



**SOUTHAMPTON**  
CITY COUNCIL

## 2023/24 Internal Audit Plan

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## Executive Summary

This document sets out Internal Audit's programme of work for 2023/24, following appropriate engagement across the authority including but not limited to; CEO, Executive Directors, Directors, Heads of Service and the Chair of Governance Committee.

The Plan is informed by:

- Legal/ government requirements, specifically including grant sign offs by Internal Audit.
- Outcomes of prior Internal Audit reviews, for example all 2022/23 higher risk exceptions will be followed up during 2023/24. Any outstanding 'open or in progress' actions from follow up reviews performed during 2022/23 will be revisited as part of an ongoing schedule of work to support directorates implementation of actions to address risk exposure.
- Consultation with the Council's senior management and member as noted above.
- Risk assessment methodology and adequate coverage of activities across the authority in order to inform the annual opinion on the effectiveness of the control environment.

Primarily the Plan is risk based, although a number of fundamental areas, for example key financial processes such as Payroll, Accounts Payable and Receivable are reviewed every year due to the inherent risk exposures and transaction levels. A significant focus for any review included would be financial sustainability given ongoing budgetary pressures.

Detail regarding the standards applicable to Internal Audit are set out in the Public Sector Internal Audit Standards:

<http://www.cipfa.org/policy-and-guidance/standards/public-sector-internal-audit-standards>

## Proposed Audits

Corporate Services				
Audits	Type	Provisional Scope	Strategic Risks	Corporate Goals
Accounts Payable	Full	Scope to include a review of key controls.	1/4/5/7	All
Accounts Receivable	Full	Scope to include a review of key controls.	1/4/5/7	4
Agency & Temporary Staff	2nd Follow Up	Follow up required on raised exceptions, 1 high and 1 medium risk exceptions.	1/2/11	4
Business Continuity & Disaster Recovery	Full	Scope to include a key controls and cyber security arrangements.	1/3/	4
Expenses, Travel & Subsistence	Full	Scope to include a review of compliance with agreed arrangements and a follow up on the 4 high and 3 medium risk exceptions.	1	4
Feeder Systems	2nd Follow Up	Follow up required on raised exceptions, 3 high and 1 medium risk exceptions.	1/3/9	4
Financial Rules Non-Compliance	Analytics	IDEA (Data Analytics Software)	1	4
IT Assets	Full	Scope to include a review of procurement and inventory.	1/3	4
IT Automation	Full	Scope to include a review of automated processes.	1/3	All
Key Controls (Fraud Prevention)	Full	Scope to include a review of key controls to prevent fraud.	All	All
Network Management & Security	1st Follow Up	Follow up required on raised exceptions, 1 high, 2 medium and 2 low risk exceptions.	3/9	4
Payroll	Full	Scope to include a review of key controls.	1	4
Procurement Service	1st Follow Up	Follow up required on raised exceptions, 3 high.	1/4/5/7	All
Purchase Cards	Full	Scope to include a review of key controls and follow up on exceptions previously raised, 3 medium and 2 risk exceptions.	1	4
PUSH	Full	Annual accounts sign off.	1	All
Risk Management	1st Follow Up	Follow up required on raised exceptions.	All	All

<b>Corporate Services</b>				
<b>Audits</b>	<b>Type</b>	<b>Provisional Scope</b>	<b>Strategic Risks</b>	<b>Corporate Goals</b>
Starters & Leavers	Full	Scope to include a review of compliance with the terms and condition of the shared funding.	1/9/11	4
Business Planning and Savings Proposals	Full	Scope to include a review of the robustness of arrangements and achievement of objectives.	All	All

<b>Corporate Services &amp; Place</b>				
<b>Audits</b>	<b>Type</b>	<b>Provisional Scope</b>	<b>Strategic Risks</b>	<b>Corporate Goals</b>
Biodiversity Net Gain Grant	Grant	Grant Verification	1/10/13	3
Disabled Facilities Grant	Grant	Grant Verification	1/4/5/8	1
Disabled Facilities Grant	Full	Process review, scope to include examination of underspends.	1/4/5/8	1
Transforming Cities Fund	Grant	Preparation for Grant Verification	1/10/13	3/4
Local Transport Capital Block Funding	Grant	Grant Verification	1/10/13	3/4

<b>Corporate Services &amp; Wellbeing &amp; Housing</b>				
<b>Audits</b>	<b>Type</b>	<b>Provisional Scope</b>	<b>Strategic Risks</b>	<b>Corporate Outcomes</b>
Appointeeship	1st Follow Up	Follow up required on raised exceptions.	4/5/9	1
Housing Rents & Arrears Collection	Full	Scope to include a review of key controls and follow up on exceptions previously raised, 2 high and 3 medium risk exceptions.	1/4/9	1/3/4
Modern Slavery	Full 2nd Follow Up	Compliance review to establish arrangements within directorates for main contractors. Along with follow up review on open or in progress exceptions, 2 high and 2 medium risk exceptions.	4/6	1/3/4

