



Agenda item:

Decision maker: Governance & Audit Committee

Subject: Annual Internal Audit Report for the 2011/12 Financial Year

Date of decision: 28th June 2012

Report by: Chief Internal Auditor

Wards affected All

Key decision (over £250k) No

1. Summary

- 1.1 In 2011/12 Internal Audit raised 8 critical exceptions, 3 of these have previously been reported to this Committee but are included for information along with the remaining 5 in this report.
- 1.2 96% of the revised Annual Audit Plan has been completed. This represents 167 audits from the original plan of 185 where a total of 18 audits were deferred or removed; all of which have been reported either previously to this committee or are detailed below. The 4% not completed represents 6 technical IT reviews audits where the IT Auditor left PCC employment prior to their completion.
- 1.3 Areas of assurance are shown on Appendix A.
- 1.4 385 days of reactive work were undertaken in 2011/12, with 350 days set aside in the 2011/12 Audit Plan.
- 1.5 The Audit Plan planned coverage for 2012/13 is attached as Appendix B.
- 1.6 Due to the number of critical and high risk exceptions the Audit opinion for 2011/12 is that only limited assurance on the effectiveness of the control framework can be given with the areas of most concern highlighted in section 6 and Appendix A.

2. Purpose of report

- 2.1 This report is to give the Annual Audit Opinion on the effectiveness of the control framework, based on the Internal Audit Performance for 2011/12 and to highlight areas of concern and to advise Members of the Audit Plan for 2012/13.

3. Background

- 3.1 The Annual Audit Plan for 2011/12 was drawn up in accordance with the agreed Audit Strategy approved by this Committee on 28 January 2011 and following consultation with Heads of Services and the Strategic Directors Board.

3.2 The Annual Audit Plan for 2012/13 has been drawn up in accordance with the agreed Audit Strategy approved by this Committee on 27 January 2012 and following consultation with Heads of Services, Strategic Directors and the Chair of this Committee.

4. Recommendations

4.1 That Members note the Audit performance for 2011/12.

4.2 That the highlighted areas of control weakness for the 2011/12 Audit Plan are noted by Members.

4.3 Members note the Annual Audit Opinion on the effectiveness of the system of internal control for 2011/12.

4.4 Members note the Audit Plan for 2012/13.

5. Audit Plan Status 2011/12

Percentage of approved plan completed

5.1 96% of the annual audit plan has been completed. This represents 167 audits from the original plan of 185. In total 18 audits have been deferred or removed. All of which have been reported either previously to this committee or are detailed below. The 4% not completed represents 6 audits that are technical IT reviews and the IT Auditor had left PCC employment prior to their completion.

5.2 As requested by Members of the Committee a breakdown of the assurance levels on completed audits is contained in Appendix A.

5.3 Eight audits have been removed from the plan:

Audit	Reason
Corporate contracts	Deferred to 2012/13 agency work not of the appropriate quality
Supporting People	Deferred to 2012/13 – due to changes to the Funding
Corporate governance arrangements - local code checks	Deferred to 2012/13 as return deadline outside 2011/12 plan. (May 2012)
Oracle review of interfaces and follow up	Deferred as action date outside of 2011/12 audit plan. 2012/13 input due to pending upgrade.
Port Operational Contracts - Compass & Travelex	Deferred as rental return due after 31st March 2012.
Capital Contracts (Port)	Deferred as current on-going dispute and extension completion due after 31st March 2012.
LLR budgetary controls	Deferred to 2012/13 due to transfer of responsibility and change of action date by s151 Officer.

Review of AMS Framework Contracts	Deferred to 2012/13 as tendering for new framework being carried out during 2012/13
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Reactive Work

- 5.4 350 days had been allowed for reactive work and investigations in 2011/12. 385 days were used.
- 5.5 The 385 reactive days were used for completion of 12 carried forward audits, 1 carried forward special investigation, 14 new special investigations, unplanned items and 43 items of advice.
- 5.6 Special Investigations work undertaken in 2011/12 can be categorised as follows: One carried forward and 14 new special investigations including:
- 6 Whistleblowing investigations including a forensic PC examination
 - 8 Financial investigations
 - 1 Forensic PC Examination
- 5.7 Items of reactive work due to changes in priorities, involving an Audit Review or Internal Audit acting in a consultancy role included, amongst other things:
- Southsea Town Council – Annual Accounts
 - Mutual & Compromise Agreements – Requested by the Director of Children's Services.
 - Several Forensic PC examinations in relation to a Trading Standards case

Exceptions

- 5.8 The number of exceptions raised in the final reports from the 2011/12 audit plan, in each category has been:
- 8 Critical
 - 198 High Risk
 - 46 Medium Risk
 - 24 Low Risk (Improvements)
- 5.9 There are 6 categories that form the control framework and there are three areas which are the weakest areas of assurance these are:
- Firstly compliance with laws, regulations, rules, procedures and contract conditions which is showing as being the weakest area of assurance,
 - Joint second are monitoring & evaluation and safeguarding of assets.
- 5.10 An analysis of the common themes for exceptions raised under the categories noted in paragraph 5.9 above is shown in the following table:

Assurance Area	Risk Highlighted by Audit	No of Occurrences
Compliance with Laws, Regulations, Rules, Procedures and contract	Financial Rules - Inventory	31
	Financial Rules – Income	15
	Financial Rules – Petty Cash	12

conditions	CRB Checking/monitoring	12
	Financial Rules – Purchase Orders	15
	Contract Monitoring for compliance with conditions	3
	Financial Rules – Payments	4
Monitoring & Evaluation	Monitoring/management oversight of financial systems	19
	Driving Licence and vehicle checks	5
Safeguarding of Assets	Security of Assets/information (some of these are also compliance with Financial rules for inventory)	20

5.11 The analysis shows a high number of exceptions were raised in relation to non-compliance with Financial Rules. This is consistent with the findings from the 2010/11 Audit Plan. As part of the 2012/13 Audit Plan these areas have been included for further reviews to ensure compliance throughout the Authority.

5.12 The analysis also shows a number of exceptions raised in relation to CRB checking, including a number of critical exceptions. These areas will all be followed up in 2012/13.

5.13 The table below is a comparison of the audit status figures, for the 2011/12 financial year and the previous two years.

	2009/10	2010/11	2011/12
% of the audit plan completed	99%	98%	96%
No. of Audits Completed for the year	156	169	167
No. of Critical exceptions	14	3	8
No. of High risk exceptions	273	184	198
No. of reactive days	394	379	385

5.14 Prior to this, the trend was for the Audit Plan to be only 60-70% complete with more time spent on reactive days. With the increased audit coverage better assurance can be given and this includes areas not previously subject to audit. Because of this it is to be expected that there will be areas of weakness found. The assurance on Appendix A does show that, where follow ups are carried out, the weaknesses have largely been addressed which is a positive indication that the organisation is learning from the process.

6. Areas of Concern

Concerns identified since the last meeting

6.1 There are three new areas of concern (which cover five critical exceptions):

6.2 CRB Checks

6.2.1 An authority wide CRB Audit was carried to establish the corporate procedures for CRB checking of officers. The review highlighted three critical exceptions, these were:

- A sample of disclosures where convictions/cautions were highlighted was taken to establish whether a risk assessment had been undertaken. The relevant managers were contacted and for two individuals no evidence could be found that the manager had been alerted to the convictions/cautions identified in the CRB disclosure although one individual had declared previous convictions on application.
- Sample checking of staff working with children highlighted two casual employees where if they had been CRB checked there was no evidence to support this. These staff have recently been checked and there were no issues raised.
- In Children's Services the Head's of Service had previously agreed that CRB's would be carried out on a 3 year rolling basis, from a sample of 45 members of staff 7 (16%) did not have evidence of a re-check being carried out after three years. This requirement will not be allowed following the changes in law for 2013.
- In Adult Social Care the Head of Service had previously agreed to carry out a random rechecking of CRB's across the Service. Testing established that the process had ceased without the agreement of the Head of Service.

