

AUDIT COMMITTEE

25 JUNE 2015

REPORT OF AUDIT AND GOVERNANCE MANAGER

A.1 REPORT ON INTERNAL AUDIT – MARCH – MAY 2015, ANNUAL REPORT OF THE AUDIT AND GOVERNANCE MANAGER 2014/15 AND ANNUAL REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT

(Report prepared by Steve Blake)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To provide a periodic report on the Internal Audit function for March to May 2015, the Audit and Governance Manager's Annual Report for 2014/15, and the annual review of the effectiveness of the system of internal audit as required in order to comply with legislative requirements and best practice.

EXECUTIVE SUMMARY

- All audits completed in the period under review achieved either substantial or adequate assurance.
- The annual report of the Audit and Governance Manager concludes that reasonable assurance on the overall adequacy and effectiveness of the Council's control environment can be given for the 2014/15 financial year.
- The annual review of the effectiveness of the Council's system of internal audit has identified that three of the four key elements were fully met, the fourth being only partially met as the Internal Audit function has yet to be subject to external inspection in accordance with the requirements of the Public Sector Internal Audit Standards. This does not pose any significant risk as the Internal Audit function is considered to be substantially compliant with the standards.

RECOMMENDATION(S)

- (a) That the contents of the report be noted

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Provision of adequate and effective internal audit helps demonstrate the Council's commitment to corporate governance matters.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The Internal Audit function is operating within the budget set.

Risk

Review of the functions of the Council by Internal Audit assists in identifying exposure to

risk, and its mitigation.

LEGAL

The Council has a statutory responsibility to maintain adequate and effective internal audit.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

Internal Audit activity assists the Council to maintain a control environment that mitigates the opportunity for crime.

During the course of internal audit work issues regarding equality and diversity, and health inequalities may be identified and included in internal audit reports.

There is no specific effect on any particular ward.

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The Public Sector Internal Audit Standards require the Audit and Governance Manager to make arrangements for reporting to senior management (Management Board) and to the board (Audit Committee) during the course of the year, and for producing an annual Internal Audit opinion and report that can be used to inform the Annual Governance Statement.

The Accounts and Audit (England) Regulations 2011 make it a statutory requirement that the Council maintains an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with proper practices relating to internal control. These regulations were replaced with effect from 1st April 2015 by The Accounts and Audit Regulations 2015 which place a similar requirement on the Council.

CURRENT POSITION

REPORT ON INTERNAL AUDIT FOR MARCH - MAY 2015

In order to provide the Committee with as up to date information as is possible, this section of the report provides detail relating to the outstanding period in 2014/15 not previously reported, and in addition the early part of the new financial year.

Public Sector Internal Audit Standards

A self assessment against the standards was undertaken during 2014/15 and subsequent progress has been made in addressing issues of potential partial or non-conformance with the standards. The standards require that a Quality Assurance and Improvement Programme (QAIP) be produced and presented to the Audit Committee. The QAIP, updated to reflect only issues outstanding at this time, is included as Appendix A.

Whilst the standards provide a framework of requirements that demonstrate compliance, the standards include a mechanism for disclosure of non-conformance where it is not

appropriate or practical to follow the standards as written. However it is necessary to consider the aims of the specific standards in question and to deliver an alternate approach that fits the spirit of those standards. It is a requirement that the Committee's attention is drawn to such issues.

The standards include the following relating to formal appraisals of the Audit and Governance Manager where an alternate approach is considered appropriate.

Standard	Comment	Proposed Solution
1110 Organisational Independence		
The Chief Executive undertakes, countersigns, contributes feedback to or reviews the performance appraisal of the Audit and Governance Manager	<p>Within the Council's appraisal scheme, the responsibility for undertaking appraisals of the performance of the Audit and Governance Manager is delegated to the Finance and Procurement Manager as line manager. The scheme allows for cascade of corporate issues / targets from the Chief Executive through the organisational structure to appropriate managers.</p> <p>The Chief Executive is able to make comment regarding the performance of the Audit and Governance Manager, or the Internal Audit function, either directly or through the management structure at any time.</p>	That the existing arrangements continue, as they provide the opportunity for independent input regarding performance as and when necessary, without the need for direct involvement at each appraisal.
Feedback is sought from the chair of the Audit Committee for the Audit and Governance Manager's performance appraisal	<p>The Audit Committee has responsibility for receiving reports from the Audit and Governance Manager on the operation of the Internal Audit function. However the Committee does not have day to day responsibility for the operation of the Internal Audit function.</p> <p>The arrangements for the Audit and Governance Manager's appraisals are as above.</p> <p>The Chairman of the Audit Committee, and the Committee as a whole, are able to raise issues if they so wish regarding the performance of the Audit and Governance Manager, or the Internal Audit function, with the Audit and Governance Manager, the Finance and Procurement Manager or Senior Management at any time.</p>	That the existing arrangements continue, as they provide the opportunity for independent input regarding performance as and when necessary, without the need for direct involvement at each appraisal.

