



Public Sector Auditing.... Private Sector Thinking

Internal Audit Progress Report



Date: January 2015

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Introduction

1. The purpose of this report is to:
 - Provide details of the audit work during the period September to December 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 September to December 2014 we have completed 11 County audits, 4 to final report and 7 to draft report stage, 10 schools audits and 2 periods of our key control testing. Overall we have completed 56.5% of the plan.
3. We have two auditors 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. Highlight reports have been presented periodically to the S151 Officer and Project Board. In order to present the Committee with the most accurate and up to date position on this priority project a separate paper will be tabled, accompanied by a verbal update – the Chief Information and Commissioning Officer (Project Director) and Serco representative will be in attendance.
4. There are 12 audits in progress in addition to the ongoing key financial control testing and we have also been requested to audit the IT governance arrangements with ongoing projects relating to the Fire & Rescue Control Centre. We have also completed 27 Academy visits to date in accordance with their agreements.
5. A number of alterations have been made to the 2014/15 Audit Plan, since September 2014, in agreement with directors and in response to changing priorities:
 - People Management – focus now on the application of the Sickness Management Policy across the Council
 - Mouchel Contract – management request to review the charging for SAP licencing
 - Director request to cancel 2 audits within Adult Services: Workforce Development and the Reablement Service
 - Following on from our review of Coroners, management have now requested an audit of the Coroner's Officers

6. Since the last Progress Report we have worked with all service areas to update directorate assurance maps, revisit and validate critical activities, support managers to reassess their assurance levels and identify emerging risks. The outcomes from this assurance work have been fed into the annual Combined Assurance Status Reports for each directorate area. We have coordinated the manager and director commentaries to provide the Committee with a comprehensive Council-wide insight into existing assurances and current / emerging risks.
7. We have recently been notified that Lincolnshire County Council and the 7 Districts have been successful in a joint bid for counter fraud funding from the DCLG. Please see "Other Matters of Interest" for more detail.

Internal Audit work completed in the period September to December 2014

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

Effective	Some Improvement Required	Major Improvement Required	Inadequate
<ul style="list-style-type: none"> ■ Carbon Reduction Commitment ■ Key Control Testing ■ Contract Management – Traffic Signals 	<ul style="list-style-type: none"> ■ Contract Management – Home to School Transport 	<ul style="list-style-type: none"> ■ Substance Misuse ■ Contract Management – Provision of Wheeled Loading Shovels 	<ul style="list-style-type: none"> ■

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.

9. Since our last progress report we are reporting 2 audits with an opinion of 'Major Improvement Required' – more detail can be found at Appendix 2. The audit of contract management within Environment and Economy has resulted in a three way assurance split. 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.
10. Progress with the implementation of agreed management action can be found at Appendix 3.

11. Below is a summary of the areas where we gave the audit opinion of 'Some Improvement Required' or 'Effective':

Carbon Reduction Commitment – *Some Improvement Needed*

Our review confirmed that the 2013/14 data return has been prepared by a skilled officer in line with up to date Environment Agency guidance. We verified that:

- a sample of properties taken from the LCC full property database could be traced to either the CRC return or the exclusions list and were correctly allocated
- our account representatives from finance purchased the correct number of allowances within the set time window
- the allowances were subsequently surrendered within the September time frame

Our sample testing of the return identified an issue with data potentially affecting approximately 100 properties where direct comparisons had been used in the absence of actual consumption data. The TEAM energy module had not updated the data once actuals had been received. This resulted in some significant variance for some properties; although overall, once corrected, the difference was minor.

We also identified a property which had an incorrect benchmark calculation due to the wrong floor space being used to calculate the data.

Both these issues were corrected prior to finalising the return ensuring an accurate data submission.

Contract Management – Environment and Economy

We selected three specific contracts within Highways, Environmental Services and Transportation Divisions: Home to School and College Transport, the Traffic Signals Contract and provision of 5 wheeled loading shovels at Waste Transfer Stations. Each area within this audit received a different assurance opinion – the Wheeled Loading Shovels contract required 'Major Improvement' and is reported at Appendix 2.

Home to School Transport – *Some Improvement Needed*

At the time of the review there were 1750 contracts with a combined value of over £26m, transporting over 23,000 children to and from 10,000 stops annually.

The arrangements are considered to be robust, providing ongoing assurance to management that the terms of the service are being met, any risks are monitored and value for money is being achieved.

Each contract was found to be subject to regular review, contract variations were appropriately approved and ongoing contract management arrangements fully documented. Quality checks and management oversight was also considered appropriate.

