

MAIN FINANCIAL SYSTEMS				
These are the main financial systems that support the running of the council. These audit reviews are carried out to provide independent assurance to the Assistant Director (Resources and Performance) / Section 151 Officer that arrangements are operating effectively, and in line with the Financial Procedure Rules and Treasury Management Strategy as appropriate. These audits are carried out annually and the coverage of each audit is decided on a risk basis. <i>Rough approximation of expected staff resource allocation: 30%</i>				
Audit area	Reason for audit	Priority	Audit Opinion Area	Link to Strategic Risk Register
Creditors	To provide assurance that payments made are valid, authorised, accurate and timely, in respect of goods and services received by the council and that they have been properly accounted for in the council's accounts. VAT controls to be included within the review.	1	Financial Control	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Debtors	To provide assurance that invoices are complete, accurate and timely, VAT is accurately calculated, that all invoices are paid and accounted for in the council's accounts, and for those not paid timely action is taken to recover them; with uneconomic and irrecoverable amounts written off in line with the council's write-off policy.	1	Financial Control	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Treasury Management	Annual audit required to satisfy requirement for internal audit to sign off the Annual Statement of Compliance with the Treasury Management Code of Practice as reported to committee. Provides assurance that accurate, complete and timely information is produced to allow for effective monitoring and decision making in line with the investment strategy; that transactions are complete, accurate, valid and timely and made with institutions in line with the Treasury Management Strategy; and that treasury management activities are monitored and scrutinised in accordance with the CIPFA Code of Practice. Review to also cover compliance re local authority investments, capital strategy, and flexible use of capital receipts.	1	Financial Control	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Car Parks Cash Handling	Audit required due to significant sums involved and risks associated with cash handling. Provides assurance that effective controls are in place over car parking cash collection, retention and banking systems due to the materiality of cash involved. Review to include excess charge notice processes and credit card payments.	1	Financial Control	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Council Tax & Overpayments	Audit required as agreed with other ARP partners. West Suffolk currently undertakes the audits of Council Tax & Overpayments and Housing & Council Tax Benefits on behalf of all the ARP partners for which a fee is charged. The audits of National Non-Domestic Rates and ARP Enforcement are currently undertaken by other partners. Provides assurance that legislation is adhered to, exemptions and reliefs are correctly administered, refunds are appropriate, debt	1	Internal Control	WS1A – Poor Financial Management WS1B – Poor Financial Planning

	recovery is taking place, and to review the reconciliation of the council tax system to the general ledgers.			
Housing & Council Tax Benefits	To provide assurance that legislation is adhered to, and control accounts are regularly reviewed.	1	Internal Control	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Payroll	To provide assurance that key controls exist for payroll processing including adequate documentation for starters (including European Economic Area (EEA) checks) and leavers, controls over amendments to individual payroll records, verifications to ensure that statutory deductions are correctly calculated and promptly paid to the Inland Revenue, reconciliations between the payroll system and the general ledger are correctly and promptly undertaken, and any changes to pay and rewards have been correctly implemented. Audit to also include reimbursement of staff expenses, and data migration in respect of single council.	1	Financial Control	WS1A – Poor Financial Management WS1B – Poor Financial Planning
General Ledger	To provide assurance that financial transactions are correctly recorded including ensuring their completeness and integrity, with the aim of providing the data from which the council's annual Statements of Accounts can be prepared.	1	Financial Control	WS1A – Poor Financial Management WS1B – Poor Financial Planning

ADDED VALUE WORK

Areas identified by management and internal audit that would benefit from audit input in the form of providing support and advice to management including reviewing relevant arrangements on behalf of management and/or assisting in making improvements. Care will be taken to ensure these activities do not impinge upon internal audit independence.

These pieces of work will generally be one-off activities (unlike the annual financial systems reviews) and will not always result in a formal report being issued or an opinion provided. However, these pieces of work will contribute to a balanced audit plan which enables the Service Manager (Internal Audit) to give his statutory annual audit opinion on the adequacy and effectiveness of the council's framework of risk management, control and governance processes.

Work included in this category is likely to include areas such as reviewing arrangements for contract management, providing corporate support for the project management framework, and feeding into project working groups where audit skills will add value.

