



Public Sector Auditing.... Private Sector Thinking

Internal Audit Progress Report



Date: September 2014

Contents

	Page
Introduction	1
Key Messages	1
Internal Audit work completed in the period April to August 2014	1-4
Audits in Progress and Other Work	4-6
Performance Information	6-7
Other Matters of Interest	7-8
Appendices	
Appendix 1 – Assurance Definitions	9-10
Appendix 2 – Limited or No Assurance Internal Audit Reports	11-26
Appendix 3 – Audit Recommendations Outstanding at 31 March 2014	27
Appendix 4 – Audit Plan 2014/15	28-41

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Introduction

1. The purpose of this report is to:
 - Provide details of the audit work during the period April to August 2014
 - Advise of progress being made with the Audit Plan 2014/15
 - Raise any other matters that may be relevant to the Audit Committee role

Key Messages

2. During the period April to August we have completed 11 County audits, 8 to final report and 3 to draft report stage, and 9 schools audits. Overall we have completed 25% of the plan.
3. We have two auditors working almost full-time advising / supporting the Agresso implementation project. Our input to the Agresso project is a significant part of work over this year – representing 10% of the audit plan. We will provide regular highlight reports to the S151 Officer and Project Board and will bring updates to this committee over the year.
4. There are 8 audits in progress and we have also undertaken some additional work on the Birth to Five service, the Libraries Judicial Review, and Information Governance. We have undertaken visits to each of the academies for who we do internal audit work.
5. The assurance levels provided for 2014/15 have been amended in response to the introduction of other UK Public Sector Internal Audit Standards and are based on the Institute of Internal Auditors professional practice. The changes help auditors focus on the significance and importance of the activity in their opinions and recognise that auditors cannot give absolute (Full) assurance. The new levels of assurance are as follows (Appendix 1 outlines the definitions):-
 - Effective
 - Some Improvement Needed
 - Major Improvement Needed
 - Inadequate

Internal Audit work completed in the period April to August 2014

6. The following audit work has been completed and a final report issued:

Full Assurance	Substantial Assurance or Some Improvement Required	Limited Assurance or Major Improvement Required	No Assurance
	<ul style="list-style-type: none"> ■ Gifts, Hospitality and Register of Interests ■ Broadband in Lincolnshire ■ Contract Management – Older People ■ Social Care and Home to School Transport 	<ul style="list-style-type: none"> ■ Police Notification of Domestic Violence (part Substantial) ■ Coroners ■ Risk Management (part Substantial) 	<ul style="list-style-type: none"> ■ MIMS Insurance Management System

Note: The assurance expressed is at the time of issue of the report but before the full implementation of the agreed management action plan. The definitions for each level are shown in Appendix 1.

7. We are reporting 1 'No Assurance' audit and 3 'Limited Assurance' or 'Major Improvement Required' audits since our last progress report in June 2014. 2 of which have a split assurance of 'Substantial/Limited' . We split assurances where we feel it provides a more accurate position on the control environment and/or level of compliance, for example, centralised controls or the control framework within a service area may be adequate but the concerns may be with the level of user compliance.
8. Progress with the implementation of agreed management action can be found at Appendix 3.
9. Below is a summary of the areas where we gave 'Substantial Assurance' or 'Some Improvement Required'.

Gifts, Hospitality and Register of Interests – Some Improvement Required

We found that the Council's revised Officers' Registration of Interests, Gifts and Hospitality procedure within the Code of Conduct provides effective guidance to staff to enable compliance with their duties under Section 117 of the Local Government Act 1972.

Our examination of the register confirmed that declarations relating to gifts and hospitality have been made by employees across most areas of the Council. This would suggest that the revised policy has embedded and staff are aware of the procedures to follow when required. Gifts and hospitality entries were generally in line with policy advice and guidance.

We did identify scope for improvement to the arrangements for ensuring officer interests are declared by employees and any potential conflicts subsequently managed. Our review of the register found few declarations of interests since the policy was revised in 2012. We also noted that interests declared are not subject to regular review to ensure they remain valid. In view of this, we could not provide the same level of assurance that interests are being proactively managed or that controls have been developed to address any potential risks.

Broadband in Lincolnshire – Substantial

The Council receives £40m (approx) of go BDUK funding which requires validation by Internal Audit as part of the funding conditions.

We found that appropriate samples of completed work have now been tested by the broadband project team. Although initially there was insufficient evidence provided by BT to demonstrate that the payments made related to work undertaken on Lincolnshire's project, this has now been rectified.

We note that the verification checks made by the Broadband project team currently exceed the percentage samples defined in the BDUK milestone to cash guidelines. However, there was some uncertainty over how the Council would be able to verify the direct labour and project management costs. BDUK have now revised their expectations in this area. LCC's project team now has access to BT pay evidence which satisfies BDUK grant conditions and together with the project progress, provides reasonable assurance for each milestone claim.

We note the initial payment to BT was paid without completing a full review of supporting evidence. This was due to time constraints affecting the ERDF spending profile and the need to prevent loss of funding. A subsequent claim showed clear evidence that supporting documents had been provided and appropriate checks made to validate the work prior to payment.

The project is continuing to evolve and is currently ahead of schedule. Further evidence relating to payroll and sub-contractor payments made by BT has been supplied which enables a reasonable review of selected transactions and complies with BDUK guidelines.

Contract Management – Older People – Substantial Assurance

We are pleased to note the progress made in this area following the contracting investigation in 2011. The directorate has now introduced Contract Management Frameworks for all areas of Adult Care. This demonstrates a continuing commitment to the development of Contract Management. Quality checks by management will ensure consistency in the compliance of the new frameworks.

Significant improvement is noted in the management of contracts. The Adult Care team have introduced and are continuing to develop new systems and procedures for the Contract Management of Older People Services.

A Contract Management Framework was introduced in July 2013; this provides a consistent approach to Contract Management within Older People Services. The Framework is supported by detailed guidance in the form of 'Contract Management Framework – Monitoring and Review Process'. With the exception of slight delays in the issue of action plans, we found that guidance is being complied with.

A central tracker for recording Contract Management visits and outcomes has been introduced along with associated guidance. More work is required to ensure that all officers complete the tracker in a timely manner, moving away from individuals maintaining their own records.

The team demonstrates a commitment to the Contract Management process; weekly meetings are held and good practice shared. As part of the implementation of the new framework, managers accompanied officers on visits to ensure consistency and appropriate depth of review.

We have identified some areas where existing arrangements could be enhanced, for example:

- A consistent approach to the completion of the 'CMM and Default Tracker' is needed to provide up to date and complete management information.
- Senior Officers do not currently review the quality of contract management; contract performance issues or poor contract management practice may be missed without management review.

