

**To the Chair and Members of the AUDIT COMMITTEE**

**INTERNAL AUDIT PLAN – 2015/16**

**EXECUTIVE SUMMARY**

1. Internal Audit in Doncaster complies with the UK Public Sector Internal Audit Standards (the Standards). A key principle for the service is to assist management through proactive advice and involvement in new developments, systems or any irregularities they experience. This is a modern and much more supportive role than a traditional based style of audit, and we adopt this approach to provide as much value to the organisation as possible, whilst recognising we are also required to fulfil our statutory responsibility for checking the Council's control systems. The approach fully reflects the wording and the spirit of the Standards.
2. In late 2014 Internal Audit successfully secured c£49,000 in grant from the DCLG to carry out counter fraud initiatives. This will be used to undertake data analytical work to test for fraudulent or erroneous financial transactions, to raise awareness of fraud risks across the Council and establish fraud risk registers.
3. The Internal Audit annual audit plan for 2015/16 is attached at **Appendix A** and is presented to the Audit Committee for comments. The Standards require Internal Audit's plans to be risk based and informed by the organisation's risk management, performance management and other assurance processes.
4. The 2014/15 audit plan was derived from the following sources:-
  - the Council's strategic and, where available, operational risk registers
  - financial information from key financial systems
  - other sources of assurance on which reliance can be placed
  - consultations with the Council's Directors and Assistant Directors
  - known upcoming significant changes to internal control environments or changes in key systems and key governance arrangements
  - known upcoming changes to the law or external environment
  - external requirements (including requirements to audit and sign off of grant claims for the government)
  - the development of best practice from regulatory or other bodies including those following external reviews/inspections of Council activities
  - consultation with by the Council's External Auditor
  - liaising with other Heads of Internal Audit in South and West Yorkshire
  - views on the risk of fraud and error
  - review of key plans, reports and press coverage
  - cumulative audit knowledge and experience.

The plan does not become fixed when it is approved. It remains flexible and will be revised to take into account significant emerging risks facing the Authority. This is in accordance with Standards and good practice.

5. There are five 'types' of work included in the plan:
  - Mandatory work – work required to enable the Section 151 Officer (for Doncaster this is the Director of Finance and Corporate Services) to fulfil his statutory responsibility to ensure the proper financial administration of the Council's affairs. This includes counter fraud work.
  - Must-do work – including the National Fraud Initiative, certification of grant claims and the Annual Governance Statement
  - An allowance for follow-up work in areas where significant weaknesses were identified during the last audit
  - An allocation for responsive work. This is work in response to requests from managers for advice and investigation work
  - Key Council priorities and risks.
  
6. The first 4 of these categories of work are prescribed either because of statutory requirements or other imperatives, outlined above. Limited scope is available to 'flex' the plan in these areas. The fifth type of work in support of the Council's key priorities and risks is shaped to reflect Members' and Directors' views of the areas in which Internal Audit is likely to be able to best add value, either by objectively reviewing arrangements in place or by helping to shape new arrangements or systems by offering advice on controls or procedures. The Audit Committee is asked to note the areas proposed for coverage under this risk based heading.
  
7. Internal Audit's establishment for DMBC's audit is 10.3 fte, which includes an additional post funded by the DCLG Counter Fraud Fund for 2015/16. Overall availability for the 2015/16 financial year is 1,775 days (1,705 in 2014/15). Through a careful approach to risk based planning and robust performance management of our resources, it is the opinion of the Head of Internal Audit that current level of resource is sufficient to provide an opinion at the end of the year to the Audit Committee and the Director of Finance and Corporate Services on the adequacy of the Council's control environment.
  
8. Main points to note within this plan are:
  - The inclusion of specific counter fraud initiatives agreed by the DCLG as part of a successful Counter Fraud Fund bid.
  - The introduction of the ERP system in 2013 continues to have an effect on the level of resources committed to the review of financial systems. The addition of further systems into the ERP system during 2015/16 has been included in the plan to enable us to provide up front proactive advice to support the process.
  - The plan includes an allocation of 80 days for follow up work (92 days in 2014/15). Targeted follow up is designed to maximise the benefit of the original audit work by ensuring actions have been implemented and appropriate outcomes achieved.
  - A contingency has been made to provide for emerging risks / requests for advice / assistance that arise throughout the year. Client feedback tells us that our ability to respond promptly to unforeseen issues of this nature is highly

valued. Changes to the control environment as a result of major systems changes, the Digital Council Programme and budget changes are likely to lead to further risks emerging throughout the financial year. 138 days have been set aside to cover emerging risks (135 days in 2014/15).