Internal Audit Plan – The 2014/15 plan was approved by this Committee on 20th March 2014, with the 2015/16 plan being approved by the Committee at its last meeting in March 2015.

Internal Audit Plan 2014/15 Progress – Appendix B provides detail of the status of each audit in the plan at 31st March 2015 and an updated position in May 2014.

At 31st March 2015 the equivalent of 71% of the 2014/15 plan had been completed. As had been reported during the year, the performance in 2014/15 had been affected by

vacancies, new staff training and preparatory work regarding migration to a new computer system. The plan was subject to adjustment during the year and a number of audits were deferred to 2015/16 where it was no longer timely to undertake an audit in 2014/15, these being deferred without replacement to reflect the Internal Audit resources available.

The Audit and Governance Manager's Annual Report identifies that the effect of this did not impact materially on the forming of an overall opinion on the Council's Internal Control environment.

The volume of work incomplete at the financial year end was in excess of that allowed for in the 2015/16 audit plan, and plan adjustments may be required in due course to reflect this. With a small number of exceptions, these audits have now either been completed or are substantially complete. Where the audit is not yet shown as completed, any issues requiring reporting to the Committee will be brought to your attention at the next meeting following issue of the final report on each assignment, but to date there is nothing significant to highlight.

Internal Audit Plan 2015/16 Progress – Detail has been included in Appendix A of progress to date.

The Internal Audit function is currently implementing a new computer system which is expected to go live late summer. Due to differences in the database structures between the old and new systems, action is currently being taken to keep the number of audits in progress or under preparation to a minimum, but balancing the need to deliver the overall audit plan by the end of 2015/16.

At the time of producing this report, the latest performance data available was for April only. In that month the volume of productive audit work undertaken was in excess of target, which provides a good base moving into the second quarter of 2015/16.

Quality Assurance – Detail regarding performance has been included in the Annual Report.

Outcomes of Internal Audit Work

The standards require the Audit and Governance Manager to report to the Audit Committee on the outcomes of internal audit work undertaken. 17 Internal audit reports relating to the 2014/15 plan have been issued since the last report to this Committee.

Assurance	Colour	Number this Period	
Substantial	Dark Green	7	-
Adequate	Light Green	10	-
Improvement Required	Pink	0	-
Significant Improvement Required	Red	0	-

There were no issues identified in those audits that require the Committee's attention.

The audits undertaken in the period included completion of follow up work regarding Housing Rents, Information Management and Parking Services where the previous audit on each activity had identified improvement required. In each instance the assurance

given as a result of the follow up audit was either Substantial or Adequate, which indicates appropriate improvements have been successfully implemented.

Management Response to Internal Audit Reports – There are processes in place to track action taken regarding issues raised in Internal Audit reports and to seek assurance that appropriate corrective action has been taken, with follow up work being undertaken where necessary.

The number of high severity issues outstanding was as follows: -

Status	Number	Comments
Overdue more than 3 months	0	
Overdue less than 3 months	0	Regular reminders issued to relevant managers to establish the action taken / encourage resolution
Not yet due	5	

As a result there are no significantly overdue issues requiring the Committee's attention.

ANNUAL REPORT OF THE AUDIT AND GOVERNANCE MANAGER 2014/15

Opinion on the Overall Adequacy and Effectiveness of the Council's Internal Control Environment

The Internal Audit function completed 31 audits during the year, and a further 13 2014/15 audits had been completed by May 2015. For the audits completed, assurance was classified as: -

Assurance	Number of Audits
Substantial	14
Adequate	27
Improvement Required	3
Significant Improvement Required	0

Taking into account the issues identified in the audits included in the table above and listed in Appendix B, and reviews by other assurance providers, it is possible to provide reasonable assurance that the systems of internal control were generally operating adequately and effectively.

