

## GWYNEDD COUNCIL

COMMITTEE	<b>AUDIT COMMITTEE</b>
DATE	<b>13 FEBRUARY 2012</b>
TITLE	<b>DRAFT INTERNAL AUDIT PLAN 2012/13</b>
PURPOSE OF REPORT	<b>TO PRESENT THE DRAFT INTERNAL AUDIT PLAN FOR THE YEAR 1 APRIL 2012 - 31 MARCH 2013</b>
AUTHOR	<b>DEWI MORGAN, SENIOR MANAGER AUDIT AND RISK</b>
ACTION	<b>TO APPROVE THE PLAN CONTAINED IN THE APPENDIX</b>

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### **1. INTRODUCTION**

- 1.1 The draft work plan for Internal Audit for the financial year 2012/13 (in the Appendix) is presented to the Audit Committee for comment and approval.
- 1.2 CIPFA's Code of Practice for Internal Audit in Local Government in the United Kingdom 2006 states (paragraph 7.2.4):
- “The audit committee should approve, but not direct, the internal audit plan.”
- 1.3 The remainder of this report explains the factors that were considered and the technical process used to produce the plan that is presented to the Committee.

### **2. INTERNAL AUDIT STRATEGY**

- 2.1 The 2012-2015 Internal Audit Strategy is presented to the Audit Committee as a separate item. This strategy forms the basis of Internal Audit work for the period in question, and it explains how Internal Audit work will offer assurance on the internal controls that are in place at Gwynedd Council.
- 2.2 It is the Internal Audit Strategy that gives an explanation of how Internal Audit work will be planned for the period in question, and explains how it will assist the Council to improve, for the benefit of the citizen. It also outlines the resources that are expected to be available for it, and states the predictions in terms of working with others.

### **3. RESOURCES AVAILABLE**

- 3.1 On the basis of analysis of the staffing resources available, including reasonable allowances for “unproductive” work such as holidays, illness, management and meetings, it is forecast that a resource requirement of approximately 1,360 audit days will be available to complete the audit plan. This is after considering the following provisions:
- Provision for advising on controls and propriety 76 days
  - Provision for responsive work 140 days
  - Provision for follow-up 80 days
- 3.3 The days shown are a reflection of that which has proven necessary in practice in recent years.

#### **4. OPERATIONAL AUDIT PLAN**

- 4.1 The Strategy gives a detailed description of the steps that were followed in creating an operational audit plan for 2012/13.
- 4.1.1 As a first step, consideration was given to matters that must be included in the plan each year:
- A review of the key controls of the Council's major financial systems (in accordance with an agreement with Wales Audit Office)
  - Corporate Governance issues for the Annual Governance Statement
  - Audits that are required due to funding conditions
  - Areas of constant Control Weaknesses that have been identified
  - Theme-based reviews at Council establishments
- 4.1.2 Consideration is then given to other audits for which planning is required. A systematic method is used to undertake an audit needs assessment and to identify areas to audit:
- 1 Assess further work (in addition to the tests of key controls) on financial systems
  - 2 Consider contents of the Three-Year Plan, and the risks to the projects therein
  - 3 Analyse departmental and cross-council risk registers
  - 4 Awareness of risk matters that have been identified by, or referred to, Internal Audit
  - 5 Identify grants to be reviewed
  - 6 Analyse budgets and accounts for further areas
  - 7 Consider further new developments (e.g. joint working plans) and partnerships
- 4.2 The draft audit plan for 2012/13 that is the result of this work is included in the Appendix.
- 4.3 Discussions with the heads of department and relevant managers are envisaged before this work commences. Where appropriate, their suggestions will be incorporated into the final plan.

#### **4. RECOMMENDATION**

- 4.1 The committee is requested to approve the draft audit plan for the period 1 April 2012 to 31 March 2013, subject to minor amendments following further consultation with officers.



# Draft Internal Audit Plan 2012/13

Audit Code	Audit Name	Days
<b>CORPORATE</b>		
	Energy Use	20.00
	Site Manager Functions	20.00
	Contribution to preparation of the Annual Governance Statement	10.00
	Former Housing Stock - Retention Monies	5.00
	Contract Management - Sailing Academy	10.00
	Contract Management - Ysgol y Groeslon	10.00
	Contract Management - Blaenau Ffestiniog Regeneration	10.00
	Grants (Environment Group)	30.00
	Recording and Managing Leave	25.00
	Promptness of Payments - Efficiency of Invoice Tracking	10.00
	Local Budgets	10.00
	Barclaycard Credit Cards	14.00
	Outcome Agreement	20.00
<b>EDUCATION</b>		
<b>Resources</b>		
	Welsh Government Development Programme Extension for Thinking and Assessment for Learning Grant	6.00
	Appetite for Life Grant	10.00
	Primary Schools Free Breakfast Initiative Grant	8.00
	Schools Efficiency Framework Grant	10.00
	Community Focus Grant	10.00
	Management of secondary school building maintenance - VFM	10.00
<b>Across the department</b>		
	Appointment of Management Consultants, Education Department	10.00
<b>Pupils and Inclusion</b>		
	School Milk Service	10.00
<b>Schools</b>		
	Supply Appointments	15.00
	Primary Schools - applying cuts	20.00
	Primary Schools - Information Security	20.00
	Primary Schools - Teacher Allowances	20.00
<b>HUMAN RESOURCES</b>		
<b>Training</b>		
	Use of Cetus - CALMS	10.00
	Costs and Contracts of Professional Training	20.00
<b>Support Unit</b>		
	Administration of Car Loans	10.00
	Recruitment - Identity Checks	15.00

