Internal Audit Progress Report

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Contents

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Introduction

1. The purpose of this report is to:

   ▪ Advise of progress being made with the Audit Plan 2013/14

   ▪ Provide details of the audit work during the period

   ▪ Provide details of the current position with agreed management actions in respect of previously issued reports

   ▪ Raise any other matters that may be relevant to the Audit Committee role

Key Messages

2. We have made good progress against the internal audit plan, despite experiencing some staffing issues, and have so far completed 32.4% of the planned work for the year. Further information on our performance targets can be found in paragraph 13.

3. We have completed 5 County Council audits since our last progress report, one which has resulted in limited assurance. A further 19 County Council audits are in progress, 8 of which have had the draft report issued and are awaiting the final report to be concluded. Other significant work in this period is detailed at point 11 below and includes non-planned work from within the Council and our partners.

4. Since the beginning of April we have had an auditor off sick. Originally we expected this to be short term, but we now expect it to be at least for the remainder of the financial year. We also have a vacancy following the resignation of one of our Principal Auditors – we have recruited a new Principal Auditor who starts in January 2014. Although we have arrangements in place to cover some of this shortfall we will lose 230 audit days in total and later in the report we propose audits to be reduced or cancelled as a result.

5. We also undertook more substantive testing in completing the 2012/13 audit of Adult Services Case Management, Referrals and Contact Management, this too has impacted on the completion of the plan this year.

Internal Audit work completed from 30 June 2013 to 30 September 2013

6. The following audit work has been completed and a final report issued – quarter two is inevitably our least productive quarter due to annual leave commitments and the need to schedule school audits around term time. Our due diligence and key financial systems work naturally picks up pace in the latter half of the year which ensures our testing covers sufficient current year transactions.

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Full Assurance	Substantial Assurance	Limited Assurance	No Assurance
▪ Capital Programme	▪ Mobile Computing ▪ Youth Offending – Under 18s Single Remand Order ▪ Quarter – 1 key control testing	▪ Pensions Administration	

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

7. We are reporting 1 limited assurance audit in this quarter – details of which can be found in Appendix 2.

8. Progress with the implementation of agreed management action on recommendations for audits resulting in 'No' or 'Limited' assurance is followed up and reported in Appendix 3. There is a separate report being presented to the Committee on outstanding high recommendations where an assurance opinion of 'No' or 'Limited' was given.

9. In the audits given Full and Substantial Assurance, we confirmed that the Council has sound processes in place:

Youth Offending – Under 18s Single Remand Order

Our audit work found that Youth Offending Service have been proactive in working with Children's Services and other key providers to develop processes, practices and relationships to meet the requirements of the LASPO act on the remands of children and their subsequent 'Looked After Child' status.

We identified that work has been done to provide alternatives to secure remand through remand foster care placements; however there are currently only two foster carer homes established and these are not always available due to other foster care commitments. Our report made recommendations on further development of cross team working for intervention and preventative services and embedding the remand/looked after procedure further within the Customer Service Centre and Emergency Duty Team.

Mobile Computing

We found that the Council has a comprehensive set of procedures and guidance to cover mobile and remote working. However, it was noted that there are elements of non-compliance within the Council, and when officers leave the Council there is no comprehensive and accurate asset register to ensure that all IT assets are returned. Our recommendation seek to strengthen this area.

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Capital Programme

We found a robust control framework through the content of the Financial Regulations, the Financial Procedures and the capital spending strategy (contained within the Budget Book) which collectively set out in detail the rules and standards, management arrangements, financial constraints, and operating arrangements.

Roles and responsibilities were clearly evident including delegated responsibility in directorates for both financial management and project responsibility. We were satisfied that this worked as documented and results in a capital programme that is established in accordance with the control framework.

