

Appendix A

PROPOSED REVISION TO ANNUAL AUDIT PLAN 2007/08

	Original Days	Proposed	COMMENTS
<u>CORPORATE SYSTEMS</u>			
Statement of Internal Control (SIC) and Corporate Governance The Accounts & Audit Regulations 2003 require a statement of internal control to be published and for the Council to review annually the internal control environment this will now include a Self-assessment of the Internal Audit service.	25	25	
Anti Fraud & Corruption & Whistle Blowing Policy As part of the requirements of the External Auditors these policies need to be looked at annually. They also feed into the SIC.	11	11	
Partnerships A selection of Partnerships will be reviewed under the guidance of the Strategy & Partnership Working Group	25	25	
Performance Indicators Best Value Performance Indicators and a selection of key Local Performance Indicators are audited to enable PKF, the External Auditors, to report them to the Audit Commission as accurate and "Unqualified"	20	16	Actual 13/7/07 = 14.53 days but allowance should be made for External Audit Data Quality Review
Risk Management Arrangements As part of the risk management policy an annual review of the procedures is undertaken by Internal Audit to determine how it is working within the Council. The review will also extend to looking at the service area risk registers to determine what action is being taken to reduce the identified risks.	10	10	

FINANCIAL SYSTEMS			
Payroll & Expenses			
Audited annually as part of the Managed Audit requirements for PKF, the Authority's External Auditor.	14	14	
Creditors			
Audited annually as part of the Managed Audit requirements for PKF	13	13	
Debtors			
Audited annually as part of the Managed Audit requirements for PKF. This will include a follow-up on the Corporate Debt Policy.	13	13	
Cash & Banking			
Audited annually as part of the Managed Audit requirements for PKF	14	14	
Main Accounting System			
Audited annually as part of the Managed Audit requirements for PKF.	10	10	
OPERATIONAL SERVICES			
Housing Benefits			
Audited annually as part of the Managed Audit requirements for PKF.	29	29	
Housing Benefit Fraud Procedures			
Review of notification and investigation procedures	7	10	Actual Time - Report 2 (2007/08)
Council Tax			
Audited annually as part of the Managed Audit requirements for PKF. Pick up on the Debt Recovery arrangements	14	14	

Contracts			
A sample of contracts will be reviewed for correct implementation and ongoing management to gether with a review of procurement procedures within various Service Areas	12	15	Combined Contract & Procurement audit. Were originally two free-standing audits
Disabled Facilities Grants			
A review of procedures for processing grant applications	7	0	Plan is for this to still be audited but from VFM viewpoint by Performance Team outside of Audit Plan
National Non-Domestic Rates			
Audited annually as part of the Managed Audit requirements for PKF	14	14	
Housing Rents/Rochford Housing Association			
Audited annually as part of the Managed Audit requirements for PKF. Including a review of the Housing Rents Reconciliation, prior to transfer to RHA	20	15	Actual 13/7/07 = 9.26. Elements left to do are stock reconciliations and financial reconciliations. 6 Days should be sufficient to complete
Licensing			
A review of procedures after the first full year of operation	12	12	
Elections			
Review the allocation and quality of ballot papers.	5	2	Completed for 2007/08 subject to no Snap Election
Central Services			
Document Imaging Phase 2	10	0	COMINO system not yet rolled out fully across Council. Defer to 2008/09 Audit Year
Procurement			
A review of procurement procedures within various service areas	10	0	Combined Contract & Procurement audit. Were originally two free-standing audits

<p>Proactive Checks</p> <p>Inventories, Honesty Boxes, Post Opening, Petty Cash & Year-end balances, Flexi-Forms, Health & Safety, Controlled Stationery, Authorised Signatures, and Holiday Cards and Section 106 Agreements</p>	25	22	20 Days used 2006/07
<p>Follow-up and Advisory</p> <p>Specific follow-ups from earlier audits Reports from 2005/06 may require some follow-up work to ensure recommendations have been implemented and systems are still operating effectively. Work on behalf of service areas for advice or guidance</p>	25	22	21 days used 2006/07
<p>Contingency</p>			
<p>At this stage it is prudent to allow a number of days as contingency to ensure audit time will be available for new initiatives or unforeseen issues</p>	20	10	Must be realistic about contingency capacity in view of actual time available.
<p>Service Review</p> <p>The areas for review will be identified from a value for money point of view</p>	30	15	Time will not be available in view of reduced capacity
<p>TOTAL DAYS ALLOCATED</p>	395	331	