<b>Corporate Services &amp; Wellbeing (Children &amp; Learning)</b>				
<b>Audits</b>	<b>Type</b>	<b>Provisional Scope</b>	<b>Strategic Risks</b>	<b>Corporate Goals</b>
Schools Financial Values Statement (SFVS)	Full	Annual review required to enable s151 Officer sign off.	6/7	1
Schools Budget Deficits	2nd Follow Up	Follow up required on open or in progress exceptions, 1 high.	1/6/7	1/4

<b>Place</b>				
<b>Audits</b>	<b>Type</b>	<b>Provisional Scope</b>	<b>Strategic Risks</b>	<b>Corporate Goals</b>
Asbestos	Full	Review to include a review of key controls.	2/4/6/8	1/3
Contractor Arrangements	Full	Scope to include a review of due diligence and ongoing monitoring once contracts awarded.	2/4/8	2/3/4
Health & Safety	Full	Review to include a review of key controls.	2/8	3/4
Home 2 School Transport System	Full	Review at the request of s151 officer.	1/6/7/13	1/3
Operator's License	2nd Follow Up	Follow up required on open or in progress exceptions.	1/2//8/11	2/3/4
Safety Compliance (Tower Blocks)	1st Follow Up	Follow up required on raised exceptions.	4/6/8/12	2/3
Toll Bridge	1st Follow Up	Follow up required on raised exceptions, 1 high.	1	All
Waste Operations	1st Follow Up	Follow up required on raised exceptions	1/2/8	2/3
Water Quality	Full	Review to include a review of key controls.	2/4/6/8	1/2/3

<b>Transformation</b>				
<b>Audits</b>	<b>Type</b>	<b>Provisional Scope</b>	<b>Strategic Risks</b>	<b>Corporate Goals</b>
Partnerships	Full	Scope of the review to include governance arrangements.	All	All
Project	Full	Area to be determined.	All	All

<b>Transformation</b>				
<b>Audits</b>	<b>Type</b>	<b>Provisional Scope</b>	<b>Strategic Risks</b>	<b>Corporate Goals</b>
Transformation Programme	Consultancy	Support work across the Authority.	All	All

<b>Wellbeing &amp; Housing</b>				
<b>Audits</b>	<b>Type</b>	<b>Provisional Scope</b>	<b>Strategic Risks</b>	<b>Corporate Goals</b>
Adult Safeguarding	Full	Follow up required on raised exceptions, 2 high.	1/4/5	1/2/3
Allocation Policy	Full	Scope of the review to include of key controls.	1/4/5	1/2/3
Compliance with Grant Conditions (PH)	Full	Scope of the review will focus on compliance across the authority.	All	All
Contract Review	Full	Review at the request of the Executive Director.	1/4/5	1/3
Contract Management ICU	1st Follow Up	Follow up required on raised exceptions, 1 high and 1 medium risk exceptions.	1/4/5	1/3
Damp & Mould	Full	Scope of the review to include of key controls.	1/4/6/8	1/3
Deprivation of Liberty	1st Follow Up	Follow up required on raised exceptions, 4 high.	1/4/5	1
Domestic Violence	2nd Follow Up	Follow up required on raised exceptions, 2 high.	4/6/8	1/2/3
Emergency Procedures	1st Follow Up	Follow up required on raised exceptions, 1 high and 1 medium risk exceptions.	4/6/8	1/3
Funding Pathways	1st Follow Up	Follow up required on raised exception, 1 high.	1/4/5	1/2
Public Health Outcomes	1st Follow Up	Follow up required on raised exceptions, 1 high and 1 medium risk exceptions.	1/2/8/9	1
Residential Units	1st Follow Up	Follow up required on raised exceptions, 1 high and 2 medium risk exceptions.	1/4/5	1/2/3
Section 75	Full	Scope of the review to include of key controls.	1/4/5	1/2
Stock Condition Surveys	Full	Scope to include a review of key controls.	1/4/6/8	2/3
Temporary Accommodation	Full	Scope of the review to include of key controls.	1/4/5	1/2/3
Voids	1st Follow Up	Follow up required on raised exceptions.	1/4	3

<b>Wellbeing &amp; Housing &amp; Wellbeing (Children &amp; Learning)</b>				
<b>Audits</b>	<b>Type</b>	<b>Provisional Scope</b>	<b>Strategic Risks</b>	<b>Corporate Goals</b>
Transition Children's to Adults	1st Follow Up	Follow up required on raised exceptions.	1/4/5/6/7	1/2

