Audit Committee

Internal Audit and Counter Fraud Plan 2015-2016

Report of the Head of Corporate Governance

Portfolio Holder: Audit Committee

5th March 2015

Officer Contact: Mark Stenson
Ext. 4783

Purpose of Report

To advise and consult with Members on the proposed Internal Audit and Counter Fraud Plan for the financial year 2015-2016 and give Members of this Committee the opportunity to highlight any risks they feel would be benefit from an Internal Audit and Counter Fraud review.

Executive Summary

The Annual Audit and Counter Fraud Plan is prepared on an annual basis and ultimately agreed with the Director of Finance as the Section 151 Officer to the Council. The Director of Finance needs to be assured the audit coverage is sufficient to discharge the officer’s statutory role. Consultation with the Audit Committee at this stage gives the opportunity to influence the Annual Plan.

Recommendations

Members note the Internal Audit and Counter Fraud Planning Process for 2015-2016.
Internal Audit and Counter Fraud Plan 2015-2016

1 Background

1.1 This is the report by the Head of Corporate Governance to this Committee to advise Members of the Internal Audit and Counter Fraud planning process for the financial year 2015-2016 and give Members of this Committee the opportunity to highlight any areas of work they feel would be appropriate for future Internal Audit and Counter Fraud Coverage.

2 Planning Process

2.1 The first draft of the Annual Internal Audit and Counter Fraud Plan is derived from the strategic three year audit plan prepared via the use of the Council’s agreed Audit Needs Assessment. The Internal Audit System is used to record and process risks and to prepare detailed Audit Plans.

2.2 This draft is subject to intensive consultation with:

- Director of Finance and Senior Finance Staff
- Key Directorate Staff
- Issues on key documents such as the Corporate Risk Register or Annual Governance Statement.
- The partnership and project governance undertaken with key members of this Committee.
- The Council’s Fraud and Loss Risk Assessment
- Directorate Management Teams
- External Audit
- Audit Committee

3.0 2015-2016 Internal Audit and Counter Fraud Plan - Proposed Coverage

3.1 The key projects it is proposed to cover in the 2015-2016 plan are detailed in the attached Appendix. The Head of Corporate Governance will expand upon the key issues at the meeting.

4.0 Consultation

4.1 N/R

5.0 Finance Comments

5.1 The provision of an effective Internal Audit Service is a statutory requirement for the Council. The preparation of a risk based plan is essential to discharging this responsibility. (Mark Stenson)

6 Legal Services Comments
6.1 N/R

7 Human Resources Comments
7.1 N/R

8.0 Co-Operative Council Comments
8.1 N/R

9 Risk Assessments
9.1 N/R

10 IT Implications
10.1 N/R

11 Property Implications
11.1 N/R

12 Procurement Implications
12.1 N/R

13 Environmental and Health & Safety Implications
13.1 N/R

14 Equality, community cohesion and crime implications
14.1 N/R

15 Equality Impact Assessment Completed?
15.1 N/R

16 Key Decision
16.1 N/R

17 Forward Plan Reference
17.1 N/R

18 Background Papers
18.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:
File Ref: Background papers are provided in Appendix 1
Officer Name: Mark Stenson
Contact No: Extension 4783

19 Appendices

19.1 Appendix 1 - Internal Audit Plan and Counter Fraud Summary
Internal Audit & Counter Fraud Plan
2015-2016

Mark Stenson – Head of Corporate Governance
Corporate & Commercial Directorate
5th March 2015
Fundamental Financial Systems
2015-2016 Year End Assurance
Interim and Final Audits
- Bank Reconciliations
- Fixed Assets
- Treasury Management
- Accounts Payable
- Account Receivable
- Housing Benefits
- Council Tax Support
- Council Tax including Discounts and Exemptions
- NNDR/Business Rates
- Payroll
- Cash Income
- Residential Homecare Payments
- Individual Budgets and Community Homecare
- Continuous Audits of the key systems
Corporate Projects
These audits are corporate in nature or cut across two or more Directorates

- Risk Based Verification in Housing Benefits
- Cash Audits
- External Funding
- Business Continuity Planning
- Financial Monitoring of Key Partners
- Grant Related Audits
  - Severe Weather Recovery Grant
  - Young SME’s European Grant
  - Regions 4 Green Growth Grant
  - Clusters of Empty Homes Grant
  - Pre-Adoption Grant
  - Highways Grant
  - LTP Grant
  - Public Health Grant
  - Local Pinch Point Grant
  - Troubled Families Grant
Economy and Skills

- Budget Monitoring of Capital Projects
- Regeneration Projects
  - Construction of Leisure Facilities
  - Old Town Hall
  - Coliseum and Heritage Project
  - Special School at Hollinwood
  - Saddleworth Replacement School
  - Targeted Basic Needs School Extension
  - Hollinwood Junction Development
  - Foxdenton Business Park and Other Developments
  - Eastern Gateway Development
  - Royton Town Centre
  - Alexandria Park Development
Economies and Skills
Continued

- Property Transactions including Capital Receipts
- Basic Maintenance Programme
- Revised Unity Agreement
- Accountable Body
- Independent Quarter
Corporate and Commercial Services

- ICT Audit
  - Salford ICT
- Agency/Contractors
- Elections
- Members Services and Related Parties

Health and Wellbeing

- Changes to financial processes around the Care Act 2014.
- Better Care Framework.
- Framework.
- Supported Living Properties.
- Client Arrangement for OCS.
Health and Wellbeing

Continued

- Independent Living Fund.
- Brokerage (including in-house)
- Assessment/Care Management.
- Public Health Transfer
- Public Health Review
- Madhlo
- Safeguarding People
- Foster Payments
- Oldham Community Leisure
Policy and Governance

- Environmental Management Systems
- Carbon Reduction Commitment

Co-operatives and Neighbourhoods

- Highways Maintenance
- Waste Management
- Street Lighting PFI
Responsive, Investigations & External Clients

- Counter Fraud investigations
- Individualised Budgets Audits
- Greater Manchester Waste Disposal Authority
- Academies
- Preparation of the 2016-2017 Internal Audit and Counter Fraud Plan
- Contingency for Unplanned Work
- Committee Reporting