6.2.2 The agreed actions from the audit include:

- HR staff have been given a briefing document to reiterate/understand the CRB process.
- CRB guidelines are to be updated and issued to Managers and staff
- Where recruitment are directly involved in the recruitment of a casual employee they will ensure that the relevant checks are undertaken and the recruiting manager is aware of the outcome
- In Children's Social Care the residential home recruitment has been centralised. Staff will not start until a CRB has been received.
- HR provide reports to highlight when a 3 yearly check is due. This is sent to the Head of Children's Social Care & Safeguarding Secretary, who maintains a record of CRB Checks and emails all managers in the service, to remind them when the 3 year check is due.
- The Head of Adult Social Care is to ensure the random rechecking of staff is re-introduced.

6.3 Children's Services Contract Monitoring (CRB Checks)

- 6.3.1 An objective of the audit was to ensure that as part of the contract monitoring process evidence of CRB checks for the contractor's staff working with children has been obtained.
- 6.3.2 Testing on one service provider established that the officer dealing with the service had not performed any checks to confirm whether CRB checks had been carried out in accordance with the contract.
- 6.3.3 It was agreed that the School Improvement Service will undertake contracts reviews with the service providers to ensure all current staff have been CRB checked. A new monitoring form has also been devised which will inform the organisations of PCC's expectations regarding CRB checks.

6.4 Accounts Payable

- 6.4.1 An objective of the audit was to ensure that PCC Financial Rules are being followed for all payments raised, specifically for purchase orders and approval of payment.
- 6.4.2 Audit testing of 40 purchase orders showed that 20 (50%) were raised once the invoice had been received. A larger sample of 524 purchase orders was taken between June 2011 and September 2011 which showed 410 (78%) were raised after the invoice was received.
- 6.4.3 Failure to raise purchase orders before expenditure is incurred means that departments are not committing accurate financial information to their budgets and are bypassing the proper authorisations processes. This could lead to budgets being over committed or expenditure incorrectly incurred.
- 6.4.4 The Head of Finance and s151 Officer has agreed to prepare a Waiver to include expenditure types where it would not be appropriate or cost effective to raise a purchase order. He has also agreed to send a communication to all Heads of Service and third tier managers reminding officers of the procedures surrounding purchase orders and the associated requirements of Financial Rules.

Previously raised areas of concern

- 6.5 The table below summarises the areas of concern from the 2011/12 Audit Plan which the Committee has been made aware of.

Audit Area	Exception
Voluntary Drivers	Testing established that there was no evidence to support the renewing of CRB checks for four voluntary drivers
Foster Carers	Testing highlighted that foster carer appraisals were not always completed within a 12 month period. There was also 1 instance where there was no evidence to support that a CRB recheck had been undertaken.

<p>Home Workers (Portsmouth Rehabilitation and Reablement Team)</p>	<p>This issue was first raised in 2009/10 as a high risk. Due to the reactive nature of the service there is currently an issue with staff not working their contracted hours because of client care needs varying after rotas have been drawn up.</p> <p>Initial actions were agreed with the Senior Manager and the development of an IT system to assist with the rostering of staff was being developed.</p> <p>In November 2011 conversations with the Senior Manager of Portsmouth Rehabilitation and Reablement Team (PRRT) confirmed that the rostering software had not been procured. The figures for the period September 2010 - September 2011 showed that 8,714 hours, the equivalent of 1,177 workings days were under worked. It is estimated, using average salaries for the team that the cost of these hours was £110,000. The Head of Service highlighted that one of the reasons was the difficulties in getting accurate information e.g. poor communication in letting the service know that they are not required for whatever reason and what action is being taken to try and address this issue.</p>
<p>Access to Resources – Development of Processes (Children’s Social Care & Safeguarding)</p>	<p>An audit and benchmarking review was carried out on the access to resources function, which was in the process of being developed in the family placement team, at their request. The review confirmed that there was a lack of formal procedures for referral to the family placement team for placement. The quality of documentation for referrals was inconsistent and placement meetings were not being formally recorded. The timeliness of decisions and transparency were also highlighted as weaknesses. The Head of Service has indicated that most of these areas have now been resolved and Audit will carry out a follow up review to confirm actions taken.</p>

7. 2012/13 Audit Plan

- 7.1 The Audit Plan planned coverage for 2012/13 has been drawn up using the Strategy noted by Members of this Committee at their 27th January 2012 meeting.
- 7.2 Meetings have been held with all Heads of Services, Strategic Directors, the Chief Executive, the Director for Public Health and the Chair of the Governance & Audit Committee who have all been consulted on the areas planned and the overall Audit Plan.
- 7.3 The 2012/13 Audit Plan is attached as Appendix B to this report.

8. Annual Audit opinion

- 8.1 Due to the number of critical and high risk exceptions the Audit opinion for 2011/12 is that only limited assurance on the effectiveness of the control framework can be given with the areas of most concern highlighted in section 6 and Appendix A.
- 8.2 There are currently only three audit opinions to match the exception risk levels and these are: no assurance, limited assurance and full assurance. Where there are mainly medium or low risk exceptions the annual audit opinion would be full assurance.

- 8.3 The Audit opinion for last year was also limited assurance due to the level of critical and high risk exceptions. The number of critical exceptions has increased from 3 to 8 and the number of high risk exceptions has roughly remained static. The Audit coverage has been high for several years now and reviews undertaken on a number of areas for either the first time, or the first time in many years, so it is expected that assurance should increase.
- 8.4 Internal Audit is concerned with the overall effectiveness of the control framework and is working with Heads of Services to improve on specific areas of control weaknesses.

9. Equality impact assessment (EIA)

- 9.1 A preliminary equality impact assessment has been carried out which has revealed that the contents of this report do not have any relevant equalities impact and therefore a full assessment is not required.

10. City Solicitor’s Comments

- 10.1 The City Solicitor has considered the report and is satisfied that the recommendations are in accordance with the Council’s legal requirements and the Council is fully empowered to make the decisions in this matter.
- 10.2 Where system weaknesses have been identified he is satisfied that the appropriate steps are being taken to have these addressed.

11. Head of Finance & S151 Officer Comments:

- 11.1 The Head of Finance and S151 Officer is in agreement with the content, evaluation and overall Annual Audit Opinion. The Head of Finance and S151 Officer will consider measures to be implemented to improve compliance with Financial Rules.

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Signed by: Lyn Graham, Chief Internal Auditor

Appendices:

- Appendix A – Completed audits from 2011/12 Plan
- Appendix B – Audit Plan 2012/13

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
1 Accounts and Audit Regulations 2003 amended 2006 (and 2011)	Internal Audit
2 Audit Strategy 2011/12 & 2012/13 and Audit Plan 2011/12 & 2012/13	Internal Audit
3 CIPFA Code of Practice for Internal Audit 2006	Internal Audit
4 Previous Audit Performance Status and other Audit Reports	Internal Audit
5 Audit Charter and Terms of Reference	Internal Audit

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by the Governance & Audit Committee on 28th June 2012.