The result of each audit completed has been included in periodic reports produced during the year, and the committee's attention drawn to any significant issues where the level of assurance was classified as Improvement Required. Whilst there have been audits during the year given this level of assurance, the number at this level was low. No audits came close to being classified Significant Improvement Required.

The Internal Audit function can only provide reasonable assurance. It is not possible to provide absolute assurance as many activities of the Council are audited on a less than annual frequency, and also it is not practical to examine every significant decision / transaction within those functions reviewed in any one year.

Qualification to the Opinion

The opinion given above is based upon the level of Internal Audit activity that it proved possible to deliver with the resources available during the year. It was not possible to fully complete the planned work during the year as detailed elsewhere in this report, although

all key audits have been undertaken or were in progress at the year-end. In forming an opinion, issues identified, but not reported until the 2015/16 plan year have been taken into account. The level of coverage achieved is considered sufficient to be able to provide the assurance required.

Summary of the Internal Audit Work Undertaken to Formulate the Opinion, and Reliance Placed on the Work by Other Assurance Bodies

The 2014/15 plan made provision for the audit of all key systems. It also included audits of a selection of other functions of the Council, selected using a risk assessment process to produce the plan. In addition audits incomplete at 31st March 2014 were completed during 2014/15. For those audits completed where the assurance was considered Improvement Required brief details of findings were included in appendices to the periodic reports presented to the committee throughout the year.

The Committee requested and received further details regarding issues raised as a result of work undertaken by the Internal Audit function.

The audit plan for 2014/15, in addition to assurance work on functions and systems, included some areas of focussed audit activity: -

- The Computer Audit element of the plan was undertaken in house. The number of audits undertaken was less than originally planned, but the two audits deferred related to ongoing projects where during the year it became apparent that it would be more appropriate if the audit coverage planned be undertaken in 2015/16.
- Planned audit work regarding Major Council Projects had either been incorporated into the relevant assurance audits scheduled, or included as stand alone audits. The largest of these projects was the Coast Protection scheme, and the audit planned for 2014/15 was in progress at the time of preparing this report. The result of this audit will now form part of the opinion to be given for 2015/16.
- No stand alone Proactive Anti-Fraud Audits were undertaken, work undertaken being embedded in assurance audits.
- The Internal Audit function undertakes unscheduled investigations and ad hoc audit work as and when required. The Internal Audit function was not involved in any unscheduled assignments of this type during the year.

In accordance with best practice and the requirements of the Public Sector Internal Audit Standards, the 2014/15 plan included arrangements for the follow up of issues found at previous audits. This took the form of: -

- Separate follow up audits and embedded work within assurance audits. In these cases any outstanding issues were formally reported to management, with any significant issues drawn to the attention of the Committee.
- Action Tracking – monthly reminders being issued, and responses verified by evidence where it was appropriate to do so.

The Internal Audit function has also provided advice and assistance to functions of the Council upon request, and following audits, as appropriate during the year.

A schedule of the audits undertaken during 2014/15 is included at Appendix B.

Upon completion of each audit a draft report was issued to the appropriate Corporate Director / Head of Department, containing details of any findings requiring addressing that had been identified. Subsequent discussions were held with appropriate senior managers and final reports issued, which included detail of agreed actions to resolve the issues

identified. There were no instances, for the reports issued during 2014/15, where a satisfactory action had not been identified and agreed.

No specific reliance has been placed upon the work of any other assurance provider in lieu of internal audit coverage during the year. There is a requirement however for the Audit and Governance Manager to take account in forming his annual opinion on the overall adequacy and effectiveness of the control environment, of the assurance given by other providers as well as directly by the Internal Audit function. The contents of reports issued by other providers have therefore been taken into account in the opinion made.

Issues Relevant to the Preparation of the Annual Governance Statement

No issues have been identified that are relevant to the preparation of the Annual Governance Statement.

Performance of the Internal Audit Function

The performance measures used during 2014/15 were as follows: -

Performance Measure	Actual 2014/15	Actual 2013/14	Actual 2012/13	Actual 2011/12	Actual 2010/11
Percentage of Audit Plan Completed	71% *	94%	91%	81%	86%
Percentage of Satisfactory Responses to Satisfaction Surveys Issued with Final Audit Reports	96%	100%	96%	98%	98%

*At the time of producing this report 85% of the 2014/15 plan had been completed.

