	London Borough of Hammersmith & Fulham (AUDIT, PENSIONS AND STANDARDS COMMITTEE) (13 February 2013)

TITLE OF REPORT	
Internal Audit Annual Plans 2014/15 year	
Open Report	
For Information **Key Decision: No**	
Wards Affected: None	
Accountable Executive Director: Jane West – Executive Director of Finance and Corporate Governance	
Report Author: Geoff Drake – Senior Audit Manager	**Contact Details:** Tel: 0208 753 2529 E-mail: geoff.drake@lbhf.gov.uk

1. EXECUTIVE SUMMARY

1.1. This report summarises internal audit approach used to develop the Internal Audit plans for the 2014/15 year as well as providing the audit plans.

2. RECOMMENDATIONS

2.1. To note the planning approach and approve the 2014/15 year Internal Audit plans

3. REASONS FOR DECISION

3.1. To enable the delivery of the audit plans to start from 1 April 2014 .

4.   INTRODUCTION AND BACKGROUND

4.1.   This report explains the process for developing internal audit annual plans. This is provided to help inform the APSC of the process followed, this also meets the requirement of the outstanding recommendation in the fraud response plan regarding internal audit planning.

4.2.   The key document for consideration by the Committee is the Internal Audit plans provided at Appendix C.

5.   PROPOSAL AND ISSUES

5.1.   Internal Audit Planning Process

5.1.1.   The Initial stage of the planning process for the 2014/15 year was to develop and update the audit universe, which lists all the potential auditable areas within the organisation. A copy of this document is provided at Appendix A for information.

5.1.2.   At the same time a list of all the entries in the corporate and departmental risk registers that have a medium or high inherent risk rating were listed for consideration for the audit plans. As the risk registers are already reported to Committee separately a copy of this schedule has not been provided here.

5.1.3.   These two documents were evaluated to consider which areas should go forward into an initial draft plan, taking into account risk, materiality and whether the area has been audited in the last three years. Some of the selected items are standing entries in audit plans because they are inherently always high risk to the council. These include gas safety, financial management, and schools. Other standing entries are procurement/contracts and project management and the registers for these areas were reviewed to select proposed contracts and projects to audit.

5.1.4.   The initial H&F draft audit plan was produced, a copy of which is at Appendix B for information. This was shared across the tri-borough internal audit service and was combined with the draft plans from the other tri-borough audit partners to produce a single draft plan that included tri-borough, bi-borough, and sovereign audits proposed to be undertaken. This expanded plan was discussed with departments to get their feedback and the plan was updated taking into account the feedback from departments to produce a final draft which is the basis for the plan at Appendix C. A similar document will be taken to each of the Internal Audit Committees of the three councils.

5.2. Internal Audit Plan 2014/15 year

5.2.1. As already stated, the draft Internal Audit plan for the 2014/15 year is provided at Appendix C. The plans take into account the evaluation undertaken by Internal Audit, the coordination of audit coverage on a bi- and tri-borough basis, and feedback from departments in relation to the originally planned audit coverage. Based on the budgets set for each audit this plan is considered affordable and is presented to the Committee for their approval.

5.2.2. The plan is still continuing to be developed as further evaluation of some areas is still under way. Any major update on the current plan will be reported to the next Committee meeting. Changes to the plan will be reported to the Committee as the year progresses, in line with already existing reporting arrangements.

6. OPTIONS AND ANALYSIS OF OPTIONS

6.1. Not applicable

7. CONSULTATION

7.1. Not applicable

8. EQUALITY IMPLICATIONS

8.1. Not applicable

9. LEGAL IMPLICATIONS

9.1. Not applicable

10. FINANCIAL AND RESOURCES IMPLICATIONS

10.1. Not applicable

11. RISK MANAGEMENT

11.1. Not applicable

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

12.1. Not applicable

**LOCAL GOVERNMENT ACT 2000-
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext. of Holder of File/Copy	Department/ Location
1.	Full supporting documents for Internal Audit reports planning	Geoff Drake Ext. 2529	Corporate Services, Internal Audit Town Hall King Street Hammersmith W6 9JU

LIST OF APPENDICES:

Appendix A   Audit reports issued 1 October to 31 December 2013
Appendix B   Internal Audit reports in issue more than two weeks as at
                           31 December 2013
Appendix C   Amendments to 2013/14 Internal Audit Plan

