

APPENDIX B

Ref	Auditable Unit	Indicative number of audit days	Q1	Q2	Q3	Q4	Comments
A	Community Well-being & Social Care						
A1	Adult Social Care						
A1.1	Adult Safeguarding	30	●				<p>Safeguarding is potentially the highest risk area of Adult Social Care. In recognition of a number of high profile safeguarding failures nationally, the government published updated policy guidance on the 10th May 2013. This sets out six principles to guide local agencies approach to safeguarding:</p> <ul style="list-style-type: none"> • Empowerment -Presumption of person led decisions and informed consent. • Prevention -It is better to take action before harm occurs. • Proportionality – Proportionate and least intrusive response appropriate to the risk presented. • Protection -Support and representation for those in greatest need. • Partnership -Local solutions through services working with their communities. Communities have a part to play in preventing, detecting and reporting neglect and abuse. • Accountability -Accountability and transparency in delivering safeguarding. <p>This audit will review the Council's adult safeguarding arrangements against the principles above, identifying any gaps and making recommendations for enhancement to be considered by management.</p>
A1.6	Paris Implementation	30			●		<p>The Adult Social Care Service is part way through implementing the Paris system, replacing the previously used system, Swift.</p> <p>This review will assess management of the implementation against good practice, covering mechanisms in place to ensure the following areas are</p>

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							<p>correctly managed:</p> <ul style="list-style-type: none"> • Work and Schedule • Business Benefits • Risk Management • Scope • Stakeholders • Project Team
N/A	Adult Social Care Improvement Plan Follow-Up	30	●				<p>Following our 2014/15 Quarter 1 review of Adult Social Care an improvement plan was agreed, followed up in Quarter 3 2014/15. At the time of this review a number of items were outstanding; this review will ensure that all items have been satisfactorily completed.</p> <p>Note: this review has been agreed but may not be necessary, dependent on the outcome of our Quarter 3 (December 2014) review, which at the time of writing is pending.</p>
B	Children's Services						
B1.1/2.1	Hampshire Strategic Partnership	30		●			<p>From mid 2013 Children's social care and school related services are being delivered through a strategic partnership with Hampshire County Council. There is a clear partnership agreement in place setting out respective responsibilities.</p> <p>This audit will review arrangements for the governance, monitoring and reporting of the performance of the service provided through this partnership, to help ensure that senior management at the Council and the Children's Improvement Board have an up to date and accurate view of how well arrangements are performing to inform their strategic decisions.</p>
B2	Education and Inclusion						

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B2.2	Schools' Audits	30			●		To help provide assurance against the key Council objective of 'Raising educational standards' we will undertake a rolling programme of regularity audits on five schools; this can be very effective as a way of benchmarking schools and improving practices. We will discuss with management which schools to review based on changes in the Head Teacher, performance issues or prior audit findings. We will review compliance with finance policy, financial regulations and standing orders; segregation of duties between staff responsible for authorising orders, verifying receipt of goods and services and certifying invoices for payment; income generation activities; accuracy and timeliness of bank reconciliations; and recording of assets (e.g. laptops, equipment).
C	Economy & Environment						
C2	Economic Development						
C2.7	Tourism/Destination Management Organisation (DMO)	30			●		Tourism is a non-statutory service, which the Council ceased to provide directly following the comprehensive spending review of September 2010. Recognising the importance of Tourism to the Island's economy the Council continues to provide transitional support to the DMO (Destination Management Organisation), with the expectation that the Council's support will be replaced by private sector funding, over the next five years. This audit will review the reporting and monitoring arrangements associated with the Council's relationship with the DMO. We will cover the high level design of arrangements and how they are being effected, to ensure that payment is only made on the basis of agreed outcomes.

