

**Appendix 1- Internal Audit Plan 2023-24**

**Key to columns**

Timing	Indicative quarter for the audit. These may change in discussion with management. Completion of 2022-23 work is already underway and, in some cases completed.
CE	Indicates which component of the control environment (governance, risk management or internal control) the audit primarily matches. There is quite often overlap.
Plan Category	To enable some analysis of the wide scope of the plan
Audit Name	Self-explanatory
Director	Lead Director/risk owner
RR	Indicates where the HoIAS has tried to map audits against entries in the Council's risk registers either strategic (SRR) or operational (ORR)
Scope	An indicative scope of the audit. This will be firmed up with management before the audit engagement
Rationale	Professional internal audit or risk management guidance', comes from a combination of the HoIAS monitoring emerging audit/risk advice and from his contacts with other HoIAS in Midlands and National networks.

Timing	Control Envirn'mt - G,RM,IC	Audit Plan Category	Audit Name	Director	Department/Division	County	DRR/SRR ref'ce	Scope	Rationale for inclusion	Days
Q1		Various	<b>Work undertaken to close off 2022-23 Audits</b>	N/A			N/A	<b>Completion of previous years audits</b>		40
Q3/Q4	G	Governance	Transforming Cities Fund	Andrew L Smith	City Development & Neighbourhoods/ Planning, Development & Transportation		N/A	The Transforming Cities Fund aims to increase productivity and growth in investment in public and sustainable transport. The objective of the audit will be to provide assurance to management that promoted schemes are appropriately reviewed and approved by the Transforming Cities Board in accordance with the requirements of the TCF Assurance Framework, and that funding is subsequently released and monitored in accordance with on-going governance arrangements.	Director Assurances	10
Q1-Q4	G	Governance	Housing Stores	Chris Burgin	City Development & Neighbourhoods/ Housing		N/A	The procurement exercise for an external provider to take over the existing Stores operation is no longer taking place; instead management are in the process of procuring a new framework for use in Stores along with updating arrangements around this. An audit will include a review of the draft arrangements as they are developed, followed by a review of the end to end process when the system is embedded.	Director Assurances	10
Q1/Q2	G	Governance	Council assets transferred	Matthew Wallace	City Development & Neighbourhoods/ Estates & Building Services	Y	N/A	Review of management controls and processes designed to ensure that Council assets transferred are being maintained in line with the lease agreement. e.g. Academies, community asset transfers will be potential areas for audit. Management had requested a postponement of this audit, due to work pressures and change in personnel.	Director Assurances	10

Q3/Q4	G	Internal Controls & Governance	Corporate Landlord	Matthew Wallace	City Development & Neighbourhoods/ Estates & Building Services	N/A	Management concerns include the extent to which Corporate Landlord activities are still being carried out by services rather than centralised into Estates and Building Services(EBS); to achieve the true benefits everything should be centralised. Potential risk that some planned preventative maintenance (PPM) and compliance tests and work are being missed. Good practice points from the county council and elsewhere will be explored as part of this review.	Director Assurances	12
Q4	G	Internal Controls & Governance	Selective Licencing	Sean Atterbury	City Development & Neighbourhoods/ Neighbourhood & Environmental Services	N/A	A new licensing scheme has been introduced in Leicester to help improve private rented accommodation in certain areas of the city adversely affected by housing-related problems. The scheme was launched in Oct 22 and some Internal Audit coverage of these arrangements later in the year is welcomed. The exact scope to be agreed.	Director Assurances	10
Q1	G	Contract Audit	PFI Project	Colin Sharpe/ Amy Oliver	Corporate Resources and Support/Finance	N/A	BIFFA Waste contract is ending in 2028, work is underway in preparation for the re-procurement of this contract . Management Assurances required on the preparedness for re-procurement arrangements.	Director Assurances	10
Q3/Q4	G	Governance	LLEP	Colin Sharpe/ Amy Oliver	Corporate Resources & Support		Significant management focus on transitions, with a board created with senior county/city/district representation. The LLEP CEO has indicated that an audit of the LLEP's administration and governance of the three Enterprise Zones would be useful, as they are important and will be a key discussion point for transition.	Director Assurances/ Professional internal audit or risk management guidance	8
Q1/Q2	G	IT & Governance	PCI compliance	Colin Sharpe/ Amy Oliver	Corporate Resources & Support		Review of the Payment Card Industry (PCI) compliance arrangements.	Director Assurances/ Professional internal audit or risk management guidance	10