The monitoring and review arrangements both within the service directorates and corporately were also strong and clearly evident. We evidenced progress reporting within directorates and a process for capturing, collating and reporting this information corporately. This resulted in the production of timely management information, especially in terms of outturn, both for executive and directorate management, and also where any corrective or modifying actions were necessary within directorates. We consider that the capital programme is effectively scrutinised and monitored at appropriate levels.

The process for identifying funds for the capital programme for the year has a documented timescale which all parties were clearly aware of, and worked towards. This is driven by the setting of the overall budget for the year. There was a clear commitment to ensuring this was achieved.

We reviewed the process for identifying capital funds and are satisfied that this results in a programme that is specific and quantified in terms of the Council's financial obligations. The process takes account of any ongoing capital commitments and identifies any revenue implications.

Audits in Progress

10. The following audits are currently in progress:

Fieldwork in progress:
- Public Health Assurance Map
- Update of Children's Services, Communities, Resources and Performance & Governance Assurance Maps
- Adult Services Case Management ICT System – On-going
- Adult Services Proactive Support – On-going
- Children's Services - Access Databases
- Castle Revealed Project
- Child Poverty Strategy
- Creditors
- Quarter 2 – key control testing

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Fieldwork complete, draft report being produced:

- Debtors
- Income

Final Report being concluded:

- Adult Services Customer Finance Team/Direct Payments
- ICT Disaster Recovery
- Adult Services Case Management, Referrals and Contact Management
- Customer Service Centre
- Trading Standards
- Projects and Programme Service
- Supported Childcare Allocations
- Property Realisation Plan (audit b/f from 2012/13)
- Performance Management Service

Other Significant Work

11. Other work undertaken during the period includes:

Academy Audits

We have signed up 8 Academies to take our audit services and have visited many of them during the second quarter. We have found that we have had to give additional support and guidance to many of the Academies we have visited as they have taken on financial responsibilities that previously they did not have.

We have also signed off the annual pension returns of a number of academies.

Other Non-planned Work

Library Services

We have recently moderated the Council's assessment process for filtering the Expressions of Interest which have been submitted by community and voluntary organisations wishing to deliver library services in Lincolnshire. This ensured the assessment panel had appropriate assurances around their assessments and were able to take appropriate actions to reach a satisfactory conclusion to their work.

Adult Care

Audit took the lead on an Independent Management Review in Adult Care, as part of a serious case review. This involved analysis of events, information systems and case files, interviews with staff and the production of a detailed chronology, an outcome report and comprehensive action plan. The review culminated in the presentation of the report to senior managers. A follow up audit of the nine areas of improvement detailed in the action plan is planned for February 2014.

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Police and Crime Panel

We have been supporting the Police and Crime Panel's task group in their review of the Police and Crime Commissioner's decision regarding the suspension of the Chief Constable. We have analysed the events, summarised key documentation and produced a comprehensive chronology which has helped frame the areas for discussion and analysis for the task group.

Lincolnshire Police

In August we were commissioned by Lincolnshire Police to carry out an audit on a discrete area of their business. The outcome of our work was well received and has helped the Force agree appropriate improvement actions.

Audit Plan Proposed Changes

12. We have estimated that we will lose 230 audit days during the course of the year primarily through long term sickness and a staff vacancy and as a result we propose that the following changes be made to the Audit Plan:

Cancel the following audits

Spalding Western Relief Road – this audit would have focussed on the governance arrangements for this project. We have found that the governance arrangements are as for the Grantham Relief Road which was audited earlier in the year and given substantial assurance.

Legal changes to Schools – this audit was to focus on academy conversion work. Management have recently changed the management assurance level from Amber to Green as they have introduced better processes and the number of conversions has fallen.

Amend the following audits:

ICT – reduce from 85 days to 40 days. Our work plan includes the development of the assurance map for ICT which will culminate in a Combined Status Report which will show what assurances the Council has on its critical IT systems – highlighting where there may be potential 'unknowns & gaps'. The Committee has also been presented with management assurances on Internal Audit Reports during the past year. This together with the outcome of the combined assurance work will, in our view, provide sufficient assurance for 2013/14.

