

Audit & Governance Committee 18 September 2013

Progress against Quarter 1 & 2 Plan 2013/14 & Quarter 3 Plan

Directorate	Qtr Start	Audit	Progress as at 18 June 2013 (Bold = complete)
CEF	1	<p>CEF Governance and Financial Management</p> <p>This is an annual audit to review governance and financial management arrangements in place within each directorate. The programme of work will be completed over the whole year, and will include areas such as <i>Financial Management including budget setting & control, Structure and Authority, Information Governance, Business Management, Business Continuity, Human Resources and Legislation.</i></p> <p>During Quarter 1, Internal Audit will review the area of <u>Budget Setting</u>. A separate audit is also planned to start in quarter 1 which look to provide assurance on the system for Review of Charges within each directorate.</p>	<p>Budget Setting - Final Corporate report - overall conclusion = Acceptable</p> <p>Review of Fees and Charges - Final Corporate report - overall conclusion = Issues</p>
CEF	1	<p>CEF - Assurance Mapping</p> <p>During quarter 1 Internal Audit will be developing the methodology for undertaking an exercise to map out the assurance framework for all key services within the County Council, initially focussing on CEF.</p> <p>It will be a major piece of work, but the outcome should provide management with a high level review of the management controls in place to assure them that service objectives and outcomes will be met, or to provide the early warnings when action is required. Where gaps in the assurance framework are identified this will be used to direct future internal audit activity.</p>	Fieldwork stage
CEF	1	<p>CEF Troubled Families Grant</p> <p>This is a new grant which Internal Audit are required to sign off, first submission</p>	Summer return - Final - ACCEPTABLE.

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		of a small sample of families was reviewed and signed off in January 2013. Audit Manager will continue to advise on design of controls for data collection and reporting prior to summer return being made.	Autumn Return - ongoing
CEF	2	SEN Funding The audit will look to provide assurance over the current systems for distribution of SEN funding reviewing processes from assessment of need through to allocation and payment over of funding.	Fieldwork
CEF	2	SEND Project The SEND Reforms Programme is concerned with developing and implementing an appropriate response to the Children and Families Bill. The Audit Manager will work the Project Manager and the Deputy Director to agree appropriate Internal Audit involvement, particularly in the review of the work streams and design of new processes in relation to the new Education, Health and Care Plans and Personal Budgets.	On-going
CEF	2	CEF Governance and Financial Management An establishment audit of a CEF Hub will be undertaken to provide assurance on compliance at service/team based level with key governance, HR and Financial policies and procedures.	Visit booked
CEF	2	CEF Governance and Financial Management The audit of Information Governance will be undertaken across all directorates.	Fieldwork
CEF	2	CEF Governance and Financial Management The audit of Risk and Performance Management will be undertaken across all directorates. This is planned to start at the end of quarter 2.	Scoping

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Directorate	Qtr Start	Audit	Progress as at 18 June 2013 (Bold = complete)
CEF	2	<p>Outdoor Centre Shops</p> <p>This was an addition to the quarter 2 plan. It involved a desktop review of the internal controls and policies in operation at the outdoor centre shops.</p>	<p>Final (no overall conclusion, however management actions arising)</p>
SCS	1	<p>SCS Governance and Financial Management</p> <p>This is an annual audit to review governance and financial management arrangements in place within each directorate. The programme of work will be completed over the whole year, and will include areas such as Financial Management including budget setting & control, Structure and Authority, Information Governance, Business Management, Business Continuity, Human Resources and Legislation.</p> <p>During Quarter 1, Internal Audit will review the area of Budget Setting. A separate audit is also planned to start in quarter 1 which look to provide assurance on the system for Review of Charges within each directorate.</p>	<p>Budget Setting - Final Corporate report - overall conclusion = Acceptable</p> <p>Review of Fees and Charges - Final Corporate report - overall conclusion = Issues</p>
SCS	1	<p>LEAN project</p> <p>The Audit Manager will review the scoping of the new project which aims to review and re-design processes in Adult Social Care to ensure they are lean, appropriate and in line with future direction of the service. Future Internal Audit involvement will be agreed to include review of draft "to-be" processes and also review of system mapping exercise.</p>	On-going
SCS	1	<p>NHS Information Governance Toolkit (IGT)</p> <p>S&CS access to NHS networks and systems is dependent upon them complying with NHS IGT requirements. This audit will review the compliance with those requirements</p>	Final - ISSUES
SCS	2	<p>Adult Social Care Information System</p> <p>Internal Audit involvement in the procurement of a new Adult Social Care system</p>	Ongoing