The monitoring arrangements for this contract would benefit from a more structured approach to the inspection process and oversight of the risk assessments for pick up and drop off points.

Traffic Signals Contract – *Effective*

This area has an annual value of approximately £1.5m, is contracted to Imtech (formerly Peek) and is managed alongside the Highways Alliance Contract which commenced in April 2010. The Traffic Signals Manager is responsible for managing the contract including the annual processing of over 450 works orders, Fault Management reporting and Contract Performance with the assistance of a team of 9 staff.

Our findings show that contract management arrangements are effective in this area, providing ongoing assurance to management that the terms of the service are being met, any risks are monitored and value for money is being achieved.

We found evidence that contracts were regular reviewed, contract variations appropriately approved and ongoing contract management arrangements fully documented. We also found suitable quality checks / management oversight.

Audits in Progress

12. The following audits are currently in progress:

Audits at draft report stage:

- Non-Attendance at School
- Information Governance
- Lincs Community Assistance Scheme
- Corporate Landlord
- Health Protection
- Contract Management – Mental Health and Learning Disabilities
- Budget Management

Fieldwork in progress

- Key control testing
- Joint Policy Working/Joint Local Plan (partial completion, highlight report issued)
- Families Working Together Q3 claim completed
- Safeguarding
- Transformation Programme

- Sexual Health Services
- ICT audits
- Ethnic Minority and Traveller Education
- Children's Adolescent Mental Health Services
- Organisational Learning
- Capital Contracts
- Mouchel Delivery – SAP Support & Maintenance Charges
- People Management – Application of the Sickness Management Policy

Other Work

13. Agresso Project

Update report covered as a separate item (report to be tabled).

14. Internal Audit Review – Libraries Project

Our outcome report is to be considered by the Committee under a separate Agenda Item.

15. Schools and Academies

We have completed audit reviews on the financial control environment for 19 schools in total, 10 of those being since the last progress report.

We undertake internal audit work for 10 Academies, which covers 15 schools. To date in 2014/15 we have visited each Academy/school 2 to 3 times in accordance with the agreements we have with those Academies making 27 visits in total.

16. Fire & Rescue Control Centre

Lincolnshire Fire and Rescue has entered into a partnership agreement with Humberside Fire and Fire and Rescue, Hertfordshire Fire and Rescue and Norfolk Fire and Rescue to create a shared, integrated and resilient virtualised mobilising control centre infrastructure. The arrangement is known as the East Coast and Hertfordshire Control Room Consortium (EHCRC).

As part of mobilisation but unrelated to EHCRC, Lincolnshire Fire and Rescue has replaced officers' Blackberry mobile phones with Android based Samsung Galaxy mobile phones.

We have been requested to review the IT Governance arrangements around these projects and how they relate to the Council's own IT Governance Framework. Our review will also cover:

- compliance with the Council's IT security arrangements
- the acquisition of IT assets

The fieldwork is ongoing and the outcome will be reported in our next Progress update.

Performance Information

17. 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%	56.5%
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 have reviewed the audit plan 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

18. Counter Fraud Funding Bid Success – £200k

Bid – Lincolnshire Fraud Partnership

This bid recognised DCLG's desire for Local Authorities to working jointly in the fight against fraud. We are pleased to report that we were one of 59 successful applicants securing £200k for Lincolnshire to be spent in 2014/15 with the remainder in 2015/16 (one third / two thirds respectively). With this funding we will create a Lincolnshire Fraud Partnership comprising counter fraud specialists and subject area experts from Lincolnshire County Council and seven district councils with the aim of:

- delivering joint fraud proactive exercises across Lincolnshire
- developing and delivering an effective co-ordinated fraud awareness programme
- sharing intelligence, investigative resource, expertise and best practice

The first planning meeting takes place on 16 January to work up Terms of Reference, resourcing and work plans – the group will be accountable to the Chief Finance Officers.

Appendix 1 - Assurance Definitions¹

<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>

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.

Appendix 2 – Audits where assurance is assessed as ‘Inadequate’ or ‘Major Improvement Needed’

Substance Misuse

Introduction and Scope

Alcohol and drug misuse is the cause of many health and social problems and can devastate families and communities. It is a significant driver of crime and anti-social behaviour in our county and the cost to the local economy is significant.

The Substance Misuse service was part of a range of Public Health services transferred over to Lincolnshire County Council in April 2013. We have undertaken an Internal Audit review of the Service, to give you independent assurance about the effectiveness of key controls and the exposure to risk any control weaknesses may cause.