The 2014/15 plan approved by the Audit Committee in March 2014 was of a similar size to that provided in previous years, and was set at a level deemed appropriate to provide an adequate level of Internal Audit coverage. The performance for 2014/15 was below that of previous years due to the impact of vacancies and subsequent training needs for recruited staff, together with preparatory work for migration to a new computer system that had not been anticipated for 2014/15 at the time the plan was prepared. As previously mentioned this has resulted in a higher than planned carry forward of audits into the 2015/16 plan year. It should however be borne in mind that operationally, the plan needs to be considered as a rolling plan rather than one rigidly compartmentalised into financial years.

The quality of work on each audit undertaken was reviewed, and audits were not considered complete and reports were not issued until any quality issues had been addressed.

Compliance with the Public Sector Internal Audit Standards

The Public Sector Internal Audit Standards were introduced from 1st April 2013. Progress updates were reported to the Committee during the year, on the work being undertaken to demonstrate conformance with the requirements of the Standards. At 31st March there remained some work outstanding before consideration could be given to submitting the function to the external assessment required by the standards, details of which are covered elsewhere in this report. Until that external assessment has been undertaken successfully, the Internal Audit function cannot be considered fully compliant with the Standards. There are no significant issues of being in this position in the short term, the standards requiring the first external assessment by 2018.

The Internal Audit function is currently implementing a new computer system, and the development of the database and associated processes provides an opportunity to further

integrate and embed features that aid demonstrating compliance with the standards. The short term capacity constraints imposed by accommodating the computer system implementation process would make consideration of external assessment difficult at this time.

ANNUAL REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT

The review has been undertaken in accordance with guidance issued by CIPFA in 2009. Whilst three of the four key elements in the guidance have been fully met, the fourth is currently only partially met due to the standards applicable for the Internal Audit function. The four key elements the guidance identifies are detailed below: -

The Risk Management System

The Council has a Risk Management Framework that was updated during 2014/15 and reported to the Audit Committee in December 2014. An updated corporate risk register is the subject of a separate report to this meeting. The Council's approach to risk management includes: -

- Regular review and update of Departmental Risk Registers
- Regular review and update of the Corporate Risk Register by Management Team
- Reporting of the Corporate Risk Register to Audit Committee every 6 months

Assurance Gained Over Controls

The Audit and Governance Manager, in his annual report above, has been able to form an opinion based on an adequate level of audit coverage across the key financial and other systems of the Council. Issues identified in audits where the assurance level was classified as Improvement Required were drawn to the attention of the Audit Committee – the number of instances where this level of assurance applied was low in relation to the work undertaken over the course of the year.

The Audit Committee has the opportunity, where it has concerns regarding the control issues being reported, to seek additional assurance from senior management. The Committee requested attendance of relevant managers at its meetings, where it considered an explanation or an update on progress was required.

The Internal Audit function is not the sole provider of reviews of activities of the Council. All departments were contacted and information regarding other reviews undertaken sought. No material issues were identified from such reviews identified as reported during the year.

Adequacy And Effectiveness Of Remedial Action

As detailed earlier in this report arrangements are in place to review and monitor progress regarding issues identified and reported in Internal Audit reports, and to draw to the attention of the Committee to any high severity issues identified as remaining unresolved significantly beyond their resolution due date. There were no instances during the year that required the Committee's attention.

The need to seek assurance that appropriate actions are being taken in response to external auditor recommendations is a core activity undertaken by the Audit Committee. A mechanism is in place whereby the committee receives regular reports identifying progress made regarding each recommendation made, which provides the assurance required.

Operation Of The Audit Committee And Internal Audit To Current Codes and Standards

The Audit Committee last undertook a detailed self-assessment of its effectiveness in

December 2010. An update regarding outstanding issues from that assessment were considered by the Committee in September 2013, with the outstanding actions at that time in progress and subsequently included in the regular Table of Outstanding Actions reports presented to the Committee.

The Public Sector Internal Audit Standards were introduced from April 2013, and replaced the previous Code of Practice for Internal Audit. The Audit Committee have received reports during 2014/15 regarding progress made by the Internal Audit function towards achieving compliance with the Standards. Further progress had been achieved during the year with only a small number of issues to be resolved, but the Internal Audit function had not yet achieved full compliance. There are no significant issues with the current position regarding delivery of an Internal Audit function, the position reflects the workload in adopting and demonstrating compliance with a complex and lengthy set of standards taking into account other unplanned time pressures such as vacancies and new system implementation.

