Hertfordshire County Council Audit Committee

2017/18 Internal Audit Plan Report

1 March 2017

Recommendation

Members are recommended to approve the proposed Hertfordshire County Council Internal Audit Plan for 2017/18

Contents

1. Introduction and Background

Purpose of Report

1.1 To provide Members with the proposed Hertfordshire County Council 2017/18 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 2016 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 27th June 2017.

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 for 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 2017/18 has been characterised by:

a)   Detailed discussions with Directorate Boards and the Council's Section 151 Officer 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

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

Other sources of Assurance

Directorate Boards 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

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

Timings

Directorate Boards have identified 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 2017/18 plans for all SIAS partner councils are then scrutinised and cross-partner audits highlighted.

d) Proposed draft plans are presented to Directorate Boards for discussion and agreement.

e) The consolidated draft audit plan is presented to the Council's Section 151 Officer for final comment and agreement.

f) 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 are likely to continue into the next decade, 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 now key to service delivery and offers opportunities along with significant risks.

- Major, national programmes in areas like welfare reform and business rate reform, and increased reliance on partnership working and joint funding with 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 continuing to implement and develop 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 the most appropriate audit approach 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 2017/18

2.8   The draft plan for 2017/18 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	2017-18	2017-18 %
Key Financial Systems	155	9
Operational audits		
Resources	80	5
Health and Community Services	155	9
Environment	107	7
Children's Services	95	7
Public Health	30	2
Community Protection	40	2
Cross-Service	50	3
Council Wide	100	6
Carry forward work 16/17	56	3
Grants	29	2
Joint Reviews	5	0.5
Shared Learning	5	0.5
Governance	65	4
IT Audits	35	2
Strategic Support*	195	12
Contingency	90	5
Schools	345	21
Total allocated days	**1637**	**100%**

* This covers supporting the Audit Committee, managing the delivery of the audit plan, planning for 2017/18, 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 2016/17.

2.11   Actual start dates will be confirmed with management for all audits by the end of April 2017. 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 2016/17. 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 2017/18 proposed audit plan based on an assessment of risk by senior management and SIAS. These audits will be revisited throughout 2017/18 should audit resources become available or the risk profile of an audit change which requires it to be substituted into the 2017/18 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 2018/19 audit plan.

Internal Audit Plan 2018/19

2.15   During audit planning discussions with senior managers, areas were also identified as potential audits for 2018/19 and these will be formally risk assessed for inclusion in the 2018/19 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 2017/18 and any proposed changes will be reported to this Committee four times in the 2017/18 financial 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.

3.3 Annual performance indicators were originally approved at the SIAS Board which continues to review them annually. Details of the targets set for 2017/18 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**	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 Hertfordshire County Council Internal Audit Plan 2017/18

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
CORPORATE			
Annual Governance Statement 2016-17	8	Q1	Review the Council's governance arrangements and support the development of the 2016/17 AGS
Annual Governance Statement 2017-18	5	Q4	Preparation for the development of the 2017/18 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
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	10	Through Year	Advice and support as required throughout year.
HBS			
Business Operations	25	Q2	To provide assurance over the robustness of various business processes identified by Management, including Contract Management for Grounds and Cleaning Contracts, New Customer Set-Up processes, Security of Ordering Systems, Transport Route Planning and Order fulfilment within Reprographics.
Finance			
Pensions - Administration	30	Q3	Annual Key Financial Systems Audit
Payroll	25	Q3	Annual Key Financial Systems Audit
Debtors	25	Q3	Annual Key Financial Systems Audit
Creditors	25	Q3	Annual Key Financial Systems Audit

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
General Ledger	20	Q3	Annual Key Financial Systems Audit
Treasury Management	15	Q4	Annual Key Financial Systems Audit
e-Income	15	Q3 / Q4	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.
Property			
Carbon Reduction Commitment	15	Q1	Annual assurance review on the Council's CRC return (prior to submission) to meet Environment Agency requirements.
Technology (IT Audits)			
Segregation of Duties / Access Controls	20	Q2/3	To provide assurance that key IT systems have appropriate access controls to maintain an appropriate segregation of duties and secure environment, focusing in particular on role based access
Cyber Security	15	Q3	To provide assurance over the robustness of measures in place to protect the Councils systems and data from unintended or unauthorised access, change or destruction. This will include areas such as Strategy, Governance and Control, Threat and Vulnerability Management, Network Security, Incident Response and Forensic Investigation, Business Continuity Management and Mobile Network and Device Security.
Human Resources			
Employee Expenses	15	Q1	This audit will cover the general control environment and provide assurance that the previously agreed actions implemented by management result in an improvement in the availability of supporting information.