Rough approximation of expected staff resource allocation: 20%

CORPORATE AND BUSINESS AREA AUDITS				
Reviews of systems, processes or tasks where the internal controls are identified, tested, and evaluated. These are therefore more traditional pieces of audit work in contrast to the 'Added Value Work' referred to earlier.				
Again, unlike the annual financial systems reviews these pieces of work will generally be one-off activities but they will normally result in a formal report being issued and an opinion provided.				
The work in this category is driven by a shared understanding between management and internal audit of relevant risks.				
Work included in this category is likely to include, but not necessarily be restricted to, the following pieces of work. An ongoing assessment of potential work areas will ensure that audit resource will be used in those areas which will benefit most from audit input.				
<i>Rough approximation of expected staff resource allocation: 30%</i>				
Subject	Outline Scope	Priority	Audit Opinion Area	Link to Strategic Risk Register
Estates Commercial Rents	Review to cover recording of assets, vacant/void properties, rental income, budget monitoring and monitoring of performance.	1	Financial Control	WS1A - Poor financial management WS1B Poor financial planning WS18 - Poor Performance
Property – Health and Safety	Review to provide assurance that health and safety inspections and risk assessments in respect of the council's property estate are carried out in line with legal and regulatory standards. Documentation of inspections is retained to demonstrate the performance of inspections to the required standard; and inspections are performed by appropriately experienced and qualified individuals.	1	Internal Control	WS2 – Maintain and promote our public image, maintain effective communications WS18 - Poor Performance WS20 - Implementation of the Corporate Health and Safety Policy
IT Audit	Including work arising from the IT audit risk assessment carried out by an expert external party to be incorporated into the audit plan based on relative risk.	1	Internal Control	WS23 - Cyber Security
Licensing	Review to provide assurance over processes in place for a sample of licence types, ensuring policies are consistently and effectively applied.	2	Internal Control	WS2 – Maintain and promote our public image, maintain effective communications
Information Governance	Working with the Officer Information Governance Working Group to ensure information security within the council offices and depots.	2	Internal Control	WS16 - Breach of data protection and information security
Heritage Assets	Review to assess the effectiveness of the safeguarding of, and accounting for, the council's heritage assets (Civic Regalia and the collections held at Moyses' Hall and West Stow) and in making them accessible to the public.	2	Internal Control	WS2 – Maintain and promote our public image, maintain effective communications
Members Allowances and Expenses	Review the payment of allowances and reimbursement of expenses to members including VAT, to ensure they are appropriate and correctly accounted for.	2	Internal Control	WS1A - Poor financial management WS2 - Maintain and promote our public image, maintain effective communications
Access to ICT Systems	Review to ensure that the council has effective and controlled 'system administration' of its network and business critical/sensitive applications.	2	Internal Control	WS16 - Breach of data protection and information security WS23 - Cyber Security
Declarations of Interests – Staff	Review the adequacy of the policies, procedures and key controls surrounding declarations of interests for staff, specifically that declarations have been completed and are up to date and current.	2	Internal Control	WS2 - Maintain and promote our public image, maintain effective communications
Declarations of Interests – Members	Review the adequacy of the policies, procedures and key controls surrounding declarations of interests for members, specifically that declarations have been completed and are up to date and current;	2	Internal Control	WS2 - Maintain and promote our public image, maintain effective communications

	and that any potential conflicts of interest identified are traced to minutes of meetings to test whether or not these had been declared.			
Gifts and Hospitality - Staff and Members	The purpose of this audit is to provide assurance that the integrity of staff and members is not compromised by the offering and/or acceptance of gifts and hospitality; to enable individuals to work without fear of allegations of corruption and protect the reputation of the authority.	2	Internal Control	WS2 - Maintain and promote our public image, maintain effective communications
Disclosure & Barring Service (DBS) - Recruitment Checks	Review policy to ensure that appropriate roles for West Suffolk employees are subject to relevant DBS checks and that 3 rd party/ contracts/SLAs have DBS clauses where required.	2	Internal Control	WS2 – Maintain and promote our public image, maintain effective communications WS21 - Safeguarding children and vulnerable adults
Cemeteries	Review to assess the integrity and operation of systems, specifically that burial records are accurate; information on systems is consistent with the manual ledger records; plots are accurately engraved and reflect ledger and epilogue records.	3	Internal Control	WS2 – Maintain and promote our public image, maintain effective communications
Payroll – Elections	Review to provide assurance on the adequacy and effectiveness of arrangements, specifically, starters, leavers, deductions and variations to pay, security of payroll data and reconciliations.	3	Internal Control	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Brandon Country Park	Establishment review to cover income and banking, procurement, budgetary control, record retention and security arrangements.	3	Internal Control	WS1A - Poor financial management WS1B – Poor Financial Planning WS2 – Maintain and promote our public image, maintain effective communications
Apex	Review the framework for events & bookings e.g. health & safety and event risks	3	Internal Control	WS2 – Maintain and promote our public image, maintain effective communications WS20 – Implementation of the Corporate Health & Safety Policy
Geographic Information System (GIS) and Gazetteer	Provide assurance on data updates and quality/currency of data.	3	Internal Control	WS18 - Poor Performance
Apprenticeship Levy	Review to provide assurance that the council is complying with the regulations and guidance relating to payment of the apprenticeship levy, and that this area is being used to its full potential.	3	Internal Control	WS1A - Poor financial management
Audit of Shadow Authority Accounts	Provide assurance on the preparation of the accounts.	3	Financial Control	WS1A Poor financial management WS1B Poor financial planning
Houses In Multiple Occupation	Review arrangements to ensure the council is exercising its statutory duties in relation to the licensing of houses in multiple occupation (HMO).	3	Internal Control	WS8 - Failure to deliver Housing Agenda WS2 – Maintain and promote our public image, maintain effective communications
Market Operations	Review to provide assurance that licenses are issued to traders; arrangements are in place for the collection, recording and banking of income; and debt recovery against individual trader accounts is timely and effective.	3	Internal Control	WS1A - Poor financial management WS2 - Maintain and promote our public image, maintain effective communications
Staff Car Parking Charges - Olding Road	Review to provide assurance that contributions are calculated and applied correctly.	3	Financial Control	WS1A - Poor financial management