Appendix A - 2011-12 Audit Plan End of Year

Assurance

Service	Function	Comments	Internal Control Environment	Monitoring and evaluation	Reliability and Integrity	Effectiveness of ops	Safeguarding of assets	Compliance with Laws, Regs, Rules, Procedures and contract conditions	Actions agreed	Summary of areas where no assurance can be given
Adult Social Care	Care Home Placements			Amber			Green		✓	The review highlighted that placement reviews were not being carried out in accordance with the agreed timescales.
	Domiciliary Care	Follow up						Amber	✓	The remaining actions in relation to monitoring of work carried out are awaiting the implementation of a new contract.
	Meals on Wheels	Follow up		Amber				Green	✓	Actions relating to the provision of additional information to support invoices is not yet fully implemented.
	Portsmouth Day Services	Follow up		Amber			Amber	Amber	✓	Actions relating to inventory, purchase orders, income and petty cash are not yet completed.
	Alexandra Lodge	Inventory check						Amber	✓	The review focussed on inventory and disposal of assets
	Edinburgh House			Amber			Amber	Amber	✓	The review highlighted non-compliance with the Financial Rules for banking, purchase orders, inventory, income
	Shearwater			Red			Red	Red	✓	The review highlighted non-compliance with the Financial Rules for Purchase orders, Inventory, Amenity Funds, Holding accounts.
	Longdean Lodge			Green				Green	N/A	All exceptions were actioned
	Hilsea Lodge	Follow up		Green				Green	N/A	All exceptions were actioned
	Russets			Amber			Amber	Amber	✓	Actions relating to compliance with Financial Rules for income collection, purchase orders and inventories have not been fully implemented.
	Corben Lodge	Follow up		Amber			Green	Amber	✓	Actions relating to compliance with Financial Rules for purchase orders, inventory, income and amenity funds are not yet completed.

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	Royal Albert Day Centre	Follow up		Amber			Amber	Green	✓	Actions relating to checking of driving licences and the keypad are still outstanding.
	Area Offices	Follow up						Red	✓	Actions relating to non-compliance with the Financial Rules for purchase orders have not been completed
	Home Workers	Follow up		Red					✓	Actions relating to staff not working their contractual hours are outstanding.
	Residents Property	Follow up		Amber				Amber	✓	A new flowchart has been introduced which will be audited in 2012/13. Reconciliations are not being undertaken on a regular basis.
	Client Affairs	Follow up		Amber					✓	Actions relating to staff supervision and procedures are not yet fully implemented, due to staff changes.
	s75 Agreements (Harry Sotnick House)		Amber	Green				Red	✓	The review highlighted that the governance arrangements are not in compliance with the S75 agreement
	Commissioning Framework									Deferred to 2012/13 to allow alignment of PCT and PCC framework by the integrated commissioning team
	Commissioned services (Adult Contract Monitoring)		Green	Green		Green	Amber	Amber	✓	The review highlighted that policies had not been requested from one contractor and non-compliance with Financial Rules for payment in advance
	Individual Budgets (development of new procedures)		Green			Green			N/A	No exceptions raised.
	Individual Budgets (compliance with new procedures)									This audit has been deferred to 2012/13. The Individual Budgets development of new procedures audit identified that the new procedures are still being imbedded. Therefore it is still too early to carry out compliance checks.
	Sitting Service									This audit has been covered as part of the Commissioned Services audit

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	Direct Payments (testing expenditure to care need)						Amber	Green	✓	The review highlighted weaknesses in the recording of the rationale for spending in relation to client need.
	Client contribution invoicing		Green	Green			Amber	Green	✓	The review highlighted there is no system to ensure the correct number of invoices have been printed.
	Accounting and Budgetary Control		Green	Green	Green			Green	✓	No exceptions raised.
	Safeguarding					Green			✓	No exceptions raised
	Adult Community Care	Follow up				Green	Amber	Green	✓	Actions relating to care invoicing are awaiting implementation of a new contract
	Vanguard Centre	Added to 2011/12 plan	Amber					Amber	✓	The review highlighted weaknesses in control over the tuck shop, vending machines, sales and income collection.
Asset Management	Security Issue of passes		Green	Amber			Green	Green	✓	The review highlighted that ID passes were not being deactivated once a member of staff left.
	Statutory Compliance	C/F from 10/11	Green	Green		Green		Amber	✓	The review highlighted a lack of financial resources to undertake require works and the need for review of DDA reports.
	Conference Rooms	Follow up only	Amber	Green		Amber	Green		✓	Exceptions relating to usage of conference rooms are outstanding pending the accommodation review.
	Emergency procedures					Amber			✓	Testing of the new procedures still to be carried out before a final assurance can be given
	Energy and Sustainability	Follow up only	Green		Green				N/A	All exceptions actioned.
	Concessions	Follow up only	Amber	Green	Green			Amber	✓	Actions relating income reconciliations and policy for street traders are not yet implemented.
	AMS Framework Contracts									Deferred to 2012/13 as tendering for new framework being carried out during 2012/13

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	AMS Structures Inspections		Green	Amber	Green			Amber	✓	The review highlighted non-compliance with AMS Design Procedures and no evidence of any peer reviews being carried out.
	AMS use and appointment of consultants		Green	Green		Green		Green	N/A	No exceptions raised.
	Nominated Sub Contractors									Subject area covered during other contract audits.
	Accounting and budgetary control		Green	Green	Green		Green		✓	No exceptions raised.
	Rent Reviews	Added to 2011/12 plan	Green	Green	Amber	Green	Green	Amber	✓	The review highlighted a delay in a rent review.
Audit & Performance Improvement	Purchase cards		Green	Green	Green			Green	N/A	No exceptions raised.
	Waivers			Green				Green	N/A	No exceptions raised.
	Partnerships and third sector								N/A	The outcome of this project was to produce guidance for Voluntary and Community Organisations setting out the expectations of Portsmouth City Council in relation to demonstrating how well they are governed
	Risk Management									Audit deferred as there is a project to review the Risk Management process starting in April and risk workshops planned for Schools..
	Carbon Reduction Commitment Scheme (with strategy)		Amber		Green		Amber	Green	✓	The review highlighted the need to improve communication between the Board and staff, there is no reconciliation between systems for utilities and the need to define responsibilities and roles for the project plan
	Intend System	Added to 2011/12 plan		Green	Red	Red			✓	Actions relating to disaster recovery, contractual support and system controls are yet to be fully actioned.

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Children's Social Care & Safeguarding	Skye Close			Amber			Green	Amber	✓	The review highlighted non-compliance with the financial rules for petty cash, purchase orders, inventory, purchase cards and vehicles.	
	Lightfoot Lawn			Amber			Green	Amber	✓	The review highlighted non-compliance with the Financial Rules for petty cash, purchase orders, inventory and vehicles.	
	Beechside	Follow up		Green			Green	Amber	✓	The follow-up highlighted outstanding actions to address non-compliance with Financial Rules for inventory.	
	Tangier Road	Follow up		Amber			Green	Amber	✓	The follow-up highlighted outstanding actions to address non-compliance with Financial Rules for purchase orders, inventory and vehicles.	
	Foster Placements					Red			✓	The review highlighted that CRB checks were not being re-newed on a 3 year cycle and that there is no formal mechanism to monitor the frequency and quality of foster carer supervision.	
	Access to resources (devt of processes)	Previously residential placements and out of city placements		Red			Red		✓	The review highlighted that there are no formal procedures for referral to the family placement team. The quality of paperwork, timeliness of decisions and transparency were also highlighted as weaknesses	
	Access to resources (devt of processes)									This audit has been deferred to 2012/13. The Access to Resources development of new procedures audit, identified that the procedures needed to be updated before any compliance testing could be carried out.	
	Parental Contributions	Follow up 09/10		Amber					Amber	✓	Actions in relation to the policy and informing the benefits agency had not been fully implemented.
	Pocket Money - LAC			Amber					Amber	✓	The review highlighted inconsistencies in the pocket money process and recording of pocket money given.

