

Slough Borough Council

Internal Audit Strategy
2013/2014 – 2014/2015

Presented at the Audit & Risk Committee meeting of: 25 March 2013

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Head of Internal Audit

1 INTRODUCTION

This document sets out the approach we have taken to develop your internal audit strategy for 2013/14 to 2015/16 and the annual plan for 2013/14.

1.1 Role of Internal Audit

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.

(Definition of Internal Audit: Chartered Institute of Internal Auditors)

From 1 April 2013, internal auditors in the public sector are required to work to the *Public Sector Internal Audit Standards (PSIAS)*, which are based on the *International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors and which also adopt the institute's definition of internal auditing and code of ethics.

In line with these requirements, we perform our internal audit work with a view to reviewing and evaluating the risk management, control and governance arrangements that the organisation has in place, focusing in particular on how these arrangements help Slough Borough Council to achieve its objectives. The opinion may also be used by the S151 Officer, to support their Annual Governance Statement. This is achieved through a risk-based plan of work, agreed with management and approved by the Audit and Risk Committee.

2 DEVELOPING THE INTERNAL AUDIT STRATEGY

2.1 Issues influencing Internal Audit coverage

The organisation's objectives are the starting point in the development of our strategy for delivery of internal audit services.

We have considered our previous work and findings on your risk management processes and consider that we can place an element of reliance on your risk registers to inform the internal audit strategy. We have therefore met with a range of key individuals within the Council, as detailed below, to assist us in identifying your audit needs.

Appendix A reflects the range of potential issues that may affect the Council. These were used to focus our conversations along with the Council's assurance priorities with the senior management team on where our work would be most effective.

In preparing your strategy and more detailed operational plan we have met with:

- Roger Parkin, Strategic Director, Customer & Community Services;
- Joseph Holmes, Assistant Director, Finance & Audit;
- Mark Taylor, Interim Assistant Director, Finance;
- Jane Wood, Strategic Director, Wellbeing;
- The Wellbeing Senior Management Team;
- Joanna Anderson, Assistant Director, Procurement;
- Tony Zaman, Assistant Director, Adult Social Care;
- Alexander Deans, Head of Highways;
- Kevin Gordon, Assistant Director, Professional Services;
- Neil Aves, Assistant Director, Housing & Environment.

The key areas discussed are summarised below:

Key Areas discussed with Management and their impact on the 2013/2014 plan	
1	The embedment and further utilisation of the HUB Transactional Services and partnership with Arvato . A large number of the Council's services were transferred to this hub in 2012/13, such as financial systems, council tax and housing benefit. Therefore, a significant proportion of our audit plan has been dedicated to providing assurance on the effective operation of these systems. Furthermore, two additional services, IT & Customer Service are also scheduled to transfer to Arvato in 2013/14.
2	Procurement undertaken without the consultation or involvement of the Corporate Procurement Team could potentially be failing to adhere to local and E.U Procurement Rules without the input from trained Procurement staff.
3	That the Local Asset Backed Vehicle (LABV) reflects a significant risk to the Council and suitable audit coverage has been aligned to this project to provide assurance to management. However, the Council confirmed that this project will be subject to scrutiny from External Audit, and therefore this does not form part of our Internal Audit plan for this year.
4	The Strategic Director, Wellbeing confirmed that the Council would be receiving suitable assurances on Safeguarding Children through the 2012/13 Internal Audit Review, Peer Review and impending OFSTED review and therefore audit attention should be directed towards Adults Social Care.
5	The Council continues to develop and embed the Risk Management framework and culture. We will therefore be providing assurance that this continues to evolve in a timely and effective manner.
6	Following a number of red (negative) opinions in 2012/13 audits we have agreed to carry out either follow up visits to independently provide assurance that recommendations have been implemented or re-audit some of these areas (Schools, Contract Management, Business Rates, Declarations of Interest).
7	The ability of the Council to attract a high calibre of potential candidates through their Recruitment process for key roles within the organisation in order to deliver their Corporate Plan. CMT requested this area to be deferred until 2014/15.
8	The Council considers that significant improvements are required in Emergency Planning . CMT requested this area to be deferred until 2014/15.

The strategy is set out in Appendix B, with the more detailed annual plan for 2013/14 set out at Appendix C.

As well as assignments designed to provide assurance or advisory input around specific risks, the strategy includes:

- a follow-up allocation, which will be utilised to assess the degree of implementation achieved in relation to recommendations agreed by management during the prior and current financial year and will serve to inform the adequacy of the organisation's own recommendation tracking process; and
- an audit management allocation, used at Partner and Manager level for quality control, client and External Audit liaison and for preparation for and attendance at Audit Committee.