BACKGROUND PAPERS FOR THE DECISION

Internal Audit Reports
Reports to Audit Committee in 2014/15

APPENDICES

A.1 Appendix A – Quality Assurance and Improvement Programme
A.1 Appendix B – Internal Audit Plan Progress

Public Sector Internal Audit Standards – Quality Assurance and Improvement Programme

Tendring District Council – Self Assessment – Outstanding Items May 2015

PSIAS Ref (Checklist Ref)	Conformance with the Standard	Comment	Priority	Action Required / Responsible Officer / Date	Status
1110 Organisational Independence (57)	Does the Chief Executive or equivalent undertake, countersign, contribute feedback to or review the performance appraisal of the Chief Audit Executive (Audit and Governance Manager)?	Direct input / feedback is not in conformance with the Council's one – to – one process. Performance appraisal and target setting for Audit and Governance Manager is undertaken by the Finance and Procurement Manager. The process allows for cascade down through tiers of management targets, and therefore indirectly the Chief Executive could contribute. Chief Executive able to comment on performance at any time.	Low	To report alternate solution to Audit Committee Steve Blake – June 2015	Report to Audit Committee June 2015
1110 Organisational Independence (58)	Is feedback sought from the chair of the Audit Committee for the Chief Audit Executive's (Audit and Governance Manager) performance appraisal?	Direct input / feedback is not in conformance with the Council's one – to – one process. Committee receives reports on operation of Internal Audit function, but is not involved in day to day operations. Chairman / Committee able to comment on performance at any time	Low	To report alternate solution to Audit Committee Steve Blake – June 2015	Report to Audit Committee June 2015

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PSIAS Ref (Checklist Ref)	Conformance with the Standard	Comment	Priority	Action Required / Responsible Officer / Date	Status
1310 Requirements of the Quality Assurance and Improvement Programme (98)	Does the QAIP include both internal and external assessments?	Currently only includes internal self assessments. External assessment has to be before 2018, but inappropriate to undertake during early / mid 2015/16 due to system migration	Medium	External assessment to be arranged Steve Blake – 2016/17	Partially compliant
1311 Internal Assessments (103)	Are the performance targets developed in consultation with appropriate parties and included in any service agreement?	Performance targets to be revisited during new computer system implementation – consultation to follow as implementation progresses	Medium	Identify solutions during system implementation Steve Blake – late 2015	Partially compliant based upon targets in use.
1320 Reporting on the Quality Assurance and Improvement Programme (117)	The results of both external and internal periodic assessment must be communicated upon completion	Internal – June 2015 Audit Committee External – cannot be reported until assessment undertaken	Medium	Internal Assessment - Steve Blake – June Audit Committee External Assessment – Steve Blake 2016/17	Partially compliant
1320 Reporting on the Quality Assurance and Improvement Programme (119)	The results must include the assessor's or assessment team's evaluation with regard to the degree of the internal audit activity's conformance with the PSIAS	This cannot be achieved until an assessment other than a self assessment is undertaken .	Medium	External assessment to be arranged – Steve Blake 2016/17	Non compliant

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PSIAS Ref (Checklist Ref)	Conformance with the Standard	Comment	Priority	Action Required / Responsible Officer / Date	Status
2050 Coordination (164)	Has the Audit and Governance Manager carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance	Details have been sought from Departments in order to identify other sources of assurance. Mapping of assurance will be completed as part of implementation of new system during 2015/16	Low	Steve Blake 2015/16	Partially compliant

Tendring District Council Internal Audit Plan
(Position at May 2015)