Schools – reduce from 275 to 225 days.

Public Health – reduce from 110 days to 20 days. We have not been able to complete the Public Health assurance map as early as we had hoped. Until the map is complete we cannot identify the areas to be audited. We are currently working with senior management to progress this and we plan to present their

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Combined Status Report on the assurance arrangements in Public Health at the March 2014 Committee.

Performance Information

13. Our current performance against targets is shown below:

Performance Indicator	Target	Actual 30/09/13
Percentage of plan completed	100%	32.4%
Percentage of recommendations agreed.	100%	100%
Percentage of recommendations implemented.	100% or escalated	Annual Report
Timescales	Draft report issued within 10 working days of completing audit.	80%
	Final report issued within 5 working days of closure meeting / receipt of management responses.	80%
	Period taken to complete audit – by exception	
Client Feedback on Audit (average)	Good to excellent	Good to excellent

Other Matters of Interest

14 CIPFA are updating their practical guidance on the function and operation of audit committees in local authorities and police bodies. We expect this guidance shortly and will brief the Committee on any changes etc. We suggest we use the self-assessment session planned in the New Year to do this.

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Appendix 1 - Assurance Definitions[1]

Full Assurance	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. The risk of the activity not achieving its objectives or outcomes is low. As a guide there are a few low risk / priority actions arising from the review.
Substantial Assurance	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. 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. As a guide there are low to medium risk / priority actions arising from the review.
Limited Assurance	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. 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. As a guide there are medium and a few high risk / priority actions arising from the review. Our work did not identify system failures that could result in any of the following: - damage to the Council's reputation - material financial loss - adverse impact on members of the public - failure to comply with legal requirements
No Assurance	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. Our work identified system failures that could result in any of the following: - damage to the Council's reputation - material financial loss - adverse impact on members of the public - failure to comply with legal requirements 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. As a guide there are a large number of medium and high risks / priority actions arising from the review.

[1] 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.

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

Limited Assurance

The limited opinion is based on the fact that, at the time of our audit, the Mouchel Pensions Administration team had significant backlogs and had also provided misleading performance information to the Council. Our findings show that reporting against the agreed CIPFA benchmarks and industry standards did not accurately reflect actual practice. Administrative tasks can sit in a holding area (suspense account) for two days or more prior to assignment – we found that these days are not properly accounted for in the performance calculations. This impacts upon the accuracy of performance data and reduces the confidence on routine reporting to the Council.

We note that Mouchel had informed the council of backlogs in two areas and in consultation with LCC, agreed to clear these by the end of the year. However Mouchel only disclosed their most significant backlog (5 months) relating to starter interface tasks at the start of this audit. Although the backlogs were significant, they did not occur in areas covered by the existing CIPFA performance targets. However, the size of the backlogs was an indicator of capacity or efficiency problems – these are exceptions we would expect to be continually reported to the Council, to assess the level of work outstanding.

Future backlogs or inaccurate performance data could impact on the Council's reputation as it is ultimately accountable for the management of the scheme.

Testing of the Pensions Administration transactions confirmed that the collection and recording of contributions to the pension scheme are complete and accurately maintained.

Direction of Travel	⬆ Increasing
	Although confidence in the efficiency and effectiveness of the Pensions Administration function was reduced due to the backlogs, there is now closer management scrutiny of workloads. There is still some uncertainty over the reliability of performance information but Mouchel now routinely report against a wider set of targets.

We found that three Pension Administration areas had a significant backlog of tasks. These tasks were not covered by the CIPFA benchmarking targets but they were indicators of a capacity or efficiency problem – the backlog relating to starter interface tasks were not reported to the Council until the start of this audit. It was explained during the audit that additional resources were being obtained to address the backlog of the outstanding items. Mouchel expected these tasks to be cleared by the end of March 2013.

