

## **Annex 2**

### **Variations to the 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 Strategic Audit Plan priorities
- 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 be 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 reviewed and approved by the AD (Resources) Audit and Risk Management.

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.

All additions and deletions are reviewed and approved by the AD (Resources) ARM who then reports all variations to the S151 Officer and the Audit & Governance Committee for information.

## 2007/08 Audit Plan Variations

The following variations to the Plan have been approved by AD (Resources) ARM in 2007/08.

<b>Audit</b>	<b>Days</b>	<b>Justification For Change</b>
<u>Additional Work</u>		
Grant Audits	+14 days	Systems review/certification work required to be carried out by Internal Audit in relation to various grants including supporting people, safer cities and DTI grant claims.
Galileo Upgrade	+10 days	Provision required to cover additional resources needed to oversee and implement a major upgrade of the audit software.
Preparation of 2007/08 Annual Governance Statement	+10 days	Additional provision required to implement the new Annual Governance Statement, and to carry out follow up work on actions identified as a result of the 2006/07 Statement on Internal Control.
Disabilities	+20 days	Additional provision required as insufficient time was allocated to this area within the original plan.
Public Transport	+8 days	The identification of significant control weaknesses in this area meant that the audit could not be completed within the original time allocation.
Breaches and Waivers	+10 days	Additional provision required as insufficient time was allocated to this area within the original plan.

Administration Accommodation	+20 days	Work required to provide ongoing audit input in relation to the administration accommodation project.
Local Area Agreement	+5 days	Provision required to research and put in place appropriate audit process, and to provide support and advice on control issues, in relation to the local area agreement.
National Fraud Initiative (NFI)	+10 days	Work required in relation to an additional NFI data match of council tax and electoral registration records in 2007/08.
Derwent Infant School	+5 days	Additional audit requested by the school.
Petty Cash	+15 days	Additional support and advice required to be provided in relation to problems connected with petty cash payments and the introduction of new guidance.
Total additional work	+127 days	

<b>Audit</b>	<b>Days</b>	<b>Justification For Change</b>
<u>Deletions from the Audit Plan</u>		
Contingency Audits	-37 days	To resource additional work (see above). Balance remaining – 55 days.
Homecare Expenditure and Discretionary Charges	-29 days	To defer to 2008/09 as implementation of the financial elements of the new social care IT system (Frameworki) will not now be complete until the end of 2008.

<b>Audit</b>	<b>Days</b>	<b>Justification For Change</b>
Stores and Purchasing	-16 days	Audit to be deferred until 2008/09 to allow systems put in place to manage the new contract with Jewsons to become embedded.
Fleet Maintenance	-15 days	To defer until 2008/09, in order to balance the audit plan to available resources.
Development Control	-15 days	To defer until 2008/09, in order to balance the audit plan to available resources.
Building Control	-15 days	To defer until 2008/09, in order to balance the audit plan to available resources.
Total deletions	-127 days	