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	Boarding out and Fostering allowances		Green				Amber	Green	✓	The review highlighted the need for improvements in preventing overpayments.
	Corporate Parenting Compliance with legislation		Amber	Green						<i>This report is currently in draft awaiting final approval. The report identifies the lack of risk assessment and register at a strategic level for Corporate Parenting Board.</i>
	Support to Young people leaving care (Pathway plans)		Green	Green		Green	Green	Amber	✓	Potential breaches of some duties re Pathway Plans needing to be properly completed and reviewed.
	Support to children with disabilities		Green	Green					N/A	No exceptions raised.
	Accounting and Budgetary Control		Green	Green	Green		Green		N/A	No exceptions raised.
	Commissioning and transport for looked after children									The scope of this audit has been included in the Voluntary Drivers and Integrated Transport Unit audits.
	Section 17	Follow-up	Amber					Amber	✓	Actions relating to the delegation of authority & providing receipts for payments are not yet fully implemented.
Community Safety	Follow-ups of 2010/11 audits	Substance misuse		Green			Amber		✓	Actions relating to payments in advance will not be actioned until contract renewal dates.
		Victim Support - Domestic Abuse	Amber				Amber		✓	Actions relating to the review of the service are in progress.
	CCTV									Removed as the new contract has been let, which had audit input throughout the process.
	EIG Projects in Community Safety									Removed as a separate audit as the projects will be covered by the Commissioning Audit in Children's
		Safer Portsmouth Partnership - Governance	Green	Green					N/A	All agreed actions have been implemented.
Community Housing & Regeneration	Empty Property Initiative		Amber				Green	Green	✓	The review highlighted capacity issues with the current staffing level.

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	Supporting People									<i>This audit has been deferred to 2012/13 due to change in procedures.</i>
Culture	Sports development		Amber	Amber			Amber			<i>This audit is in draft awaiting final approval.</i>
	Portsmouth Outdoor Centre		Green	Red			Green	Red	✓	The review highlighted that there are no formal procedures for monitoring that conditions of the lease are being complied with and that not all information required had been submitted by the lease holder.
	Mountbatten Centre		Green	Amber				Green	✓	The review highlighted re-inspections to confirm compliance by the contractor and not routinely carried out.
	Sports and Leisure facilities	Southsea splashpool, St Lukes	Green	Amber				Green	✓	The review highlighted re-inspections to confirm compliance by the contractor and not routinely carried out.
	Paulsgrove Splashpool									The scope of this audit has been included in sports and Leisure Facilities.
	Archives		Amber				Amber	Amber	✓	The review highlighted a backlog in materials being accessioned, that there is business continuity plan and a need to ensure compliance with the visitor policy.
	Leisure Facilities	St Georges					Green	Amber	✓	The review highlighted non-compliance with the community use agreement there is no monitoring of the use of the site.
		Bransbury Park					Green	Green	N/A	No exceptions raised.
	Bowls tennis facilities		Green						N/A	No exceptions raised.
	Community centres	follow up		Green				Amber	✓	Actions relating to CRB checks, insurance cover and cash collection are not yet fully actioned.
	Libraries	follow up		Green		Amber			✓	Actions relating to stock valuation and space usage are not yet implemented.
	Schools library service		Green				Green		✓	No exceptions raised

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	Museums	follow up						Amber	✓	Actions relating to inventory, backlog of accessioning items and the booking system are not yet fully complete.
	Pyramids									This audit was originally included at the request of previous s151 officer, and is planned for 2012/13.
	Tree Management	follow up			Green			Green	N/A	All exceptions actioned.
Corporate	Security reviews							Amber	✓	The review highlighted non-compliance with the Clear Desk, Clear Screen Policy. Although a significant improvement on previous years was noted.
	Corporate Governance Local Code Checks									Deferred to 2012/13 plan as return deadline outside 2011/12 plan (May 2012)
	Declaration of interests/gifts and hospitality		Green	Red	Red	Green		Green	✓	The review highlighted some inconsistencies on the acceptance of gifts, that the relationship with the donor was not always clear and that some gifts were awaiting approval for a significant time
	CRB checks		Amber	Red	Amber			Red	✓	See 6.2 in main report
	Inventories							Red		Specific testing will be carried out In next year's audit plan to target specific areas.
	Transparency Reports				Green	Green		Green	N/A	No exceptions raised.
	Spend Analysis									Removed as this work has now been replaced by Category Management under the Transformation Programme.
	Compliance checks									The results of individual testing has been reported under the relevant function and service
Customer, Community & Democratic Services	Members Expenses	follow up						Green	N/A	All exceptions actioned

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	Coffee Shop		Red	Red			Amber	Amber	✓	The review highlighted that the budget is overspent and will not meet the net present value targets set in the business plan. The review also highlighted non-compliance with Financial Rules for income and stock.
	Register of Electors and Elections	follow up		Green				Amber	✓	Actions relating to employment checks and declarations to be completed.
	Corporate Branding		Green				Amber	Amber	✓	The review highlighted issues with ownership of the logo, websites not controlled by the Web Team and inconsistent use of the brand by some departments.
Education	Out of School activities	Follow up		Green		Green		Red	✓	Actions relating to non-compliance with the Financial Rules for inventory are not yet been fully implemented.
	Contract monitoring (across whole of Children's services)		Amber	Amber		Amber	Amber	Red	✓	The review highlighted that evidence for CRB checks was not being obtained for one service, which also did not have a contract in place. For one contract there were no performance indicators. There isn't a consistent approach to contract monitoring in Children's Services.
	Commissioning Strategy (progress monitoring)			Amber		Amber			✓	The review highlighted that there has been no review of the effectiveness of the strategy, the potential duplication in scrutiny work and it was not clear how the Boards feed back to each other.
	Early years (Playgroups/Childminders)		Green	Green		Green		Amber	✓	The review highlighted non-compliance with the Financial Rules for payments in advance.
	CIPs exit strategy		Amber				Amber	Amber	✓	The review highlighted the need to ensure decommissioning plan responsibilities are implemented including the remaining budgets and communication with stakeholders.

