

Appendix 1

Tees Valley Audit & Assurance Services

Internal Audit Plan

2016/17

Middlesbrough Council

INTRODUCTION.....	3
A SUMMARY OF 2016/17 ANNUAL INTERNAL AUDIT PLAN	9
B GOVERNANCE SUPPORT	13
C FINANCIAL CONTROLS.....	15
D INTERNAL CONTROLS COMPLIANCE	16
E COUNTER FRAUD	19
F LIASON AND REPORTING	20

TEES VALLEY AUDIT & ASSURANCE SERVICES

Internal Audit Plan for Middlesbrough Council 2016/17

INTRODUCTION

Purpose

- 1 This document sets out the proposed programme of internal audit and counter fraud work for the Council during 2016/17. In accordance with good practice, internal audit is required to prepare an audit plan on at least an annual basis. The Plan is based on a number of sources of information and is a working document as amendments may be required throughout the year to reflect new and emerging risks and changes in priorities.
- 2 The content of the audit plan is risk based and the basis for the risk assessment is the Council's corporate and directorate risk registers. The content of the Audit Plan is influenced by a variety of sources which can be summarised as follows:
 - The Council's Plan and key priorities.
 - Details of Council savings and proposed budget cuts.
 - Governance Improvement Plan.
 - The Council's risk registers.
 - Fraud and Loss Risk Self Assessment.
 - Areas of previous weakness.
 - Specific requests from senior officers.
- 3 TVAAS is the shared internal audit service between Redcar and Cleveland and Middlesbrough Councils and was established on 1 January 2011. The Service was established in response to local authorities being encouraged to challenge traditional methods of service delivery in order to reduce waste and improve outcomes. Both councils were committed to the successful achievement of a long term shared service for internal audit which will add value and deliver benefits.
- 4 All local authorities have a statutory requirement to make provision for internal audit in accordance with proper standards of professional practice as set out in the Public Sector Internal Auditing Standards (PSIAS). Internal Audit is defined as an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

TVAAS Vision

- 5 A service which seeks to deliver in time, on time, to the highest quality; and which is regarded as an effective provider of assurance. A Service which adds value and helps support public services to deliver better outcomes for local people.

6 Auditor Code of Ethics

In common with other professional bodies, UK internal auditors in the UK public sector must comply with the Institute of Internal Auditors (IIA) Code of Ethics principles as follows:

- Integrity
- Objectivity
- Confidentiality
- Competency

7 In addition, internal auditors must have regard to the *seven principles of public life* and the requirements of membership of other professional bodies. The Audit and Assurance Manager is a qualified Certified Internal Auditor and Chartered Certified Accountant.

2016/17 Audit Plan

8 The Council continues to experience significant and challenging financial pressures. When setting its audit plan for 2016/17, TVAAS' priority will be to help support the Council in establishing an effective control and governance environment during its ongoing transformation. The coverage of the audit plan is based on the challenges facing the Council and is designed to:

- Provide support to the Governance Improvement Plan by providing assurance on the effectiveness of the governance arrangements and internal controls operating.
- Provide advice on the design, implementation and operation of appropriate controls so as to minimise the risk of fraud and error.
- Support the Council in making effective use of its resources and thereby supporting the attainment of its planned savings and transformation programme.
- Act as a visible deterrent against all fraudulent activity, corruption and other wrong doing.
- Support the Council in providing an appropriate and effective response and investigation into any instances of suspected fraud or corruption.
- Undertake compliance reviews to ensure that Council policies and procedures are being followed.

9 Providing Assurance to the Council

TVAAS will perform different categories of work in order to provide assurance to the Council that it has an effective control environment in place. The audit plan has been separated into a number of different categories of assurance as follows:

- Governance improvement (Gov)
- Financial/material systems (Fin)
- Internal control compliance (ICC)

- ICT audits (IT)
- Schools (Sch)
- Counter fraud (CF)
- Liaison and reporting (LR)

The number of days currently allocated to each of the categories is summarised in **Section A. Sections B to F** provide detail of the individual assignments currently planned for 2016/17.

Many of the audits will involve sample testing and discussion with officers across all directorates of the Council in order to be able to provide assurance at a corporate level. However, a small number of audits are specific to one directorate.