Audit Universe 2013

Department	Audit subject	11/12	12/13	13/14
		Days	Days	Days
Corporate				
	Corporate Performance management (PIs and data quality, legislative compliance)			
	Business / Financial Planning including MTFS	**25**		**Y**
	Business Continuity/disaster recovery	10		**Y**
	Government Grants (Play grant financial return; GLA grants returns; planning return)	**2**	**3**	**6**
	Risk Management (3 yr rolling programme: framework and governance; roles and resps; risk identification; assessment; management of risk, assurance framework; monitoring and reporting of risk)	**42**	**30**	**25**
	Corporate Governance (3 yr rolling programme: governance framework; roles and resps; capacity and capability; partnership organisations)	**10**	**15**	**15**
	Partnership Arrangements , governance frameworks (Agylisis; Local strategic Partnership)			
	Tri-borough governance			
	Maximising Income			
	Economic Development/business regeneration			**10**
	Service demand reduction planning			**10**
	Anti-money Laundering			
	Regulation of Investigatory Powers Act compliance			
	Gas safety: corporate policy and corporate estate	**8**		
	Gas safety: council houses			**12**
	Gas safety: temporary accommodation		19	
	Website management	Y		
	Bribery Act			**8**
	Complaints and whistleblowing	9		
FCS				
	HR: Workforce strategy and planning			
	HR: Recruitment and selection			
	HR: staff changes and terminations (to be covered under Payroll)			
	HR: Staff records			
	HR: job evaluation, local pay and grading structure, equal pay			
	HR: Sickness monitoring and absence management			
	HR: Staff Benefits			
	HR: staff travel, expenses and allowances			
	HR: Gifts and Hospitality	**4**		
	HR: Grievance, bullying and harassment			
	HR: Disciplinary			
	HR: Staff performance management			
	HR: staff health and safety			

	HR: season ticket loans			
	HR: DBS (prev. CRB) management	1		
	HR: redundancy and redeployment, early retirement			
	HR: Registers of Interest	**5**		
	HR: employment of consultants and interims			**12**
	Equalities Act	Y		
	Agency staff			
	Occupational Health			
	Staff learning and development			
	Members' allowances and expenses			
	Anti-Fraud services			
	Legal services			
	Communications, media, PR and marketing	9		
	Communications: Advertising			
	Hammerprint/print services			
	Freedom of Information			
	Data Protection Act compliance			
	Information governance			
	Information management and security: personal data security	10	15	
	HFBP: billing		**12**	
	HFBP Contract Management			
	HFBP: Inventory management	Y		
	Electoral Services: Electoral Registration			
	Electoral Services: election Expenses (every 4 years)	8		
	H&F Direct: Call centre administration	9		
	H&F Direct: Freedom passes			**10**
	H&F Direct: Concessionary fares and taxicards, & Blue badges			
	Continuous assurance and duplicate payments			**46**
	Managed Services Intelligent Client Function			
	Cashiers, Cash & Bank, Cheque Custody , bank recs		**8**	
	Council Tax		**10**	
	Housing and council tax Benefits			**12**
	Housing Rents			
	National Non Domestic Rates		39	**10**
	Debtors	10		**10**
	Budgetary control			**12**
	Creditors	13		
	General Ledger		**8**	
	Insurance			**Y**
	VAT			
	Payroll	10		
	Pension Scheme administration			**10**
	Pensions Fund investments			
	Capital programme, budgeting and accounting			
	Treasury Management including Loans & Investments		Y	
	Petty cash and imprests including establishments			
	Purchase cards			

	Members' allowances and expenses			
	Members and Committees support			
TTS				
	Trading Accounts			
	Fixed assets/asset management			
	Property disposals			10
	Street furniture and signs			
	Planned / Reactive Road Maintenance		**20**	
	Traffic management and road safety			8
	Highways engineering			
	Residents Parking permits		7	
	Borough research			
	Valuation of properties			
	Health and Safety/duty of care - council estate			
	Grant Development Control Return (annual return)			6
	Total Facilities Management		10	Y
	Smart FM professional services	Y		
	Asset Management Planning/ Civic Buildings/Estate			
	Commercial property portfolio management			
	Premises Security			
	Public Health & Safety/Duty of Care		**20**	
	Energy efficiency and carbon reduction			
	Pollution control			
	Parking: Parking Enforcement and PCNs (including wardens service)		**30**	
	Parking: on-road parking		7	
	Parking: off-road parking		15	
	Parking: Income Collection – P&D, Meters, Car Parks			
	parking suspensions			**20**
	Licensing	8		
	Skips and scaffolding - licencing and income			
	Permitting of Utilities			
	Rechargeable Works			
	Street Lighting			Y
	Planning Applications/Local Development Schemes			Y
	Planning enforcement			
	Building Control/Development Control			
	Land Charges			
	Land Disposals/Purchases			**10**
	Renovation grants			
	Trading Standards			
	Food safety			
	Abandoned Vehicles			
	Improvement Grants, loans and other assistance			
	Noise pollution, Noise and Nuisance			
	Section 106		Y	**12**
ELRS				
	Market Traders		9	

