



Fareham Borough Council

Draft Internal Audit Plan 2013/14

This report and the work connected therewith are subject to the Terms and Conditions of the Contract dated 13/04/2010 between Fareham Borough Council and Deloitte & Touche Public Sector Internal Audit Limited. The report is produced solely for the use of Fareham Borough Council. Its contents should not be quoted or referred to in whole or in part without our prior written consent except as required by law. Deloitte & Touche Public Sector Internal Audit Limited will accept no responsibility to any third party, as the report has not been prepared, and is not intended for any other purpose.

This report has been prepared on the basis of the limitations set out on page 25.

Contents

Our Approach	3
Appendix A - 2013/14 Operational Annual Internal Audit Plan	5
Appendix B – Amendments from Strategic Plan 2012/13-2014/15	15
Appendix C – Strategic Plan	16
Appendix D - Staff Interviewed	19
Appendix E – Areas of Audit Universe Not Covered within last Three Years or Proposed Two Year Plan	20
Statement of Responsibility	25

Our Approach

1. Introduction and Background

- 1.1 This report sets out the planned Internal Audit activity for the period 1st April 2013 to 31st March 2014 for Fareham Borough Council.
- 1.2 The purpose of Internal Audit is to provide an independent and objective opinion to the organisation on the degree to which the internal control environment supports and promotes the achievement of the organisations objectives. Internal Audit is not a substitute for effective internal control. The proper role of Internal Audit is to contribute to internal control by examining, evaluating and reporting to management on its adequacy and effectiveness.

2. Annual Audit Plan 2013/14

- 2.1 The proposed operational Internal Audit plan for 2013/2014 is attached in Appendix A. The plan has been developed through:
- Discussions held with key officers, as listed within Appendix D, to establish that key risks which may affect service delivery are reflected within the Audit Plan;
 - Examination of audit work previously completed, including the assurance opinions previously assigned to individual audit assignments;
 - Any areas of significant change which are likely to involve new or changing processes;
 - Our experience of working with other Authorities within the region; and
 - Liaison with the Head of Audit and Assurance at Fareham Borough Council and the External Auditors to Fareham Borough Council.
- 2.2 The audit topics selected for coverage represent the following;
- Fundamental system audits, including Invoicing & Collection of Income Receivable and the Ordering & Payment of Invoices, are to be covered annually to provide assurance to the Authority and External Audit; key auditable areas are to receive regular coverage;
 - The Annual Plan is balanced with corporate and partnership reviews, computer and information audits, service audits and specialist contract and capital expenditure audits. Where possible, the plan includes some coverage across all departments with a view to minimise input into any one department.
- 2.3 Allowance has been made in the plan for other essential audit work comprising audit planning, management and administration, progress meetings, and external audit liaison. The annual plan will be kept under review to identify any amendments needed to reflect changing priorities and emerging audit needs as the year progresses.

- 2.4 The plan is based on 230 days of audit assurance in the form of 30 pieces of work. Nineteen (63%) of these audits are different to the coverage in 2012/13, of which three (10%) are systems which will be audited for the first time.
- 2.5 A slightly increased proportion of the days in the 2013/14 plan (81(35%)) have been assigned to give the annual assurance on the fundamental financial systems that are required by external audit under the “managed audit” joint approach. Last year’s plan allocated (72 (31%)) of time to this work.
- 2.6 49 (21%) of the days have been assigned to specialist and high level audit work which includes computer audit, tax audit, contract audit, corporate and partnership audit and risk management.
- 2.7 All the contingency and follow up time has been allocated out to audits. If any audits yet to be completed in 2012/13 result in low assurance opinion being awarded, these will be followed up in the usual way and the work will need to be substituted for one of the lower risk planned audits.
- 2.8 The changes made to the plan compared to the provisional 2013/14 plan produced last year are given in Appendix B.

