

Internal Audit Plan

2017-2018

Background

All local authorities must make proper provision for internal audit in line with the 1972 Local Government Act (S151) and the Accounts and Audit Regulations 2015. The latter states that authorities must ““undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance””.

The guidance accompanying the Regulations recognises both the Public Sector Internal Audit Standards (PSIAS) 2016 and the CIPFA Local Government Application Note for the UK PSIAS as representing “public sector internal audit standards”. The standards define the way in which the Internal Audit Service should be established and undertakes its functions.

The standards also requires that an opinion is given on the overall adequacy and effectiveness of the Council’s control environment comprising risk management, control and governance, which is informed by the work undertaken by the Service.

The Shared Service Internal Audit function conforms to the International Standards for the Professional Practice of Internal Auditing.

What is Internal Auditing?

The role of the internal auditor is to provide *independent, objective assurance* to management that key risks are being managed effectively. To do this, the internal auditor will evaluate the quality of risk management processes, systems of internal control and corporate governance frameworks, across all parts of an organisation, and to provide an opinion on the effectiveness of these arrangements. As well as providing assurance, an internal auditor’s knowledge of the management of risk enables them to act as a consultant and provide support for improvement in an organisation’s procedures. For example, at the development stage of a major new system where the internal auditor can help management to ensure that risks are clearly identified and appropriate controls put in place to manage them.

Why is assurance important?

By reporting to senior management that important risks have been evaluated, and highlighting where improvements are necessary, the internal auditor helps senior management to demonstrate that they are managing the organisation effectively on behalf of their stakeholders. Hence, internal auditors, along with senior management and the external auditors are a critical part of the governance arrangements of our organisation, our work significantly contributing to the statutory Annual Governance Statement (AGS).

Development of the 2017/2018 Internal Audit Plan

To enable the above, the Chief Internal Auditor is required to produce an Annual Risk Based Internal Audit Plan to determine the priorities of the internal audit activity. The proposed activity should be consistent with the organisation’s priorities and objectives and taking into account the organisation’s risk management framework, including risk appetite levels set by management and internal audit’s own judgement of risks.

How did we develop the plan - Risk Based Internal Audit Planning (RBIAP)

To ensure our internal audit resources continue to be focussed accordingly, particularly during periods of organisational change, it is essential that we understand our clients’ needs, which means building relationships with our key stakeholders, including other assurance/challenge providers, in order to gain crucial insight and ongoing ‘intelligence’ into the strategic and operational change agendas within our organisation.

This insight is not only identified at the initial development stages of the plan but dialogue continues throughout the financial year(s) which increases the ability for the Internal Audit Service to adapt more closely to meet the assurance needs of the Council, particularly during periods of significant change. Our plan therefore needs to be dynamic and should be flexible to meet these needs.

How did we achieve the above?

To ensure that an effective plan is developed, a consultation process took place with Senior Management Team to establish priorities. The proposed activity from all sources was collated and matched against the internal audit resources available and prioritised accordingly.

