

VARIATIONS TO THE 2016/17 AUDIT PLAN

Additions to the plan are considered where:

- specific requests are received from the S151 Officer which are necessary for him to discharge his statutory responsibilities;
- new or previously unidentified risks result in changes to the priority of audit work;
- significant changes in legislation, systems or service delivery arrangements occur which have an impact on audit priorities;
- requests are received from customers to audit specific services, systems or activities usually as a result of weaknesses in controls or processes being identified by management;
- urgent or otherwise unplanned work arises as a result of investigations into fraud and other wrongdoing identifying potential control risks.

Additions to the audit plan are only made if the proposed work is considered to be of a higher priority than work already planned, the change can be accommodated within the existing resource constraints and the change has been agreed by the Head of Internal Audit.

Audits are deleted from the plan or delayed until later years where:

- specific requests are received from the S151 Officer or the audit customer and the grounds for such a request are considered to be reasonable;
- the initial reason for inclusion in the audit plan no longer exists;
- it is necessary to vary the plan to balance overall resources.

To reflect the contractual relationship between the council and Veritau, all proposed variations to the agreed audit plan arising as the result of emerging issues and/or requests from directorates will be subject to a change control process. Where the variation exceeds 5 days then the change must be authorised by the Director of CBSS. Details of variations are communicated to the Audit and Governance Committee for information.

2016/17 Audit Plan Variations

The following variations have been approved by the Director of CBSS since the last report to this committee in June 2016. They represent a net allocation of five days to the audit contingency and do not affect the overall planned audit days.

| Audit | Days | Reason For Variation |
|------------------------------------------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Additions / Increases to the Audit Plan | | |
| Bus pass Usage Claims | 25 | The council pays approximately £4m a year to bus companies for bus pass usage. However, they all use different systems and the risk of fraud and error is reasonably high; an audit is therefore warranted. |
| Freedom of Information requests | 10 | An additional allocation of time is required to reflect activity in preparing responses to Freedom of Information requests relating to the council. |
| | 35 | |

| Audit | Days | Reason For Variation |
|---------------------------------------------------|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Deletions / Reductions from the Audit Plan | | |
| Section 106 Agreements | 25 | The service has recently agreed a comprehensive action plan for managing S106 agreements following the 2015/16 audit. Deferring the work until early 2017/18 will allow the new arrangements to be implemented so that the audit can review them fully ¹ . |
| Health and Wellbeing Board | 15 | The Health and Wellbeing Board is currently working with the Local Government Association (LGA) on a review of the governance arrangements |

¹ A brief follow up audit will be conducted in 2016/17 to ensure implementation of the agreed actions is on track.

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| | | including examining how the Board functions. An audit at this time would be likely to duplicate this work and a review of any changes implemented in 2017/18 would be more beneficial. |
| | 40 | |