3. Strategic Plan 2012/13 to 2014/15

- 3.1 The Audit Universe was provided by the Council. The Universe had been reviewed against the latest budget estimate book and four changes were made as below: there are therefore still 193 audits in the Audit Universe:
- Traffic Management operation added - new service in budget book
 - Policy Compliance added – new corporate audit
 - Health Development removed - service stopped in 2011/12
 - Highways construction agency HCC removed - covered by other audit titles
- 3.2 Discussions held with key Officers have informed the amendments to the three year Strategic Plan, which has also been updated to reflect changes that have occurred in year within the 2012/13 operational Internal Audit plan. The revised Strategic Plan is found in Appendix C.
- 3.3 The work delivered in the last 3 years and the proposed range of work in the next two years, along with the in-house assurance work, covers 60% (115) of the 193 potential audits in the updated “Audit Universe”,
- 3.4 There are 7 audits included within the proposed plans which have received no previous coverage leaving 37 titles (19%) across the whole universe which will not have had any audit coverage since the records were introduced in 1997/8. These are generally areas that are not

considered high risk to the Council. Details of audits not covered in the last 3 years nor the proposed range of work in the next two years are given within Appendix E by type of audit.

4. Action Required

- 4.1 The Audit Committee is asked to approve the proposed Annual Plan for 2013/2014.

Appendix A - 2013/14 Operational Annual Internal Audit Plan

Audit Title	Type	2013/14				Reason for Inclusion	Audit Scope/ Additional Comments	Work Group See key at end
		Q1	Q2	Q3	Q4			
DEPARTMENT OF FINANCE & RESOURCES (F)								
Risk Management	Risk Management				6	Previous Deferral	The audit will cover the Risk Management Function and include coverage on the following areas: <ul style="list-style-type: none"> • Risk Management Framework; • Identification of Risk; • Assessment of Risk; • Management of Risk; and • Monitoring and Reporting of Risk. 	FA
Ordering & Payment of Invoices	Fundamental System			7		Fundamental System	The audit will cover the Creditors Function and include coverage on the following areas: <ul style="list-style-type: none"> • Policies and procedures; • Authorisation procedures; • Goods/ services receipting; • Coding of Expenditure; • Prompt payment discounts; • Manual payments; • Duplicate payments; and • Supplier accounts. • Segregation of Duties 	FG/ AA
Invoicing & Collection of Income Receivable	Fundamental System			9		Fundamental System	The audit will cover the Debtors Function and include coverage on the following areas: <ul style="list-style-type: none"> • Policies and procedures; • Amendments to standing data; • Debt monitoring; • Debt recovery; • Raising of Invoices and Credit Notes; • Posting of cash receipts; • Write off procedures; and • Segregation of duties; 	FG / AA
Payroll	Fundamental System			7		Fundamental System	The audit will cover the Payroll Function and include coverage on the following areas:	FG / RL

Audit Title	Type	2013/14				Reason for Inclusion	Audit Scope/ Additional Comments	Work Group
		Q1	Q2	Q3	Q4			See key at end
							<ul style="list-style-type: none"> • Policies and procedures; • Security of, and access to IT Systems; • Integrity and reliability of data; • Segregation of duties; • Starters (including pre-employment screening); • Leavers; • Variations; • Statutory and voluntary deductions; • Overpayments; and • Management information. 	
Main Accounting	Fundamental System				10	Fundamental System	<p>This audit will cover the Main Accounting System and include coverage on the following areas:</p> <ul style="list-style-type: none"> • Policies, procedures, standing orders and financial regulations, including staff awareness; • Completeness, accuracy, reliability & integrity of transactions and records for production of annual accounts, including suspense accounts and other financial returns; • Journal entries and manual adjustments; • Financial Feeder system reconciliations; and • Year-end procedures including carry forward of balances. 	FG / FF
Treasury Management	Fundamental System		6			Fundamental System	<p>The audit will specifically cover the Treasury Management process and include coverage on the following areas:</p> <ul style="list-style-type: none"> • Policies and procedures, including the Treasury Management Strategy and Policy; • Levels, limits and institutions that can be dealt with for both lending and borrowing are clearly stated; • Contracts/service agreements with investment managers and brokers used; • Authorisation limits to borrow and lend; • Compliance with the Treasury Management Strategy; • Cash flow monitoring, maximising and forecasting; • Investment and borrowing records; • Risk exposure of investments; • Timeliness of transactions; • Interest payments and receipts; 	FF