	Coroners Court			
	Street enforcement			**15**
	Libraries			
	Parks and Open Spaces			
	Parks constabulary			
	Arts in Hammersmith and Fulham			
	Archiving / Museums			
	Registrars			**10**
	Street Cleaning			
	Vehicle fleet management			
	CCTV / Bus Lane Enforcement		**8**	
	Cemeteries & Crematoriums			
	Waste Management / Recycling		**Y**	**Y**
	Western Riverside Waste Authority			
	Sports Centre Management			**16**
	Refuse Collection (domestic and commercial)			**Y**
	Grounds maintenance		**7**	
	Graffiti Removal including Council estates			
	Anti-Social Behaviour (including Troubled Families initiative)			**Y**
	Pest control			
	Traveller sites			
	Conferences and events			
	Halls and lettings			
CHS				
	Departmental governance		Y	
	Play service			
	Schools (see separate schedule)	x	x	x
	Schools themed audits		5	
	School Meals			
	Schools admissions and exclusions			
	Schools funding	Y		
	Themed schools audit: leasing		8	
	Schools ELM			**2**
	Schools governor support			
	School Management Support			
	School improvement			
	School Quality, Monitoring and Evaluation Service			
	Special Educational Needs (including OOB placements)			
	Financial Support for Pupils & Students			
	Pupil support			
	Student support including awards and loans			
	Early Years and Sure Start	8		Y
	Formula Funding/Fair Funding	5		
	Passenger transport			Y
	Recoupment			
	Childcare including nursery grants			
	Children's transport service (see ASC transport service)			

	Service			
	CPTU Transport - move to self service	4		
	CHS procurement		10	**12**
	Schools annual financial returns		**10**	
	Protecting Children, including referral and assessment			
	Children being looked after		10	Y
	Safeguarding children		Y	
	Children's Fund (5-13 years)			
	Adoption and Fostering		10	
	Young People's Service (young people looked after)			
	Children & Families Placements & Payments - incl OOB placements			
	Unaccompanied asylum seeking children			
ASC				
	Safeguarding adults		**30**	
	Home Care (including charging)			**20**
	Meals on Wheels			
	Occupational Therapy			
	Single Assessment Process			
	Quality Assurance	8	**6**	
	Client Affairs	15	**10**	
	Commissioning (procurement and contract management)		10	**20**
	housing related support contracts (previously supporting people)	10		**12**
	Appointeeships and receiverships			
	Direct payments	8		**20**
	Personal budgets		**12**	
	Personalisation			
	Business planning			
	Information management			
	residents' health and safety			
	Reablement	Y		
	Community Equipment scheme			
	Transport Service (Includes Children's transport service)			
	Grants to voluntary organisations			
	Adult Education			
	Adult placements including out of borough			
	Adults with learning difficulties			
	Asylum seekers			
	Drugs Intervention/drug action			
	Community Safety			
	Merger of operations (CLCH)			**15**
	Service integration			
HRD				
	Housing Strategy			
	Regeneration programmes (Earls Ct; King Street and Civic Offices; Shepherds Bush)		**19**	**36**
	Community Alarm Service			
	Concessionary Dec Scheme - Cash Allowance			
	Housing advice			

	Homelessness			
	Temporary accommodation			
	Housing Reactive repairs	15	9	**15**
	Housing Maintenance - Programmed			
	Stakeholder Satisfaction/ residents consultation			
	Housing register, applications, assessments and allocations			**10**
	Fixed Term Tenancies			10
	Voids management		**4**	
	Termination, Transfer & Exchange Tenancies			
	Tenancy verification	Y		
	Housing rents: income collection (see under FCS)		**9**	
	Neighbourhood services	Y		
	Out of Hours contact centre	Y		
	Housing Estate services			
	Right to Buy	10		
	Theft of metals	Y		
	Housing Options (Homebuy)	Y		
	Leaseholder Service Charges		**7**	7
	Leasehold Properties			
	Garages			
	Stocks and Stores Controls			
	Housing capital programme		Y	
	Housing Revenue Account management			
	Housing Special Purpose Vehicle			
	Local Housing development company			
	Emergency Planning	Y		
	Sale of council house properties			**10**
	Health and safety of housing service users			
Public Health				
	Governance			**Y**
	Commissioning			
Contracts				
	Contracts policy strategy and procedures			
	Tendering Procedures			
	Contracts register			**10**
	Corporate Procurement support/service (including contracts register)			
	e-purchasing/auctions			
	Vertical contract audits- selection of contracts	**20**	30	Y
	contract management - corporate guidance and selection of contracts		51	Y
	Procurement policy and procedures			
	Supply Chain resilience			12
	Extended contracts		30	
Programmes/ Projects				
	Programmes management	Y	**12**	**Y**
	Project management corporate policy and procedures			
	Project management: Change management			