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	Risk Management									Deferred as there is a project to review the Risk Management process starting in April and risk workshops planned for Schools..
External	Langstone Harbour Board		Green	Green	Green	Green	Green	Green	N/A	No exceptions raised
	MMD	Governance Review	Amber	Green			Amber		✓	The review highlighted that there is no future strategy for MMD, there is no risk register and there are no financial rules.
Finance	Capital accounting		Amber	Green		Green		Green	✓	The review highlighted that the policies and procedures document for the treatment of capital accounting was not complete.
	Accounts payable			Green		Amber	Green	Red	✓	The review highlighted non compliance with Financial Rules for Purchase orders. The review also highlighted that payments are not being made within the agreed terms (both early & late) and that purchase cards were not always being used for small purchases where cards are accepted.
	Accounts receivable		Amber	Red		Amber	Amber	Green	✓	The review highlighted uncleared balances on suspense accounts, a lack of performance monitoring of debt collection and that the credit management policy had not been updated since 2007.
	Cash collection		Amber	Green	Green		Amber	Amber	✓	The review highlighted that not all staff had signed the updated cash handling instructions, non-compliance with the money laundering policy, cash procedures and testing of panic alarms.
	Banking	follow up		Green		Amber			✓	Actions relating to bank reconciliations are not fully implemented.
	petty cash					Green	Green	Amber	✓	The review highlighted non-compliance with the Financial Rules for petty cash

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	treasury management			Green		Green	Green	Green	N/A	No exceptions raised during testing
	controlled stationery	follow up	Green	Green			Green	Green	N/A	All exceptions actioned
	trust funds	follow up	Amber						✓	The action relating to the development of procedure notes is not yet complete
	Oracle review of interfaces									Deferred as action date outside of 2011/12 audit plan. 2012/13 input due to pending upgrade.
	Payroll			Green		Green		Red	✓	The review highlighted an area of non-compliance with the recruitment and retention policy for honorarium payments and documentation for the approval of market supplements.
	MTRS									Deferred to 2012/13 due to new performance process being introduced
Housing Management	Sheltered Housing							Amber	✓	The review highlighted that incorrect service charges had been applied to two rent accounts.
	Cleaning		Green	Amber	Green	Green	Red	Green	✓	The review highlighted non-compliance with the Financial Rules for stock control and a lack of consistency in measuring performance.
	Grounds maintenance (own employees)		Green		Green	Green	Amber	Green	✓	The review highlighted that inventory records were not up-to-date.
	Asbestos removal		Green	Amber	Green			Green	✓	The review highlighted that information held on the Asbestos system was not up to date.
	Mechanical plant and lifts			Green		Green		Green	N/A	No exceptions raised
	Homelessness							Amber		<i>This report is currently in draft awaiting final approval.</i>
	Under occupation scheme		Green			Green			N/A	No exceptions raised
	Sub letting prevention									Data matching exercise carried out to ascertain worth of this exercise additional substantive testing to be performed during 2012/13

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	Play service (adventure playgrounds)	follow up	Amber	Red				Red	✓	Actions relating to the Play Policy, retention of records, access to sites, risk assessment and CRB checks are not yet action fully.
	Mobile Homes	follow up	Green			Green			N/A	no exceptions raised.
	Somerstown Project	follow up	Amber	Amber	Amber				✓	Actions relating to quality reporting and financial control reporting are not fully implemented
Human Resources	Recruitment of Children's Social Care Workers		Green	Green		Green		Amber	✓	The review highlighted that that evidence is not retained demonstrating that follow-up calls are made on references.
	Vocational Training		Amber	Green		Amber		Amber	✓	The review highlighted inconsistencies between services and documentation retained. Training agreements and fee recovery for leavers was not always completed.
Portsmouth International Port	Income Due for Condor IT/Financial Review			Green	Green				N/A	No exceptions raised.
	Income Due									Put in the Audit Plan originally provisionally as the Port may have required Audit input but they have indicated that this is no longer required.
	SCALA			Amber			Amber	Green	✓	The review highlighted that there was only one system administrator and improvements to backup storage.
	Email system									This audit will be carried forward due to member of staff leaving
	Governance arrangements		Amber	Amber					✓	Actions relating to business plan, outcomes and risk register are in progress
	Operational Contract Compass and Travelex									Deferred as rental return due after 31st March 2012.
	Capital Contract									Deferred as current on-going dispute and extension completion due after 31st March 2012
Information Service	IS Cheque Printing	Follow-up			Green		Green		N/A	All exceptions were actioned.
	Home/Remote Working	Follow up	Green	Amber					✓	The action relating to health & safety risk assessments is not fully complete.

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	Network Management									This audit will be carried forward due to member of staff leaving
	Data Management Processes		Green	Amber	Green	Green		Amber	✓	The review highlighted that there were not clear records of the contents of the media held
	EMS									This audit will be carried forward due to member of staff leaving
	SWIFT (HCC) Project QA									This audit will be carried forward due to member of staff leaving
	Telecommunications		Amber	Amber				Amber	✓	The review highlighted weaknesses in the robustness of the telecommunications system
	Patch Management									carried forward to 2012/13
	Compliance with Policies									This audit will be carried forward due to member of staff leaving
	IS audits sold to other LA's									This audit work is and results are reported directly to the other authorities.
Legal, Licensing & registrars	solicitors fees court costs						Amber			The review highlighted that court payments were not being paid regularly.
	Budgetary Control									Deferred to 2012/13 due to transfer of responsibility and change of action date by s151.
	land charges	follow up	Green	Green				Green	Green	✓ All exceptions actioned.
	licensing	CRB checks							Amber	N/A The review highlighted one area of non-compliance with the codes of practice.
	Code of Conduct (Members)	Deferred from 10/11	Green	Green			Green		Green	N/A No exceptions raised.
	Management of Contract Documents		Green	Green				Green	Green	N/A No exceptions raised.
Planning	s106 monies	follow up only							Amber	✓ Actions relating to acceptance of direct payments are in progress.
Revenues & Benefits	CTAX and NNDR		Green	Green			Amber		Amber	✓ The review highlighted that control account reconciliations were not being reviewed timely and that Northgate user accounts were not removed timely for leavers.
	Benefits		Amber	Green	Green			Green	Amber	✓ The review highlighted that staff deceleration forms could not be evidenced and that not all staff had completed the information governance health check.

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Schools	Court Lane Junior		Green	Green			Amber	Amber	✓	The review highlighted non-compliance with the Financial Rules for budget approval, petty cash, inventory and vehicles.
	St George Beneficial		Green	Green			Green	Amber	✓	The review highlighted one high risk exception in relation to compliance with Financial Rules for Inventory
	Meredith Infant		Green	Amber			Amber	Green	✓	The review highlighted improvements required to the School Improvement Plan and Inventory.
	Devonshire Infant		Green	Amber			Amber	Amber	✓	The review highlighted non-compliance with the Financial Rules for Purchase Orders, Stock Control, Inventory and CRB retention.
	Copnor Infant		Green	Green	Green		Amber	Green	✓	The review highlighted non-compliance with the Financial Rules for Inventory.
	Somers Park Primary		Green	Green			Amber	Amber	✓	The review highlighted non-compliance with the Financial Rules for inventory, lettings and declarations of interest.
	Meon Infant		Green	Green	Green		Green	Amber	✓	The review highlighted non-compliance with the Financial Rules for Inventory and improvements required in the School Improvement Plan
	Copnor Junior		Green	Amber			Green	Amber	✓	The review highlighted non-compliance with the Financial Rules for Income, mini bus records and CRB retention.
	Victory Primary		Green	Green			Green	Amber	✓	The review highlighted non-compliance with the Financial Rules for petty cash and inventory.
	Gatcombe Park Primary		Green	Green			Green	Green	N/A	
	Manor Infant		Amber	Green			Amber	Amber	✓	The review highlighted non-compliance with the Financial Rules for decelerations of interest, CRB checks, budget approval, petty cash, inventory and income.