Audit Title	Type	2013/14				Reason for Inclusion	Audit Scope/ Additional Comments	Work Group
		Q1	Q2	Q3	Q4			See key at end
							<ul style="list-style-type: none"> Monitoring and Reporting of performance; and Reconciliations. 	
Insurance	Service Audit		5			Cyclical Coverage and previous actions for follow up	<p>The audit will specifically cover the Insurance process and include coverage on the following areas:</p> <ul style="list-style-type: none"> Policies and procedures; Insurance policies detail coverage required and are reviewed annually; Claims recording, approval and liability estimation; and Contract management and management information. 	FF
Financial Regulations Limited Compliance Testing	Corporate and Partnership				2	Change of approach away from including tests as part of all other audits	<p>This audit will test for compliance with two requirements of the revised Financial Regulations.</p> <p>The requirements and scope will be discussed with the audit sponsor.</p>	FA/AA
Fixed Assets	Fundamental System			6		Cyclical Coverage and support for external audit work	<p>The audit will specifically cover the Fixed Assets arrangements.</p> <p>The scope will be discussed with the audit sponsor.</p>	FE
Revenues	Fundamental System			12		Fundamental System	<p>A joint audit of Council Tax and NNDR will be undertaken, covering the following aspects:</p> <ul style="list-style-type: none"> Policies and procedures; Convenient Methods of Payment; Reconciliation between the Debit and Valuation List; Discount and Reduction Applications, including Voids; Billing; Receipts; Clearance from Suspense Accounts; Recovery Action; Writing Off Irrecoverable Income; Monitoring Collection Rates; and Refunds. Amendments to standing data 	FH

Audit Title	Type	2013/14				Reason for Inclusion	Audit Scope/ Additional Comments	Work Group
		Q1	Q2	Q3	Q4			See key at end
							<ul style="list-style-type: none"> System calculation of amounts due 	
Housing Benefits and Council Tax Benefits (including Local Council Tax Support Scheme)	Fundamental System				10	Fundamental System	<p>The audit will specifically cover the Housing Benefits process and include coverage on the following areas:</p> <ul style="list-style-type: none"> Policies and procedures, including adherence to legislation, financial regulations and local policy; Post opening procedures; Segregation of duties, to include conflicts of interest; Timeliness and accuracy of assessments, amendments, payments and cancellations; Backdated claims; Management of overpayments and recovery arrangements; Reliability of records (paper and electronic) and protection against loss and unauthorised access; and Accuracy and timeliness of Performance Monitoring. <p>The scope will be discussed with the audit sponsor.</p>	FH
Management of Tradesmen	Service Audit	7				Previous Deferral and no previous coverage	<p>The audit will specifically cover the arrangements in place for management and control of tradesmen.</p> <p>The scope will be discussed with the audit sponsor.</p>	FK
Remote Access	Computer Audits		8			Previous Deferral	<p>The audit will focus on evaluating the effectiveness and adequacy of internal controls operating in relation to remote access. Areas included are as follows</p> <ul style="list-style-type: none"> Policies and procedures are in place defining the process to gain remote access to the Council Network. Furthermore, statements have been documented and communicated regarding the acceptable use of remote access and home working once these permissions have been provided; Controls are in place to restrict access to the Council network via remote access to authorised users and third parties. Furthermore, processes are in place to ensure that remote access privileges are revoked in a timely manner; Controls are in place to govern the logical and physical security of mobile devices both owned by the Council or a 	FT

Audit Title	Type	2013/14				Reason for Inclusion	Audit Scope/ Additional Comments	Work Group
		Q1	Q2	Q3	Q4			See key at end
							<p>'Bring Your Own Device (BYOD)'. Remote access connections are subject to logging. Processes are in place to respond to security violations and incidents; and</p> <ul style="list-style-type: none"> Remote access security arrangements are subject to formal change control procedures and testing. Furthermore, the risks associated with remote access have been assessed and are subject to monitoring. 	
Main Accounting System (E-Financials) Application review	Computer Audits			7		Support for external audit work and review following major upgrade	<p>The audit will focus on evaluating the effectiveness and adequacy of internal controls operating in relation to the efinancials system. Areas included are as follows:</p> <ul style="list-style-type: none"> There are access controls in place to ensure that unauthorised users can not gain access to the system and authorised users have the correct level of access to the application; Data Input Controls are in place to help ensure the integrity of data input into the application; Data Processing controls are in place to ensure data is processed completely, accurately and to required timescales; Interface controls ensure that only valid data is transferred between applications and the data remains complete and accurate; Output controls are in place to help ensure that output generated from the application is correct and only accessible by authorised users; A management trail with key areas of access is maintained and reviewed; Controls are in place for the system administration of the application including patching and upgrades; and Arrangements for backup and recovery are in place. Integrity of data transfer and migration following upgrade 	FT
DEPARTMENT OF PLANNING & ENVIRONMENT (P)								
Planning Contributions	Service Audit		8			Cyclical Coverage and	The audit will specifically cover the Planning Contributions process to provide assurance that the systems in place for both S106	PL