A.1 Appendix B

Audit Subject	Status 31st March 2015	Status May 2015	Opinion	Comments
<u>2013/14 Internal Audit Plan</u> (Audits where Final Report not issued as at 31 st March 2014)				
<u>Assurance Work – Key Systems</u>				
Cashiers / Income Control	Completed		Adequate Assurance	Reported June 2014
Corporate Governance	Completed		Adequate Assurance	Reported September 2014
Housing Benefits	Completed		Adequate Assurance	Reported June 2014
Main Accounting System	Completed		Substantial Assurance	Reported June 2014
National Non Domestic Rates	Completed		Adequate Assurance	Reported June 2014
<i>Procurement</i>				
Public Experience Procurement	Completed		Improvement Required	Reported June 2014
Planning Procurement Follow Up	Completed		Adequate Assurance	Reported September 2014
Sundry Debtors	Completed		Adequate Assurance	Reported June 2014
<u>Assurance Work - Other Systems</u>				
Grants / Financial Assistance	Completed		Substantial Assurance	Reported September 2014
Member and Civic Support	Completed		Substantial Assurance	Reported September 2014
Risk Management	Completed		Adequate Assurance	Reported September 2014
Theatres and Entertainments	Completed		Improvement Required	Reported December 2014
<u>Assurance Work - Computer Audit</u>				
Northgate Housing Application Review	Completed		Adequate Assurance	Reported June 2014
IT Governance	Completed		Substantial Assurance	Reported September 2014
<u>2014/15 Internal Audit Plan</u>				
<u>Assurance Work – Key Systems</u>				
Bank Account	Completed		Substantial Assurance	

Tendring District Council Internal Audit Plan
(Position at May 2015)

A.1 Appendix B

Audit Subject	Status 31st March 2015	Status May 2015	Opinion	Comments
Cashiers / Income Control	Completed		Adequate Assurance ✓	
Corporate and Ethical Governance	Fieldwork	Completed	Substantial Assurance ✓✓	
Council Tax	Completed		Adequate Assurance	Reported March 2015
Creditors	Fieldwork	Completed	Adequate Assurance ✓	
Departmental Procurement – Corporate Services	Completed		Adequate Assurance	Reported December 2014
Housing Benefits	Fieldwork	Completed	Adequate Assurance ✓	
Housing Rents	Draft Report	Completed	Substantial Assurance ✓✓	
Main Accounting System	Allocated	Completed	Substantial Assurance ✓✓	
National Non Domestic Rates	Completed		Adequate Assurance	Reported March 2015
Payroll	Fieldwork	Completed	Substantial Assurance ✓✓	
Sundry Debtors	Draft Report	Completed	Adequate Assurance ✓	
Treasury Management	Completed		Substantial Assurance	Reported March 2015
<u>Assurance Work – Other Systems</u>				
Cemeteries and Crematorium	Deferred			Included in 2015/16 Audit Plan
Clacton Leisure Centre	Completed		Improvement Required	Reported December 2014
Coast Protection	Allocated	Fieldwork		
Community Infrastructure Levy / S106	Allocated	Fieldwork		
Community Leadership Projects	Deferred			Included in 2015/16 Audit Plan
Credit and Debit Card Payments	Completed		Adequate Assurance	Reported March 2015
Departmental Staffing – Public Experience	Allocated	Fieldwork		

Tendring District Council Internal Audit Plan
(Position at May 2015)

A.1 Appendix B

Audit Subject	Status 31st March 2015	Status May 2015	Opinion	Comments
Elections and Electoral Registration Financial Strategy / Resilience	Deferred Draft Report	Completed	Substantial Assurance	Included in 2015/16 Audit Plan
Fixed Penalty Notices Fraud Investigation Team Frinton Walton Pool	Completed Deferred Deferred		Adequate Assurance	Reported March 2015 Included in 2015/16 Audit Plan Due to Building Works planned in 2015/16 will be considered for inclusion in 2016/17 Audit Plan
Health and Safety Housing Allocations Housing Repairs and Maintenance	Deferred Completed Fieldwork	Completed	Adequate Assurance Adequate Assurance	Included in 2015/16 Audit Plan Reported March 2015
Housing Strategy and Development	Deferred			Due to dependency on Local Plan, audit will now be considered for inclusion in 2016/17 Audit Plan
Information Management	Completed		Adequate Assurance	
Insurance Land Charges Leisure Services Development Programme	Completed Completed Deferred		Adequate Assurance Substantial Assurance	Reported December 2014 Reported September 2014 Included in 2015/16 Audit Plan
Licensing	Draft Report	Completed	Adequate Assurance	
Office Rationalisation and Modernisation Parking Services	Deferred Completed		Substantial Assurance	Included in 2015/16 Audit Plan
Private Sector Housing	Fieldwork	Completed	Adequate Assurance	
Regeneration	Unallocated	Unallocated		To carry forward into 2015/16

