

INTERNAL AUDIT PLAN

2018-19



**Horsham
District
Council**

Directorate: Corporate Resources

Review Name	Type	Outline Objective
Ernst & Young Key Financial Controls (ISA)	Audit	Coordinate results of key financial system testing for external audit to avoid duplication of effort.
Cash & Bank	Audit	The new Technology One system was implemented in September 2017. The main focus of the audit will be to review the bank reconciliation process and sources of income and expenditure.
Accounts Payable	Audit	A full key system audit will be undertaken following the transition to the new Technology One system.
Accounts Receivable	Audit	A full key system audit will be undertaken following the transition to the new Technology One system (with the exception of debt management which will be audited separately).
Debt Management	Audit	A separate review of Debt Recovery has been included in the audit plan following the recent implementation of the new Technology One system.
Payroll	Audit	A review of the key controls will be undertaken with particular focus on separation of duties following the proposed implementation of a new HR system.
Treasury Management	Audit	A routine review will be undertaken to ensure that the Treasury function is operating within the confines of the Treasury Management Strategy and Prudential Code.
Contracts (Procurement)	Audit	The review will focus on compliance with EU Regulations and internal procedure rules, with particular scrutiny of award of contract evaluations.
Computer Audit ~ Incident Management	Audit	The audit will examine the effectiveness of the Council's response process.
Computer Audit ~ Service Desk	Audit	To ensure that service desk calls are appropriately prioritised and managed. The service desk covers two sites (Horsham DC and Mid-Sussex DC). Adur DC has recently withdrawn from the Partnership arrangement.
Computer Audit ~ Cyber Security	Audit	The Head of Technology Services will furnish Internal Audit with a copy of the PSN health check (and remediation actions). The outcomes will be mapped

INTERNAL AUDIT PLAN

2018-19



**Horsham
District
Council**

		to the NSC (National Security Council) cyber control requirements. Assurance gaps in Cyber security will then be identified and improvement actions agreed with senior management as appropriate.
Information Governance ~ Data Protection (GDPR)	Audit	GDPR is due to be implemented 25/5/18, and is a significant area of risk for the Council. The Information Commissioner has the power to levy considerable fines in the event of (i) a major data breach and (ii) lack of appropriate corporate processes. The objective is to provide assurance that effective controls have been implemented.
Governance / Cultural Compliance	Audit	Culture and ethical behaviour are an important aspect of the Council's control environment. The audit will review two departments which will include a review of roles and responsibilities, standards, awareness, and compliance with corporate responsibilities.
New HR System	Audit	A new HR system (Technology One) will be implemented during the early part of 2018/19. The audit focus will include governance arrangements, risks, data migration, system security, user acceptance testing, system testing, business continuity and disaster recovery.
Health & Safety (HSE Standard)	Audit	The audit will focus on the work undertaken by the Health and Safety Advisor, and provide an independent view on how effectively he is conforming with the HSE Standard.
IR35 (Compliance Audit) / Off-Payroll Engagement)	Audit	This audit will review the controls and compliance with the statutory IR35 regulations.
Performance Management	Audit	A new basket of indicators is being developed to measure strategic performance in key areas. It is important that information is accurate and correctly calculated. The audit will review the performance management framework and will test a sample of key performance indicators for accuracy.

INTERNAL AUDIT PLAN

2018-19



**Horsham
District
Council**

Directorate:

Community Services

Review Name	Type	Outline Objective
Broadbridge Heath Leisure Centre Project	Audit / Advice	The construction of the Broadbridge Heath Leisure Centre is a £12.3m project which has many associated risks. Assurance work will include a review of the governance arrangements for the project, including risk management & financial management. Our work will also include a review of compliance with project management controls and the quality of reporting.
Contract Management (Leisure and Rookwood Contracts)	Audit	The review will focus on how effectively the contracts are being managed, and in particular, ensure that the services are being managed in accordance with the contracts.
Alternative Weekly Collections	Audit	A root and branch review will be undertaken following the implementation of the new alternate weekly collection service.

Directorate:

Planning, Property & Economic Development

Review Name	Type	Outline Objective
Community Infrastructure Levy (CIL)	Audit	A review to ensure that the Community Infrastructure Levy application and bidding process is operating effectively to maximise the Council's ability to secure funding, including assurance that funds received are used appropriately.
Fire Safety Checks (Council Premises)	Audit	This review will focus on responsibilities for fire safety; compliance with statutory requirements; and the timeliness of completion of inspections.
Parking Enforcement	Audit	The primary objective of the review will be to ensure that there are effective systems and controls in place, and that the Council is meeting statutory requirements.

INTERNAL AUDIT PLAN

2018-19



**Horsham
District
Council**

Other Assurance Work

Review Name	Type	Outline Objective
Annual Report and Opinion, and Annual Governance Statement	Audit	Creation of Annual Report and Opinion / Annual Governance Statement.
Corporate Governance Group	Assurance / Advice	The Director of Corporate Resources, Monitoring Officer, Chief Internal Auditor and Performance Manager meet quarterly to review the Council's governance arrangements.
Project Review Group	Assurance / Advice	The Project Review Group meets on a quarterly basis to review progress of the Council's key projects, and associated risks.

Anti-Fraud and Corruption

Review Name	Type	Outline Objective
National Fraud Initiative (Cabinet Office)	Fraud	A full data matching exercise will be undertaken by the Cabinet Office during 2018/19. Internal Audit will be responsible for ensuring that all relevant data sets are submitted securely and on a timely basis. GDPR requirements will need to be adhered to, and output reports will be examined to identify any incidences of fraud or irregularity. Consideration will also be given to requesting departments to undertake their own reviews (subject to training & quality checks by Internal Audit).
Proactive & Reactive Fraud Work	Fraud	Production of a fraud risk assessment for Horsham & delivery of an associated action plan, including proactive and reactive work (including raising awareness where appropriate & staff training).

INTERNAL AUDIT PLAN

2018-19



**Horsham
District
Council**

Emerging Risks & Contingency (including carry forwards)

Review Name	Type	Outline Objective
Contingency for Emerging Risks.	Audit	It is important that there is sufficient flexibility within the audit plan to enable the audit team to respond to emerging risks or special investigations. A small time allocation has therefore been included in the plan for this purpose.

Service Management and Delivery (by Internal Audit)

Review Name	Type	Outline Objective
Action Tracking	Audit	Action tracking of agreed, high risk actions.
Audit Committee and other Member Support	Audit	Quarterly Reports and attending Audit Committee meetings.
Audit Management	Audit	Work allocation, work scheduling, Orbis Audit Manager meetings.
Client Support and Advice	Audit	Ad hoc advice and guidance provided to clients and services.
Organisational Management Support	Audit	Attendance at departmental management meetings (e.g. Departmental Team Meetings; Manager's Forums; Conferences; Chief Executive Talks; Risk Management).
Client Service Liaison	Audit	Liaison with clients and departmental management teams.
External Liaison	Audit	Liaison with external auditors and other external bodies. Attendance at audit groups.
Strategy and Annual Audit Planning	Audit	Development of audit plan.