Audit Title	Type	2013/14				Reason for Inclusion	Audit Scope/ Additional Comments	Work Group
		Q1	Q2	Q3	Q4			See key at end
						introduction of new Community Infrastructure Levy	agreements and Community Infrastructure Levy are suitable. The scope will be discussed with the audit sponsor.	
Town Centre Management	Service Audit	7				Cyclical Coverage. Last audited 2006/07	The audit will specifically cover the Town Centre Management arrangements The scope will be discussed with the audit sponsor.	PG
Coastal Protection and Land Drainage	Service Audit	6				Management Request and no previous coverage	The audit will specifically cover the Coastal Protection and Land Drainage systems. The scope will be discussed with the audit sponsor.	PR
Planning Applications	Service Audit				6	Management Request and high risk service	The audit will specifically cover the arrangements in place for management and control of Planning Applications including determination of applications within required timescales The scope will be discussed with the audit sponsor.	PL
DEPARTMENT OF REGULATORY & DEMOCRATIC SERVICES (R)								
Performance Management	Corporate and Partnership			8		Cyclical Coverage and introduction of new system	The audit will specifically cover the systems in place for Performance Management including the new arrangements for employee appraisals. The scope will be discussed with the audit sponsor.	RL
Training and Development	Corporate and Partnership		8			No previous coverage and introduction of new systems	The audit will specifically cover the systems in place for Training and Development including the new arrangements. The scope will be discussed with the audit sponsor.	RL
Licensing of Taxis and Alcohol	Service Audit		8			Cyclical Coverage and previous actions for follow up	The audit will specifically cover the systems in place for Licensing, specifically those arrangements for Taxis and Alcohol licensing. This will be a joint audit with Gosport BC audit team. The scope will be discussed with the audit sponsor.	RE
Clean Borough Enforcement and Abandoned Vehicles	Service Audit			7		Cyclical Coverage – last audited 2008/09	The audit will specifically cover the systems in place for Clean Borough Enforcement and Abandoned Vehicles. The scope will be discussed with the audit sponsor.	RC

Audit Title	Type	2013/14				Reason for Inclusion	Audit Scope/ Additional Comments	Work Group See key at end
		Q1	Q2	Q3	Q4			
Parking Strategic Management and Policy Services	Service Audit				6	Fundamental System and support for external audit work	The audit will specifically cover the systems in place for managing Parking Strategic Management and Policy Services specifically including the collection and reconciliation of income. The scope will be discussed with the audit sponsor.	RC
DEPARTMENT OF COMMUNITY								
Cash Collection & Banking	Fundamental System			8		Fundamental System	The audit will specifically cover the Cash Collection & Banking process and include coverage on the following areas: <ul style="list-style-type: none"> • Legislation, Policies and Procedures; • Cash Transactions and Records; • Cash Collection; • Cash Payments; • Cash Holdings; • Banking; and • Management Reporting. 	SO / FG
Website Content Management	Computer Audits	10				Cyclical Coverage and previous actions for follow up. Launch of new website in 2013	The audit will focus on evaluating the effectiveness and adequacy of internal controls operating in relation to the website content management system. Areas included are as follows: <ul style="list-style-type: none"> • Web site strategy, governance, management and control; • Stakeholder engagement in defining requirements for the council's internet \ intranet; • Security and support arrangements for CMS environment; • Compliance with relevant legislation and guidelines; • Training and support for web editors\contributors; • Use and efficiency of the CMS; • Change control management of content; and • Customer take up of internet site. 	SO
Housing Rents	Fundamental System			6		Fundamental System	The audit will cover the Housing Rents function and include coverage on the following areas: <ul style="list-style-type: none"> • Calculation of rents, in line with the Government Rents Formula and targets; • Billing; • Recording of receipts and correct allocation of income (including garages); • Reconciliations between council's properties and rent 	ST

