

Oxford City Council

3 INTERNAL AUDIT PLAN AND
AUDIT CHARTER

2016-17 OPERATIONAL

2016-19 STRATEGIC

March 2016



DRAFT FOR AUDIT AND GOVERNANCE COMMITTEE APPROVAL



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Restrictions of use

The matters raised in this report are only those which came to our attention during the course of our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The report has been prepared solely for the management of the organisation and should not be quoted in whole or in part without our prior written consent. BDO LLP neither owes nor accepts any duty to any third party whether in contract or in tort and shall not be liable, in respect of any loss, damage or expense which is caused by their reliance on this report.

INTERNAL AUDIT APPROACH

Introduction

Our role as internal auditors is to provide independent, objective assurance designed to add value and improve your performance. Our approach, as set out in the Firm's Internal Audit Manual, is to help you accomplish your objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Our approach complies with best professional practice, in particular, CIPFA Internal Audit Standards and Public Sector Internal Audit Standards.

Internal Audit at Oxford City Council

We have been appointed as internal auditors to Oxford City Council (the 'Council') to provide the s151 officer, and the Audit and Governance Committee with assurance on the adequacy of internal control arrangements, including risk management and governance.

Responsibility for these arrangements remains fully with management, who should recognise that internal audit can only provide 'reasonable assurance' and cannot provide any guarantee against material errors, loss or fraud. Our role at the Council will also be aimed at helping management to improve risk management, governance and internal control, so reducing the effects of any significant risks facing the organisation.

In producing the internal audit operational plan for 2016-17 and 2016-19 strategic plan we have sought to further clarify our initial understanding of the business of the Council together with its risk profile in the context of:

- The overall business strategy and objectives of the Council
- The key areas where management wish to monitor performance and the manner in which performance is measured
- The financial and non-financial measurements and indicators of such performance
- The information required to 'run the business'
- The key challenges facing the Council.

AUDIT RISK ASSESSMENT

Background

Our risk based approach to Internal Audit uses the Council's own risk management process and risk register as a starting point for audit planning as this represents the client's own assessment of the risks to it achieving its strategic objectives.

The extent to which we can rely on management's own perception of risk largely depends on the maturity and effectiveness of the Council's own risk management arrangements. In estimating the amount of audit resource required to address the most significant risks, we have also sought to confirm that senior management's own assessment of risk accurately reflects the Council's current risk profile.

Individual audits

When we scope each review, we will reconsider our estimate for the number of days needed to achieve the objectives established for the work and to complete it to a satisfactory standard in light of the control environment identified within the Council. Where revisions are required we will obtain approval from the appropriate s151 Officer prior to commencing fieldwork and we will report this to the Audit and Governance Committee.