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Directorate	Qtr Start	Audit	Progress as at 18 June 2013 (Bold = complete)
		to be agreed with the Deputy Director.	
SCS	2	<p>Social Fund</p> <p>From the 1st April 2013, Oxfordshire County Council introduced a new scheme to provide local welfare assistance to vulnerable people living in Oxfordshire. The Oxfordshire Support Fund replaced the 'community care grant' and 'crisis loan' schemes that have been part of the Social Fund. The audit will provide assurance over the accuracy and integrity of the management information provided over the operation of the new fund.</p>	Deferred until quarter 3.
SCS	2	<p>Adult Social Care Management Controls</p> <p>The audit will follow up on the findings from 2012/13 audit of Adult Social Care Management Controls and test implementation of the actions raised.</p> <p>The audit will also look to review assurance mechanisms in place as to whether key safeguarding controls are operating effectively.</p>	Scoping
SCS	2	<p>CEF Governance and Financial Management</p> <p>An establishment audit of both an LD and OP Day Centre will be undertaken to provide assurance on compliance at service/team based level with key governance, HR and Financial policies and procedures.</p>	Both audits - fieldwork stage
SCS	2	<p>CEF Governance and Financial Management</p> <p>The audit of Information Governance will be undertaken across all directorates.</p>	Fieldwork
SCS	2	<p>CEF Governance and Financial Management</p> <p>The audit of Risk and Performance Management will be undertaken across all directorates. This is planned to start at the end of quarter 2.</p>	Scoping

Directorate	Qtr Start	Audit	Progress as at 18 June 2013 (Bold = complete)
OFRS	1	<p>OFRS – Joint Fire Control</p> <p>The Audit Manager will continue to work with the project manager in reviewing the progress against key stages of the project implementation. Specific audit activity will be agreed which will include review of the project management governance arrangements.</p>	On-going
OFRS	2	<p>OFRS - Governance and Financial Management</p> <p>An audit of the OFRS Stores to provide assurance over stock procurement and control procedures.</p>	Fieldwork
CEO	1	<p>CEO Governance and Financial Management</p> <p>This is an annual audit to review governance and financial management arrangements in place within each directorate. The programme of work will be completed over the whole year, and will include areas such as <i>Financial Management including budget setting & control, Structure and Authority, Information Governance, Business Management, Business Continuity, Human Resources and Legislation.</i></p> <p>During Quarter 1, Internal Audit will review the area of <u>Budget Setting</u>. A separate audit is also planned to start in quarter 1 which look to provide assurance on the system for Review of Charges within each directorate.</p>	<p>Budget Setting - Final Corporate report - overall conclusion = Acceptable</p> <p>Review of Fees and Charges - Final Corporate report - overall conclusion = Issues</p>
CEO	2	<p>Treasury Management</p> <p>An annual review to test the key controls to provide assurance that council funds are being effectively managed to support the delivery of council operations and to maximise investment opportunities for cash surpluses. The audit will also consider the control implications of the move to Lloydslink Online.</p>	Carried forward to qtr 3.
CEO	2	<p>CEO Governance and Financial Management</p>	Fieldwork

Directorate	Qtr Start	Audit	Progress as at 18 June 2013 (Bold = complete)
		The audit of Information Governance will be undertaken across all directorates.	
CEO	2	CEO Governance and Financial Management The audit of Risk and Performance Management will be undertaken across all directorates. This is planned to start at the end of quarter 2.	Scoping
EE	1	EE Governance and Financial Management (including Customer Services) This is an annual audit to review governance and financial management arrangements in place within each directorate. The programme of work will be completed over the whole year, and will include areas such as Financial Management including budget setting & control, Structure and Authority, Information Governance, Business Management, Business Continuity, Human Resources and Legislation. During Quarter 1, Internal Audit will review the area of Budget Setting. A separate audit is also planned to start in quarter 1 which look to provide assurance on the system for Review of Charges within each directorate.	Budget Setting - Final Corporate report - overall conclusion = Acceptable Review of Fees and Charges - Final Corporate report - overall conclusion = Issues
EE	1	Integrated Transport Unit The review will focus on the management and operations within the Integrated Transport Unit. The service delivers transport for eligible clients wishing to attend residential care homes, day centres and adult training centres for people with learning disabilities. The audit will also review the ITU Business Plan for the provision of transport to day services and the services provided to SCS.	Carried forward to qtr 3.
EE	1	Property and FM Contract Internal Audit will continue to review the governance arrangements for this contract, and specifically in Q1 will, in conjunction with the contract management team, undertake a detailed "audit" of the final accounts for a number of works.	Final Report – ISSUES