Audit Title	Type	2013/14				Reason for Inclusion	Audit Scope/ Additional Comments	Work Group
		Q1	Q2	Q3	Q4			See key at end
							<ul style="list-style-type: none"> accounts; • Refunds and Account Adjustments (rent cancellations and rent free weeks); • Accounts in credit; • Rent arrears recovery for both previous and current tenants; and • System Access & ICT Controls. • Segregation of Duties 	
Homelessness	Service Audit				6	Management Request	<p>The audit will specifically cover the systems in place for Homelessness.</p> <p>The scope will be discussed with the audit sponsor.</p>	SH
Leisure Partnership	Service Audit	6				No previous coverage	<p>The audit will specifically cover the systems in place in relation to the Leisure Partnerships with voluntary, statutory and commercial organisations for sport, recreational and community related activities</p> <p>The scope will be discussed with the audit sponsor.</p>	SL
Ferneham Hall	Service Audit			6		High risk audit and previous actions for follow up	<p>The audit will specifically cover the systems in place for Ferneham Hall, particularly in relation to income collection</p> <p>The scope will be discussed with the audit sponsor.</p>	SL
DEPARTMENT OF STREET SCENE								
Public Conveniences	Service Audit		6			Cyclical Coverage – last audited 2000/1	<p>The audit will specifically cover the systems in place for management and control of Public Conveniences.</p> <p>The scope will be discussed with the audit sponsor.</p>	TS
WORK FOR PORTCHESTER CREMATORIUM JOINT COMMITTEE								
Portchester Crematorium	Service Audit	7				Cyclical Coverage and annual certification	Work for Portchester Crematorium in accordance with joint agreement. Fully recharged	
OTHER								
Specific Follow Up	Follow Up	-	-	-	-		N/A	

Audit Title	Type	2013/14				Reason for Inclusion	Audit Scope/ Additional Comments	Work Group See key at end
		Q1	Q2	Q3	Q4			
Contingency	Contingency	-	-	-	-		N/A	
Audit Needs Assessment	-	-	-	-	-		N/A	
Audit Committee	-	2	0.5	0.5	1		This allows for any ad hoc management requirements, including attendance at relevant Committee, Risk Management, Governance Meetings and preparation of the Head of Internal Audit Opinion.	
Audit Management	-	3	3	3	3			
Total		48	52.5	86.5	50			

Work Group Key:

Work Group Reference		Department / Service
FD	-	Department of Finance and Resources
FA	-	Internal Audit
FE	-	Estates
FF	-	Strategic Finance and Procurement
FG	-	Operational Finance
FH	-	Benefits and Revenues
FK	-	Building Maintenance
FT	-	Information & Communication Technology (ICT)
PD	-	Department of Planning & Environment
PF	-	NCNF
PG	-	Regeneration
PR	-	Planning Strategy & Environment
PL	-	Development Management and Trees
TD	-	Department of Street Scene
TS	-	Street Scene Services
TT	-	Transport

Work Group Reference		Department / Service
RD	-	Department of Regulatory and Democratic Services
DP	-	Building Control Partnership
RC	-	Community Safety & Enforcement
RE	-	Environmental Health
RG	-	Legal and Information Management
RL	-	Personnel
RU	-	Facilities
RO	-	Democratic Services
SD	-	Department of Community
SH	-	Strategic Housing
SL	-	Community & Leisure
SO	-	Corporate Services
ST	-	Tenancy Services
SU	-	Customer Service Centre
AA	-	Cross Cutting