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- Starter interface tasks (LSTA) – requiring new starters to the scheme to be issued with a starter pack. 979 outstanding cases were identified at the beginning of November 2012 reducing to 422 outstanding cases in January 2013. Starter packs are now dealt with by HR as part of the auto-enrolment scheme.

- Concurrent (CONC) tasks – 221 cases were outstanding when we reviewed in November, which increased to 247 cases in January. These tasks relate to those members transferring previous local government service – failure to complete these tasks would only impact if the member retired, died or was made redundant.

- Guaranteed Minimum Pension notifications from HMRC (GMP) – 165 cases identified initially in November 2012 had risen to 236 tasks by the end of the audit fieldwork in this area (Feb 2013).

We also found that scanned documents/cases which are not immediately assigned to a particular task are placed in a holding area (Lgpost). These items are usually allocated to a measureable task within 2 days – although our testing results show that this 2 day target is not always adhered to. This 'holding time' (2 days or more) was not fully accounted for in the performance calculations, which in turn distorts the performance information submitted to the Council.

We also found that reporting on local performance indicators had not started as agreed from October 2012, due to delays within the Pensions Administration team in extracting and producing the data in the required format. Although still being developed, this had improved by April 2013, with regular reporting of LPI's in place.

An upgraded software system (Altair) has been introduced since the last audit and our review of this system and associated processes has confirmed that the controls (access, security and process) are appropriate and consistently applied.

There were elements of good practice noted during the audit, in particular:

- Contributions to the LGPS fund were correctly calculated and reconciled - employer rates had been correctly applied in relation to each contributor organisation.

- Proactive work has been undertaken by the Pensions Admin section to ensure that all contributors to the LGPS fund are informed of their auto-enrolment obligations.

- Changes in hours are updated onto the Altair system via an SAP interface. This is used as a data validation process to ensure that any changes made on the payroll system are accurately reflected on the Altair pension system.

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Management Response

LCC

We wish to see open and transparent reporting of performance and hope that the recommendations set out in the report will be adopted and implemented by Mouchel as soon as possible.

Mouchel

Mouchel are committed to providing services of the highest standard and have indeed worked extremely hard to improve the service to the extent that current measurements show that Mouchel are delivering a service that continually exceeds agreed targets. All of these targets have been suggested and implemented by Mouchel voluntarily in order to improve the service or have been agreed in order to show how the Pensions Unit and indeed the Lincolnshire CC Pension Fund performs against other LG Funds. They are all in addition to, and better than, performance targets embedded within the contractual agreement between Lincolnshire CC and Mouchel.

The internal audit report suggests that Mouchel has been misleading the Council by withholding information regarding backlogs of work. Mouchel accepts that it made an error by not reporting the backlog of member welcome packs not issued but all other areas of concern or backlogs were reported to the partnership meeting. However, as improved performance targets were introduced the measurement of those targets was refined to ensure that reporting was robust and appropriate. Final measurements have now been finalised which are formally reported to the monthly partnership meeting.

Team Co-ordinators continually review administrative tasks to ensure that resources are allocated correctly. The 'Task Management system' is a tool that they use to ensure that they can properly allocate resources to achieve the completion of the entire unit's workload, not just those areas subject to CIPFA benchmarking or performance analysis.

Local Performance Indicators (LPIs) have been designed for transparency and improved work management. They are above and beyond CIPFA benchmarking levels and have resulted in clear management information being available. Outstanding work could not properly be identified previously but is now far more visible due to the improvements in reporting that have been introduced by Mouchel.

These new measures have been incorporated into the section's Task system and now offer a transparent monthly reporting mechanism readily available to LCC outside of partnership meetings. Any delay in reporting the Unit's LPI performance (expected live date October 2012) was caused by our desire to ensure that reporting was appropriate and useful. The Pensions Unit at Mouchel is committed to continuous improvement and it does this by continually re-examining the processes it utilises.

