

Internal Audit
2009/10 Internal Audit Plan
London Borough of Brent
March 2009



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Executive Summary

Introduction	<p>This report sets out the proposed Internal Audit Plan for the 2009/10 financial year.</p> <p>As per the previous two financial years, the Plan will continue to be delivered through a partnership of the Council's in-house team and Deloitte & Touche Public Sector Internal Audit Ltd.</p> <p>The report covers the following:</p> <ul style="list-style-type: none">• How the total number of Plan days has been determined;• Cost savings being achieved compared to the 2008/09 Plan;• How the detailed Plan has been formulated; and• How the Plan will be monitored for ongoing relevance during the course of the year. <p>The plan itself is set out at Appendix A. This includes an indication as to the proposed coverage for each individual audit and the proposed timing across the four quarters. These may be subject to change dependent upon further discussion with key officers.</p> <p>Changes may also be required to ensure ongoing relevance in light of new or emerging risk areas and the council's change programme. Any significant revisions will be communicated to Members at scheduled Committee meetings.</p> <p>The proposed Internal Audit Plan for Brent Housing Partnership (BHP) will be presented separately to BHP's Audit & Finance Sub-Committee for formal approval. The plan days for BHP are included in the overall audit plan.</p>
Total Plan Days	<p>The Plan is based on a total of 1,211 days, the breakdown of this being shown in the table on the following page.</p> <p>It should be noted that this includes a total of 35 Deloitte days and 10 in-house days carried forward from the 2008/09 Plan. This position has been agreed with the Head of Audit & Investigations. The days represent the remaining balance of contingency days from the 2008/09 Plan. Whilst every effort has been made to identify further work to fully utilise these days during 2008/09, a decision has been made that greater value will now be achieved from carrying these forward to 2009/10, so as to help resource the remaining FMSiS (Financial Management Standard in Schools) assessments which require completion by 31 March 2010. As discussed in the latest 2008/09 Internal Audit Progress Report, a further 25 primary schools still require assessment in 2009/10. As can be seen from the following table, this requires an allocation of 110 days, equating to approximately 10% of the total Plan days. The 45</p>

days will help to reduce the impact of these assessments in terms of minimising the extent to which resources need to be diverted away from the rest of Children & Families and the other Service Areas.

Source	Number of Days
In-House Team	250
Deloitte (original contract days for 2009/10)	726
Deloitte (additional annual days as per variation order)	190
Carried forward days from 2008/09 – Deloitte Days	35
Carried forward days from 2008/09 – In-House Days	10
Total	1,211

For reference purposes, this compares to a total of 1,220 days in 2008/09, the breakdown of which is shown below. It should be noted that there was a similar carry forward of 30 days between 2007/08 and 2008/09. This was also agreed on the basis of it reducing the impact of the FMSiS assessments.

Source	Number of Days
In-House Team	250
Deloitte (original contract days for 2009/10)	750
Deloitte (additional annual days as per variation order)	190
Carried forward days from 2007/08	30
Total	1,220

Cost Savings Compared to 2008/09

Focusing purely on the proportion of the Plan to be delivered by Deloitte, there is a cost saving being realised in comparison to the 2008/09 Plan, of £7,030. This is broken down as follows:

Source	Plan Days 2007/08	Cost 2007/08	Plan Days 2008/09	Cost 2008/09
Deloitte (original contract days for 2009/10)	750	£246,220	726	£238,220
Deloitte (additional annual days as per variation order)	190	£55,100	190	£55,100
Carried forward days (to reduce the impact of remaining FMSiS assessments)	30	£9,180	35	£10,150
Total	970	£310,500	951	£303,470

Formulating the Plan

A number of factors have been taken into account in formulating the Plan. These include the following:

- Inclusion of any key financial systems judged to require completion on an annual basis in order to inform the work of External Audit;
- Consideration of key risk areas across the Council, as determined through Internal Audit's own assessment of risk, as well as liaison with Directors and Assistant Directors across the Service Areas;
- Consideration of key projects and developments taking place across the Council. This includes, but is not necessarily limited to: capital projects; transformation work; and the various One Council / Improvement & Efficiency reviews taking place;
- Consideration of areas of known weakness, as determined through previous internal audit work or through past instances of fraud dealt with by the Investigations Team; and
- Inclusion of days needed to complete the full compliment of primary schools requiring assessment against the FMSiS prior to 31 March 2010.

The Plan itself has been aligned to the Council's revised organisational structure, taking account of the new Business Transformation Department and the various movements between existing Service Areas. The break down of the total days is shown in the table below. Within this table, specific elements within

three of the Service Areas have been shown as follows:

- The number of days allocated to FMSiS assessments within Children & Families;
- The split between Housing and Adult Social Care within Housing & Community Care; and
- The number of days allocated to IT audit work within Business Transformation.