- The risk based element of the plan is directly linked to corporate and service risks and, in particular, how these risks are being managed. This is the area of the audit plan which we would anticipate amending during the year to reflect new and emerging risks that the authority finds itself exposed to.
- The DMBC audit plan now excludes work in areas transferred to the Children's Trust. Internal Audit has agreed a plan with the Trust covering the period October 2014 to March 2016.

### Summary of 2015/16 Audit Plan.

Detailed below is the proposed allocation of resources for 2015/16 at a summary level:

Strand	Activity	2015/16 Days	2015/16 %	2014/15 Days	2014/15 %
<b>Mandatory</b>	Corporate	61		83	
	Follow-up	80		92	
	Previous Year Completions	60		64	
	Core Systems	211		204	
	Financial Administration	141		141	
	Schools Financial Administration	88		87	
		<b>640</b>	<b>36%</b>	<b>671</b>	<b>39%</b>
<b>Must do work</b>	Governance	30		113	
	Grant and Performance Certification	75		51	
	IT Audit	72		102	
	Counter Fraud Project (CLG)	184		59	
	National Fraud Initiative	36		15	
		<b>397</b>	<b>22%</b>	<b>342</b>	<b>20%</b>
<b>Responsive work</b>	Advice and Short Term Consultancy	109		98	
	Fraud investigations	135		135	
		<b>244</b>	<b>14%</b>	<b>233</b>	<b>14%</b>
<b>Risk related work</b>	Financial Administration	50		47	
	Governance	30		30	
	Major Partnerships	38		46	
	Management of significant changes	66		62	
	Procurement and Contracts / Major Project Management	93		42	
	Schools Financial Administration / Information Security	69		67	
	VFM	10		15	
	Proactive Data Matching	-		15	
	Contingency	138		135	
		<b>494</b>	<b>28%</b>	<b>459</b>	<b>27%</b>
<b>Total Plan</b>		<b>1775</b>		<b>1705</b>	

\*NB – All figures are rounded where necessary.

9. Other main variances and reasons are as follows:

- Must Do – Governance work is reducing significantly from 113 days in 2014/15 to 30 days in 2015/16, which reflects our improved risk assessment of the Council's governance arrangements and the pro-active work done by the Council's Governance Group.
- There are 59 days in 2014/15 and 184 days in 2015/16 relating to the DCLG sponsored counter fraud work.
- Our allowance for work on procurement and contracts has increased from 42 days to 93 days, in view of the Council's increasing number and range of commissioning and contractual arrangements and this being inherently a higher risk area.

## **RECOMMENDATION**

10. The Audit Committee is asked to support the 2015/16 Internal Audit Plan.

## **OPTIONS CONSIDERED AND RECOMMENDED OPTION**

11. The audit plan shows the areas proposed for coverage in the year. Internal Audit is not aware of any significant risks not covered by the audit plan or by other sources designed to provide assurance about the mitigation of relevant risks.

## **IMPACT ON THE COUNCIL'S KEY OBJECTIVES**

12. Internal Audit contributes to the effective management of the Council's risks, which in turn contributes to the achievement of the Council's goals.

## **RISKS & ASSUMPTIONS**

13. The Council must provide an effective internal audit if it is to meet its statutory obligations.

14. Failure to direct internal audit resources to the most appropriate areas would limit the contribution the team can make to the Council. It would also limit the ability of the Head of Internal Audit to provide an opinion on the internal control environment or to deliver the most effective internal audit and joint audit arrangement with the External Auditor. These risks are managed through having an appropriate internal audit plan, supported by adequate internal audit resources.