The content of the audit plan needs to offer some flexibility so that it can be amended throughout the year in response to changes in risks, priorities and legislation. This is even more important in the current economic climate when there is increased uncertainty and frequency of change. What is considered to be a priority for internal audit review at the stage of agreeing the Plan may change as the year progresses and different areas for review are identified. As a result, there is an agreed process in place for approving variations to the approved Plan. The Plan will be subject to regular re-evaluation throughout the financial year to ensure that audit resources are prioritised and continually directed towards the areas of highest risk. Any significant variations to the Plan will be reported to the Corporate Affairs and Audit Committee.

10 **Progress against the Plan**

Progress against the plan will be monitored throughout the year and key issues reported to the Council's S151 Officer. The Audit and Assurance Manager will also report to the Corporate Affairs and Audit Committee on key issues arising from the work included in the Plan and on TVAAS' performance according to the current agreed performance measures. Members of the Committee have requested to be provided with a copy of any audit reports resulting in an overall assurance opinion of Cause for Concern or Cause for Significant Concern or any reports that contain a Priority 1 recommendation.

The number of audit days currently totals 855 (2015/16 - 1118).

11 **Completing the Plan**

Once the content of the Plan and its individual assignments have been approved by the Leadership Management Team and the Section 151 Officer, contact will be made at the start of the financial year with all relevant managers whose area of responsibility is included within the Plan. The purpose of this contact is to agree, well in advance, a timing for the audit to be carried out. Once the timing has been agreed, it is requested that managers try not to request a change to that schedule unless absolutely necessary. Managers should be aware that many of the assignments are included in the Plan specifically at the request of the Chief Executive, an Executive Director or the Council's S151 Officer and therefore any request to cancel or defer an audit will have to be notified to the appropriate senior officer who may choose to overrule the manager's request.

The procedure for completing each individual assignment may vary to some extent but the usual process is summarised below:

- A member of the Team will contact the responsible officer(s) for an audit four weeks before the scheduled audit date in order to confirm arrangements and to arrange a meeting to discuss the scope of the audit.
- At some point within the four weeks prior to the scheduled start date, the scoping meeting will be held between the relevant TVAAS staff and the responsible officer(s) for the audit.
- As a result of that meeting, the TVAAS officer will prepare a proposed terms of reference document outlining the main focus of the audit and how it will be undertaken. This will be sent to the responsible officer(s) and head of service/assistant director for agreement and amendment as necessary. It is the responsibility of the responsible officer(s) to ensure that their staff are aware of the audit and its purpose and that they are able to make time to engage with the audit staff throughout the scheduled period. This meeting will also discuss practical arrangements e.g. access to systems, documents so that the responsible officer may prepare accordingly.
- The field work of the audit will commence on the scheduled date as agreed. The nature of the field work will vary considerably according to different assignments but will typically involve audit presence on site, requests for meetings and information from and with managers and their staff. TVAAS staff will aim to carry out their work with sensitivity and causing the minimum of disruption to teams affected.
- Any significant concerns identified during the audit will be communicated to the responsible officer(s) on an ongoing basis.
- Following the completion of the fieldwork, the TVAAS audit and assurance officer will produce a draft report outlining the main findings from the audit together with recommendations for action. The report and associated working papers and evidence collated will be reviewed by an Assurance Lead or the Principal Compliance Officer. Nearly all draft reports are also reviewed by the Audit and Assurance Manager before issue.
- Depending upon the content of the draft report, a discussion meeting may then be held with responsible officers or the draft may be issued to them (usually the head of service) directly. If the report contains significant findings or recommendations, it is probable that a meeting will be held so that the TVAAS officer can present their findings and ask for management comments. However, if the report has identified no major issues or recommendations then it may not be necessary for a meeting to be held and instead the report can be issued as a draft for management comment.
- The draft report will provide an overall level of assurance that the auditor(s) has concluded is appropriate based on their findings of those areas examined. There are five possible levels of assurance as follows: **Strong, Good, Moderate, Cause for Concern and Cause for Significant Concern.** The definition for each of these assurance levels is provided in each TVAAS audit report as an appendix.
- It is at this stage that the TVAAS officer(s) will require the responsible officer(s) to provide 'management comments' which detail the proposed remedial action to be taken to address the findings in the report together with target dates for completion of these actions. If the TVAAS officer(s) considers that the management comments do not adequately address the finding then

the action proposed will be revisited with the responsible officer(s). In accordance with its agreed escalation policy, TVAAS requests that all management responses are provided within 15 working days of the issue date of the draft report. This is to enable the report and its findings to remain current and relevant.

