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**REPORT TO: OVERVIEW AND SCRUTINY COMMITTEE**

**DATE: 14 APRIL 2011**

**REPORT OF THE: CORPORATE DIRECTOR (s151)  
PAUL CRESSWELL**

**TITLE OF REPORT: 2011/012 INTERNAL AUDIT PLAN**

**WARDS AFFECTED: ALL**

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

1.1 This report presents the Internal Audit Plan for 2011/12 from the North Yorkshire Audit Partnership for approval.

### **2.0 RECOMMENDATION**

2.1 It is recommended that Members receive this report and endorse the plan.

### **3.0 REASON FOR RECOMMENDATION**

3.1 Internal Audit is a legal requirement for Councils, and furthermore underpins delivery of the Corporate Plan and the Council's strategic themes by ensuring that the control environment is reviewed on a structured and logical basis.

3.2 The Cipfa Code of Practice for Internal Audit in Local Government identifies that the shared interests of the audit committee and internal audit require an effective working relationship. Part of that is the monitoring of progress against, the internal audit strategy and plan.

### **4.0 SIGNIFICANT RISKS**

4.1 There are no significant risks.

## **REPORT**

### **5.0 BACKGROUND AND INTRODUCTION**

5.1 The Internal Audit plan has been drafted using the Partnership's risk assessment model. This model considers various aspects appertaining to activities within Ryedale DC and assesses the level of inherent risk. This then determines the relative frequency of audit.

5.2 The Council has had an agreed plan of 265 days for a number of years, and the

range of work is therefore constrained by that limit.

- 5.3 This level is being reduced to reflect the need to make savings in all aspects of the Council's activities. For 2011/12 the number of days is reduced to 245.
- 5.4 The plan is, as usual subject to appropriate consultation and is agreed with the Corporate Director (s151).
- 5.5 It has been established that this committee should act as an Audit Committee for the Council and, therefore is the body to receive this report.

## **6.0 POLICY CONTEXT**

- 6.1 This report and the Audit Plan support the Council's requirement to comply with all legislation. It also supports all the Corporate Aims of the Council, by evaluating the overall internal control framework through which the aims are achieved.
- 6.2 This work within the Internal Audit plan supports the Council's Corporate Strategic Objective of providing strong Community Leadership, by demonstrating a commitment to local democracy and accountability.

## **7.0 CONSULTATION**

- 7.1 No external consultation has been undertaken. The Audit Partnership liaises with the Corporate Director (s151) in his specific role as the responsible financial officer.
- 7.2 Where appropriate the Partnership has undertaken consultation with Heads of Service.

## **8.0 REPORT DETAILS**

- 8.1 The audit plan, detailed in Annex A, sets out the work to be covered in the forthcoming year.
- 8.2 The plan is agreed between the Corporate Director, the Council's s151 Officer and the Audit Partnership. In addition views are sought from Heads of Service, and the Council's external auditors. This wider review is to ensure that the plan is relevant and appropriate to the Council's needs.
- 8.3 The view sought from the Council's external auditors is appropriate to the continuing expectation that the Partnership works closely with them to minimise the cost of external audit by allowing them to be able to place reliance on the Partnership's audit plan and work in their assessment of the Council.
- 8.4 This does tend to distort the plan to a degree as they expect that we audit the material systems of the council on an annual basis. This drives part of the plan outwith the Partnership's risk assessment. Typically this work accounts for around 40% of the annual plan.
- 8.5 The plan is attached as Appendix A. Progress against the plan is reported to the Overview and Scrutiny Committee on a regular basis, and the plan itself will be reviewed during the year to take cognisance of changes within the audit environment. This review will be reported to the Committee at its autumn meeting.

## 9.0 IMPLICATIONS

9.1 The following implications have been identified:

- a) Financial  
There are no financial implications, beyond the existing budget for Internal Audit.
- b) Legal  
None directly, though individual audit reports may have implications
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
None directly, though individual audit reports may have implications

**Paul Cresswell**  
**Corporate Director (s151)**

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**Background Papers:**

None

**Background Papers are available for inspection at:**

n/a

## NORTH YORKSHIRE AUDIT PARTNERSHIP

RYEDALE DC ~ AUDIT PLAN 2011/12 to 2013/14

CODE	AUDIT AREA	2011/12 days	2012/13 days	2013/14 days
<b><u>Material Systems Regularity Assurance (MSRA)</u></b>		44%	43%	38%
20110	Council Tax	14	14	12
20120	Creditors	15	15	15
20121	Creditors ~ Counter Fraud audit			
20130	Debtors	10	10	10
20140	G. Ledger + Bank Rec's	12	12	12
20150	Housing Benefits	15	15	12
20170	Income System	10	10	8
20180	NNDR	12	12	9
20190	Payroll	6	5	5
20200	Treasury Mgt	10	7	5
22520	Capital A/C / Fixed Asset register	5	5	5
		<b>109</b>	<b>105</b>	<b>93</b>
<b><u>Identified Risk Assurance (IRA)</u></b>		2%	2%	2%
	Risk Register Action plans	5	5	5
<b><u>Cyclical Assurance (CA)</u></b>		39%	40%	43%
<b><u>Head of Environmental Services - Phil Long</u></b>				
<b>Health and Environment - Steve Richmond</b>				
21400	Leisure Contract (CL Ltd)	7	-	-
22070	Dog Enforcement	5	-	-
22085	Food Safety	5	-	-
22111	Licencing Act(s)	5	5	5
	Environmental Health (enforcement)	-	-	-
22120	Markets	-	-	-
22130	Pest Control	-	7	-
22150	Pollution Control	-	-	-
		<b>22</b>	<b>12</b>	<b>5</b>

