

RSM Tenon



SLOUGH BOROUGH COUNCIL

Proposed Internal Audit Plan – Fourth Quarter 2011/12

Audit Committee Meeting: FEBRUARY 2012

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The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regard to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

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1. INTRODUCTION

- 1.1 Following our appointment as Internal Auditors for the Council from the 1st January 2012, we have developed an Internal Audit plan for the fourth quarter of 2011/12. This plan has been developed through consideration of the audit plan for 2010/11 and audits delivered to date for the current financial year by Deloitte. We have also held discussions with the Acting Head of Finance regarding the proposed areas of coverage for the period to ensure that any emerging issues have been included within our plan for the period.
- 1.2 The proposed plan for the quarter is included within Appendix A of this paper. For each of the audits on the plan we have detailed:
- Proposed start and finish dates;
 - High level areas of coverage;
 - Lead Sponsor.

2. CONSIDERATIONS FOR SENIOR MANAGEMENT GROUP

- 2.1 Senior Management Group are asked to consider the following:
- Does the proposed quarter four audit plan reflect the areas that should be subject for coverage for the rest of the financial year?
 - Is the timing of the audits appropriate, considering the need for the plan to be delivered by the end of the financial year?
 - Have the appropriate sponsors been identified for each of the auditable areas on the plan?
- 2.2 Following approval of the attached plan by SMG, scoping meetings will be held with the lead sponsors for each of our audits to agree the detailed scope for the work being undertaken, We have already commenced the process of arranging these meetings with the relevant members of staff to minimise any delay between the plan being agreed and the audit fieldwork commencing.

2.3

APPENDIX A: INTERNAL AUDIT PLAN 2011/12 – FOURTH QUARTER**Internal Audit Plan 2011/12 – Fourth Quarter**

Auditable Area	Estimated Number of Days	Proposed Start Date	High Level Scope	Proposed Fieldwork Completion Date	Client Sponsor
Central Finance Systems					
VAT	12	12 th March 2012	To provide assurance that the Council has put in place to identify VAT payments to be made and that these payments are appropriately authorised and reconciled to ensure their accuracy.	23 rd March 2012	John Moyles
Procurement	8	20 th February 2012	<ul style="list-style-type: none"> Follow up of issues raised within the section 11 report and previous internal audit reports. 	24 th February 2012	Joanna Anderson Assistant Director of Procurement and Commissioning
Procurement Cards	10	5 th March 2012	<p>The Council has approximately 30 procurement cards in use within the Council itself and those allocated to schools. The audit will therefore consider:</p> <ul style="list-style-type: none"> Is the procurement card guidance produced in place with best practice and practical to operate in compliance; Is expenditure being made in line with the rules and limits set within the guidance; Is evidence of expenditure such as receipts being submitted to finance for review; Are robust checking processes in place to ensure that all expenditure is bone fide. 	10 th February 2012	Joanna Anderson Assistant Director of Procurement and Commissioning

Corporate Systems					
Partnership working	15	12 th March 2012	<p>A review of the partnership arrangements to ensure that the Authority adequately identifies and manages the partnerships they are engaged. This will include:</p> <ul style="list-style-type: none"> • Follow up of recommendations made as part of the 2010/11 Partnership and Governance Audit; • Review of the use of the new Partnership Toolkit; • Effectiveness of processes for ensuring all key partnership arrangements are identified; • Whether a periodic assessment is undertaken regarding the effectiveness of individual partnership arrangements. 	30 th March 2012	Tracey Luck – Head of Policy and Communications
Data Quality	10	12 th March 2012	<ul style="list-style-type: none"> • To be undertaken alongside our audit of performance management • For a sample of key performance indicators we would seek to provide assurance that the information reported to the Board and Senior Management accurately reflects source data, is presented on a timely basis and that robust data validation processes are in place. 	24 th March 2012	Kevin Gordon, Assistant Director of Professional services
CRC energy Efficiency Scheme	15	27 th February 2012	<p>The proposed scope of our review will be determined through discussions between the audit sponsor and our sustainability audit team. However, possible areas of review could include;</p> <ul style="list-style-type: none"> • Carbon Reduction Health-check • Review of the CRC evidence pack 	17 th March 2012	Rodger Parkin
Risk Management	10	13 th February 2012	<p>To provide assurance over the effectiveness of risk management arrangements within the Council, including;</p> <ul style="list-style-type: none"> • Overall governance framework for risk management including the training of staff 	25 th February 2012	Emma Foy, Acting Head of Finance