Service Area	Days
Cross Council Audits	70
Finance & Corporate Resources	108
Children & Families	220
FMSiS (110)	
Environment & Culture	107
Housing & Community Care	166
Housing (55)	
Adult Social Care (111)	
Business Transformation	206
IT (146)	
Policy & Regeneration	45
Communication & Diversity	10
Borough Solicitor	12
Brent Housing Partnership	128
Follow-Up	40
Deloitte Contract Management	85
Contingency	14
Total	1,211

Liaison with Directors and Assistant Directors has specifically been achieved through attendance at the following:

- Environment & Culture Board;
- Children & Families DMT;
- Housing & Community Care DMT;

In addition, input has been received from the following:

- Deputy Director of Finance & Corporate Resources;
- Head of Financial Management;
- Director of Communication & Diversity;
- Business Manager for Legal & Democratic Services (plus input from the Borough Solicitor);
- Head of The People Centre;
- Head of Procurement Strategy & Risk Management;
- ITU Operations Manager in relation to the IT Plan; and
- Financial Controller and Financial Operations Manager in relation to the Brent Housing Partnership (BHP) Plan, plus input from the Director of Finance for BHP.

A meeting is yet to take place with the Assistant Director of Regeneration. At this stage a number of days have been included within the Plan relating to Regeneration and also in connection with the One Council review of Major Capital Projects. Specific coverage in these areas will be agreed as part of that meeting. Input is also being sought from the Director of Policy & Regeneration and the Assistant Director of Policy in respect of other coverage within that Department.

In addition, the Plan still needs to be discussed with the Audit Commission so as to confirm that their requirements are met through the audits included, as well as to confirm that there are no areas of duplication in coverage. However, no significant amendments are expected as a result of this.

A final point to note regarding the formulation of the Plan is that a number of further potential audit areas were identified which have not been accommodated within the Plan at this stage. The focus of the plan is on the highest risk areas, hence the non-inclusion of these other areas. However, these other areas have also been recorded within a sub-section of the Plan. The purpose of doing so is to have a record of

potential audits which can then be considered for promotion to the Plan, in the event that any currently included audits are unable to go ahead during the course of the year. This record will also be of use at when formulating the 2010/11 Plan, helping to ensure that all potentially auditable areas are considered for inclusion.

Types of Work

Internal Audit comprises a range of specialist skills, the three key areas of coverage being the following:

- General risk based systems audit / compliance based audit;
- IT audit; and
- Contract audit.

A significant proportion of the Plan is allocated to risk based systems audits and also to compliance based audits in the form of the FMSiS assessments. However, approximately 13% of the Plan is allocated to IT audits, and approximately 9% to contract related audits.

IT audit work can take a variety of forms, although the main focus within the 2009/10 Plan is on audits of specific IT applications; audits of key elements of the IT infrastructure; and audits relating to the implementation of new applications, either at the pre or post implementation stages.

Contract audit work also varies in form, although generally focuses either on the controls in place around the management and administration of a construction based project; the tendering of projects / contracts; or on the controls in place around the management of a contractual relationship.

One key point to note is that the work of Internal Audit is not limited only to systems of control that are already in place and embedded. There is also a key role to play in assisting management to assess the risks involved in new developments / new projects / new ways of working, helping them to determine an adequate system of controls at the design and implementation stage, as opposed to highlighting deficiencies at a later stage when it may be more difficult / costly to address weaknesses. Similarly it may be appropriate for Internal Audit to provide assurances on the adequacy and effectiveness of controls in place around the management of a specific project, thereby assisting management to deliver these on time and to budget, as well as to achieve the desired outcome.

There are a number of examples of such 'non-standard' work having been undertaken as part of the 2008/09 Plan and there is an increasing focus on this within the proposed 2009/10 Plan. This is considered particularly key given the range of transformation work and One Council work being undertaken across the Council, as well as the range of Improvement & Efficiency reviews being scheduled. Further commentary regarding the linkages to such work / reviews is set out below.

Coverage in relation to the One Council / Improvement & Efficiency reviews

As detailed above, in formulating the Plan, we have taken account of the various One Council / Improvement & Efficiency reviews scheduled to take place across the Council.

Initial intentions were that there would be no internal audit work in these areas so as to avoid duplication in coverage. However, through discussions with various officers it has been determined that it may be appropriate to undertake work alongside a number of these reviews. The intention is that the focus of internal audit work would be to assist management to ensure that risks are considered as part of any revisions to working practices, and that adequate controls are built into these during the development and implementation stages. This approach has been followed in relation to work undertaken with BHP during 2008/09 from which positive feedback has been received from management.

A number of audits have therefore been included within the Plan at this stage and the specific scope and approach to these will be discussed with the key contacts.

West London Framework

The Heads of Internal Audit from the original three boroughs making up the West London Framework, together with the recently joined Royal Borough of Kensington & Chelsea, have continued to meet with Deloitte on a regular basis via the Contract Compliance Board (CCB). These meetings are used to discuss general progress as well as to consider specific areas in which cross borough work may be valuable and areas in which joint improvements can be made.

The Committee will be updated on any specific developments in future meetings where these impact upon the Plan.

Ensuring the ongoing relevance of the Plan

It is crucial that the Plan is reviewed on a regular basis during the course of the year so as to ensure that it remains relevant in terms of the key risk areas and any new developments that take place across the Council. This is considered to be particularly key for 2009/10, given the transformation programmes being undertaken, the One Council programme and the various improvement & Efficiency reviews taking place across the Council.