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Appendix 3 - Outstanding recommendations as at 30th September 2013 for audits with 'No' or Limited' assurance

Audit Area	Date	Assurance	Number of Recs	Implem'd	Overdue			Not Due Date
					H	M	L	
Performance & Governance								
ICT Service Management	July 2012	Limited	8	5	1	2		
ICT Data Management	Sept 2012	Limited	6	5		1		
Councillor Big Society Fund	Sept 2012	Limited	6	5	1			
Children's Services								
Child Protection Plans	May 2013	Limited	8	5	1	2		

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Appendix 4 – Internal Audit Plan & Schedule 2013/14

Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Public Health						
Critical Service Areas						We are currently working on establishing the Assurance Map for Public Health and are proposing to undertake no audits in Public Health During this year. The Assurance Map will identify the audits to be undertaken in 2014/15.
Critical service allocation	Audit of critical services to be determined after the assurance map has been produced	35				
Due Diligence						
Due Dilligence allocation	To review the level of compliance with the Council's key financial procedures across service areas within the Directorate	10				
Key Projects						
Key Project allocation	To audit a key project during the year.	10				
Key Risks						
Strategic and Emerging risks	To audit risks within the strategic risk register any significant emerging risks arising in the year.	30				
Other relevant Areas						
Combined Assurance	Co-ordinating and updating assurances on the Council's assurance map with service managers. Co-ordinating the combined Assurance Annual Status Report.	15		Oct 2013		
Non-Audit						
Advice & Liaison		10				
Total for Public Health		**110**				

Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Adult Services						
Critical Service Areas						
Customer Finance & Direct Payments Team	Review of the newly formed team for carrying out financial assessments of clients and making direct payments to clients.	**100**	June 2013	June 2013		Draft Report - indicative limited Assurance
Brokerage	Review of end to end process of the Brokerage team for the purchase and monitoring of packages of care.		Sept 2013			Delayed due to staff vacancy
Organisational learning and follow up	Review progress made to implement recommendations from the 2012 Internal Management Review / audit reviews.		Jan 2014			
Quality Assurance	Review the effectiveness of the service-quality assurance regime – developed to ensure that ASC operates to best practice standards / policy and procedures.		Jan 2014			
Performance Management	Review of data quality, trend analysis and reporting arrangements, and the actions being taken to address issues.		Oct 2013			To be rescheduled due to staff vacancy
Reablement Service	Review to gain assurance that the performance of the service continues to improve and that outcomes for service users are achieved.		Nov 2013			
Key Projects						
Transformation Programme	Review of the programme/project management arrangements for this key ASC programme, considering the design and application of the governance structure.	**45**	Sept 2013			To be rescheduled due to staff vacancy

Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Proactive Support	To provide proactive advice and support on governance, managing key risks and effective internal control.		April 2013	April 2013		On-going
ICT						
Case Management System	To provide proactive advice and support to this project, ensuring that key risks and controls are being considered.	**15**	April 2013	April 2013		On-going
Key Risks						
Strategic and Emerging risks	To audit risks within the strategic risk register any significant emerging risks arising in the year.	**35**				
Other relevant Areas						
Combined Assurance	Co-ordinating and updating assurances on the Council's assurance map with service managers. Co-ordinating the combined Assurance Annual Status Report.	**10**	July 2013	July 2103		Assurance Map updated in July 2013 – Status Report July 2013 Audit Committee
Non-Audit						
Advice & Liaison		**10**				
Total for Adult Services		**215**				
Children's Services						
Critical Service Areas						
Birth to Five						
Supported Childcare Allocations	To provide assurance that in allocating supported childcare, families are properly assessed and meet the eligibility criteria.	**75**	July 2013	July 2013		Draft Report