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
Off Payroll Working (consultancy)	5	As Required	To provide assurance that appropriate policies and procedures are in place to allow Hertfordshire County Council to meet HMRC requirements and confirming that these are followed in practice.
Legal, Democratic & Statutory Services			
LEP - Compliance with Assurance Framework	15	Q3	To provide assurance that the agreed assurance framework is being delivered in practice.
Customer Engagement and Libraries			
Blue Badges	10	Q1/Q2	Scope to be agreed with Management, but primarily this audit will provide assurance over the adequacy of the internal control arrangements for the areas of applications and the award and review process, given this is administered by SERCO on Hertfordshire County Council's behalf under the SMS contract.
COUNCIL-WIDE REVIEWS			
Conflicts of Interest	25	Q1	To provide assurance that the Council's Conflicts of Interest policy is complied with in practice across the organisation.
Delegated Decision Making	25	Q3	To provide assurance that the delegated decision making process is being complied with in practice across the organisation and that Delegations are subject to regular review.
Volunteering	25	Q2	Council wide review focusing on the systems in place for the appropriate management, induction and training of Volunteers. This is deemed an important assurance area given the increasing use of volunteers across the Council.
Business Continuity	25	Q3	To provide assurance that the Council has appropriate arrangements and plans in place to maintain business continuity in the event of serious incidents.

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
Serious and Organised Crime Audit	25	Q3	Using the Government's Serious and Organised Crime Audit programme, to assess where changes and improvements can be implemented to shut down opportunities for serious and organised crime involvement and reduce financial losses. The audit would be undertaken in liaison with the Council's Shared Anti-Fraud Service.
Safeguarding	25	Q4	To provide assurance over the robustness, and compliance with, safe recruitment policies and procedures in relation to recruitment activities across the Council.
CROSS-SERVICE REVIEWS			
0-25 Integrated Service (CS and HCS)	20	Q4	To provide assurance that financial and performance processes are robust, key objectives are on track to be delivered and that roles and responsibilities and reporting lines, in respect of financial governance and performance monitoring, are appropriately allocated under the new structure.
Transport infrastructure assets (Environment and Resources)	15	Q1	To provide assurance over the completeness of Asset Registers and method and accuracy of valuations
Home to school / college transport (CS and Environment)	15	Q2/Q3	To provide assurance that effective commissioning, contract management, payment and management / financial information systems are in place within CS and Environment (via Service Level Agreement) in respect of contracts for home to school / college transport services.
HEALTH & COMMUNITY SERVICES			
Deputyship / Appointeeships	15	Q1	To provide assurance over the appropriate allocation of roles and responsibilities (including appropriate use of professionals' time), maximisation of client funds administered by the authority (to achieve best interests for the client) and appropriate use of third parties for managing client investments in line with agreed policies.

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
Integrated Commissioning Arrangements	15	Q2/3	To provide assurance that robust processes are in place to agree jointly funded commissioned services and manage disputes related to payments / contributions due.
Application of Eligibility Thresholds (Older People & Physical Disabilities (OPPD) / Learning Disability (LD))	20	Q3/4	To provide assurance over the robustness of new practice principles, confirming that these are understood by teams and complied with in practice. Also to provide assurance that appropriate systems are in place to allow management to track consistency of application of the principles.
Data Security and Information Sharing	15	Q4	To provide assurance that appropriate policies / procedures and training arrangements exist in respect of information sharing and data protection and that these are applied in practice by teams.
Direct Payments	15	Q2	To provide assurance that case reviews are undertaken in a timely manner and are focused on measuring the delivery of outcomes, direct payments are not being routinely used to cover a lack of capacity within the primary care contracts and to provide assurance that new practice principles are being applied in respect of direct payments.
Provider Portal (Consultancy Advice)	5	As Required	Consultancy activity – SIAS to provide advice on internal control requirements during the implementation phase of the provider portal project.
Data quality - Business Process Compliance – OPPD	20	Q1	To provide assurance over the compliance with the new data quality process particularly in relation to timely entry of commitments and monitoring of complex cases, both of which are key areas in increasing the accuracy of commitment information built into monitor projections.
Demography – LD & Budget monitoring LD	20	Q2/3	To provide assurance over processes for formulating the demography bid for 2018/19, embeddedness and robustness of the new forward planning tool and use and effectiveness of new budget control dashboard. The audit will also cover the processes for

