



Agenda Item

No:

9

Hertfordshire County Council
Audit Committee

2016/17 Internal Audit Plan Report

23rd March 2016

Recommendation

Members are recommended to approve the
proposed Hertfordshire County Council
Internal Audit Plan for 2016/17

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1. Introduction and Background

Purpose of Report

- 1.1 To provide Members with the proposed HCC 2016/17 Internal Audit Plan.

Background

- 1.2 The Internal Audit Plan sets out the programme of internal audit work for the year ahead and forms part of the Council's wider assurance framework. It supports the requirement to produce an audit opinion on the overall internal control environment of the Council, as well as a judgement on the robustness of risk management and governance arrangements contained in the Head of Internal Audit annual report.
- 1.3 The Shared Internal Audit Service (SIAS) Audit Charter which was presented to the June 2015 meeting of this Committee, shows how the Council and SIAS work together to provide a modern and effective internal audit service. This approach complies with the requirements of the United Kingdom Public Sector Internal Audit Standards (PSIAS) which came into effect on 1 April 2013. An updated version of the SIAS Audit Charter will be brought to the first meeting of the Audit Committee on 21st June 2016.
- 1.4 The PSIAS require that the audit plan incorporates or is linked to a strategic or high-level statement which:
- Outlines how the service will be developed in accordance with the internal audit charter
 - Details how the internal audit plan will be delivered
 - Evidences how the service links to organisational objectives and priorities
- 1.5 Section 2 of this report details how SIAS complies with this requirement.

2. Audit Planning Process

Planning Principles

- 2.1 SIAS audit planning is underpinned by the following principles:
- a) Focus of assurance effort on the Council's key issues, obligations, outcomes and objectives, critical business processes and projects and principal risks. This approach ensures coverage of both strategic and key operational issues.
 - b) Maintenance of an up-to-date awareness of the impact of the external and internal environment on the Council's control arrangements.
 - c) Use of a risk assessment methodology to determine priorities for audit coverage based, as far as possible, on management's view of risk.
 - d) Dialogue and consultation with key stakeholders to ensure an appropriate balance of assurance needs. This approach includes recognition that in a resource constrained environment, all needs cannot be met.
 - e) Identification of responsibilities where services are delivered in partnership.

- f) In-built flexibility to ensure that new risks and issues are accommodated as they emerge.
- g) Capacity to deliver key commitments including work undertaken on behalf of External Audit and governance work.
- h) Capacity to respond to management requests for assistance with special investigations, consultancy and other forms of advice.

Approach to Planning

- 2.2 In order to comply with the requirements of the PSIAS, SIAS adopts a standard approach and methodology across all SIAS partners. This methodology contains the following elements:

Local and National Horizon Scanning

SIAS reviews, on an ongoing basis:

- key committee reports at each client and identifies emerging risks and issues
- the professional and national press for risks and issues emerging at national level

Consideration of risk management arrangements

SIAS assesses the risk maturity of the Council and based on this assessment, determines the extent to which information contained within the Council's risk register informs the identification of potential audit areas.

Confirmation of the Council's objectives and priorities

SIAS confirms the current objectives and priorities of the Council and uses this information to confirm that identified auditable areas will provide assurance on areas directly linked to the achievement of the Council's objectives and priorities.

- 2.3 The approach to audit planning for 2016/17 has been characterised by:

- a) Detailed discussions with senior managers and other key officers within the Council to confirm auditable areas and elicit high level detail of the scope of audits. This process incorporates the following four steps to assist in the later prioritisation of projects:

Risk Assessment

Managers and SIAS agree the level of risk associated with an identified auditable area.

Other sources of Assurance

Managers confirm if assurance in the auditable area is obtained from other assurance providers e.g. External Audit or the Health and Safety Executive. This approach ensures that provision of assurance is not duplicated.

Significance

Managers assess how significant the auditable area is in terms of the achievement of corporate or service objectives and priorities.

Timings

Managers identify when an audit should be undertaken to add most value.

