

**RYEDALE DISTRICT COUNCIL
INTERNAL AUDIT PLAN 2013/14**





Audit Plan 2013/14

CONTENTS

- 1 Introduction
- 2 2013/14 Audit Plan
- 3 Main Financial Systems
- 4 Operational Audits
- 5 Other Chargeable Audit Work

Audit Plan 2013/14

1. INTRODUCTION

- 1.1 This plan sets out the proposed 2013/14 programme of work for the internal audit, service provided by Veritau North Yorkshire for Ryedale District Council.
- 1.2 In accordance with proper practice, internal audit is required to prepare an audit plan on at least an annual basis. The plan is based on a risk assessment model that is maintained by internal audit. The council's own risk management systems are also considered in forming a view on what audits to undertake. The audit plan is a working document, and changes are made throughout the year to reflect changes in risk and any issues that arise.
- 1.3 The content of the audit plan is subject to consultation with senior council officers. The committee is responsible for monitoring progress against the plan. Changes to the plan are agreed through the council's client management arrangements and are notified to the committee. Proposed audit work is also discussed with the council's external auditors, to ensure that there is no duplication of effort.

2. 2013/14 AUDIT PLAN

- 2.1 The significant financial pressures faced by the council and the consequent need to review and adapt services are major factors affecting systems and controls. Veritau's priority for the immediate future continues to be to help support the council maintain an effective control environment in these challenging times. As in 2012/13, the audit plan has been drawn up to provide a balance between regularity audits in areas such as the main financial systems where the volume and value of transactions processed are significant and regular audit is essential; and other reviews targeted towards areas of increased risk due to change. This includes:
 - direct support to change projects - to provide advice and challenge on controls being implemented or changed, and project governance
 - an emphasis in other audit work on the appropriateness of control systems in the current climate, and key objectives to meet current needs.
- 2.2 Details of the 2013/14 plan are set out below.

Audit Plan 2013/14

3. MAIN FINANCIAL SYSTEMS

Days

General Ledger (including Fixed Assets register)

15

A review of the arrangements for managing and maintaining the financial ledger. The audit will include a review of:

- access and back up arrangements
- the integrity and timeliness of data
- the processing of journals and virements
- reconciling control and suspense accounts
- feeder systems
- reconciliations
- year end processes.

Tax Management

10

A review of key controls to ensure compliance with VAT accounting requirements. The audit will include analysis of VAT data using IDEA data interrogation software, to identify potential weaknesses in control.

Treasury Management

3

A 'health check' of the systems associated with treasury management. A full audit will be carried out during 2014/15.

Creditors

3

A review of the controls, systems and processes associated with creditors. A full audit will be carried out during 2014/15.

Debtors

3

A review of the controls, systems and processes associated with debtors. A full audit will be carried out during 2014/15.

Payroll

5

A review of the payroll system and controls associated with payroll processing.

Local Taxation (Council Tax & NNDR)

15

A review of the systems for calculating Council Tax and NNDR liabilities, and the collection, recording and processing of payments. The audit will also examine debt recovery arrangements.

Housing Benefits (Council Tax Support)

10

A review of the systems and processes for paying Council Tax Benefit and Housing Benefit, including the new council tax support scheme.

Audit Plan 2013/14

Income	3
A review of overall income management arrangements including processes in place to prevent money laundering.	

TOTAL – Main Financial Systems

67

4. OPERATIONAL AUDITS

Human Resources and Recruitment Checks	12
A review of policies, processes and recruitment checks undertaken on new employees specifically focusing on counter fraud arrangements.	

Elections Works	12
A value for money review of processes, including government funding.	

ICT	15
A review of systems access, general controls, inventory and security.	

Performance Management / Data Quality	15
A review of systems in place to monitor and report achievement against performance management targets and the quality of data available.	

Partnerships and Grants	12
A review of the systems and procedures in place.	

Health and Safety	15
A review of the systems and procedures in place to ensure compliance with Health and Safety regulations and welfare of employees.	

Fleet Management	10
A review of the management and control of vehicle costs, especially of fuel and vehicle repair costs. The audit will include a review of recording and management information systems, and verification of a sample of assets.	

Planning / Development Control	10
A review of general controls and procedures including administrative processes. The audit will also consider any areas highlighted around affordable housing.	

TOTAL – Operational Audits

101

Audit Plan 2013/14

5. OTHER CHARGEABLE AUDIT WORK

	<u>Days</u>
Support, Advice & Liaison	12
Provision to provide ongoing advice and support on the design, implementation and operation of appropriate controls and for the overall management of audit work in each department.	
Audit Committee Planning/ Reports and Attendance	20
Preparing for and attending Committees.	
Follow Up Audits	15
Provision to follow up previously agreed audit recommendations.	
Audit Planning	10
TOTAL – Other Chargeable Audit Work	57
TOTAL CHARGEABLE DAYS 2013/14	225