	Project management: change management			
	Market testing	Y		
	Selection of projects	Y		
	Tri- and bi-borough programme and project management (selection of progs and projects)	19	60	
	Benefits management and realisation			

LBHF Initial Draft 2014/15 Internal Audit Plan

Audit title	Source	Coverage /Mini-Scope	Comments
Corporate			
Organisational resilience/business continuity	risk register C2; IT1; HRD8; TTS1		quality of business continuity plans; failure of significant contractors/sub-contractors; business continuity for tri-borough provided IT is unclear; response plans eg for loss of office, for loss of tenancy files: viability of Mouchelfor PCN IT system
Corporate Governance	risk register C4; C6: C10: CHS 3		Principle statutory duties including their range and complexity, plus breach in standards/quality of care/services. Also ethics and conduct eg breaches of codes of conduct, misuse of data, and falsification of information; managing the relationship with Members as decisions/actions can be delayed
Risk Management	Internal Audit: risk register C14		
Risk Management: Risk registers	Internal Audit		
MTFS/savings plans (benefits management)	risk register C21: Env2; Env5; Env7		Failure to meet savings expectations eg cemeteries 6% increase in income, Archive savings, Trade Waste income target
Service demand reduction planning	risk register ASC4; CHS12		increasing demand for social care services; out of hospital strategies (public health commissioning) increasing social care pressures, demographic drivers; LAC numbers rise increasing demand for places

Gas safety: corporate policy, governance and corporate estate (3 year rolling programme)	Internal Audit		3 year rolling programme
FCS			
Financial planning	risk register C1; C5; C19; ASC 1; ASC2; ASC3: CHS 2; CHS6; TTS2; TTS6		Govt settlements; optimising investments; demand impacts; delivery of planned savings; unplanned growth; debt management fails; challenge to the council's VFM/budget setting process; loss of funding from Health; limited financial contingency for unanticipated demand leading to potential overspends, funding formula changes eg for ASC or for schools; economic climate and its impact on savings/MTFS
Council tax	Internal Audit: risk register C16		Managed Services - new processes/procedures: potential manipulation for personal gain
NNDR	Internal Audit; risk register C16		Managed Services - new processes/procedures: potential manipulation for personal gain
Housing and council tax benefits	Internal Audit; risk register C15		Managed Services - new processes/procedures: universal credit, benefits cap, extended means test
Housing rents	Internal Audit		Managed Services - new processes/procedures
creditors	Internal Audit		Managed Services - new processes/procedures
debtors	Internal Audit		Managed Services - new processes/procedures
cashiers, cash and bank	Internal Audit		Managed Services - new processes/procedures
budgetary control	Internal Audit		Managed Services - new processes/procedures
General ledger	Internal Audit		Managed Services - new processes/procedures
VAT	Internal Audit		Managed Services - new processes/procedures
payroll	Internal Audit		Managed Services - new processes/procedures

Managed Services - Intelligent Client functions	Internal Audit		Managed Services - new processes/procedures
capital programme, budgeting and accounting	Internal Audit		Managed Services - new processes/procedures
HR: workforce strategy and planning	Internal Audit: risk register CHS10; ENV1; HRD23		Managed Services - new processes/procedures; loss of knowledge/experience; remaining staff capabilities; differing terms and conditions; increased stress levels and sickness levels; loss of key staff, morale, poorly implemented change
HR: recruitment and selection	Internal Audit; risk register HRD6		Managed Services - new processes/procedures; difficulty with recruitment and retention;
HR: staff changes and terminations	Internal Audit		Managed Services - new processes/procedures
HR: staff records	Internal Audit		Managed Services - new processes/procedures
HR: job evaluation, pay and grading, equal pay	Internal Audit		Managed Services - new processes/procedures
HR: sickness and absence management	Internal Audit		Managed Services - new processes/procedures
HR: staff benefits	Internal Audit		Managed Services - new processes/procedures
HR: staff travel, expenses and allowances	Internal Audit		Managed Services - new processes/procedures
HR: Gifts and hospitality	Internal Audit		Managed Services - new processes/procedures
HR: grievance, bullying and harassment	Internal Audit		Managed Services - new processes/procedures
HR: disciplinary	Internal Audit		Managed Services - new processes/procedures
HR: staff performance management	Internal Audit		Managed Services - new processes/procedures
HR: staff health and safety	Internal Audit; risk register HRD7		Managed Services - new processes/procedures: lone worker provision; internal compliance to health and safety
HR: season ticket loans	Internal Audit		Managed Services - new processes/procedures

