

Causeway Coast & Glens Borough Council

Annual Internal Audit Plan **2018/19**

Draft v2

March 2018

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1 Introduction

This document sets out the programme for the provision of Internal Audit services to Causeway Coast and Glens Borough Council for 2018/19 and is based on our audit needs assessment as detailed in the Internal Audit Strategy 2016-2019. Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps organisations accomplish their objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the risk management, control and governance processes.

The Internal Audit service for 2018/19 is provided as a shared service comprised of an in-house Head of Internal Audit and a team from an out-sourced provider (Moore Stephens).

2 Terms of Reference

Based on the summary of audit resources (see Appendix A) we intend to carry out 224 days detailed assurance work. In our opinion, this should be sufficient to cover an adequate range of risks and systems to enable us to provide an overall assurance statement on the Council's system of risk management and internal control to inform the annual Governance Statement. We note however that this is dependent on input from both parties within the co-sourced Internal Audit Service (as set out in Appendix A); should the resources available change during the year, we will amend the Internal Audit Plan accordingly and present to the Audit Committee.

Our internal audit approach is risk-based. We recognise that the risks to Council may change during the current financial year and we will endeavour to take any significant changes in the Council's risk profile into account in our internal audit work.

3 Internal Audit Plan 2018/19

The following table sets out our proposed Audit Plan for the period 2018/19. A possible outline scope is included, but this may be amended to reflect key risks identified at audit planning stage. We will develop a timetable for each audit area to be covered following approval of this plan and discussion with senior management.

Audit Area	Possible Outline Scope
Environmental Services Directorate	
Building Control	<ul style="list-style-type: none">• Policies and procedures• Fees and income• Application management• Recording of site inspections
Grounds Maintenance	<ul style="list-style-type: none">• Risk assessment & health and safety• Operational planning & work prioritisation• Staff management• Control of equipment and assets

Audit Area	Possible Outline Scope
Estates & Facilities Servicing	<ul style="list-style-type: none"> • Service level agreements / leases • Asset register • Management of facilities • Responsibilities of Council & 3rd parties
Street Cleansing (incl. other cleaning & PCs)	<ul style="list-style-type: none"> • Health and Safety • Work planning • Staff management • Maintenance of PCs
Energy Management	<ul style="list-style-type: none"> • Implementation of Council's energy plan/initiatives • Monitoring and reporting of Council's energy plan/initiatives
Landfill & Compost Management	<ul style="list-style-type: none"> • Landfill site management • Health and Safety • Waste tonnage recording & payments • Statutory waste /landfill obligations & targets
Harbours, Marinas and Terminals	<ul style="list-style-type: none"> • Health & Safety - Marine Safety Code
Off-Street Car Parking – enforcement & income collection	<ul style="list-style-type: none"> • Income collection and reconciliation • Banking of cash income • Enforcement process
Finance Directorate	
Travel, Subsistence and Mobile Phones	<ul style="list-style-type: none"> • Travel and subsistence claims • Authorisation and payments process • Mobile phone usage & payment of personal calls • (Elected members and staff)
Use of Corporate Credit Card	<ul style="list-style-type: none"> • Credit card policy • Approval of credit cards issue and use • Record keeping and payment of credit card statements • review of credit card uses
Treasury Management (incl. prudential indicators)	<ul style="list-style-type: none"> • Treasury management activity, monitoring and reporting • Prudential indicators • CIPFA Code
Performance Directorate	
Land and Property (from 2017/18)	<ul style="list-style-type: none"> • Acquisition of land and property • Sale or disposal of land and property assets • Leases
Time Recording and Overtime (from 2017/18)	<ul style="list-style-type: none"> • Flexi-time / TOIL • Overtime payments
Staff Recruitment, Retention, Development and Appraisal	<ul style="list-style-type: none"> • Recruitment policy and process • Staff well-being (related policies and support) • Performance appraisal, systems and policy • Application of performance review processes • Documentation retention and control
Absence Monitoring/Sickness	<ul style="list-style-type: none"> • Absenteeism rates • Absence notification • Certification of illness • Return to Work interviews