Social Care and Home to School Transport – Some Improvement Required

The commissioning of transport providers by the Transport Team is effective. Through discussion and testing we found that:

- achieving Value for Money is a priority when tendering for contracts
- there are clear procedures in place for Safeguarding
- contracts are well monitored and managed.

We have identified some areas of improvement. These include:

- Enhanced communications between the different Directorates as the process isn't as joined up as it could be. This has the potential to create confusion over what each party is expecting, leading to frustration and delays.
- Collection and retention of signed contracts from operators to allow for tighter control over the contractors.
- Budget monitoring needs to be more controlled and formalised which will enable any issues to be highlighted sooner.
- Review and update of various key pieces of documentation to ensure that all staff are using the correct guidance to complete their role.

Audits in Progress

10. The following audits are currently in progress:

Audits at draft report stage:

- Contract Management Communities
- Carbon Reduction Commitment
- Substance Misuse

Fieldwork in progress

- Key control testing – Quarter One
- Joint Policy Working/Joint Local Plan
- Non-attendance at school
- Budget management
- Families Working Together – Quarters 1&2 claims completed
- Safeguarding
- Information Governance
- Health protection
- Transformation Programme

Other Work

11. Agresso Implementation

During 2014/15, the Council is working with partners SERCO and Unit4 to implement the Agresso ERP platform across the organisation. We are taking on an advisory and consultancy role within the Agresso project team, providing insight and support on risk, control, governance and business intelligence. This enables us to contribute to the overall project assurance arrangements around the implementation and redesigned business processes.

We have attended the design workshops and provided input on risk and control where necessary. We also reviewed the solution design documents and provided feedback. The standard system has good in-built control which differs little from the Council's existing control framework. The development of workflow and data controls is key to how processes will be controlled. Any changes to agreed design are approved through a formal change control process.

During the design phase some risks / issues were highlighted and have been reported to the Project Board. The key points include:

- Availability of Mouchel staff to attend the solution design workshops and input into solution design documents.
- The payroll solution design was completed with little input from Mouchel payroll experts. The solution design document reflects the industry standard

with input from SERCO payroll staff. The Mouchel Payroll Manager is now part of the project team and additional resources have been provided by SERCO and Unit4 to assist in the solution build.

- Solution design for schools – initially the strategy regarding communication and engagement was unclear. To help inform the design, a small group of school bursars attended workshops and provided feedback and comment on the Agresso solution presented. Wider communication was achieved through a series of open sessions for schools and there are more open sessions planned for the autumn.
- Interfaces – a number of the council's key systems will interface with Agresso. A solution design has been agreed and build of the interfaces is progressing.

Good programme and project management arrangements are in place to monitor progress and delivery of this project. The key risks associated with the project remain the Council's capacity to deliver this challenging change programme on time and the potential impact of other transformation programs eg organisational reviews/changes. These risks are being managed through the Project Board.

Since mid July, project team members have been working with Unit4 consultants to build the Agresso solution. Initial system testing is scheduled for the end of September and we will review results as part of our assurance work. The project team is also progressing data migration and mapping, developing testing and training strategies and on business process re-design. We will continue to provide assurance through our review of these areas and highlight any issues / risks as appropriate.

12. Birth to Five

An Internal Audit investigation was undertaken on the Birth to Five delivery arrangements in the Council at the request of the Director of Children Services. The outcome of this audit identified a number of areas for improvement that supports work already put in place by Children Services to strengthen the management and quality assurance arrangements in this area. The areas of improvement included:

- information sharing / evidence supporting the self assessment framework
- reporting, validation and monitoring of the outcome of the quality assurance framework
- review of the quality assurance framework

13. Libraries Judicial Review

A judicial review was lodged against the Council around the lawfulness of the Council's decision making process to review Library Services in Lincolnshire. The High Court quashed the decision - the Council wants to identify any learning which would help strengthen its governance arrangements.

On the 17th July 2014 the outcome of the Libraries Judicial Review was announced. High Court found no evidence that the Council hadn't complied with its statutory obligations including the obligations imposed by the Equality Act. However, the Court ruled that the Council's decision making process was flawed – this was due to 2 key factors,

- the consultation process itself was deemed flawed, and the;
- Council made a mistake by not taking into account more fully Greenwich Leisure Limited's proposal. This proposal was considered relevant due to the Localism Act 2011 and as Greenwich was already running library services.

We have been asked to provide the Chief Executive and the Audit Committee with some independent insight / review on the facts surrounding the decision making process and any lessons learnt on the following lines of enquiry:

- i. Timeline of decision and impact analysis supporting decisions – including preparatory work from 1st January 2011 onwards.
- ii. Review the circumstances when officers acted on their delegated powers.
- iii. The extent legal and other professional advice was taken, considered and acted upon by both Officers and Members (Executive) throughout the timeline.
- iv. The adequacy of advice provided to the Executive (through both the Council's formal and informal governance routes).
- v. A review of the consultation process adopted and the adequacy / extent the Council considered alternative proposals – identifying any lessons learnt for future consultations / decision making.

The work is scheduled to be completed in October November 2014.

Information Governance

We have commenced a piece of work to investigate some information governance concerns at the request of the Chief Information officer. The audit will look at a number of data breaches that have occurred recently in the Council. It will include a review of how we manage third-parties that process Council data and how data breaches are managed.

14. Schools and Academies

We have completed audit reviews on the financial control environment for 9 schools.

We undertake internal audit work for 10 Academies, which covers 15 schools. To date in 2014/15 we have visited each Academy/school once or twice in accordance with the agreements we have with those Academies.

Performance Information

15. Our performance against targets for 2014/15 is shown in the analysis below:

Performance Indicator	Target	Actual
Percentage of plan completed (based on revised plan)	100%	25%
Percentage of recommendations agreed	100%	100%
Percentage of recommendations implemented	100% or escalated	Measured at year end
Timescales	Final report issued within 5 working days of closure meeting / receipt of management responses.	100%
Client Feedback on Audit (average)	Good to excellent	Measured at year end

We propose to review the audit plan in October 2014 to re-assess our priorities and the key risks facing the Council. Our current audit plan and schedule can be found in Appendix 4.

Other Matters of Interest

16. CIPFA Better Governance Forum – Audit Committee Update (No. 14)

CIPFA have issued their latest Audit Committee Update. The update contains:

- **Understanding External Audit Quality and Independence**

Both the quality of the work performed by external auditors and their independence are essential factors underpinning the audit opinion on the financial statements and other audit work performed so it is important for audit committees to have an appreciation of them.

There are three main areas that are of importance to an audit committee:

1. That auditor independence is safeguarded.
2. That a satisfactory quality of audit is provided.
3. That the customer service provided and client relationships operate well.

- **Counter Fraud Code of Practice**

CIPFA has consulted on its draft code of practice. Comments were required by 18 July and the responses are now being analysed.