## **CONSULTATION**

15. The Director of Finance and Corporate Services, the Chief Executive and other Directors were consulted on Internal Audit's proposals.

## **FINANCIAL IMPLICATIONS**

16. The revenue budget for the internal audit function carried out for DMBC is £498,000 including corporate recharges and is within the Finance and Corporate Services Directorate agreed budget.

## **LEGAL IMPLICATIONS**

17. The Council must provide an adequate and effective internal audit in order to comply with the requirements of the Accounts and Audit Regulations.

## **CONTACT OFFICER AND REPORT AUTHOR**

Colin Earl, Head of Internal Audit, Tel 01302 862939,  
Email: [colin.earl@doncaster.gov.uk](mailto:colin.earl@doncaster.gov.uk)

## **BACKGROUND PAPERS**

Accounts and Audit Regulations 2011  
UK Public Sector Internal Audit Standards  
Council Risk Register

**Colin Earl**  
**Head of Internal Audit**

**INTERNAL AUDIT  
AUDIT PLAN 2015/16**

## 1. Purpose

- 1.1 This document provides details of the Internal Audit annual plan for 2015/16 for Doncaster Council. The definition of Internal Audit is set out in the UK Public Sector Internal Audit Standards (the Standards), as:

*“Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”.*

- 1.2 Internal Audit is also a statutory requirement. The Accounts and Audit Regulations 2011 state:

*“A relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.”*

- 1.3 The overall opinion issued each year by Internal Audit on the adequacy and effectiveness of the control environment is used as a key source of assurance to support the Annual Governance Statement.

- 1.4 Internal Audit also has an important role in supporting the Director of Finance and Corporate Services to discharge his statutory responsibilities, which include:

- S151 Local Government Act 1972 – to ensure the proper administration of financial affairs.
- S114 Local Government Act 1988 – to ensure the Council’s expenditure is lawful.
- Accounts and Audit Regulations 2011 – to ensure the Council has an adequate and effective internal audit (see 1.2 above).

- 1.5 A further underlying objective of Internal Audit is to assist Doncaster Council in achieving its key priorities. Internal Audit contributes to these aims by helping to promote a suitably secure and robust internal control environment which allows a focus to be maintained on these key priorities.

- 1.6 The audit plan is important because it sets out the components of the control environment that need to be audited. In addition it provides a statement of intent and a performance target for Internal Audit and subsequent accountability to the Mayor, Audit Committee and Directors. Internal Audit adopts a risk based approach to identifying areas to be included in the plan and to the performance of its work.

## 2. Key Aims

The key aims of Internal Audit are to:

- Independently review, appraise and report on the adequacy of the systems of control throughout the Authority;
- Provide assurance to management that agreed policies are being implemented effectively;
- Provide assurance to management that internal controls mitigate risks to acceptable levels;
- Facilitate and encourage good practice in managing risks;
- Promoting an environment and culture which will help deter and identify fraud;
- Be a source of advice on risk and control issues;
- Recommend improvements in control, performance and productivity in achieving corporate objectives;
- Work in partnership with the Council's external auditor to provide an overall efficient audit input.

### 3. Basis of the Plan.

The plan has been prepared in line with the requirements of the Standards and associated guidance. It is focused on the Council's internal control system and will provide the evidence upon which the Head of Internal Audit can rely in preparing an annual opinion on the effectiveness of the system of control. The Standards require the audit plan to be risk based and informed by the organisation's risk management, performance management and other assurance processes. Risks have been assessed through review of the corporate risk register, other key plans and documents and discussions with Directors about the issues and emerging risks that they feel should be considered for inclusion in the plan

A detailed schedule of work included in the annual plan is included in **Appendix 1**.

There are 5 main strands to the plan:

Mandatory Work (fundamental systems, core controls and financial administration)



Other 'must do' work



Follow-up work



'Responsive' work



Risk related work



Each strand of the plan contributes, to a greater or lesser extent, to the Head of Internal Audit's annual opinion on the Council's control environment. Mandatory and must-do work is focused on meeting statutory requirements or other imperatives. Internal Audit must deliver this work efficiently in order to maximise the time available for responsive and risk based work, which is often highly regarded by the Council's managers as it helps to address a wide range of issues arising during the course of the year. To this end, Internal Audit is:

- Continuously seeking to improve the efficiency and focus of mandatory and must-do work
- Extending the scope of a number of mandatory audits to examine operational risks and opportunities to add value within individual assignments.

