

COMMITTEE	<b>AUDIT AND GOVERNANCE COMMITTEE</b>
DATE	<b>13 FEBRUARY 2020</b>
TITLE	<b>DRAFT INTERNAL AUDIT PLAN 2020/21</b>
PURPOSE OF THE REPORT	<b>TO PRESENT THE DRAFT INTERNAL AUDIT PLAN FOR THE YEAR 1 APRIL 2020 – 31 MARCH 2021</b>
AUTHOR	<b>LUNED FÔN JONES – AUDIT MANAGER</b>
ACTION	<b>TO APPROVE THE PLAN IN THE APPENDIX</b>

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## **1. INTRODUCTION**

- 1.1 The draft work plan for Internal Audit for the financial year 2020/21 is presented to the Audit and Governance Committee for comment and approval.
- 1.2 This report explains the factors that were considered and the process used to produce the plan that is presented to the Committee.

## **2. INTERNAL AUDIT'S PURPOSE**

- 2.1 The purpose of the Internal Audit service is:

***To give confidence to the citizen and the Council on the Council's control environment and governance arrangements through independent and objective reporting to the Head of Finance and the Audit and Governance Committee***

- 2.2 When preparing this plan, therefore, consideration was given to what the service needs to do in order to achieve this purpose.
- 2.3 The Unit only has limited resources; the staffing resource of the Unit is 7 full-time posts one temporary auditor.
- 2.4 Therefore, in order to ensure that we are reviewing the right things, consideration was first given to the Corporate Risk Register, Gwynedd Council's Strategic Plan along with any other significant developments. This is to ensure that the Council's key controls in order to deal with its main risks are addressed.
- 2.5 The result of this was to prepare an initial draft plan, which has been discussed with each Head of Department (or departmental management team in some cases). This was an opportunity to refine the plan further, before preparing the draft plan that is presented to the Audit and Governance Committee.

2.6 During 2020/21, Internal Audit will also give appropriate consideration to the following:

- Ensuring that the service contributes to Ffordd Gwynedd reviews, as the need arises, in order to ensure the success of the Council's culture change.
- Will be aware at all times of the potential occurrence of fraud or corruption. We will therefore take advantage of the National Fraud Initiative, and undertake proactive fraud prevention work.
- Continue to address specific grants, particularly where the conditions of the grant expect an Internal Audit review.

This has been reflected in the plan.

### **3. RESOURCES AVAILABLE**

3.1 It is projected that approximately 711 days of audit resources will be available to complete the 2020/21 audit plan. This is on the basis of analysis of the staffing resources available, including reasonable allowances for “unproductive” work such as holidays, illness, training, management and meetings and after considering the following provisions:

	2020/21	2019/20
Provision for advising on controls and propriety	55 days	55 days
Provision for responsive work	35 days	40 days
Provision for follow-up	45 days	50 days

### **4. RECOMMENDATION**

4.1 The Committee is requested to approve the draft audit plan for the period 1 April 2020 to 31 March 2021.

## DRAFT INTERNAL AUDIT PLAN 2020/21

<b>Audit</b>	<b>Days</b>	<b>Reason</b>
<b>COROPORATE</b>		
Supporting Ffordd Gwynedd Reviews	20	To provide advice and support when considering issues regarding internal controls during reviews.
Safeguarding Arrangements	15	A review of the training arrangements on the range of safeguarding modules. This area has been identified in the Corporate Risk Register.
Safeguarding Arrangements - Establishments	4	Provision for conducting "Safeguarding" reviews when visiting establishments
Proactive Prevention of Fraud and Corruption and the National Fraud Initiative	40	Work is to be undertaken to ensure that robust arrangements are in place for dealing with the risks of fraud and corruption and the National Fraud Initiative which is run by the Wales Audit Office.
Value for Money	20	A value for money review in a specific area.
Information Management – Establishments	6	Provision for conducting "Information Management" reviews when visiting establishments.
Culture and Ethics	15	The findings of the audit will denote if the Ffordd Gwynedd principles have permeated through the establishment.
Brexit	20	This is been denoted as a "red" risk in the Corporate Risk Register (risk score 25).
Climate Change	20	The audit will focus on the arrangements the establishment has in place to combat climate change.
Financial Management Code	20	Local Authorities are required to apply the requirements of the FM Code with effect from 1 April 2020.