- Following agreement of the draft report and the receipt of a management response to each of the recommendations, the final report, including the management responses, will be issued to the relevant officers and a copy also issued to the director and, where appropriate, to the External Auditor. Audit reports covering corporate matters e.g. risk management; performance management will also be issued to CEMT. According to its agreed escalation policy, TVAAS aims to have issued the final version of a report within 20 working days of the draft issued date.
- All agreed recommendations are ranked according to three priority levels with a priority 1 recommendation being the most significant. All P1 recommendations and the progress being made to implement them are reported to the Corporate Affairs and Audit Committee.
- All P2 and P3 recommendations are 'followed up' by TVAAS audit and assurance officers according to the target date specified at the time the recommendation was agreed. Progress to implement P1 recommendations will be followed up earlier in order to report on progress being made to Corporate Affairs and Audit Committee.
- A summary of the findings of all internal audit work including progress made to implement recommendations is reported to the Corporate Affairs and Audit Committee.

12 **Quality**

TVAAS staff are committed to delivering a quality service to the highest professional standards that adds value to its customers. The Service actively monitors its performance and a customer satisfaction survey is issued with each draft audit report (excluding investigations). In accordance with the Public Sector Internal Auditing Standards, the Team also monitors its own quality via a quality assessment process for each audit. The Team has a Quality Assurance Officer whose role is to monitor the work that the Service produces to ensure that assurance work is consistently produced to a high quality standard.

13 **Performance Measures**

A service level agreement for the provision of internal audit services is in place between Redcar and Cleveland Borough Council and Middlesbrough Council and includes a number of performance measures (additional measures have since been added by the Audit and Assurance Manager). The status against each of these measures is reported to Corporate Affairs and Audit Committee on an ongoing basis. Performance measures for 2016/17 are:

- 1) Percentage completion of the agreed annual audit plan (Target 100%).
- 2) To achieve an average customer satisfaction survey score of 4 (4 being the highest. Previous targets have been set as 3.5 which has, as an average, been achieved therefore the target is to be raised).
- 3) Percentage of recommendations agreed.
- 4) Percentage of recommendations followed up and implemented.

- 5) Percentage of draft reports issued within 15 days of the end of fieldwork – target will be 100% for 2016/17.
- 6) Percentage of final reports issued within 20 working days of the draft issued date.
- 7) Audit and assurance officer productivity - each member of the team to be set a target number of productive days and to meet that 100%. Productive days equals those days to be focussed on audit and assurance plan work after deducting days for leave, training, estimated admin, sickness etc.
- 8) Time taken to complete an assignment (from audit start date to final report issued date).
- 9) Number of compliance/assurance audits completed within the budgeted time allocation.

A SUMMARY OF 2016/17 ANNUAL INTERNAL AUDIT PLAN

Key assurance category: Gov - Governance, Fin – financial controls/systems, ICC – internal controls and compliance, ICT – IT audit, CF – counter fraud, LR – liaison and reporting

Audit Title	Plan days	Assurance Category	Lead Directorate (CORP = across all directorates)	Link to Risk Register Ref. (where applicable)	Priority (H – High, M – Medium, L – low)
Governance Improvement Plan	30	Gov	CCS	O9-007	H
Change Programme/Project management	20	Gov	CCS	O1-007, O9-001,O1-033,O5-001,O6-012 O9-009	H
Project Governance/Property Disposals follow up (including S106 process)	10	Gov	CCS/EDC		
Capital programme	15	Gov	CCS	O1-008,O9-003	H
Budget Monitoring and Control	15	Gov	CCS	O8-009,O5-006,O5-010,O6-006,O1-016 O2-003	H
Contract Management	15	Gov	CCS		M
Information Governance	15	Gov	CCS	O9-029	M
IT Strategy	10	Gov	CCS	O9-029, O9-002	H
IT Management Framework	15	Gov	CCS	O9-029, O9-021, O9-020, O9-032, O9-022	H
Performance – Data Quality	15	Gov	CORP	O9-024	H
Asset Management	20	Gov	CCS	O7-002	H
Emergency Planning	10	Gov	EDC	O9-030, O9-028	M
Agresso	15	Gov	CCS	O8-001	M
Governance Contingency	20	Gov	CCS	O9-007	H
Main Accounting and bank reconciliation	10	Fin	CCS	O8-009	H
Debtors	15	Fin	CCS	O8-009	H
Creditors	15	Fin	CCS	O8-009	H