- b) Proposed plans are based on the information obtained from the planning meetings. A contingency allocation is determined to allow flexibility to respond to in-year changes in organisational risk and priorities. Details of audits that have not been included in the proposed draft plan as a result of resource limitations are reported to senior management and the audit committee.
 - c) The proposed 2016/17 plans for all SIAS partner councils are then scrutinised and cross-partner audits highlighted.
 - d) Proposed draft plans are presented to Directorate Boards or Deputy Directors for discussion and agreement.
 - e) The plan is shared with the External Auditor.
- 2.4 This approach ensures that our work gives assurance on what is important and those areas of highest risk and thus assists the Council in achieving its objectives.

The Planning Context

- 2.5 The context within which local authorities provide their services remains challenging:
- Austere public finances will last well into the next parliament, meaning that previous expenditure levels are not sustainable and public leaders expect serious financial difficulty ahead.
 - Demand continues to rise, driven by complex needs, an ageing population and higher service expectations from citizens.
 - Technology ranging from use of mobile devices and applications to predictive analytics is developing rapidly and offers opportunities along with significant risks.
 - Major, national programmes in areas like welfare reform and business rate reform, and previous structural changes such as the introduction of Police and Crime Commissioners, Clinical Commissioning Groups and Local Enterprise Partnerships mean the environment has been relatively unstable.
- 2.6 The resultant efficiency and transformation programmes that councils are in the process of implementing and developing are profoundly altering each organisation's nature. Such developments are accompanied by potentially significant governance, risk management and internal control change.
- 2.7 The challenge of giving value in this context, means that Internal Audit needs to:
- Meet its core responsibilities, which are to provide appropriate assurance to Members and senior management on the effectiveness of governance, risk management and control arrangements in delivering the achievement of Council objectives.

- Identify and focus its effort on areas of significance and risk, assisting the organisation in managing change effectively, and ensuring that core controls remain effective.
- Give assurance which covers the control environment in relation to new developments, using leading edge audit approaches such as 'control risk self assessments' or 'continuous assurance' where appropriate.
- Retain flexibility in the audit plan and ensure the plan remains current and relevant as the financial year progresses.

Internal Audit Plan 2016/17

- 2.8 The draft plan for 2016/17 is included at Appendix A and contains a high level proposed outline scope for each audit and a suggested month for delivery.
- 2.9 The table below shows the estimated allocation of the total annual number of purchased audit days for the year.

Purchased audit days	2016-17	2016-17 %
Key Financial Systems	160	9.8
Operational audits		
Resources	180	11.0
Health and Community Services	160	9.8
Environment	150	9.2
Children's Services	120	7.3
Public Health	15	0.9
Community Protection	25	1.5
Cross-Service	50	3.1
Carry forward work 14/15	47	2.9
Grants	30	1.8
Joint Reviews	5	0.3
Shared Learning	5	0.3
Governance	21	1.3
IT Audits	40	2.4
Strategic Support*	199	12.1
Contingency	85	5.2
Schools	345	21.1
Total allocated days	1637	100%

* This covers supporting the Audit Committee, managing the delivery of the audit plan, planning for 2016/17, service development, supporting the SIAS Board and External Audit liaison.

- 2.10 The number of plan days remains the same as the approved coverage for 2015/16.
- 2.11 Actual start dates will be confirmed with management for all audits by the end of April 2016. This will help smooth delivery of the plan across the year, give regular assurance to the Committee, and raise awareness of the timing of the reviews to support partnership working between the Council and SIAS. Also included is a reserve list detailing audits which may feature in the event that an audit in the main plan cannot be conducted. Plan changes are brought before this Committee for approval.

- 2.12 Members will note the inclusion within Appendix A of a provision for the completion of projects that relate to 2015/16. The structure of Internal Audit's programme of work is such that full completion of every aspect of the work in an annual plan is not always possible; especially given the high dependence on client officers during a period where there are competing draws on their time e.g. year end closure procedures.
- 2.13 The nature of assurance work is such that enough activity must have been completed in the financial year for the Head of Assurance to give an overall opinion on the Authority's internal control environment. In general, the tasks associated with the total completion of the plan, which includes the finalisation of all reports and negotiation of the appropriate level of agreed mitigations, is not something that adversely affects delivery of the overall opinion. The impact of any outstanding work is monitored closely during the final quarter by SIAS in conjunction with the Section 151 Officer.
- 2.14 In order to achieve an appropriate balance of assurance needs within the audit resources available, the audits shown at Appendix B were excluded from the 2016/17 proposed audit plan based on an assessment of risk by senior management and SIAS. These audits will be revisited throughout 2016/17 should audit resources become available or the risk profile of an audit change which requires it to be substituted into the 2016/17 plan. This committee will be notified of such changes through the update report process. Those audits that remain undelivered at the year-end will be reassessed for inclusion in the 2017/18 audit plan.