<b>Wellbeing (Children &amp; Learning)</b>				
<b>Audits</b>	<b>Type</b>	<b>Provisional Scope</b>	<b>Strategic Risks</b>	<b>Corporate Goals</b>
Cantell Secondary School	Full	Scope of the review to include of key controls.	6/7	1
Child Protection Planning	1st Follow Up	Follow up required on raised exceptions, 6 high and 1 medium risk exception.	6/7	1
Compass - Alternative Learning	Full	Scope of the review to include of key controls.	6/7	1
Direct Payments Children's	1st Follow Up	Follow up required on raised exceptions, 6 high.	1/6/7	1
Elected Home Education	1st Follow Up	Follow up required on raised exceptions, 1 high.	6/7	1
Families Matter Grant	Grant	Annual grant verification.	1/4/5/6/7	1/2
Fostering	1st Follow Up	Follow up required on raised exceptions, 3 high and 1 medium risk exceptions.	6/7	1
Hardmore School	1st Follow Up	Follow up required on raised exceptions, 6 high and 4 medium risk exceptions.	6/7	1
Mansbridge Primary School	2nd Follow Up	Follow up required on open or in progress exceptions, 3 high and 1 medium exceptions.	6/7	1
Shirley Warren Primary	2nd Follow Up	Follow up required on open or in progress exceptions, 2 high risk exceptions.	6/7	1
St Marks Primary	Full	Scope of the review to include of key controls.	6/7	1
Unregulated Placements	Full	Scope of the review to include of key controls.	1/6/7	1/3
Vermont School	1st Follow Up	Follow up required on raised exceptions, 3 high and 3 medium risk exceptions.	6/7	1

## Strategic Risks (as of 31<sup>st</sup> March 2023)

Ref	Risk
1	Failure to address the significant and ongoing financial pressures in a sustainable way.
2	Major incident or service disruption (including serious health protection threats) leading to delivery failure that significantly impairs or prevents the Council's ability to deliver key services and/or statutory functions
3	Major IT incident or IT service disruption leading to delivery failure that significantly impairs or prevents the Council's ability to deliver key services and/or statutory functions.
4	Failure to design and implement an effective new delivery model for Adult Social Care which results in improved outcomes for residents within available resources in a sustainable way.
5	Failure to provide high quality, cost effective Adult Social Care services and to achieve positive outcomes from CQC inspections.
6	Failure to safeguard children resulting in a preventable incident.
7	Failure to ensure an effective and sustainable children's social care system.
8	Failure to meet our health and safety responsibilities.
9	Failure to ensure the City Council's information is held and protected in line with Information Governance policies and procedures.
10	Failure to ensure delivery of statutory air quality standards.
11	Failure to have in place up to date skills audits across all service areas to identify the range of skills and technical / professional expertise required to deliver services.
12	Contractor refuses to accept/recognise its contractual and, or full financial obligations in respect of the required fire protection compliance work in certain high rise residential blocks.
13	Failure to deliver the key actions and commitments, at address climate emergency and biodiversity, as set out in the Green City Charter.



## Corporate Plan - Goals & Focus

Ref	Corporate Goals
<b>1. Strong Foundations for Life</b>	
1a	<p>Improving health and wellbeing of all residents, with a focus on reducing health inequalities within Southampton:</p> <ul style="list-style-type: none"> <li>• Make Southampton’s cultural and leisure offer more accessible to all ages, abilities and backgrounds, with a particular focus on areas of high deprivation.</li> <li>• Improve mental health and reduce levels of loneliness.</li> <li>• Reduce childhood obesity levels in Southampton by increasing take-up and expanding scope of Healthy Early Years and Healthy High 5 Award schemes.</li> <li>• Reduce number of smokers, drug use and alcohol consumption by commissioning public health prevention initiatives and focusing on targeted support. This includes identifying and supporting more families where children are living with alcohol-dependent adults.</li> <li>• Ensure there is a vibrant local market to deliver health and care services, by working with partners and third-sector colleagues.</li> </ul>
1b	<p>Facilitating life-long learning and skills development to encourage higher-skilled, higher-paid jobs:</p> <ul style="list-style-type: none"> <li>• Deliver the School Attendance Action Plan aimed to improve school attendance and attainment, which results in better education outcomes and greater opportunities to succeed for young people in Southampton. This will involve working with young people to better understand and tackle root causes.</li> <li>• Increasing the number of care leavers and those still in care into education, employment, and training.</li> <li>• Help more of our city residents to get the qualifications and skills that are right for them. This includes supporting them to get ready for work and helping them understand how to access opportunities.</li> </ul>
<b>2. A Proud and Resilient City</b>	
2a	<p>Create cleaner, more attractive, and welcoming green and open spaces, to improve the experience of those living, working, studying and visiting Southampton:</p> <ul style="list-style-type: none"> <li>• Host ‘Love Where You Live’ events in areas of deprivation, delivered with local communities, focused on addressing local needs.</li> <li>• Ensure our parks and open spaces remain accessible and increase the number of Green Flags in the city from six parks to ten.</li> <li>• Reduce litter and fly-tipping and improve recycling rates through our Waste Management Plan.</li> <li>• Install 240 solar bins across Southampton.</li> </ul>
2b	<p>Give communities more influence over local decision-making and create child-friendly neighbourhoods:</p> <ul style="list-style-type: none"> <li>• Work towards Southampton becoming accredited as a UNICEF Child Friendly City</li> </ul>