Cash Handling Spot Checks	Cash handling spot checks at various sites, to include petty cash and VAT receipts.	3	Financial Control	WS1A Poor financial management WS1B Poor financial planning
Disabled Facilities Capital Grant	Review to confirm that money has been spent in accordance with the grant conditions. The host authority for the grant (in this case, Suffolk County Council) are required to certify to the Ministry for Housing, Communities and Local Government that to the best of their 'knowledge and belief, and having carried out appropriate investigations and checks,.....in all significant respects, the conditions attached to the Disabled Facilities Capital Grant Determination.....have been complied with'.	3	Financial Control	WS1A Poor financial management WS1B Poor financial planning

Follow Ups <i>Rough approximation of expected staff resource allocation: 5%</i>	Priority	Link to Strategic Risk Register
Whilst it is management's responsibility to manage the risks associated with the areas under their authority, internal audit will monitor progress against the implementation of all agreed audit recommendations deemed to be high / medium risk.	1	Depending on follow up work undertaken

FRAUD, IRREGULARITY AND PROBITY Proactive testing of systems and processes to identify potential fraud and misappropriation or noncompliance with policies and procedures; and potentially reactive investigations into potential wrong doing, fraud and corruption. <i>Rough approximation of expected staff resource allocation: 5%</i>			
Subject	Outline Scope	Priority	Link to Strategic Risk Register
Irregularity Investigations	Reactive work where suspected irregularity has been detected.	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Data matching	Co-ordinating review of National Fraud Initiative matches, and developing of other data matching reports.	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Proactive Fraud and Corruption Work	Proactive anti-fraud work that includes targeted testing of processes with inherent risk of fraud. For example, carrying out cash handling spot checks at council sites, to review controls in place over cash collection, retention and banking systems.	2	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Fraud Awareness and Publicity	Continuing to raise awareness of fraud issues and how to report suspicions.	2	WS1A – Poor Financial Management WS1B – Poor Financial Planning

OTHER AUDIT ACTIVITY TO SUPPORT THE AUDIT OPINION Includes providing advice on systems and processes and attendance at working groups to advise on risk and control, as well as responses to specific enquiries. <i>Rough approximation of expected staff resource allocation: 5%</i>
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Subject	Outline Scope	Link to Strategic Risk Register
Annual Governance Statement Working Group	Production of the West Suffolk Annual Governance Statement and its associated documents.	All risks
Information Governance Working Group	Audit support and advice on information governance policies and practices.	WS16 – Breach of data protection and information security
Strategic Risk Management Group	Contribute to review of strategic risks prior to submission to Leadership Team and Performance and Audit Scrutiny Committee.	All risks
Audit of Barley Homes Accounts	Provide assurance on the preparation of the accounts	WS1A Poor financial management WS1B Poor financial planning
General Advice and Assistance	Provision of advice and assistance on the risk, governance and internal control environment.	All risks
Financial Vetting and Financial Due Diligence for investment decisions	Carry out financial vetting / financial due diligence checks on businesses (prospective suppliers, contractors, industrial unit tenants and partners) to minimise financial risks to the council.	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Internal Audit External Working Groups	Attendance / participation in the Suffolk Working Audit Partnership (consisting of the Suffolk local authority internal audit teams) and other relevant groups to share learning and good practice.	All risks
Liaison with External Audit	To ensure there is no duplication of work between internal and external audit, and exchange knowledge as appropriate.	WS1A – Poor Financial Management WS1B – Poor Financial Planning

FEE EARNING

Fee earning services to other local authorities who request our assistance. Approximately £11,500 is expected to be earned in 2019/20.

Rough approximation of expected staff resource allocation: 5%

Subject	Outline Scope	Link to Strategic Risk Register
Audit of council tax and housing benefits systems on behalf of other ARP partners	See 'Main Financial Systems' above	WS1A – Poor Financial Management WS1B – Poor Financial Planning
Certification of grants on behalf of other organisations	Grant certification work for Suffolk County Council to provide assurance that the conditions of the specific grant determinations have been complied with.	WS1A – Poor Financial Management WS1B – Poor Financial Planning

OTHER WORK

Rough approximation of expected staff resource allocation: less than 1%

Subject	Outline Scope	Link to Strategic Risk Register
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West Stow Anglo Saxon Village Trust Accounts	Independent Examiners' report on the accounts to provide assurance on the charity trustees' preparation of the accounts.	WS1A – Poor Financial Management WS1B – Poor Financial Planning
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Priority Key

1	High
2	Medium
3	Low

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