

RYEDALE
DISTRICT
COUNCIL



Ryedale District Council

Internal Audit Plan 2019/20

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Circulation List:

Members of the Overview and Scrutiny Committee
Chief Executive
Section 151 officer

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Assurance Services for
the Public Sector

The Veritau logo consists of a green checkmark symbol followed by the word 'Veritau' in a bold, green, sans-serif font. Below this, the text 'Assurance Services for the Public Sector' is written in a smaller, green, sans-serif font.

Introduction

- 1 This document sets out the planned 2019/20 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 independently form a view on the risks facing the council and prepare an audit plan on at least an annual basis. The work in the audit plan will form the basis for the Head of Internal Audit's annual opinion on the council's framework of Risk Management, Governance and Internal control.
- 3 The 2019/20 internal audit plan has been prepared on the basis of a risk assessment. This helps to ensure limited audit resources are prioritised towards those areas considered to be higher risk, which contribute most to council priorities and objectives, and which will enable an overall opinion to be formed. Risks facing the council and possible areas for audit work have been subject to consultation with senior officers and members of this Committee in January 2019.
- 4 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 during the year will be agreed with the s151 Officer and will be notified to this 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 2019/20.
- 5 The internal audit plan is based on a total number of 225 days for 2019/20 which is the same as in 2018/19

2019/20 Internal Audit Plan

- 6 The plan has been structured into the following sections:
 - **Strategic Risks;** this work involves reviewing areas highlighted as specific audit risks which are included in the Council's risk register.
 - **Fundamental/Material Systems;** Work will help provide assurance internal controls for these key systems are working effectively and the risks of loss are minimised.
 - **Other;** Work on Assurance Mapping and some time for emerging risks.
 - **Operational/Regularity Audits;** This work will cover some of the governance frameworks which the Council rely on to provide assurance that key areas of the business are operating effectively.
 - **Client support, Advice and Follow Up;** This includes ongoing support and advice to the Council on risk and control issues, work to provide assurance that findings from previous audits have been addressed, and time necessary to support the delivery of the internal audit service.

Internal Audit Plan 2019/20

Strategic Risks

Risk No	Risk Area	Audit	Scope	Days
CRR 02	Resilience and Capacity	Human Resources	A review of key HR risks, to provide support and challenge to proposed organisational improvements. The specific areas for review will be agreed with the HR Lead during 2019/20.	15
CRR 03	Strategic Planning	Data Quality – Health and Safety	A review of the systems for ensuring data quality on key performance data. This audit will consist of a deep dive into Health and Safety data quality, which has been identified as a key corporate risk.	15
CRR 05	Financial Management	Revenue and Capital Budgeting	A review of the effectiveness and quality of in-year budget monitoring and in-year forecasting for revenue and capital budgets.	15
CRR 06	Information Governance	Data Protection and Information Security	To undertake 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.	8
CRR 07	ICT	ICT – key risks and controls	A 'deep dive' into ICT governance and strategy, and supporting service delivery. Any other specific areas for review will be agreed with Strategic Management Board during the year.	15
CRR 08	Contracts and Procurement	Contract Management and Procurement	A review of the operation and effectiveness of the Council's procurement arrangements and management of contracting. The work will include a review of corporate procurement and contracting procedures.	15

Fundamental/Material Systems

Audit	Scope	Days
Payroll and Personnel	To build on the work from 2018/19 (documenting the operation of the new Payroll and Personnel procedures and assessing the existence and robustness of current key controls). Work in 2019/20 will focus on key areas of risk and include, where appropriate, testing of the application of relevant key controls for application and effectiveness.	15
Terms and Conditions	A review of payroll payments to ensure these are being monitored effectively, being used and managed appropriately and in line with Council rules, terms and conditions, and that statutory obligations are being followed.	10
Creditors	To review the key risks/controls surrounding the payment of creditor invoices. The work will include a review of all creditor payments for the risk of potential duplicate payments using data analytics software.	10
		35

Other

Audit	Scope	Days
Assurance Mapping	Assurance Mapping is a tool by which senior management as well as auditors can understand, document and assess what key levels of assurance an organisation has/ does not have. The development of Assurance Mapping at Ryedale District Council was raised as an area of development from the external Public Sector Internal Audit Standards (PSIAS) assessment in 2018.	8
Contingency	An allocation of time to be used on areas of emerging risk.	10
		18

Operational/Regularity Audits

Audit	Scope	Days
Risk Management	A review of the effectiveness of how risks are being managed. Work will include review of service risk registers.	15
Policy Framework	A review of the arrangements in place and the extent to which, the Council's policy framework is in place and being updated.	15
Relationships and agreements with other bodies	A review of the governance and internal control arrangements for areas where other bodies provide services for the Council. This audit will look at arrangements with Scarborough Borough Council. We will ensure there is no duplication with scrutiny work being carried out by the Committee.	15
		45

Client Support, Advice and Follow up

Area	Days
Committee Preparation and Attendance	12
Audit Planning and Client Liaison	10
Follow up of previous years findings	12
Miscellaneous Advice	8
Other (e.g. External Audit Liaison, Member and Officer Training)	2
	44

TOTAL PLANNED DAYS **225**