Q1-Q4	G	Governance	Contract Audit	Kamal Adatia	Corporate Resources / City Barrister and Head of Standards	Y	Audits covering the Council's corporate procurement and contracts processes. Exact scope and areas to be agreed, but it could include: - Bid Rigging - Contract monitoring - Open book Accounting - Final Accounts - Due Diligence - Variation to contract - Contract Extensions - Framework contract - Lower value procurement	Director Assurances/ Professional internal audit or risk management guidance	40
Q3/Q4	G	Governance	Procurement Dashboard	Kamal Adatia /Amy Oliver	Corporate Resources / City Barrister and Head of Standards	Y	A project is underway to create a dashboard whereby procurement/contractual information is to be mapped against the finance database. IA to review these arrangements later on in 2023/24.	Director Assurances	10
Q1-Q4	G	Governance	Procurement Bill	Kamal Adatia	Corporate Resources / City Barrister and Head of Standards	Y	Preparedness for the new legislation in 2023 which will demand more transparent decision making and improved monitoring of contracts. There will need to be significant investment in training departments. Compare and contrast of County Council arrangements would be useful.	Director Assurances/ Professional internal audit or risk management guidance	10

Q1-Q4	G	IT & Governance	IT Audits	Miranda Cannon	Corporate Resources and Support/ Delivery, Communication and Political Governance	Y	SRR 4.1	A range of IT audits will be covered, the areas and scope has yet to be finalised , but could include: - Key ICT controls - which is an annual audit - Unit 4 - Phase 2 continuing from 2022-23 - CRM Replacement - Firmstep has limitations and increasing cost has meant MS is being developed ; an audit will be undertaken once the outcome is known . The scope to be agreed. (Q3/Q4) - Cyber Security - Follow-up of work undertaken in 2022-23; in addition an audit of behaviour vulnerability - DWP Data Security - LA is using live DWP/HMRC data which is set out in the Memorandum of Understanding (MoU). Audit to confirm compliance with the MoU. - A number of corporate projects are underway, which in some cases are in the early stages of tendering . Some audit coverage is expected, the exact scope is to be agreed, but it could include the following projects: - Gladstone Replacement - ONE Education System	Director Assurances/ Professional internal audit or risk management guidance	50
Q1/Q2	G	Governance	Fostering & Adoptions	Damian Elcock	Social Care & Education/ Children's Social Care	Y		Management would welcome a independent review of the fostering recruitment process.	Director Assurances	10
Q1/Q2	G	Governance	School Absence Monitoring	Sue Welford/ Kate Galoppi	Social Care & Education/ ASC & Commissioning	Y	SRR 3.2 ORR 23	Failure to identify children missing from education in a timely manner is a risk. The DfE published guidance on improving school attendance that applies from September 2022; an Internal Audit review of current and future practices will be undertaken to ensure new guidance has been appropriately accounted for. Any points of practice arising from a review of county procedures relating to this area would be welcomed.	Director Assurances	10
Q2	G	Governance	Assessment Under the CIPFA Code of Practice - Managing the Risk of Fraud & Corruption Audit	Colin Sharpe/ Amy Oliver	Corporate Resources			Reciprocal audit work to be undertaken on assessing each other's (City/County) compliance under the CIPFA Code of Practice – Managing the Risk of Fraud & Corruption. City to do County and visa-versa.	Director Assurances/ Professional internal audit or risk management guidance	0