2.2 Working with other assurance providers

We intend to meet with the Council's External Auditors to confirm the scope of the work in the areas of financial control to ensure they can continue to place their planned level of reliance on our work for 2013/2014.

The Audit Committee are reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not, seek to cover all risks and processes at the Council. We will however seek to work closely with other assurance providers, such as External Audit to ensure that duplication is minimised and a suitable breadth of assurance obtained.

3 INTERNAL AUDIT RESOURCES

3.1 Your Internal Audit Team

Your engagement Partner is Mark Jones.

Your internal audit team is led by Daniel Harris, Director as Head of Internal Audit.

Your Senior Manager is Chris Rising and your Assistant Manager is Andrew Patterson.

We are not aware of any relationships that may affect the independence and objectivity of the team, and which are required to be disclosed under auditing standards.

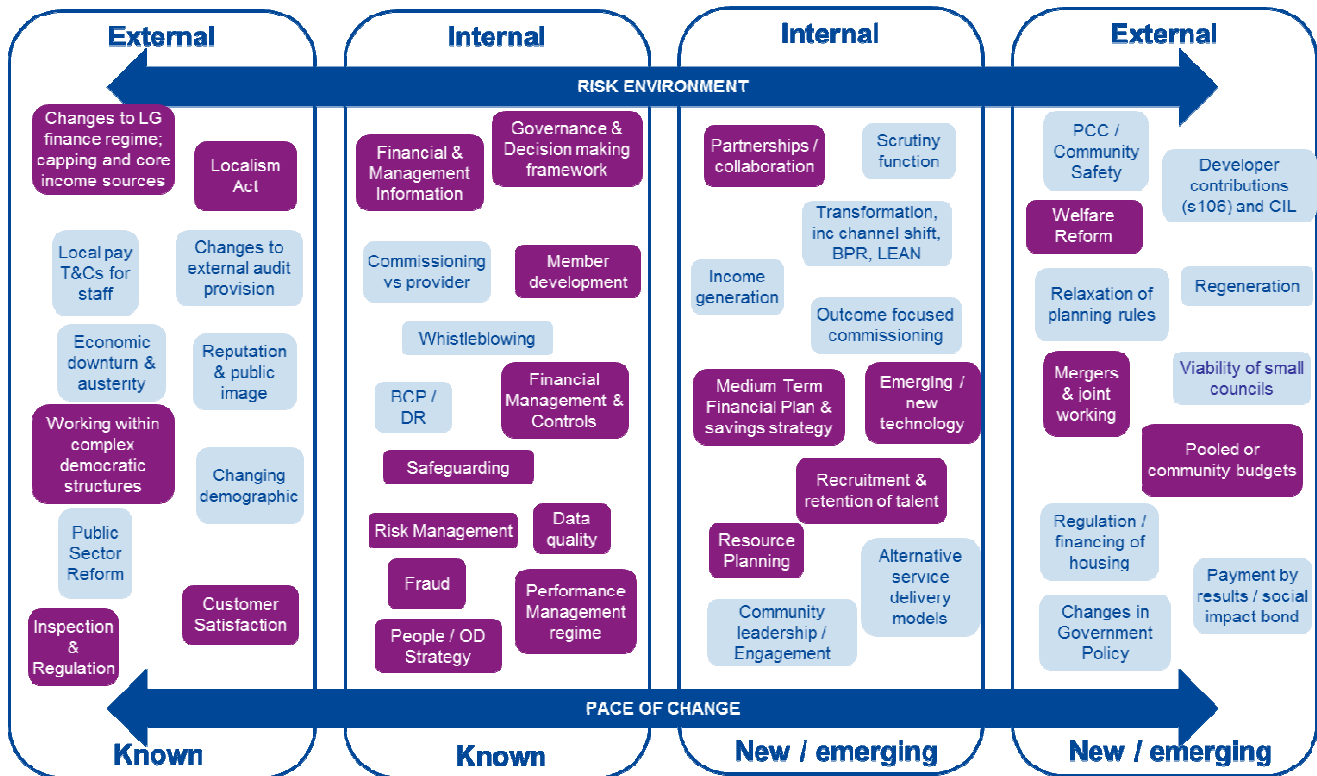
4 CONSIDERATIONS FOR THE AUDIT COMMITTEE

- Does the Strategy for Internal Audit (as set out at Appendix B) cover the organisation's key risks as they are recognised by the Audit Committee?
- Does the detailed internal audit plan for the coming financial year (as set out at Appendix C) reflect the areas that the Audit Committee believes should be covered as priority?
- Do any of the auditable areas identified for consideration, but not for inclusion within the audit plan for the current financial year (as set out in Appendix D) require inclusion within the audit plan for the current financial year?
- Is the Committee satisfied that sufficient assurances are being received by the Council to monitor the organisation's risk profile effectively, including any emerging issues / key risks (see Appendix A) not included in our annual plan?

