

Appendices

Appendix 2: Scope of our 2008-09 reviews

Each of our individual assignments will be based upon an agreed terms of reference. For the purposes of our audit planning we have estimated the number of audit days required for each audit based upon the potential scope of the reviews, the level of audit staff completing the review and our experience of working with other organisations. Key reviews and their rationale are summarised in the table below. The terms of reference will be revisited prior to commencing each audit to ensure that they remain relevant and focused. We anticipate spending 410 days in 2008/09.

Area	Rationale/Scope	Days
AUTHORITY WIDE		
Corporate Governance	Further enhancements are required within this area to improve the use of resources score received. We will focus on a couple of key issues to aid in the development of this area.	10
Risk management	Risk management process have been revised in 2007/08 with local management of risk registers. We will review the arrangements at business unit level, the risk registers held, linkages to business planning, and how risk managed is factored into core business processes ensuring that risk management is embedded within the culture of the Authority.	15
Equality and Diversity	This area has not been subject to a review by internal audit (brought forward from 2007/08). We will review the overall arrangement for ensuring equality and diversity across the organisation against good practice.	15
Health and Safety follow-up	This area was assessed as weak at the review in 2006/07, and follow up in 2007/08 identified recommendations remained outstanding. Members require independent assurance that controls and procedures are operating as intended and as such we will continue to review progress in the implementation of agreed actions.	5
Sickness Management	This area has not been subject to a review by internal audit. We will review how the Authority manages sickness absence at a corporate and departmental level.	10
Change /Project Management	New 'project/change management' methodology is being developed by the transformation board. We propose a compliance review which would highlight the consistency of application of the processes.	15
Business Continuity/Disaster Recovery	The Authority has been reviewing its arrangements, and in light of recent issues, including the Oxford floods in 2007. We will review the progress the Authority has made in implementing its action plan to further develop this area.	10
Sub-total		80
FINANCIAL AND ASSET MANAGEMENT		
Benefits	Managed audit – essential for DA reliance. Satisfactory ratings in 2005/06 and 2006/7 and good in 2007/08. We propose a similar compliance type audit due to the significance and value of the transactions.	15
Local Taxation	Managed audit – essential for DA reliance. Satisfactory ratings in 2005/06 and good / satisfactory ratings in 2006/07 progressing to good in 2007/08. We propose walkthrough testing for both NNDR and Council tax.	10
Payroll	Managed audit – essential for DA reliance. Satisfactory ratings in 2005/06 to 2007/08. We propose to undertake compliance testing.	10
Accounts payable	Managed audit – essential for DA reliance. Satisfactory ratings to in 2005/6 and 2006/7 and good in 2007/08. We propose to carry out walkthrough testing.	5
Accounts receivable	Managed audit – essential for DA reliance. Satisfactory ratings to in 2005/6 and 2006/7 and good in 2007/08. We propose to carry out walkthrough testing.	5
Main accounting	Managed audit – essential for DA reliance. Satisfactory rating to date. We propose to undertake walkthrough testing to confirm that the design of the controls has not changed.	5
Treasury management	Managed audit – essential for DA reliance. Good rating to date. We propose to undertake walkthrough testing to conform that the design of the controls has not changed.	5
Fixed Assets	Managed audit – essential for DA reliance. We propose to undertake compliance testing in this area.	10
Sub-total		65

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BUSINESS SYSTEMS		
IT audits	Our review of Network and security management in 2005/06 identified a number of weaknesses. We also identified the need for some strategic control over the purchasing of hardware and software including the underlying business cases. We believe that it is timely to review the control environment in this key support area.	30
Data Security	Greater importance is now placed on data security as a result of recent National high profile cases where data has been lost or misplaced. We will review the arrangements the Authority has in place which ensures the safe keeping of information both on and off site.	10
Sub-total		40
CITY REGENERATION		
Building Control / Planning / Inspection/ Enforcement	This area has not been subject to a review by internal audit. We will review the controls in place over application processing, inspection and enforcement which ensure compliance with documented procedures.	20
Taxi Licensing	This area has not been subject to a review by internal audit. We will review the controls in place over the approval and review of taxi licences which ensure compliance with documented procedures.	15
Sub-total		35
CITY SERVICES		
Local Financial Systems	Income is managed locally with cash collection carried out by a number of areas within the Authority which exposes the area to a degree of risk. We will review the local systems for receipting and collecting income within trade waste, leisure and the tourist information centre. We will also follow up the implementation of recommendations made in relation to the parks cash collection which was graded as weak in 2007/08.	15
Housing Repairs	The Authority has an obligation to tenants to ensure that properties are well maintained whilst achieving key performance indicators in respect of responsiveness in carrying out repairs. We propose to complete an end to end review of the responsive repairs process, from initial enquiry through to post inspection. We also propose to review the controls in place for recharging tenants for repairs which are their responsibility.	20
Leaseholder recharging	The costs of service charges and maintenance/capital works can be recovered from leasehold tenants, however, in recovering costs the Authority must ensure that it complies with relevant legislation. We propose to review the processes in place which ensure compliance with legislation with the recovery of all income due to the Authority, including the approval of write-offs of bad debt.	10
Choice Based Lettings	The Authority has recently introduced choice based lettings. We propose to review how the Authority complies with its procedures in respect of the allocation and letting of homes under the Choice Based Lettings Scheme.	10
Car Parking	Car Parking was last reviewed in 2005/6 where it received a satisfactory rating. We propose to review the overall arrangements in respect of car parking including the implementation of the car parking strategy, setting and collecting of charges, and compliance with legal obligations.	10
Sub-total		65
VALUE FOR MONEY		
VFM follow up	Members need assurance that management are beginning to implement the outcomes of value for money reports that have been agreed by the Audit & Governance Committee. We propose to undertake follow-up work on the capital Programme, Street Cleaning, Vehicle Maintenance and Housing Repairs.	10
Leisure Market Testing	The market testing of Leisure Services is a major project for the City Council and is very important in delivering the savings required for 2009/10 and beyond. Following our VFM work on Choice Based Lettings, Members were keen that KPMG should have a role reviewing the project as it unfolds, rather than waiting until the end of the process. We will use our experience of market testing to discuss alternative approaches with relevant officers/Members and will keep the Audit & Governance Committee informed of progress.	20
VFM Mapping	This exercise commenced in 2007/08 and is attempting to collate all the available empirical evidence of the comparative cost and quality of individual services and will enable the Authority to make better informed decisions on the actions it should take to improve VFM.	7 (c/f from 0708)

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Area	Rationale	Days
VFM studies	As with last year, we have allowed some VFM days to be commissioned on a "call-off" basis by Audit & Governance and officers in order to address emerging issues.	13
Sub total		50
GENERAL AND MANAGEMENT		
General follow-up		15
Audit management including VFM		35
Contingency		25
Sub total		75
Total		410