A flexible audit plan - Risk and Control Assurance Programme

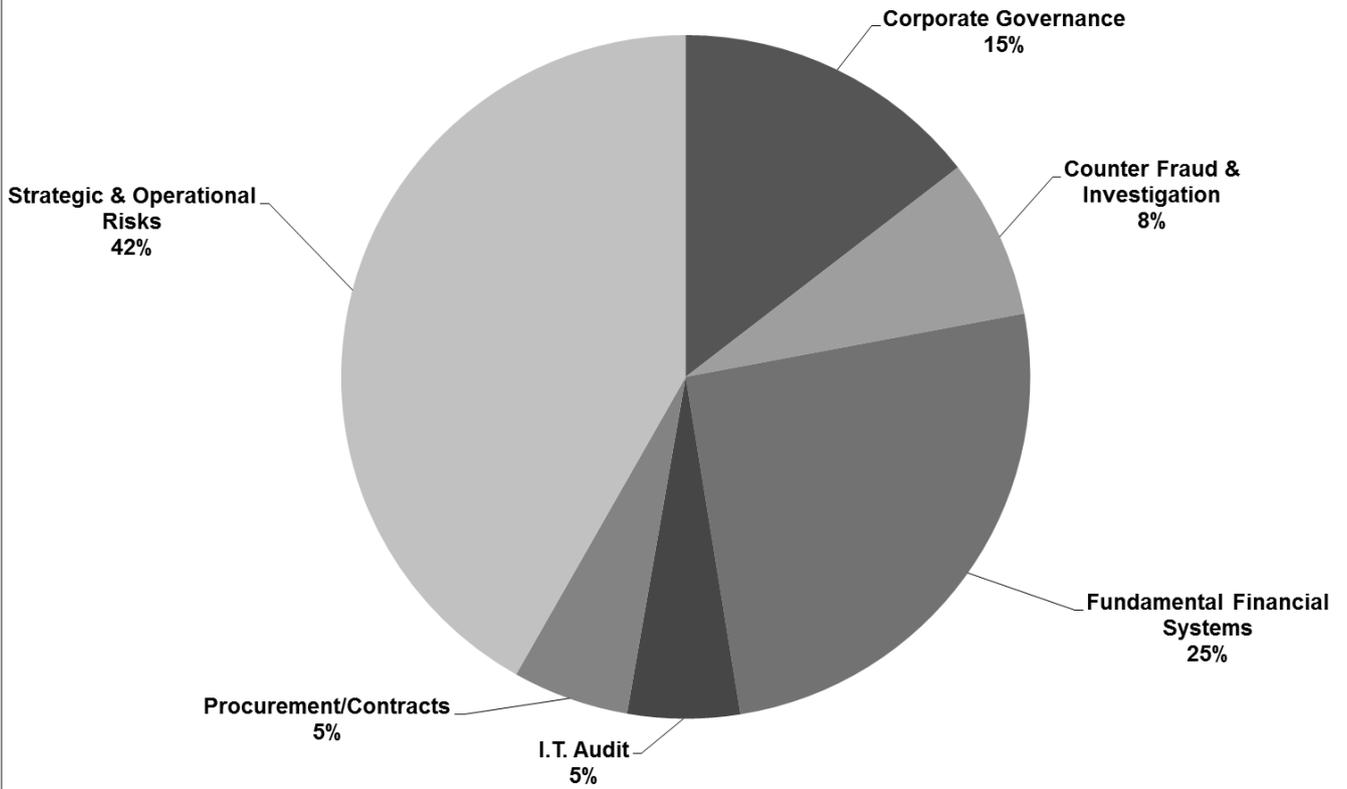
The audit plan is stated in terms of estimated days input to the Council of **550** audit days which is comparable to last year. By continuing to apply RBIAP principles; this level of input, with the ability to commission internal audit resources from current audit framework agreements as required, is considered acceptable to provide the assurance the Council needs. We will however, continue to reassess our resources required against the Council's priorities and risks and will amend the plan throughout the year as required, reporting any key changes to the Audit and Governance Committee.