APPENDIX A:

ISSUES AFFECTING SLOUGH BOROUGH COUNCIL

The chart below reflects some of the current issues facing the organisation. Those topics which have been highlighted (in purple) are those where internal audit coverage is planned in the coming year.



APPENDIX B:

STRATEGY FOR INTERNAL AUDIT 2012/13 – 2014/15

We have updated our strategy as presented to the Audit Committee in April 2012 to detail the audits undertaken as part of the current year audit plan (2012/13), the proposed audit plan for the forthcoming year (2013/14) and the proposed plan for the following year (2014/15).

Risk Based Assurance

Auditable Areas		Relevant Risks	2012/13	2013/14	2014/15
Wellbeing					
Children's and Assessment Teams	Families	Children's and Families Assessment teams are not operating effectively, resulting in safeguarding referrals not being made or managed in a timely manner (Management concern).	✓		✓
Safeguarding		Strategic Risk (ORG0035) - Safe Guarding Strategic Risk (ORG0019) - Safe Guarding	✓	✓	✓
Contract Management	Supporting People	Ineffective contract monitoring arrangements leads to non-delivery of services to the required standard (Management concern)	✓		
Registered Bed Based Services		Provider Services are not effectively managed leading to poor service provision.	✓		✓
Fee Increase Project		The fees increase project fails to ensure an appropriate agreement of fees for nursing care provision.	✓		
Demand Management in Schools		Risk ECB0001 - Managing Increased Demand Note: through discussion with Council staff this has not been identified as a key area of focus for 2013/14, and therefore we are proposing that this area be subject to audit in 2014/15.			✓
Schools Audits		Risk: ECB0002 - Service taken over by Government or other agency	✓	✓	✓
School's Financial Value Standard (SFVS)		Risk: ECB0002 - Service taken over by Government or other agency	✓		✓
Contract Management - Block Contract	Nursing Homes	CW0042 - Failure of key supplier	✓	✓	
Procurement		Strategic Risk (ORG0025) - Failure in Procurement	✓	✓	✓
Contract Management		GBEG0001 Failure to deliver services at agreed cost/specification/quality	✓	✓	✓
Customer & Community Services					
Business Continuity Arrangements		Strategic Risk (ORG0024) - Business Continuity Risk	✓		
Leisure Services		Risk = Inability to deliver innovation in the provision of leisure services.	✓		
Data Protection / Security		Strategic Risk (ORG0034) - Loss of IT / Communication facilities	✓		✓
IT Strategy		Strategic Risk (ORG0034) - Loss of IT / Communication facilities	✓		

Auditable Areas	Relevant Risks	2012/13	2013/14	2014/15
IT Applications Review	Strategic Risk (ORG0034) - Loss of IT / Communication facilities			✓
Claims Management	GBCC0003 Increased costs/reduced budgets			✓
Adult Learning Services	The Council is taking on the management of Adult Learning Services for Windsor and Maidenhead. Risk that ineffective systems are in place to ensure the effective management of service. Note: this is not considered to represent a high risk area and is therefore not proposed to be audited until 2014/15.			✓
Thames Valley Transactional Hub – Governance Structure Setup Arrangements	Prior to outsource transactional functions of the council to a transactional hub provided by a third party contractor with the aim of attracting other transactional operations to join “the Hub”.	✓		
3 rd party Procurement – Atkins	Strategic Risk (ORG0025) - Failure in Procurement		✓	
Highways Management	GBCC0004 – Communication Infrastructure			✓
Transactional Service HUB – Contract / Performance Management	Project to outsource transactional functions of the council to a transactional hub provided by a third party contractor with the aim of attracting other transactional operations to join “The Hub”.	✓	✓	✓
Resources, Housing & Regeneration				
Budgetary Control & Financial Reporting	Strategic Risk (ORG0021) - Economic climate	✓	✓	✓
Risk Management	Strategic Risk (ORG0023) - In House Commitment to Risk Management	✓	✓	✓
Housing Management System	Housing Management system – A Problematic installation that has led to the system not being used to its full capacity. CMT are aware of this issue. There is a maintenance agreement with Capita. This system also assists in the management of Council Tax and Housing Benefit as well as Housing Management issues. The system can also perform a weekly uplift into rent accounts. Issue of not knowing where income is credited to rather than not collecting income. Skilled knowledgeable staff required to user test the system to identify issues. Phase 1 now fully implemented, phase 2 and 3 now underway with no significant risks now remaining or expected	✓		✓
Housing Demand Management	GBE0007 - Managing Increased Demand			✓
Homelessness	GBE0007 - Managing Increased Demand			✓
Housing Stock	GBE0006 – Business Continuity Risk			✓
Multiple Housing Occupancy	GBE0004 - Managing Increased Demand	✓		
Estates & Facilities inc. Interserve	GBE0008 - Failure of key supplier	✓		✓