Directorate	Qtr Start	Audit	Progress as at 18 June 2013 (Bold = complete)
		This will include going back to prime accounting records held by CCS.	
EE	1	<p>Property and Facilities Management Contract (Year End Closedown)</p> <p>During March 2013, Internal Audit was notified of an issue regarding the financial closedown process for the Property and Facilities Management contract. The audit focussed on reviewing on the interim payment process to ensure the year end closedown process could take place.</p> <p>The audit also reviewed the task order process in place with a view to identifying any process improvements.</p>	Final Report – ISSUES
EE	1	<p>Highways Contract</p> <p>This audit will review the management and operation of the Highways Contract with Atkins. The audit will focus on the contract management controls, performance and financial processes in place.</p>	Exit Meeting
EE (incl OCS)	2	<p>EE Governance and Financial Management</p> <p>The audit of Information Governance will be undertaken across all directorates.</p>	Fieldwork
EE (incl OCS)	2	<p>EE Governance and Financial Management</p> <p>The audit of Risk and Performance Management will be undertaken across all directorates. This is planned to start at the end of quarter 2.</p>	Scoping
EE	2	<p>Capital Programme Management & Delivery</p> <p>The audit is a high level review of the capital programme to understand and test the methodology used for the progression of schemes and to ascertain management of the capital programme and its delivery.</p>	Carried forward to qtr 3.
EE	2	<p>Local Enterprise Partnership</p> <p>The aim of the Local Enterprise Partnership (LEP) is to help determine local</p>	Fieldwork stage

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Directorate	Qtr Start	Audit	Progress as at 18 June 2013 (Bold = complete)
		economic priorities and lead economic growth and job creation within its local area. The audit will review the objectives, priorities and governance processes in place for the LEP in Oxfordshire, including any accounting arrangements.	
EE (OCS)	1	<p>Transforming Oxfordshire Customer Services</p> <p>The review will cover the overall governance and programme management arrangements in place within the TOCS programme. For quarter one, the audit will cover the process and approval mechanism for the outcome of the service reviews currently being conducted. Further work will be completed during the remainder of 2013/14, depending on the outcome and recommendations of the service review process.</p> <p>Additionally, an overview of the Customer Service Centre Programme will also be maintained with testing being undertaken on any key changes to processes and internal controls, as required.</p>	Final Report – ACCEPTABLE
EE (OCS)	1	<p>Reshaping Finance</p> <p>The audit will review the project to deliver changes to the financial management processes within the Council. The review will focus on how the changes are implemented and communicated across the organisation.</p>	See Transforming Oxfordshire Customer Services above
EE (OCS)	1	<p>HR Self Service</p> <p>Internal Audit will provide advice and support in delivering the objectives of the HR Self Service Project. This will include providing assurance on the design of any new key process or changes relating to the four work streams of the project:</p> <ul style="list-style-type: none"> - Personal Details Management (including Bank Details). - Travel and Expense Management. - Sickness and Absence Management. - E-Payslips. 	See Transforming Oxfordshire Customer Services above

Directorate	Qtr Start	Audit	Progress as at 18 June 2013 (Bold = complete)
EE (OCS)	1	<p>Procurement Improvements Project</p> <p>From April 2013, the remaining improvements and actions as part of the PIP will be managed in house. This audit will monitor the remaining deliverables of the PIP, reviewing changes to processes, in particular the design of controls and reporting, as required, to the Project Board.</p> <p>Once operational, testing will be undertaken on the revised procurement processes in place.</p>	See Transforming Oxfordshire Customer Services above
EE (OCS)	1	<p>Schools Finance & Technical Team (Part 2)</p> <p>The Schools Support and Technical Team is the main provider of assurance on the performance of financial management at schools. This audit will follow up on the 2012/13 review, focussing on the effectiveness of the budget monitoring and financial management arrangements in place.</p>	Final Report – ACCEPTABLE
EE (OCS)	1	<p>Mobile Computing</p> <p>To review the security of data held and processed on mobile devices, such as tablets, laptops and smartphones. There has been significant growth in the use of mobile devices and it remains a key risk area, especially in terms of compliance with the Data Protection Act 1998.</p>	Final Report – ISSUES
EE (OCS)	1	<p>Microsoft Dynamics</p> <p>MS Dynamics will replace a number of local systems based on Excel spreadsheets and Access databases. It will also be used as the CRM (Customer Relationship Management) solution.</p> <p>The audit will review the governance for implementing Microsoft Dynamics and the controls being applied.</p>	Draft Report