Overview of Internal Audit's Risk and Control Assurance Programme

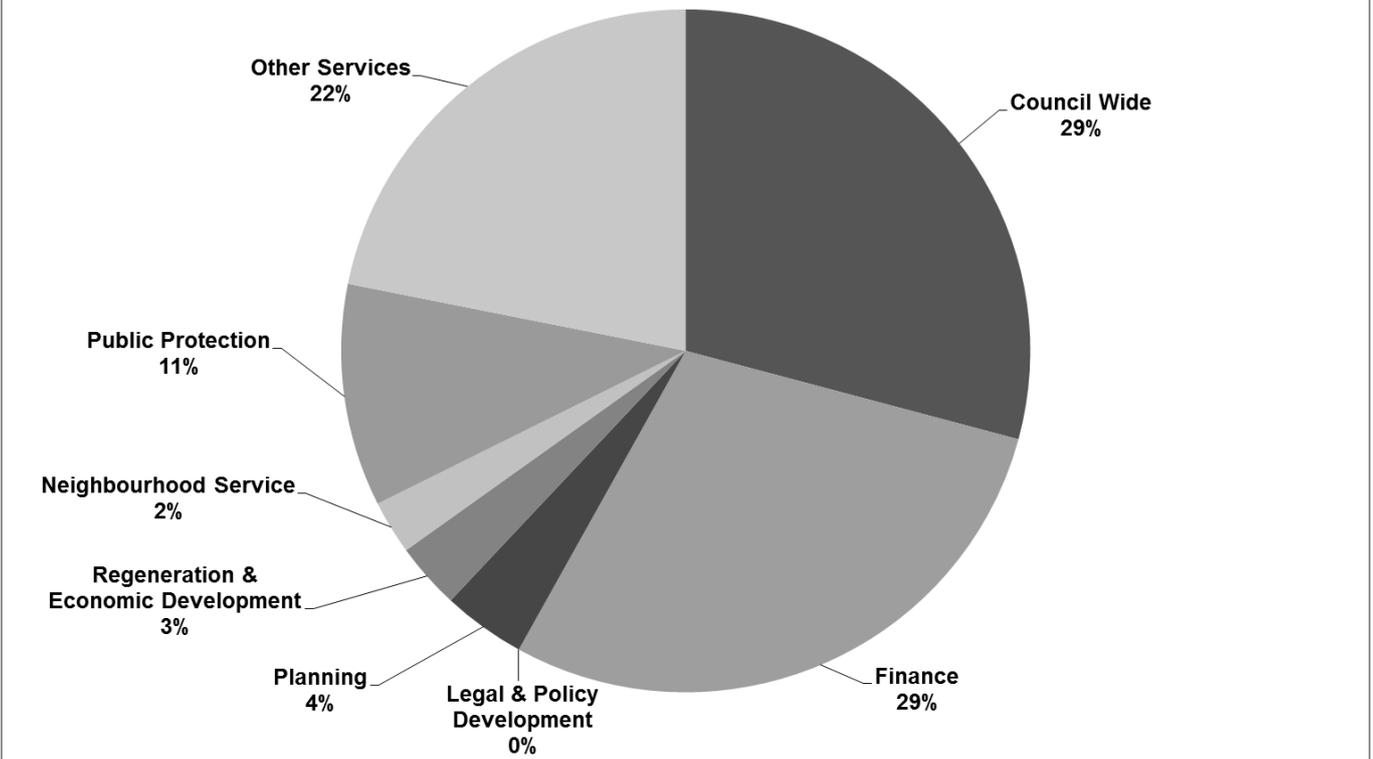
In order to provide a high level overview of the proposed Risk and Control Assurance Programme the pie charts below highlight the allocation of audit resources per:

- Category of review; and
 - Functional service area.
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Percentage of audit days per category of review



Percentage of audit days per functional service area



The key points to note within the proposals are:

- There is a proportional split, based on risk, between each of the functional service areas to enable the provision of an audit opinion;
- Continued focus on corporate governance, key financial systems and strategic risks due to the significant organisational change agenda;
- Continued emphasis on procurement and contract management and monitoring arrangements; and
- Taking into consideration other assurance providers.

The detail supporting this overview is attached at Appendix 1 which shows:

- Audit activity per service area;
 - Name of the audit activity;
 - Reason for the audit i.e. as a result of RBIAP and link to the Council's Strategic Risk Register, statutory requirements etc;
 - Outline scope of the review (please note that a detailed terms of reference is agreed with the client prior to the commencement of every audit to ensure audit activity is continually focused on the key risks and is undertaken within agreed time periods, to ensure our service adds value to the Council); and
 - The priority of the audit i.e. priorities 1 and 2. The aim is to focus on priority 1 audits, with the priority 2 audits being reassessed in the eventuality of any new emerging risk areas highlighted where assurances may be required, or where additional fraud investigations/irregularities materialise.
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Council Wide

Code of Conduct for Employees	Identified as part of Risk Based Internal Audit Planning (RBIAP)	The purpose of this Code is to give all employees guidance on how the City Council and the public in general expect them to behave. If the Code is followed then staff should not find themselves in a situation where their conduct could create an impression of conflict of interest or corruption in the minds of the public. Compliance with the Code is essential particularly during periods of significant change. This audit will review the adequacy of the guidance and frameworks in place, related methodologies to manage and monitor ethical performance and review the effectiveness of compliance.	Priority 1
Complaints Policy	Identified as part of RBIAP	The effective handling and wherever possible the satisfactory resolution of a complaint (together with identifying and acting on lessons learned) is key to good governance. On a monthly basis the Council's contact centre receives approximately 100 expressions of dissatisfaction with a form of service provision. This audit will review the process for handling expressions of dissatisfaction and provide assurance that these are handled in line with corporate policy and guidelines and that the level of corporate oversight is appropriate.	Priority 1
Procurement	Identified as part of RBIAP	The Council undertakes a variety of procurement activities to help deliver services and to meet its key aims and objectives. Failure to operate a transparent process for procurement activity (coupled with any non-compliance with the requirements of the Public Contracts Regulations 2015) exposes the Council, Members and officers to significant risks in the event that the contract award is subject to challenge. This audit will review the procurement framework and a sample of individual procurement activities across the Council in order to evaluate the level of compliance with legislation and the Council's Constitution.	Priority 1