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C1.1	Property Assets	30			●		<p>The Council has made significant changes to the organisational structure regarding how its property portfolio is managed, the size and nature of its portfolio and its expectations as to how this is managed.</p> <p>The main focus is now on ensuring that the Council's legislative requirements are met, specifically: gas certification, water testing, training and responsibilities related to the Council's role as corporate landlord.</p> <p>This audit will review the Council's overall approach, covering the Council's responsibilities as a corporate landlord and how expectations are defined and supported. We will sample test a subset of Council premises, including schools, against expectations to ensure that they are being complied with.</p>
C2.2	Economic Strategy/Regeneration	30			●		<p>Growing the Economy and Tourism is one of the Council's strategic objectives. This audit will review the Council's Economic Strategy, supporting plans and arrangements to monitor and report progress to ensure that it is clear how that this objective will be achieved and that realisation is on track.</p>
C3	Fire and Rescue						
C3.1, E4.1, E4.7	Business Continuity, IT Disaster Recovery and Data Centre	45			●		<p>Three related auditable units are scheduled for review in 2015/16:</p> <ul style="list-style-type: none"> • Business Continuity. • IT Disaster Recovery. • The Council's Data Centre. <p>To make best use of available audit resource we have combined three areas into a single, cross cutting review.</p> <p>This audit will review overall business continuity arrangements, with a focus on ensuring that overall arrangements are risk focussed, realistic and sufficiently flexible to accommodate</p>

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							<p>ongoing changes to the Council while continuing to be effective. As part of our sample testing we will review a subset of services' expectations of IT, to ensure that these have been confirmed as realistic with IT, specifically regarding agreed data loss and resumption timeframes.</p> <p>Specific to the data centre we will review overall arrangements covering resilience, physical and environmental controls to ensure that availability is maximised and the data centre is physically secure.</p>
C3.11	Fire Partnership Project	30			●		<p>This review will assess management of the implementation against good practice, covering mechanisms in place to ensure the following areas are correctly managed:</p> <ul style="list-style-type: none"> • Work and Schedule • Business Benefits • Risk Management • Scope • Stakeholders • Project Team
C4	Highways & Transportation						
C4.1	Highways PFI - Delivery Phase Client Relationship	30			●		<p>The Highways PFI is the most significant service outsourcing, both in terms of cost and duration (approximately £150 million over 25 years), carried out to date by the Council.</p> <p>Our 2015/16 review will focus on call off arrangements, for example in relation to highways related design work.</p>
C5	Procurement & Contract Management						
C5.4	Contract management	30			●		<p>As the Council increasingly sources its services from third parties key to ensuring that these are delivered to an acceptable level in good contract</p>

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							management. This audit will review overall expectations against good practice, sampling a number of significant contracts to ensure that they are being managed in line with expectations.
	Waste	30			●		The procurement of a new Waste Contract is now entering its final phase, the current contract expiring in October 2015. We have carried out two project managements reviews over the lifetime of the procurement (the last in Quarter 3 2014/15), reviewing areas such as change and risk management against good practice. This audit will review the arrangements the Council has in place to manage the ongoing contract. Specifically that the Council has identified what its ongoing requirements will be, how the contract will be performance managed and that there is an appropriately resourced and skilled team in place.
	Concessionary Fares	30		●			Concessionary fares are a significant area of expenditure for the Council. This audit will review the Council's provision against statutory requirements, covering plans the Council has in place for efficiencies and identifying any further opportunities which may exist for consideration by management.
C6	Leisure Recreation and Parks						
C6.7	Sports Centres	25		●			The Council is responsible for a number of leisure service sites: - Medina Leisure Centre and Theatre - Heights Leisure Centre - Fairway Sports Centre and Track - Osbourne Astro turf - Ryde Sports Centre

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							- Westridge Sports Centre This audit will review controls over income, cash and assets for one of the sports centres, Westridge.
C6.9	Cowes Floating Bridge	30			●		The Floating Bridge is a significant income generating services (approximately £800,000 in 2014/15). This audit will focus on current arrangements and how they could potentially be made more efficient, for example by the introduction of increased automation.
C6.8	Harbours	30	●				The Council is responsible for harbours in Ryde, Ventnor and Newport. This audit will review overall arrangements and expectations covering, for example, health and safety. We will then review arrangements over each harbour to ensure they comply with corporate expectations.
C7	Regulatory Services						
C7.10	Building Control	25			●		Building Control are responsible primarily for ensuring that building work on the Island is completed to the standard specified by legislation. This audit will encompass a high level review of the control design associated with the building control process, with sample testing of a sample of applications, to help ensure that processes are consistent and appropriate controls are in place over fee income. We will also review performance metrics, to help ensure they are sufficient to inform a view as to how well this area is performing.