Directorate	Qtr Start	Audit	Progress as at 18 June 2013 (Bold = complete)
EE (OCS)	2	<p>Transforming Oxfordshire Customer Services</p> <p>The audit will continue to review the overall governance and programme management arrangements in place within the TOCS programme. For quarter two, the audit will consider the approved outcome of the service commissioning review and the next stages of this process. The audit will also review the key programme streams in terms of monitoring delivery within timescale and reviewing any new or changes to existing process. The key streams include:</p> <ul style="list-style-type: none"> - Reshaping Finance: the new structure is due to be implemented by September, with process currently being designed. - HR Self Service: the next stage of the project is the implementation of expense claims (due July) and sickness management (due October). - Procurement Improvements Project: the PIP action plan is due to be completed by the end of September. <p>Additionally, an overview of the Customer Service Centre Programme will also be maintained with testing being undertaken on any key changes to processes and internal controls, as required.</p>	Fieldwork stage
EE (OCS)	2	<p>Microsoft Sharepoint</p> <p>MS SharePoint will replace the IBM document management solution. It will also be used for collaborating with external suppliers. The audit will review the implementation of the system and provide assurance over security and controls.</p>	Draft Report
Public Health	1	<p>Public Health</p> <p>This is not a specific audit, but Internal Audit are monitoring the on-going project for the mobilisation of Public Health responsibility to the Council with effect from April 2013. Future Internal Audit activity to be agreed.</p>	On-going

Directorate	Qtr Start	Audit	Progress as at 18 June 2013 (Bold = complete)
Public Health	2	<p>Public Health Contracts</p> <p>Public Health has to re-let all contracts by 31 March 2014. Internal Audit involvement is currently being agreed.</p>	Scoping
Public health	2	<p>PH Governance and Financial Management</p> <p>The audit of Information Governance will be undertaken across all directorates.</p>	Fieldwork
Public Health	2	<p>PH Governance and Financial Management</p> <p>The audit of Risk and Performance Management will be undertaken across all directorates. This is planned to start at the end of quarter 2.</p>	Scoping
Contract Audit	1	A needs assessment for contract audit is being undertaken from which a detailed plan will be produced. Key contracts within E&E are already highlighted for review in Q1	On-going
Counter-Fraud	1	<p>During Q1 the main focus of the Counter-Fraud activity will be undertaking a full fraud risk assessment. This will be used to highlight priority areas for proactive fraud testing. The results of the fraud risk assessment and proactive testing plan will be presented to the A&G Committee in July.</p> <p>We will be refreshing the Counter-fraud plan, and will continue with the Directorate presentations aiming to raise awareness of whistleblowing and counter-fraud responsibilities.</p> <p>We will also continue reviewing the NFI data matches highlighted from the 2012 NFI Data Matching exercise.</p>	On-going
Addition to qtr 1 plan - Trading Standards - Grant	1	<p>Trading Standards - NTSB Grant Claim Certification</p> <p>Internal Audit were required to sign of the Grant Claim being made by Trading Standards.</p>	Completed - no issues arising.

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Quarter 3 - 2013/14 Internal Audit Plan

Directorate	Qtr Start	Audit
CEF	3	<p>Child View System</p> <p>The Child View system is a major upgrade to the current Youth Offending Information System (YOIS). It is a priority 1 system and holds sensitive client data. It has not been subject to any previous IT audit. The audit will review the security and governance arrangements over the system.</p>
CEF	3	<p>CEF Governance and Financial Management</p> <p>Testing will be completed in the area of Authority & Governance. This will include review of schemes of delegation / SAP.</p> <p>Review of programme and project management across all directorates will be completed.</p>
CEF	3	<p>CEF - Specific projects</p> <p>Internal Audit involvement with other major projects within the directorate to be agreed with Deputy Directors. For example MASH (Multi Agency Safeguarding Hubs).</p>
SCS	3	<p>SCS Governance and Financial Management</p> <p>Testing will be completed in the area of Authority & Governance. This will include review of schemes of delegation / SAP.</p> <p>Review of programme and project management across all directorates will be completed.</p>
SCS	3	<p>SCS - Specific projects</p> <p>Internal Audit involvement with other major projects within the directorate to be agreed with Deputy Directors.</p>