### **3.1 Mandatory Work**

Mandatory work helps the Director of Finance and Corporate Services to fulfil his statutory responsibilities to ensure the proper administration of the Council's financial affairs (Section 151, Local Government Act 1972). It also enables the Head of Internal Audit to form his opinion on the adequacy and effectiveness of the control environment. This work includes:

- Review of fundamental financial systems to ensure there are adequate controls in place to produce accurate and complete statutory annual accounts. This internal audit work is relied on by external audit when carrying out their audit of the Council's statement of accounts and, consequently, minimises external audit fees.
- Review of financial administration and arrangements for safeguarding the Council's cash, assets and financial interests. This includes work which is targeted towards areas with a risk of fraud or error. The selection of areas for review in any one year is made following a risk assessment identifying the areas of greatest risk.

In addition, the mandatory work includes audits of the Council's information security arrangements, risk management, schools and elements of the governance framework.

We adopt a risk based approach to identifying the specific work that needs to be carried out under this heading, taking into account:

- The Council's strategic and, where available, operational risk registers
- Financial information from key financial systems
- Other sources of assurance on which reliance can be placed
- Consultations with the Council's Directors and Assistant Directors
- Known upcoming significant changes to internal control environments or changes in key systems and key governance arrangements

- Known upcoming changes to the law or external environment
- External requirements (including requirements to audit and sign off of grant claims for the government)
- The development of best practice from regulatory or other bodies including those following external reviews/inspections of Council activities
- Consultation with by the Council's External Auditor
- Liaison with Heads of Internal Audit at other South and West Yorkshire authorities
- Views on the risk of fraud and error
- Review of key plans, reports and press coverage
- Cumulative audit knowledge and experience.

### **3.2 'Must Do' Work**

'Must do' work includes:

- Providing the internal audit service for St Leger Homes
- Providing the internal audit service for the Children's Trust
- Reviews of governance arrangements and ICT systems
- Specific anti-fraud and corruption work including investigating items identified through the Audit Commission's National Fraud Initiative, and review of the Council's risk management arrangements.
- Auditing specific grant claims.

### **3.3 Follow-up Work**

Targeted follow-up is designed to maximise the benefit of the original work, by ensuring agreed recommendations have been implemented and appropriate outcomes achieved. Such work reflects best Internal Audit practice. A specific provision has been made in the plan for follow up work.

### **3.4 Responsive Work**

An allowance is made within the plan to deal with requests for advice and unplanned audit work which arise throughout the year. The work usually follows requests from managers or directors for support and advice, items reported under the Council's Whistleblowing Policy and specific issues arising during the course of individual audits. Internal Audit's ability to respond promptly to issues of this nature is highly valued and can often highlight some of the more significant items of concern and areas for improvement.

On a quarterly basis, or as and when required, the active plan will be reviewed. Any significant changes in risks or priorities for the Council will be examined and may result in changes to audit plan, specifically in the risk based section of the plan. Audits that are deemed to be more important or higher risk will displace lower risk audits during this process, resulting in a flexed plan that keeps up to date with the Council's needs.

### 3.5 Risk Related Work

Internal Audit provides assurance to management, Members and other stakeholders that the Council's risks are being effectively identified and adequately mitigated

In order to do this, Internal Audit reviews the Council's risk registers to identify the key risks faced by the Council in delivering its objectives. We also aim to review any significant service level risks. However, before accepting the contents of risk registers we must satisfy ourselves that the system and associated processes for identifying and recording risks are reliable. We also review the application of key policies, management control systems and processes that are crucial in controlling risks.

Risks have also been assessed through discussions with Directors and their management teams about the issues and emerging risks that they feel should be considered for inclusion in the plan.

We take into account whether there is likely to be any external examination / assurance provided in relation to a particular risk or risks as part of external inspection e.g. OFSTED, Care Quality Commission, or internal activity such as scrutiny reviews. Internal Audit is mindful to avoid any possible duplication of effort in this regard.