Auditable Areas	Relevant Risks	2012/13	2013/14	2014/15
Contract Management				
Lettings & Voids	GBE0009 - Failure of internal controls			✓
Tenancy Fraud	GBE0009 - Failure of internal controls	✓		✓
Emergency Planning	Ineffective management of emergency planning services. Note: this is not considered to represent a high risk area and is therefore not proposed to be audited until 2014/15.			✓
Council Tax – Implementation of new rules	Strategic Risk (ORG0022) - Delivery of Change		✓	
Local Asset Backed Vehicle (LABV)	Strategic Risk (ORG0033) - Failure to deliver services at agreed cost/specification/quality Note: this are will be subject to significant External Audit coverage and so has not been included in our plan for 2013/14.			✓
Budget Setting	RSF0016 – Failure to prepare statutory accounts, and failure to set a balanced budget.	✓	✓	✓
Capital Expenditure	RSF0006 – Budget control failure	✓	✓	✓
Treasury Management	RSF0015 – Business Continuity Risk	✓	✓	✓
Chief Executive				
Partnership Arrangements	Strategic Risk (ORG0022) - Delivery of Change	✓		✓
Performance Management	Risk CWC0008 – Performance Management	✓		✓
Data Quality	Risk CWC0008 – Performance Management	✓	✓	✓
Gold Projects / Project Management	Failure to meet planned expectations with regard to attracting investment or completion of the project by required deadlines	✓	✓	✓
Health & Safety	Risk CEC0008 – Failure to adhere to Health and Safety practice		✓	
Workforce Planning and Use of Agency	Strategic Risk (ORG0020) - Delivery of Change	✓		
Flexible Workforce Management	Strategic Risk (ORG0020) - Delivery of Change			✓
Training and Development	Strategic Risk (ORG0020) - Delivery of Change		✓	
Appraisals	Strategic Risk (ORG0020) - Delivery of Change			✓
Absence/Sickness Management	Strategic Risk (ORG0020) - Delivery of Change	✓		
Recruitment	Risk RSF0001 – Failure to retain and recruit suitable staff	✓		✓

Financial Controls (including work allowing greater external audit reliance on our work)

Systems	Source of Requirement	2012/13	2013/14	2014/15
General IT audit Coverage	A strategic Internal Audit Plan needs to have some coverage of IT systems. We will agree the exact scope of this work with management.		✓	
General Ledger	External audit will place reliance on our work to inform their audit.	✓	✓	✓
Creditors		✓	✓	✓
Treasury Management		✓	✓	✓
Debtors and Cashiers		✓	✓	✓
Asset Register		✓	✓	✓
Housing Benefit		✓	✓	✓
Council Tax		✓	✓	✓
Rent Accounts		✓	✓	✓
Business Rates		✓	✓	✓

Other Internal Audit Activity

Activity	Rationale	2012/13	2013/14	2014/15
Wellbeing Systems Based Audits:				
Personalisation	To provide assurance that personalised budgets are appropriately approved and supported by suitable assessments. Note: this area was audited as part of the 2011/12 Internal Audit plan and a positive assurance provided and therefore is not proposed for audit until 2014/15.			✓
Customer & Community Services Systems Based Audits:				
Youth Services	Management request to determine whether: <ul style="list-style-type: none"> - A clear strategy is in place. - New service is delivering against objectives and outcomes (e.g. service is being utilised); - Governance arrangements to ensure performance against objectives is reported. 		✓	
Children's Centres	To provide assurance that the utilisation of childcare vouchers is supported by appropriate issuing and validation processes to ensure eligibility. Note: this is not considered to represent a high risk area and is therefore not proposed to be audited until 2014/15.			✓
Data Image Management	Management request to consider the completeness and timeliness of the data image management function within the Council.	✓		✓