The code is made up of five principles:

1. Acknowledge the responsibility of the governing body for countering fraud and corruption.
2. Identify the fraud and corruption risks.
3. Develop an appropriate counter fraud and corruption strategy.
4. Provide resources to implement the strategy.
5. Take action in response to fraud and corruption.

Each of the principles contains a number of more detailed statements that explain what action is required.

■ **Government Consultation on Local Audit Regulations**

DCLG has issued a consultation on regulations relating to the implementation of the Local Audit and Accountability Act 2014. As well as matters relating to the implementation of the Act there are also updated Accounts and Audit Regulations which directly impact on the work of finance and internal audit.

Also includes:-

1. Collective auditor procurement
2. Accounts and Audit Regulations (England)

■ **Other developments**

- International Framework: Good Governance in the Public Sector
- Ethical Standards
- Implementation of the Single Fraud Investigation Service and Accessing Funding for Counter Fraud Activities
- National Fraud Initiative reports
- Government Response on Whistleblowing
- The Audit Committee Cycle

A copy of the update is available from:

<http://www.cipfa.org/services/networks/better-governance-forum/corporate-governance-documentation/audit-committee-update-issue-14>

Appendix 1 - Assurance Definitions¹

<p>Full Assurance</p>	<p>Our critical review or assessment on the activity gives us a high level of confidence on service delivery arrangements, management of risks, and the operation of controls and / or performance.</p> <p>The risk of the activity not achieving its objectives or outcomes is low.</p> <p>As a guide there are a few low risk / priority actions arising from the review.</p>
<p>Substantial Assurance</p>	<p>Our critical review or assessment on the activity gives us a reasonable level of confidence on service delivery arrangements, management of risks, and operation of controls and / or performance.</p> <p>There are some improvements needed in the application of controls to manage risks. However, the controls are in place and operating sufficiently so that the risk to the activity not achieving its objectives is medium to low.</p> <p>As a guide there are low to medium risk / priority actions arising from the review.</p>
<p>Limited Assurance</p>	<p>Our critical review or assessment on the activity identified some concerns on service delivery arrangements, management of risks, and operation of controls and / or performance.</p> <p>The controls to manage the risks are not always being operated or are inadequate. Therefore, the risk of the activity not achieving its objectives is medium to high.</p> <p>As a guide there are medium and a few high risk / priority actions arising from the review.</p> <p>Our work did not identify system failures that could result in any of the following:</p> <ul style="list-style-type: none"> - damage to the Council's reputation - material financial loss - adverse impact on members of the public - failure to comply with legal requirements
<p>No Assurance</p>	<p>Our critical review or assessment on the activity identified significant concerns on service delivery arrangements, management of risks, and operation of controls and / or performance.</p> <p>Our work identified system failures that could result in any of the following:</p> <ul style="list-style-type: none"> - damage to the Council's reputation - material financial loss - adverse impact on members of the public - failure to comply with legal requirements <p>The controls to manage the risks are not being operated or are not present. Therefore the risk of the activity not achieving its objectives is high.</p> <p>As a guide there are a large number of medium and high risks / priority actions arising from the review.</p>

¹ These definitions are used as a means of measuring or judging the results and impact of matters identified in the audit. The assurance opinion is based on information and evidence which came to our attention during the audit. Our work cannot provide absolute assurance that material errors, loss or fraud do not exist.

<p>Effective</p>	<p>Our critical review or assessment on the activity gives us a high level of confidence on service delivery arrangements, management of risks, and the operation of controls and / or performance.</p> <p>The risk of the activity not achieving its objectives or outcomes is low. Controls have been evaluated as adequate, appropriate and are operating effectively.</p> <p>As a guide there are a few low risk / priority actions arising from the review.</p>
<p>Some improvement needed</p>	<p>Our critical review or assessment on the activity gives us a reasonable level of confidence (assurance) on service delivery arrangements, management of risks, and operation of controls and / or performance.</p> <p>There are some improvements needed in the application of controls to manage risks. However, the controls have been evaluated as adequate, appropriate and operating sufficiently so that the risk of the activity not achieving its objectives is medium to low. A few specific control or risk issues identified.</p> <p>As a guide there are low to medium risk / priority actions arising from the review.</p>
<p>Major improvement needed</p>	<p>Our critical review or assessment on the activity identified numerous concerns on service delivery arrangements, management of risks, and operation of controls and / or performance.</p> <p>The controls to manage the key risks were found not always to be operating or are inadequate. Therefore, the controls evaluated are unlikely to give a reasonable level of confidence (assurance) that the risks are being managed effectively. It is unlikely that the activity will achieve its objectives.</p> <p>As a guide there are numerous medium and a few high risk / priority actions arising from the review.</p> <p>Our work did not identify system failures that could result in any of the following:</p> <ul style="list-style-type: none"> - damage to the Council's reputation - material financial loss - adverse impact on members of the public - failure to comply with legal requirements
<p>Inadequate</p>	<p>Our critical review or assessment on the activity identified significant concerns on service delivery arrangements, management of risks, and operation of controls and / or performance.</p> <p>Our work identified system failures that could result in any of the following:</p> <ul style="list-style-type: none"> - damage to the Council's reputation - material financial loss - adverse impact on members of the public - failure to comply with legal requirements <p>There are either gaps in the control framework managing the key risks or the controls have been evaluated as not adequate, appropriate or are not being effectively operated. Therefore the risk of the activity not achieving its objectives is high.</p> <p>As a guide there are a large number of high risks / priority actions arising from the review.</p>

Appendix 2 – Audits where assurance is assessed as ‘No’ or ‘Limited’

Children's Services – Domestic Abuse

Introduction and Scope

Reducing domestic abuse is one of the strategic priorities for the Lincolnshire Community Safety Partnership. It is managed through a multi-agency approach which includes the Lincolnshire Domestic Abuse Strategic Management Board, Domestic Abuse Delivery Group and Multi Agency Risk Assessment Conferences (MARAC).

MARAC meetings are held every two weeks to discuss high risk domestic abuse cases, enable effective data sharing and find solutions to reducing the risk of domestic abuse occurring. Children's Services representatives attend each meeting to refer cases, capture information and input to the risk assessment process.

Children's Services are informed of domestic abuse incidences by various different agencies but the majority of cases are reported by Lincolnshire Police. A protocol is currently in place between Lincolnshire Police and Children's Services which sets out the procedure for notifying incidents to the authority and distinguishes between high, medium and low risk cases.

The purpose of our audit is to provide management with assurances that Children's Services have effective arrangements in place to:

- receive, assess and take appropriate action in response to domestic abuse referrals
- participate in the multi-agency response to domestic abuse within the County

Executive Summary

Referrals – Substantial Assurance

We found that the process for dealing with domestic abuse notifications is operating effectively. Review of a sample of domestic abuse referrals identified that they are being appropriately actioned in line with local procedures, dealt with on a timely basis and recorded appropriately within ICS.