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
			investigating and reviewing systems in respect of the emergence of unforeseen in year commitments.
Payment of homes gross (Consultancy Support)	5	As Required	Consultancy activity – SIAS to provide advice on internal control requirements during implementation phase of the payment of homes gross project.
Accommodation for Independence Programme (LD)	15	Q3/4	To provide assurance over the effectiveness of the programme / project management arrangements, as well as the delivery of year 2 savings.
H & CS Queries < 3hrs Activities	10	Through Year	Advice and Support throughout year.
ENVIRONMENT SERVICES			
Bus Contracts	15	Q2	To provide assurance over the robustness of systems in place for monitoring contract delivery, including areas such as performance monitoring, issue management and contractor invoice verification and validation.
Dropped Kerbs	12	Q1	To provide assurance that a robust end-to-end process is in place for managing and delivering dropped kerb requests.
Highways Service - Highways Act 1980 Section 58	15	Q3	Work to ensure that the Authority is complying with the newly updated legislation around challenges to works.
Highways Service - Category 3 Works	15	Q3	To provide assurance that the systems and processes supporting Category 3 works are sufficient to ensure that the over-riding objectives of this works Category can be achieved.
Highways Services - PMnet Software Development Project	10	Q4	Assurance around the project to introduce the new software package.

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
Development Management - Enforcement	15	Q3/4	To provide assurance that Hertfordshire County Council has appropriate systems, controls and governance arrangements in place to manage enforcement of conditions within major planning applications.
Compliance with CDM Regulations	15	Q2	Work to ensure compliance with the Construction Design Management (CDM) Health & Safety requirements
Environment Queries <3hrs activities	10	Through Year	Advice and Support throughout year.
CHILDREN'S SERVICES			
Programme / Project Management	20	Q3/4	To provide assurance that appropriate programme / project management arrangements are in place for a sample of key CS transformational / strategic projects. This will include the areas of governance, risk management and benefits realisation, (potential areas could include Secondary Expansion Programme and Families First)
Financial Monitoring of Schools	15	Q1/2	To provide assurance that the council has effective arrangements in place for financial monitoring in schools.
Family Finding model	5	TBC	To provide assurance that the project funding has been appropriately used in line with the offer conditions and key milestones have been achieved, thereby allowing Head of Assurance / S151 sign off to be provided (if required under the grant conditions).
Quality Assurance Systems (Consultancy)	10	As Required	To provide consultancy support / advice in relation to the continued development of the quality assurance framework used by CS to obtain assurance over the quality of casework and practice and the use of this to drive continuous improvement and learning
Customer Service Centre (safeguarding enquiries)	20	Q2/3	To provide assurance that the Customer Service Centre is following

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
			agreed business rules in relation to handling and referring customer contacts in relation to safeguarding issues. The audit will also review the contract management approach for monitoring and obtaining assurance over levels of performance.
CS Queries <3hrs Activities	10	Through Year	Advice and Support throughout year.
PUBLIC HEALTH			
Commissioning, Contract Management and Contract Payments	20	Q3	To provide assurance over the robustness of the internal control environment for the areas of commissioning frameworks, contract evaluation processes, contract monitoring / performance frameworks and payments to providers.
Immunisation in Schools (Consultancy Support)	10	Q1	To provide an independent assessment over the costs of providing a School Nurses immunisation in schools service, when compared to the funding received from the DoH.
COMMUNITY PROTECTION			
Service Performance Management	15	Q4	To provide assurance that performance information is used effectively to improve service delivery in line with the objectives stated within the 2013-18 Corporate Plan. Focus of the audit would be on a selection of performance indicators, recording methods, and training records.
Internal Quality Assurance Arrangements	15	Q1	To provide assurance over the robustness of the Service's internal Inspection and Audit process that the required high standards in respect of operational competency, technical knowledge, risk critical recording and administration processes are being achieved/maintained.
Trading Standards - Management of Evidence	10	Q3	To provide assurance over the systems for managing evidence / information that may be required in support of criminal /