			<ul style="list-style-type: none"> • Risk identification • Risk assessment • Monitoring and Reporting • Relationship between the corporate and departmental risk registers. 		
Law and Corporate Governance					
Annual Governance Statement	10	April 2012	To assist the Council in the production of the Annual Governance Statement for 2011/12.		
Corporate Governance	10	26 th March 2012	To provide assurance that key Corporate Governance process are in place within the Council and that these are operating effectively to enable the Board to be provided with sufficient information to enable them to discharge their responsibilities.	10 th March 2012	<p>Emma Foy, Acting Head of Finance</p> <p>Kevin Gordon, Assistant Director of Professional services</p>
Facilities					
Property and Asset Management	10	6 th February 2012	<ul style="list-style-type: none"> • Compliance with the Estates Strategy and maintenance programme; • Approval and monitoring of estates and maintenance expenditure; • With regards to asset management we will consider the results of any previous internal audit work undertaken on the Council's asset register. 	17 th February 2012	John Rice – Assistant Director of Property and Regeneration
Telecommunications	10	19 th March 2012	<p>In recent years technology has developed which allows telephone calls traditionally made through the phone system to be made over data lines; this technology is Voice over Internet Protocol (VOIP). This Audit will look at the Council's Telecoms VOIP infrastructure review:</p> <ul style="list-style-type: none"> - The implementation process for the VOIP system; - Monitoring of usage of the system; - Processes to ensure that system issues are addressed on a timely basis. 	30 th March 2012	Simon Pallett – Head of IT

Contract Management	20	27 th February 2012	To provide assurance over the robustness of contract management arrangements with the Council, including: <ul style="list-style-type: none"> - Whether contracts are being let on a timely basis - Compliance with CSO / FR and OJEU requirements. As part of the audit we will seek to select a sample of contracts for review and test to ensure that contractual and legal requirements have been complied with.	20 th March 2012	Joanna Anderson Assistant Director of Procurement and Commissioning
Concessionary fares administration	5		To review the processes for the administration of concessionary fares to provide assurance that: <ul style="list-style-type: none"> - Fare applications have been appropriately authorised - Fares are appropriately recorded and accounted for. 		Gillian Ralphs
Primary Schools					
St Antony's	6	19 th March 2012	The scope of the audit will be determined through discussion with the client sponsor, however it is anticipated that the audit will cover a number of the following areas: <ul style="list-style-type: none"> • Follow up of any previous recommendations made; • Leadership and governance • Financial planning and budget monitoring • Cash management • Security of assets including maintenance • Payroll • Purchasing • School meals income 	30 th March 2012	Christina West – Schools Finance Manager
Community and Well Being					
Commissioning Teams and Supporting people	15	13 th February 2012	Following an Audit Commission review to look at tenders undertaken and review if the processes have been managed in line with council policy and procedure.	7 th April 2012	Mike Bibby – Assistant Director Commissioning, Personalisation and Supporting People

Personalisation Policy	15	27 th February 2012	New procedures and processes are being put in place and this review is to consider whether adequate controls are in place and risks adequately mitigated. The Council has undertaken a review of these processes and the audit will therefore review these to ensure that recommendations arising from this have been implemented.	7 th April 2012	Bernice Solvey
Follow Up	16	30 th January 2012	To provide assurance that previous internal audit recommendations have been implemented on a timely basis and that controls are now operating effectively.	Ongoing	All relevant Managers
Audit Management	28	-	This will include: <ul style="list-style-type: none"> ▪ Audit Planning ▪ Preparation for, and attendance at, Corporate Governance Committee meetings ▪ Regular liaison and progress updates ▪ Liaison with external audit ▪ Preparation of the annual internal audit opinion 	-	Emma Foy, Acting Head of Finance
TOTAL DAYS	225	-	-	-	-