Q1	RM	Risk Management	Construction (Design & Management) Regulation	Matthew Wallace	City Development & Neighbourhoods/Estates & Building Services	Y	N/A	Following the completion of the 1st Phase of this audit, which looked at the governance arrangement, this is the 2nd Phase which will look at a sample of projects to ensure compliance with the CDM regulations.	Director Assurances	10
Q3	RM	Risk Management	Fire and building safety - owned and occupied buildings	Richard Sword/ Martin Samuels	City Development & Neighbourhoods / Social Care & Education	Y	N/A	To give assurances that fire and building safety measures across all relevant LCC building scenarios are being thoroughly evaluated.-This audits is postponed from 2022-23 to take account of new Fire Safety regulations	Nationwide issue and Professional internal audit or risk management guidance	10
Q3/Q4	RM	Risk Management	Suppliers BC Plans	Ivan Browne	Public Health	Y		Some audit coverage of Business Continuity Plans for commissioned services. Scope to be discussed agreed internally by PH management team.	Director Assurances	10
Q2	IC	Internal Control	Bus Lane Penalty Enforcements (BLPE)	Andrew L Smith	City Development & Neighbourhoods/ Planning, Development & Transportation		N/A	Stage One of the audit has been completed 2022-23, which considered arrangements for managing the project for creating back-office functionality for the Bus Lane Enforcement service within Leicester City Council. Stage Two of the audit will cover testing of the system once embedded and will include prompt issue of Penalty Charge Notices (PCNs), arrangements for timely debt collection, and accurate accounting of payments received.	Director Assurance/ New Significant System	10
Q1/Q2	IC	Internal Controls	Car Parks	Andrew L Smith	City Development & Neighbourhoods/ Planning, Development & Transportation		N/A	Testing of the new systems will be undertaken now they are implemented.	Director Assurances	10
Q2/Q3	IC	Internal Control	Asset Valuations	Matthew Wallace	City Development & Neighbourhoods/ Estates & Building Services		N/A	Review of management controls and processes around valuing Council assets - this will include maintenance of the asset database & ensuring data completeness and accuracy for the purposes of the Council's Statutory Accounts. May include some comparisons elsewhere to consider best practice. Due to change in personnel, management requested postponement of this audit from 2022-23	Director Assurances	10

Q1/Q2	IC	Internal Controls	Workspaces	Mike Dalzell	City Development & Neighbourhoods/ Tourism, Culture & Inward Investment		N/A	An Internal Audit review of Council Workspaces (including workspaces managed by Estates and Building Services) will be undertaken, this will include a review of what management processes are in place to ensure pricing and rentals of the Portfolios are being maximised.	Director Assurances	10
Q2/Q3	IC	Internal Audit	Disposal of Assets	Richard Sword/ Amy Oliver	City Development & neighbourhood /Corporate Resources & Support	Y	N/A	Disposal of assets review will focus around the HRA transfers; however the exact scope to be confirmed following discussions with management.	Director Assurances	10
Q2/Q3	IC	Internal Control	Major Financial Systems(MFS)	Colin Sharpe/ Amy Oliver	Corporate Resources and Support/Finance	Y	N/A	MFS: Possible areas for coverage include: - Payroll - including authorisation for variation of pay - Interfaces - Creditor Payments - Debtors - Treasury Management Exact details to be agreed Note: Data analytics will be utilised in these audits	Director Assurances/ Nationwide issue and Professional internal audit or risk management guidance	40
Q2/Q3	IC	Internal Controls & Governance	Revenue & Benefits Savings	Colin Sharpe/ Amy Oliver	Corporate Resources and Support/Finance		N/A	Major review taking place in the Revenues and Benefits team , which is expected to achieve savings. Internal Audit will review the plans to ensure these are on track and savings have materialised and that key controls and segregation of duties is maintained.	Director Assurances	10
Q2/Q3	IC	Internal Controls	Household Support Fund	Colin Sharpe/ Amy Oliver	Corporate Resources and Support/Finance	Y	N/A	Review of the Household Support Payment systems and processes to ensure payments are in line with Government guidance	Directors Assurance	10
Q2/Q3	IC	Internal Controls	IR35	Colin Sharpe/ Amy Oliver	Corporate Resources and Support/Finance	Y	N/A	Provision made in the plan for work relating to IR35, exact scope to be agreed.	Directors Assurance	10
Q1/Q2	IC	Internal Controls	Schools Finance	Colin Sharpe /Amy Oliver	Corporate Resources & Support			Review of the Schools Central Finance function, exact scope to be agreed.	Director Assurances	10