Internal Audit Plan 2017/18

- 2.15 During audit planning discussions with senior managers, areas were also identified as potential audits for 2017/18 and these will be formally risk assessed for inclusion in the 2017/18 audit plan as part of the planning process for that year. Details of these audits are included in Appendix C.

3. Performance Management

Update Reporting

- 3.1 The work of Internal Audit is required to be reported to a Member Body so that the Council has an opportunity to review and monitor an essential component of corporate governance and gain assurance that its internal audit provision is fulfilling its statutory obligations. It is considered good practice that progress reports also include proposed amendments to the agreed annual audit plan. Progress against the agreed plan for 2016/17 and any proposed changes will be reported to this Committee four times in the 2016/17 civic year.
- 3.2 The implementation of agreed high priority recommendations will be monitored by Internal Audit and progress will be reported as part of the update reporting process.

Performance Indicators

- 3.3 Annual performance indicators were originally approved at the SIAS Board which continues to review them annually. Details of the targets set for 2016/17 are shown in the table below. Actual performance against target will be included in the update reports to this Committee.

Performance Indicator	Performance Target
1. Planned Days percentage of actual billable days against planned chargeable days completed	95%
2. Planned Projects percentage of actual completed projects to draft report stage against planned completed projects	95%
3. Client Satisfaction percentage of client satisfaction questionnaires returned at 'satisfactory' level	100%
4. Number of High Priority Audit Recommendations agreed	95%
5. External Auditor Satisfaction	Annual Audit Letter formally records that the External Auditors are able to rely upon the range and quality of SIAS' work
6. Annual Plan	Presented to the March meeting of each Audit Committee. Or if there is no March meeting then presented to the first meeting of the new financial year
7. Head of Assurance's Annual Report	Presented to the first meeting of each Audit Committee in the new financial year.

Proposed HCC Audit Plan 2016/17

APPENDIX A

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
CORPORATE			
Annual Governance Statement 2015-16	8	Q1	Review the Council's governance arrangements and support the development of the 2015/16 AGS
Annual Governance Statement 2016-17	3	Q4	Preparation for the development of the 2016/17 AGS
Head of Assurance Annual Opinion and Annual Report	5	Q1	Provide the annual report and deliver the opinion on the Council's control environment
HCC Lead Officer Welwyn Hatfield	1	Through Year	Act as the named HCC contact for interactions with Welwyn Hatfield Borough Council
Whistleblowing - named contact and quarterly review	4	Through Year	Act as a named contact for whistleblowing matters; attend quarterly case review meetings
RESOURCES			
Resources Queries < 3hrs Activities	5	Through Year	Advice and support as required throughout year.
HBS			
Stock Control	15	Q2 / Q3	To provide assurance that adequate systems are in place and followed in practice in relation to stock control.
Fuel Cards	10	Q1	To provide assurance over the adequacy of systems to control the issue, use of fuel cards and subsequent systems for checking and paying for fuel invoiced by the provider company.
Finance			
Pensions - Administration	30	Q3	Annual Key Financial Systems Audit
Payroll	25	Q3	Annual Key Financial Systems Audit

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
Debtors	25	Q3	Annual Key Financial Systems Audit
Creditors	25	Q3	Annual Key Financial Systems Audit
General Ledger	20	Q3	Annual Key Financial Systems Audit
Treasury Management	15	Q3 / Q4	Annual Key Financial Systems Audit - to include a focus on the strategy, management, monitoring and reporting for Council borrowing.
eIncome (suppliers' payments)	10	Q3 / Q4	To provide assurance over the robustness of the internal control environment in relation to the on-line supplier portal.
Feeder Systems	10	Q2	To provide assurance over the robustness of the internal control environment for a selection of the Council's feeder systems. This work will be used to provide the Council's External Auditors with assurance over the adequacy of feeder systems.
Procurement and Performance			
Framework Contracts	15	Q2	To provide assurance over compliance with contract regulations and good practice in relation to a selection of framework contracts.
Property			
Asbestos Management	15	Q4	To provide assurance over the systems for the maintenance of the asbestos database, manual asbestos records, provision of advice and guidance, development of and compliance with corporate policies and procedures.
Carbon Reduction Commitment	15	Q1	Annual assurance review on the Council's CRC return (prior to submission) to meet Environment Agency requirements.