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C7.13	Environmental Health	25		●			<p>Environmental Health is responsible for enforcing standards relating to food, health and safety and environmental protection.</p> <p>This audit will review roles and responsibilities to ensure these are clearly documenting, identifying any gaps which may exist. We will also sample test a subset of inspections and enforcement actions to ensure that they are carried out consistently, in line with documentation.</p>
C7.19	Flood and Water Management Act Responsibilities	30			●		<p>The Flood and Water Management Act 2010 introduces a series of new responsibilities for the Council, for example :</p> <ul style="list-style-type: none"> • Prepare and maintain a strategy for local flood risk management in their areas; co-ordinating views and activity with other local bodies, communities through public consultation and scrutiny; delivery planning. • Maintain a register of assets – these are physical features that have a significant effect on flooding in their area. • Investigate significant local flooding incidents and publish the results of such investigations. • Establish SuDS (Sustainable Drainage Design) approval bodies that will be responsible for the approval of design, build and adoption of SuDS. • Issue consents for altering, removing or replacing certain structures or features on ordinary watercourses. • Play a lead role in emergency planning and recovery after a flood event. <p>This audit will review the arrangements the Council has put in place to manage these responsibilities, identifying any gaps for consideration by management.</p>

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E	Resources						
E1	Financial Management						
E1.2, E1.4, E6.5, E6.6	Key Financial Systems	60				●	<p>To make best use of available audit resource we have combined key financial systems into a single, cross cutting review, covering:</p> <ul style="list-style-type: none"> • Cash and Bank • General Ledger, Financial Reporting and Budget Management • Creditors (Accounts Payable) • Debtors (Accounts Receivable)
E1.7	Pensions Governance	30	●				<p>This audit will review arrangements against legislative requirements (to be agreed with sponsor).</p> <p>Specifically we will assess the reporting available to the Pensions Committee, to ensure that it has the correct information to satisfy its remit and the preparations the Council has made for the new Pensions Board requirement.</p>
N/A	End to End Business Processes Review	30	●				<p>Increasingly the Council is moving to process elements being carried out in different organisational areas. Potentially this can make ensuring that controls are as effective as possible more problematic.</p> <p>To assist the Council in ensuring that controls are sufficiently robust we will review the control design of three key business processes (to be agreed with the review sponsor) end to end, identifying any potential gaps and enhancements for consideration by management.</p>

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E2	Governance & Monitoring (Business Effectiveness Unit)						
E2.1	Value for Money	30			●		<p>This audit will review the Council's arrangements to ensure Value for Money (VFM).</p> <p>We will review the overall VFM Strategy and associated support mechanisms, to help ensure that they are functioning effectively.</p>
E2.3	Corporate Project Management	30		●			<p>The Council brought in a new Corporate Project Management Framework in 2013/14, reviewed by Internal Audit in that year.</p> <p>This audit will review a subset of projects (to be agreed with the review sponsor), to ensure that the expectations set out in the framework are being complied with.</p>
E2.6	Fraud and Corruption	30			●		<p>This audit will focus on arrangements to prevent and detect any fraud and corruption in relation to significant contracts.</p>
E4	Information Technology						
E4.11, E4.13, E4.15	IT Security	45		●			<p>Three related auditable units are scheduled for review in 2015/16:</p> <ul style="list-style-type: none"> IT Security. IT Network. Wireless Network. <p>To make best use of available audit resource we have combined three areas into a single combined review.</p> <p>This audit will review the IT Security Policy and associated documentation (mindful of any requirements stemming from PSN, Public Secure Network) the design of automated controls against good practice and will sample test the processes of granting, changing and revoking access to the</p>