HR: redundancy, redeployment, early retirement	Internal Audit		Managed Services - new processes/procedures
HR: Register of interests	Internal Audit		Managed Services - new processes/procedures
Information management and security	risk register C20		inaccurate records, loss of data, inappropriate communication of data,
Agency staff	risk register HRD6		quality and competence of available agency staff (linked to ability to recruit and retain staff)
Election expenses	Internal Audit		Elections are due and therefore expenses and accounts will be payable
Contracts			
Procurement strategy	risk register C7; C18; C29: Internal Audit		differing procurement/contracts procedures across the 3 boroughs; over exposure to contractors; financial stability of contractors; cost/time of defending contract awards; non-compliance with standing orders, emergency contract extension, expiry of contracts before replacement, liquidity of contractor, contract management weak.
Vertical audits of new contract tenders (3 contracts, to be selected)	Internal Audit		standard coverage to test compliance with tendering processes/procedures
e-procurement (FCS)	Internal Audit		new process
Housing repairs & maintenance, voids, etc - MITIE (HRD)	Internal Audit		New contract
Pertemps Agency supply contract (FCS)	Internal Audit		over 5 million contract value
Schools support Service mutual (CHS)	Internal Audit		over 5 million contract value
Meals on Wheels (ASC)	Internal Audit		over 5 million contract value
Home case provision (ASC)	Internal Audit		over 5 million contract value
Waste recycling and street cleansing - Quadron (ELRS)	Internal Audit		over 5 million contract value
street lighting (TTS)	Internal Audit		over 5 million contract value

Road resurfacing and road marking (TTS)	Internal Audit		over 5 million contract value
Projects			
Change management	risk register C3: CHS5; TTS4		Need to manage complexities of change; ownership of risks more complex and possibly shared; risk owners unclear of responsibilities; governance arrangements more complex; impact on staff morale and continued service delivery
Benefits management and realisation	risk register CHS4		Lack of clarity of savings make-up
Market testing	risk register C8		differing procurement appetites across the 3 boroughs; differing procurement procedures and clarify of which takes precedence each time.
Regeneration: King Street and civic offices (HRD)	risk register C12; C23		costs of keeping THX running; high vacancy rates of surrounding buildings
Regeneration: Earls Court (HRD)	risk register C13; HRD12		Planning; compulsory purchase order; resident buy-in; project delays
Regeneration: White City (HRD)	risk register C24		Housing; jobs; unemployment
MTFS project :to be agreed	Internal Audit		High risk to council finances
MTFS project :to be agreed	Internal Audit		High risk to council finances
MTFS project :to be agreed	Internal Audit		High risk to council finances
MTFS project :to be agreed	Internal Audit		High risk to council finances
MTFS project :to be agreed	Internal Audit		High risk to council finances
TTS			
Facilities Management contract management (Amey)	Internal Audit		New process
Borough Research	Internal Audit		More than 3 years since last audited. research undertaken to inform council planning and decision making
Planning applications and Local development schemes	Internal Audit		Over 3 years since last audited

Health and safety	risk register TTS5		staff, people, assets, legal compliance, statutory risk assessments
ELRS			
waste management and recycling (see also under contracts)	risk register ENV3		contamination of recycling material, and severe financial impact of this
Parks	risk register Env6		Occupancy rights to properties, ability to sell properties
Coroners Court	Internal Audit		More than 3 years since last audited
Cemeteries and Crematoria	Risk Register ENV2		Risk of not achieving 6% increase in income target
Adult Social Care			
Personalisation	risk register ASC 5		not effectively establishing ASC 3B personalisation model; needed to achieve savings targets; lack of tri-borough policy consistency; need consistent approach and processes new model needs to proceed and influence integration; model needs to influence service configurations, care pathways etc in Out of Hospital models
business planning	risk register ASC 6; CHS 14		unsuccessful operational integration/ alignment with health (TAS), lack of strategy or operating model, complexity of change, leadership capacity, consultation with the public, sovereignty and agreement by CAB members. Potential impact on CHS?
Commissioning	risk register ASC 7		failure to develop integrated commissioning with CCGs; potential demand increase; need whole systems approach; shared savings and meeting savings targets; effective engagement of key players; risk of loss of staff/knowledge