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Scheme of Delegation	Identified as part of RBIAP	The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 set out the rules with which local authorities must comply when taking executive decisions at Cabinet, by an individual Cabinet Member or at an officer level. In addition, the Openness of Local Government Bodies Regulations 2014 allows persons to commentate on public meetings and require a written record of certain decisions made by officers of such bodies. This audit will review the procedural framework established by the Council for documenting and publishing executive decisions taken by officers under delegated powers.	Priority 1
Together Gloucester	Identified as part of RBIAP	The City Council's Money Plan sets out savings target for 2017/18 of £1.5m of which £1m is expected to be delivered through the Together Gloucester change programme. This programme will involve a re-structure for the long-term, service rationalisation and enhanced Asset Based Community Development. This audit will review the delivery of the savings within the Council's Money Plan.	Priority 1
Staff Appraisal System	Identified as part of RBIAP	Performance management systems are employed "to manage and align" all of an organisation's resources in order to achieve highest possible performance. A performance appraisal is a systematic and periodic process that assesses an individual employee's job performance and productivity in relation to certain pre-established criteria and organisational objectives. This audit will review the adequacy of the guidance and frameworks in place, related methodologies to manage and monitor appraisals and review the effectiveness of compliance.	Priority 2
Councillors Community Fund	Identified as part of RBIAP	As part of the Community Grant budget, the Cabinet Member for Communities and Neighbourhoods has provided a 'Councillors' Community Fund'. This fund allows every Councillor to spend £2,000 within their individual ward on community projects. This audit will review the governance arrangements established to approve, administer and monitor the expenditure for each grant to ensure this is in line with guidance for this scheme.	Priority 2

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Finance

Accounts payable	Identified as part of RBIAP Joint working protocol between Internal Audit and KPMG (External Auditors)	In February 2017, the Council implemented a new financial management system and on an annual basis the Council processes creditor payments circa £15m. Through the joint working protocol between Internal Audit and the External Auditors the Creditors system is identified as being a key financial system for which the Chartered Institute of Public Finance and Accountancy (CIPFA) have defined a series of risk and control matrices. This audit will review the arrangements in place for managing suppliers and supplier payments, including: reconciliation to the general ledger, payment run approval, user access, supplier creation and amendment, approval and receipt of individual invoices, reconciliation of procurement cards and approval of direct debit supplier payments.	Priority 1
Accounts receivable	Identified as part of RBIAP Joint working protocol between Internal Audit and the External Auditors	In February 2017, the Council implemented a new financial management system (Civica Financials) which incorporated the replacement of the old debtors system. Through the joint working protocol between Internal Audit and the External Auditors Debtors is identified as a key financial system and this audit will review the key high level controls to provide assurance that they continue to operate effectively in the new system.	Priority 1

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Benefits	<p>Identified as part of RBIAP</p> <p>Joint working protocol between Internal Audit and the External Auditors</p>	<p>Gloucester City Council expenditure on Housing Benefits and Council Tax Support is in excess of £46m per annum. The rules surrounding entitlement to Housing Benefit and Council Tax Support are quite complex and any administrative errors having the potential to lead to under/overpayments. The service was outsourced to Civica Ltd in October 2011 with an initial contract term of seven years, which has recently been extended to October 2021. Through the joint working protocol between Internal Audit and the External Auditors Housing Benefits and Council Support Tax is identified as being a key financial system and the audit approach will be in two parts:</p> <ul style="list-style-type: none"> a) To provide assurance that the parameters applicable to the 2017/18 year have been set correctly, and that the internal procedures have been followed within Civica and the Council for verifying the parameters before they are implemented; and b) To review the key high level controls on an annual basis with the remaining controls as identified by CIPFA being tested over a rolling three year period. 	Priority 1
Blackfriars Priory Turnover Certification	<p>Identified as part of RBIAP</p> <p>Certification</p>	<p>The rent charges paid by the Council to English Heritage are based on a percentage of the income generated from holding events at Blackfriars Priory. It is a condition of the lease that the Council provides a turnover certificate from a qualified auditor to confirm the level of income received. This audit will provide assurance that the turnover values stated to English Heritage are in accordance with and supported by documents and records held by the Council.</p>	Priority 1
Capital Accounting	<p>Identified as part of RBIAP</p> <p>Joint working protocol between Internal Audit the External Auditors</p>	<p>The Forecast Capital Programme identifies £7.5 million projected capital expenditure in 2017/18 across 13 areas. Through the joint working protocol between Internal Audit and the External Auditors Capital Accounting is identified as being a key financial system for which CIPFA have defined a series of risk and control matrices. These matrices will be used as the base point for testing from which to provide levels of assurance upon the risk management and control environment. This audit will assess the arrangements in place to monitor, enact a virement and account for expenditure on capital projects within the Council.</p>	Priority 1