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Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Commissioning						
Child Poverty Strategy	To ensure the authority's Child Poverty Strategy is supported by a robust action plan which will ensure national targets for eliminating child poverty are achieved.		June 2013	June 2013		Audit as initially scoped was completed, however revised scope agreed with Children's Services requiring additional work
Performance Assurance Services						
Lincolnshire Safeguarding Children's Board	To review the arrangements Performance Assurance are developing to strengthen the assurance received from the LSCB.					Children's Services have requested removal from the plan and replaced by audit of the '16 to 19' service
Property & Technology Management Services						
Legal Changes to Schools	To provide assurance that statutory procedures are complied with when changes are made to schools' status – such as change in provision, expansion, closure etc.		Dec 2013			Propose to cancel this audit, please see report
Police Notification of Domestic Violence	To provide assurance on arrangements to assess and record police referrals.		Dec 2013			
Key Projects						
Families Working Together	To review the FWT project to provide assurance that effective mechanisms are in place to: • Identify 'troubled' families	10	Sept 2013	Sept 2013		Scoping

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Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	• Assess family needs • Assess, evidence & record achievement of specified results • Claim available funding					
ICT						
Integrated Children's System ICS	Review of system management, user and administrative access, input and output controls, user training and guidance.	**15**	Dec 2013			On-going
Access Databases	Review of system maintenance, user and administrative access, input and output controls, user guidance.	**15**	June 2013	June 2013		Audit in progress
Key Risks						
Strategic and Emerging risks	To audit risks within the strategic risk register any significant emerging risks arising in the year.	**15**				
Other relevant Areas						
Combined Assurance	Co-ordinating and updating assurances on the Council's assurance map with service managers. Co-ordinating the combined Assurance Annual Status Report.	**285**	Oct 2013	Oct 2013		Review commenced
Schools	Periodic audits of maintained schools.		April 2013	April 2013		22 schools completed to date. Propose to reduce days by 50
Non-Audit						
Advice & Liaison		**10**				
Total for Children's Services		**425**				

Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Communities						
Critical Service Areas						
Environment, Planning & Customer Services						
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.	*70*	July 2013	July 2013		Undertaken in 2 parts, first part completed
Flood Management	Review of the development and delivery of the Flood Risk Management Strategy.		Nov 2013			
Customer Service Centre	To review the arrangements for responding to customer queries, delivering advice and information on council services and forwarding service requests.		Dec 2013			
Highways & Transport						
Civil parking enforcement	Review of the arrangements for the management and monitoring of the contract for the provision of parking enforcement services.		Oct 2013	Sept 2013		Client brief issued
Adult Services Transport	Review of the impact of personal budgets to give assurance that they have been adequately managed and arrangements put in place.		Jan 2013			
Key Projects						
Spalding Western Relief Road	To provide assurance that appropriate arrangements are in place for the governance, management and monitoring	*20*	Jan 2014			Propose to cancel this audit, please see report

Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	of the design stage to ensure planning permission is achieved.					
Castle Revealed	To provide assurance that appropriate arrangements have been put in place to manage the project works and finances and they are being properly applied.		May 2013	May 2103		Audit in progress
Key Risks						
Strategic and Emerging risks	To audit risks within the strategic risk register any significant emerging risks arising in the year.	**15**				Audit areas to be identified at half year review
Other relevant Areas						
Combined Assurance	Co-ordinating and updating assurances on the Council's assurance map with service managers. Co-ordinating the combined Assurance Annual Status Report.	**10**	Oct 2103	Oct 2013		On-going
Non-Audit						
Advice & Liaison		**10**				
Total for Communities		**125**				
Resource & Community Safety						
Critical Service Areas						
Fire & Rescue						
Fleet Provision	To review the provision and maintenance of the fleet, including the safeguards in place to prevent reoccurrence of the	**70**	Jan 2014			