Tendring District Council Internal Audit Plan
(Position at May 2015)

A.1 Appendix B

Audit Subject	Status 31st March 2015	Status May 2015	Opinion	Comments
Risk Management	Fieldwork	Completed	Adequate Assurance	plan
Sale of Council Houses	Fieldwork	Completed	Adequate Assurance	
Seafront Tendring Careline	Deferred Allocated	Delayed		Included in 2015/16 Audit Plan Request from function that audit be delayed until after forthcoming external inspection Reported December 2014 Reported March 2015
VAT Workforce / Succession Planning	Completed Completed		Substantial Assurance Adequate Assurance	Reported December 2014 Reported March 2015
<u>Assurance Work – Computer Audit</u>				
Firewalls, Device and Data Security	Completed		Adequate Assurance	Reported December 2014
ICT Project Management	Deferred			Included in 2015/16 Audit Plan
I T Governance	Fieldwork	Fieldwork		
Payroll / Human Resources Computer Application Review	Deferred			Included in 2015/16 Audit Plan
<u>AUDITS SCHEDULED TO COMMENCE IN 2015/16</u>				
<u>2015/16 Internal Audit Plan</u>				
<u>Assurance Work – Key Systems</u>				
Bank Account		Unallocated		
Cashiers / Income Control		Unallocated		
Corporate and Ethical Governance		Unallocated		
Council Tax		Unallocated		
Creditors		Unallocated		

Tendring District Council Internal Audit Plan
(Position at May 2015)

A.1 Appendix B

Audit Subject	Status 31st March 2015	Status May 2015	Opinion	Comments
<i>Departmental Procurement</i>				
Life Opportunities Procurement		Unallocated		
Public Experience Procurement (Follow Up)		Unallocated		
Housing Benefits		Unallocated		
Housing Rents		Unallocated		
Main Accounting System		Unallocated		
National Non Domestic Rates		Unallocated		
Payroll		Unallocated		
Sundry Debtors		Unallocated		
Treasury Management		Unallocated		
<u>Assurance Work – Other Systems</u>				
Asset Management		Unallocated		
BACS		Allocated		
Business Continuity		Unallocated		
Cemeteries and Crematorium		Allocated		
Clacton Leisure Centre		Fieldwork		
Coast Protection		Unallocated		
Community Leadership Projects		Unallocated		
Corporate Services Staffing		Allocated		
Development Management		Unallocated		
Dovercourt Bay Lifestyles		Allocated		
Elections and Electoral Registration		Unallocated		
Emergency Planning		Allocated		
Food Safety		Unallocated		
Fraud Investigation Team		Unallocated		
Health and Safety		Unallocated		
Household Waste and Recyclable Materials		Unallocated		
Housing Repair and Maintenance		Unallocated		

Tendring District Council Internal Audit Plan
(Position at May 2015)

A.1 Appendix B

Audit Subject	Status 31st March 2015	Status May 2015	Opinion	Comments
Leisure Services Development Programme		Unallocated		
New Build / Acquisition of Housing Stock		Unallocated		
Office Rationalisation and Modernisation		Unallocated		
Open Spaces, Horticulture and Play Areas		Unallocated		
Parking Services		Unallocated		
Planning Enforcement		Unallocated		
Procurement		Unallocated		
Public Conveniences		Unallocated		
Risk Management		Unallocated		
Seafront		Unallocated		
Theatres and Entertainments		Unallocated		
Tourist Information Centres		Unallocated		
<u>Assurance Work – Computer Audit</u>				
Agresso Computer Application Review		Unallocated		
ICT Business Continuity / Disaster Recovery		Unallocated		
ICT Project Management		Unallocated		
IT Governance		Unallocated		
Payroll / Human Resources Computer Application		Unallocated		
Status Key				
Unallocated	Audit in Audit Plan, but no work undertaken yet			
Allocated	Audit is being scoped / has been scoped and awaiting commencement			
Fieldwork	Audit in progress			
Draft Report	Audit fieldwork complete, but Final Report not yet issued			
Completed	Final Report issued and audit results reported to Audit Committee			
Deferred	Audit was in Audit Plan, but will now be undertaken in a later year. Deferred audits agreed by Audit Committee			
Delayed	Valid request from function being audited for audit to be undertaken later than proposed			