Activity	Rationale	2012/13	2013/14	2014/15
Blue Badges	Within other Berkshire Local Authorities there has been positive feedback from members on proactive actions on the issuing and continued use of disability 'blue' badges.		✓	
Trading Standards	Management request to ensure a fair and safe trading environment for consumers and businesses in Slough.		✓	
Licensing	Management request to ensure suitable guidance and advice on licensing is provided and adhered to and that the Council engages with external organisations. Note: this is not considered to represent a high risk area and is therefore not proposed to be audited until 2014/15.			✓
Carbon Reduction Commitment	To provide assurance that the Council continues to have in place effective processes for carbon management and reduction. The scope of our future work programme will be dependent on the results of our most recent review.	✓		✓
Hiring of Council Buildings	To provide assurance that there are effective processes in place for the hiring of Council buildings to third parties.	✓		✓
Resources Housing & Regeneration Systems Based Audits:				
Additional Devolved Budget for Schools	To provide assurance that effective processes are in place for the allocation of funds from the schools development budget, and to ensure that monitoring mechanisms are sufficiently robust to ensure that these funds are utilised for their designated process only.	✓		
VAT	To provide assurance that the Council has effective arrangements in place for the accounting and management of VAT.	✓	✓	✓
Pensions	To provide assurance that the Council has effective arrangements in place for the accounting and management of pensions.	✓	✓	✓
Procurement Cards	To provide assurance over the effective management of procurement cards held by the Council. Note: audit undertaken in 2011/12 and positive assurance provided therefore not considered for audit until 2014/15.			✓
Community based Cash Handling and Management	Management concern that a number of discrepancies have been identified in the handling of cash and community centres and other cash handling facilities. Our audit will provide assurance over the robustness of cash handling processes in these localities.	✓		✓
Chief Executive Systems Based Audits:				
Annual Governance Statement	To assist the Council in the production of the Annual Governance Statement.	✓	✓	✓
Governance	We will undertake a yearly review of Governance, the exact scope of these audits will be agreed with management and may include reviewing progress made to address any weaknesses identified in the AGS.	✓	✓	✓

Activity	Rationale	2012/13	2013/14	2014/15
Declarations of Interest	To provide assurance that robust processes are in place to ensure that declarations of interest are obtained for all Councillors, Members and senior members of staff within the Council.	✓	✓	
Members Expenses and Allowances	To provide assurance that effective systems are in place for the review of Members Expenses and Allowances. Note: some assurance will be provided over the robustness of expense claims as part of our payroll audit. A full audit of the Members Expenses and Allowances system is therefore proposed for 2013/14.			✓
Freedom of Information Act Compliance	To provide assurance that the Council is complying with the key requirements of the Freedom of Information Act.		✓	
Policy Management Review	To provide assurance that policies are subject to regular review/approval, are consistent in their format and made accessible to employees. Note: this is not considered to represent a high risk area and is therefore not proposed to be audited until 2014/15.			✓
Contractual Management Arrangements	An advisory review at the the request of the Assistant Director, Finance & Audit, which will be scoped in year.		✓	
General:				
Management Meeting attendance	Management Meetings (Berkshire Audit Group, Risk Management Group, Schools Forum, Bursars Forum, SMT, DMT, CMT)			
Follow Up	To meet internal auditing standards and to provide management with on-going assurance regarding implementation of recommendations.	✓	✓	✓
Audit Management	This will include: <ul style="list-style-type: none"> ▪ Annual planning ▪ Preparation for, and attendance at, Audit Committee meetings ▪ Regular liaison and progress updates ▪ Liaison with external audit ▪ Preparation of the annual internal audit opinion 	✓	✓	✓

APPENDIX C: INTERNAL AUDIT PLAN 2013/2014

Audit	Internal Audit Coverage	Internal Audit Approach	Audit Days	Proposed Timing	Audit Committee
Assurance and Advisory Work to Address Specific Risks					
Wellbeing					
Safeguarding Adult Social Operating Model Audit Reviews	<p>Risk: ORG0035 - Safe Guarding</p> <p>Serious safeguarding, public protection or other failure.</p> <p>Adult Safeguarding Board experiences high level of change which makes partnership working difficult</p> <p>Social Work and multi-agency practice is insufficiently developed to provide excellent services.</p> <p>Coverage:</p> <p>Management request to provide reviews on</p> <ul style="list-style-type: none"> - the operating model and interactions with legal and; - finance systems in terms of Financial Assessments, Personal Budgets and Individual Care Budgets. 	Assurance	30	Q1	September 2013
Procurement – Follow Up	<p>Risk: ORG0025 - Failure in Procurement</p> <p>Reputational damage to Council if processes are not fair and transparent</p> <p>Failure to achieve best value.</p> <p>Fear of challenge from unsuccessful tenderers.</p> <p>Coverage:</p> <p>A follow up the recommendations made as part of our 2012/13 audit where a red opinion was provided.</p>	Assurance	10	Q4	March 2014
School's Financial Value Standard (SFVS)	<p>Risk: ECB0002 - Service taken over by Government or other agency</p> <p>Schools fail to provide acceptable quality of education for children and young people in Slough</p> <p>Children and young people do not receive high quality education, affecting their current and future achievements.</p> <p>Coverage:</p> <p>Providing the assurance to the Council on the appropriate completion of each school's SFVS. This service will ensure the Council has a thorough assessment of each school to meet requirements of the Education Funding Agency.</p> <p>This will include a review as to whether supportive information including Internal Audit opinions are consistent with statements within each schools completed standards.</p>	Advisory	30	Q1	September 2013
Contract Management	<p>Risk: GBEG0001 Failure to deliver services at agreed cost/specification/quality</p> <p>Coverage:</p> <p>Management request to review of the</p>	Assurance	20	Q3	December 2013