The 'Risk Related Work' element of the plan will remain flexible and will be adapted during the course of the year to prioritise any new emerging issues or to address any changing risk associated with items included above.

Proposals for coverage under this part of the audit plan are shown below:

Group and Project	Rationale / Coverage
<b><u>Advice and Consultancy</u></b>	
Delegated Budgets (for Care Plans)	Adult social care clients are assessed by Social Workers who then produce a care plan. It is proposed that these Social Workers and their Managers will hold, and approve, the budgets for these care plans. Advice and support will be provided to ensure there is an appropriate governance / control framework in place.
Better Care Fund	Doncaster Council has jointly established with Doncaster NHS Clinical Commissioning Group, a Better Care Fund amounting to £24m for improving aspects of adult social care. Advice and support will be given regarding the governance of this fund, ensuring it meets best practices.
<b><u>Financial Administration</u></b>	
Public Health Grants Review	Review the use of the Public Health grant against revised conditions and criteria.
Safeguarding Personal Assets Team (Re-review)	Follow up review from the 2013 audit following implementation of the case management IT system (CASPAR) in January 2015 and the development of a management assurance and performance framework. The audit will ensure sound controls exist within the system and associated arrangements.

Group and Project	Rationale / Coverage
<b><u>Governance</u></b>	
Deprivation of Liberty Safeguard Systems Review	Review of arrangements to ensure that the Deprivation of Liberty requirements designed to preserve individuals' freedom and dignity are complied with.
Health Improvement Framework	Advice and support in the development of the Health Improvement Framework, ensuring adequate key governance arrangements are put in place.
CSE / CGI Reports (Assessing the implication of Rotherham Reports)	This review will concentrate on ensuring the Council assesses and implements any implications for the Rotherham CSE and CGI reports and strengthening any arrangements, as necessary, in the respective areas.
<b><u>Major Partnerships</u></b>	
Drainage Board Arrangements	Concerns were raised and reviewed during 2014 about the operation of local drainage boards as contributed to by Doncaster Council. This piece of work will follow up on the original review and arrangements in place re the governance and operation of other local drainage boards.
DCLT – Performance Trust Partnership Governance Review	This is a review of a significant partnership and will look at partnership governance arrangements for the Performance Trust under the DCLT, with particular focus given to financial governance and financial management.
<b><u>Management of Significant Changes</u></b>	
Digital Council Programme	<p>This corporate initiative seeks to develop Council services and improve customer interaction by digital means. The project aims to integrate information to provide a customer focused experience, enabling customers to access services online through high quality joined up services.</p> <p>Many of the services that are being reviewed and included within the programme have a financial aspect. The redesign of services or the interfacing of them through the Council's Relationship Management System has financial and data quality implications for the Council. This piece of work will be aim to provide upfront advice and consultancy on the system and organisation changes.</p>
ERP Phase 2	This is a small allowance to provide advice / input into plans to migrate other services into the ERP system.
Stronger Families Case Management System	The Troubled Families programme is a Government led initiative designed to target assistance (including early intervention), to families across the Country in order to tackle social issues, crime and anti-social behaviour with a view to reducing the impact of these families on the public purse. The Council has successfully completed phase 1 of the programme and has progressed to the 2 <sup>nd</sup> stage. In order to track progress, a new system is being developed within the Liquid Logic system. This piece of work provides for proactive advice and support in the development and implementation of this system.