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							network.
E4.13	IT Strategy & Planning	30		●			We will review the IT Strategy and associated realisation plans against good practice, ensuring that it is correctly aligned with the Council's strategic aspirations, identifying any gaps for consideration by management.
E5	Legal Services						
E5.6	Coroner's Office	30		●			<p>While the Coroner is a statutory position, independent of the Council, the Council is responsible for staffing and resourcing the Coroner's Office.</p> <p>This audit will review the arrangements in place, identifying opportunities for efficiencies which may exist while still satisfying statutory responsibilities and providing an effective services.</p>
E6	Shared Services						
E6.2	Benefit Payments	30		●			<p>The review will examine the benefit application process, verifying that adequate evidence is obtained; claims are processed on a timely and appropriate basis, calculations are determined in accordance with guidance and payments are appropriately approved. We will also check new benefit claims; change of circumstances, back dated claims and extended payments including reviews of debt recovery action relating to overpayments.</p> <p>This review will also assess the Council's response to the introduction of Universal Credit, helping to ensure that the Council has a process in place to identify, plan for and implement the mechanisms necessitated by the move to Universal Credit.</p>
E6.7	Local Taxation (Council Tax and NNDR)	30			●		The review will consider whether there are cost effective methods for the public to pay their Council tax and

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							NNDR, that amendments to valuations are promptly actioned and regularly reconciled, bills are issued mid-March, collections are posted daily and suspense accounts are cleared frequently. We will verify that the collection rates are regularly monitored, adequate debtor collection is undertaken and that details are accurately fed into the main accounting system. As part of the localism agenda, the Council will be allowed to keep a proportion of business rates generated from new businesses; this review will look at how the Council are responding to this and their financial modelling.
E6.8	Payment Card Industry, Data Security Standard (PCI DSS)	20	●				This review will assess the controls which the Council has in place to ensure compliance with PCI DSS Version 2 and help to identify any gaps requiring remedial action.
E6.12	Facilities Management	30		●			Facilities Management has been subject to significant change over the last three years, moving organisationally to Shared Services, with a reduction in the level of staffing available. Associated with this the Council's needs have also evolved, with a reduction in its property portfolio. This audit will review roles, responsibilities and resourcing, to ensure these are fit for purpose, identifying any gaps in arrangements for consideration by management.
E6.3	Blue Badges	30			●		Blue Badges are available automatically to individuals who have significant mobility issues, for example if in receipt of the higher rate of the Mobility Component of the Disability Living Allowance and on a discretionary basis for less severe mobility issues. This audit will focus primarily on enforcement action, specifically how any potentially fraudulent activity/misuse is identified and

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							addressed in collaboration with partnership organisations, for example the police.
F1	Cross Cutting						
F1.18	Transformation Programme	30		●			<p>The Transformation Programme is ongoing, due to its scale and importance to the Council different elements are scheduled for review each year.</p> <p>This year's audit will focus on:</p> <ul style="list-style-type: none"> • The Council's duties under the Equality Act, the mechanisms the Council has in place to ensure that these are satisfied. • The linkage between senior staff objectives and the objectives of the Transformation Programme; particularly staff whose roles encompass statutory and professional competency requirements.
Additional Items							
	Audit management, including planning, contract meetings, Audit Committee attendance and preparation of the Head of Internal Audit Opinion	55	●	●	●	●	<p>Audit needs assessment: We will use this time to meet with key individuals and review documentation which will inform our development and drafting of the annual risk assessment and internal audit plan.</p> <p>Management, planning and liaison: Ongoing communication with you is of paramount importance, and we will use this time to attend regular programmed updates with you. We will also supplement this with informal communications on an ad-hoc basis as well as attend the key committees and meetings.</p> <p>Head of Internal Audit Opinion – We will use this time to support the Head of Internal Audit with their annual audit Opinion.</p>

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	Follow-up	40	●	●	●	●	We will provide and support the TrAction system to enable the Business Improvement Team to follow-up on our previous year's findings.
Total number of audit days		1180 days					