Appendix B – Amendments from Original Strategic Plan 2012/13-2014/15

Audit Title	Net Days Effect	Proposed Action	Rationale
External Funding	-7	Remove from planned coverage	Lower risk area in comparison to other audits
Insurance	-2	Reduce allocation	Reduced coverage to just higher risk elements to allow additional high risk audits to be included.
Financial Regulations Limited Compliance Testing	+2	Addition to planned coverage	Time allocation in individual audits remove and replaced by single audit allowing specified requirements from the revised Financial Regulations to be tested for compliance.
Revenues	+2	Increase allocation	To allow for sufficient coverage of high risk areas
Housing and Council Tax benefits	+3	Expand to include Local Council Tax Support System (LCTSS)	New LCTSS to be implemented, high risk due to being a new process
Property Maintenance and Inspection	-7	Remove from planned coverage	Lower risk area in comparison to Management of Tradesmen
Management of Tradesmen	+7	Addition to planned coverage	Higher risk area in comparison to Property Maintenance and Inspection
Computer Audits	-5	Reduce allocation	Allocation can be more effectively spent on General Audit assignments- high level of input in previous years
Planning Contributions	+1	Increase allocation	To allow for coverage of both S106 agreements and Community Infrastructure Levy
Planning Applications	+6	Addition to planned coverage	High risk area and absence from planned 3 year coverage
Training and Development	+2	Increase allocation	To allow for greater coverage of new arrangements to be implemented
Taxis Licensing	-6	Merge audit	To enable efficiencies from joint operation of audit to allow coverage to increase on higher risk elements of other audits
Licensing of Taxis and Alcohol	-6	Merge audit	
Licensing of Taxis and Alcohol	+8	Merge audit	
Parking Strategic Management and Parking Policy	+6	Addition to planned coverage	Strong trend for this to be incorporated as a fundamental system due to the level of income derived and will support external audit work.
Cash Collection and Banking	+1	Increase allocation	To allow for sufficient coverage of high risk areas and to incorporate any changes to the processes
CSC Process	-5	Remove from planned coverage	Due to upcoming review of the area by external consultants and to incorporate higher risk audits

Appendix C – New Strategic Plan 2012/13 – 2014/15

Audit Title	Type	Financial Year			Work Group
		2012/13	2013/14	2014/15	
DEPARTMENT OF FINANCE & RESOURCES (F)					
Risk Management	Risk Management		6		FA
Financial Regulations Limited Compliance Testing	Corporate and Partnership		2	5	FA/ AA
Ordering & Payment of Invoices	Fundamental System	7	7	7	FG/AA
Invoicing & Collection of Income Receivable	Fundamental System	9	9	9	FG/AA
Payroll	Fundamental System	7	7	7	FG/RL
Electronic Expenses	Fundamental System	3			FG
Main Accounting & budgetary control	Fundamental System	12	10	12	FG / FF
Contract Completion (Final Accounts)	Contract and Specialist Audit			5	FG
Treasury Management	Fundamental System	6	6	6	FF
Efinancials Application Review	Computer and Information Audits		7		FF
Orchard Housing & Direct Works Systems Application review	Computer and Information Audits			10	FF/FK
Procurement Cards	Service Audit	4			FF
Insurance	Service Audit		5		FF
Capital Project Management	Corporate and Partnership	8			FF / FE
Commercial Estates	Service Audit	7			FE
Fixed Assets	Fundamental System		6		FE/FF
Revenues	Fundamental System	10	12	10	FH
Equality and Diversity	Corporate and Partnership			7	FH
Housing Benefits & DIPS	Fundamental System	7	10	10	FH
Responsive Repairs contract	Contract Audit and Other Specialist	7			FK
Management of Tradesmen	Service Audit		7		FK
IT Recommendations Follow Up	Computer and Information Audits	2			FT
Network Security and Infrastructure	Computer and Information Audits	10			FT
Telecommunications	Computer and Information Audits	10			FT
GIS post implementation review	Computer and Information Audits	8			FT / PL
Remote Access	Computer and Information Audits		8		FT
MS Exchange and Email	Computer and Information Audits			10	FT
DEPARTMENT OF PLANNING & ENVIRONMENT (P)					

Audit Title	Type	Financial Year			Work Group
		2012/13	2013/14	2014/15	
Planning Enforcement	Service Audit	7			PL
Planning Contributions	Service Audit		8		PL
Planning Applications	Service Audit		6		PL
Town Centre Management	Service Audit		7		PG
Markets	Service Audit			7	PG
Planning Policy and LDF	Service Audit			7	PR
Coastal Protection and Land Drainage	Service Audit		6		PR
DEPARTMENT OF REGULATORY & DEMOCRATIC SERVICES (R)					
Cleaning and Caretaking	Service Audit			7	RU
Misc Democratic	Service Audit	5			RO
Legal Services Contract	Contract Audit and Other Specialist	8			RG
Performance Management	Corporate and Partnership		8		RL
Training and Development	Corporate and Partnership		8		RL
Health and Absence Management	Corporate and Partnership			7	RL
Payroll Application Review	Computer and Information Audits			10	RL/FG
Corporate Health and Safety	Corporate and Partnership Audit	8			RE
Pest Control	Service Audit	5			RE
Licensing of Taxis and Alcohol	Service Audit		8		RE
Parking Strategic Management and Policy Services	Service Audit	6	6		RC
Clean Borough Enforcement and Abandoned Vehicles	Service Audit		7		RC
Building Control Enforcement	Service Audit			7	DP
Emergency Planning	Service Audit			5	RD
Business Continuity	Corporate and Partnership			6	RD
DEPARTMENT OF COMMUNITY					
Data Protection	Computer and Information	7			SO
Cash Collection & Banking	Fundamental System	7	8	7	SO
CSC Process	Service Audit	5			SO
Partnership Governance	Corporate and Partnership Audit			7	SO
Website Content Management	Computer and Information Audits		10		SO
Postal Services	Service Audit	6			SU
Community Development	Service Audit	7			SL