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	Corpus Christi Primary		Green	Green			Amber	Amber	✓	The review highlighted non-compliance with the Financial Rules for budget setting, petty cash and inventory.
	Wimborne Junior		Amber	Green			Amber	Green	✓	The review highlighted the need for terms of reference for the Governing Body and non-compliance with Financial Rules for Inventory.
	St Judes CE Primary		Green	Green			Amber	Amber	✓	The review highlighted non-compliance with Financial Rules for lettings, income, petty cash and purchase cards.
	Wimborne Infant		Amber	Green			Amber	Amber	✓	The review highlighted evidence for CRB checks should be retained and non-compliance with the Financial Rules for purchase orders and inventory
	Craneswater Junior		Green	Amber			Amber	Amber	✓	The review highlighted non-compliance with the CRB policy and the Financial rules for charges, petty cash, purchase orders and inventory.
	Northern Parade Junior		Green	Amber			Amber	Amber	✓	The review highlighted non-compliance with the CRB policy, Data Protection registration requirements and the Financial Rules for petty cash, inventory and purchase cards.
	Charles Dickens Junior		Green	Green			Green	Amber	✓	The review highlighted non-compliance with the Financial rules for stock control, income, petty cash and vehicles. There is also non-compliance with the data protection requirements.
	Stamshaw Junior		Green	Green			Amber	Amber	✓	The review highlighted non-compliance with the Financial Rules for income, budget approval and inventory.
	Langstone Infant		Green	Amber			Amber	Green	✓	The review highlighted that the School Improvement Plan did not comply with the requirements in the Scheme for Financing Schools and non-compliance with the Financial Rules for Inventory

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	Redwood Park		Green	Green			Green	Amber	✓	The review highlighted non-compliance with the Financial Rules for Petty Cash and the Scheme for Financing Schools in relation to budget approval.
	Langstone Junior		Green	Amber			Green	Green	✓	The review highlighted the School Improvement Plan did not include repairs and maintenance requirements
	Highbury Primary		Green	Green			Amber	Amber	✓	The review highlighted non-compliance with the Financial Rules for stock control, income, purchase cards, purchase orders, Inventory & CRB form retention.
	St Edmunds	Added to 2011/12 plan	Amber	Amber		Amber	Red	Red	✓	The review highlighted improvements required to the documentation of the remit and training for senior staff. Non-compliance with the Financial Rules for Income, cash handling, stock control, inventory and vehicles.
Transport & Street Management	COLAS PFI								N/A	Further work to be carried out in 2012/13 post finalisation of the best value review.
	Sea defences									This audit will be carried forward due to member of staff leaving
	Corporate Transport		Red				Red	Amber	✓	The review highlighted: that there is no project plan to manage centralisation or a risk assessment. Accidents are not always reported, administration, purchasing and maintenance arrangements are inconsistent and the 100 mile policy may be restricting certain members of staff.
	Voluntary Drivers (Integrated Transport Unit)		Amber		Red		Red		✓	The review highlighted that CRB checks were not always carried out 3-yearly, paperwork was not in place for all journeys, risk logs needed updating, there is no succession planning and insurance certificate and schedule were not complete for all drivers.

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	Abandoned Vehicles	follow-up only		Red	Amber				✓	The actions relating two exceptions on income reconciliation and record of information on the software are in the process of being implemented.
	Waste Collection Contract	Added to 2011/12 plan							N/A	The review focussed on establishing procedures for open book accounting, due to the infancy of the contract further detailed testing will be carried out in 2012/13.
	Operating Car Parks	follow-up only						Amber	✓	The action relating to income reconciliation is still in the process of being implemented.
	Safer Roads Partnership	Grant review						Green	N/A	No exceptions raised

Service	Function	Audit areas
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Adult Services	Margaret Geary	
Adult Social Care	Rob Watt	
	Contract/ Commissioning	To ensure: <ul style="list-style-type: none"> - The integrity of data on which commissioning strategies and contracts programme are developed - Contracts are being let before extended period used - Contracts are outcome driven with performance targets built in and actioned - Contracts are delivering Vfm - that contract officers are obtaining sufficient evidence to conform that contractors are meeting PCC requirements - That checks are made to ensure contractors are checking right to work - Contingency arrangements are in place should a contractor go out of business
	Domiciliary care	To ensure: There are expected savings on suppliers being realised. Fraud weaknesses re payment for care provided are being controlled
	Self-directed support -individual budgets	To ensure that: <ul style="list-style-type: none"> - Vfm can be demonstrated - New processes are complied with - Supporting documentation is of sufficient quality to provide an effective evidence trail
	Direct Payments	To ensure that: <ul style="list-style-type: none"> - Carers existence is verified - Bank accounts are verified - Care need is properly assessed and is current - Anti fraud checks are in place

Service	Function	Audit areas
	Help in the Home contract	To ensure that: <ul style="list-style-type: none"> - Outcomes are being achieved - Brand is being promoted so that Age UK can become self-sustaining and not need so much ASC funding
	Carer's Service	To ensure that : <ul style="list-style-type: none"> - The service is increasing its footfall
	Vanguard Centre	Full Audit to ensure effectiveness of operations, compliance and protection of assets
	Social Care complaints	To ensure: <ul style="list-style-type: none"> - Compliance with Government guidelines - Resourcing e.g. staff appropriately trained and competent - Legal/ financial advice sought as appropriate - Actions taken are timely and effective
	Residential and day care	Test checks on self assessment returns for accuracy Themed reviews
	s75 Agreements	Ensure Governance and accountability is in place and is effective (including risk issues, insurance issues, contract issues and budget management) for: <ol style="list-style-type: none"> 1. Adult Mental Health and Substance Misuse Services lead Solent NHS on delegated functions only 2. Integrated Commissioning Unit for AMH &SM, Intermediate care and learning disability services Lead commissioning and pooled fund PCC. 3. Harry Sotnick House (Nursing Care) Lead Commissioning and pooled fund PCC 4. Intermediate Care Portsmouth Rehabilitation and Reablement Team (PRRT) Lead provision and pooled fund Solent NHS 5. Learning Disability Services Lead provision and pooled fund PCC 6. Continuing Healthcare procurement and contracting lead commissioning and pooled

Service	Function	Audit areas
		fund PCC 7. Continuing healthcare assessment- lead commissioning and pooled fund PCC
	Hospital based social care teams	Ensure changes and procedures support an effective system and Portsmouth Rehabilitation and Reablement Team (PRRT).
	Supporting People	Follow up to external assessments and internal review, to ensure that criteria are complied with and service is effective and impact (risks) of any reduction in grants is managed.
	Follow ups	1. Client Contribution invoicing 2. Supporting People grant from 10/11 3. Care Home Placements
Adult Social Care – Finance Team		
	Client Affairs	Originally Audited 09/10 two follow ups show still outstanding issues so require a full audit
	Financial planning for Social Care expenditure	Joint Accommodation Strategy, extra care provision; ensure that inter alia self funders that are likely to go below the income threshold are identified at an early stage so that impact can be assessed. Also ensure that financial planning takes account of all known and future pressures e.g. horizon scanning
	Deferred payments scheme	Ensure that PCC places charges where applicable and collects from charges placed on properties plus SW process that feeds into this
	Financial Assessments	Ensure that new client contributions towards their care are assessed in a timely manner and arrangements made to collect
	Area Offices (Chaucer House finance team)	To ensure that operations are effective, compliant with laws, policies, rules and procedures and assets are secure e.g. any cash collection and bankings, access to information, petty cash etc
Housing Management	Owen Buckwell	

Service	Function	Audit areas
	Asbestos removal	Audit areas not already covered and follow up
	Housing Maintenance Contracts	Audit areas not already covered and follow up
	Sub letting	Anti Fraud checks follow up
	Follow ups	1. Homelessness 2. Sheltered Housing follow up 3. Mobile Homes follow up
	ASBO's	ASBO processes; to ensure effective operations and compliant (e.g. RIPA used)
	Gas servicing	Annual gas servicing and repairs- to ensure that: Contract is properly monitored proper certificates obtained, contractors records of properties with gas etc are accurate and up to date and verified
	Housing Rents	Housing rents; fundamental system to ensure that: rents are accurate up to date, timely collection and accounted for.
Community Safety	Rachel Dalby	
		NIL
Customer Community and Democratic Services	Louise Wilders	
	Comms	Advertising: to ensure that selling of advertising is transparent accountable, complies with anti bribery legislation and s151 requirements.
	Follow ups	1. Corporate Branding 2. Coffee Shops (The View and Southsea)