Internal Audit will continue to liaise with Directors, Assistant Directors and the Audit Commission during the course of the year so as to determine whether any amendments are required, and will update Members at scheduled Committee meetings where any significant revisions occur.

Appendix A – Detailed Plan

The proposed Internal Audit Plan for 2009/10 is set out in Table 1 below. For each audit the proposed number of days is included together with a broad indication of the proposed coverage, the key contact, and an indication of the proposed timing where this is known at this stage.

The IT Plan and the BHP Plan have been detailed separately in Tables 2 and 3 respectively.

Table 1 – Overall Plan

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
CROSS COUNCIL AUDITS (70 Days)				
Corporate Health & Safety	10	To focus on the controls in place with regards to managing health and safety across the Council. It is proposed that the specific scope of the audit should be aligned to the 10 point Health & Safety Service Plan produced for 2008/09, as this was formulated on the basis of the Health & Safety Commission (HSC) / industry guidance 'Health & Safety Leadership Checklist'. Consideration will also be given to the extent to which the new Health & Safety (Offences) Bill and the recently enacted Corporate Manslaughter & Corporate Homicide Act 2007 have been embedded into the Council's arrangements.	Geoff Galilee – Service Unit Director, Health, Safety & Licensing	Qtr 1
Registers of Interest / Gifts & Hospitality	10	To focus on the controls in place across the Council for ensuring that officers declare any interests / gifts & hospitality; that gifts & hospitality are only accepted in line with Council policy; and that appropriate follow-up actions are taken by	To be determined	Qtr 1

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		management to ensure that any officers declaring interests / gifts & hospitality are operating in an appropriate manner.		
Use of Consultants	10	To focus on the controls in place around the identification of need for consultants to be engaged; the hiring of appropriately skilled and experienced consultants; the achievement of value for money in the hiring of consultants; and the monitoring of performance and time input for those consultants engaged.	To be determined	Qtr 2
Project Management – feeding into One Council Review (part Contract Audit)	10	To feed into the Once Council review being led by the Assistant Director of Regeneration on the management of Major Regeneration Programmes and Major Projects. Specific scope and approach still to be discussed with the Assistant Director of Regeneration. Work to be combined with IT Project Management, as included within the IT Plan.	Andy Donald – Assistant Director of Regeneration	To be determined
Local Public Service Agreement (LPSA) – Efficiency Target	10	Completion of necessary checks in order to certify that the stretch efficiency target has been met, thereby enabling the Council to claim the associated Performance Reward Grant.	Duncan McCleod – Director of Finance	Qtr 1
Annual Governance Statement	20	Production of the Annual Governance Statement through the co-ordination of the completion of the Certificates of Assurance by Directors and the annual review of the Council's Corporate Governance Action	Simon Lane – Head of Audit & Investigations / Directors	Qtr 4

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		Plan.		
FINANCE & CORPORATE RESOURCES (108 Days)				
Council Tax	15	Annual systems audit focussing on key controls and any systems changes.	Paula Buckley – Head of Client Team – Revenue & Benefits	Qtr 3
Housing & Council Tax Benefits	15	Annual systems audit focussing on key controls and any systems changes.	David Oates – Head of Benefits – Revenue & Benefits	Qtr 3
NNDR	15	Annual systems audit focussing on key controls and any systems changes.	Paula Buckley – Head of Client Team – Revenue & Benefits	Qtr 3
Treasury Management	10	Annual systems audit focussing on key controls and any systems changes.	Martin Spriggs – Head of Exchequer & Investment	Qtr 1
Internal Financial Controls	15	Annual audit focussing on key financial controls operating within the Service Areas and the extent to which the Council's Financial Regulations are being complied with. Specific areas of focus include the raising of invoices; receipt of income; debt recovery and write-off; payments; BACs and cheque controls; journals; and reconciliations.	Mark Peart – Head of Financial Management	Qtr 4
Sundry Debt Recovery Team	8	To focus on the systems of control being designed and implemented by the new Sundry Debt Recovery Team to take responsibility for debt recovery across the Council.	Sarah Cardno – Exchequer Services Manager	Qtr 2
Insurance	10	To focus on the controls in place around the Council's insurance function. Specific	Alison Matheson – Head of Procurement Strategy	Qtr 1

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		areas of focus are likely to include identification of required insurance coverage; raising of claims; monitoring progress and receipt of claims; processing of claims made against the Council; monitoring of claims received against the Council; and action taken to minimise the receipt of claims.	& Risk Management	
Procurement - feeding into One Council Review (part Contract Audit)	10	To feed into the Once Council review being led by the Head of Procurement Strategy & Risk Management and the Borough Solicitor on Procurement and Contract Management. Specific scope and approach still to be discussed with the Head of Procurement Strategy & Risk Management and the Borough Solicitor.	Alison Matheson – Head of Procurement Strategy & Risk Management	To be determined
Procurement - post One Council Review (part Contract Audit)	10	To focus on the controls put in place as part of the One Council review and the extent to which these are being effectively operated.	Alison Matheson – Head of Procurement Strategy & Risk Management	Qtr 4
CHILDREN & FAMILIES (220 Days)				
FMSiS Assessments	110	Completion of assessments for the 25 remaining primary schools.	Bharat Jashapara – Head of Finance – Children & Families	Across the year
Schools Thematic Work	10	To focus on a specific theme and visit a sample of schools to either assess compliance with the requirements of the Financial Regulations for Schools, or to assess the adequacy and effectiveness of	Bharat Jashapara – Head of Finance	Qtr 3