Information management	risk register ASC 8		Unable to share information with health partners to plan and evaluate; inability to evaluate service impacts; possible cross charging for analysis;
Residents health and safety	risk register ASC9		potential death or serious injury of vulnerable residents including due to neglect or abuse by others
CLCH integration	Internal Audit		Ongoing development
Public Health			
Public health governance	risk register C8		Hosting arrangements; governance
Commissioning (See ASC entry)			
Children's Services			
Schools: see separate programme	Internal Audit: risk register CHS1		
Schools: themed audits	risk register: CHS17 and 18		Opportunity to select additional schools coverage beyond core programme
SEN	risk register CHS8		Implementation of the SEN strategy does not occur
Safeguarding	risk register CHS11		harm to young people in council care; harm to young people (non-prevention of offending), sub-standard delivery of care
School improvement	risk register CHS 13		reduced capacity to support school improvement; increased risk of intervention and harm to reputation
Schools management support	risk register CHS15		changing relationship with schools, impact on ensuring effective financial standards; governance of schools
HRD			
Housing Special Purpose Vehicle	Internal Audit risk register HRD1		New council risks with joint venture company; benefits realisation, income

Housing strategy: housing demand	risk register HRD16; HRD17		changes to Housing benefit; Local Housing Allowances; increased demand; reduced housing supply; Welfare reform cap 500 per family
Property disposals	risk register HRD19		disposal of void properties policy
Allocations	risk register HRD20		local lettings plans and allocations of properties linked to regeneration schemes
Health and safety of housing service users	risk register HRD22		breach of statutory duties; asbestos, legionella, gas safety
IT			
See separate programme			
General			
Follow ups (limited assurance reports and Priority 1 recs)			
APSC Training			
Management			
Additional duties			

APPENDIX C

LBHF 2014/15 Internal Audit Plan				
Audit title	**Rating**	**tri/bi borough or sovereign**	**Proposed Coverage /Mini-Scope**	**Comments on scope**
Corporate/Finance				
Creditors	High TB	Tri	- Legislation, Policies and Procedures - Creditor Transactions and Records - Standing Data Amendments - Purchase Order Processing - Goods Receipting - Invoice Processing - Payments Processing - Management Reporting	Managed Services - new processes/procedures - 2 stage audit covering initially controls followed by substantive testing later in the year. Subject to timely introduction of MS.

Debtors	**High TB**	**Tri**	- Legislation, Policies and Procedures - Debtor Transactions and Records - Standing Data Amendments - Raising of Invoices - Collection - Refunds - Debt Recovery and Enforcement - Management Reporting	Managed Services - new processes/procedures - 2 stage audit covering initially controls followed by substantive testing later in the year. Subject to timely introduction of MS.
General ledger	High TB	**Tri**	- Policies and Procedures - Management of Cost Centres - Accounting Transactions and Manual Adjustments - Management of Suspense Accounts - Period End Processing	Managed Services - new processes/procedures - 2 stage audit covering initially controls followed by substantive testing later in the year. Subject to timely introduction of MS.
Payroll	High TB	**Tri**	- Payroll Transactions and Records - staff travel, expenses and allowances - Starters - Leavers - Variations and Adjustments to Pay - Reconciliations - Payments	Managed Services - new processes/procedures - 2 stage audit covering initially controls followed by substantive testing later in the year. Subject to timely introduction of MS.
Fixed assets register and asset accounting	High TB	**Tri**		

Corporate Procurement	**High TB**	**Tri**	Corporate objectives and plans, procurement guidance and procedures, governance arrangements, contracts forward plan and register, compliance monitoring, performance management, spend/budget control, savings targets monitoring, risk management, corporate reporting	differing procurement/contracts procedures across the 3 boroughs; over exposure to contractors; financial stability of contractors; cost/time of defending contract awards; non-compliance with standing orders, emergency contract extension, expiry of contracts before replacement, liquidity of contractor, contract management weak.
E Procurement	**High TB**	**Tri**		
Managed Services - Intelligent Client function. Fin and HR	High TB	**Tri**	Audit of the governance and oversight structures in place within the intelligent client function.	Managed Services - new processes/procedures
Managed Services - H&F Intelligent Client function (linked to above audit)	High	**Sovereign**	Audit of the governance and oversight structures in place within the intelligent client function.	Managed Services - new processes/procedures
HR: recruitment and selection	High TB	**Tri**	- Identification and Approval of Positions - Advertising - Evaluation and Selection - Reward Strategy	Managed Services - new processes/procedures; difficulty with recruitment and retention;