Audit Title	Plan days	Assurance Category	Lead Directorate (CORP = across all directorates)	Link to Risk Register Ref. (where applicable)	Priority (H – High, M – Medium, L – low)
Council Tax and Business Rates	15	Fin	CCS	O8-005	H
Housing and Council Tax Benefits	15	Fin	CCS		H
Payroll (including starters and leavers)	20	Fin	CCS		H
Capital Accounting	10	Fin	CCS		H
Pension Fund Admin	10	Fin	CCS		H
Pension Fund Investments	10	Fin	CCS		H
Medium Term Financial Plan	15	Gov	CCS	O1-004, O1-040, O8-009	H
Housing Benefit Count	25	Fin	CCS		H
Financial Controls Contingency	15	Fin	CCS		H
Certification of Grants and Claims Contingency	10	Fin	CORP		M
Compliance with Contract Procedure Rules	5	ICC	CORP	O8-011	M
IT Software Procurement	10	ICC	CORP	O9-032	M
Safeguarding Children Contingency	15	ICC	WCL	O5-003, O5-004, O5-009, O5-005, O5-007	M
Children's Homes	10	ICC	WCL		M
Supporting Families	10	ICC	WCL	O2-013	M
Schools and School Investment/Improvement Contingency	20	Sch	WCL	O4-013, O4-001, O4-008, O4-009, O4-002 O4-005	M
Process and Controls Contingency	10	ICC	WCL		M
Safeguarding Adults Contingency	15	ICC	CCS		H
Adult Social Care Plan	15	ICC	CCS	O6-012	H
Prevention	15	ICC	CCS	O6-001	H
Process and Controls Contingency	10	ICC	CCS		M
Economic Growth	15	ICC	EDC	O1-005	H

Audit Title	Plan days	Assurance Category	Lead Directorate (CORP = across all directorates)	Link to Risk Register Ref. (where applicable)	Priority (H – High, M – Medium, L – low)
Transport and Infrastructure/Integrated Transport Unit	15	ICC	EDC	O1-032	H
Compliance with Funding and Grant Requirements	10	ICC	EDC		H
Early Help Hub	10	ICC	EDC	O1-012	M
Family Case Work	10	ICC	EDC	O1-012, O2-013	M
Children's Centres	15	ICC	EDC		M
Cultural Services	10	ICC	EDC	O1-006, O1-020	M
Process and Controls Contingency	10	ICC	EDC		M
Counter Fraud Strategy	5	CF	CORP		H
Fraud and Loss Risk Self Assessment	10	CF	CORP		M
National Fraud Initiative	15	CF	CORP		H
Fraud Management	20	CF	CORP		H
Cash Handling and Anti Fraud Controls	30	CF	CORP		M
Counter Fraud Contingency	20	CF	CORP		H
Corporate Affairs and Audit Committee	20	LR	CORP	n/a	H
Follow Up	25	LR	CORP	n/a	H
External Audit Liaison	5	LR	CORP	n/a	H
Annual Audit Plan and Assurance Mapping	10	LR	CORP	n/a	H
Audit Scheduling	15	LR	CORP	n/a	H
Management team meetings, governance groups and other committees	10	LR	CORP	n/a	H
Meetings and Advisory	20	LR	CCS	n/a	H
Meetings and Advisory	5	LR	EDC	n/a	H
Meetings and Advisory	5	LR	WCL	n/a	H
TOTAL	855				

B GOVERNANCE SUPPORT

The audits in this category are aimed at supporting the Council's Governance Improvement Plan and at providing senior officers and the Corporate Affairs and Audit Committee with assurance that the Plan is being satisfactorily progressed according to agreed timescales. The audits in this category will cut across all directorates and are key to providing the appropriate assurance to the Council that its overall governance and control arrangements are effective.