Group and Project	Rationale / Coverage
Implementing the Care Act 2014	This project will focus on ensuring that the Council is effectively implementing the provisions of the Care Act 2014
<b><u>Procurement and Contracts</u></b>	
SITA and Domestic Waste Collection	The SITA Waste contract encompasses the collection of domestic and commercial waste on behalf of the Council. This project will look at the arrangements in place to monitor and enforce this contract. The project will also look at recent changes to the arrangements for the ordering and distribution of new bins and the quality of data used to monitor and enforce the contract on behalf of the Council.
Taxi Licensing and Use of Taxi Contracts	Taxi contracts and the monitoring of taxi licensing is an issue brought to light by issues in Rotherham. A review of taxi licensing procedures has already been undertaken. This project will seek to add further value by reviewing the use of taxi contracts and associated procedures for the transport of school children (School Transport).
Contract Monitoring Review (Adults Health and Wellbeing)	This audit will review how Adults, Health and Wellbeing ensure appropriate contracts are established and delivered to specification and that payments made reflect outcomes / services actually contracted / commissioned and delivered.
Contract Monitoring Review (Children and Young Peoples Service)	This audit will review how Children and Young People's Services ensure appropriate contracts are established and delivered to specification and that payments made reflects outcomes / services actually contracted / commissioned and delivered.
SCRIF Project Management	Doncaster Council is using funds from SCRIF (Sheffield City Region Investment Funds) to implement / progress key infrastructure projects within Doncaster. These are projects such as FARRS2, Urban Central and DN17. This project will look at the arrangements in place to project manage the delivery of these initiatives.
<b><u>Schools Financial Administration</u></b>	
School Themes – Funding and poor educational attainment	This audit will review those schools that have large budget underspends where educational attainment is poor, ensuring suitable arrangements are being made to address the underperformance issue
Schools Governance Agenda	This project has been setup to provide information, advice and support to the (School) Governors' Support Service to ensure audit and governance issues are dealt with consistently across all schools.
School Recruitment	This audit will examine recruitment practices at schools and ensure national guidance and principles are followed
School Themes – Pupil Premium	This audit will review the adequacy of systems and processes in schools to record the Pupil Premium funding and expenditure and subsequent analysis of the impact of that spending on 'closing the gap' as required by DfE.

Group and Project	Rationale / Coverage
<b><u>Value for Money</u></b>	
Pool Car Usage Analysis	This is a short piece of work looking at compliance with the pool car scheme. The scheme was implemented to reduce the cost of travel to the Council. This piece of work will target areas for which travel costs remain high and will explore any reasons / issues preventing the use of pool vehicles and any necessary changes to the pool car scheme as a result.

#### 4. The Counter Fraud Plan (the Counter Fraud Fund)

The Council was successful in 2014/15 in securing £49,000 from the Government. To fund local Counter-fraud and error work. The plan at Appendix 1 shows the work being done under the initiative.

#### 5. Audit Resources

In preparing the audit plan, the total number of 'available audit days' is calculated by making proper and adequate provision against the total working days available for known and estimated non-productive time, e.g. annual leave, sickness provision, training, management and administration, etc. (**See Appendix 2**).

Internal Audit's establishment has increased from 9.7 fte staff in 2014/15 to 10.3 fte in 2015/16. This is due largely to the temporary extra funding from the Counter Fraud Fund.

#### 6. Summary of 2015/16 Audit Plan.

Detailed on the next page is the proposed allocation of resources for 2015/16 at a summary level:

Strand	Activity	2015/16 Days	2015/16 %	2014/15 Days	2014/15 %
<b>Mandatory</b>	Corporate	61		83	
	Follow-up	80		92	
	Previous Year Completions	60		64	
	Core Systems	211		204	
	Financial Administration	141		141	
	Schools Financial Administration	88		87	
		<b>640</b>	<b>36%</b>	<b>671</b>	<b>39%</b>
<b>Must do work</b>	Governance	30		113	
	Grant and Performance Certification	75		51	
	IT Audit	72		102	
	Counter Fraud Project (CLG)	184		59	
	National Fraud Initiative	36		15	
		<b>397</b>	<b>22%</b>	<b>342</b>	<b>20%</b>
<b>Responsive work</b>	Advice and Short Term Consultancy	109		98	
	Fraud investigations	135		135	
		<b>244</b>	<b>14%</b>	<b>233</b>	<b>14%</b>
<b>Risk related work</b>	Financial Administration	50		47	
	Governance	30		30	
	Major Partnerships	38		46	
	Management of significant changes	66		62	
	Procurement and Contracts / Major Project Management	93		42	
	Schools Financial Administration / Information Security	69		67	
	VFM	10		15	
	Proactive Data Matching	-		15	
	Contingency	138		135	
		<b>494</b>	<b>28%</b>	<b>459</b>	<b>27%</b>
<b>Total Plan</b>		<b>1775</b>		<b>1705</b>	

\*NB – All figures are rounded where necessary.