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
Leasehold Income	15	Q3	To provide assurance that income due to HCC through Rural Estates is invoiced in accordance with legislation / tenancy agreements and appropriate recovery action is taken for arrears.
Management of Empty Properties	15	Q1	To provide assurance that empty properties are effectively managed to protect value, marketability and to ensure that the risk of health and safety incidents to persons or property is effectively managed.
Technology			
Social Media	15	Q3	To provide assurance that the Council has appropriate policies and processes in place to manage the use of social media and that this is applied in practice by individual services.
IT			
ICT Support Process and Helpdesk	15	Q1 / Q2	To provide assurance that there are appropriate systems and processes in place to take a project into service and provide helpdesk with sufficient information to support the system going forward.
Systems rationalisation	10	Q3	To provide assurance that system rationalisation projects deliver key expected outcomes, whilst maintaining operational effectiveness.
Intranet	15	Q4	To provide assurance that appropriate controls are in place to manage content on the new intranet, that key business information continues to remain available following upgrade and that services are following agreed business rules in terms of managing and updating content.
Business Intelligence			

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
Data Retention	20	Q3	To provide assurance that services are following the newly revised corporate policies for data retention.
Human Resources			
Training Records	15	Q2	To provide assurance that training records are accurately maintained so as to provide a basis for satisfying statutory requirements for CS and HCS.
Employment Status Checks	10	Q4	A follow up review to provide assurance over any changes to existing systems and officer compliance with these, following the 15/16 Internal Audit Review and HMRC inspection.
Legal, Democratic & Statutory Services			
Coroner's Service	15	Q2	To provide assurance over income and expenses controls.
COUNCIL-WIDE REVIEWS			
Contract Management	25	Q3	A review of the effectiveness of contract management arrangements, focusing on compliance with the Council's contract regulations and national good practice. The audit sample for compliance testing will be selected from a range of service areas.
Business Cases and Benefits Realisation	25	Q2	A review of the effectiveness of arrangements for the creation, scrutiny and approval of business cases and the subsequent monitoring and transparency of benefits realised from the resulting projects. The audit sample for compliance testing will be selected from a range of service areas.
HEALTH & COMMUNITY SERVICES			
Residential Invoicing	15	Q4	To provide assurance that the process of transferring the collection of client contributions from providers to the Council is effectively

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
			managed, subject to approval of this change in approach.
Financial Assessments	15	Q1	To provide assurance that existing systems for Financial Assessments operate effectively, thereby providing an opportunity to identify any areas for improvement prior to the review of systems to accommodate the changes required under the Care Act.
Statutory Returns	15	Q3	Assurance over the robustness of processes and systems related to the submission of returns.
Homecare	15	Q2	To provide assurance that mitigating actions in relation to the outcomes of the risk assessment into provider capacity across Hertfordshire have been applied.
Carers Direct Payments	15	Q1	To provide assurance over the robustness of systems for calculation, approval and monitoring of Carers Direct Payments, including appropriate application of the eligibility criteria.
Better Care Fund	15	Q4	Approach and scope to be confirmed in consultation with CCG's.
Pre-Paid Cards	10	Q2	To provide assurance that a robust control environment is in place to govern the issue, use and monitoring of pre-paid cards.
Voluntary Sector Contracts / Grants	10	Q4	To provide assurance that a robust control framework is in place to govern the award of contracts or grants to the voluntary sector, focusing on those below £100,000 where award may be based on quotes as opposed to formal tenders – or in the case of grants where award is based on the strength of applications.
Client Finances - Establishment Visits	30	Q3 / Q4	Ongoing assurance work – the 16/17 audit will focus on assessing the application of revised operational procedures by establishments / units.
Learning Disability - Panel Processes	10	Q2	To provide assurance that the LD panel process follows agreed procedures, decisions are transparent and that the eligibility criteria

