

## INTERNAL AUDIT PLAN 2019-20



Review Name	Outline Objective
Risk Management	To review the council's risk management framework to ensure that the council's approach to risk identification, assessment, control and reporting is undertaken consistently and effectively across the organisation.
Corporate Governance	To review the Code of Corporate Governance (including associated policies including gifts and hospitality, Code of Conduct, etc) to provide an opinion on the effectiveness of overall governance arrangements of the county council thus supporting the Annual Governance Statement.
Troubled Families	Certification of periodic grant claim returns in-year on behalf of Children's Services to enable the release of funds from the DfE, including confirmation of families eligibility for inclusion and evidence that outcome plans have been achieved.
Surrey Choices	To complete a follow-up review on progress made by Surrey Choices (a Local Authority Trading Company) in the implementation of internal recommendations for control improvement in financial and non-financial processes. This audit will report to the SCC Stakeholder Board.
Schools (Routine)	We will continue our audit coverage in schools which will involve a range of assurance work, including key controls testing in individual schools, follow-ups of previous audit work and themed reviews. We will also work with our Orbis partners to provide information bulletins and guidance for schools on risk, governance and internal control matters.
Post-Babcock assurance and governance review for maintained schools	This review will help to determine the appropriate governance arrangements within the council following the end of the B4S contract, which will then allow us to help the council understand the required level of assurance for both the Council's s151 Officer and the Director for Education Lifelong Learning & Culture over the control environment in place at Surrey's maintained schools.
Surrey Heartlands Partnership (SHP)	To review and assess the governance arrangements around the SHP to ensure that they meet the needs of the council in terms of budget accountability and delivery of commissioned services to residents.
Residential Care Homes	To review the robustness of arrangements in the return of 8 residential care homes from Anchor back in-house, including an analysis of the original business case and how actual costs and assumptions have been realised, and a review of the governance / control over the arrangements to transfer property, assets, staff, budgets et al completely, effectively and accurately.

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Health & Safety	With Corporate Health & Safety responsibilities potentially moving to the Director of Community Protection and Emergencies in SFRS, this review will seek to provide assurance that the service is effectively delivered and integrated across the council.
CFL Quality Assurance (follow-up)	To follow up agreed actions taken by the service following the audit of CFL Quality Assurance in 2018/19, which led to an original opinion of Partial Assurance.
CFL Assessment and Care Plan Management (follow-up)	To follow up agreed actions taken by the service following the audit of CFL Care Assessments in 2018/19, which led to an original opinion of Minimal Assurance.
Better Care Fund	This time in the annual plan is to allow for audits to be commissioned over specific aspects of both Better Care Fund activity and the integration of adult social care and health. The audits in this area are determined in year following discussion between Internal Audit and Adult Social Care/Clinical Commissioning Groups in light of emerging issues or areas for assurance work being identified.
Public Health payments to GPs and pharmacies	A proactive fraud assurance exercise using data analytics to ensure controls in place to manage payments to GPs and pharmacies in relation to services commissioned by Public Health are operating effectively.
Local Economic Partnerships (LEPs)	With plans to make the next round of LEPs more transformational and of higher value (£10m's), this review will examine the council's plans to ensure that LEPs are not overly complex, have strong governance structures and provide sufficient accountability.
Kier Contract (Lot 1)	To review arrangements in place for the effective maintenance of the supply chain for minor works (Lot 1), including the controls and governance over the allocation of smaller jobs to contractors and the processes in place to ensure completion of works before payment.
Surplus Assets (follow-up)	To follow up agreed actions taken by the service following the audit of this area in 2018/19, which led to an original opinion of Partial Assurance.
Property Investment Company	This review will look at the governance mechanisms of how this joint venture successfully delivers its stated objectives, and provide forward-looking advice to senior management on the robustness of current arrangements.
Making Tax Digital (MTD) - VAT	A review of the robustness of the preparations made by the council for the compulsory digital tax-keeping records from