Q2/Q3	IC	Internal Control	Subsidy Control Regime	Kamal Adatia	Corporate Resources / City Barrister and Head of Standards			The UK subsidy control regime began on 4 January 2023. It enables public authorities, including devolved administrations and local authorities, to give subsidies that are tailored to their local needs, and drive economic growth while minimising distortion to UK competition and protecting our international obligations. The audit will review the appropriateness of City's arrangements and they are in line with Subsidy Control Rules ; this will also include looking at subsidies linked to the Levelling Up Fund.	Directors Assurance	10
Q1/Q2	IC	Internal Control	GP Payments	Ivan Browne	Public Health		ORR 31	Leicestershire Health Informatics Service (LHIS) is the system used for capturing data for making payments to GP. Some issues has resulted in some manual workarounds. Some audit coverage of these processes is planned, which could include use of Data Analytics.	Director Assurances	10
Q1-Q4	IC	Internal Control	School Audits	Sue Welford	Social Care & Education	Y		This includes a programme of schools audit. It will include a combination of primary, secondary and special schools .	Director Assurances	50
Q1/Q2	IC	Internal Control	SEND Transport	Tracie Rees	Social Care & Education/ Children's Social Care/ SEND & Early Help	Y		Management assurances required about the robustness of the process for initially allocating taxis to SEND pupils and any subsequent review process for these arrangements.	Director Assurances	10
Q1-Q4	IC	Internal Control	Grants	Various	Various	Y		Grant certifications in line with the grant terms & condition and deadline for the following grants: <ul style="list-style-type: none"> <li>• Home Upgrade Grant Phase 1 - (HUG 1)</li> <li>• Local Authority Delivery Phase 3 - (LAD 3)</li> <li>• Multiply Funding</li> <li>• LEP - Core Growth Hub Grant Funding</li> <li>• Transforming Cities Fund - TCF 1</li> <li>• Transforming Cities Fund - TCF2</li> <li>• Supporting Families Programme x 4 Claims</li> <li>• Social Housing - Decarbonisation Fund Wave 1</li> <li>• Changing Places Fund Grant</li> <li>• Local Transport Capital Funding</li> <li>• Bus Subsidy (Revenue) Grant</li> <li>• Disabled Facilities Capital Grant (DFG)</li> <li>• LEV Taxi Infrastructure Scheme Project Grant</li> <li>• Zero Emission Bus Regional Areas Grant</li> <li>• Leaseholders Account</li> <li>• Adriatic Land 7 Limited Service Charges</li> </ul>	Certification Requirement	90

Q1-Q4	IC	Internal Controls	Concerto	Colin Sharpe/ Amy Oliver	Corporate Resources		Following a procurement process for the Estates System (Concerto), management have decided they are keeping Concerto, but it will be going through a significant upgrade. Management would like Internal Audit to be part of the project and support during this upgrade.	Director Assurances	10
Q1/Q2	IC	IT&Governance	BACs/DD	Colin Sharpe/ Amy Oliver	Corporate Resources		A recent error in the direct debit process resulted in large sums of monies being deducted from people banks account . The total value of the run was well in excess of the usual monthly amount. An urgent audit was commissioned to review what went wrong and to ensure that sound controls are in place to reduce the risk of thsi happening in the future. This review also includes a review of the BACS process. The exact scope will be agreed prior to start of this audit.	Director Assurances	45
Q2/Q3	IC	Internal Controls	Income Procedures	Colin Sharpe/ Amy Oliver	Corporate Resources		Review of the Income collection and accounting procedures.	Director Assurances	10
Q1/Q2	IC	Internal Controls & Governance	Parks & Open Spaces	Mike Dalzell/ Sean Atterbury	City Development & Neighbourhoods/ Tourism, Culture & Inward Investment/ Neighbourhood & Environmental Services	N/A	A review of the lettings and hire charges for parks and open spaces; the audit will include a review of what management processes are in place for ensuring there is consistency on how charges are calculated and costs recovery. Policies for charges and exemptions will also be covered.	Directors Assurance	10
Q2/Q3	IC	Internal Controls & Governance	Levelling Up Projects	Richard Sword/ Amy Oliver	City Development & Neighbourhoods/ Director of Finance		Leicester City Council were successful in securing funding under the government's Levelling Up scheme. Exact Scope to be agreed, but it could include how the S151 gets assurances before compilation & signing of assurance letter and statement of grant usage.	Directors Assurance	10
								<b>Sub Total</b>	665
								Future Audit Planning /Contingency	55
								Ongoing client management	80
								<b>Total Days</b>	<b>800</b>