<b>Audit</b>	<b>Days</b>	<b>Reason</b>
<b>EDUCATION</b>		
<i>Resources</i>		
Pupil Development Grant	10	The PDG has not been incorporated in the Regional Consortia School Improvement Grant; therefore it will be necessary to carry out a separate audit.
Regional Consortia School Improvement Grant	15	The grant is an amalgamation of many grants previously awarded from the Welsh Government.
Post-16 Grant	3	Requirement under the financial terms and conditions.
<i>Schools</i>		
Health and Safety - Playing Fields	20	This is an area identified in 2019/20 when conducting a review of the repair and maintenance of playing fields of the Highways and Municipal Department.
School Funds	60	A review of Gwynedd schools' funds.
Schools – General	5	Annual provision for work involving providing advice and support.
<b>ENVIRONMENT</b>		
<i>Public Protection</i>		
Animal Health	15	The audit has been included at the request of the Head to ensure that adequate arrangements are in place to provide business continuity.
Enforcement	12	A review of the arrangements to ensure consistency within the county.
<b>HOUSING AND PROPERTY</b>		
<i>Property</i>		
Arrangements for procurement of PAT (Portable Appliance Testing)	15	A review of the arrangements for procuring PAT testers.
<i>Housing and Welfare</i>		
Bed and Breakfast Costs	15	The audit has been included at the request of the Head following an increase in costs as identified in an internal audit report published in 2019/20.

<b>Audit</b>	<b>Days</b>	<b>Reason</b>
<b>CORPORATE SUPPORT</b>		
<i><b>Developing the Establishment</b></i>		
Workforce Planning	12	A review to ensure appropriate plans are in place, e.g. succession plans etc.
<i><b>Central Support Unit</b></i>		
Employment Statements	8	It is now a requirement that employment statements include a clause in relation to undertaking statutory training, e.g. protection.
<b>FINANCE</b>		
<i><b>Across the department/corporate</b></i>		
IT Systems	30	It is intended to carry out checks on specific issues in Information Technology.
<i><b>Payroll</b></i>		
Change in Standing Data	12	Review data changes following the introduction of new arrangements through the self-service portal.
<i><b>Accountancy</b></i>		
Harbours Statement of Accounts 2019-20	4	This is a statutory requirement.
Joint Planning Policy Committee Statement of Accounts 2019-20	4	This is a statutory requirement.
North Wales Economic Ambition Board Statement of Accounts 2019-20	10	This is a statutory requirement.
<i><b>Pensions</b></i>		
New Starters	12	A review of the arrangements for establishing new starters.
<i><b>Revenue</b></i>		
Council Tax – Self-service	8	Slippage from the 2019-20 as the project was not as yet mature.
<b>ECONOMY AND COMMUNITY</b>		
<i><b>Community Regeneration</b></i>		
Welsh Church Fund	3	An independent check will be needed if the fund's income is over £25,000.

<b>Audit</b>	<b>Days</b>	<b>Reason</b>
<b><i>Record Offices, Museums and the Arts</i></b> Lloyd George Museum	6	The Council has a specific role as a trustee. A check will be carried out to ensure that these duties are being fulfilled.
Storiel	6	Storiel has received a risk score of 20 on the Corporate Risk Register.
<b><i>Maritime and Country Parks</i></b> Beach Management Plan	10	This is an area of high risk. (risk score 20)
Health and Safety Measures - Parc Glynllifon	5	This area has been identified on the Corporate Risk Register. (risk score 15)
<b><i>Major Projects</i></b> Llanbedr Plan	12	A review of the arrangements for managing the projects on a plan worth approximately £25m.
STEM Gogledd	8	A review of specific projects.
<b><i>Strategy and Development</i></b> North Wales Economic Ambition Board	15	The Board Governance arrangements – a Local Authority Joint Committee with representatives of key partners such as the North Wales and Mersey Dee Business Council, universities and further education colleges.
Business Units	12	This area has received a risk score of 20 on the Corporate Risk Register.
<b>ADULTS, HEALTH AND WELLBEING</b>		
<b><i>Across the Department</i></b>		
Debtors	20	A review of forms E33 - "Application for financial assistance to pay for residential or nursing care".
<b><i>Supporting People</i></b> Supporting People Grant	12	Requirement under the terms of the grant.
<b><i>Residential and Day</i></b> Private Care Home fees	30	A review of the payments made to private care homes with an emphasis on additional (top-up) fees.
Day Centres – Learning Disabilities	30	A review of both financial and non-financial arrangements at the centres.

<b>Audit</b>	<b>Days</b>	<b>Reason</b>
<b>CHILDREN AND SUPPORTING FAMILIES</b>		
<i>Children and Families</i>		
Risk Assessment Arrangements and Training Programme	12	This area has been identified in the Corporate Risk Register due to violence at work, lone working and caseloads.
Statutory Assessments (AMHP)	20	This is a requirement in accordance with the Mental Health Measure Wales.
<b>HIGHWAYS AND MUNICIPAL</b>		
<i>Across the Department</i>		
Business Continuity Plan	12	This is a matter that's been highlighted in the Corporate Risk Register and the audit will encompass verifying the plan and ensure that policies have been established for specific items, e.g. salt.
Closed Circuit TV	8	This area has a risk score of 16 on the Corporate Risk Register.
Risk Assessments	25	Review the contents and appropriateness of the risk assessments.
<b>GWYNEDD CONSULTANCY</b>		
<i>Across the department</i>		
Budgeting and Expenditure	15	The review has been included at the request of the YGC Management Team.