

## PROGRESS ON THE 2014/15 INTERNAL AUDIT PLAN

### 1 SUMMARY

- 1.1 The annual audit plan for 2014/15 was presented to the Audit Committee on 18 June 2014 for Members' approval. Progress on the plan is reported here for Members' consideration.

### 2 INTRODUCTION

- 2.1 There are no major changes recommended to the audit plan and at present there are no proposed changes to the staffing levels, within the next three months, which may affect the audit plan. Going forward, the redesign for the Council may have some impact on the 2014/15 audit plan and will need to be taken into consideration when planning audit work for 2015/16.

### 3 CHANGES TO THE 2014/15 AUDIT PLAN

- 3.1 The audit areas that have required more than a 20% increase in audit time from the original plan are:-
- 3.2 Car Mileage – Additional time was required following the number of queries raised on the sample of car mileage claims. The report is presented to this Committee as part of the audit report for Members' consideration.
- 3.3 Disabled Facilities Grants (DFG) – Additional work was undertaken beyond the initial small sample to ensure that the financial aspects identified in testing were fully addressed. The DFG report is presented to this Committee as part of the audit report.
- 3.4 IT Software Review – Internal Audit was asked to develop, manage and review the feedback from an IT software survey and to report to the Head of Planning and Transportation. Due to the complicated nature of the results and the volume of information this took longer than anticipated. This was purely an information gathering exercise and accordingly no report was made to this Committee. The IT software review is an ongoing exercise that is being considered by the Review Committee.
- 3.5 Members receive regular reports on the audit work completed and a year-end report on the achievement of the audit plan will be presented to the March 2015 Audit Committee.
- 3.6 Appendix 1 shows the revised audit plan for 2014/15.
- 3.7 The completion of the audit plan is monitored on a monthly basis; we are on target to complete 97% of the agreed audit plan.

|               | April | May   | June  | July  | August | September | October |
|---------------|-------|-------|-------|-------|--------|-----------|---------|
| <b>Actual</b> | 8.8%  | 16.1% | 23.6% | 32.2% | 39.5%  | 48.5%     | 55%     |
| <b>Target</b> | 8%    | 16%   | 24%   | 32%   | 40%    | 49%       | 57%     |

3.8 The additional time has been taken from several areas, including the payroll audit that was due to be completed for Castle Point District Council; they did not request the work this year. The audit of the election ballot papers was completed in less time than anticipated and time has been taken from audit advice and reports.

**4 RISK IMPLICATIONS**

4.1 If the audit plan is not completed there is a risk that independent assurance of controls cannot be provided on a particular area.

**5 RECOMMENDATION**

5.1 It is proposed that the Committee **RESOLVES**

That the revised audit plan for 2014/15 be agreed.



Yvonne Woodward

Head of Finance

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**Background Papers:-**

None.

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If you would like this report in large print, Braille or another language please contact 01702 318111

## APPENDIX 1

## REVISED ANNUAL AUDIT PLAN 2013/14

| AUDIT AREAS                              | Planned Audit Days | Used Audit Days | Revised Audit Days |
|--|--------------------|-----------------|--------------------|
| Annual Governance Statement              | 28                 | 12              | 44                 |
| Public Sector Internal Audit Standards   | 8                  | 5               |                    |
| Anti Fraud & Corruption                  | 8                  | 13              |                    |
| Performance Management & Risk            | 12                 | 4               | 10                 |
| Partnership Working                      | 5                  | 0               | 5                  |
| Cash & Banking*                          | 15                 | 1               | 15                 |
| Bank Reconciliation*                     | 2                  | 0               | 2                  |
| Creditors*                               | 16                 | 2               | 16                 |
| Debtors*                                 | 12                 | 3               | 12                 |
| Sundry Debtors & Creditors Review        | 5                  | 5               | 5                  |
| Investments*                             | 6                  | 1               | 6                  |
| Main Accounting System*                  | 8                  | 1               | 8                  |
| Payroll & Expenses* (RDC & Others)       | 25                 | 17              | 19                 |
| Car Mileage                              | 6                  | 10              | 11                 |
| Procurement                              | 8                  | 2               | 8                  |
| Elections –Ballot Paper Verification     | 8                  | 4               | 4                  |
| Contract Procedures                      | 15                 | 12              | 15                 |
| IT Services – Security & Access*         | 10                 | 4               | 6                  |
| IT Software Review                       | 0                  | 11              | 11                 |
| Cemetery Management                      | 5                  | 0               | 5                  |
| Licensing                                | 5                  | 3               | 5                  |
| Football Pitch Hire                      | 5                  | 7               | 7                  |
| Disabled Facilities Grant                | 6                  | 10              | 10                 |
| Housing Operations                       | 7                  | 0               | 7                  |
| HR Operations                            | 5                  | 0               | 5                  |
| Council Tax*                             | 20                 | 7               | 20                 |
| Business Rates*                          | 17                 | 4               | 17                 |
| Subsidy claim check*                     | 23                 | 23              | 23                 |
| Housing Benefits*                        | 15                 | 2               | 15                 |
| National Fraud Initiative                | 7                  | 8               | 8                  |
| Woodlands & Park Management              | 5                  | 5               | 5                  |
| Voluntary Organisations - Grants         | 5                  | 5               | 5                  |
| Pro-Active Checks                        | 10                 | 0               | 7                  |
| Audit Advice / Follow-up / Other Reports | 26                 | 9               | 22                 |
| Service Reviews                          | 20                 | 8               | 20                 |
| Contingency                              | 20                 | 8               | 20                 |
| <b>TOTAL</b>                             | <b>398</b>         | <b>206</b>      | <b>398</b>         |

\* Core Financial Audits As Defined by External Auditors