	councilwide approach to managing the Council high risk 'top' contracts and a follow up the recommendations from the negative 12/13 review.				
Qualitative Monitoring and follow up of Block Contract Nursing Homes	<p>CW0042 - Failure of key supplier</p> <p>Southern Cross Homes Burnham House and Windmill Care Centre to be sold off to new operators by landlords.</p> <p>Potential to find alternative care services for 125 residents.</p> <p>Coverage:</p> <p>Management request to provide a review of how the Council is or could further enhance their approach to gathering data, analysing 'soft' information on areas such as customer experience to determine whether the Council can utilise their existing resources to greater affect. This will also include a follow up review of the issues identified in the Block Nursing Contract Management Review fo which two separate opinions will be provided.</p>	Advisory & Assurance (Follow Up)	30	Q3	December 2013
Children's Service Procurement	Management request to provide assurance on the adherence to the appropriate procurment rules and effective implementaion of a procurment plan within Children's Services.	Assurance	15	Q1	September 2013
Schools Audits	<p>Risk: ECB0002 - Service taken over by Government or other agency</p> <p>Schools fail to provide acceptable quality of education for children and young people in Slough</p> <p>Children and young people do not receive high quality education, affecting their current and future achievements.</p> <p>Coverage:</p> <p>To provide assurance over the effectiveness of governance and financial management arrangements within schools. A schedule of the proposed schools for audit during 2013/14 is detailed in appendix D below. It is proposed that our audits will cover the following areas:</p> <ul style="list-style-type: none"> - Follow up of any previous recommendations made; - Leadership and governance - Financial planning and budget monitoring - Security of assets including maintenance - Payroll - Purchasing - Safeguarding 	Assurance	90	Q1-4	Throughout the year
Customer and Community Services					
Transactional Service HUB - Contract / Performance Management	<p>Risk</p> <p>Project to outsource transactional functions of the council to a transactional hub provided by a third party contractor with the aim of attracting other transactional operations to join "The Hub".</p> <p>Proposed Audit Approach</p> <p>The audit will consider the following:</p> <ul style="list-style-type: none"> - The robustness of performance monitoring arrangements which have been established between the Council and the HUB to ensure that contractual performance can be effectively 	Assurance	15	Q3	December 2013

	<p>monitored;</p> <ul style="list-style-type: none"> - The effectiveness of the operational of these arrangements in practice; - The quality and timeliness of data provided to support the meeting of performance targets. 				
3rd party Procurement - Atkins	<p>Risk: ORG0025 - Failure in Procurement Reputational damage to Council if processes are not fair and transparent Failure to achieve best value. Fear of challenge from unsuccessful tenderers. Coverage: Management request to review how a supplier procures services on behalf of the Council and adheres to the Council's and E.U Procurement Rules.</p>	Assurance	15	Q2	December 2013
Blue Badges	<p>Management request to provide assurance on the service including:</p> <ul style="list-style-type: none"> - Appropriateness of applications; - Monitoring of usage. 	Assurance	10	Q3	December 2013
Youth service	<p>Management request to determine whether:</p> <ul style="list-style-type: none"> - A clear strategy is in place. - New service is delivering against objectives and outcomes (e.g. service is being utilised); and - Governance arrangements to ensure performance against objectives is reported. 	Assurance	15	Q4	March 2014
Trading Standards	<p>Management request to ensure a fair and safe trading environment for consumers and businesses in Slough through:</p> <ul style="list-style-type: none"> - The provision of suitable advice; - Appropriate investigation; - Management of complaints; and - Inspection of trade premises. 	Assurance	10	Q1	June 2013
Resources, Housing and Regeneration					
Risk Management	<p>A maturity review to consider the approach to risk appetite and identifying controls and assurances on key risks.</p>	Advisory (Contract)	15	Q4	March 2014
VAT / Pensions	<p>Management decision to focus audit on either VAT or pensions to provide assurance that the Council has effective arrangements in place for the accounting and management of VAT or pensions.</p>	Assurance (Contract)	20	Q2	September 2013
Council Tax – Implementation of new rules	<p>Risk: ORG0022 - Delivery of Change Localism Bill due to be passed in November 2011 will encourage a mixed economy approach to local service provision accountability and governance key aspects. Coverage: Following Government required changes, we will review the process followed by the Council to ensure suitable communication and engagement with public and whether a fair approach was adopted.</p>	Assurance	15	Q1	September 2013