Although we found that appropriate actions are being taken promptly to deal with domestic abuse notifications, enhancements to the current arrangements are still required. This includes ensuring all staff have regular training on domestic abuse and finalising the domestic abuse policy, which is currently still in draft format.

Participation at MARAC – Limited Assurance

We identified two significant areas for improvement in relation to the authority's participation in the multi-agency response to domestic abuse. As a result we can only give limited assurance at this time that arrangements are operating effectively. We found that actions arising from MARAC meetings are not always being dealt with within the 5 day period specified in the MARAC operating protocol and that over half of all MARAC meetings within the last six months did not have full attendance by children's services representatives.

Direction of Travel



Improving

Discussions with staff during the review identified that provision for staff training is planned for later this year and the timescales for completion of actions from MARAC have been improving over the last few months due to the implementation of new processes.

A sample of 25 medium/low risk domestic abuse notifications and 10 high risk calls received by the Customer Service Centre (CSC) were reviewed during the audit. As a result, the following points of good practice were identified during the review:

- ✓ Action is taken by locality teams on high risk cases within 24 hours of the referral being received. This is usually on the same day.
- ✓ A log is maintained of all high risk calls received by the Customer Service Centre (CSC) and these are checked and signed off by the Team Leader as confirmation that an appropriate referral has been made within ICS and to the relevant locality team
- ✓ Medium and low risk cases are actioned in line with timescales set out in the domestic abuse operating protocol
- ✓ For a sample of cases reviewed, decisions made and actions taken at each stage of the notification process were appropriate and proportional to the level of risk

Details of the areas where processes could be strengthened are as follows:

- Ensuring that actions arising from MARAC meetings are dealt with within the 5 day period specified in the MARAC operating protocol. Although this has improved over recent months there were still 23 outstanding actions at the time of the audit
- Improving Children's Services' attendance at MARAC meetings. At the time of the audit there had been 24 MARAC meetings in the previous 6 months and 14 of these meetings did not have full attendance by children's services reps.
- Ensuring that the draft domestic abuse policy is finalised, approved by management and circulated within Children's Services to ensure that all staff are aware of their roles and responsibilities when dealing with domestic abuse cases

- Developing a regular training programme for practitioners on domestic abuse, the role of the authority in the multi-agency approach and including domestic abuse as part of the induction process for new staff.
- Providing domestic abuse training to call advisors within the CSC
- Ensuring that supervision records are maintained adequately within ICS

Management Response

I am pleased that substantial assurance was found with regard to the processes for domestic abuse notifications. Further work and robust monitoring mechanisms have been put in place to ensure both effective participation at MACAC and actions being completed within 5 days. Liaison has taken place with training to ensure all staff have access to dedicated domestic abuse training.

Management Actions	No	All to be completed by:
High Priority	2	31/05/2014
Medium Priority	4	31/08/2014

Coroners

Introduction and Scope

1.1 Our review of the arrangements for delivering the Coroner's service has focussed on:

- expenditure and financial management
- service delivery arrangements
- the body removal contract
- income

We also reviewed the previous audit findings (July 2013) to confirm they have been addressed.

1.2 Our main focus was on the central controls established by Registration and Celebratory Services to manage the service. We covered high level arrangements operating within both our Coroners' offices.

Background

1.3 Coroners inquire into deaths reported to them, which appear to be violent or of sudden or unknown causes. They seek to establish the cause of death if necessary by post mortem and if the cause remains in doubt an inquest is held. There are specific requirements to investigate deaths in certain circumstances, for example, the death of a person in custody.

1.4 There are three agencies that form the Coroners' Service in Lincolnshire:

- **Senior Coroners** - who are independent judicial officers
- **Lincolnshire Police** – Coroners Officers perform the initial investigation and report to the Senior Coroner.
- **Lincolnshire County Council** - who fund the majority of the Coroner's service and provide the administrative support for the service.

1.5 In Lincolnshire, there are two part-time Senior Coroners covering two areas/jurisdictions - Central and South Lincolnshire. Coroners are not employees of the Authority and no Council officer has line management responsibility for them – they are line-managed by the Chief Coroner or Lord Chief Justice.

1.6 An Assistant Coroner stands in when the Coroner is absent on holiday or through ill health. Each Coroner uses a number of Assistant Coroners to assist with caseloads. The Coroner personally or through a Deputy/Assistant, must be available at all times for their area/jurisdiction.

- 1.7 Our analysis shows the service dealt with 3242 referrals in 2013 - there was no material change in the overall number of referrals in 2013 compared to 2012. Key changes in activity levels are:
- a 45.2% increase (2011 to 2013) in post mortem volumes in the South Lincolnshire area - the current level of post mortems to referrals (55.3%) is above the national average (42%).
 - a 12% increase in the number of inquests being handled by the Central coroner (2013 to 2012).
- 1.8 Over the past 3 years the level of spending on the Coroners Service has increased by 29% with actual spend in 2013/14 of £1.4m.
- 1.9 The service has been overspending against its budget - £339k in 2013/14; £165k 2012/13 and £43k 2011/12.

Executive Summary

Assurance Opinion

Major improvement needed

Coroners - Use of Resources / Financial Management



Coroners have traditionally worked autonomously in order to fulfil their judicial functions – this has, in our opinion, created barriers to collaborative working within Lincolnshire. We found limited routine management information on the Coroners service, particularly around financial commitments, projections, workloads and performance – this reduces confidence on the use of resources and value for money.

The Council requires both Coroners to comply with the Council's financial control framework to ensure effective management of its finances and best value. Due to the previous management structure, the budget holder had limited direct input and oversight of the Coroners' expenditure and ways of working. This has now changed and the financial management is beginning to improve.

Both Coroners operate their own systems which do not ensure the same levels of transparency, consistency and financial control as other service areas. Budget preparation and monitoring have been problematic due to compliance issues associated with the Council's procurement and financial procedures. The County Services Manager (CSM) is currently developing written procedures which should help define systems, expectations and improve overall financial control.

Assurances are limited in areas of significant spend (expert and professional

witnesses and long inquest payments to Coroners) due to poor audit trails, inconsistencies and inadequate validation. Another increasing area of spend involves the body removal contract – this is partly due to increased activity but there are also wide provider cost variations resulting in value for money uncertainty. This contract was let to improve service quality and maximise cost efficiencies – the contract monitoring arrangements are evolving and are not currently providing the requisite assurances.

With the 2014 fundamental budget review the Council has the opportunity to explore further cost efficiencies within the coroner service, tying in with the recent Chief Coroner guidance on the merger of coroner areas. We believe there is scope for savings on: salaries, premises, administrative support and equipment which may, in turn, encourage closer working, improved cost certainty, information sharing and greater compliance with the Council's financial control framework.