HR: sickness and absence management	High TB	**Tri**	- Policies, Procedures and Guidance - Absence recording and monitoring - Absence management and application of the sickness management procedure - Management reporting	Managed Services - new processes/procedures
Organisational resilience/business continuity	High	**Sovereign**	- Plans and Procedures - Awareness and Training - Business Impact Analysis - Activation and Escalation - Recovery Procedures - Testing Plans and Lessons Learned - Partner Organisations and Suppliers - Risk Management	- Plans and Procedures - Awareness and Training - Business Impact Analysis - Activation and Escalation - Recovery Procedures - Testing Plans and Lessons Learned - Partner Organisations and Suppliers - Risk Management
Information management and security	TB but take account of 13/14 work.	**Tri**	- Policies and Procedures - Communication and Training - Relevance of Information - Data Accuracy and Completeness - Data Security - Data Sharing	inaccurate records, loss of data, inappropriate communication of data,

Facilities Management contract management (Amey)	High TB but review outcome from 13/14 review	**Tri**	- Contract formalities - Delivery of Services - Contract Monitoring and Performance Management - Payments - Financial Management	New process
Council tax	High Bibo	**Bi**	- Policies and Procedures - Council Tax Transactions and Records - Valuation - Tax Setting - Liability - Billing - Collection - Refunds - Debt Recovery and Enforcement - Management Reporting	
Corporate Governance	High	**Sovereign**		Principle statutory duties including their range and complexity, plus breach in standards/quality of care/services. Also ethics and conduct eg breaches of codes of conduct, misuse of data, and falsification of information; managing the relationship with Members as decisions/actions can be delayed

Risk Management	High Bibo	Bi		
Risk Management: Risk registers	High	Sovereign	Audit of Specific Risk Registers. To cover the following areas: - Roles and Responsibilities - Risk Identification - Risk Evaluation - Risk Classification - Risk Recording - Risk Communication and Reporting - Monitoring and Reporting on Risk Management	
Legal Services		Bi		
Managed Services Programme	High TB	Tri		Carry forward from agreed 13/14 programme. Up to 4 audits
Gas safety: corporate policy, governance and corporate estate (3 year rolling programme)	High	Sovereign	-Governance - Policies and Procedures - Training - Identification of Properties Requiring Gas Safety Checks - Completion of Gas Safety Checks and Maintenance - Record Keeping - Performance Management and Reporting	3 year rolling programme
Residents Parking Permits	Medium Bibo	Bi		

HFBP contract management	High	**Sovereign**	- Contract Formalities - Contract Monitoring and Performance Management - Payments - Budget Management	- Contract Formalities - Contract Monitoring and Performance Management - Payments - Budget Management
Data Transparency	Medium TB	**Tri**	Compliance with 2013 Code	
Adult Social Care				
Personalisation including RAS assessments, personal budgets and direct payments	**High TB**	**Tri**	Risk and control advise over new TB systems relating to personalisation.	not effectively establishing ASC 3B personalisation model; needed to achieve savings targets; lack of tri-borough policy consistency; need consistent approach and processes new model needs to proceed and influence integration; model needs to influence service configurations, care pathways etc in Out of Hospital models
Meals on Wheels (ASC)	**High TB**	**Tri**	- Contract Formalities - Commissioning - Performance Management and Contract Monitoring - Payments - Financial Management	over £5 million contract value - undertake as contract audit from 13/14.

Integrated commissioning with Health (ASC) (combine with CCG commissioning. Leave to Q4)	**High TB**	**Tri**	- Programme Governance - Project Management and Monitoring - Change Control - Delivery of Benefits - Risk Management	High risk to council finances. MTFS savings target of £200-£460k pa
Information management	**High TB**	**Tri**	Scope to be determined through discussions with ASC DMT.	Unable to share information with health partners to plan and evaluate; inability to evaluate service impacts; possible cross charging for analysis;
OT Equipment Contracts	**High TB**	**Tri**	Sovereign and RBKC's London wide role.	
Reablement	**High TB**	**Tri**	Review of management visibility of achievement of client objectives	
Day Care - All Services	**High TB**	**Tri**	Review of commissioning arrangements across the TB.	More research on spend and recent/planned changes in provision
Residential Placements - All Services	**High TB**	**Tri**	Review of commissioning arrangements across the TB.	More research on spend and recent/planned changes in provision
Public Health				
Legacy contracts	High TB	**Tri**		
Children's Services				