Audit Title	Days
Governance Improvement Plan	30
A quarterly review to provide assurance that the Governance Improvement Plan is making satisfactory progress. An end of year assessment will then provide an opinion on the progress made throughout the 2016/17 year as a whole.	
Change Programme/Project Management	20
A review of the project and programme management controls implemented by the Council since the audit undertaken in 2014/15 which identified a cause for concern.	
Project Governance/Property Disposals (including S106 process) – Follow Up	10
A follow up review on the 2015/16 audit. Requested by the Section 151 Officer and Interim Assistant Director Finance and Investments.	
Capital Programme	15
To review the progress made towards the development of an effective capital programme management monitoring system.	
Budget Monitoring and Control	15
To review the budgetary control and monitoring framework and the progress being made to ensure that budget managers have the requisite skills.	
Contract Management	15
A review of the contract management control framework in place to ensure that the Council has effective governance processes in place for setting up and then monitoring compliance with its contracts.	
Information Governance	15
A review of the high level information governance controls in place across the Council to cover the key strands of legislation compliance, information security, and information quality and records management.	
ICT Strategy	10
A review of the effectiveness of the IT Strategy in place.	
IT Management Framework	15
A review of the management framework in place in relation to IT Governance.	
Performance – Data Quality	15

Audit Title	Days
A review of the validity of reported outcomes and performance in the Balanced Scorecard information – to confirm that reported performance is supported by accurate data.	
Asset Management	20
A review to provide assurance on the control environment in place for the management of assets and the property valuation process.	
Emergency Planning	10
To provide assurance that the Council has made effective arrangements for the management of its emergency response. The audit will be carried out towards the end of 2016/17 to enable key participants to have familiarised themselves with their roles and responsibilities. The audit will consider preparedness, robustness of incident response and recovery plans. Requested by Assistant Director, Public Health	
Agresso	15
An audit to assess the extent to which Agresso is being used to maximum advantage to support the Council's governance and information requirements.	
Governance Contingency	20
Contingency allocation to provide critical friend support to the Governance Improvement Plan as required throughout the year.	
TOTAL DAYS GOVERNANCE	225

C FINANCIAL CONTROLS

Financial systems and controls remain an important area of the internal audit plan as they provide the Section 151 Officer with assurance that the Council has made proper arrangements for the effective administration of its financial affairs and support the integrity of the Council's accounts. The need to annually review these systems at some level reflects the overall significance of the systems to the Council. Due to the high level of assurance reported in most of these areas by previous year's audits, the approach to financial control/system audits will be reviewed in 2016/17 so as to reduce the time allocated to these audits by focussing on high risks and priority controls. More time will be allocated to those financial audits where issues have been identified during previous internal or external audits.

Audit Title	Days
Main Accounting and bank reconciliation	10
Debtors (focus to be on confirming that previous issues have been resolved)	15
Creditors (focus to be on confirming that previous issues have been resolved)	15
Council Tax and Business Rates	15
Housing and Council Tax Benefits (emphasis to be on anti fraud controls)	15
Payroll (including starters and leavers) with focus to be on anti fraud controls	20
Capital Accounting	10
Pension Fund Admin	10
Pension Fund Investments	10
Medium Term Financial Plan	15
A review of the process and risk management in place for the Medium Term Financial Plan (late Aug/early Sept).	
Housing Benefit Count Support (working with external audit)	25
Financial Controls Contingency To respond to specific requests for assurance and controls testing as a result of external audit findings or Section 151 identified concerns.	15
Certification of Grants and Claims Contingency	10
An allocation of time to certify grants and other claims as and when appropriate.	
TOTAL DAYS FINANCIAL SYSTEMS and CONTROLS	185