The findings within this report (particularly around transparency, financial accountability, financial control, engagement, communications and collaborative working) highlight a need to improve the governance within this service area and ensure it contributes to the Council's assurance arrangements.

Direction of Travel



Improving

There is very strong commitment to address the budgetary, control and cultural issues to ensure the Council has the requisite assurances over this area of spend. The County Services Manager already has a greater understanding of the budget, is better placed to challenge expenditure in the future and is working on a comprehensive action plan of changes. Recent guidance from the Chief Coroner will also support the programme of change.

2.1 Detailed findings are included in section 4 of our report and the attached Action Plan includes a number of recommendations that seek to establish processes and strengthen arrangements operating within the service. The key financial management findings relate to the need for:

- improved budget setting and monitoring
- better cost projections / inquest estimates and cost revisions
- commitment accounting
- improved accounting practice, especially around year end
- effective Coroner / Council liaison to discuss budget position and contribute to cost
- saving initiatives and realistic year end projections
- compliance with the Council's financial control framework (financial procedures and procurement rules)

- a mechanism to properly validate long inquest payments
- written procedures covering payments to expert and professional witnesses, Assistant Coroners, jurors, witnesses and self employed individuals

We have identified scope to review the service delivery arrangements to maximise use of resources and reduce costs, where possible, whilst recognising the need to maintain the quality of the Coroner Service. We advise the Service focusses on:

- the viability of merging the coroner areas in Lincolnshire
- caseload allocation
- use of the Coroner support (Assistant Coroners, Coroner's Officers and administrative staff)
- premises
- governance arrangements (including communications and performance)
- Council / Coroner engagement and collaborative working
- maximising the use of IRIS case management system

2.2 The CSM is already taking many positive steps to address the issues included within this report – procedures are being developed, budgets have been reviewed and monitored, contract monitoring is improving and senior management have liaised with the Chief Coroner to obtain clarity on a range of matters around legislation, coroner expenditure and ways of working.

2.3 We would also take this opportunity to thank the CSM, Coroners and administrative staff for their help and assistance throughout this audit.

Management Response

This audit was originally commissioned by the CSM who recognised the need for a fundamental review of historic working practices which were preventing the move to a more modern and customer centric service, and also recognising the need for greater transparent and auditable processes to meet key Council requirements.

The revisions in the Coroners and Justice Act 2009 are helping to facilitate these changes and enable improved services for bereaved families. The Chief Coroner's appointment in September 2012 supports standardised processes, and legislative changes in July 2013 further defined this.

We welcome this report and acknowledge and appreciate the complex nature of the audit recognising the depth of detail, sensitivity of the subject area and the work in progress.

Significant work has already been completed to improve not only the budget process, but other standard operating practices, building on good practices and staff commitment. Procurement opportunities (working with Procurement Lincolnshire) have provided a basis for seeking quality and value for money from services, however a historic lack of management information and varying levels of service provision have added to the complexity of the tender process. As new contracts are

arranged, contract monitoring and improved management information will help to ensure that new tender specifications reflect service requirements accurately and deliver best value. In addition, further coronial development work will follow as national guidance is issued by the Chief Coroner and the Ministry of Justice. Staffing changes have also allowed some of the long planned for initiatives to be realised and implemented and this will improve the package of support to Coroners and the general public.

We look forward to working with the Coroners to deliver these changes as their support is fundamental to the success of these initiatives. We recognise this is a unique service and the legislative framework within which it operates. We also acknowledge the vital contribution and commitment to bereaved families provided by all of those involved in the service.

Management Actions	No	All to be completed by:
High Priority	21	1 September 2014 (majority)
Medium Priority	18	31 December 2014

Risk Management

Introduction and Scope

We have completed an Internal Audit review of Risk Management. This is part of the agreed plan of work for 2013/14.

The purpose of this audit was to provide assurance that there are effective arrangements in place to manage risks to support successful delivery of the Council's services and business plan priorities.

Risk management is a key element of the Council's governance framework and should take place at every level within the council. A revised risk management framework is in place and there is no longer a formal process for Directorates to follow in respect of operational risks.

The Strategic Risk Management Team supports management across the Council to help them take measured risks and create an environment of 'no surprises'. The Team aims to drive forward the embedding of risk management throughout the organisation.

Our review focused on the following areas:

- Strategic risk function and the support provided by the Strategic Risk Management Team.
- Risks associated with recent key decisions – understanding the Council's risk appetite and making informed decisions.
- Directorate management of operational risks - we have taken a health check approach, meeting with the Risk Lead for each Directorate, to gain some assurance on the arrangements in place following the introduction of a different approach for the management of operational risks.

Executive Summary

Assurance Opinion:

Management of strategic and operational risks - Substantial

There is a good framework in place for the council to manage the key risks facing services and successful delivery of business plan priorities. We found clearly assigned ownership and accountability for risk management and defined roles for each party.

Strategic risks are identified, evaluated and documented, with regular monitoring and oversight by the Corporate Risk and Safety Group and the Audit Committee. There are processes in place to identify and assess emerging strategic risks e.g. combined assurance mapping, Directorate Risk and Safety Groups, Directorate Risk & Safety Dashboards.

We have gained some assurance that operational risks are being managed within directorates following removal of the formal process. There are forums available within directorates for discussing, escalating and reporting on current and emerging risks.

It is important in times of change that risks are continually assessed and managed at operational level, even if they are not specifically recorded. Our assurance on management of operational risks was gained primarily from discussion with directorate Risk Leads and review of relevant meeting minutes. In depth assurance obtained at service level would give the Corporate Risk and Safety Group further confidence that risks are effectively managed at this level.

Risks associated with key decisions - Limited

We can only provide limited assurance that decision makers are fully informed of the risks associated with key decisions. Reports to the Executive do not necessarily clearly articulate the risks associated with the recommendation/proposal; actions and controls to manage risks were rarely included.

Decisions may therefore be made without full knowledge and understanding of the risks involved and how these will be managed; decision makers are not in a position to effectively consider the level of risk they are prepared to take.

To ensure informed decisions are made, it is important that the risks associated with any proposed actions and decisions are clearly identified, evaluated and articulated to the decision makers, along with mitigating actions/controls. The decision makers can then think about the level of risk they are prepared to take – whether or not they are prepared to accept the risks associated with the proposals. This is increasingly important in times of commissioning and innovation/changes in service delivery.

**Direction
of Travel**



Strategic risks and associated actions have continued to be effectively identified, evaluated and reported on a regular basis. A full refresh of the strategic risk register is currently ongoing, taking into account current structures, commissioning strategies and emerging risks.

Directorates have recently identified and assessed their top 5 'tactical' risks to provide an overall picture to the Corporate Risk and Safety Group of how they are managing their biggest risks.