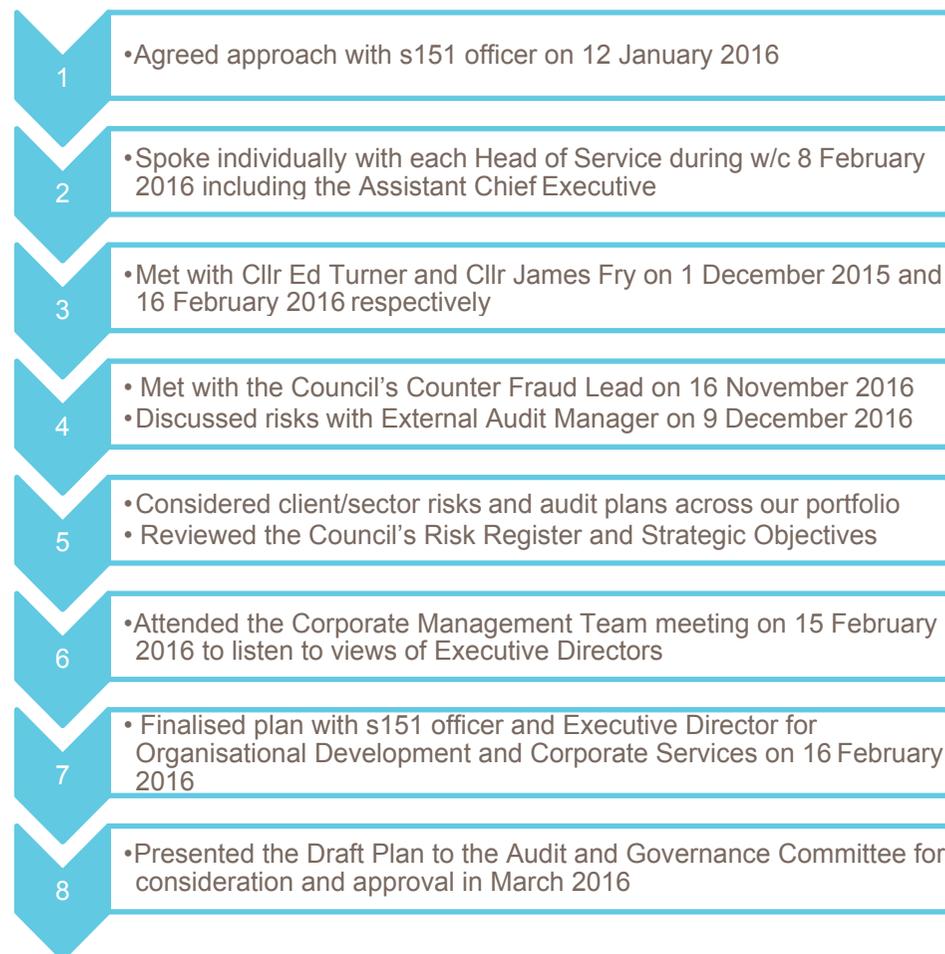
In determining the timing of our individual audits we will seek to agree a date which is convenient to the Council and which ensures availability of key management and staff.

Variations to the Plan

Significant variations to the plan arising from our reviews, changes to the Council's risk profile or due to management requests will be discussed in the first instance with the s151 officer and approved by the Audit and Governance Committee before any variation is confirmed.

Planned approach to creating internal audit operational plan for 2016-17

The indicative Internal Audit programme for 2016-17 is shown from page 6 onwards . We will keep the programme under continuous review during the year and will introduce to the plan any significant areas of risk identified by management during that period.



PROPOSED RESOURCES AND OUTPUTS

Staffing

The core team that will be delivering the programme to you is shown below:

Name	Grade	Telephone	Email
Greg Rubins	Partner	07710 703 441	Greg.Rubins@bdo.co.uk
Gurpreet Dulay	Audit Manager	07870 555 214	Gurpreet.Dulay@bdo.co.uk
Yasmin Ahmed	Senior Auditor	07870 510 196	Yasmin.Ahmed@bdo.co.uk

The core team will be supported by specialists from our national Risk and Advisory Services Team and wider firm as and when required.

Our indicative staff mix to deliver the programme for 2016-17 is shown below:

Grade	Annual days	Grade Mix (%)
Partner	23	10%
Audit Manager	69	30%
Audit Senior	69	30%
Auditors (including Qualified) & Specialist Staff	69	30%
Total	230	

Reporting to the Audit and Governance Committee

We will submit the indicative Internal Audit Plan for discussion and approval by the Audit and Governance Committee in March 2016. We will liaise with the Executive Directors and other senior officers as appropriate to ensure that internal audit reports summarising the results of our visits are presented to the appropriate Audit and Governance Committee meeting.

Following completion of the Internal Audit programme each year we will produce an Internal Audit Annual Report summarising our key findings and evaluating our performance in accordance with agreed service requirements. Please note that should it be felt the number of days in the plan is to be greater than 230 then Internal Audit can accommodate this.

DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
Vibrant, Sustainable Economy				
Trading Services - End to End Review	12			To perform an end-to-end mapping process and efficiency review of the customer experience from making contact with the Council to being invoiced and the management of any after sales queries. The end-to-end mapping will be focused on the key trading services i.e. commercial waste, engineering and building services and grounds maintenance; the relationship of controls and processes between the Council's central Accounts Receivable team and Direct Services
Car Parking		14		To review the operational controls and processes with regards to setting tariffs, issuing tickets and income collection. Assessment of whether the Council have taken effective steps to maximise the economic activity through its parking strategy and have met legislative requirements over the use of income toward the support of transport related activity
Channel Shift	15			We would: <ul style="list-style-type: none"> • take the understanding of the Council's customers from Mosaic data and assess where customers can be directed on-line or to more efficient methods • compare the Council's approach to those successfully implemented at other Council's • create a prioritised action plan for channel shift savings based on bottom up transaction data which supported the objectives outlined in the customer access plan and included recommendations for how these could be implemented, along with outline costs and estimated savings
Trading Board Effectiveness (short review)	4			To focus on whether the Council's Trading Board receive reliable and robust information on the quality and financial outputs of trading activity. Furthermore, to assess whether sufficient scrutiny has been applied to information provided
Total	31	14	-	

DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
Efficient, Effective Council				
Accounts Payable		10	8	Assess the arrangements to input, amend, record and report accounts payable data including whether the software/procurement methods in place is effective and whether opportunities for efficiencies have been identified
Accounts Receivable	10		8	Assess the arrangements to input, amend, record and report accounts receivable data including ensure new structures in place are robust and have met the objectives set-out
Payroll (Inc. Care Statements)	10	10	10	Assess the arrangements to input, amend, record and report payroll data including the Council's controls and processes with regards to Care Statements
Fleet Management			12	Assess the arrangements for purchasing/disposing of fleet and the effective and efficient use of vehicles
Culture Review	12			We would review: <ul style="list-style-type: none"> • how the leadership of the Council set the culture of the organization and how this is communicated • how success is defined and recognised • workplace policies, procedures, behaviours and relationships • how decisions are made. Amongst other methods we would survey staff as part of our assessment of culture
Benefits Administration	12			This review will focus on whether the administration of benefits in preparation of a full roll-out of universal credit is achieving value for money. To review Council pilot schemes around administering telephone claims and assessing areas such as e-claim through with a significant sum of claims are now made. This will also consider staffing capacity and experience to maximize the administration of benefits to better the Council's performance against its target to process claims within 14 days
Total	44	20	38	

DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
Efficient, Effective Council				
General Ledger	10	10	10	Annual review of the key risks with regards to the general ledger including journal processing/authorisation, access rights, reconciliations, data integrity, chart of accounts, delegated authority and suspense accounts amongst other areas
Fixed Assets			10	Review arrangements to identify, record, transfer and report data held with regard to fixed assets including heritage assets
Safeguarding			12	Consider whether the Council have sufficient controls and processes in place to meet safeguarding requirements not only in the recruitment of their staff but also via the use of supplier staff. This will include the assessment of consistency and robustness which regards to safeguarding where multiple agencies are involved and any interaction with any local safeguarding hubs or teams
Income Generation (non-Direct Services)		15		The Council have a number of non-Direct Service income generation schemes around Counter Fraud, HR partnerships with Kent County Council and Procurement. This review would assess the progression of these areas (and other non-Direct Service income generation areas) in achieving the aims and objectives set out. This would include the assessment of business plans, customer strategies/feedback, review of the service and testing the validity of invoices raised
Application Specification Review	10			In response to an external consultant review of 'application rationalisation' the Council are designing specifications for the tender of its housing software. This review would assess the specifications in place and advise on whether they identify all key risks and capability concerns from the current provider which require to be rectified
ICT General Controls			12	Review the general ICT control environment including application interfaces, access rights, upgrades and password policies. This review would also cover the ICT plan and resilience of the function
Total	20	25	44	

DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
Efficient, Effective Council				
Payment Card Industry Data Security Standard (PCI DSS)		12		<p>This review would assess whether:</p> <ul style="list-style-type: none"> • the scope of the cardholder data environment has been determined and formally documented • data discovery has been performed to locate all instances of cardholder data on the network • CVV numbers are not stored after a transaction has been authorised • payment processes have been identified and documented • it has been established whether a Self Assessment Questionnaire (SAQ) can be used to report compliance, or whether a QSA/ISA is required to complete a Report on Compliance (ROC) • it has been established which SAQ is required to report compliance (where appropriate) • internal resource has the appropriate knowledge and experience of information security and PCI DSS • any external resources used (e.g. QSA or security consultant) to assist with the PCI DSS program • security awareness training is carried out for all staff on a periodic basis, and this includes payment card security • network security testing requirements have been determined based on the SAQ completed or by a QSA/ISA. • internal/external vulnerability scans have been performed by an Approved Scanning Vendor (ASV) or independent party (if applicable)
ICT Service Desk	13			<p>The Council will be bringing the ICT Service desk functionality in-house from 1 April 2016 which was previously managed by Oxfordshire County Council. The Council will be utilising V-fire software and this review will assess the arrangements, controls and processes in place to ensure accurate, complete and timely processing of ICT service requests including wider controls around staff capacity and resilience</p>
Total	13	12	-	

DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
Efficient, Effective Council				
Freedom of Information		12		Assess the efficiency and effectiveness in managing freedom of information requests received by the Council. This review would focus on mapping out the process and identifying efficiencies in how requests could be better managed by consider the route for requests and how information can be better or clearly presented via other formats with the aim of reducing the number of freedom of information requests the Council receives
Risk Management and Governance Arrangements			12	Assess the controls and process with regards to risk management and focus on whether risk management is inclusive, breeds innovation and partnership working. To also consider whether the governance arrangements at the Council are fit-for-purpose, effective (in terms of the right decisions made in the right place) and efficient (in terms of there being minimum to no overlap in the various groups/meetings)
Counter Fraud Review		15		Fraud risk assessment diagnostic to identify areas of risk and controls in place to prevent and detect corporate fraud. To also review the effectiveness of the data warehouse and other data-matching arrangements
Budget Setting and Monitoring		15		Review the Council's budget monitoring and setting process which spans the construction, amendment, discussion and approval of budgets. This review would also focus on arrangements to achieve efficiencies in budgets and whether all opportunities are identified and that assumptions are based on reasonable and reliable data
Collection Fund		10		Review of the controls and processes with regards to calculation of liabilities, billing processes, debt collection and recovery, exceptions and system integrity
Income Collection/Cashiers			12	Review of income collection controls and processes to input, record, validate and report data; this would also include the procedures to bank income and an assessment of how effectively the Council is working towards a greater cashless operation
Total	-	52	24	

DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
Efficient, Effective Council				
Cyber Crime		14		Identify the Council's key assets and assess whether they are affording them adequate protection, and managing cyber security risks on an on-going basis. Review if assets are classified based on the criticality of the data to the business and if there is a risk appetite for cyber security agreed. In addition to governance the review would consider security incident management controls
Data Protection			12	The European Commission plans to unify data protection within the European Union (EU) with a single law, the General Data Protection Regulation (GDPR) which will replace the Data Protection Act. Our review would focus on: <ul style="list-style-type: none"> • increased governance requirements particularly regarding security arrangements • changes to business culture, such as embedding a culture of 'privacy by design' • increased costs to implement new processes, controls and potentially the cost of an independent DPO • financial risks brought by potentially substantial fines for non-compliance.
Recruitment and Retention			15	The review will consider the controls, processes and efficiency involved from when a vacant post has been identified through to selecting a candidate to recruit to fulfill the role; this includes assessing the effectiveness of job descriptions/person specifications and whether the right techniques have been used to target recruitment. For retention the various Council policies and procedures will be assessed to verify whether they provide a framework within which effective levels of staff retention can be achieved
Procurement	13			Assess the arrangements to meet legislation and internal procedures around procurement activities and whether the process achieves value for money and social value
Treasury Management	10		10	To assess whether corporate treasury management activities are monitored, controlled and reported effectively
Total	23	14-	37	

DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
Efficient, Effective Council				
Health and Safety			15	Assess the controls and processes to meet all legal requirements around health and safety at the Council; this will assess the governance, reporting and embedding of health and safety policies and procedures
Project Management (inc. Capital Projects)	12			Review the methodology and practice in the Council to manage projects and review particular projects in detail and assess whether the Council's approach was adhered to. Furthermore, a wider assessment of where projects have failed to meet objectives, to consider the root-cause of this in aim of improving future project management arrangements
Contract Management			10	Assess the most important contracts at the Council and how these are managed in terms of: whether the contract in place is robust and effective, variations to contracts are approved and embedded promptly, performance management is clear, understood and reported with appropriate action taken and if the culture between parties is effective
Business Continuity and Disaster Recovery	12			Review of the Council's business continuity and disaster recovery arrangements including the robustness of any business impact analysis and testing of the disaster recovery plan
Building Control	12			Review the strategy for the service to assess whether it is fit-for-purpose, the capacity/knowledge and resilience of the team, and whether operational controls to achieve the objectives for the area are robust
Total	36	-	25	

DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
Cleaner, Greener Oxford				
Energy Purchasing	12			Assess the arrangements over what type of energy the Council is purchasing including the assessment and scrutiny of such decisions. To also consider the arrangements via which this is delivered and whether these are working as well as expected
Enforcement Restructure			12	Review the restructure as to whether it has achieved the aims set out to make the teams more resilient, more proactive and report more accurate, timely and relevant information with robust key performance indicators
Total	12	-	12	

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DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
Strong, Active Communities				
Fusion Partnership Arrangements		12		The partnership with Fusion who manage all the Council's leisure centres will be reviewed including, operational controls in addition to performance management arrangements and validity of underlying data/information to support share calculations
Museum Project	12			Review whether funding received from the Heritage Lottery Fund to support the Museum Project has maximised the achievement of value for money to support the Council's ability to secure greater funds in the future. To also identify lessons from the funding received to ensure the Council have adequate arrangements in place to maximise other opportunities
Events Management			12	Assess the systems, procedures and resilience of the events management staff/software to achieve the objectives set out; this includes the governance, strategies and operational controls for events management
Customer Services			12	To review the customer service processes and controls to record, manage, respond to and report customer service activity across the Council
Total	12	12	24	

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DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
Meeting Housing Needs				
Companies Review		15		The Council are in the process of/or have set up various companies to more effectively and efficiently manage housing stock or local capital development programmes. The review will focus on whether the objectives set out have been achieved with regards to financial and quality measures; this will also include whether payment mechanisms agreed have delivered positive outcomes
Housing Strategy and Policy		13		There are significant housing policy changes in the local government sector and this review will assess the strategy and policies the Council have in place to manage national changes coming in. The review will consider the responsiveness to national changes and robustness of assumptions made
Empty and Void Property Management	12			Review the arrangements to manage empty and void properties to ensure they are promptly and effectively brought into use. This will include ensuring the reporting of data is accurate and sufficiently scrutinised
Housing Rents		13		This review will assess the controls and processes to manage housing rents including the effective use of the software. An assessment of the administration and management of policies will also be assessed i.e. 'pay to stay' and administration of 'market rent' assessments
Discretionary Housing Payments and Home Choice Harmonisation		12		The Council aim to commence a pilot in 2016-17 on harmonising the conditionality of DHP and Home Choice payments to ensure consistency and effectiveness in the two schemes. This review will assess the effectiveness of the pilot and the full roll-out (if applicable) to verify whether the aims and objectives set out are being met
Total	12	53	-	

DRAFT INTERNAL AUDIT PLAN 2016-2019

Area	2016-17	2017-18	2018-19	Description of the Review
All				
Audit Management	16	15	10	This includes all planning, liaison and management of the Internal Audit contract including preparation of the Head of Internal Audit Opinion and attendance at all Audit and Governance Committees
Recommendation Follow-Up	8	8	6	To follow-up progress and verify audit recommendations due in the quarter under review
Contingency	3	-	-	Held for any ad-hoc work such as grant claims
Total	27	23	16	
Grant Total Audit Days	<u>230</u>	<u>225</u>	<u>220</u>	

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Please see the following page which sets out the timings for reviews in 2016-17.

DRAFT INTERNAL AUDIT PLAN 2016-2017

Area	Days	Timing	Objective
Energy Purchasing	12	Q1	Cleaner, Greener Oxford
Empty and Void Property Management	12	Q1	Meeting Housing Needs
Application Specification Review	10	Q1	Efficient, Effective Council
ICT Service Desk	13	Q1	Efficient, Effective Council
Museum Project	12	Q2	Strong, Active Communities
Business Continuity and Disaster Recovery	12	Q2	Efficient, Effective Council
Project Management	12	Q2	Efficient, Effective Council
Benefits Administration	12	Q2	Efficient, Effective Council
Procurement	13	Q3	Efficient, Effective Council
Accounts Receivable	10	Q3	Efficient, Effective Council
Payroll (Inc. Care Statements)	10	Q3	Efficient, Effective Council
General Ledger	10	Q3	Efficient, Effective Council
Building Control	12	Q3	Meeting Housing Needs
Trading Services - End to End Review	12	Q4	Vibrant, Sustainable Economy
Trading Board Effectiveness	4	Q4	Vibrant, Sustainable Economy
Channel Shift	15	Q4	Vibrant, Sustainable Economy
Culture Review	12	Q4	Efficient, Effective Council
Treasury Management	10	Q4	Efficient, Effective Council
Audit Management and contingency	19	All	All
Recommendation Follow-Up	8	All	All
Total audit days	230		