**Reserve/Deferred/Cancelled Audits (2023-24)**

Timing	Control Envirn'mt - G, RM, IC	Audit Plan Category	Audit Name	Director	Department/Division	County	DRR/SRR ref'ce	Scope	Rationale for inclusion	Status
Q3/Q4	G	Governance	Climate change and carbon emissions	Matthew Wallace	City Development & Neighbourhoods/Estates & Building Services	Y	SRR 6.1	Some audit work was undertaken on Climate change and carbon emissions in 2022-23. Provision is made for any follow-up work plus any other associated work relating to this area.	Nationwide issue and Professional internal audit or risk management guidance	Reserve
Q3/Q4	G	IT & Governance	Data Protection and Digital Information (No. 2) Bill 2022-23	Kamal Adatia/ Miranda Cannon	Corporate Resources and Support/ City Barrister and Head of Standards Delivery/ Communication and Political Governance	Y	SRR 4.3	Monitor impacts of the re-issued Data Protection and Digital Information Bill 2022-23. Scope to agreed.	Director Assurances/ Professional internal audit or risk management guidance	Reserve
Q2/Q3	G	Governance	Assurance framework	All Directors	All departments	Y	N/A	Work with Directors to establish a full understanding of (map out) key assurances received and consider the reliability/scope of them. This could help to determine IA future capacity.	Director Assurances	Defer to 2024-25
Q2/Q3	G	Governance	Budget Spend	Damian Elcock/ Tracie Rees	Social Care & Education/ Children's Social Care/ SEND & Early Help			A review to ensure the growth funding provided to the Department is being adequately utilised, with particular emphasis to funding relating to unaccompanied asylum seeking children, which has seen a large increase.	Director Assurances	Defer to 2024-25
Q2/Q3	G	Governance	Corporate Workforce Planning	Miranda Cannon	Corporate Resources and Support/Delivery, Communication and Political Governance	Y	SRR 1.1 SRR 2.2	Lack of Critical Skills and resources and capabilities across the workforce is key risk and an Internal Audit review of the corporate approach in dealing with this risk is welcomed.	Director Assurances	Cancelled
Q1	G	Governance	Workforce planning	Caroline Tote	Social Care & Education/ Children's Social Care	Y	SRR 2.1 ORR 20	A lot of work has been undertaken relating to workforce and diminishing availability of experienced skilled social workers. The team are planning for an Inspection and a review by Internal Audit of work done would be helpful.	Director Assurances	Cancelled
TBC	RM	Risk Management	Major Incidents	Miranda Cannon	Corporate Resources and Support/Delivery, Communication and Political Governance	Y	SRR 3.3	Audit of preparedness for new Duty to Protect (Martyn's Law) linked to counter-terrorism plans	Nationwide issue and Professional internal audit or risk management guidance	Reserve
TBC	IC	Internal controls	SEND Placements	Tracie Rees	Social Care & Education/ Children's Social Care/ SEND & Early Help			Implementation of revised SEND pupil place planning model was launched in October 2022. Assurance on the cost effectiveness and are children in right place.	Director Assurances	Defer to 2024-25

Q1/Q2	IC	Internal Controls & Governance	Roles and Responsibilities	Colin Sharpe/ Amy Oliver	Corporate Resources & Support		The Control and Support Team, including the Finance teams has recently seen some major changes to staffing. Assurances required that robust controls remain in place following these changes.	Director Assurances	Cancelled
TBC	IC	Internal Control	PH Grant	Ivan Browne	Public Health	ORR 25	PH Grant is ring fenced grant for use on public health functions - assurance required that the PH spend is accurately reported in line with grant conditions. This could include how performance is measured and reported and how spend is reported in the different categories.	Director Assurances	Cancelled
Q2/Q3	IC	Contract Audit	Domiciliary Care	Tracie Rees	Social Care & Education/ SEND & Early Help		Domiciliary Contract is due for renewal - Provision is made for potential audit work, exact scope to be agreed.	Director Assurances	Cancelled
Q2/Q3	IC	Internal Controls	Education Health and Care (EHC) plans	Tracie Rees	Social Care & Education/ Children's Social Care/ SEND & Early Help	y	Management assurances required on processing of Education Health and Care (EHC) plans as some backlogs have occurred.	Director Assurances	Cancelled