D INTERNAL CONTROLS COMPLIANCE

Audit Title	Days
Corporate Compliance	
Compliance with Contract Procedure Rules	5
Testing of a sample of contracts to ensure that all were carried out in accordance with the Council's contract procedure rules.	
IT Software Procurement	10
To provide assurance that the Council has a framework in place to control the acquisition and disposal of its IT software in accordance with the IT Strategy.	
Directorate Specific - WCL	
Safeguarding Children Contingency	15
The scope for this allocation of time will be agreed at the time of the audit but it has been suggested by the Assistant Director Safeguarding and Children's Social Care that a review of the controls and arrangements surrounding the placement of children with connected people and the plans in place to manage budget and other pressures would be of value.	
Children's Homes	10
To provide assurance that management have established adequate processes and monitoring arrangements for ensuring that children's homes are operating to acceptable standards, that voids are being managed and to consider how independent operators contract with the Council. Requested by the Assistant Director, Safeguarding and Children's Care.	
Supporting Families	10
To provide support regarding the effectiveness of plans in place to manage budget pressures and other challenges. Requested by the Assistant Director, Safeguarding and Children's Social Care.	
Schools and School Investment/Improvement Contingency	20
The Council has a statutory role to monitor and support its schools to achieving high and to intervene in cases of underperformance. Whilst the Council does not have the same powers when it comes to academies, it maintains an interest in all schools regardless of their status. The allocation of this time will be agreed with the Assistant Director Learning and Skills but is likely to be split between themed audits across a sample of schools (e.g. budget control), audits of high risk schools and consideration of the management of risks to schools.	

Audit Title	Days
Process and Controls Contingency	10
An allocation of time to carry out a series of short reviews to provide assurance that key controls and processes are working effectively. The exact areas to be included will be agreed with the director and assistant directors.	
Directorate Specific - CCS	
Safeguarding Adults Contingency	15
The scope to be agreed with the Assistant Director – Social Care.	
Adult Social Care Plan	15
The audit will consider and test the effectiveness of the Plan to achieve the required savings.	
Requested by the Assistant Director, Social Care	
Prevention	15
This audit will focus on the effectiveness and delivery of prevention strategies and the Council's plans to prevent rather than react.	
Requested by the Assistant Director, Social Care	
Process and Controls Contingency	10
An allocation of time to carry out a series of short reviews to provide assurance that key controls and processes are working effectively. The exact areas to be included will be agreed with the director and assistant directors but are likely to include: pest control service and tied accommodation (both requested by the Assistant Director, Environment, Property and Commercial Services).	
Directorate Specific - EDC	
Economic Growth	15
The audit would review the residential property service which has funding sources from the Empty Homes Project, Stepping Down and North Ormesby 'JV' Project. The audit will examine the effectiveness of the management of these funds. The audit will also consider project management from the application stages through to the end of the process.	
Requested by Executive Director of Economic Development and Communities.	
Transport and Infrastructure/Integrated Transport Unit	15
The audit will include a value for money consideration of road re-surfacing, pot holes, pavements and verges, taking into account the 'Local Transport Plan' (LTP) spend, to ensure good governance and that value for money is being achieved. The audit will also consider the level of insurance claims being received against the Council for third party highways incidents, the repudiation rate and the changes required in response to the insurance claims.	

Audit Title	Days
Requested by Executive Director of Economic Development and Communities and Assistant Director, Economic Development.	
Compliance with Funding and Grant Requirements	10
Quarterly health checks on a sample of ERDF grants or other funding sources to confirm compliance with terms and conditions and that required evidence is available.	
Requested by Assistant Director, Economic Development	
Early Help Hub	10
A review to provide assurance of readiness for Ofsted inspections (Quarter 3).	
Requested by Assistant Director, Supporting Communities	
Family Case Work	10
A review to provide assurance that the approach to family case work will meet the standards required by Ofsted (Quarter 4).	
Requested by Assistant Director, Supporting Communities	
Children's Centres	15
There are currently 8 children's centres across three localities and the aim is to make all policies and procedures consistent across all. This assignment (Quarter 2) will complete an assessment against the Ofsted framework. There is a need for assurance that each centre is delivering what it needs to and having a positive impact. This audit to commence June/July with a view to presenting the draft report by September 2016.	
Requested by Assistant Director, Supporting Communities	
Cultural Services	10
A full review of the effectiveness of policies, procedures and processes including the extent to which corporate rules and policies are complied with. This audit follows on from the concerns raised in the audit report issued in 2015/16.	
Requested by Assistant Director, Economic Development	
Process and Controls Contingency	10
An allocation of time to carry out a series of short reviews to provide assurance that key controls and processes are working effectively. The exact areas to be included will be agreed with the director and assistant directors but one suggestion has been car parking (requested by Assistant Director, Economic Growth) and another has been to provide input to the process for generating cost estimates for schemes and projects (requested by Executive Director EDC).	
Total days Internal Controls and Compliance	230