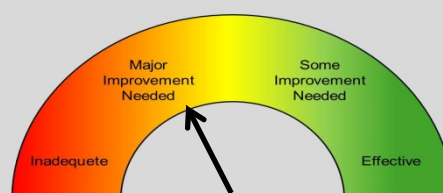
The overall objective of this audit was to provide management with assurance in the following areas:

- There are effective Governance arrangements in place to manage the contracts with service providers and meet the strategic aims of the service.
- Progress and performance are monitored and reported on.
- The results of the Payment by Results pilot are reported and considered by the service and management boards.
- Risks and Issues are monitored and managed through the service and governance structure.

Executive Summary

Assurance Opinion

Major Improvement Needed



We found that the governance structure needs to be refreshed to bring the Drugs and Alcohol Action Team (DAAT) delivery group into line with the new strategy and delivery plan. This is our key finding from the review as this group is tasked with managing the delivery of the strategy and under current arrangements the group is not set up to deliver the year one delivery plan.

The strategy and delivery plan have recently been approved and as such plans and actions are still being developed to support the delivery and management of targets and objectives. Although work and development is clearly on going there was a lack of documentation and plans to provide effective assurance on the timeliness of delivery.

Management performance reports should be introduced to ensure that management and partners receive summary reports on how the Substance Misuse service is performing. Current performance reports are limited in their coverage and do not provide an overview of how the service is performing.

Direction of Travel



Improving

We have reported a number of high and medium priority findings but around the areas of governance (our highest priority finding) and performance there was already management recognition of a need to realign boards and reporting to the new strategy.

Our work confirmed and supported the services thoughts on improved governance structures to deliver the strategy and more robust performance reporting. Therefore the direction of travel is improving, provided the required changes are implemented.

There is a new 2014 -19 strategy for the Substance Misuse service and a delivery plan of milestones to support strategic themes. We reviewed the strategy, delivery plan and governance structure in place and found the following key issues:

- the current governance group, Drugs and Alcohol Action Team – Joint Commissioning Group (DAAT JGC) is not set up to deliver the new strategy
- the group and structure of the meetings needs to be realigned to reflect the three strategic themes and nine objectives
- Terms of Reference (TOR) for the group should be redrafted
- we could not evidence completed plans to manage delivery of the year one (2014) delivery plan and 50 milestones
- assurance on delivery of the strategy could be improved by the service having documented plans and links from high level strategic outcomes to individual milestones and work plans

We found limited performance reporting to the DAAT JCG group and internally within the service. Reports do not provide a clear snapshot of overall progress.

Management should review what targets and outcomes are in place or required and how these can be reported on to provide a statement on performance across providers, contract management and the payment by results scheme.

The payment by results (PbR) was a pilot scheme run by the County in 2013/14. The aim of the scheme is to allow the Council some flexibility in rewarding good performance and penalising poor performance, through withholding or payment of contract monies.

We could not evidence any performance reporting on the scheme or that any targets or outcomes had been set. It was not clear what improvements the

scheme had made. The PbR scheme requires resource and budget to monitor and manage above that of normal block contract monitoring. The service should be reporting on what this scheme has achieved to justify the continued use of it.

Management should be introducing some targets and outcomes by which performance of the scheme could be reported.

The Substance Misuse service does not keep an up to date risk register to record risks and issues. The service faces future challenges such as the Senior Management Restructure, Fundamental Budget Review, recruitment and retention risks as well as on going service delivery risks.

The creation and updating of a risk register is a useful management tool for recording and monitoring service challenges and for engaging with staff through regular review at team meetings and through the governance structure.

We also found points of good practice which included:

- the DAAT JCG has recognised the need to change the way the group works to be aligned to the new strategy – although discussed with partners it was still at an early stage
- work has started on developing the year one delivery plan to include responsible officers, partners and timescales
- work has started on recording progress on the year one delivery plan to provide an up to date report on delivery to the boards

Management Response

The audit is largely an accurate reflection of the governance of the DAAT partnership’s commissioning of treatment services. It is important when looking at performance management within a system that is piloting payment by results (pbr) to understand the interplay between the pbr outcome measures and payments and the overall performance targets for the service in question.

An assertion in the report around a lack of target setting for pbr misunderstands this and is therefore not accurate from management’s view point. The understanding of the transitive nature of this work programme at the point it was audited is welcome, and this is accurately reflected in the direction of travel.