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
			enforcement proceedings.
SHARED LEARNING			
Shared Learning Newsletters and Summary Themed Reports	5	Through Year	Shared learning newsletter produced at regular intervals during the financial year to highlight key emerging risks and good practice to members of the SIAS Partnership.
Joint Review – Topic to be determined by SIAS Board	5	TBC	A joint audit review conducted across all SIAS partners, with the topic agreed in-year by the SIAS Board Members.
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
Autism Grant	2	Q1	Grant Certification
LEP – Local Growth Fund	3	TBC	Grant Certification
Integrated Structural Maintenance Grant	2	TBC	Grant Certification
Building Better Opportunities Grant	3	TBC	Grant Certification
Disabled Facilities / Home Improvement Agency	5	TBC	Grant Certification
Grants Contingency	10		Time required to cover additional grant certification activities notified in-year
OTHER CHARGEABLE			

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
Monitoring 17/18 Plan	30	Through Year	Time required to manage delivery of the Hertfordshire County Council audit plan
Recommendations Follow-Up - Q1	5	Q1	Follow-up of all Hertfordshire County Council 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 Hertfordshire County Council managers.
Audit Committee Matters & Attendance	20	Through Year	Time required to support the Hertfordshire County Council Audit Committee
Audit Planning – 18/19	30	Q3 / Q4	Undertake planning meetings in respect of the development of the 18/19 Hertfordshire County Council audit plan
Performance Data	3	Through Year	Preparation of regular monitoring information required by Hertfordshire County Council
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
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

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
Public Sector Internal Audit - Self Assessment 17-18	10	Q4	Completion of the required self-assessment of compliance against the Public Sector Internal Audit Standards.
Hertfordshire County Council Contingency	81	Through Year	Time required to cover unanticipated audit requirements
2016/17 PROJECTS REQUIRING COMPLETION			
Social Media	2	Q1	
Training Records	2	Q1	
Voluntary Sector Grants	5	Q1	
Client Finances – Establishment Visits	10	Q1	
Home to School Social Care Transport	2	Q1	
Redesign of the Highways Service	5	Q1	Completion of audit activity started in 16/17
Ofsted Action Plan Progress	8	Q1	
Public Health – Budget Setting and Budgetary Control	2	Q1	
Schools Plan – Theme 3 - Financial Planning	10	Q1	
Miscellaneous	10	Q1	

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
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
Theme 1 – Schools Financial Value Standard (SFVS)	95	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	Continuation of 16/17 Audit Theme. Part 1 - Sample of 15 schools to be visited to test effectiveness of controls in respect of Safe Recruitment Part 2 – To provide assurance over the arrangements within CS / HfL for monitoring the compliance with agreed standards, provision of information to schools and sharing information / intelligence on concerns.
Theme 3 – School Websites	27	Q3 or Q4	A sample of 25 school websites to be assessed via a desktop review to provide assurance that they comply with the School Information Regulations.
SFVS returns process	15	Q1 & Q4	Collation and interpretation of schools' SFVS returns
Reporting 2016/17 themes	10	Q1	Produce reports summarising activity undertaken in 2016/17 in relation to Safe Recruitment and Financial Planning.
Follow up of high priority recommendations and schools with moderate assurance	15	Through Year	Reviewing progress in areas where improvement in control is required

Name of Audit in Hertfordshire County Council Plan	Plan Days	Target Quarter	High level scope
Contingency – Schools Causing Concern Referrals	15		Provision of capacity to provide assurance over the adequacy of financial control / governance arrangements for schools where soft concerns have been raised in respect of inappropriate / poor practice or those schools in financial difficulty.
Contingency – Academy Conversions	15		Provision of capacity to receive referrals from CS Finance to review the accuracy of a School's financial position and records prior to the Academy conversion process.
Schools' contingency	20		To be used as required
TOTAL HERTFORDSHIRE COUNTY COUNCIL AUDIT DAYS 2017/18	**1637**		