Quarter	No of Days	Audit and Governance Committee reports will be presented to
Q1	47 (23%)	June 2016
Q2	48 (24%)	September 2016
Q3	55 (27%)	December 2016
Q4	53 (26%)	March 2017

Please note the plan has been devised with the intention to present four or five reports to each Audit and Governance Committee.

DRAFT INTERNAL AUDIT CHARTER

Purpose of this Charter

This Charter is a requirement of Public Sector Internal Audit Standards (PSIAS). It formally defines internal audit's purpose, authority and responsibility. It establishes internal audit's position within Oxford City Council ('the Council') and defines the scope of internal audit activities. This charter shall be reviewed and approved annually by management and by the Audit and Governance Committee on behalf of the Council.

Internal audit's purpose

Internal audit provides an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It helps the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Internal audit acts primarily to provide support to the s151 officer of the Council and to provide the Audit and Governance Committee with information necessary for it to fulfil its own responsibilities and duties. Implicit in Internal Audit's role is that it supports the Council's management to fulfil its own risk, control and compliance responsibilities. The range of work performed by internal audit is set out in PSIAS and not repeated here.

Standards of internal audit practice

Internal audit will perform its work in accordance with PSIAS and the International Professional Practices Framework of the Chartered Institute of Internal Auditors. As required by PSIAS an external assessment of the service will be performed at least every five years.

Internal audit's scope

The scope of internal audit activities includes all activities conducted by the Council. The Internal Audit Plan identifies those activities that have been identified as the subject of specific internal audit engagements.

Assurance engagements involve the objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system or other subject matter. The nature and scope of the assurance engagement are determined by internal audit.

Consulting engagements are advisory in nature and are generally performed at the specific request of management. The nature and scope of consulting engagement are subject to agreement with management. When performing consulting services, internal audit should maintain objectivity and not assume management responsibility.

Independence and internal audit's position within the Council

To provide for internal audit's independence, its personnel and external partners report to the Head of Internal Audit, who reports functionally to the Audit and Governance Committee. The Head of Internal Audit has free and full access to the Chair of the Audit and Scrutiny Committee. The Head of Internal Audit reports administratively to the s151 officer who provides day-to-day oversight.

The appointment or removal of the Head of Internal Audit will be performed in accordance with established procedures.

The internal audit service will have an impartial, unbiased attitude and will avoid conflicts of interest. The internal audit service is not authorised to perform any operational duties for the Council.

DRAFT INTERNAL AUDIT CHARTER

Authority

The Internal Audit function of Oxford City Council derives its authority from the Council through the Audit and Governance Committee. The Chief Audit Executive is authorised by the Audit and Governance Committee to have full and complete access to any of the organisation's records, properties and personnel. The audit Chief Audit Executive is also authorised to designate members of the staff to have such full and complete access in the discharging of their responsibilities, and may engage experts to perform certain engagements which will be communicated to management. Internal Audit will ensure confidentiality is maintained around all information and records obtained during the course of audit activities.

Professional competence and due care

21 The Internal Audit function will perform its duties with professional competence and due care. Internal Audit will adhere to the Definition of Internal Auditing, Code of Ethics and the Standards for the Professional Practice of Internal Auditing that are published by the Institute of Internal Auditors.

Internal Audit will also adhere to the requirements of the Public Sector Internal Audit Standards (PSIAS).