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Cash and Bank	Identified as part of RBIAP Joint working protocol between Internal Audit and the External Auditors	In February 2017 the Council implemented a new financial management system. Through the joint working protocol between Internal Audit and the External Auditors Cash to Bank is identified as being a key financial system for which CIPFA have defined a series of risk and control matrices. This audit will review the arrangements in place for banking and to secure and account for income (including: bank reconciliations, cash feeder systems, cash suspense, cash security and bank access/authorisation) under the new system.	Priority 1
Council Tax	Identified as part of RBIAP Joint working protocol between Internal Audit and the External Auditors	Gloucester City Council (GCC) collects Council Tax on behalf of public sector bodies that issue a precept e.g. Gloucestershire County Council and Gloucestershire Police and Crime Commissioner. The total value of Council Tax collected is £64m, with GCC's share being circa £6.8m. The service was outsourced to Civica Ltd in October 2011 with an initial contract term of seven years, which has recently been extended to October 2021. Through the joint working protocol between Internal Audit and the External Auditors Council Tax is identified as being a key financial system and the audit approach will be in two parts: a) To confirm that Council Tax charges have been correctly calculated, appropriately authorised, and accurately transferred to the billing system; and b) To review the key high level controls on an annual basis with the remaining controls as identified by CIPFA being tested over a rolling three year period.	Priority 1

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Main Accounting System	<p>Identified as part of RBIAP</p> <p>Joint working protocol between Internal Audit and the External Auditors</p>	<p>In February 2017, the Council implemented a new Financial Management System (Civica Financials). The General Ledger module is at the heart of the Civica Financials suite of integrated financial modules designed to enhance the financial and managerial control an authority has over its operating activities. Through the joint working protocol between Internal Audit and the External Auditors the General Ledger is a key financial system which is subject to regular review. This audit will review the controls in the new system around:</p> <ul style="list-style-type: none"> • General Ledger general access controls; • Journals; • Suspense accounts; • Amendments to chart of accounts; • Budgetary control; and • Period ends. 	Priority 1
Non-Domestic Rates (NDR)	<p>Identified as part of RBIAP</p> <p>Joint working protocol between Internal Audit and the External Auditors</p>	<p>The total amount of Non-Domestic rating income from the rates retention scheme for 2016/17 was £51.6m, of which GCC's share was £20.7m. The service was outsourced to Civica Ltd in October 2011 with an initial contract term of seven years, which has recently been extended to October 2021. Through the joint working protocol between Internal Audit and the External Auditors NDR is identified as being a key financial system and the audit approach will be in two parts:</p> <ol style="list-style-type: none"> a) To provide assurance that appropriate notifications have been received advising of the National Non Domestic Rates (NNDR) multipliers and transitional relief rates for the current financial year and that multipliers and transitional relief rates have been accurately transferred to the billing system; and b) To review the key high level controls on an annual basis with the remaining controls as identified by CIPFA being tested over a rolling three year period. 	Priority 1

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Payroll	Identified as part of RBIAP Joint working protocol between Internal Audit and the External Auditors	The Council's annual payroll circa £8.4m is administered by Gloucestershire County Council an arrangement that has been in place for four years. The key objective of any payroll system is to pay employees correctly, on time and to account for personal data and payments completely and accurately. It is management's role to ensure that there are adequate controls within the system to ensure that this happens. Through the joint working protocol between Internal Audit the External Auditors Payroll is identified as being a key financial system and the audit approach will be to review the key high level controls on an annual basis with the remaining controls as identified by CIPFA being tested over a rolling three year period.	Priority 1
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Public Protection