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	HMRC – Making Tax Digital (MTD) – which come into effect for local authorities on 1 October 2019.
Surrey County Council/Guildford Borough Council Housing Improvement Programme	To review the governance arrangements in place over this joint Housing Improvement Programme between SCC and GBC to ensure that controls are in place for the management and correct allocation of costs between both local authorities, and that transparent and effective scrutiny has taken place over the duration of the scheme.
Voluntary Grants	This review will review the arrangements in place through which the council makes grants to voluntary bodies, with a view to ensuring that effective governance is in place in relation to applications, award, assessment of outcomes and other key criteria.
Transformation Programme	To continue the programme of audit assurance work that began in late 2017/18 to review aspects of the council's Transformation Programme. This work will provide assurance over a range of areas, including key governance arrangements; the robustness of business case information; the post-transformation control environment; and assurance that effective risk identification and mitigation measures exist with particular emphasis on the Family Resilience project.
Procure To Pay (Key Financial System)	To review the processes and key controls relating to the accounts payable system, including those in place for ensuring the accuracy of vendor details, the processing of invoices, goods receipting and promptness of payments.
Capital Programme (Key Financial System)	To review processes and key financial controls across the Council. The review will include capital expenditure monitoring, funding, receipts, borrowing and capital accounting.
Payroll (Key Financial System)	To review controls in relation to the staff payment system, including those relating to starters, leavers, temporary and permanent payments, variations of pay, and pre-employment checks.
Order To Cash (Key Financial System)	To review the processes and key controls relating to the accounts receivable system, including those in place for ensuring the accuracy of customer details, completeness, accuracy and timeliness of invoicing, recording and matching payments to invoices, and debt recovery.
Revenue Budgetary Control (Key Financial System)	A review of the Council's budget management arrangements, to include an assessment of the extent to which planned savings are being delivered.
Treasury Management	A review to assess the adequacy of key controls and

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(Key Financial System)	procedures across the council's Treasury Management arrangements, including cash flow forecasting, segregation of duties, financial investments and use of treasury advisers.
Main Accounting System (Key Financial System)	To review the processes and key controls relating to the maintenance and operation of the general ledger, including suspense accounts, reconciliations, journals and year end procedures.
Financial Benefits and Assessments (FABS) (Key Financial System)	To review the key controls in place for both the financial assessment process, including the collation and analysis of information from care recipients to ensure correct calculation of contributions occurs in a timely fashion, and a review of the benefit calculation process to ensure correct payments are made.
Pension Fund Investments (Key Financial System)	A review to assess the adequacy of the SCC Pension Fund management and governance arrangements. Also, to examine arrangements for obtaining assurance over the adequacy of the control environment of pension fund investment managers and the custodian.
Pension Administration (Key Financial System)	To review the key controls over the calculation and payment of pensions, transfers to and from the pension fund and the collection and recording of pension contributions (including contributions from other admitted bodies).
ALTAIR Pension Payroll	To ensure key controls are in place in the ALTAIR pension payroll process (which makes payments independently of the corporate Payroll process in SAP).
SFRS Pension Scheme	To review the governance arrangements and key controls in place over the calculation and payment of pensions, transfers to and from the SFRS pension fund and the collection and recording of pension contributions.
Coroner's Service	To review the governance arrangements and processes within the office of the Surrey Coroner to ensure that effective arrangements are in place covering aspects such as budgetary control (including financial liabilities in longer inquest cases), case management, risk management, contract management, and compliance with policies.
Sport England	To provide the annual certification of funding received by the council from Sport England.
Local Transport Capital Block Funding	To provide to the DfT the annual certification for the funding of various highways schemes received in 2018/19, including extra monies obtained for additional winter highway repairs.
Interreg (Europe) Grant Urban Links To Landscape	To provide FLC certification for Semesters 2 and 3 of this EU funded project (UL2L: influencing policy for use of urban