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
			is appropriately applied, given the need to manage expenditure within this service.
H & CS Queries < 3hrs Activities	10	Through Year	Advice and Support throughout year.
ENVIRONMENT SERVICES			
Transport			
Home to School and Social Care transport (Safeguarding)	20	Q1	To provide assurance that appropriate arrangements are in place to confirm internal or external providers of transport comply with Council, DfE and CQC Safeguarding requirements.
Highways			
Ringway Contract – Sector Specific Improvements	20	Q2	A review assessing further improvement opportunities in respect of aspects of the Ringway Contract e.g. street lighting and drainage. The audit approach will be to establish the performance baseline against which improvement will be judged and the ways in which this will be recorded and proven.
Category One - 'Triage' Approach	15	Q2	A review looking at the achievement of the benefits to be derived from the introduction of this new approach that will see a team of qualified inspectors (as opposed to a full works gang) initially attending the reported fault.
Redesign of the Highways Service	20	Q1 & Q4	SIAS to conduct a two-stage review, initially providing advice and support on implementation of the business case for change (in Q1) and then later on (in Q4) evaluation of the operating environment against the intended changes made to the service.
Customer Enquiries and Complaints	15	Q1	To provide assurance that systems in place to facilitate and progress customer enquiries and complaints operate effectively. The review will include cross-cutting systems and processes that

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
			involve both HCC and external providers / contractors (Serco and Ringway).
Use of Confirm - the Highways Service Management Software	15	Q2	To provide assurance that the Confirm system is being maintained and used appropriately to ensure that it supports the Council in managing the asset portfolio.
Programme management	20	Q1 & Q4	To provide assurance over the effectiveness of the programme management environment to ensure that it operates effectively and minimises blockages in the progression of projects. The review would be carried out in two stages, in Q1 and Q4. Initial work in Q1 would focus on programme set up and the work in Q4 would evaluate delivery of programmes against intended benefits.
Business Continuity	20	Q3	To conduct a review of the continuity arrangements in place for the key ICT systems used by both staff and customers. Whilst it is recognised that work is carried out corporately on business continuity and disaster recovery, senior management expressed concern about the impact to the service in relation to the loss of County Hall and ICT downtime.
ECS Queries <3hrs activities	5	Through Year	Advice and Support throughout year.
CHILDREN'S SERVICES			
Data Quality	15	Q3/Q4	To provide assurance over the adequacy and quality of standing data held on clients within the key systems in CS, specifically focusing on its, currency, consistency and accuracy across systems, thereby ensuring that data remains fit for purpose in relation to supporting service delivery, safeguarding and joint working enabled by data sharing and data integration.
Ofsted Action plan progress	10	Q4	To provide assurance that CS has appropriate governance arrangements and action plans in place to take forward recommendations made within the recently completed Ofsted

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
			inspection.
Foster Carer Recruitment and Retention	15	Q2	To provide assurance over whether this is being effectively applied, focusing on key areas such as the delivery of recruitment strategies and that the monitoring and support offered to existing foster carers is sufficient to build retention levels.
Controcc – Foster Carer Payments	10	Q3	To provide assurance that an effective internal control environment is maintained within this significant expenditure area.
Unaccompanied Minors and no Recourse to Public Funds	15	Q1	To provide assurance that the budget is being properly monitored and controlled and pressures reported are fairly represented.
Extended Entitlement to Free Childcare	15	Q2	To provide assurance that robust systems are in place for confirming the eligibility of entitlement and the monitoring the effectiveness of service delivery.
Children’s services establishments	20	Q1 / Q2	Establishment audits – looked after children residential care to focus on financial management / control.
Section 17 Payments	10	Q1	A review to confirm that payments are made in line with guidance by reviewing a sample of decisions made, review of overall spend and testing of a sample of payments.
CS Queries <3hrs Activities	10	Through Year	Advice and Support throughout year.
PUBLIC HEALTH			
Budget Setting and Budgetary Control	15	Q3	To provide assurance that effective budget setting and budgetary control systems are in place to assist the service in planning for significant budget reductions and monitoring performance against approved budgets in year.
COMMUNITY PROTECTION			