CEO	3	<p>CEO Governance and Financial Management</p> <p>An establishment based audit of a Museum will be undertaken to provide assurance on compliance with key governance, HR and financial policies and procedures.</p> <p>Testing will be completed in the area of Authority & Governance. This will include review of schemes of delegation / SAP.</p> <p>Review of programme and project management across all directorates will be completed.</p>
CEO	3	<p>Severance</p> <p>This is a short review on a sample number of severance cases, as selected by external audit. This work is being managed by external audit, with the detail analysis being undertaken by the Audit team.</p>
CEO	3	<p>ACCE</p> <p>This work is an audit of the Association of County Chief Executives accounts, of which Oxfordshire County Council is the allocated auditor.</p>
CEO	3	<p>Pensions Fund</p> <p>Annual review to provide assurance that the Pension Fund is being managed effectively.</p>
EE	3	<p>EE Governance and Financial Management (including Customer Services)</p> <p>During quarter 3 an establishment / service based audit will be undertaken in EE/OCS to provide assurance on compliance with key governance, HR and financial policies and procedures.</p> <p>Testing will also be completed in the area of Authority & Governance. This will include review of schemes of delegation / SAP.</p> <p>Review of programme and project management across all directorates will be completed.</p>
EE	3	<p>Highways Transfer</p> <p>Atkins was awarded the Oxfordshire Highways Partnership contract in April 2010. The scope of the contract</p>

		<p>covers highway maintenance, design services and construction. Atkins has notified the Council of its intention to sell the operational services part of the UK Highways & Transport business to Skanska. The County Council has to agree with the proposed transfer in order for it to take effect in respect of the specific contract between Atkins and Oxfordshire County Council.</p> <p>The audit will review the risk management arrangements in place for managing the transfer of the current highways service.</p>
EE	3	<p>Property and FM Contract (Deep Dive)</p> <p>Following on from the Property and FM contract audit and the Year End Closedown review completed earlier this year, this audit will focus on reviewing the effectiveness of the task order process, including a review of the accuracy and completeness of the necessary supporting documentation.</p>
EE (OCS)	3	<p>Transforming Oxfordshire Customer Services</p> <p>The audit will continue to review the overall governance and programme management arrangements in place within the TOCS programme. For quarter three, the audit will consider the outcome of the soft market testing exercise and the next stages of this process. The audit will also review the key programme streams in terms of monitoring delivery within timescale and reviewing any new or changes to existing process. The key streams include:</p> <ul style="list-style-type: none"> - Reshaping Finance: the new structure is due to be implemented early September, with the operating model going live in October. - HR Self Service: the next stage of the project is the implementation of sickness management (due October) and absences (December). - Procurement Improvements Project: the PIP action plan is due to be completed by the end of September. <p>Additionally, an overview of the Customer Service Centre Programme will also be maintained with testing being undertaken on any key changes to processes and internal controls, as required.</p>
EE (OCS)	3	<p>Pensions Admin</p> <p>The audit is an annual review aimed at testing the key controls providing assurance that members' records</p>

		are accurately maintained and that payment through the pension's payroll are accurate and made on a timely basis to legitimate pensioners only. This audit will also consider the processes for the admission and withdrawal of organisations to and from the pension fund.
EE (OCS)	3	<p>Hosted Services</p> <p>The OCC data centre, which houses the majority of the Authority's computing services, is located at Clarendon House. The lease for Clarendon House is due to expire in July 2014 and is not being renewed. There are plans to move the IT equipment from the data centre and have it externally hosted by a third-party. The audit will review the controls over current and proposed hosting arrangements.</p>
Public Health	3	<p>PH Governance and Financial Management</p> <p>Testing will be completed in the area of Authority & Governance. This will include review of schemes of delegation / SAP.</p> <p>Review of programme and project management across all directorates will be completed.</p>