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		controls in respect of fraud and non-fraud risks in that area. Thematic work being undertaken in 2008/09 is focussing on Procurement and compliance with the Financial Regulations for Schools.		
Fostering & Adoption	10	To focus on the controls in place around the assessment and approval of persons applying to be carers.	Graham Genoni – Assistant Director of Social Care	Qtr 1
SEN Statementing	10	To feed into the Improvement & Efficiency review being undertaken in this area. Specific scope and approach still to be discussed with the Assistant Director of Achievement & Inclusion.	Rik Boxer – Assistant Director of Achievement & Inclusion	To be determined
Child Protection	15	To feed into the Improvement & Efficiency review being undertaken in this area. Specific scope and approach still to be discussed with the Assistant Director of Social Care.	Graham Genoni – Assistant Director of Social Care	To be determined
Joint Commissioning	10	To focus on the controls in place around the operations of the Joint Commissioning Team. Specific areas of focus are likely to include the achievement of value for money; compliance with the Council's Financial Regulations; management of partnership risk; and contract management.	Krutika Pau – Assistant Director of Strategy & Partnerships	Qtr 1
Internal Financial Controls	15	Annual audit focussing on key financial controls operating within the Service Areas and the extent to which the Council's Financial Regulations are being complied	Bharat Jashapara – Head of Finance – Children & Families	Qtr 4

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		with. Specific areas of focus include the raising of invoices; receipt of income; debt recovery and write-off; payments; BACs and cheque controls; journals; and reconciliations.		
Wembley Park Academy Project (Contract Audit)	12	To focus on controls in place around the ongoing management of the Wembley Park Academy project. Contract audit work has been undertaken in 2008/09 focusing on initial stages of the project, including controls around tendering and governance structures.	Mustafa Salih – Assistant Director of Finance & Performance	To be determined
Early Years	10	To focus on the controls in place around the co-ordination of the service and the award of grant funding to nurseries.	Krutika Pau – Assistant Director of Strategy & Partnerships	Qtr 2
Children's Centre Establishment Visit	10	To focus on the controls in place around the management and administration of a chosen Children's Centre. Specific areas of focus are likely to include governance; staffing; procurement; income; management of assets; and budgetary control. Specific Children's Centre to be agreed with the Assistant Director of Strategy & Partnerships and the Head of Finance.	Krutika Pau – Assistant Director of Strategy & Partnerships	Qtr 1
Other Establishment Visit	8	To focus on the controls in place around the management and administration of a chosen establishment (not a school or Children's Centre). Specific areas of focus are likely to include governance; staffing; procurement; income; management of assets; and budgetary control.	Rik Boxer – Assistant Director of Achievement & Inclusion	Qtr 2

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		Specific establishment to be agreed with the Assistant Director of Achievement & Inclusion and the Head of Finance.		
ENVIRONMENT & CULTURE (107 Days)				
Sports Service	12	To focus on the systems of control in place within the internally managed Bridge Park and Charteris Centres. Specific areas of focus are likely to include the receipt of income at the Centres; recruitment and training of appropriate staff; maintenance and health & safety management; and performance management. This work will build on the internal audit undertaken in 2008/09 around the management of the contracts for the externally managed Willesden and Vale Farm Centres.	Sue Harper – Assistant Director, Leisure & Regeneration	Qtr 2
Transportation	15	To focus on the controls implemented within Transportation following restructuring and internal review work undertaken in 2008/09. Specific scope and approach still to be discussed with the Assistant Director, Streets & Transportation.	Irfan Malik – Assistant Director, Streets & Transportation	Qtr 2
Internal Financial Controls	15	Annual audit focussing on key financial controls operating within the Service Areas and the extent to which the Council's Financial Regulations are being complied with. Specific areas of focus include the raising of invoices; receipt of income; debt	Ken Patterson – Head of Finance	Qtr 4