There is less confidence around articulation of risks associated with key decisions and consideration of the level of risk the Council is prepared to accept. Improvements are required to ensure decision makers are fully informed.

Reports to the Executive in respect of key decisions set out the benefits of the recommendation and the risks of not agreeing it, but not necessarily the risks associated with the proposed option. It is not clear from the reports and minutes that there is consideration of the level of risk the Council is prepared to take.

Well informed decision making is vital in times of transformational change. Risk Leads and the Strategic Risk Management Team need to ensure that the importance of identifying and evaluating the risks associated with key decisions in reports is communicated. Reports should also include how the risks will be managed. Revision of report templates may be required to prompt inclusion of important information around risks.

Fully informing the decision makers of the risks and mitigating actions/controls will enable them to consider the level of risk they are prepared to accept - for example, a higher level of risk accepted to support innovation; a lower, more cautious risk appetite in areas such as safeguarding.

Using a health check approach, this review has given an oversight of how operational risks are being managed within the directorates since the introduction of a different approach e.g. Directorate Risk & Safety Dashboards. We advise that the Corporate Risk and Safety Group seek further assurance from the Directorate Risk and Safety Groups that operational risks are being effectively managed at service level.

The Financial Procedure relating to Risk Management requires updating; it was last updated in June 2005 and does not reflect the current Risk Management Strategy or the requirements of a commissioning council. If the financial procedures do not reflect current expectations, roles and responsibilities, officers may not be clear about what is required of them; duties and responsibilities may become confused and/or not carried out. Updating the Financial Procedure in line with the revised Risk Management Strategy will clarify mandatory requirements, current best practice and guidance.

A Health Check of risk management in key projects was carried out by the Strategic Risk Management Team in May 2013, to help inform where training and guidance would be of most use and potentially to improve the guidance available. The Health Check found wide variances in the identification, monitoring and management of risks in priority projects. We acknowledge the time elapsed since this review and the changes within the council since its completion. The review did, however, give an indication that risks may not be fully captured and monitored.

It is important that the risks and issues relating to the council's key projects and programmes are identified, monitored and managed effectively to allow successful delivery of the council's priorities. Revisiting the Health Check and working with Risk Leads would enable the Strategic Risk Management Team to provide assurance that risks associated with key projects and programmes are being managed.

We found areas of good practice in the Council's risk management activities, including:

- inclusion of risk as an integral part of Commissioning for Lincolnshire
- the level of risk the Council is prepared to accept, its risk appetite, has been agreed (creative and risk aware)
- delivery of workshops regarding risk appetite to senior managers and members
- review of Corporate Risk and Safety Group arrangements and revision of terms of reference
- regular meetings of the Strategic Risk Management Team with strategic risk owners and/or other officers with responsibility for actions and controls
- assurance on management of risks and effectiveness of actions/controls is sought from management, third parties and Internal Audit as part of the Council's combined assurance model.

Detailed findings, recommendations and agreed actions are shown in the attached Action Plan which once implemented will strengthen current arrangements within the service.

Management Response

Assistant Director - Finance & Resources

The Council is entering a major period of change as it adopts the commissioning council model whilst also undertaking a fundamental review of its service priorities and related budgets in direct response to continued public spending constraints. It is important that the Council has in place, and operates, effective risk management in all its decision making and operations. This report has highlighted that appropriate processes are in place but some improvement is necessary in a number of areas, particularly relating to the role of risk management in decision making. These findings are welcome and the conclusions accepted and a robust action plan is agreed to resolve the issues raised by the end of the calendar year.

Head of Audit and Risk Management

The Council has been and will continue to undergo significant change. The way it operates and deliver services – either directly, with or through other organisations will

provide challenges for managing risk, ensuring transparency and demonstrating accountability. The importance of having effective risk management arrangements in place has never been greater. The audit has provided some good assurance over our risk management strategy and the way we manage our risks. It also identified opportunities to improve and the high priority actions around decision making and the level of risk the Council is prepared to accept across its business units and associated with decision will be completed by December 2014. The key actions are:

- Review and agree a minimum the level of risk information presented to decision makers.
- The Council needs to work through its Commissioning Strategies and Fundamental Budget Review - we will work with Directorate leads via the Corporate Risk & Safety Steering Group, to explore what's an acceptable level of risk for each strategy / business unit. Once established this will be clearly articulated to decision makers.

Management Actions	No	All to be completed by:
High Priority	1	December 2014
Medium Priority	3	March 2015

MIMS Insurance Management System

Introduction and Scope

We have completed an audit of the MIMS insurance management system which is operated by the Insurance Team and holds details of insurance claims made against the Council. The audit was undertaken at the request of the Head of Audit & Risk Management following concerns as to the integrity of the data held in the system.

The purpose of the audit was to provide assurance on the following areas:

- Administrative arrangements
- Systems documentation
- User policies and procedures
- Access controls
- Controls over data input and processing
- Controls over data output
- User training and guidance
- Back-up and recovery

We also tested a sample of claims for accuracy to assess the integrity of the data in the system and ensure that the information input to the system is correct for estimating the potential financial exposure of the Council to insurance claims.

Executive Summary

Assurance Opinion - No Assurance

The MIMS system acts as a database of information on insurance claims made against the Council. It is important that the information held in MIMS, and reports produced by MIMS, are accurate.

Our sample test of claims identified a high level of errors, although we were not fully able to determine the significance of all the errors. We also found that reports have not always produced the expected information due to issues with the use of, and understanding of, the system.

There is a risk that the data in the system is inaccurate and as a result any analytical data produced by system may also be inaccurate, such as:

- Analyses of claims at a particular location
- Directorate premiums
- Information for tendering

It is important that the staff receive appropriate training in the use of the system and comprehensive guidance is developed. Interim arrangements have been put in place to ensure reports contain the correct data and a permanent solution will have to be found. It is possible that a lack of understanding of the underlying configuration of the system, which was undertaken when the system was originally

implemented and was not documented, is a contributory factor to the issues with the reports and so this needs to be addressed.

MIMS is an important system but is not critical. It is not a main financial system and although there are issues with its use, the risks are low in comparison to other financial systems. Management have already put in place interim arrangements to manage the risks of input errors and are working with individuals to reduce error rates, and to ensure the accuracy of reports.

The MIMS system has a small number of users and is hosted remotely by the supplier. Access is by the creation of a virtual private network which in turn requires an LCC email account. We consider access to the system to be secure, however passwords changes are not prompted, there are no minimum password requirements and there is no lock out for repeated failed access attempts.

There are no defined administrative arrangements. With a system of this size and user base this is often not a major issue, however given the issues that we have identified we consider it that it would be helpful to formally establish an administrator role with a written role and responsibilities around the administration of the system such as system access and update, and user training and guidance.