Project Solace	Identified as part of RBIAP	The Safer Gloucester Partnership recognises that every agency has a vital role to play in tackling anti-social behaviour (ASB). Project Solace tackles ASB where it exists in private tenancies, owner-occupiers and public places and has developed processes to act swiftly to prevent ASB. Whilst it supports people to take responsibility for their actions, it challenges those who don't. The multi-agency team works to bring agencies together to deal with ASB. Gloucester City Council and Gloucestershire Constabulary have taken on the management function of the team and this audit will review the effectiveness of these arrangements and the Council's role within this partnership.	Priority 1
Cemeteries and Crematorium	Identified as part of RBIAP	Gloucester City Council manages two Cemeteries and a Crematorium in order to deliver burial services within the local area. Provision of burial space is not a statutory responsibility, but delivers a discretionary service for the public benefit. Local authorities that do provide burial services must comply with legislation. The budget for this service is approximately £1 million income per year. This audit will review the arrangements in place for the administration and collection of income due together with any associated expenditure incurred on behalf of the Council in providing this service.	Priority 1
Licensing (Business)	Identified as part of RBIAP	The Licensing Service supports the local economy by ensuring that businesses providing licensable services are regulated to protect the public or others from harm. Licences are generally subject to a fee designed to cover service costs. This audit will review the fee-setting arrangements, administration and monitoring of licences and assess compliance with legislated requirements for: <ul style="list-style-type: none"> • Taxi Drivers; • Taxi Operators; and • Taxi Vehicles. 	Priority 2
CCTV	Identified as part of RBIAP	CCTV is installed at locations within the City and is considered to be a valuable tool contributing to public safety and protecting the public and property. Consideration is also being given to the use of mobile CCTV to record instances of waste and fly tipping and possibly the use of body cameras by enforcement officers. This audit will review the protocols developed by the Council around the use of such equipment with partners and officers.	Priority 2

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Planning

Planning – Processing and Performance	Identified as part of RBIAP	<p>The Council is the area’s local planning authority, responsible for determining whether development in the local environment (constructing or altering buildings, or use of land) is suitable and in accordance with local and national policy. This audit will consider the arrangements in accepting, validating, publicising and determining planning applications.</p> <p>National government is keen to ensure continuing improvement in the planning system, and measures the Council’s performance on the speed and quality of decisions on applications for major development. The Council’s activities in monitoring and securing good performance will also be reviewed.</p>	Priority 1
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Neighbourhood

Streetcare contract – follow up	Identified as part of RBIAP Limited Assurance Report	<p>The Streetcare Partnership was set-up in January 2007 with a contract expiry date of 31st March 2022. The service is provided by Amey with an annual value circa £6m. As part of the 2016/17 Internal Audit Plan a number of improvement actions were identified which were considered necessary to further enhance the corporate oversight and management arrangements of this key service contract. As a consequence, management agreed to complete a number of improvement actions which were reported to the Audit and Governance Committee in January 2017. This follow up audit will aim to provide assurance that the actions have been completed as agreed.</p>	Priority 1
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Regeneration and Economic Development

Kings Quarter Development (bus station)	Identified as part of RBIAP	The Council's approved Capital Programme includes an allocation of £7.5m for the Kings Quarter Development and new bus station funded from grants received from GlosLep (Local Enterprise Partnership). This audit will review the project management arrangements established by the Council to deliver this prestigious scheme.	Priority 1
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Other Services