Audit Title	Type	Financial Year			Work Group
		2012/13	2013/14	2014/15	
(Safeguarding)					
Disabled Facilities Grants	Service Audit	6			SH
Housing Rents	Fundamental System	6	6	6	SH
Homelessness	Service Audit		6		SH
Registered Social Landlord	Service Audit			7	SH
Tenancy Management	Service Audit			7	SH
Leisure Partnership	Service Audit		6		SL
Ferneham Hall	Service Audit	3 (follow up)	6		SL
Fore Shore (Beach Hut Income)	Service Audit			4	SL
DEPARTMENT OF STREET SCENE					
Public conveniences	Service Audit		6		TS
Parks and Open Spaces	Service Audit			6	TS
Vehicle Management	Service Audit			6	TD
OTHER					
Specific Follow Up	Follow Up	6	-	5	
Contingency	Contingency	-	-	1	
Audit Needs Assessment	-	4		4	
Audit Committee	-	5	4	4	
Audit Management	-	12	12	12	
Total		230	230	230	

Appendix D - Staff Interviewed

- Andrew Wannell - Director of Finance and Resources
- Elaine Hammell - Head of Audit and Assurance
- Graham Lloyd - Head of Estates
- Peter Harper - Head of ICT
- Richard Jolley - Director of Planning and Environment
- Linda Jewell - Head of Planning Strategy and Environment
- Selina Crocombe - Head of New Community North Fareham
- Patricia Gray - Fareham Town Centre Manager
- Garry White - Director of Regulatory and Democratic Services
- Ian Rickman - Head of Environmental Health
- Kevin Wright - Head of Community Safety and Enforcement
- Leigh Usher - Head of Democratic Services
- Sarah Robinson - Head of Personnel and Development
- Martyn George - Director of Community
- Lindsey Ansell - Head of Corporate Services
- Mark Bowler - Head of Leisure and Community
- Paul Doran - Director of Street Scene

Not Able to Meet during this Planning Period

- Andrew Fiske - Head of Strategic Housing
- Lee Smith - Head of Development Management and Trees

Interviewed in previous years as part of cyclical planning:

- Caroline Quirk - Head of Revenues and Benefits
- John Shaw - Head of Building Control
- Jon Shore - Tenancy Services Manager

Appendix E – Areas of Audit Universe Not Covered within last Three Years or Proposed Two Year Plan

Covered in 2010/11 and 2011/12 or In-house Plan	NO AUDIT COVERAGE IN 5 YEARS		
	Has had previous coverage (year)	No / limited previous coverage since 1997/8	Total
Corporate and Partnership			
Freedom of Information	Grant Claims (2006/07)	Advertising and Sponsorship	
Corporate Governance		Community Consultation	
Performance Indicators		Community Strategy	
Anti- Fraud and Corruption		Value for Money	
RIPA		Conditions of Service	
		Equal Opportunities - Employees	
		Employee Termination	
	1	7	8
Computer and Information			

Covered in 2010/11 and 2011/12 or In-house Plan	NO AUDIT COVERAGE IN 5 YEARS		
	Has had previous coverage (year)	No / limited previous coverage since 1997/8	Total
ICT Business Continuity	Software Control (2003/04)	ICT Strategy	
Revenues and Benefits system (Northgate)	Information Security Policies and Standards (2008/09)	Database Administration	
Fuel System	Information Governance (2009/10)	Computer Misuse	
Environmental Health and Planning System (Ocella)	Windows Operating System (2006/07)		
Cash Management System (AIM)	Wireless Network (2005/06)		
Document Management System (CFS/ BPMS)	Equipment Management (2007/08)		
Main Computer Installation	ICT Procurement (1999/00)		
Systems Development	PC End User Support (2009/10)		
Server Virtualisation	Estates System (Technology Forge) (2009/10)		
Access Controls	Elections System (Express) (2004/05)		
Change Management	Ferneham Hall System (Databox) (2008/09)		
	Customer Service Centre System (CRM) (2006/07)		
	12	3	15