We found that the understanding of the system by the primary users and owners of the system is not sufficient to ensure the system is operated effectively. There has not been sufficient training of users and there is a lack of guidance. The supplier has provided some guidance but it is not complete and does not take account of the way the system has been configured by LCC. Unfortunately this configuration is not documented, although this could most probably be remedied.

A test of 50 claims showed 48% to contain at least one error. A lack of insurance knowledge on our part meant that we were unable to fully assess the significance of the errors. The Head of Audit & Risk Management has analysed the errors and is satisfied that of the 50 claims tested 26% had a significant error. The error rate reflects the lack of training and guidance and could have been mitigated by checks on input which are infrequent and not recorded.

Reports have not always produced the output that is expected. Management are satisfied that this is largely down to incorrect use of the system and inadequate checking of reports. It is possible that the lack of understanding of the underlying configuration of the system is also contributing to this. We noted for example that what was referred to as an 'unwritten rule' for the formatting of locational information does not have to be as strictly applied as we were informed. Management have introduced interim arrangements for the checking of data in reports to ensure it is accurate, and working with the supplier to develop standard reports.

We also found a number of other issues that need to be considered or addressed as follows:

- Standing data is not checked to ensure it is correctly input
- Data is archived however it is not known how the archive function works.

- Although there are regular formal meetings with Legal Services they may not be fully effective as comments were made by Legal Services staff that they were not fully kept up to date on changes made to the system.

Management Response

Assistant Director of Resources - Finance & Resources

This review was commissioned by management in the light of a range of service quality issues that emerged during 2013. The MIMS system is not a key financial one but does provide an important range of management information as it is, in effect, an insurance claims database. It is important for tracking historic claims experience and for answering requests for information such as Freedom of Information enquiries. The report recommendations are accepted and will be implemented as part of a wider service improvement plan that is now underway. In the longer term consideration will be given as to whether the present system continues to meet service needs going forward.

Head of Audit & Risk Management

During 2013 we have identified a number of service quality issues that need to be addressed to ensure that the insurance team provide an effective and efficient service and that the Council's Insurance Fund remains solvent and sustainable. An improvement plan is in place which includes the MIMS system. High Priority actions

Include:

- Working with the supplier to see if there are ways to improve input controls and data integrity checking on the system
- Establishing the system admin. role and remit.
- Working with the supplier to develop standard reports / extract routines.
- Develop procedure notes and ensure all the team are sufficiently trained to enable them to perform their roles and are clear about data quality standards – minimising the risk of data entry errors.

Management Actions	No.	All to be completed by:
High Priority	4	31 st August (3) and 31 st December 2014 (1)
Medium Priority	2	31 st December 2014

Appendix 3 - Outstanding recommendations as at 31st August 2014 audits with No, Limited, Inadequate or Major Improvement assurance

Audit Area	Date	Assurance	Recs	Implemented	Overdue		Not Due
					H	M	
Coroners	June 2014	Limited/ Substantial	39	7	15	11	6
Debtors	April 2014	Limited	11	4	2	2	3
Domestic Abuse	June 2014	Limited/ Substantial	6	2		4	
MIMS System	June 2014	No	6	1	2	1	2

Appendix 4 – Internal Audit Plan 2014/15

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Critical Service Areas:						
- Those areas identified by senior management as having the most impact on the successful delivery of Council priorities or whose failure could result in significant damage to reputation, financial loss, impact on people (risks)						
Executive Director – Pete Moore						
Corporate property						
Property Management	Review the effectiveness and delivery of the Property Strategy and utilisation of its property assets.		Dec 2014			
Capital Contracts	Review of award and management of contracts		Oct 2104			
Fire and Rescue						
Trading Company	Assurance over the governance, risk and control environment arrangements set up for the Company.		Dec 2104			
Sub Total		50				
Executive Director – Richard Wills						
Environment & Planning						
Carbon Reduction Commitment	Review of the arrangements in place to comply with the Environment Agency's requirements under the CRC, including sign off of the LCC		July 2014	July 2014		Draft Report

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	Evidence Pack.					
Joint Policy working / Joint Local Plan	<p>Review of joint policy working arrangements to ensure that LCC is clear of its role and responsibilities and is an active partner in managing the risks (link to JPU and Wind farm policies).</p> <p>Provide assurance on the revised delivery arrangements for the central Lincolnshire joint local plan and provide support and advice at key stages through gateway review.</p>		June 2014	June 2014		Fieldwork
Joint waste management strategy	Review to provide assurance on arrangements and progress for the district waste strategy. To include assessment of financial benefits and district engagement.		Dec 2014			
Highways & Transport						
Social Care Transport	To provide assurance that effective arrangements are in place for the operational management of transport services – including Safeguarding arrangements.		May 2014	May 2014	August 2014	Final Report Some Improvement Needed

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Economic Development						
Adult Learning	Review of the financial arrangement in to confirm adequate financial control and sustainability		Oct 2014			
Sub Total		70				
Director of Children Services – Debbie Barnes						
Commissioning						
Joint Commissioning Board	Review of Joint Commissioning Governance and decision making processes. (Co-ordinate audit with Director of Adult Services & Director of Public Health)		July 2014			Audit postponed until October 2014 to allow for a joint audit with PWC (CCG Internal Auditors)
Home to School / College Transport	To provide assurance that effective arrangements are in place for the financial and operational management of Home to School / College transport services – including VfM and Safeguarding arrangements.		May 2014	May 2014	August 2014	Final Report Some Improvement Needed
Regulated Services						
Children's Adolescent Mental Health Services	To provide assurance around the commissioning of Children's Adolescent Mental Health		August 2014			Scoping

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	Service. LCC are lead commissioner for funds allocated by NHS England.					
School Administration Services						
Non-attendance at school	To provide independent assurance that the authority has robust policies and procedures in place to enable them to meet their legal duty to identify children missing education and get them back into education.		June 2014	July 2014		Client Brief
Performance Assurance						
CfBT contract	Audit of the financial arrangements covering the four funding streams – open book accounting approach		November 2014			
Educational Performance – Moderation	To review the moderation arrangements of pupil attainment across all Key Stages, including Early Years and pupils with special educational needs.		November 2014			
Safeguarding – Organisational Learning	Assurance over organisational learning following the outcome of serious case reviews. Co-		August 2014			Scoped – awaiting approval by LSCB

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	ordinating the audit engagement through the Lincolnshire Children Safeguarding Board.					
Human Resources						
People Management	Review the effectiveness, quality and compliance of the People Strategy launched in 2012 and the strands underpinning delivery of the Council's people management arrangements. Areas not previously reviewed in 2013/14: <ul style="list-style-type: none"> • Resource & Talent Management • Capability and Disciplinary • Managing Employee Performance & Development 		Oct 2014			
Sub Total		150				
Schools	Periodic audits of maintained schools.	150	April 2014	April 2014		9 schools completed
Sub Total		300				
Director of Adult Services – Glen Garrod						
Safeguarding	To provide assurance around the Governance and decision making arrangements of the new mandatory Safeguarding Board.		July 2014	July 2014		Fieldwork