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
Resilience	15	Q1	To provide assurance that the corporate resilience function continues to operate effectively following recent restructures. The audit will include confirming that arrangements are in place to ensure that operations can continue in the event of issues within CPD and HCC.
Volunteering	10	Q2	To provide assurance over the effectiveness of the use of Volunteers by the service to support the delivery of the directorate strategy.
SHARED LEARNING			
Shared Learning Newsletters and Summary Themed Reports	5	Through Year	
Joint Review – Topic to be determined by SIAS Board	5	TBC	
GRANT CLAIMS			
Herts Chief Finance Officers Society	1	Q2	Audit of accounts
Hertfordshire Education Foundation	2	Q4	Audit of accounts
Hertfordshire Charity for Deprived Children	1	Q1	Audit of accounts
Surecare	3	Q3	Audit of accounts
Bus Subsidy Grant	3	Q2	Grant Certification
Autism Grant	2	Q1	Grant Certification
Social Care Capital Grant	3	TBC	Grant Certification
Local Reform and Community Voices Grant	2	TBC	Grant Certification

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
Public Health Grant	3	TBC	Grant Certification
Grants Contingency	10		Time required to cover additional grant certification activities notified in-year
OTHER CHARGEABLE			
HCC Contingency	87	Through Year	Time required to cover unanticipated audit requirements
Monitoring 15/16 Plan	30	Through Year	Time required to manage delivery of the HCC audit plan
Recommendations Follow-Up - Q1	5	Q1	Follow-up of all HCC high and medium priority recommendations
Recommendations Follow-Up - Q2	5	Q2	
Recommendations Follow-Up - Q3	5	Q3	
Recommendations Follow-Up - Q4	5	Q4	
Client Liaison	10	Through Year	Time required developing and maintaining effective relationships with HCC managers.
Audit Committee Matters & Attendance	20	Through Year	Time required to support the HCC Audit Committee
Audit Planning – 17/18	30	Q3 / Q4	Undertake planning meetings in respect of the development of the 17/18 HCC audit plan
Performance Data	3	Through Year	Preparation of regular monitoring information required by HCC
External Audit Liaison	2	Through Year	Update meetings with Ernst and Young
Service Plan Activity	40	Through Year	Time required to implement actions in the SIAS Business Plan
SIAS Board Meetings and Preparation	10	Through Year	Time required to support the SIAS Board

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
Management of Scrutiny	5	Through Year	Time spent by Head of Assurance to manage Scrutiny function
Management of Health & Safety	5	Through Year	Time spent by Head of Assurance to manage the Health & Safety function
Management of Shared Anti-Fraud Service	5	Through Year	Time spent by Head of Assurance to manage the Shared Anti-Fraud Service
Management of Risk Management and Insurance	5	Through Year	Time spent by Head of Assurance to manage the Risk Management and Insurance function
Public Sector Internal Audit - Self Assessment 15-16	2	Q1	Exercise to measure SIAS compliance with the requirements of the PSIAS
Public Sector Internal Audit - Self Assessment 16-17	10	Q4	
2015/16 PROJECTS REQUIRING COMPLETION			
Highways Operating Procedures	8	Q1	Completion of audit activity started in 15/16
SEND	9	Q1	Completion of audit activity started in 15/16
Non-Attendance at School	13	Q1	Completion of audit activity started in 15/16
Health and Safety - Community Protection	2	Q1	Completion of audit activity started in 15/16
Miscellaneous	15	Q1	Completion of audit activity started in 15/16
SCHOOLS			
Advice, queries and guidance for schools	30	Through Year	Time to respond to queries received from schools
Liaison, awareness raising and training	25	Through Year	Time to attend meetings, provide training and produce information for dissemination to schools and governors

Name of Audit in HCC Plan	Plan Days	Target Quarter	High level scope
Theme 1 – Schools Financial Value Standard (SFVS)	94	Q1	Sample of 25 schools to be visited to test effectiveness of controls in respect of the SFVS assurance areas
Theme 2 – Safe Recruitment	70	Q2	Sample of 18 schools to be visited to test compliance with safe recruitment regulations and good practice.
Theme 3 – Financial Planning	68	Q3 or Q4	Sample of 17 schools to be visited to review effectiveness of financial planning - this review will include the area of early years.
SFVS returns process	13	Q1 & Q4	Collation and interpretation of schools' SFVS returns
Reporting 2015/16 themes	10	Q1	Produce reports summarising activity undertaken in 2014/15 in relation to Budget Setting, Monitoring & Control and Income.
Follow up of high priority recommendations and schools with moderate assurance	15	Through Year	Reviewing progress in areas where improvement in control is required
Schools' contingency	20		To be used as required
TOTAL HCC AUDIT DAYS 2016/17	1637		