Covered in 2010/11 and 2011/12 or In-house Plan	NO AUDIT COVERAGE IN 5 YEARS		
	Has had previous coverage (year)	No / limited previous coverage since 1997/8	Total
Contracts and Specialist			
Sustainability	Procurement (2006/07)	Contract Appraisal & Design	
Approved Lists and Tendering	Liquidated Damages (2009/10)	Consultants	
Capital Expenditure and Accounting	External Funding (2007/08)		
VAT & PAYE	Construction Industry Tax (2008/09)		
	4	2	6
Service - Public			
Democratic representation	Civic Expenses (1999/00)	Publicity & Promotion	
Land Charges	Warden Services (2006/07)	Welfare Services	
Benefit Fraud Investigation	Housing Communal Services (2002/03)	Private Sector Housing Renewal	
Housing Allocations	Economic Development (2008/09)	Housing Strategy	
Household Waste Collection and Recycling	Street Cleansing (2007/08)	Meals on Wheels	
Trade Waste Collection & Recycling	Dog Control (2008/09)	War Memorials and Public Clocks	
Food Safety and Health and Safety	Leisure Card (1999/00)	Tourism	

Covered in 2010/11 and 2011/12 or In-house Plan	NO AUDIT COVERAGE IN 5 YEARS		
	Has had previous coverage (year)	No / limited previous coverage since 1997/8	Total
Community Safety	Cemeteries and Burial Grounds (2007/08)	Allotments	
CCTV	Community Centres (2008/09)	Countryside Service	
On Street Parking	Leisure Centre Trust (2008/09)	Westbury Manor Museum	
Traffic Management - Policy	Outdoor Recreation (2007/08)	Community Schools	
Building Control	Grants and Contributions (2009/10)	Street Furniture	
Planning Advice	Elections (2007/08)	Pollution Reduction	
Planning Appeals	Electoral Registers (2008/09)	Individual Environmental Projects	
Home Energy Conservation	Neighbourhood working & CATS (2009/10)	Tree Service	
	Public Transport (2008/09)	Historic Environmental Services	
	Right To Buy (2007/08)	Sustainable Development Strategies	
	Leased Properties (2008/09)	Traffic Management Operation	
		Garden Waste	

Covered in 2010/11 and 2011/12 or In-house Plan	NO AUDIT COVERAGE IN 5 YEARS		
	Has had previous coverage (year)	No / limited previous coverage since 1997/8	Total
		Henry Cort	
	18	20	38
Service - Internal			
Petty Cash	Car loans (2002/03)	Trust funds	
	Controlled Stationery (2009/10)	Stationery	
	Printing (2007/08)	Time recording	
	Recruitment and Selection (2007/08)	Property Maintenance & Inspection - other buildings	
	Property Maintenance and Inspections – depot (2004/05)	Property Maintenance & Inspection - civic offices	
	Staff Refreshments (2009/10)		
	6	5	11
	TOTAL		78

Statement of Responsibility

We take responsibility for this report which is prepared on the basis of the limitations set out below.

The matters raised in this report are only those which came to our attention during the course of our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of internal audit work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices. We emphasise that the responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Internal auditors, in conducting their work, are required to have regards to the possibility of fraud or irregularities. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas as identified by management as being of greatest risk and significance and as such we rely on management to provide us full access to their accounting records and transactions for the purposes of our internal audit work and to ensure the authenticity of these documents. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system. The assurance level awarded in our internal audit report is not comparable with the International Standard on Assurance Engagements (ISAE 3000) issued by the International Internal audit and Assurance Standards Board.

Deloitte & Touche Public Sector Internal audit Limited

February 2013

In this document references to Deloitte are references to Deloitte & Touche Public Sector Internal audit Limited.

Registered office: Hill House, 1 Little New Street, London EC4A 3TR, United Kingdom. Registered in England and Wales No 4585162.

Deloitte & Touche Public Sector Internal audit Limited is a subsidiary of Deloitte LLP, the United Kingdom member firm of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, whose member firms are legally separate and independent entities. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

Member of Deloitte Touche Tohmatsu Limited