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Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	AssetCo risk.					
Safer Communities						
YOS – under 18s single remand order	To review the Authority's response to the Legal Aid and Punishment of Offenders Act 2012 – scope to cover: process, finance and links to Children's Services – Looked After Children		June 2013	June 2013	August 2013	Completed – Substantial Assurance
Trading Standards	Assessment of resourcing, task prioritisation and impact on timescales.		May 2013	May 2013		Draft report
Procurement Lincolnshire						
Category Management	Review the effectiveness of category management model and development of supply market intelligence to delivery client needs and sustainable outcomes.		August 2013	Sept 2013		Audit in progress
Business Support						
Direct Payments	Review of process, compliance and support arrangements in light of change of responsibilities – system is significant to the support in ASC and has had past limited assurance from Audit.		May 2013	May 2013		Draft Report
Due Diligence						
Resources						
Creditors	To ensure that the financial control environment in these systems are robust and operating effectively.

The reviews will assess whether income and expenditure budgets are regularly | **260** | Aug 2013 | Oct 2013 | | On-going |
Debtors			Sept 2013	Sept 2013		Draft report
Procurement Card			Nov 2013			
Pensions Administration			Dec 2013			
Budget Management			Jan 2014			
Pensions Fund			Feb 2014			

Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
Income	monitored, appropriately controlled and reported.		Sept 2013	Sept 2013		Draft report
Key financial systems – transaction testing	Throughout the year test key controls and transactions feeding into the Council's accounts in liaison with External Audit		April 2013 July 2013 Oct 2013	May 2013 July 2013 Oct 2013		Full Assurance Substantial On-going
Financial and Contract Regulations – establishment visits	To review the level of compliance with the Council's key financial procedures across selected service areas		Jan 2014			
Risk Management	To provide assurance on the risk management strategy, structure and operations within the organisation.		Mar 2014			
Contract Management	Council-wide probity / compliance work – covering service delivery & contract payments – "business as usual"		Nov 2014			
ICT Applications						
SAP		**15**				
Key Projects						
FDSS		**10**				
Emerging Risks						
Emerging risk contingency	To audit any strategic risks and significant emerging risks arising in the year.	**20**				
Other relevant Areas						
Combined Assurance	Co-ordinating and updating assurances on the Council's assurance map with service managers. Co-ordinating the	**10**	Oct 2013	Oct 2013		On-going

Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	combined Assurance Annual Status Report.					
Non-Audit						
Advice & Liaison		**10**				
Total for Resources & Community Safety		**395**				
Performance & Governance						
Critical Service Areas						
People Strategy	Review the effectiveness of the People Strategy launched in 2012 and the five workstreams underpinning delivery of the Council's people management arrangements	**20**	Sept 2013	Nov 2013		Deferred due to on-going FDSS work / availability of staff
Due Diligence Activities						
Corporate Governance	To review the effectiveness of the Council's governance arrangements, including compliance with new standards regime	**20**	Nov 2013			
Gifts, Hospitality and Register of Interests	To assess the level of compliance with the Council policy for managing gifts and hospitality and controlling potential conflicts of interest.		Dec 2013			
ICT						

Area	Indicative Scope	Days	Planned Start Date	Actual Start Date	Final Report Issued	Status/Assurance Level Given
	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.	85				Propose to reduce the number of days on ICT, please see report
Key Projects						
Broadband in Lincolnshire	To provide assurance on delivery and compliance with the grant conditions.	10	Feb 2014			
Strategic / Emerging Risks						
Strategic risk	To seek assurance on the key controls linked to strategic risks which sit within the directorate, e.g. Becoming a Commissioning Council	15				
Emerging risk contingency	To audit any significant emerging risks arising in the year.					
Other relevant Areas						
Combined Assurance	Co-ordinating and updating assurances on the Council's assurance map with service managers. Co-ordinating the combined Assurance Annual Status Report.	10	Oct 2013	Oct 2013		On-going
Non-Audit						
Advice & Liaison		10				
Total for Performance & Governance		170				
Grand Total		**1440**				