



Internal Audit plan 2018/19

Committee Audit and Standards

Date of meeting 9 February 2018

Date of report 26 January 2018

Report by Assistant Chief Executive (Business Support)

1. Object of report

To seek committee approval for the Internal Audit plan 2018/19.

2. Background

Public Sector Internal Audit Standards (PSIAS)

The Internal Audit plan for 2018/19 has been prepared in accordance with the Public Sector Internal Audit Standards (PSIAS).

The Internal Audit plan for 2018/19 has been developed using the assurance framework and a risk-based methodology following consultation with the Strategy Group on the Partnership's objectives and priorities, and in accordance with the Internal Audit Charter.

Internal Audit resources

The resource allocation required to achieve the Internal Audit plan for 2018/19 will be 500 audit days.

3. Outline of proposals

Internal Audit plan 2018/19

The Internal Audit plan for 2018/19 provides the direction of travel and a framework for audit engagements in the forthcoming year. The plan is aligned to the Partnership's strategic objectives, the (local) code of corporate governance and assurance framework, whilst having scope to be responsive to change (see Appendix 1).

The risk-based plan and the scope of each engagement have been informed by:

- (the) assurance framework;
- risk registers;
- Strategy Group consultation;
- external factors (e.g. government initiatives, intelligence, networking, etc.).

Plan objectives

The main objective of the Internal Audit plan is to provide an assurance service that assesses the Partnership's governance arrangements and the effectiveness and efficiency of the systems for internal control. The plan will also include provision for consulting activities and fraud prevention work.

Assurance engagements: are an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management and control processes and to ensure operations are being conducted in accordance with external regulations, legislation, internal policies and procedures (e.g. financial, performance, compliance, system security engagements). Assurance levels are based upon findings and conclusions at an individual engagement level; which when collated on an annual basis, support SPT's view on systems for internal control.

Consulting activities: are advisory in nature and relate to specific requests from senior management. They are intended to add value and improve governance, risk management and control processes without the internal auditor assuming management responsibility.

Fraud prevention: managing the risk of fraud and corruption is the responsibility of SPT management. Audit and Assurance will assist management in the effective discharge of this responsibility. The Counter Fraud Strategy (including Anti-Fraud and Corruption Policy, Whistle Blowing Policy and Financial Regulations relating to financial irregularity) outlines the Partnership's commitment to prevent, detect, investigate and report fraud. The annual Internal Audit plan includes provision for fraud prevention and investigation to support this strategy.

4. Conclusions

The Internal Audit plan for 2018/19 has been prepared in accordance with the Public Sector Internal Audit Standards (PSIAS) and the Internal Audit Charter.

5. Committee action

The committee is asked to approve the Internal Audit plan for 2018/19.

6. Consequences

Policy consequences	<i>In accordance with the revised Public Sector Internal Audit Standards from 1 April 2017.</i>
Legal consequences	<i>In accordance with the Local Authority Accounts (Scotland) Regulations 2014.</i>
Financial consequences	<i>None</i>
Personnel consequences	<i>None</i>
Social Inclusion consequences	<i>None</i>
Risk consequences	<i>As detailed in the report.</i>

Name Valerie Davidson

Name Gordon Maclennan

Title **Assistant Chief Executive
(Business Support)**

Title **Chief Executive**

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**Strathclyde Partnership for Transport
Audit and Assurance
Internal Audit plan 2018/19**

	<u>Days allocated</u>	<u>Sub-total days</u>	<u>Total plan days</u>
<u>Assurance engagements</u>			
Compliance Audit – Glasgow Region City Deal	10		
Contract Audit – Security and stewarding	20		
Contract Audit – Subway Modernisation station refurbishment	20		
Contract Audit – Subway Modernisation TSSSA	20		
Core Financial System – Debtors	10		
Core Financial System – Payroll	20		
Digital Controls – Chris 21 administration	10		
Digital Controls – Cyber resilience framework	10		
Digital Controls – Infor systems integration	20		
Digital Controls – Sharepoint	10		
Location Audits – Subway station offices	10		
Regularity Audit – Community Transport grant awards	10		
Regularity Audit – Compliance and Inspection	20		
Regularity Audit – CRC energy efficiency scheme/PBCCD	10		
Regularity Audit – HR policy	10		
Regularity Audit – Procurement outcomes	10		
Regularity Audit – Travel card unit administration	10		
Systems review of school transport administration	20		
Contingency allocation	50		
Follow-up reviews	50	350 (70%)	
<u>Consulting activities</u>			
Audit Scotland reports	10		
Assurance framework	10		
Business improvement control environment	50		
Equalities reporting	10		
Local code of corporate governance	10		
Risk management	10	100 (20%)	
<u>Fraud prevention and investigation</u>			
Fraud prevention initiatives (NFI)	15		
Contingency allocation	10	25 (5%)	
PSIAS compliance	25	25 (5%)	
Summary			500 (100%)