Management Actions	No	All to be completed by:
High Priority	1	31/12/14
Medium Priority	6	31/12/14

Contract Management – Environment and Economy

Opinion – Major Improvement Needed (Environmental Services)

Introduction and Scope

The aim of the audit was to provide assurance on Environment and Economy's arrangements for managing contracts. Our review of this directorate area focused on the following areas:

- Contract management approach
- Use of professionals
- Contract monitoring (performance/service delivery)
- Risk management
- Procurement

We selected three specific contracts within Highways, Environmental Services and Transportation Divisions: Home to School and College Transport, the Traffic Signals Contract and provision of 5 wheeled loading shovels at Waste Transfer Stations.

Each area within this audit received a different assurance opinion – this opinion relates on the contract for the provision of wheeled loading shovels at Waste Transfer Stations. This has a total contract value of over £800k over a 5 year period for the lease of vehicles for the 5 Lincolnshire Waste Transfer Stations. The contract commenced on the 1st July 2013 and is managed by the Group Manager (Environmental Services).

Executive Summary

We are unable to provide assurance that the Council's procurement rules have been followed for the leasing of 5 wheeled loading shovels for the Waste Transfer units.

We also found that the number of contracted hours per vehicle appears to have been overestimated – consequently 3 of the 5 vehicles are currently underutilised (by 58% of their contracted hours). Environmental Services have not sought to renegotiate the contract, although are looking to minimize the impact by moving the vehicles between Waste Transfer Stations.

The procurement of the loaders was initiated by Environmental Services; however, consultation with Highways resulted in the OJEU tender process being put on hold pending the outcome of a review around suitability of an existing corporate contract.

Procurement Lincolnshire advised that a benchmarking exercise should be carried out to determine if the existing corporate contract was the most appropriate route to source these vehicles. Advice was that if the existing contract (with May

Gurney) was not favourable, it would not be binding and the Council was entitled to put the requirement out to tender.

The subsequent benchmarking exercise identified only one alternative (cheaper) quotation and the contract was subsequently awarded to that supplier.

Whilst an exception was approved by the Executive Director – Communities, this was not fully in accordance with the Council’s Contract and Procurement Rules. Without following both Council and EU Procurement Rules, the Council is unable to demonstrate best value and compliance with regulations.

The contracted usage hours for all 5 vehicles was based on the usage hours of a previous vehicle at the Louth Waste Transfer Station – 3 vehicles are predicted to reach just 42% of their contracted usage hours at the end of their first year. No renegotiation of the contract has been explored, however, vehicle movement between Waste Transfer Stations is planned in future to address some current imbalances in usage.

Management Response

Sean Kent (Group Manager – Environmental Services)

The Waste Transfer Stations were designed to take the residual waste for bulking and onward transportation to the Energy from Waste facility. The Waste Transfer Stations have been successfully operated with the District Councils and with the Energy from Waste facility contractor. With the introduction of a countywide Mixed Dry Recyclables contract from April 2015, the Waste Transfer Stations and front loading shovels will be further utilised to increase the efficiency of the currently high performing Waste Transfer Stations. As the Waste Transfer Stations are fit for purpose for residual waste and additionally with the future Mixed Dry Recyclables, the risk of legal challenge is extremely low.

Paul Rusted (Infrastructure Commissioner)

The Exception Report for the wheeled loader procurement route demonstrated the value to the Council and was signed by an Executive Director. The risk to the Council is therefore low.

Source Lincolnshire is the outward facing register of available contracts with the Council. Firefly is an internal management tool and therefore the risk of any challenge arising from an inaccurate register entry is low.

Management Actions	No	All to be completed by:
High Priority	1	End of October 2014
Medium Priority	2	1 x End of October 2014 1 x Ongoing

Appendix 3 - Outstanding recommendations as at 31st December 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	52	30	19	8	1
Debtors	April 2014	Limited	11	4	2	4	1
MIMS System	June 2014	No	6	1	4	1	0

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			Delayed – to commence Feb 2015
Capital Contracts	Review of award and management of contracts		Oct 2104	Jan 2014		Ongoing
Fire and Rescue						
Trading Company	Assurance over the governance, risk and control environment arrangements set up for the Company.		Dec 2104			Delayed – to commence January 2015
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 Evidence Pack.		July 2014	July 2014	October 2014	Final Report – Effective

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
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		Partial completion, highlight report issued
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			Cancelled – Joint Waste Management Strategy will not be in place until Q3 2015/16
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			Delayed – audit being scoped
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			Client Brief needs to be agreed by the Board – postponed twice to date. Next meeting February 2015
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 Service. LCC are lead		August 2014	Sept 2014		Fieldwork in progress