Choice Based Lettings (CBL)	Identified as part of RBIAP	<p>The Council has responsibilities under the Housing Act 1996 to allocate housing accommodation to eligible households and is part of the Homeseeker plus partnership with other local authorities to allocate housing via a CBL scheme.</p> <p>The CBL Scheme was reviewed in the 2015/16 annual audit plan and the assurance opinion was split, with controls around the management of user accounts identified as requiring improvement. The Council and its Homeseeker partners have subsequently procured new software to deliver the CBL scheme, which was implemented in 2016. This audit will review shortlisting arrangements, procedures that have been changed following the implementation of the new software to confirm compliance with policy and confirm that all relevant actions agreed in the 2015/16 audit have been implemented.</p>	Priority 1
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Communications Service	Identified as part of RBIAP	<p>In April 2015, the Council entered into a Service Level Agreement with Gloucestershire County Council for the provision of a communication and marketing resource. This audit will be to:</p> <ul style="list-style-type: none"> • Review the Governance Arrangements established by the City Council to provide effective oversight of the Service (including performance management and reporting); • Evaluate whether the services provided to the City Council are clearly defined within the Agreement and that in practice the services are being delivered to the required standard; and • Confirm that the financial payments made to the County Council are for work delivered under the Agreement and in line with expectations. 	Priority 1
Homelessness	Identified as part of RBIAP	<p>The homelessness legislation places a general duty on housing authorities to ensure that advice and information about homelessness and preventing homelessness, is available to everyone in their district free of charge. The legislation also requires authorities to assist individuals and families who are homeless or threatened with homelessness. This audit will review the effectiveness of the systems in operation for processing applications and monitoring homelessness cases and select a sample of cases to review the application process to ensure compliance with the guidance and to establish the level of monitoring undertaken once the decision to accept a homeless case has been made.</p>	Priority 1
Marketing Gloucester Ltd (MGL)	<p>Identified as part of RBIAP</p> <p>Limited Assurance</p>	<p>MGL is a public-private partnership with the objective of promoting the city of Gloucester as a great place to live, work, study and visit. Its aim is to attract visitors locally, nationally and internationally by celebrating Gloucester's wealth of history and by bringing contemporary, cultural events to the heart of the city for residents and tourists to enjoy. The Council's budgeted expenditure with MGL for 2017/18 is £369k. This audit will follow on from previous assurance activity in order to determine whether the Council can appropriately evidence the achievement of Value For Money (VFM) from the funding arrangements in place with the Company.</p>	Priority 1

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Network Access Controls – follow up	Identified as part of RBIAP	Network access control is primarily a network management solution with the key objectives of creating and managing identity and access management, ensuring that security policy is followed, and removing, preventing and mitigating security risks to the entire network environment. The 2016/17 audit highlighted a number of control weaknesses to which a management action plan was agreed. This follow-up audit will provide assurance that the agreed actions have been implemented and are effective.	Priority 1
New till, box office ticketing and shop/café-bar system	Identified as part of RBIAP	A replacement till, box office ticketing and shop / café-bar system has now been implemented at the Guildhall, Tourist Information Centre (TIC), Museums, and the Crematorium Arbor .The 2016/17 budgeted income for the Guildhall, TIC, and Museums is £1.04m, with the budgeted income for the Arbor being £136k. This system did not become functional until November 2016. Consequently it was considered beneficial for the planned review to be deferred to the 2017/18 Internal Audit Plan where the effectiveness of the revised systems and processes for these operations will be reviewed and evaluated.	Priority 1
Museums	Identified as part of RBIAP	The City museums' inventory contains circa 100,000 objects which are held in order to preserve the history of Gloucester, with some 10% being on display at any one time across the two sites. Appropriate objects can be donated by members of the public and in some circumstances an object can be subject to disposal. This audit aims to provide assurance that acquisitions, together with their on-going storage arrangements and when appropriate, its subsequent disposal, is in accordance with Council policy, legislation or national guidance.	Priority 2
Electoral Service	Identified as part of RBIAP	The Electoral Service organises and administers all District, County Council, Parliamentary and European elections and Referenda. A new system for the way people register to vote (Individual Electoral Registration) was introduced during 2015 whereby people applying to register will be asked to provide their national insurance number and their date of birth. This will be 'matched' against information held on the Department of Works and Pension database before they are then added to the register. The audit will review the effectiveness of the information security arrangements relating to the data obtained for the new registration process.	Priority 2

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Gloucester City Council – Online Lottery	Identified as part of RBIAP	Gloucester City Council is setting up an online lottery for local residents with the first draw scheduled for February 2017. The lottery will provide an incentive that will assist small organisations to help themselves to raise money with 60% of the proceeds allocated to the local voluntary sector and good causes. The remaining proceeds will go towards the prize fund and the Council will not make a profit. This audit will review the adequacy around the governance arrangements for the lottery, the subsequent distribution of the proceeds received and security of personal data received from participants.	Priority 2
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ICT to include audits provided by ICT external auditors