Hertfordshire County Council Internal Audit Plan 2017/18 – Reserve List

Audit title	Audit Scope
Resources	
Feeder Systems	Subject to further discussions with the Council's External Auditors, to avoid duplication, this review would provide assurance over the control environment for feeder systems that interact with SAP.
Use of Agency and Consultancy Staff (Council Wide)	To provide assurance that appropriate policies and procedures are in place and complied with in relation to the authorisation and use of Agency / Consultancy staff. The audit would also review the quality of management information available to meet FOI requests or external inspection requirements.
HCS	
External Providers – Assessment and Care Management	To provide assurance that appropriate contract management and quality assessment systems are in place to monitor the performance of 3rd party providers that deliver assessment and care management services on behalf of HCS.
Equipment Service - HES	To provide assurance that HES is delivering service levels in accordance with agreed business objectives, allowing any improvement areas to be considered within the specification for the potential future externalisation of the service.
Provider Suspensions	To provide assurance that a clear and transparent process is in place for managing provider suspensions and this is operated effectively in practice.
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. In respect of Deferred School Starts, the audit will also review the information systems in place for providing schools with admissions information, for the purpose of budget setting.
Performance Information - NEET	To provide assurance over the systems in place for calculating and reporting figures on Young People aged 16-24 Not in Education, Employment for Training (NEET), in particular for Alternative Education settings. The review will focus on confirming that reporting and calculation systems, processes and supporting evidence comply with relevant guidance.

Audit title	Audit Scope
Environment	
No Additional Areas Identified	
Community Protection	
Automatic Fire Alarms (AFAs) and Unwanted Fire Signals (UFS)	To provide assurance that HFRS are applying a consistent approach to investigating false alarms and charging, where appropriate, for such call-outs in line with the agreed policies for AFA's / UFS. The audit could also be expanded to cover the consistency of application of the policies in relation to non-response to perceived false signals.
Schools	
No Additional Areas Identified	

Assurance Areas Identified for Consideration in the 2018/19 Hertfordshire County Council Internal Audit Plan

Audit Title	Audit Scope
Resources	
CIL / Section 106	To evaluate progress in establishing systems and relationships to administer CIL (noting the varying pace of readiness by Districts / Boroughs)
Property Company	To provide assurance over the adequacy of governance and internal control arrangements for the new venture. This would be achieved either as a post project review, or SIAS attendance on relevant project groups during the design / implementation phase.
PMDS (Council Wide)	To provide assurance that the PMDS scheme is applied consistently across the Council, focusing on sample based testing to confirm that SMART objectives are set, personal development plans completed, ratings are evidence based and that mid-point reviews are completed.
HCS	
Lone Working	To provide assurance that appropriate policies, procedures and training are in place and applied by teams to safeguard employees who are required to work alone.
In House Day Services	To review the implementation of the in house day services review, providing assurance that expected efficiencies are on track to be delivered and that revised service level expectations are maintained.
Benefits and Money Advice	To provide assurance that appropriate systems are in place to identify and refer clients where additional opportunities exist to claim benefits. In addition where arrangements exist with third parties, in relation to advice and support, these are subject to appropriate monitoring to maximise the likelihood of core objectives being achieved.
Crowd funding	Scope to be agreed with management.
Children's Services	
No Potential Areas Identified for 2018/19 from Planning Discussions	

Audit Title	Audit Scope
Community Protection	
Retained Fire Fighters	The previous audit of Retained Fire Fighters was undertaken in 2014/15 with a substantial assurance opinion provided. This review focused on operational availability and training, however given significant expenditure exists in relation to allowances / turnout & attendance fees, a review of the adequacy of the control environment in this area may be beneficial.
Sickness Management / Occupational Health	To review the effectiveness of the new electronic sickness management system (if implemented). The audit will include a review of the effectiveness of sickness management / occupational health, contingency / workforce planning arrangements (to cover sickness) and also how management information is used to monitor the effectiveness of this area.
Environment	
No Potential Areas Identified for 2018/19 from Planning Discussions	
Public Health	
No Potential Areas Identified for 2018/19 from Planning Discussions	