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	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		Draft Report
Performance Assurance						
CfBT contract	Audit of the financial arrangements covering the four funding streams – open book accounting approach		November 2014			Delayed
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			Director requested cancellation
Safeguarding – Organisational Learning	Assurance over organisational learning following the outcome of serious case reviews. Co-ordinating the audit engagement		August 2014	October 2014		Fieldwork in progress

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	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	January 2014		Scope changed at request of director – audit will now cover application of the Sickness Management Policy
Sub Total		150				
Schools	Periodic audits of maintained schools.	150	April 2014	April 2014		19 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. The audit will also review and		July 2014	July 2014		Fieldwork completed

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	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			Client Brief needs to be agreed by the Board – postponed twice to date. Next meeting February 2015
Information Governance	A review to assess the controls in place for preventing Data Security Breaches.		July 2014	July 2014		Draft Report
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			Director has requested cancellation
Contract Management	Assurance around the contract governance, monitoring and reporting procedures.		October 2014	Nov 2014		Mental Health & Learning Disabilities Draft Report
Sub Total		100				

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
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			Client Brief needs to be agreed by the Board – postponed twice to date. Next meeting February 2015
Sexual Health Services	Review of the Governance and decision making arrangements for commissioning mandated Sexual Health Services.		December 2014	December 2014		Fieldwork in progress
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		Draft Report
Lincolnshire Community Assistance Scheme	To provide assurance around the application, payment, monitoring and reporting procedures and controls for this new scheme.		June 2014			Draft Report
Substance Misuse	Review of the Governance and decision making arrangements for commissioning services.		May 2014	May 2014	September 2014	Final Report – Major Improvement Needed

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			Delayed
Contract Management	<p>To provide assurance around the transfer of Public Health/ NHS contracts to the Authority.</p> <p>Assurance around the contract governance, monitoring and reporting procedures.</p>		Jan 2015			
Review of Coroner's Officers	<p>To provide assurance in the following areas:</p> <ul style="list-style-type: none"> • the structure is fit for purpose • demand and case management • IT use • agile working • leadership, governance and cultural • local working practice 		Feb 2015			New – Management Request
Sub Total		100				

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
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	150	May 2014	May 2014		Ongoing throughout 2014/15
Mouchel Contract	Assurance over handover arrangements and delivery to the end of the contract.		Sept 2014	December 2014		Scope re. SAP licences – fieldwork ongoing
Pensions Fund / Administration	Provide assurances over the arrangements to transfer responsibilities to new provider (9 month process from June 2014)		Oct 2014			Agreed with Pensions Manager to defer to Feb & March 2015
Budget Management	On cyclical plan for 2014/15 – although high confidence in this area – analytical review plus deeper dive into service area budgets		July 2014	September 2014		Draft Report
Procurement Lincolnshire						
Contract Management	Review the effectiveness of contract management model enterprise wide.		Through 2014/15			Ongoing

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
EU procurement changes	Review of the procurement regulations to ensure that the necessary changes have been implemented.	15	Nov 2014			Revised start date – Feb 2015
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 – currently reviewing 3 rd party assurance (peer review)
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	Dec 2014		Draft Report
Emergency Planning and Business Continuity	Review the Council's arrangements and resilience to respond and recover to a major event / incident.	15	TBA			

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
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 being delivered by contractors TIAA – fieldwork in progress
IT Application	Social Care Case Management System		Sept 2014			Fieldwork in progress
Sub Total		130				
Key Projects						
Executive Director – Pete Moore						
New Finance System	Support and advise the Implementation Group on the key workstreams re. transfer to the Finance System		April 2014	April 2014		In progress – periodic reporting to S151 Officer and project Board
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	Dec 2014		Draft Report
		205				

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
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	Jan 2015	Review of organisational learning re Libraries Judicial Review – Final Report
Director of Children Services – Debbie Barnes						
New HR System	Support and advise the Implementation Group on key HR workstreams		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.	35	Quarterly claim			Quarters 1 and 2 complete
Raising the Participation Age (project) / Tracking the Status of 16 – 18 year olds in education, employment or training (critical activity)	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. 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		November 2014			Fieldwork in progress

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	not in education or training, including data sharing arrangements with Educational Institutions.	20				
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. To provide proactive advice and support on governance, managing key risks and effective internal control.	30	July 2014	July 2014		On-going work throughout the year
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 –					

Area	Indicative Scope	Planned Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	<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	Sept 2014	January 2015	Combined Assurance work complete – all status reports produced
Sub Total		50				
Non-Audit						
Advice & Liaison		44				
Annual Report		1				
Audit Committee		20				
Sub Total		65				
Grand Total 2014/15		1500				