IT Disaster Recovery and Business Continuity	Identified as part of RBIAP	A risk based review of the plans to recover the ICT service to 'business as usual' following an incident or disaster; including failover and backup arrangements, recovery priorities and timescales, documentation and ownership of plans and activities contained therein, to ensure that these are appropriate and reasonable.	Priority 1
ICT	Identified as part of RBIAP	The ICT audits will be identified following the ICT audit needs assessment. The assessment will be compiled by the Internal Audit Service ICT audit specialists and will consider input from both Council officers and External Audit	Priority 1

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Counter Fraud

Audit	Reason for Audit	Outline Scope	Priority
Fraud Investigation / Detection	To support the Annual Governance Statement Protect the Public Purse	Allocation to continue the development and implementation of the Council's Anti-Fraud and Corruption arrangements based on latest best practice. This also includes an allocation for increasing the profile and awareness of anti-fraud, conducting pro-active counter-fraud reviews and undertaking investigations as required.	Priority 1
National Fraud Initiative (NFI)	To support the Annual Governance Statement	To continue to co-ordinate activity as part of the NFI (a national data matching exercise that compares data/records i.e. payroll, licences, housing waiting list, single person discounts, creditors etc.) for a wide range of public services, including ensuring that matches are investigated promptly and thoroughly, and reporting of results.	Priority 1
Fraud Risk Management	To support the Annual Governance Statement Informs the Risk Based Internal Audit Plan	The CIPFA Counter Fraud Centre has issued guidance on actions to be taken to 'Manage the Risk of Fraud and Corruption' within an organisation. This allocation is to continue to self assess against the criteria set out in the guidance in order to direct/prioritise our counter fraud and internal audit resources/activity accordingly.	Priority 1

Management Activity to Support the Audit Opinion

Activity	Reason for Activity	Outline Scope	Priority
Transformational Change	Supporting transformational change	Internal Audit to support the Council with major transformational change programmes / projects.	Priority 1
Annual Governance Statement (AGS)	Statutory Requirement	This allocation is to lead on the development and implementation of the governance assurance framework and to produce the 2017/18 AGS.	Priority 1
Audit and Governance Committee / Member / Officer and Chief Financial Officer Reporting	Management activity to support the audit opinion	This allocation covers Member reporting procedures, mainly to the Audit and Governance Committee, plan formulation and monitoring and regular reporting to and meeting with, the Chair and Vice Chair of the Audit and Governance Committee and the Head of Finance.	Priority 1
Provision of Internal Control / General Advice	To support an effective control environment	This allocation allows auditors to facilitate the provision of risk and control advice which is regularly requested by officers within the Council.	Priority 1
Quality Assurance and Improvement Programme (QAIP) includes the annual review of the effectiveness of Internal Audit and the external assessment	Statutory Requirement To support the AGS	The Accounts and Audit Regulations 2015 states that Internal Audit should conform to 'proper practices' and it is advised that proper practice for internal audit is currently set out in the Public Sector Internal Audit Standards (PSIAS) 2016. This allocation is to undertake an annual self assessment and when required, commission and deliver an external quality assessment, against the new standards.	Priority 1

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Activity	Reason for Activity	Outline Scope	Priority
External Working Groups	Activity to support the audit opinion	Attendance / work in relation to the Counties Chief Auditor Network (National Group), Midland Counties and Districts Chief Internal Auditors Group and the Fraud and ICT Groups to enable networking and to share good practice.	Priority 1
External Audit Liaison	Management activity to support the audit opinion	The External Auditor and the Chief Internal Auditor regularly meet to discuss plans and audit findings, to ensure that a "managed audit" approach is followed in relation to the provision of internal and external audit services.	Priority 1
Carry Forwards	Audit Activity outstanding	This allocation provides for the completion of various 2016/2017 audits which require finalising.	Priority 1
Recommendation Monitoring	Activity to support the audit opinion	Whilst it is management's responsibility to manage the risks associated with their outcomes/objectives, this allocation enables Internal Audit to monitor management's progress with the implementation of high priority recommendations.	Priority 1
Internal Working Groups	Activity to support the audit opinion	Internal Audit is frequently asked to nominate representatives for working groups to advise on risk and control.	Priority 2