

Appendix A – Internal Audit Plan 2021/22

| Auditable Area | Key Audit Objectives | No. Days Budget | Comments |
|--|--|-----------------|--|
| Core Financial Controls | <p>To fulfil our statutory responsibilities, we will undertake work to provide assurance over key controls within the financial governance framework, which consists of the following key systems; Financial Control/ Monitoring, Procure to Pay, Payroll, Debtors, Capital, Financial Regulations, General Ledger, Reconciliations and Treasury Management. The assurance opinion for the Core Financials Controls audit has been Substantial for more than five years. Therefore, to ensure that our work continues to add value and focus on key risk areas, we will be taking the following approach in our evaluation of the key systems:</p> <ul style="list-style-type: none"> • An assessment of the controls in place for each key system will be undertaken through walkthroughs. These walkthroughs will give assurance that controls are still operating as expected and, where exceptions are identified from the walkthrough, substantive testing will be undertaken. • Using IDEA (data analytics software) we will perform tests of all data in the high-volume activities (i.e. journals, invoice payments, payroll) to identify duplicates or anomalies that may need further investigation. • All audit findings from the 20/21 review will be followed up to ensure that actions have been fully implemented. | 10 days | Planning in-progress fieldwork scheduled for January. |
| HR/Payroll – Process Mapping | Due to the process weaknesses in HR/Payroll identified in the 20/21 Core Financial Controls audit, end-to-end process mapping will be undertaken in this area, followed by substantive testing of the key payroll controls to ensure that control weaknesses have been addressed. | 20 days | Planning in-progress fieldwork scheduled for January. |
| HR People Management | <p>The audit evaluated the following areas:</p> <ul style="list-style-type: none"> - Policies and Procedures - System Access, Data Security and Information Integrity - Starters, Leavers and Movers - Recruitment Management - Compliance - Performance and Monitoring | 10 days | Reporting stage |
| Asset Management System – Process Mapping | An end-to-end process map of the system will be developed that will clarify key controls and the interdependencies of the process with other teams. This exercise is being undertaken to help address some of the key issues that were identified in the 20/21 Asset Management System audit. | 10 days | Planning in-progress fieldwork scheduled for November/ December. |
| Procurement | The objective of this audit is to provide assurance that there are adequate and effective controls in place for the procurement of goods of services. This review will include ensuring compliance with standing orders and legislative requirements | 10 days | Planning stage – Q3/4 |
| Programme Management | The objective of this audit is to provide assurance that there are adequate arrangements in place that ensure achievement of the programme goals, effective management and reporting of the progress and risks for all programmes being delivered across the Authority. | 10 days | Scope agreed, audit will commence in October. |
| Blue Light Hub – Post Project Evaluation | <p>The audit evaluated the following areas:</p> <ul style="list-style-type: none"> - Governance Framework - Implementation Strategy and Project Delivery - Monitoring Arrangements - End of contract agreements - Lessons Learned | 10 days | Fieldwork in-progress |
| Contingency | A contingency has been included within the audit plan to provide flexibility and in recognition of an expected but as yet unspecified need. If the days remain as at the beginning of Q4 then they will be used to review some key Governance areas such as Project Management and Contract Management, with the agreement of the Director of Finance and Assets. | 10 days | N/A |
| Follow-Up General | To ensure all outstanding medium and high recommendations raised in previous audits are implemented. | 10 days | On-going |
| Corporate Work | A proportion of the total audit resource is made available for 'corporate work'. Corporate work is non-audit specific activity which still 'adds value' or fulfils our statutory duties. Examples of this type of work include attendance and reporting to Management and Committee, and audit strategy and planning work. This also includes developing the Audit Plan, writing the Annual Report and undertaking the annual Review of Effectiveness of Internal Audit. | 10 days | N/A |
| Total | | 110 days | |