<b>Audit Code</b>	<b>Audit Name</b>	<b>Days</b>
<b>NORTH AND MID WALES TRUNK ROAD AGENCY</b>		
	Trunk Road Agency - invoices between councils	<b>15.00</b>
<b>FINANCE</b>		
<b>Audit and Risk</b>		
	Corporate Risk Management	<b>25.00</b>
<b>Financial</b>		
	Debtors System - Review of Key Controls	<b>10.00</b>
	eProcurement System	<b>20.00</b>
	Payments System - Review of Key Controls	<b>10.00</b>
<b>Accountancy</b>		
	Main Accounting System - Review of Key Controls	<b>10.00</b>
	Main Accounting System - Upgrade Project	<b>15.00</b>
<b>Pensions and Payroll</b>		
	Payroll - BACS runs	<b>5.00</b>
	Payroll System - Exception Reports	<b>5.00</b>
	Payroll System - Review of Key Controls	<b>10.00</b>
	Payroll System - Parameters and Algorithms	<b>15.00</b>
	Payroll System - Deductions of Tax and National Insurance	<b>15.00</b>
	Home Carer Wages - Cyborg - CACI Interface	<b>10.00</b>
<b>Revenue</b>		
	Paye.net System	<b>10.00</b>
	Income collection at offices	<b>15.00</b>
	Discretionary Benefits	<b>15.00</b>
	Benefits System - Review of Key Controls	<b>10.00</b>
	Taxation Systems - Review of Key Controls	<b>10.00</b>
<b>PROVIDER AND LEISURE</b>		
<b>Business and Administration Support</b>		
	Data and Information Quality Assurance	<b>20.00</b>
<b>Cleaning and Caretaking</b>		
	Supervision of Cleaners and Caretakers	<b>15.00</b>
<b>Residential and Day</b>		
	Supported Housing - Imprest Accounts and Income	<b>20.00</b>
	Learning Disabilities Rationalisation of Provision Project	<b>10.00</b>
<b>DEMOCRACY AND LEGAL</b>		
<b>Democracy</b>		
	Equipment with Former Members	<b>15.00</b>
	Members' IT arrangements	<b>15.00</b>
<b>ECONOMY AND COMMUNITY</b>		
<b>Community Regeneration</b>		

<b>Audit Code</b>	<b>Audit Name</b>	<b>Days</b>
	Genesis Scheme	15.00
	Young Apprentices Employment Route Project	15.00
	New Work Connections Scheme	10.00
	Communities First	20.00
<b>Youth</b>		
	Youth Clubs	10.00
<b>Maritime and country parks</b>		
	Arrangements for Transferring Glynllifon Country Park	10.00
<b>Skills and enterprise</b>		
	"Llwyddo'n Lleol"	20.00
<b>Strategy and development Programmes</b>		
	Youth Club Grants - Revenue Grant	5.00

## **CUSTOMER CARE**

### **Information**

EDRMS Development	15.00
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### **Information Technology**

Change Control	15.00
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Network Convergence	20.00
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### **Council Land and Property**

Asset Management Plan	30.00
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Protection from Legionella	20.00
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## **SOCIAL SERVICES**

### **Across the department**

Occupational Therapy Service Partnership	20.00
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Extra Care Housing	20.00
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Social Services Performance Measures - Accuracy of Core Data	25.00
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Social Services - Implementing Savings	20.00
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Joint Commissioning with BCULHB	25.00
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Social Services - Security of Files and Data	20.00
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Client Finance - Internet Banking	10.00
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Care Systems Support Unit	10.00
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### **Business**

Social Services - Control over outsourced services	20.00
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### **Adults**

Review of Learning Disabilities Care Packages	15.00
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### **Children and Families**

Accommodation for Young Persons leaving care	15.00
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Children - Out-of-County Placements	20.00
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## **HIGHWAYS AND MUNICIPAL**

### **Fleet**

<b>Audit Code</b>	<b>Audit Name</b>	<b>Days</b>
	Workshops - Health and Safety Supervision	10.00
	<b>Municipal Works</b>	
	Street Cleaning	15.00
	<b>Highways Works</b>	
	Works - A55 Contract	25.00
	<b>Waste Management and Streetsecene</b>	
	GwyrAD Scheme	20.00
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<b>REGULATORY</b>		
	<b>Public Protection</b>	
	Trading Standards	20.00
	<b>Transportation and Street Care</b>	
	Pont Briwet Project	10.00
	TraCC Partnership	15.00
	Community Transport	20.00
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<b>STRATEGIC AND IMPROVEMENT</b>		
	<b>Performance and Scrutiny</b>	
	Achievement of Savings Projects	30.00
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<b>GWYNEDD CONSULTANCY</b>		
	<b>Engineering and Building Control</b>	
	Comparison of Final Accounts with Original Tender	10.00
	Appointment of Engineering Contractors	20.00
	Bridges	10.00
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		<u>1,368.00</u>