Management Responsibilities

Management responsibilities are as follows:

- The Audit and Governance Committee is responsible for appointing the Chief Audit Executive
- Senior Management is responsible for the performance management of the Chief Audit Executive. Instances of late responses to reports, and agreed actions not being implemented will be escalated to Senior Management initially and subsequently the Chair of the Audit and Governance Committee where these are not resolved

Whilst the annual Internal Audit report is a key element of the assurance framework required to inform the Annual Governance Statement, there are also a number of other sources from which those charged with governance should gain assurance. The level of assurance required from Internal Audit will be agreed with the Audit and Governance Committee at the beginning of the year and presented in the annual Internal Audit plan (and subsequent agreed amendments). As such, the annual Internal Audit opinion does not supplant responsibility of those charged with governance from forming their own overall opinion on internal controls, governance arrangements, and risk management activities.

DRAFT INTERNAL AUDIT CHARTER

Internal audit’s commitments to the Council

Internal audit commits to the following:

- Working with management to improve risk management, controls and governance within the organisation
- Performing work in accordance with PSIAS
- Complying with the ethical requirements of PSIAS
- Dealing in a professional manner with Council staff, recognising their other commitments and pressures
- Raising issues as they are identified, so there are no surprises and providing practical recommendations
- Liaising with external audit and other regulators to maximise the assurance provided to the Council
- Reporting honestly on performance against targets to the Audit Committee

Internal audit performance measures and indicators

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The tables below contain performance measures and indicators that are considered to have the most value in assessing the efficiency and effectiveness of internal audit. The Audit and Governance Committee should approve the measures which will be reported to each meeting and / or annually as appropriate.

Table One: Performance measures for internal audit

Measure / Indicator
<p>Audit Coverage Annual Audit Plan delivered in line with timetable Actual days are in accordance with Annual Audit Plan</p>
<p>Relationships and customer satisfaction Customer satisfaction reports – overall score at least 80% for surveys issued at the end of each audit</p> <p>Annual survey to Audit and Scrutiny Committee to achieve score of at least 80%</p>
<p>Staffing and Training At least 60% input from qualified staff</p>
<p>Insights Assessing our insights and experience delivered at Committees and scoping meetings via surveys</p>
<p>Audit Quality Reliance on work by EY where appropriate Positive result from any external review Assessment of the successful reporting of themes and implementation of recommendations</p>

DRAFT INTERNAL AUDIT CHARTER

Management and staff commitments to Internal Audit

The Council's management and staff commit to the following:

- Providing unrestricted access to all of the Council's records, property, and personnel relevant to the performance of engagements
- Responding to internal audit requests and reports within the agreed timeframe and in a professional manner
- Implementing agreed recommendations within the agreed timeframe
- Being open to internal audit about risks and issues within the organisation
- Not requesting any service from internal audit that would impair its independence or objectivity
- Providing honest and constructive feedback on the performance of internal audit

2.3 Management and staff performance measures and indicators

The following three indicators are proposed, subject to agreement by the Audit and Governance Committee:

Table Two: Performance measures for management and staff

Measure / Indicator
Response to Reports Audit sponsor to respond to terms of reference within one week of receipt and to draft reports within two weeks of receipt
Implementation of recommendations Audit sponsor to implement all audit recommendations within the agreed timeframe
Co-operation with internal audit Internal audit to confirm to each meeting of the Audit and Governance Committee whether appropriate co-operation has been provided by management and staff

DRAFT INTERNAL AUDIT CHARTER

Timing of Internal Audit Milestones

Event	Timing
Contact Audit Sponsor	At least 5 weeks before fieldwork commencement
Initial scoping discussion with management	At least 4 weeks before fieldwork commencement
Draft Terms of Reference	At least 3 weeks before fieldwork commencement
Final Terms of Reference	At least 2 weeks before fieldwork commencement
Review of work by Audit Manager	On-site during fieldwork
Evaluation of findings and discussion at audit close meeting	Held on final date of on-site fieldwork or at a date agreed within ten days of completion of on-site fieldwork
Issue Draft Audit Report	No more than 2 weeks after close meeting
Receipt of management response	No more than 1 week after issue of draft Audit Report
Issue Final Audit Report	No more than 1 week after receipt of management responses
Audit Satisfaction Survey	Issued with Final Audit Report
Update SharePoint	No more than 1 week after issue of Final Report
Attend Audit and Governance Committee	On-date of Committee

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