Schools - 3 year rolling programme of coverage of all schools	**High**	**Sovereign**	- Governance and Leadership - Financial Management - Procurement - Staff Expenses & Petty Cash - Income - Payroll - Headteacher's Pay - Assets and Inventory - Leasing - Unofficial Funds	
Children's homes	**High**	**Sovereign**		
SEN	**High TB**	**Tri**	- Policies and Procedures - Referral and Assessment - Statements and Monitoring	Implementation of the SEN strategy does not occur
School Meals - contract	**High TB**	**Tri**		New contract due to be let for 14/15
Unaccompanied Asylum Seeking Children	**High**	**Tri**		Further research needed
Residential Placements	**High TB**	**Tri**		Schools covered in SEN audit
Youth Offending Team	**High TB**	**Tri**		New Tri-boro service
TTS				
Abandoned Vehicles: car recoveries and pound	**Medium BiBo**	**Bi**	- Contract Formalities - Commissioning - Performance Management and Contract Monitoring - Payments - Financial Management	New contract let in 2013

Health and safety	**Medium Bibo**	**Bi**	- Policies and procedures - Guidance and Training - Risk assessments - Incident reporting - Management Assurance and Monitoring	staff, people, assets, legal compliance, statutory risk assessments
Rechargeable Street Works	**Medium Bibo**	**Bi**		
Licencing Permits Income	**Medium Bibo**	**Bi**		
Regeneration: King Street and civic offices	**High**	**Sovereign**	Scope based on current stage of project and also outcome of 2013/14 internal audit work.	costs of keeping THX running; high vacancy rates of surrounding buildings.
IT:				
Parking ICPS system	**Medium Bibo**	**Bi**		
Highways IT Systems review	**Medium Bibo**	**Bi**		
ELRS				
Cemeteries and Crematoria	**Medium Bibo**	**Bi**	Management of Income Streams	Risk of not achieving 6% increase in income target
CCTV	**Medium Bibo**	**Bi**		
Recycling/waste reduction	**High Bibo**	**Bi**		
Commercial vehicle fleet/car leasing/petrol cards	**High Bibo**	**Bi**		Department wants full coverage of area.
Markets	**Medium Bibo**	**Bi**		
HRD				

Housing Special Purpose Vehicle	**High**	**Sovereign**	Audit of governance arrangements	New council risks with joint venture company; benefits realisation, income
Housing strategy: housing demand	**High**	**Sovereign**	Audit of strategies in place to predict, monitor and manage housing demand	changes to Housing benefit; Local Housing Allowances; increased demand; reduced housing supply; Welfare reform cap 500 per family
Health and safety of housing service users	**High**	**Sovereign**	- Policies and procedures - Guidance and Training - Risk assessments - Incident reporting - Management Assurance and Monitoring	breach of statutory duties; asbestos, legionella, gas safety
Regeneration: Earls Court	**High**	**Sovereign**	Scope based on current stage of project and also outcome of 2013/14 internal audit work.	Planning; compulsory purchase order; resident buy-in; project delays. Dept proposal that these audits cover wider strategic regeneration governance and decision making
Regeneration: White City	**High**	**Sovereign**	- Programme Governance - Project Management and Monitoring - Change Control - Delivery of Benefits - Risk Management	Housing; jobs; unemployment

MITIE managed systems - Housing repairs & maintenance, voids, etc	**High**	**Sovereign**	Audit of contract management arrangements plus new processes and procedures	New contract
Pinnacle Housing - provision of estate services (lot 1); tenancy management incl reception services and lower level anti-social behaviour	**High**	**Sovereign**	- Contract Formalities - Requesting resources - Performance Management and Contract Monitoring - Payments - Financial Management	Over £5 million contract value
IT Audit plans				
Academy (Capita) – Business rates	**High**	**Sovereign**	Application audit	
Academy (Capita) – Council Tax	**High**	**Sovereign**	Application audit	
IT Asset Inventory / Disposals	**High**	**Sovereign**	Application audit	IT Asset Management
Frameworki (Adults)	**High**	**Sovereign**	Application audit	ASC case management system
Frameworki (Children's)	**High**	**Sovereign**	Application audit	ChS case management system
Bridge Partnership – service contract and delivery	**High**	**Sovereign**		
Bridge Partnership – helpdesk support + system development	**High**	**Sovereign**		
IT Disaster Recovery arrangements	**High**	**Sovereign**		Council wide arrangements
ICPS incl P-Bay	**High**	**Sovereign**	Application audit	Parking services system
MITIE	**High**	**Sovereign**	Application audit	Housing services system
Confirm (LBHF) / Exor (RBKC)	**High**	**Bi**	Application audit	Highways works (TTS)

CAFM	**High**	**Tri**	Application audit	Facilities Management system
Data Sharing Protocols *	**High**	**Tri**		Tri-Borough arrangements for data sharing
Managed Services Programme	**High**	**Tri**	Application audit	IT review of Agresso implementation
Cloud Computing	**High**	**Tri**		Security access vulnerability review