Chief Executive					
Annual Governance Statement	To assist the Council in the production of the Annual Governance Statement.	Advisory (Contract)	10	Q4	N/A
Governance	<p>Risk</p> <p>Reputational damage to Council if processes are not fair and transparent</p> <p>Proposed Audit Coverage</p> <p>To provide assurance that key Corporate Governance process are in place within the Council and that these are operating effectively to enable the Council to be provided with sufficient information to enable them to discharge their responsibilities.</p>	Assurance	10	Q4	March 2014
Data Quality	<p>Risk: CWC0008 – Performance Management</p> <p>Weak performance management leads to lack of informed decision making, poor analysis and weak planning and improvement, both of core business management and achievement of transformational change.</p> <p>Coverage:</p> <p>The audit will perform a deep dive review in to a chosen area of performance within the Council and consider the following:</p> <ul style="list-style-type: none"> - The robustness of the data quality framework; - Have robust processes for data quality been established throughout the Council - The accuracy of performance management data. - Validation process undertaken. 	Assurance	15	Q3	December 2013
Declarations of Interest	<p>To provide assurance that robust processes are in place to ensure that declarations of interest are obtained for all Councillors, Members and senior members of staff within the Council. This will include ensuring that:</p> <ul style="list-style-type: none"> - Adequate records are maintained of all staff needing to complete a declaration of interest - Completed returns are received from all relevant individuals; - Regular monitoring is undertaken. - All previous recommendations from the negative 12/13 review have been implemented. 	Assurance	10	Q3	December 2013
Freedom of Information Act Compliance	A review to consider how the Council can manage resources required in responding to requests.	Advisory (Contract)	15	Q1	June 2013
Project Management Support Function	<p>Risk:</p> <p>Failure to meet planned expectations with regard to attracting investment or completion of the project by required deadlines</p> <p>Coverage:</p> <p>Advice on appropriateness of Project Initiation Documents (PIDs) and assistance on Project Board meetings where requested to assist in applicacne of PRINCE2 principles.</p>	Advisory (Contract)	20	Q1-4	tbc

Training and Development	<p>Risk: ORG0020 - Delivery of Change</p> <p>Managing a mixed economy workforce, utilising a suite of contractual relationships internal, external temporary and permanent, Anticipating areas of service change and acting early to minimise compulsory redundancy.</p> <p>Significant risk associated with business failure of major supplier</p> <p>Coverage:</p> <p>A review of the development of initiatives adopted for training delivery, including e-learning and the adherence to mandatory training.</p>	Assurance	10	Q2	September 2013
Health and Safety	<p>Risk: CEC0008 – Failure to adhere to Health and Safety practice</p> <p>Severe implications of breach of health and safety policies and procedures for client and public as well as staff.</p> <p>Coverage:</p> <p>Management request to determine adherence to requirements on compliance testing on key areas, e.g. Fire and DSE. We will also consider the development of appropriate policies on Health & Safety and training delivered in accordance to policy.</p>	Assurance	10	Q1	September 2013
Contractual Management Arrangements	An advisory review at the request of the Assistant Director, Finance & Audit, which will be scoped in year.	Advisory (Contract)	10	Q2	September 2013
Systems and Financial Controls					
General IT audit Coverage	A strategic Internal Audit Plan needs to have some coverage of IT systems. We will agree the exact scope of this work with management. The timing of the work will also need to be determined and consider phase 2 of the Avarto contract.	Assurance	30	tbc	tbc
Housing Benefit	Coverage to meet External Audit / Regulatory Requirements and any management concerns.	Assurance	12	Q4	March 2014
Council Tax		Assurance	15	Q4	March 2014
Business Rates		Assurance	15	Q4	March 2014
Rent Accounts		Assurance	12	Q4	March 2014
Payroll		Assurance	12	Q4	March 2014
Creditors		Assurance	15	Q4	March 2014
Debtors & Cash Management		Assurance	15	Q4	March 2014
Treasury Management		Assurance	15	Q4	March 2014
General Ledger		Assurance	12	Q4	March 2014
Asset Register		Assurance	15	Q4	March 2014
Capital Expenditure	<p>Risk: RSF0006 – Budget control failure</p> <p>Over and under spends of Capital – Either overall or individual schemes.</p> <p>Coverage:</p> <p>A review to consider:</p> <ul style="list-style-type: none"> - Development and approval of the Capital Programme for the year; 	Assurance	15	Q3	March 2014

