

Report For:	Audit Committee
Date of Meeting:	30 th May 2019
Part:	Part 1 – Open
If Part 2, reason:	N/A



SUMMARY	
Title of Report:	PROPOSED INTERNAL AUDIT PROGRAMME 2019/20
Officer Contact: Direct Dial: Email:	Michael Howard – Business Assurance Manager 01494 421357 Ext 3357 mike.howard@wycombe.gov.uk
Ward(s) affected:	All
Reason for the Decision:	The Council has a statutory responsibility under the Accounts and Audit Regulations 2015 which states that a local authority must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with proper practices in relation to internal control. The work of Internal Audit is an essential component of providing an assurance to Management and to those charged with governance, that sound systems internal control are present and are working effectively.
Proposed Decision/Recommendation:	That: (i) The Internal Audit programme for 2019/20 as attached Appendix 1 is agreed; and that (ii) The audit programme be reviewed half yearly and reported as part of the Business Assurance Managers' half yearly report.

Sustainable Strategy/Council Implications	Community Priorities - Risk: Equalities: Health & Safety:
Monitoring Officer/ Officer Comments	S.151 Monitoring Officer: The Council's statutory responsibility to undertake this function is referred to in the reasons for the decision, above; the Regulations are made under the Local Audit and Accountability Act 2014. S.151 Officer: The proposed Internal Audit programme for 2019/20 can be met from within existing approved budgets.
Consultees:	N/A
Options:	N/A
Next Steps:	None
Background Papers:	None
Abbreviations:	

Executive Summary

1. The annual internal audit programme is presented to the Audit Committee each year and is compiled after taking into consideration the following contributions:
 - a. Areas of interest from the Chief Executive, the Section 151 Officer and the Strategic Management Board.
 - b. Areas of interest or risk as determined by the Business Assurance Manager.
 - c. Areas of interest or risk from members of the Audit Committee.

The programme for 2019/20 makes provision to perform 8 Core financial reviews (63 days) and 7 Non-Core financial reviews (47 days) and further detail can be found in the attached appendix 1.

2. The Council's Internal Audit Service will continue to undertake the core financial audits necessary to provide Management with an assurance as regards the effectiveness of the internal control framework. The breadth of coverage compared to the previous year has reduced due to modernising local government and the introduction of a Shadow Unitary Council from April 2019. We have however retained a larger contingency budget to manage any requests for internal audit services during 2019/20.
3. We will continue to use an external resource to provide internal audit services and deliver the audit programme for 2019/20. The Business Assurance Manager oversees the delivery of the audit programme and works closely with the external provider ensuring a timely and effective service is provided.

Appendix 1 Internal Audit programme 2019/20

SERVICE AREA /FUNCTION	OVERVIEW	TOTAL BUDGET	HEAD OF SERVICE
CORE SYSTEMS			
Corporate Debt Management & Income	To provide an assurance that income generating activities are identified and accurately invoiced; that all invoices are paid and the income is accounted for and reflected in the Councils account: the extent of debt is minimised and overdue accounts are promptly followed up.	10	Head of Finance and Commercial
Creditors	To provide an assurance that creditor payments are valid, authorised, accurate and timely and are in respect of goods and services ordered and received by the Council.	6	Head of Finance and Commercial
Payroll & HR	To provide an assurance that only bona fide, authorised and accurate payments are made in timely manner, also to ensure that all payroll transactions are accurately reflected in the accounting system (Efin).	6	Head of Finance and Commercial Head of HR, ICT and Facilities Management
Treasury Management	To provide an assurance that Treasury Management function operates in line with Council policy.	6	Head of Finance and Commercial
SERVICE AREA /FUNCTION	OVERVIEW	TOTAL BUDGET	HEAD OF SERVICE

Council Tax & NDR	To provide an assurance that all income due to the Council in respect of CTax and NNDR liabilities are identified and accurately billed, that all demands are paid and the income is accounted for and reflected in the Councils accounts, the extent of debt is minimised and overdue accounts are promptly followed up	12	Head of Finance and Commercial
Council Tax Support and Housing Benefits	To provide an assurance that all payments are made to bona fide claimants, in line with current legislation and that they are accurate and timely	10	Head of Finance and Commercial
Fixed Assets & Inventories	To provide an assurance as regards the ownership and control of the physical assets owned by the Council.	6	Head of Finance and Commercial Head of HR, ICT and Facilities Management Interim Head of Regeneration and Investment
TOTAL CORE SYSTEMS		63	
NON CORE REVIEWS			
SERVICE AREA /FUNCTION	OVERVIEW	TOTAL BUDGET	HEAD OF SERVICE
Commercial Leases	To provide an assurance that the Council is correctly and accurately accounting for all of its income in relation to its Commercial property portfolio.	6	Interim Head of Regeneration and Investment

IR35	To provide an assurance that the engagement of consultants, interims or contractors is undertaken so as to minimise the Councils exposure to employment liabilities.	6	Head of HR, ICT and Facilities Management
Licence scheme – House of Multiple Occupation	To provide an assurance that identified HMOs' are licenced in line with legislation and applicable Council policy.	6	Head of Housing and Environment
Waste Management Contract review	To provide an assurance that the Waste Management service operates in line with the contractual terms and conditions.	7	Head of Finance and Commercial Head of Housing and Environment
Follow-up Audit Recommendations	To provide an assurance as regards the level of implementation of agreed internal audit recommendations.	7	
SERVICE AREA /FUNCTION	OVERVIEW	TOTAL BUDGET	HEAD OF SERVICE
Assurance review - Fit for Competition	To provide an assurance as regards the application of a project framework that has defined: objectives, roles & responsibilities', resource plan, risk and a system of periodic progress reporting.	6	Head of Planning and Sustainability

Assurance review - WDC MLG project plan	To provide an assurance as regards the application of a project framework that has defined: objectives, roles & responsibilities', resource plan, risk and a system of periodic progress reporting.	6	Chief Executive
Total Non - Core Reviews		49	
Total days for provision of programmed Internal Audit coverage.		112	
SUPPORTING CORPORATE INITIATIVES:			
Corporate Governance Developing the link between the output from the Annual Assurance statement (AAS) and key assurances that are required to ensure we can demonstrate the operational effectiveness of the internal control framework in place within each Service.		15	
Risk Management (Strategic and Operational risk registers) To provide oversight and support for the Strategic Risk Register process and to input into the development of Operational Risk Registers.		20	
Audit Committee/SMB Providing the reporting function to the Audit Committee and the Strategic Management Board in terms of the work of Internal Audit, Risk and Corporate Investigations.		15	

Contingency To be used to cover any requests from Management as regards internal control advice, internal investigations and complaints. For 2019/20 the amount of contingency represents the difference between the total available budget less the allocated budget for Core and Non- core audit reviews.	35	
Total Days	197	

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