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		recovery and write-off; payments; BACs and cheque controls; journals; and reconciliations.		
Traffic Management	10	To focus on the controls in place to ensure the Council's compliance with the Traffic Management Act 2004. Specific areas of focus are likely to include network management and enforcement policies; issuing of permits and collection of fees; inspections; fixed penalty notices; and performance monitoring.	Irfan Malik – Assistant Director, Streets & Transportation	Qtr 2
Section 106	10	To focus on the controls in place around the Identification and agreement of S106 monies; receipt of monies; and identification of the use of funds.	Michael Read – Assistant Director, Policy & Regulation	Qtr 2
Recycling	10	To focus on the controls in place around the Council's recycling service, including the enforcement of the compulsory green box recycling scheme and administration of the other methods of recycling available to residents.	Keith Balmer – Director of StreetCare	Qtr 1
Libraries	15	To focus on the systems of control in place following the recent restructuring of the Library Service, including the controls in place to ensure compliance across individual libraries.	Sue Harper – Assistant Director, Leisure & Regeneration	Qtr 2
Veolia Contract Management (Contract Audit)	10	To focus on the controls in place around the management of the waste management contract with Veolia.	Keith Balmer – Director of StreetCare	Qtr 1
Environmental Health	10	To feed into the Improvement & Efficiency review being undertaken in this area.	Michael Read – Assistant Director, Policy &	To be determined

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		Specific scope and approach still to be discussed with the Assistant Director, Policy & Regulation.	Regulation	
HOUSING (55 Days)				
Internal Financial Controls	15	Annual audit focussing on key financial controls operating within the Service Areas and the extent to which the Council's Financial Regulations are being complied with. Specific areas of focus include the raising of invoices; receipt of income; debt recovery and write-off; payments; BACs and cheque controls; journals; and reconciliations.	Eamonn McCarroll – Head of Finance	Qtr 4
HMO (Houses in Multiple Occupation) Licensing	10	To focus on the controls in place around the processing of applications for HMO licenses; confirming compliance with qualifying requirements; the receipt of income for licenses; and ongoing monitoring / enforcement.	Perry Singh – Assistant Director, Housing Needs / Private Sector	Qtr 1
Private Sector Procurement Team	10	To focus on the controls in place around the procurement of private sector properties by the recently integrated Private Sector Procurement Team.	Perry Singh – Assistant Director, Housing Needs / Private Sector	Qtr 2
Performance Indicators	10	To focus on the controls in place around the collection, collation, verification and reporting of data relating to key Housing performance indicators.	Tony Hirsch – Head of Policy & Performance	Qtr 1
Stonebridge Estate – Hyde Contract Management	10	To focus on the controls in place around the management of the Stonebridge Estate contract with Hyde Group.	Maggie Rafalowicz – Assistant Director, Housing Strategy &	Qtr 3

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
			Regeneration	
COMMUNITY CARE (111 Days)				
Transformation – Assessment & Care Management	20	To focus on the adequacy of controls implemented or being implemented in relation to the new assessment and care management framework being developed as part of the Adult Social Care Transformation Programme. Potentially to also conduct testing around the effectiveness of controls where implemented.	Christabel Shawcross – Assistant Director, Community Care	Qtr 4
Transformation – Self Directed Support	10	To focus on the progress made in the development and implementation of systems of control in respect of Self Directed Support. Internal audit work has been undertaken as part of the 2008/09 Plan, but has been more focussed on assessing the adequacy of any controls currently being planned for implementation as well as facilitating further discussion on specific issues to be considered during the development stages.	Lance Douglas – Assistant Director, Quality & Support	Qtr 2
Grants to Voluntary Organisations	10	To focus on the controls being implemented as part of the restructure of this area, in terms of the way in which the Main Programme Grant is allocated and administered, and the way in which the team responsible for this operates. The implementation of further actions identified as being necessary from the 2008/09 follow-up of the 2007/08 internal audit in	Linda Martin – Head of Service Development & Commissioning	Qtr 3

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		this area will also be focussed upon in this audit.		
Internal Financial Controls	15	Annual audit focussing on key financial controls operating within the Service Areas and the extent to which the Council's Financial Regulations are being complied with. Specific areas of focus include the raising of invoices; receipt of income; debt recovery and write-off; payments; BACs and cheque controls; journals; and reconciliations.	Gordon Fryer – Assistant Director, Finance & Resources	Qtr 4
Appointeeships & Receiverships	10	To focus on the controls in place around the management of funds for vulnerable clients. This area was previously audited at the end of 2006/07 but has not yet been followed up due to the implementation of the finance module within Frameworki and the migration of financial data to that system. That migration is now nearing completion after which this audit will take place.	Gordon Fryer – Assistant Director, Finance & Resources	Qtr 1
Mental Health Integration with Central & North West London Mental Health Trust	10	To focus on the controls being planned and implemented as part of the integration of the Mental Health Service and Central & North West London Mental Health Trust.	Christabel Shawcross – Assistant Director, Community Care	To be determined
Blue Badges	8	To focus on the controls in place over the processing of applications for a Blue Badge, including verifying entitlement and avoiding duplicate awards.	Christabel Shawcross – Assistant Director, Community Care	Qtr 2

