



Chelmsford City Council Audit and Risk Committee

27th September 2023

Updated Internal Audit Plan 2023

Report by:

Audit Services Manager

Officer Contact:

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Purpose

This report presents the Updated Internal Audit Plan 2023 to Committee.

Recommendations

Committee are requested to note the Updated Internal Audit Plan 2023.

1. Introduction

- 1.1. The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. The purpose of Chelmsford City Council's Internal Audit section is to provide independent, objective assurance and consulting services to the Council (via the Audit & Risk Committee, Chief Executive, S151 Officer, External Audit and senior managers), relating to these arrangements, which are designed to add value and improve the Council's operations.
- 1.2. The Audit Services Manager is also responsible for the delivery of an annual audit opinion that can be used by the Council to inform its governance statement. The annual opinion will also conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.
- 1.3. In order to achieve this, Internal Audit have developed the attached updated internal audit plan for 2023 which is based on a prioritisation of the audit

universe using a risk-based methodology, including input from the Council's 'Our Chelmsford Our Plan', Principal Risk Register, Fraud Risk Register, AGS Action Plan as well as discussions with Council staff, senior management, plus consideration of local and national issues and risks.

- 1.4. Following the change in our approach to previous years as presented at March Committee, where instead of a full twelve-month plan which created some limitations, we instead now produce a 6-month rolling plan to ensure we continue to be aligned to reviewing the highest risks in the Council, taking into account available resources. This report therefore outlines the suggested areas for review for October to March 2024.
- 1.5. Additional changes to the plan may be necessary to reflect changing priorities and risk environment and therefore as usual, a contingency has been set aside to cover requests from management for ad hoc, advisory type work on risk identification and subsequent control design (as well as urgent, unplanned reviews which may arise). A budget for follow up reviews of previous audit work has also been accounted for in the plan.

2. Conclusion

- 2.1. The Updated Internal Audit Plan 2023 is attached for Audit & Risk Committee to note.

List of appendices: Updated Internal Audit Plan 2023

Background papers: None

Corporate Implications

Legal/Constitutional: The Council has a duty to maintain an effective internal provision to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance (Regulation 5 (Part 1) of the Accounts and Audit Regulations 2015).

Financial: None

Potential impact on climate change and the environment: None

Contribution toward achieving a net zero carbon position by 2030: None

Personnel: None

Risk Management: The scope of Internal Audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the Audit & Risk Committee, management and outside parties (e.g. External Audit) on the adequacy and effectiveness of governance, risk management, and control process for Chelmsford City Council.

Equality and Diversity: None

Health and Safety: None

Digital: None

Other: None

Consultees: Noted by Service Managers and by Management Team during August 2023

Relevant Policies and Strategies: None

Internal Audit Plan 2023 – Current Work in Progress

Audit Title	Status
Theatres	Report due September
Parks and Open Spaces - Income/Hire including Allotments	Report due September
Safer Recruitment	Report due October
UK Shared Prosperity Fund (Economic Development)	Report due October
Use of Agency	Report due October
Housing Rents	Report due October
Council Surveillance	WIP

Internal Audit Draft Plan 2023 (October 2023 to March 2024)

Audit Title	Link to Corporate Plan	Link to Principal Risk	Fraud Risk Assessment	Indicative Scope <i>(at the start of each audit, an initial discussion will be held to agree the specific objective and scope of the review)</i>
Temporary Accommodation	Fairer and Inclusive Chelmsford	PRR 006 - Homelessness	FRC002 – Social housing and tenancy	<i>Review of the Council’s arrangements for Temporary Accommodation, including procurement and monitoring of providers.</i>
Cyber and Information Security		PRR001 Cyber Security/016 Info Gov	FRC23_01 Data theft /other cyber crime	<i>Review of 3rd Party Supplier terms and conditions and areas highlighted by the Cyber Essentials self-assessment.</i>
Volunteers	Connected Chelmsford	PRR015 Safeguarding		<i>Review of the Council’s arrangements for managing volunteers; to consider safeguarding risks and health and safety implications.</i>
Financial Resilience		PRR019 Income & Financial Position		<i>Review of governance arrangements for budgetary control and monitoring of savings.</i>
Corporate Health and Safety Governance		PRR014 Health and Safety		<i>Deep dive into area of specific Health and Safety risk e.g. fire risk, driving policy to review governance arrangements for oversight of compliance.</i>
Events	Healthy, Active & Enjoyable Lives	PRR015 Safeguarding	FRC23_010 Income Collection	<i>Review of the processes in place for the delivery of corporate events to ensure that these mitigate risks which may impact on the event’s success.</i>

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Member and Officer Conflicts of Interest		PRR005 Fraud	FRC23_05 Decision-making	<i>Review of the recording, administering and monitoring of staff/Members declarations of interest and of gifts and hospitality and to examine how the Council monitors compliance with and reports against the Council's Codes of Conduct.</i>
Members Allowances and Expenses		PRR005 Fraud	FRC23_07 Payroll and expenses	<i>Review of recording, administering and monitoring Members Allowances and Expenses to ensure they comply with Council Policy and Codes of Conduct.</i>
Chelmsford City Culture	Healthy, Active & Enjoyable Lives			<i>Review of the Council's shared Cultural Vision, Strategy and Action Plan and its framework for reporting progress.</i>
Licensing & Compliance		PRR019 Income & Financial Position	FRC23_05 Decision-making	<i>Extended Follow Up of previous audit review, to include implementation of Dynamics and income management.</i>
Corporate Property & Asset Management	Fairer and Inclusive Chelmsford	PRR019 Income & Financial Position	FRC23_02 Corporate property	<i>Review of governance arrangements for Council's Corporate Property and Asset Management process, including maintenance of property records.</i>
Community Sports & Wellbeing (incl Playschemes)	Healthy, Active & Enjoyable Lives	PRR015 Safeguarding	FRC23_010 Income Collection	<i>Review of operational and financial arrangements</i>
Emergency Planning & Business Continuity		PRR004 Emergency Planning Response		<i>Review of the Council's Business Continuity and Emergency Planning arrangements.</i>
Key Financial Systems 2023/24		PRR019 Income & Financial Position	FRC23_06 Mandate Fraud; FRC23_09 Manipulation of data/false accounting; FRC23_010 Income Collection; FRC23_011 Theft; FRC23_015 – 017 Revs & Bens	<i>Risk-based key control review to focus on those systems which are the most important financially and carry the highest inherent risk of error</i>