E COUNTER FRAUD

Fraud against the public sector can take many forms including fraud in relation to benefits, grants, procurement, blue badges, payroll and recruitment. To reduce the risk of fraud and corruption taking place, the Council has to demonstrate a strong anti fraud culture. TVAAS will assist the Council in establishing such a culture by:

- Ensuring that a counter fraud policy framework is in place that is up to date and reflects relevant legislation.
- Raising awareness amongst staff, suppliers, partners and other relevant parties of key fraud and loss risks and how to report any concerns.
- Carrying out an annual fraud and loss risk self assessment to identify the key risk areas for the Council and ensuring that audit resource is directed towards those areas.

Audit Title	Days
Counter Fraud Strategy	5
An allocation of time to review and update the Council's counter fraud strategy framework and ensure that it reflects relevant legislation.	
Fraud and Loss Risk Self Assessment	10
An annual review of the main fraud risks facing the Council, the results of which will feed into the annual audit plan.	
National Fraud Initiative	15
An allocation of time for coordinating and dealing with any data matching investigations arising from the NFI exercise.	
Fraud Management	20
A review of the whistleblowing and anti fraud and corruption management and prevention framework in place across the Council.	
Cash Handling and Anti Fraud Controls	30
Testing across a sample of Council service areas to confirm that appropriate cash handling, anti fraud and anti corruption controls are in place. The exact areas to be tested will be agreed throughout the year but are likely to include: declarations of officers' interests, use of vehicles, fuel and equipment, travel and subsistence, blue badges, social care payments, grant and funding payments and other key fraud risks as highlighted in the annual Protecting the Public Purse report.	
Counter Fraud Contingency	20
An allocation of time to carry out investigations into specific concerns arising during the year, targeted anti fraud control reviews and to communicate fraud alerts.	
TOTAL DAYS COUNTER FRAUD	100

F LIAISON AND REPORTING

In order to ensure that internal audit work remains focussed on the areas of greatest risk and that significant findings are highlighted with the appropriate officers, it is important that TVAAS managers have reporting and liaison mechanisms in place across the Council. This category includes time to prepare for and attend the Corporate Affairs and Audit Committee, officer groups and management meetings across the Council. Liaison with directorate contacts, external audit, risk management and performance management will also be required.

Audit Title	Days
Corporate Affairs and Audit Committee	20
An allocation of time for the preparation and presentation of reports to and attendance at Corporate Affairs and Audit Committee. The allocation of time also relates to any development work required for the purposes of the Committee e.g. effectiveness reviews etc.	
Follow Up	25
An allocation of time to follow up on the implementation of previously agreed actions/recommendations.	
External Audit Liaison	5
Liaison with the new and outgoing external auditors for information sharing purposes and to avoid duplication of work.	
Annual Audit Plan and Assurance Mapping	10
An allocation of time for the preparation, compilation and consultation of the annual internal audit plan. To compile and update the Council's assurance map in order to consider what gaps exist in internal audit's coverage and to set out an Assurance Framework which will detail what if any alternative sources of assurance exist within the Council and what additional assurance is needed.	
Audit Scheduling	15
An allocation of time for organising and agreeing the timing of the current year's audits.	
Management team meetings, governance groups and other committees	10
An allocation of time for TVAAS staff to attend and contribute to the Council's LMT/DMT, working groups and committees (other than Corporate Affairs and Audit C'tee) as required.	
Meetings and Advisory CCS	20
Meetings and Advisory EDC	5
Meetings and Advisory WCL	5
TOTAL DAYS LIAISON AND REPORTING	115

TOTAL AUDIT DAYS 2016/17 - 855