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
Quality Assurance Systems - Safeguarding	10	To focus on the controls being designed and implemented as part of a new quality assurance system to address the action plan resulting from the recent CSCI (Commission for Social Care Inspection) inspection. The focus will be on the adequacy of these controls as opposed to on their effectiveness at this stage.	Christabel Shawcross – Assistant Director, Community Care	Qtr 1
Home Care Contract Management (Contract Audit)	10	To focus on the controls in place around the management of the Home Care contract.	Linda Martin – Head of Service Development & Commissioning	Qtr 1
Establishment visit	8	To focus on the controls in place around the management and administration of a chosen establishment. Specific areas of focus are likely to include staffing; procurement; income and cash handling; management of assets; and budgetary control. Specific establishment to be agreed with the Assistant Director, Community Care.	Christabel Shawcross – Assistant Director, Community Care	Qtr 2
POLICY & REGENERATION (45 Days)				
Performance Management	15	Specific use of these days is still to be discussed with the Assistant Director, Policy. Work undertaken in 2008/09 has focused on the controls in place around the collection, collation, verification and reporting of data in relation to a number of performance indicators, including the Local Area Agreement (LAA) Stretch Targets.	Cathy Tyson – Assistant Director, Policy	To be determined

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
Complaints	10	To focus on the controls in place for ensuring that all received complaints are dealt with in an appropriate and timely manner, in accordance with the Council's Complaints Policy, and the extent to which controls are in place for seeking to minimise future complaints.	Susan Riddle – Corporate Complaints Manager	Qtr 1
Regeneration	20	Specific use of these days is still to be discussed with the Assistant Director of Regeneration	Andy Donald – Assistant Director of Regeneration	To be determined
COMMUNICATION & DIVERSITY (10 Days)				
Equalities	10	To focus on the controls in place in respect of managing equality related issues across the Council, and preparedness for the changes being introduced around the Standard. Currently the Corporate Diversity Team are focusing on the Council achieving Level 4 against the Standard, having already achieved Level 3. Further discussions will be held with the Head of Diversity regarding the exact focus of this audit so as to avoid any duplication with the external assessment against the Standard.	Jennifer Crook – Head of Diversity	Qtr 3
Borough Solicitor (12 Days)				
Registration and Nationality Service	12	To focus on the controls in place around processing requests for checking British	Mark Rimmer – Service Unit Director –	Qtr 1

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		Citizenship applications; registering births and deaths; taking notices of intent to marry or join in civil partnership; and the receipt of income for each of the above.	Registration & Nationality Service	
BUSINESS TRANSFORMATION (206 Days)				
IT	146	See separate plan – Table 2	-	-
Payroll	15	Annual systems audit focussing on key controls and any systems changes.	Simon Britton – Head of The People Centre	Qtr 3
Government Procurement Cards	10	To focus on the controls in place around Government Procurement Cards (GPC). Specific areas of focus are likely to include the provision of GPCs; review of card holder's expenditure; and monitoring of overall spending patterns.	Simon Britton – Head of The People Centre	Qtr 2
Recruitment (existing arrangements)	10	To focus on the controls in place around recruitment. Specific areas of focus are likely to include approval of new posts; advertising of vacancies; assessment of candidates; and approval of job awards.	Simon Britton – Head of The People Centre	Qtr 1
Employee Verification	10	To focus on the controls implemented around the new arrangements for directly awarding work permits to job applicants to the Council and the schools (the Council is now licensed to award these under the Government's new points based scheme). Also to focus on compliance with the Council's newly updated CRB policy.	Simon Britton – Head of The People Centre	Qtr 3
Civic Centre Project (part Contract	15	To focus on the controls in place over the	Aktar Choudhary –	To be determined

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
Audit)		<p>management of the project as a whole, as well as potential focus on the specific construction elements of the project from a contract audit perspective and / or the management of other sub-elements of the overall project.</p> <p>Specific scope and approach still to be discussed with the Assistant Director, Business Transformation.</p>	Assistant Director, Business Transformation	
OTHER				
Brent Housing Partnership (BHP)	128	See separate plan – Table 3	-	-
Consultation, Communication and Reporting (Deloitte)	85	<p>To cover attendance by Deloitte management at meetings across the Council, for example Strategic Finance Group, Schools Causing Financial Concern, and Audit & Investigations Management meetings. Also to cover Deloitte management attendance at Audit Committee meetings and the production of progress reports for these. In addition, to cover Deloitte managements' non-audit specific liaison and communication with officers across the Council on a day-to-day basis and with the Council's external auditors, the Audit Commission. For example, ongoing liaison with Directors and Assistant Directors regarding any necessary revisions to the Plan and communication of key issues arising from completed internal audit work, and liaison</p>	N/A	Throughout the year

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		with the Audit Commission regarding their review of completed internal audit work.		
Follow-Up	40	Completion of follow-up work on all recommendations raised and agreed as part of the 2008/09 Internal Audit Plan, where the same audits are not being undertaken again as part of the 2009/10 Plan. Also, to follow-up on any further actions raised as part of the 2008/09 follow-up work as being necessary to fully implement recommendations from 2007/08 internal audits.	N/A – dependent upon each internal audit to be followed-up	Throughout the year
Contingency	14	To be allocated to any new developments or new / emerging risk areas during the course of the year. The number of days assigned to contingency is relatively low given the overall size of the Plan. However, based on previous years, this is likely to grow during the course of the year due to audits needing to be postponed due to delays in projects / new developments being fully implemented. In the event that additional work is required for which insufficient contingency days are available, a decision will be made on whether other lower risk audits can be deferred until 2010/11.	N/A – dependent upon work required	N/A – dependent upon work required
TOTAL	1211			