Service	Function	Audit areas
Revs and Bens	Ed Woodhouse	
	Council Tax	Council Tax Fundamental system
	NNDR	NNDR Fundamental System
	Housing Benefits	Housing Benefits Fundamental System
	Counter Fraud	Counter Fraud will be responsibility of DWP in April 13.
	Debt recovery	Debt recovery: HB, CTax and NNDR Review main system and review external bailiffs process and appointment
Young People	Julian Wooster	
Children's Social Care & Safeguarding	Stephen Kitchman	
	Commissioning/ Contracts	To ensure: <ul style="list-style-type: none"> - The integrity of data on which commissioning strategies and contracts programme are developed (including follow up of Children's Commissioning Strategy 11/12 audit) - Contracts are being let before extended period used - Contracts are outcome driven with performance targets built in and actioned - Contracts are delivering Vfm (E.G. Secure accommodation, youth offending, foster placements, residential placements.) - that contract officers are obtaining sufficient evidence to conform that contractors are meeting PCC requirements

Service	Function	Audit areas
		<ul style="list-style-type: none"> - That checks are made to ensure contractors are checking right to work - Contingency arrangements are in place should a contractor go out of business
	Residential Homes & family centres	Test checks on returned self assessments Themed reviews
	Looked after Children	Foster Carer Recruitment: to ensure safeguarding procedures are complied with
		Recruitment of adopters to ensure safeguarding procedures are complied with
		Access to Resources – compliance with new procedures (also ensure exceptions raised in 11/12 audit have been addressed)
		Section 17 Payments - To ensure compliance with Financial Rules
	Assessment & Intervention	Family Support Team - Children in Need (compliance with new procedures)
		PACT (Protection and Court Teams)– to ensure the quality of paperwork re cases in legal proceedings to prevent issues arising
	IYSS	Duke of Edinburgh Scheme – to ensure collection and accounting of income; risk assessments for trips, security effective.
		Outdoor Centre - income, risk assessments for trips, security
	Follow ups	<ol style="list-style-type: none"> 1. Children Leaving Care 2. Fostering Allowances 3. Pocket Money 4. Foster Placements
	Cross-cutting across Childrens	To ensure the accuracy, relevancy, timeliness and security re the transfer of cases between teams

Service	Function	Audit areas
	Services/ other orgs	
	General	Supervised contact –Roberts Centre. Contact arrangements to be scrutinised to ensure the ongoing appropriateness. Transparency of decision making for which venue used for contact and arrangements reviewed as a result of changes in care plans.
	Beechside	To ensure the security and safety of assets including data, access to files, security of equipment; data management and control
Education	Di Mitchell	
	SLA with schools for a Full Audit	The three year audit cycle of schools will cease from 2012/2013. Schools will be offered a SLA to purchase a continuation of the three year cycle of audits. To be determined
	Supply Teachers	Use of supply teachers e.g. (checks on supply teachers) To ensure that absence management is robust, supply teachers properly checked, costs managed. Staff sickness absence checks to confirm compliance with the correct processes and procedures (Oracle- proactive monitoring of sickness levels, back to work interviews)
	VAT	To ensure the proper accounting of VAT
	IT	To ensure the robustness of filters and checks on internet use particularly outside of business hours
	Safeguarding	To ensure the compliance with safeguarding checks i.e. CRB/ references/ qualifications checks on both teaching and non teaching staff
	Special Educational Needs (SEN)	Use, monitoring and outcomes of SEN spending in schools.
	Resilience	To ensure that Schools plans for business continuity for flood fire etc are robust

Service	Function	Audit areas
	Contracts with special schools placed outside of city	To ensure that out of city placements for special needs are necessary, properly assessed and meet the outcomes required
	Transport budget	To ensure the effective management of budget & service
Audit and Performance Improvement	Jon Bell	
	Corporate Programme management	Project Management Reviews: To ensure the effectiveness of project assurance
	Carbon Reduction Programme	Carbon reduction programme data checks
	Settling claims	External Resource to ensure that claims are properly and effectively managed
	Corporate Contracts	To ensure the compliance with corporate contracts; monitoring of usage/compliance with corporate contracts
	Transformation	To ensure that budget savings are realised: category management
Regeneration Planning	Kathy Wadsworth	
	John Slater	
	Planning and Building control	Planning and Building control fees-To ensure that process is effective against fraud and bribery, all income is collected and accounted for
	CIL Community Infrastructure Levy	Replaces s106 Change in system due to be in place 1 st April 2012. Ensure process of collection and accounting for income robust, accurate and timely

Service	Function	Audit areas
Community Housing and Regeneration	Alan Cufley	
	Community Funerals	Check of Community Funerals process- anti fraud checks
	Follow-up reviews	
	Vfm	VFM Enterprise Centre and PCMI - POSSIBLE ONLY AT REQUEST (of Head of Service)
	Data Protection and data handling.	Trading Standards – access to CAB data under specified terms and conditions.
Traffic and Environment	Simon Moon	
	Parking	Parking- Closure of front desk and removal to Help desk/customer services- Ensure that operation is effective (24 hours). Part of transformation project- efficiency savings. Project to close front desk in Parking considers all risks- risk treatment
	Parking	Debt collection including appointment and use of bailiff (SEE ALSO REVS AND BENS)
	Parking	Cash collection contracts with third parties; ensure contract conditions protect PCC
	COLAS PFI	Whole life costing commuted sums check contingencies. Review Vfm report.
	Integrated Transport Unit	Not fully utilised as one unit for whole of PCC. Category management suggests it should be. Follow up and see comments re category management
	BIFFA Waste	Waste collection/ recycling anti fraud checks and open book accounting. Waste collection/ recycling. Starting this year 2012- they will be doing garden waste collection this is a new type of contract
	Sea Defences	To ensure compliance with Laws etc , monitoring and effectiveness
Culture	Stephen Baily	

Service	Function	Audit areas
	Libraries	RFID - Automatic library stock booking in and out system including cash Ensure compliance with Financial Rules effective anti fraud controls, Accuracy of data
	Pyramids	Funding provided by PCC ensure integrity of expenditure.
	Corporate Funding allocations	SLA's in place returns required. Ensure proper and effective independence/ governance, funding to external organisations i.e. Kings/ Theatre Royal etc. PCC officers board members.
	Follow ups	
Support Services	Michael Lawther	
IS	Mel Burns	
	Home and remote working	Full audit- to ensure sustainability, robustness and access. Bring your own device programme being rolled out
	Disposal of equipment	To ensure proper clearing of data from PC's on disposal of equipment: provided by external company: Ensure due diligence
	Applications	Northgate /Oracle Application controls: Joint review with IS to ensure that IT standards complied with.
	Physical security	Access to Computer Area, computer equipment, unauthorised use of PC's: IT access: Being reviewed by IS. Audit review to ensure can use as assurance
	Change control	Change control: To ensure changes are effectively managed; IS are re-building data system
	EMS	Education Database
	Swift	Swift project review
	Follow ups	1. Archiving/ back ups Other follow ups