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	The audit will also review and assess progress and implementation of recommendations arising from the Lincolnshire Adult Social Care Peer Challenge and Domestic Homicide Reviews.					
Joint Commissioning Board	Review of Joint Commissioning Governance and decision making processes. (Co-ordinate audit with Director of Children Services & Director of Public Health)		July 2014			Audit postponed until October 2014 to allow for a joint audit with PWC (CCG Internal Auditors)
Information Governance	A review to assess the controls in place for preventing Data Security Breaches.		July 2014	July 2014		Fieldwork
Workforce Development	A review of training planning and delivery arrangements.					Director has requested cancellation
Reablement Service	Review to gain assurance around the new arrangements.		October 2014			
Contract Management	Assurance around the contract governance, monitoring and reporting procedures.					Director has requested cancellation

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Sub Total		100				
Director of Public Health – Tony Hill						
Joint Commissioning Board	Review of Joint Commissioning Governance and decision making processes. (Co-ordinate audit with Director of Adult Services & Director of Children Services)		July 2014			Audit postponed until October 2014 to allow for a joint audit with PWC (CCG Internal Auditors)
Sexual Health Services	Review of the Governance and decision making arrangements for commissioning mandated Sexual Health Services.		December 2014			
Health Protection	A review of the Assurance Framework for protecting the Health of the Local Population, including screening, infection control and immunisation.		July 2014	Aug 2014		Fieldwork
Lincolnshire Community Assistance Scheme	To provide assurance around the application, payment, monitoring and reporting procedures and controls for this new scheme.		June 2014			Delayed
Substance Misuse	Review of the Governance and decision making arrangements for commissioning services.		May 2014	May 2014		Draft Report

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Wellbeing Service	Review of the Governance and decision making arrangements for the implementation of the Wellbeing Service.		November 2014			
Contract Management	To provide assurance around the transfer of Public Health/ NHS contracts to the Authority. Assurance around the contract governance, monitoring and reporting procedures.		Jan 2015			
Sub Total		100				
Corporate Functions - Due Diligence						
- Those systems that support the running of the Council and ensure compliance with key policies						
Executive Director – Pete Moore						
Finance						
Key financial systems – transaction testing	Throughout the year test key controls and transactions feeding into the Council’s accounts to ensure financial control environment remains effective throughout the final year		May 2014			Ongoing throughout 2014/15
Mouchel Contract	Assurance over handover arrangements and delivery to the		Sept 2014			Scoped

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	end of the contract.					
Pensions Fund / Administration	Provide assurances over the arrangements to transfer responsibilities to new provider (9 month process from June 2014)		Oct 2014			
Budget Management	On cyclical plan for 2014/15 – although high confidence in this area – analytical review plus deeper dive into service area budgets	150	July 2014	August 2014		Client brief
Procurement Lincolnshire						
Contract Management	Review the effectiveness of contract management model enterprise wide.		Through 2014/15			Ongoing
EU procurement changes	Review of the procurement regulations to ensure that the necessary changes have been implemented.	15	Nov 2014			
Other						
Corporate Governance	To review the effectiveness of the Council's governance arrangements, including compliance with new standards regime		Through 2014/15			Ongoing
Member Support	Review the arrangements for member support in view of the risks identified from the changing political make up of the council	20	Sept 2014			Scoped

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Information governance / records management	To review organisation wide information governance arrangements to provide assurance that data related risks are sufficiently managed whilst ensuring the right data is available at the right time.	15	Dec 2014			
Emergency Planning and Business Continuity	Review the Council's arrangements and resilience to respond and recover to a major event / incident.	15	TBA			
Sub Total		215				
ICT						
ICT Infrastructure and service delivery	Work is underway to finalise ICT assurance map and status report – this will inform the choice of audits in this section of the plan. Scheduling of individual ICT audits will be agreed when the assurance map is finalised.		Sept 2014			ICT audit plan has recently been agreed
IT Application	Social Care Case Management System		Sept 2014			
Sub Total		130				
Key Projects						
Executive Director – Pete Moore						

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
New Finance System	Support and advise the Implementation Group on the key workstreams re. transfer to the Finance System	205	April 2014	April 2014		In progress
Broadband in Lincolnshire	To provide assurance on delivery and compliance with the grant conditions.		Feb 2015			
Corporate landlord	To provide a consultative and supportive role for the 'corporate landlord' project as it progresses along its implementation plan during 2014/15		Dec 2014			
Executive Director – Richard Wills						
Library needs assessment	Review to confirm that proposals for the future of the Library Service will deliver reported savings.	15		July 2014		Review of organisational learning re Libraries Judicial Review
Director of Children Services – Debbie Barnes						
New HR System	Support and advise the Implementation Group on key HR workstreams	35	April 2014	April 2014		Ongoing alongside work on New Finance System
Families Working Together	To review and audit claims for Troubled Families Grant. Days allocated on the basis of a quarterly claim.		Quarterly claim			Quarters 1 and 2 complete

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Raising the Participation Age (project) / Tracking the Status of 16 – 18 year olds in education, employment or training (critical activity)	<p>From September 2013, all 17 year olds had a duty to participate in education, employment or training. This extends to 18 year olds from September 2014.</p> <p>To review the arrangements in place that ensure young people are aware of their duty to participate and that there will be sufficient provision available. This could include how the LA are identifying young people that are not in education or training, including data sharing arrangements with Educational Institutions.</p>	20	November 2014			
Director of Adult Services – Glen Garrod						
Transformation Programme	Review, advice and guidance around the transformation programmes within Social Care, including the Case Management System and Lincolnshire Sustainability Review - considering the design and application of the governance structure.		July 2014	July 2014		On-going work throughout the year

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	To provide proactive advice and support on governance, managing key risks and effective internal control.	30				
Sub Total		305				
Emerging risk & Contingency						
Emerging risk – delivery of transformation	Assurance arrangements around commissioning (in line with the commissioning strategies & the fundamental budget reviews).					
Emerging risk contingency	To audit any significant emerging risks arising in the year – <ul style="list-style-type: none"> Responding to legislation eg Care Bill / Dilnot 					
Sub Total		115				
Other relevant Areas						
Combined Assurance	Co-ordinating and updating assurances on the Council's assurance map with service managers. Co-ordinating the annual status report.	Sept 2014	Sept 2014			Meeting arranged to agree approach and timetable
Sub Total		50				
Non-Audit						
Advice & Liaison		44				
Annual Report		1				

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Audit Committee		20				
Sub Total		65				
Grand Total 2014/15		1500				