Table 2 – IT Plan

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
Oracle Application Audit	10	<p>To focus on the new version of Oracle to be used by Housing & Community Care and Children & Families from April 2009. Specific areas of focus are likely to include access controls; data input controls; data processing controls; data output controls; data interfaces; management trails; backup and recovery; and maintenance and support arrangements.</p> <p>The audit will also take account of previous findings from the Application Audit done with Housing & Community Care in 2007/08, as followed-up in 2008/09.</p>	Mark Peart – Head of Financial Management	Qtr 1
Oracle I-Procurement Pre-Implementation ('Sanity Check')	7	<p>New I-Procurement module due to be piloted in Children & Families in May / June 2009. To undertake a 'sanity check' on the adequacy of the IT controls built into this module prior to full roll out by management.</p>	Mark Peart – Head of Financial Management	Qtr 1
Oracle Pre-Implementation (Environment & Culture and Finance & Corporate Resources)	10	<p>Environment & Culture and Finance & Corporate Resources due to go live on Oracle from 1 April 2010. Pre-Implementation Audit to cover these two Service Areas, but scope to be tailored to focus on key areas. Some areas of scope to be considered for exclusion where they have been previously covered in the Children & Families Pre-Implementation Audit, although any previously raised recommendations to be followed-up where further actions have been identified as</p>	Mark Peart – Head of Financial Management	Qtr 3

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		necessary from our 2008/09 work.		
Government Gateway Post Implementation	10	Postponed from 2008/09 due to delay in implementation. Post Implementation audit focusing on the controls in place around user requirements; maintenance and support arrangements; security; interfaces; and the assessment of the benefits realised by the project.	Raj Seedher – IT Standards Manager	Qtr 2
Framework Financials Post Implementation	10	Post Implementation audit focusing on the controls in place around user requirements; maintenance and support arrangements; security; interfaces; and the assessment of the benefits realised by the project.	Gordon Fryer – Assistant Director, Finance, Adult Social Care	Qtr 2
Contact Point	10	Council are required to provide assurances prior to being given access to the national Contact Point database. To focus on the controls in place to ensure that those assurances can be given, and to potentially feed into the provision of the required assurances.	Bhavna Bilimoria – Special Project Manager, Children & Families	To be determined
AXIS Post Implementation (sash receipting system - previously Spectrum)	10	First part of the new system covering telephone and online payments is due to go live in March 2009. Full implementation due September 2009. Post Implementation audit focusing on the controls in place around user requirements; maintenance and support arrangements; security; interfaces; and the assessment of the benefits realised by the project.	Sarah Cardno – Exchequer Services Manager	Qtr 3

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
LAGAN Post Implementation (new CRM system)	10	Post Implementation audit focusing on the controls in place around user requirements; maintenance and support arrangements; security; interfaces; and the assessment of the benefits realised by the project.	Tom Lloyd – ITU Operations Manager	To be determined
Windows Operating System	8	To focus on the controls in place around areas including system wide security; user access; remote access; network sharing; updates and patches; backup and recovery; and maintenance and support arrangements.	Tom Lloyd – ITU Operations Manager	Qtr 1
Business Continuity Planning (IT elements of corporate arrangements)	10	To focus on the IT elements of the corporate BCP arrangements. General internal audit work has been undertaken in relation to the development of BCP across the Council as part of both the 2007/08 and 2008/09 Plans, but coverage has not extended to IT. Recent IT audits have also identified further improvements as being necessary in respect of disaster recovery.	Tom Lloyd – ITU Operations Manager	Qtr 4
Non-Stop Gov	7	To focus on the support arrangements as concerns raised regarding these by the ITU Operations Manager.	Judith Young – Head of Policy, Information & Performance, Environment & Culture	Qtr 2
IT Project Management	10	To feed into the Once Council review being led by the Assistant Director of Regeneration on the management of Major Regeneration Programmes and Major Projects. Specific scope and approach still to be	Andy Donald – Assistant Director of Regeneration / Tom Lloyd – ITU Operations Manager	To be determined

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		discussed with the Assistant Director of Regeneration and with the ITU Operations Manager. Work to be combined with the internal audit work on Project Management, as included within the main Plan.		
Pensions Application Audit	10	To focus on the controls in place around the Pensions application operated by the London Pensions Fund Authority in respect of the Council's pensions administration function. Specific areas of focus are likely to include access controls; data input controls; data processing controls; data output controls; data interfaces; management trails; backup and recovery; and maintenance and support arrangements.	Andrew Gray – Pensions Manager	Qtr 1
e-Recruitment Post Implementation	8	Post Implementation audit focusing on the controls in place around user requirements; maintenance and support arrangements; security; interfaces; and the assessment of the benefits realised by the project.	Simon Britton – Head of The People Centre	Qtr 3
IT Follow-Ups	16	Completion of follow-up work on all recommendations raised and agreed as part of the 2008/09 IT Audit Plan, where the same audits are not being undertaken again as part of the 2009/10 IT Plan. Also, to follow-up on any further actions raised as part of the 2008/09 follow-up work as being necessary to fully implement	N/A – dependent upon each internal audit to be followed-up	Throughout the year

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		recommendations from 2007/08 IT audits.		
TOTAL	146			

Table 3 – BHP Plan

This Plan has been formulated separately with the Financial Controller and Financial Operations Manager at BHP. The Plan will be presented separately to BHP's Audit & Finance Sub-Committee for agreement, but is presented here for Members' reference.