	<ul style="list-style-type: none"> - Capital project approval - Monitoring of the delivery of the capital programme 				
Budget Setting inc. CIP plan	<p>Risk: ORG0021 - Economic climate Continued Economic Instability and Turbulence at a national level. Comprehensive Spending Review Reduction in Income of £25million to the Council over next 4 years Reduction of service provision and services</p> <p>Coverage: The audit will consider the following:</p> <ul style="list-style-type: none"> - The robustness of the budget setting process including the development of CIPs; - The involvement of budget holders in the development of budgets; - The budget sign off approval process. 	Assurance	15	Q2	September 2013
Budgetary Control inc. CIP monitoring	<p>Risk: ORG0021 - Economic climate Continued Economic Instability and Turbulence at a national level. Comprehensive Spending Review Reduction in Income of £25million to the Council over next 4 years Reduction of service provision and services Risk of insolvency of key suppliers</p> <p>Coverage: The audit will consider the following:</p> <ul style="list-style-type: none"> - The robustness of the month end processes and budget report production; - The involvement of budget holders in management of individual budgets; - The timeliness and accuracy of financial reporting information 	Assurance	15	Q3	March 2014
Other Internal Audit Coverage					
Management Meeting attendance	Management Meetings (Berkshire Audit Group, Risk Management Group, Schools Forum, Bursars Forum, SMT, DMT, CMT)	-	25	Ongoing	As used
Follow Up	To meet internal auditing standards and to provide management with ongoing assurance regarding implementation of recommendations.	Follow up review	34	Ongoing	Ongoing
Management	<p>This will include:</p> <ul style="list-style-type: none"> ▪ Annual planning. ▪ Preparation for, and attendance at, Audit Committee meetings. ▪ Regular liaison and progress updates. ▪ Liaison with external audit. ▪ Preparation of the annual internal audit opinion. 	-	75	Ongoing	As used
Total			797		

APPENDIX D: ADDITIONAL AUDITS FOR CONSIDERATION FOR 2013/14

The following audits have not been included as part of the Internal audit plan for 2013/14 due to the need to maintain the number of planned audits within the overall days envelope as agreed in previous years. These were provisionally scheduled for 2013/14 coverage but have been replaced by higher risk areas or management request for coverage. The Audit Committee should consider as to whether any of them warrant inclusion within the audit plan for 2013/14.

Audit	Internal Audit Coverage	Internal Audit Approach	Audit Days	Proposed Timing	Audit Committee
Partnership Arrangements	<p>The audit will consider the following:</p> <ul style="list-style-type: none"> - Follow up of 2012/13 recommendations; - Delivery of phase three of review process; - 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. 	Assurance	10	Q4	
Insurance	Advice on whether specification for new insurance contract is consistent with existing instances and usage.	Advisory (Contract)	10	Q1	
Licencing	<p>Management request to ensure:</p> <ul style="list-style-type: none"> - Suitable guidance and advice is provided; - The appropriateness of approved licenses; and - The engagement with other organisations, e.g. Thames Valley Police. 	Assurance	15	Q2	
Highways Management	Management request to provide assurance on the adherence to maintenance protocol, i.e. the Highways Act 1980, and to determine how the Council is considering value for money in their maintenance works.	Assurance	15	Q3	
Public Health	Following the transfer from the Primary Care Trust this review would provide assurance on the governance arrangements established and the performance management framework mechanisms for identifying the achievement of set targets.	Assurance	15	Q3	

APPENDIX E: INTERNAL AUDIT SCHOOL AUDIT COVERAGE 2013/2014

Please note that the Schools audits have been selected on the basis of perceived risk and where they received red opinions in 2012/13 coverage.

School Name	Proposed Timing (School Term)	Audit Committee
Nursery Schools		
Baylis Court Nursery School (DFE: 1021)	Autumn/Winter 2013	Tbc
Cippenham Nursery School (DFE: 1022)	Summer 2013	Tbc
Lea Nursery School (DFE: 1023)	Summer 2013	Tbc
Slough Centre Nursery (DFE: 1020)	Autumn/Winter 2013	Tbc
Primary Schools (including Infants & Juniors)		
Claycots School (DFE: 2256)	Spring 2014	Tbc
Foxborough Primary School (DFE: 2216)	Summer 2013	Tbc
Montem Primary School (DFE: 2257)	Autumn/Winter 2013	Tbc
Our Lady of Peace Catholic Junior School (DFE: 3357)	Autumn/Winter 2013	Tbc
Parlaunt Park Primary School (DFE: 2244)	Autumn/Winter 2013	Tbc
Pippins School (DFE: 5207)	Autumn/Winter 2013	Tbc
Priory School (DFE: 5201)	Summer 2013	Tbc
St Ethelbert's Catholic Primary School (DFE: 3363)	Spring 2014	Tbc
Secondary Schools		
St Bernard's Catholic Grammar School (DFE: 4700)	Summer 2013	Tbc
Wexham School (DFE: 4089)	Autumn/Winter 2013	Tbc
Special Schools & Pupil Referral Units		
Littledown School (DFE: 7030)	Summer 2013	Tbc

N.B SIX AUDIT DAYS PER SCHOOL

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