Directorate	Audit title	Audit Scope
Resources		
Procurement	Contracts Register	To provide assurance that robust systems are in place to ensure the completeness and accuracy of the Council's Contracts Register and that these are followed by commissioning officers.
Procurement	Consultants	To provide assurance that consultants are commissioned in accordance with corporate policies and procedures.
Property	Service related spending on property	To provide assurance that effective controls are in place to budget for, monitor and undertake appropriate checks on payments for property related costs where these are managed at service rather than corporate level.
Property	Hertfordshire Development Centre	To provide assurance that all income due to the service is identified and recharged and that charges are sufficient to cover required contributions to the operating costs.
HR	HR Restructure	Considered too early to build in key themes. Discussions to be held in year with management to identify any assurance requests, these being accommodated through contingency.
Technology	Segregation of Duties / Access Controls	To be considered as part of relevant audits of key information systems within service audit plans and within KFS reviews
HCS		
	Carers Strategy	Agreed with HCS board that the priority focus on assurance activity for this area for 16/17 will be on Carers payments (included in the plan).
Children's Services		
	Tree Management	To provide assurance that robust systems are in place to risk assess the condition of trees on school sites and undertake appropriate action

Directorate	Audit title	Audit Scope
	(Schools)	based on the outcome of such assessments.
Environment		
	None	
Community Protection		
	Control of Evidence	To provide assurance that appropriate systems and methods are in place to record and, at the appropriate time, dispose of the evidence obtained as part of investigations into counterfeit and faulty goods.
Schools & HBS		
	None	

Items for Potential Inclusion HCC Audit Plan 2017/18 – APPENDIX C

Audit Title	Audit Scope
Resources	
eCommerce (income collection)	To provide assurance that the new e-income solution provides a sufficiently robust control environment, achieves business case objectives and is appropriately used by officers.
Section 106 / Community Infrastructure Levy	Deferred for re-consideration in 17/18 due to varying degrees of implementation of CIL at this point by Districts.
Property Joint Ventures	Assurance to be provided on the adequacy of governance arrangements and delivery of agreed outcomes for these new arrangements, if introduced.
Financial Reporting	Dependent on the implementation status, a review of any revised financial reporting solutions / tools to provide assurance that they meet business needs and provide accurate financial information.
Charging for Services	To provide assurance that HCC are recovering all relevant charges / fees.
Financial Advice / Support for decision making	To provide assurance that appropriate advice, and in the right medium (e.g. compass), is being provided by Finance and HR. To evaluate what difference such advice makes in practice.
HCS	
Management of Provider Suspensions	To be considered for 17/18, although sufficient assurance may be provided through the HCS samples included within the Contract Management Council Wide review.
Service User Transition from CS to HCS	To provide assurance over the systems and processes in place (including panel processes) to manage the transition from Children's Services to HCS whilst ensuring appropriate levels of care are provided and value for money is secured.
Care Act – Information and Advice	To provide assurance that the Council's approach to providing information and advice for Social Care meets the provisions for the Care Act.

Audit Title	Audit Scope
Deputyship / Appointee ships	To provide assurance that systems continue to be maintained following the change in structure of the team (merger of appointeeship and deputyship teams).
Asset Based Community Development	To provide assurance that asset based community based support activities are being developed and are being considered as an option to meet social care needs as part of assessment process.
Hertfordshire Workforce Strategy (Adult Social Care)	To provide assurance over the effectiveness of governance arrangements for the delivery of the Hertfordshire Workforce Strategy, including an assessment of the adequacy of evidence to demonstrate completion of key deliverables.
Accommodation for Independence Programme (LD)	To provide assurance over the effectiveness of the project / programme management arrangements, as well as the delivery of projected savings.
Children's Services	
School admissions – fair access and Deferred School Starts	To provide assurance that the admissions process is fair and equitable, appropriate evidence based decisions are made and appeals processes operate in accordance with statutory requirements.
Home to school / college transport	To provide assurance that effective arrangements are in place for the financial and operation management of home to school / college transport services including VFM.
HBS	
New Financial System	System not due to be introduced until late next financial year, therefore considered too early to assess this new system in 2016/17.