More details of the 2015/16 Plan are provided in **Appendix 1**.

In the event of any significant change in the resources available during the year, the plan will be prioritised to ensure the principal risks are addressed. Where necessary, additional resources would be sought to ensure sufficient work can be completed to fulfil Internal Audit's objectives.

## 6. Emerging risks and revisions to the plan

There is increasing pressure on internal audit sections to manage within shorter timeframes and to have flexible plans and resources to adapt to emerging risks. Once the Internal Audit Plan is approved, it is subject to constant and on-going review throughout the year. This is to ensure that it reflects any new or changed

priorities that may arise during the course of the year. Time charged to 'responsive work' in previous years has included audit activity relating to emerging risks.

Progress against the plan is regularly monitored as part of Internal Audit's performance management arrangements and is reported quarterly to Audit Committee. Any amendments to the plan will be reported to the Audit Committee.

## **7. The benefits of Internal Audit.**

Internal Audit:

- Is a powerful aid to management and corporately helps the Council to achieve its objectives and priorities
- Ensures there is a strong control and governance framework operating within the Council
- Deters, detects and reduces fraud and the risk of fraud
- Helps minimise external audit fees.

Internal Audit also considers the external auditor's plan to co-ordinate our work and avoid any unnecessary duplication of effort.



## Detailed Audit Plan – Doncaster Council

## Appendix 1

Area and audits identified	Days
<b>Mandatory Work</b>	
<b>Core Systems</b>	
Core Financial Processes - Benefits	21
Core Financial Processes - Business Rates	15
Core Financial Processes - Cash Book	10
Core Financial Processes - Council Tax	15
Core Financial Processes - Debtors and Income Management	21
Core Financial Processes - Housing Rents	15
Core Financial Processes - Payroll Processing	10
Core Financial Processes - Procure to Pay	21
Core Financial Processes - Purchase Card Administration	15
Core Financial Processes - Treasury Management	8
Local Financial Transaction Processing - Cash Theme	15
Local Financial Transaction Processing - Purchase Card Payments	15
Local Transaction Processing - Creditor Payments	15
Local Transaction Processing - Debtors Theme	15
<b>Corporate</b>	
Annual Governance Statement Review	10
Annual Reporting	15
Audit Committee Reporting	26
External Auditor Liaison	10
<b>Follow Up</b>	
Doncaster Council Follow-ups	80

Area and audits identified	Days
<b>Financial Administration</b>	
Bereavement Services - Pet Cemetery	10
Best Bar None - Financial Administration Review	10
Children and Youth Centre Funding	10
Children's Centres Financial Administration	21
Direct Payments (Review of recent changes)	15
Interpretation and Translation Unit Financial Administration Review	10
Mexborough Library - Financial Administration Review	5
Rose House Financial Administration Review	10
School Meals Online Payments System	15
Stenson Court Residents Monies Administration Review	10
Use of Emergency / Off Contract Orders	10
Markets Re-Review	15
<b>Schools Financial Administration</b>	
School Audits (holding code)	41
Schools of Concern	21
Schools SFVS	26
<b>Previous Year Completions</b>	
Brought Forward Projects	60

## Detailed Audit Plan – Doncaster Council

## Appendix 1

Area and audits identified	Days
<b>Must Do Work</b>	
<b>Governance</b>	
Children's Trust Contract Monitoring	15
Governance Group Support	15
<b>Grant and Performance Certification</b>	
Bus Services Operators Fuel Grant	5
Bus Services Operators Fuel Grant (2nd Claim)	5
Carbon Trading Scheme	5
Highways Maintenance Funding Grant Ref: 2013/14: No 31/2163	5
Integrated Transport and Highway Maintenance Grant - Ref: No.31/1859	5
Local Sustainable Transport Fund (LSTF) – Grant Ref: No.3 31/2067	5
Pothole Fund : Grant Ref: 2014/15 No. 31/2391	5
Stronger Families Grant (January 2016 Claim)	8
Stronger Families Grant (July 15 Claim)	10
Stronger Families Grant (March / April 2016 Claim)	6
Stronger Families Grant (October 15 Claim)	10
Stronger Families Grant (Apr 15 Claim)	6
<b>ICT Audit</b>	
Data Protection Reviews	21
Data Quality Review - Home Care Salaries	15
ICT Themes - CCTV Monitoring	15
Data Quality Review - Capita One	21
<b>Proactive Fraud Investigation</b>	
NFI	36

