

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) / S151 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.				
Audit area	Outline Scope	Priority	Audit Opinion Area	Link to Relevant Risks in 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.	1	Financial Control	Poor financial management 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	Poor financial management Poor financial planning
Treasury Management	Annual audit required to satisfy the 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.	1	Financial Control	Poor financial management 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.	1	Financial Control	Poor financial management Poor financial planning
Anglia Revenues Partnership (ARP) audits: ➤ Council Tax ➤ Housing Benefit Overpayments Recovery	Audits required as agreed with other ARP partners. West Suffolk currently undertakes the audits of Council Tax, Housing Benefits Overpayment Recovery, and Housing 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 over the administration of the revenues and benefits systems.	1	Internal Control	Poor financial management Poor financial planning

➤ Housing Benefits				
Payroll	To provide assurance that key controls exist for payroll processing including adequate documentation for starters 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.	1	Financial Control	Poor financial management 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	Poor financial management 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 will be discussed and agreed with management during the year.

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 above. 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.

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.

Audit area	Outline Scope	Priority	Audit Opinion Area	Link to Relevant Risks in Strategic Risk Register
Impact of Covid-19 on Internal Controls	A risk assessment will be undertaken to understand the impact on controls as a result of challenges faced in responding to the Covid-19 pandemic. This risk assessment is likely to result in the performance of a number of separate pieces of audit work to be agreed with management.	1	Potentially all opinion areas	Covid-19 risk
Asset Management	To provide assurance over the arrangements in place for the operational management of the council's land and buildings and the maintenance / improvement thereof.	1	Internal Control	Poor performance
IT Audit	IT Audit work arising from the IT audit risk assessment carried out by an expert external party. Detailed discussions will be held with the ICT team to agree the scope of this work.	1	Internal Control	Cyber security

Contract Extensions	Review a sample of contracts to determine whether the terms of the contracts have been complied with and value for money obtained when contracts are extended.	2	Internal Control	Poor financial management
Fleet Management	Review to provide assurance regarding driver licensing; operator licensing; fleet maintenance and motor insurance.	2	Internal Control	Poor performance
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	Governance	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; and that any potential conflicts of interest identified are traced to minutes of meetings to test whether or not these have been declared.	2	Governance	Maintain and promote our public image, maintain effective communications
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 council.	2	Governance	Maintain and promote our public image, maintain effective communications
Safeguarding	Light touch audit of safeguarding within the council.	2	Governance	Safeguarding children and vulnerable adults

Follow Ups	Priority	Link to Relevant Risks in 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	Potentially all risks

FRAUD, IRREGULARITY AND PROBITY			
Proactive testing of systems and processes to identify potential fraud and misappropriation or non-compliance with policies and procedures; and potentially reactive investigations into potential wrongdoing, fraud and corruption.			
Subject	Outline Scope	Priority	Link to Relevant Risks in Strategic Risk Register
Irregularity Investigations	Reactive work where suspected irregularity has been detected.	1	Poor financial management Poor financial planning
Data Matching	Co-ordinating review of National Fraud Initiative matches, and developing of other data matching reports.	1	Poor financial management Poor financial planning
Proactive Fraud and Corruption Work	Proactive anti-fraud work that includes targeted testing of processes with inherent risk of fraud.	1	Poor financial management Poor financial planning

Fraud Awareness and Publicity	Continuing to raise awareness of fraud issues and how to report suspicions.	2	Poor financial management Poor financial planning
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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.

Subject	Outline Scope	Link to Relevant Risks in 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.	Breach of data protection and information security
Strategic Risk Management Group	Feed in to review of strategic risks prior to submission to Performance and Audit Scrutiny Committee.	All risks
General Advice and Assistance	Provision of advice and assistance on the risk, governance and internal control environment.	All risks
Financial Due Diligence in respect of investment decisions and potential suppliers / contractors	Financial due diligence checks on businesses (prospective suppliers, contractors, industrial unit tenants and partners) to minimise financial risks to the council.	Poor financial management Poor financial planning
Internal Audit External Working Groups	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.	All risks

FEE EARNING

Fee earning services to other local authorities who request our assistance. Approximately £11k is expected to be earned in 2020/21

Subject	Outline Scope
Audit of council tax and housing benefits systems on behalf of other ARP partners	See 'Main Financial Systems' above
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.

OTHER WORK	
Subject	Outline Scope
Corporate support provided in response to Covid-19	Assistance as required to contribute to maintaining key council services in support of council strategic priorities and responsibilities
West Stow Anglo Saxon Village Trust Annual Accounts	Independent Examiner's report on the 2019-20 accounts to provide assurance on the charity trustees' preparation of the accounts.
Disabled Facilities Capital Grant (DFG)	To provide assurance to Suffolk County Council that the conditions of the grant allocated to, and spent by West Suffolk Council, have been complied with. The grant is for the provision of adaptations to disabled people's homes to help them to live independently in their own homes for longer.

Priority Key

1	High
2	Medium
3	Low