Audit Area	Possible Outline Scope
Corporate Health and Safety	<ul style="list-style-type: none"> • Governance & Policy • Communication • Statutory duties • Risk assessments • Incidents, accidents & near misses
Reception Services	<ul style="list-style-type: none"> • Reception staff management • Council services managed at reception e.g. dog licencing
Registration of Births Deaths and Marriages	<ul style="list-style-type: none"> • Procedure for registering a birth, death or marriage
Performance Improvement	<ul style="list-style-type: none"> • Overview of progress against Council's Performance Improvement Plan
Public Relations and Communications	<ul style="list-style-type: none"> • Marketing • Complaints recording • Complaints processing • Provision of feedback to customers
Safeguarding	<ul style="list-style-type: none"> • Child and Vulnerable Adult Protection policy • Monitoring and reporting • Staff training
Civic Buildings	<ul style="list-style-type: none"> • General operations • Opening/closing • Cleaning • Room hires • Room bookings
Leisure and Development Directorate	
Tourism Services	Visitor Information Centres <ul style="list-style-type: none"> • Income and cash handling • Stock management • Health and safety • Facilities management Tourism information website <ul style="list-style-type: none"> • Management and updates
Arts and Cultural Centres	<ul style="list-style-type: none"> • Arts Programme • Income • Asset management & usage of assets by third parties • Staffing arrangements • Inventory recording, update and monitoring
PCSP	<ul style="list-style-type: none"> • Governance • Funding allocation • Performance management
Town/Village Management	<ul style="list-style-type: none"> • Policy and strategy • Public consultation • Partnership working / projects
Strategic Projects	<ul style="list-style-type: none"> • Large long-term Council projects
Peace IV	<ul style="list-style-type: none"> • Grants and funding policies • Award assessment • Verification of expenditure
Follow-up	
Follow-up audits of prior year reports with Limited Assurance Opinions Environmental Health	Follow-up of implementation of actions identified in response to recommendations made in previous audit reports

Audit Area	Possible Outline Scope
Animal welfare	
Corporate and business planning	
Performance improvement	
Risk management	
Corporate governance	
Joey Dunlop Leisure Centre	
Follow-up of any other prior year recommendations	Follow-up of implementation of actions identified in response to recommendations made in previous audit reports

We recognise the dynamic environment that the Council operates within and that risks are continually changing. It is therefore appropriate that the audit plan is not regarded as being fixed and inflexible. The priority and frequency of our audit work may change in order to recognise any changes to key risks areas identified within the Council. At the beginning of each audit assignment we will also consult with appropriate senior officers to ensure that current risk areas are included in the remit for our work and agree the scope of the audit work to be carried out.

The audit approach for each assignment will involve:

- Consideration of relevant information and key risks relating to the review area
- Documentation of the systems including reviewing existing arrangements in place and discussions with key staff
- Identification of key risk mitigation measures and evaluation of their adequacy through appropriate tests, discussions with key staff and observation

Following our audit fieldwork for each assignment we will discuss and agree our findings with relevant Council officers and issue a draft audit report for management to respond to our findings. A full audit report will be presented to the Audit Committee.

Our audit plan has been developed to provide coverage on the key risk areas identified in the Council and therefore does not include audit assignments in all areas within the Council. We have however built some contingency days into our audit resources (see Internal Audit Strategy 2015-2019) and should any additional areas require specific attention, we will adjust our plan accordingly.

Regular progress reports setting out our overall conclusions in each audit area and performance against plan will be provided to each Audit Committee meeting and an Annual Report will be presented at the end of the year presenting our overall assurance of the control environment within the Council.

Appendix A – Audit Resources

Description	Days 2018-2019		
	CCAG	Moore Stephens	Total
Available working days	260	96	356
LESS:			
Holidays (including statutory holidays)	40		
CPD	12		
	<u>52</u>		-52
Management & Administration			
Strategic and annual audit planning	1	3	
Periodic reporting to Audit Committee	2	2	
Annual reporting	1	1	
Preparation for and attendance at Audit Committee	4	4	
Contract and performance review meetings (x 2)		2	
Administration	20		
Contingency and special investigations	40		
	<u>68</u>	<u>12</u>	-80
Available audit and consultancy days	140	84	<u><u>224</u></u>