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	fringe land).
Interreg (Europe) Grant Digi-Tourism	To provide First Level Controller certification for Semesters 2 and 3 of this EU funded project (Digi-Tourism - virtual and augmented reality in tourism).
Bus Subsidy	To provide to the DfT the annual certification for the funding of bus subsidy grant monies received in 2018/19.
Grant Contingency	To allow for the possibility of additional assurance work to audit and certify grant returns on behalf of service departments for ad hoc funding received in 2018/19.
Consultancy / IR35 Compliance	To ensure that the employment of interim and consultancy staff across the council is properly managed, controlled and is in compliance with relevant legislation.
'Prevent' Agenda	Following our position statement work of 2018/19 and the council self-assessment against Home Office standards, to provide assurance that the local authority is meeting all of the statutory duties under the Prevent agenda. This will include both a review of compliance with strategic principles and an examination of the detailed aspects of the legislative requirements, including how council and school premises are let to avoid lettings being made to groups of an inappropriate nature.
Home to School Transport (SEN)	To provide assurance over the current processes for budget management and route management in light of cost pressures on this service. This audit will follow up findings from previous audit activity, and will provide ongoing advice and support in-year to a CFL task group working in this area.
Area SEN Team Financial Processes	To undertake a review of financial processes and procedures used in the Area SEN Teams to ensure consistency of approach and compliance with regulations.
SEND Case Management	To provide assurance that the SEND Case Management System (EYES) has been implemented in accordance with expected controls and processes, covering areas such as data cleansing and migration, interfaces and reconciliation, testing arrangements, system security, audit trails and user training.
Cyber Security	The audit will review the Authority's arrangements for protecting its systems and services from cyber attack, including arrangements for effectively responding to a cyber attack should one occur.
Orbis Data Centre	A review of the Orbis data centre to ensure appropriate controls are in place to prevent unauthorised physical and electronic access (including 3rd party access) to data held within the centre; the audit will also consider the

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	effectiveness of controls to protect the servers from fire, electrical and water damage; and review the adequacy of backup arrangements, to ensure systems and services are not affected in the event of an outage. Where possible we will place reliance on assurances already available.
Robotics	The review will evaluate the effectiveness of the controls that ensure the accuracy of all data input by the 'robots', ensuring appropriate failure reports are built into the decision making routines.
Network Security	Significant changes to the way the network is secured are planned, with changes beginning to take effect during 2019/20 and changes fully established in 2020/21. This audit will review the current network security arrangements, and will critically evaluate the planned changes.
Patch Management	We will review the controls in place to support effective patch management ensuring that patches are tested prior to being applied and that patches are applied in a timely manner.
Cloud Computing	From a sample of applications and systems retained in the cloud, we will review the controls in place to manage the security, access, recovery and deletion of the data.
Social Care - Application Audit (Liquid Logic/CareFirst)	This review will evaluate the controls over the Councils major social care systems which make up a significant proportion of the councils payments. The audit will review all major input, processing and output controls and will review the controls in place to interface with the payment system and general ledger
ICT Compliance Frameworks	The councils application to the Governments Public Sector Network (PSN) Code of Connection (CoCo) provides significant assurance over the Councils ICT governance arrangements. With the demise of the CoCo assessment, we will review the councils ICT Governance arrangements, where appropriate relying on any other suitable sources of assurance, such as the cybersecurity plus submissions
Surveillance Cameras	We will review the effectiveness of the controls in place to meet the requirements of the Security Camera Commissioners code of practice.
IT&D Project Management	To review the project management arrangements for a sample of high priority/risk projects
Mobile Device Migration	This audit will review the controls for managing the security of mobile devices and the arrangements for securing the data contained on the devices.

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Service Management and Delivery	
Review Name	Outline Objective
Action Tracking	Ongoing action tracking and reporting of agreed, high risk actions
Annual Report, Opinion and Annual Governance Statement	Creation of Annual Report and Opinion / Annual Governance Statement
Audit and Fraud Management	Overall management of all audit and counter fraud activity, including work allocation, work scheduling and Orbis Audit Manager meetings
Audit and Fraud reporting	Production of periodic reports to management and Audit and Governance Committee covering results of all audit and counter fraud activity
Audit Committee and other member support	Ongoing liaison with members on internal audit matters and attending Audit and Governance Committee meetings and associated pre-meetings
Client Service Liaison	Liaison with clients and departmental management teams throughout the year
Client Support and Advice	Ad hoc advice, guidance and support on risk, internal control and governance matters provided to clients and services across the year
External Liaison	Liaison with external auditors and other external bodies, including attendance at regional and national audit groups and counter fraud hubs
Orbis IA Developments	Audit and counter fraud service developments, including quality improvement and ensuring compliance with Public Sector Internal Audit Standards
Organisational Management Support	Attendance and ongoing support to organisational management meetings, e.g. Financial Management Team (FMT), Risk Governance Group (RGG) etc
Strategy and Annual Audit Planning	Development and production of the Internal Audit Strategy and Annual Audit Plan, including consultation with management and members
System Development and Administration	Development and administration of audit and fraud management systems

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