Service	Function	Audit areas
Finance	Chris Ward	
	Main Accounting/ budgetary control	Main Accounting Fundamental system
	Accounts Payable	Accounts Payable Fundamental system
	Accounts Receivable	Accounts receivable Fundamental system
	Cash Collection	Cash Collection Fundamental system
	Payroll	Payroll- also payroll services provided to other organisations Fundamental system
	Petty cash	Petty Cash Fundamental system
	Treasury Management	Treasury Management Fundamental system
	Debt recovery	Debt recovery SEE ALSO REVS AND BENS AND PARKING Fundamental system
	Oracle upgrade	To ensure that risks and controls have been managed and comply with s151 requirements
	Local enterprise partnership	To ensure effective Finance arrangements e.g. bank account, VAT etc N.b. 12 Million for growing places fund
	Cashiers complex	Post changes
Legal/Licensing/ Registrars	Suki Binjal	
	Budgetary control	To ensure effective budgetary control

Service	Function	Audit areas
Asset Management	Tony Nicholas	
	Legionella management	To ensure responsibility is clear, accountability, effective operation and compliance with laws, policies, rules and procedures
	Disposal of confidential waste	To ensure compliance with Data Protection Act
	Annual Condition surveys	To ensure that effective and value for money. (N.b. Last surveys for 3-4 years ago. Should be carried out in Schools every 3 years)
	MRS storage	To ensure that assets are stored safely and securely. Check Storage security/ environmental conditions e.g. flooding
	Use of consultants	To ensure that consultants are used effectively and Vfm obtained. Use of consultants- property- areas not covered by last years audit e.g. Northern Quarter
	Contract Management	To ensure that contracts are effectively managed and in accordance with Laws, Rules, Policies and Procedures
HR	Kay White	
	Absence management	To ensure that : -Data integrity, - Info is up to date and reliable - access is secure - reports are relevant, sufficient and timely - actions are taken in accordance with policies
	Conduct and ethical behaviour	To ensure that: - staff are aware of policies, etc - level of grievances are monitored and action taken - disciplinary action instances and outcomes, are monitored and effectiveness measured - Mediation monitored and effectiveness measured Will include: Conduct and ethical behaviour -Bribery Act- Anti Fraud, Code of Conduct,

Service	Function	Audit areas
		Gifts and Hospitality, legal compliance, managing conflict
	Recruitment and Vetting	To ensure: <ul style="list-style-type: none"> - costs are Vfm - Effectiveness is monitored e.g. staff confirmed in post/ not confirmed in post, feedback obtained and actioned - policies are up to date and effective - staff are competent (training), - Compliance with legal requirements (e.g. CRB safeguarding), - fraud prevention
	Review HR files	To ensure that: <ul style="list-style-type: none"> - data is complete - data is secure - data is held safely and securely - data is easily retrieved - data is relevant
Social Care and Health	Paul Edmondson-Jones	WATCHING BRIEF ONLY
	Strategy	Data Integrity Strategy (ies) To ensure links to strategic objectives Demand and market intelligence identified Data analysis services delivery identified joining up project in place
	Financial Management	Budget Monitoring esp. Pooled Budgets -Financial planning, short and longer term identified -Budget monitoring process agreed

Service	Function	Audit areas
		<ul style="list-style-type: none"> - Accountability of pooled budgets defined - Performance indicators- financial and performance linked identified -Budget restraints identified
	Commissioning and Procurement	Commissioning Strategy Due Diligence Contract Management <ul style="list-style-type: none"> -Commissioning strategy identified - Intervention and contractual agreements identified - Financial assessments/ due diligence considered - Fraud risks identified and mitigated - Contract management arrangements in place - Decommissioning arrangements in place - Contingency arrangements in place
	Quality/Standards	To ensure the: <ul style="list-style-type: none"> -Adequacy of management reviews - Development/training of staff, Equalities, Adequate staffing and Safeguarding (e.g. vetting, CRB checks)
	Governance	Risk Management Contingency arrangements Information governance Performance Monitoring To identify how risks are assessed <ul style="list-style-type: none"> - Fraud risks have been identified and mitigated - To ensure that there is a Value for money strategy, including use of resources - Decommissioning arrangements in hand - Contingency arrangements identified - Governance re new contract arrangements in place E.g. social enterprises, Consultation arrangements, Access to information, Performance monitoring, Policies, Procedures, Values, Training.

Service	Function	Audit areas
	Data and support systems	Security of IT systems Data Protection including staff training Management reports <ul style="list-style-type: none"> - arrangements to ensure that: - data is adequate data - integrity of data - data and access are monitored - Security of IT systems - Data protection - Control of sensitive data - Management information- availability, accuracy and actual use to inform management and decision making
Corporate	Corporate Governance Group/ Cross cutting	
	Governance	Counter Fraud: Anti Bribery/corruption, Whistleblowing, financial rules, Anti Money Laundering, gifts and hospitality, code of conduct, declarations of interest policies review and training
	Procurement/Commissioning	Social Enterprises Criteria for refusal. Failure to fulfil contract, lack of technical capability, poor financial resilience, legal risks from contract termination, financial cost of re-tendering, additional client costs of contract monitoring/ remediation, reputational damage, consequences for service recipient. How avoid provider failure. Due diligence checks on commissioning- e.g. Pre qualification questionnaire to exclude bidders on mandatory grounds, discretionary

Service	Function	Audit areas
		exclusions and failure to meet minimum standards
	Policies	To ensure that policies are up to date- cross refer where necessary, meet PCC requirements, are effective, staff trained, resources specified, Policy embedded in organisation and compliance Monitored. Sample check policies esp. corporate e.g. Health and Safety for: Up to date Links with other policies Training Monitoring accountability
	Safeguarding	Appointment of staff esp. casuals and volunteers in areas where vulnerable people receive service including CRB checks also non-uk taxi licence holders and how checks are made
	Security Reviews	Security Reviews Civic Offices and Outlying offices to ensure compliance with clear desk policy and Data protection.
	Investigations/contingency reactive.	S.I's Reactive
	NFI Internal matching	Matching internal data to prevent and detect fraud
	Mobile Phones	Full Audit to ensure: letting of contracts; anti fraud and monitoring of personal usage; accuracy of payments
	Follow- ups	1. Inventories 2.
	Compliance checks with Fin Rules	To ensure that e.g. Purchasing cards transactions are in accordance with Financial Rules etc
	Local code checks	Sample checks on local code questionnaire self assessment returns

Service	Function	Audit areas
	Governance and Audit	Committee, corporate governance group, information governance group
	RIPA	RIPA Policy authorisations and training
Chris Ward	Anti Money Laundering Policy and reports	Anti Money Laundering policy investigations reporting and training
	Projects	Tipner Northern Quarter see API
	Grants	To ensure that grants paid out are in keeping with laid down criteria; criteria have been reviewed and are up to date.
	Risk assessments for Health and Safety, Fire, Continuity etc	To ensure that RAs are effective e.g. Housing, Childrens Homes, Childrens Centres and other outlying centres
	Prosecution Policy	To ensure Prosecution Policy is current and effective
Chris Ward	Financial Rules	Financial Rules review, Waivers and training
Port	Martin Putman	
	Income Dues	To ensure that income dues are collected and accounted for.
	Contract management	To ensure the effective management of phase 2/3 of the terminal and berth 2 extension. To ensure the effective management of the Catering contract Capital contracts Operational Contracts

Service	Function	Audit areas
	Port email system	To ensure compliance with policies etc
	Follow ups	
External		
	Langstone Harbour Board	
	Bournemouth	
	Gosport and Eastleigh	
	MMD	