

APPENDIX A**Draft Audit Plan – Melton Borough Council – 2014/15****Summary – Allocation of Days**

Risk Category	Days Allocated	Percentage of Days
Non-Audit Activities	20	8.5%
Financial Risks	35	15%
ICT Risks	25	10%
Fraud Risks	20	8.5%
Governance Risks	80	35%
Service Delivery Risks	35	15%
Contingency	20	8.5%
TOTAL	235	100%

Total Commissioned Days			235
Chargeable non-auditing time (preparation of committee reports and committee attendance; development and delivery of training to Governance Committee; follow-up of recommendations; client liaison activities; liaison with External Audit)			20
Time available for planned audit work			
Risk Category	Proposed Assignment	Assurance Sought	
Financial Risks			35
	Benefit Subsidy Claims	That effective controls operate to ensure that the errors identified through qualifications to subsidy claims or through write-offs of overpayment resulting from LA error are recognised; that causes of error are analysed; and that appropriate action is taken to prevent repetition of those errors. That QA processes operate to identify errors in processing at an early stage.	15
	Creditors	That the controls put in place by management mitigate effectively the risks associated with payments to creditors and ensure the security of creditors' standing data.	5
	Debt Management	That the Council has put in place arrangements to deal with growing levels of debts incurred by individuals in respect of Council Tax; Housing Rents; and other liabilities which allow for the effective recovery of those debts.	15
ICT Risks			25
Note that the Council's ICT risks, to be addressed over a three-year cycle, were identified in 2012. The ICT Manager may wish to reassess key ICT risks for 2014/15	Physical Security	That appropriate arrangements are in place for the physical security of all ICT equipment including laptops and other mobile devices	
	Governance	That there are appropriate ICT governance arrangements in place including a current and comprehensive ICT Strategy (that supports the Council's own objectives and priorities) and a supporting framework of ICT policies.	
	System Administration	That there are appropriate arrangements in place for the security of System Administration	
Fraud Risks			20
	Employment-Related Fraud	That the Council has put in place arrangements to mitigate the risks of employee-related fraud including: recruitment of individuals who misrepresent themselves; false claims for overtime; false claims for expenses; falsification of flexitime records; and false claims relating to	10

		sickness	
	Consultancy on Counter Fraud Arrangements	Ensure that whistleblowing arrangements reflect current regulatory arrangements and are effectively promoted. Refresh the CF Strategy and publicise the duties of officers and Members.	10
Governance Risks			80
	Complaints Management	That the Council's arrangements provide for the identification; registration; effective investigation of; and appropriate response to all complaints. That the Council captures and makes appropriate use of complaints data to improve the quality of services delivered.	10
	Disclosure & Barring Service	That the Council is using the D&B Service effectively to manage the Council's risks associated with recruitment and safeguarding.	10
	Freedom of Information	That the Council has put in place arrangements to ensure that all Fol requests are dealt with on a timely basis and that requests are met fully, save for the proper interpretation of regulations in respect of exempt information.	10
	Management of Capital Projects	That the Council has developed appropriate governance arrangements for major capital projects which extend from the initial planning stages to the point at which the success of the scheme is evaluated and reported to those charged with governance. Those arrangements should ensure that the owners/sponsors for any scheme is in the right level within the organisation and have the appropriate skills and experience.	10
	Managing ESF Projects	That the Council has put in place effective arrangements to ensure compliance with EU rules and mitigate the risk that funding may be withdrawn or clawed back. The level of assurance sought needs to reflect the scale of funding (£800,000); the absence of recent experience with EU funded projects; and the forthcoming maternity leave of the manager responsible for the service area. Assurance needs to extend to address the associated issue of restrictions on the level of state aided funding that the Council is authorised to receive.	15
	Starters & Leavers	That appropriate processes are in place to communicate starters and leavers to all appropriate personnel; that the actions to be taken are clearly identified and completed in a timely manner; this is to include corporate IT systems; system administrators; property and payroll and HR records. This is including partners' arrangements and provision for	15

		other individuals and organisations working at Parkside.	
	Strategic Management of Environmental Maintenance Assets	That service management has put in place arrangements for the management of EMAs that include an appropriate replacement cycle and appropriate investment in maintenance so that the assets can be applied effectively and cost-effectively. That the life of assets and the repair costs are reasonable for the type of asset and that there are appropriate arrangements for disposal.	10
Service Delivery Risks			35
	Vulnerable Families	That the new “holistic” way of supporting families which is being developed provides effective support to clients and satisfies the requirements of the county-scheme	15
	Financial Support for Vulnerable Families	That the Council has effective arrangements in place to identify vulnerable clients facing financial difficulties and to deliver appropriate and effective support. Linked to recent review of a particular case	10
	Discretionary Housing Payments	That the Council’s DHP Scheme is effective. (Assurance sought by CSA Committee.)	5
	Civil Emergencies and Standby	That the Council has the capacity to respond to severe weather events and similar civil emergencies in a timely and appropriate manner that meets the expectations of local communities. (Assurance sought by Governance Committee.) That local standby arrangements are robust and appropriate.	5
CONTINGENCY			20
	Unallocated contingency reserve		