Area and audits identified	Days
<b>Responsive Work</b>	
<b>Advice &amp; Consultancy</b>	
Advice - Adults Health and Wellbeing	21
Advice - Children's and Young Peoples Services	10
Advice - Finance and Corporate Services	21
Advice - Regeneration and Environment	21
Advice - Schools	36
<b>Fraud Investigations</b>	
Fraud Work	135
<b>Risk Based Work</b>	
<b>Advice &amp; Consultancy</b>	
Delegated Budgets for Care Plans	10
Better Care Fund (Proactive Advice and Support)	15
<b>Financial Administration</b>	
Public Health Grant Review	10
Safeguarding Personal Assets Team (Re-Review)	15
<b>Governance</b>	
Deprivation of Liberty Safeguard Systems Review	10
Health Improvement Framework	10
CSE / CGI Reports (Assessing the implication of Rotherham Reports)	10
<b>Major Partnerships</b>	
DCLT - Performance Trust Partnership Governance Review	19
Drainage Board Arrangements	19

## Detailed Audit Plan – Doncaster Council

## Appendix 1

Area and audits identified	Days
<b>Management of Significant Changes</b>	
Digital Council Programme - Proactive involvement in systems changes	31
ERP and Replacement Systems Project (Phase 2) -	10
Stronger Families System - Advice and Consultancy	15
Implementing the Care Act 2014	10
<b>Procurement and Contracts</b>	
SITA and Domestic Waste Collection	21
Taxi Licensing and Use of Taxi Contracts	15
Contract Monitoring Review (Adults)	21
Contract Monitoring (CYPS)	21
SCRIF Project Management	15
<b>Schools Financial Administration</b>	
School Theme - Funding and Poor Educational Attainment	21
Schools Governance Agenda	22
Schools Recruitment	5
Schools Theme - Pupil Premiums	21
<b>Value For Money</b>	
Pool Car Usage Analysis	10
<b>Other</b>	
Risk Based Contingency	138

### Counter Fraud Plan:

Area and audits identified	Days
<b>Must Do Work</b>	
<b>Advice &amp; Consultancy</b>	
Blue Badge Enforcement Strategy	3
<b>Corporate</b>	
Fraud Awareness - Publicity and Campaigns	10
Money Laundering Policy Review and Associated Training	5
<b>Governance</b>	
Online Fraud Training	7
<b>Proactive Data Matching</b>	
Continual Analytics - Payroll to Creditor Matching	21
Data Matching - Purchase Cards to Creditor Payments	15
Fraud Plan - Creditors Duplication Recovery	54
Data Matching - (specifics yet to be determined)	15
<b>Proactive Fraud Investigation</b>	
Data Matching - Fraud Investigations	54

## APPENDIX 2: CALCULATION OF AUDIT RESOURCES 2015/16

	2013/14	2014/15	2015/16
<b>Gross Days</b>	<b>2645</b>	<b>2715</b>	<b>2679</b>
<b>Less:</b> annual and statutory leave	424	453	476 *
maternity leave	0	151	0
special leave (other)	5	6	8
unpaid leave	13	13	20
Election leave	9	7	11
<b>Available days:</b>	<b>2194</b>	<b>2085</b>	<b>2164</b>
<b>Less:</b> Sickness	68	77	64
Service development and improvement	26	24	24
Professional training and CPD	122	100	108
Management & supervision	164	157	167
Administration & support	25	22	26
<b>Planned Days</b>	<b>1789</b>	<b>1705</b>	<b>1775</b>

### Notes / Explanations

\*This increase is caused mainly by the fact that Easter falls twice within the 2015/16 financial year.