statutory responsibilities supporting the budget setting process	15	15	0	0	0	Director of Finance	1	Value for Money
Purchase Cards (Ltd 2018/19 and 2019/20)	10	0	10	0	0	Director of Finance	1	Value for Money
Debt management	10	0	0	0	10	Director of Finance	1	Value for Money
Mileage and Essential Car User	12	0	12	0	0	Director of OD, transformation and HR	1	Value for Money
Additional staff payments advisory review – honorariums, retention payments, market premiums, pay protections	15	0	15	0	0	Director of OD, transformation and HR	1	Value for Money
Contingency	30	0	10	10	10			
TOTAL COUNCIL WIDE AUDITS	92	15	47	10	20			

3. CORE FINANCIAL SYSTEMS

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
Main Accounting and Reconciliations	10	0	0	10	0	Director of Finance	1	Value for Money
Staff establishment costs (Joint HR and Finance audit budgeted under OD, Transformation and HR)	0	0	0	0	0	Director of Finance	1	Value for Money
Cash Management	7	0	7	0	0	Director of Finance	1	Value for Money
Council Tax	10	10	0	0	0	Director of Finance	1	Value for Money
Business Rates	10	10	0	0	0	Director of	1	Value for

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
						Finance		Money
Creditors	12	0	0	0	12	Director of Finance	1	Value for Money
Housing Benefit and Council Tax Reduction	15	0	0	15	0	Executive Director: People	1	Value for Money
TOTAL	75	17	7	41	10			

4. IT AUDIT

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
Cyber liability	9	0	0	9	0	Executive Director: Delivery	9	Value for Money
Data Maturity Model	10	10	0	0	0	Executive Director: Delivery	1	Value for Money
Digital Strategy and ICT Strategic Planning	9	0	9	0	0	Executive Director: Delivery	8	Value for Money
Emergency Duty Service System including telephony	9	0	0	9	0	Executive Director: People	7	Caring for Your Family
One System- Education	9	9	0	0	0	Executive Director: People		Education and skills
Uniform System	9	9	0	0	0	Director of Place, Planning and Regeneration		Protecting and Enhancing the Environment
Forestcare IT systems including telephony	9	0	0	0	9	Executive Director: People	7	Caring for Your Family
Agresso (Follow up-partial assurance 2019/20)	3	0	3	0	0	Director of Finance	1	Value for Money
IT Audit Management	4	1	1	1	1	Executive Director: Delivery		
TOTAL	71	29	13	19	10			

5. PLACE, PLANNING, AND REGENERATION

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
Spending processes and controls in parks and countryside- advisory review	7	0	0	7	0	Director of Place, Planning and Regeneration	1	Protecting and Enhancing the Environment
SANG – general compliance audit including records, maintenance contracts and enhancements.	10	0	10	0	0	Director of Place, Planning and Regeneration	1	Protecting and Enhancing the Environment
S106 – Use of the monies in compliance with development in the	7	0	0	7	0	Director of Place, Planning and Regeneration	1	Value for Money

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
relevant geographic area								
TOTAL	24	0	10	14	0			

ORGANISATIONAL DEVELOPMENT, TRANSFORMATION AND HUMAN RESOURCES

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme (s)
Staff Establishment	15	0	0	15	0	Director of OD, transformation and HR	1 and 2	Value for Money
TOTAL	15	0	0	8	0			

7. DELIVERY

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme
Health and Safety	10	0	0	10	0	Executive Director:Delivery	1 & 13	Communities
Commercial Property	10	10	0	0		Executive Director:Delivery	1	Value for Money
Reactive Maintenance Contracts	10	0	0	10	0	Executive Director:Delivery	1	Value for Money
Cemetery and Crematorium	7	0	0	0	7	Executive Director:Delivery	1	Value for Money
Public Protection Partnership	10	10	0	0	0	Executive Director:Delivery	1 & 13	Value for Money
Car Parks	10	0	0	10	0	Executive Director:Delivery	1	Value for Money
TOTAL	57	20	0	30	7			

8. PEOPLE

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Strategic Theme
Transport in CTPLD-advisory piece	7	7	0	0	0	Executive Director:People	1 & 7	Value for Money
Equipment Spend	7	7	0	0	0	Executive Director:People	1	Value for Money
Direct payments-approval of plans and changes, identifying and following up potential frauds- advisory piece	10	0	10	0	0	Executive Director:People	1 & 7	Value for Money
Continuing Health Care	10	0	0	0	10	Executive	1 & 7	Value for

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Startegic Theme
						Director:People		Money
Breakthrough	5	0	0	0	5	Executive Director:People	1	Communities
Transition from children's to adults	10	0	10	0	0	Executive Director:People	7	Caring for your Family
Foster Panel Processes- advisory audit	7	7	0	0	0	Executive Director:People	7	Caring for your Family
Foster Panels- compliance audit	7	0	0	0	7	Executive Director:People	7	Caring for your Family
Parenting assessments under FSM	7	0	0	7	0	Executive Director:People	7	Caring for your Family
Strategy Meetings	7	0	7	0	0	Executive Director:People	7	
Deferred payments	7	0	7	0	0	Executive Director:People	1	Value for Money
Access to Services- advisory piece	10	0	0	0	10	Executive Director:People	1 & 7	Value for Money
DAAT- inspection outcome implementation of actions coming out of the inspection	7	0	7	0	0	Executive Director:People	7	Caring for your Family
Glenfield- mental health supported living	5	0	0	5	0	Executive Director:People	7	Caring for your Family
Emergency Duty Service	10	0	0	10	0	Executive Director:People	7	Caring for your Family
Housing Management	10	0	0	10	0	Executive Director:People	13	Communities
Housing and welfare fraud touchpoints	10	0	10	0	0	Executive Director:People	1	Value for Money
Disabled Facilities Grants- advisory piece	10	10	0	0	0	Executive Director:People	1	Communities
TOTAL	146	31	51	32	32			

9. SCHOOLS

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Sponsor	Strategic Risk	Startegic Theme
School A I (follow up -Ltd 2017/18 and 2018/19)	2	2	0	0	0	Executive Director:People	1	Value for Money
School B	4	4	0	0	0	Executive Director:People	1	Value for Money
School C (follow up -Ltd 2018/19)	2	2	0	0	0	Executive Director:People	1	Value for Money
SCHOOL AUDIT CONTINGENCY FOR SCHOOLS ON ROTATION	30	0	0	15	15	Executive Director:People	1	Value for Money
TOTAL	38	8	0	15	15			