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
Housing Repairs & Maintenance	12	Annual systems audit focussing on key controls and any systems changes.	Gerry Doherty – Director of Technical Services	Qtr 3
Housing Rents	12	Annual systems audit focussing on key controls and any systems changes.	David Bishopp – Rent Accounting & Performance Manager	Qtr 3
Repairs & Voids	10	To focus on the controls in place around repairs & voids, as implemented / revised following the implementation of the new Accuserve costing system. Specific areas of focus are likely to include identification of required works; costing of works; review of completed works; variations; and payments to operatives / sub-contractors. The timing of this audit will coincide with the IT audit of the Accuserve application. The intention being to provide assurances on both the IT and non-IT controls at the same time so as to assist management with making any further improvements where necessary.	Gerry Doherty – Director of Technical Services	Qtr 3
Accuserve (Repairs & Voids) (IT Audit)	10	To focus on the Accuserve application. As above, the timing of this audit will coincide with the internal audit of the Repairs & Voids function as a whole. The intention being to provide assurances on both the IT and non-IT controls at the same time so as to assist management with making any	Gerry Doherty – Director of Technical Services	Qtr 3

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
		further improvements where necessary.		
Internal Financial Controls	10	Annual audit focussing on key financial controls operating within BHP and the extent to which the Financial Regulations are being complied with. Specific areas of focus include the raising of invoices; receipt of income; debt recovery and write-off; payments; BACs and cheque controls; journals; and reconciliations.	Greg Trenear – Financial Controller	Qtr 4
Treasury Management	10	To focus on the controls in place around the treasury management function. Specific areas of focus are likely to include compliance with legislative requirements; recording of loans and investments; monitoring of cash flow; reconciliations; and reporting.	Greg Trenear – Financial Controller	Qtr 1
Business Continuity Planning	10	To focus on the controls in place around the specific business continuity arrangements for BHP (with the exception of IT, BHP has separate arrangements to those of the Council). Specific areas of focus are likely to include the identification of key activities and staff; the identification and assessment of the likelihood and impact of potential threats; the formulation of a business continuity strategy and business continuity plan; awareness and training; maintaining and exercising the plan; and public relations and crisis co-ordination.	Mike Dwyer – Director of Standards & Procurement	Qtr 1

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
Cleaning and Grounds Maintenance Contract Management (Contract Audit)	10	To focus on the controls in place around the management of the cleaning and grounds maintenance contracts.	Mike Dwyer – Director of Standards & Procurement	Qtr 2
Brentfield Estate Project (Contract Audit)	12	To focus on the controls in place around the management of the Brentfield Estate Project. Specific areas of focus are likely to include financial control; selection of contractors and letting of the contract; appointment of consultants; tender receipt and evaluation; bonds/insurance; contract variations and provisional sums; valuations and estimations of final cost; liquidated damages; defect liability period; contractual claims; CDM regulations; and progress monitoring.	Gerry Doherty – Director of Technical Services / Sue DeSouza – Special Projects	To be determined
Tenant Management Organisations	10	To focus on the controls in place around Tenant Management Organisations (TMOs). Specific areas of focus are likely to include governance; staffing; procurement; income; management of assets; and budgetary control. Specific TMO to be agreed with the Head of Governance & Communications.	Linda Footer – Head of Governance & Communications	Qtr 2
Dom Doc – EDM System (IT Audit)		Dom Doc is the Electronic Document Management system used by frontline staff across BHP. Specific areas of focus are likely to include access controls; data input controls; data processing controls; data output controls; data interfaces; management trails; backup and recovery; and maintenance and support arrangements.	Mike Dwyer – Director of Standards & Procurement	Qtr 1

AUDIT	DAYS	PROPOSED COVERAGE	KEY CONTACT	PROPOSED TIMING
Consultation, Communication, Reporting and Follow-Up	12	<p>To cover attendance by Internal Audit management at Audit Committee meetings and the production of progress reports for these. In addition, to cover managements' non-audit specific liaison and communication with officers during the course of the year, for example ongoing liaison regarding any necessary revisions to the Plan and communication of key issues arising from completed internal audit work.</p> <p>In addition, completion of follow-up work on all recommendations raised and agreed as part of the 2008/09 BHP Internal Audit Plan, where the same audits are not being undertaken again as part of the 2009/10 Plan. Also, to follow-up on any further actions raised as part of the 2008/09 follow-up work as being necessary to fully implement recommendations from 2007/08 internal audits.</p>	N/A	Throughout the year
TOTAL	128			

Appendix B – Audit Team and Contact Details

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