RYEDALE DC ~ AUDIT PLAN 2011/12 to 2013/14

CODE	AUDIT AREA	2011/12 days	2012/13 days	2013/14 days
<b>Street Scene Services - Beckie Bennett</b>				
21530	Restaurant / Canteen	-	5	-
21590	Waste Management	-	-	-
	Grounds Maintenance	-	-	-
21680	Vehicles & Plant	-	-	10
22050	Car Parks	9	-	-
22110	Taxi Licencing (Hackney Carriages )	-	-	7
22160	Public Conveniences	-	-	-
22170	Recycling - see Waste Man	8	-	-
22180	Trade Refuse	-	5	-
22181	Septic Tanks	-	-	-
		<b>17</b>	<b>10</b>	<b>17</b>

**Facilities and Emergency Planning Services - Mike Adams**

21665	Internal CCTV	-	-	5
21020	Industrial Units / Lettings	-	7	-
21050	Health & Safety	-	-	5
21100	Asset Management	-	6	-
	Property Maintenance	-	-	-
	CRC (Carbon Reduction Commitment)	-	2	5
24010	Garages & Depots	-	-	-
		<b>0</b>	<b>15</b>	<b>15</b>

**Head of Economy and Housing - Julian Rudd**

**Economic and Community - Jos Holmes**

	Community Safety	5	-	-
23580	Cultural & Sports Grants	5	-	5
23610	Sports Development	-	6	-
23640	Tourism & TIC's	-	-	-
		<b>10</b>	<b>6</b>	<b>5</b>

**Housing Services - Kim Cattrell**

22090	Gypsy Site	-	-	-
23005	Housing Strategy	-	-	-
23040	Homelessness	-	-	5
23060	Grants (Imp, Disabled, Fuel Poverty)	-	7	-
23070	Warden Control (incl.Ryecare)	7	-	-
		<b>7</b>	<b>7</b>	<b>5</b>

**Head of Planning - Gary Housden**

RYEDALE DC ~ AUDIT PLAN 2011/12 to 2013/14

CODE	AUDIT AREA	2011/12 days	2012/13 days	2013/14 days
<b>Development (Planning)</b>				
21070	Local Land Charges	-	-	5
	New Homes Bonus	-	-	-
22140	Development Control (planning fees)	8	-	8
		<hr/>	<hr/>	<hr/>
		8	0	13
<b>Forward Planning - Jill Thompson</b>				
22020	Sustainability	-	-	5
22140	Local Plan	-	-	-
21040	Grant Funding/Payment	-	-	-
	Market Town Initiative	-	-	-
		<hr/>	<hr/>	<hr/>
		0	0	5
<b>Head of Organisational Development - Louise Sandall</b>				
<b>ICT Services - Mick Phythian</b>				
	ICT (computer) Audit	12	12	12
<b>Human Resources - Denise Hewitt</b>				
21650	Personnel & Training	-	-	-
<b>Democratic Services - Simon Copley</b>				
21120	Register of Electors;	-	-	-
21125	Election Expenses	-	-	-
<b><u>Head of Transformation - Clare Slater</u></b>				
	Performance Management System (incl Risk Mgt)	5	5	5
<b><u>Legal Services - Anthony Winship</u></b>				
21060	Legal Services - inc within Debtors	-	-	-
<b><u>Head of Resources - vacant</u></b>				
<b>Revenue and Finance Services - Trevor Anderson</b>				
21010	Car Leasing/Loans	-	-	5
21080	Members Allowances	-	-	-
21081	Officers Allowances	-	-	5
22530	Insurance	-	6	-
22540	Housing Act Advances	-	-	-

RYEDALE DC ~ AUDIT PLAN 2011/12 to 2013/14

CODE	AUDIT AREA	2011/12 days	2012/13 days	2013/14 days
22550	Tax Mgt	-	5	-
		<b>0</b>	<b>11</b>	<b>10</b>
<b>Customer Services and Benefits - Angela Wood</b>				
155	<i>HB Fraud</i>	-	-	-
21130	<i>Reprographics</i>	-	-	-
21150	Telephones (mobile)	-	5	-
	<i>Concessionary Fares / Community</i>			
22200	<i>Transport Grant</i>	-	-	-
		<b>0</b>	<b>5</b>	<b>0</b>
	Follow ups	<b>10</b>	<b>10</b>	<b>10</b>
	Contingency	<b>4</b>	<b>4</b>	<b>4</b>
		<b>14</b>	<b>14</b>	<b>14</b>
<b><u>Value Added &amp; Technical (VAT)</u></b>		<b>6%</b>	<b>7%</b>	<b>8%</b>
	Project support ~ Partnerships & Commissioning	<b>5</b>	<b>6</b>	<b>9</b>
	Project support ~ new ICT systems	<b>5</b>	<b>4</b>	<b>4</b>
29008	Write-off Approval (System support)	<b>5</b>	<b>5</b>	<b>5</b>
	Contract Audit/Procurement			
28900	(D&B reports)	<b>0</b>	<b>2</b>	<b>2</b>
		<b>15</b>	<b>17</b>	<b>20</b>
<b><u>Client Support &amp; Advice (CSA)</u></b>		<b>9%</b>	<b>9%</b>	<b>9%</b>
	Client Support	<b>16</b>	<b>16</b>	<b>16</b>
	- External Audit liaison			
	- O & S committee (4 - 6 times per annum)			
	- Reg 6 Review & AGS			
	- AGS review & action plan follow up			
	- Annual Internal Audit Report			
	Misc Advice	<b>5</b>	<b>5</b>	<b>5</b>
		<b>21</b>	<b>21</b>	<b>21</b>
	Total Agreed Audit Days: -	<b>245</b>	<b>245</b>	<b>245</b>