

RYEDALE  
DISTRICT  
COUNCIL



# Ryedale District Council

## Internal Audit Plan 2015/16

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**Circulation List:**

Members of the Overview and Scrutiny Committee  
Chief Executive  
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Assurance Services for  
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## Introduction

- 1 This document sets out the planned 2015/16 programme of work for internal audit, provided by Veritau for Ryedale District Council.
- 2 The work of internal audit is governed by the Public Sector Internal Audit Standards. In accordance with those standards and the Council's Audit Charter, internal audit is required to prepare an audit plan on at least an annual basis.
- 3 The Head of Internal Audit is required to produce an annual internal audit opinion to the Council based on an objective assessment of the effectiveness of the framework of Risk Management, Governance and Internal control. Our planned audit work includes coverage of all three areas to develop a wider understanding of the assurance framework of the Council and provide a fully informed body of work to provide that opinion.
- 4 The internal audit plan has been prepared on the basis of a risk assessment. This is intended to ensure limited audit resources are prioritised towards those systems which are considered to be the most risky and/or which contribute the most to the achievement of the District Council's priorities and objectives. The content of the internal audit plan has been subject to consultation with directors and other senior officers.
- 5 The internal audit plan is submitted for formal approval by the Overview and Scrutiny Committee who are also responsible for monitoring progress against the plan. Changes to the plan will be agreed with senior officers and will be notified to the committee. Proposed work is also discussed with the Council's external auditors to ensure there is no duplication of effort. We will provide regular updates on the scope and findings of our work to the Overview and Scrutiny Committee throughout 2015/16.
- 6 The plan is based on a total number of 225 days for 2015/16 which is the same as in 2014/15.

## 2015/16 Audit Plan

- 7 The plan has been structured into the following sections:
  - **Strategic Risks**; this work involves reviewing areas highlighted as specific risks in the risk register.
  - **Financial Systems**; to provide assurance on the key areas of financial risk. This work will help provide assurance that the internal controls on these key systems for the Council are working effectively and the risks of loss are minimised. The work will also support the work of the external auditors.
  - **Regularity Audits**; to provide assurance on those areas identified through Veritau's risk based assessment. This work will cover areas of

the governance frameworks which the Council rely on to provide assurance key areas of the business are operating effectively.

- **Technical/Projects;** to provide assurance on those areas of a technical nature and where work on an ongoing basis on specific projects is required. These areas are key to the Council as the risks involved could detrimentally effect the delivery of services.
- **Client support, Advice and Follow up;** This is work that supports the Council in its functions and provides assurance on ad-hoc matters and the adoption of findings we have reported in previous years.

8 Details of the 2015/16 plan are set out in **Appendix A**

## Strategic Risk Register

Risk No	Risk	Audit	Scope	Days
08	Failure to produce effective, comprehensive and tested plans for Emergency Planning and Business Continuity.	Business Continuity	To ensure compliance with the Civil Contingencies Act 2004 and the need for established business continuity and disaster recovery procedures.	10
		Disaster Recovery	We will review the ICT disaster recovery arrangements.	5
13	Failure to ensure the Council has proper procedures and policies for the prevention and detection of fraud	Fraud and Corruption	We will review the Council's arrangements for Fraud and Corruption against recently issued CIPFA best practice and assess the extent to which arrangements deliver the necessary objectives and outcomes.	15
14	The Council recognises the importance of data quality.	Performance Management Arrangements and Data Quality	A review of the Council's performance management framework along with the systems for capturing key performance data.	15

## Financial Systems Audits

Audit	Scope	Days
Housing Benefits	To review the key risks/controls involved in awarding and paying benefits including the Council Tax Support Scheme.	15
Payroll	A review of the key risks/ controls of the payroll system.	15
Council Tax/NNDR	A review of the key risks/controls for the setting and collection of local tax including performance management arrangements.	10
Sundry Debtors	A review focusing on the effectiveness of the systems of debt recovery.	8
Creditors	To review the key risks/controls surrounding the payment of Creditors invoices.	8
General Ledger	A review of the key controls of the General Ledger, including bank reconciliations, journals and control accounts.	7
Budgetary Management	A review of the Council's budgetary monitoring procedures which are to be revised in 2015/16.	7

## Regularity Audits

Audit	Scope	Days
Risk Management	A review of the effectiveness of the Risk Management arrangements to highlight and robustly manage the key strategic risks of the Council.	10
Contract Management	A review of the Councils corporate contract management arrangements. We will also provide support, guidance and challenge to contract management arrangements of the recently procured Leisure Services contract.	15
Human Resources	To ensure that the key controls the Council has put in place to manage key risks relating to Human Resources are effective.	10
		<b>35</b>

## Technical/Project Audits

Audit	Scope	Days
Projects	To provide support, guidance and challenge to new and ongoing developments as identified by officers throughout the year.	20
Server Rooms Security	To review the management procedures and controls on the Server Rooms that ensure interruptions to services are minimised and unauthorised access to sensitive information and loss or disclosure of data are prevented.	5
Data Protection and Security	To undertake a small number of unannounced visits to establish the extent to which the Council's expectations of data security of sensitive information, including the clear desk policy are being followed.	5
Payment Card Industry Data Security Standard (PCI DSS)	To further review and support the arrangements the Council has in place to comply with the requirements of PCI DSS.	5
		<b>35</b>

## Client Support, Advice and Follow up

Area	Days
Committee Preparation and Attendance	12
External Audit Liaison	2
Miscellaneous Advice and support	8
Corporate Issues (including audit planning and client liaison)	10
Follow up of previous years findings	8
<b>40</b>	