	<ul style="list-style-type: none"> <li>• Create a Southampton Youth Council that allows young people to influence decision-making.</li> <li>• Improve the condition of children’s play areas within neighbourhoods and work towards introducing more play equipment within neighbourhoods that do not have any.</li> <li>• Support Southampton’s Cultural Education Partnership to enhance creative opportunities for children.</li> <li>• Start to develop a neighbourhood model of working, so that support is available closer to where people live, through greater community action, family and neighbourhood hubs.</li> </ul>
2c	<p>Help communities feel safer within their neighbourhoods with a sense of belonging:</p> <ul style="list-style-type: none"> <li>• Work closely with Hampshire Constabulary and city partners on Safe City Partnership Plan.</li> <li>• Deliver a Safer Neighbourhoods Fund.</li> <li>• Work with businesses, voluntary agencies, libraries, and community centres to grow our local network of safe places, places of sanctuary, and hate crime reporting centres.</li> <li>• Improve awareness of crime reporting through increased communications, in partnership with Hampshire Constabulary.</li> <li>• Achieve more inward investment into Southampton’s creative and cultural organisations to help deliver for local communities, as part of Southampton’s UK City of Culture 2025 bid legacy work.</li> <li>• Champion Southampton’s City of Sanctuary status and encourage more city organisations to become places of sanctuary to ensure refugees and asylum seekers are welcomed into our diverse city.</li> </ul>
2d	<p>Create more resilient communities by coordinating support for those in need and enabling people to live independently for longer:</p> <ul style="list-style-type: none"> <li>• Support information, advice and guidance organisations in the city to offer support where needed.</li> <li>• Reduce food poverty by supporting the voluntary and third sector to establish a strong food distribution network.</li> <li>• Establish ‘warm spaces’ network within Southampton, using local libraries.</li> <li>• Deliver an improved Southampton Information Directory so people have better access and can choose how best to help themselves.</li> <li>• Increase the number of accessible homes in Southampton that support independent living.</li> <li>• Work with partners to support more people to remain at home following discharge from hospital.</li> <li>• Provide support so people can be more independent in their own home. This includes creating better access to their local community and making best use of digital tools including Telecare.</li> </ul>
<b>3. A Prosperous City</b>	
3a	<p>Work with partners to support and grow emerging businesses, help existing business and attract new business into the city:</p> <ul style="list-style-type: none"> <li>• Champion sustainable growth, encouraging innovation to tackle the challenges of climate change, with a particular focus on marine and maritime.</li> <li>• Bring in new skills and employment opportunities for local people.</li> </ul>

	<ul style="list-style-type: none"> <li>Identify and support development of the skills and specialisms needed to deliver a local talent pool that can help existing and new business to the city succeed. This includes improving links between employers and education providers and introducing initiatives such as the Good Work Charter and delivering our Future of Work Action Plan.</li> <li>Establish a City Renaissance Board, which will oversee the future growth and development of key sites in the city, including master-planning of city and district centres, aligning wider city investment and partnership plans.</li> <li>Strengthen international partnerships to encourage trade and global collaborations.</li> <li>Ensure start-ups and existing businesses can access affordable support and advice and maximise financial opportunities to ensure we retain local talent and enable growth.</li> </ul>
3b	<p>Work with business to improve social and environmental impact:</p> <ul style="list-style-type: none"> <li>Increase number of businesses signed up to Safe Places Network.</li> <li>Increase number of Real Living Wage Employers within Southampton.</li> <li>Champion the ‘Southampton Pound’ with the aim of keeping more local spend within the city.</li> <li>Ensure the business community engages with the Southampton’s Citizens Assembly on becoming a Zero Carbon City by 2035, so they can be part of the solution to tackling climate change.</li> </ul>
3c	<p>Become a destination place to be proud of that puts Southampton on the map, encouraging more visitors to visit, enjoy and spend within Southampton:</p> <ul style="list-style-type: none"> <li>Support Southampton’s Cultural Trust to help deliver the Cultural Strategy, Destination Management Plan, and Festival and Events Strategy to grow our citywide destination aspirations and increase visitor numbers.</li> <li>Maximise economic and social benefits by working with partners to build on the legacy of being finalists in the City of Culture 2025 bid. Invest in Southampton’s heritage, helping to tell Southampton’s story.</li> </ul>
3d	<p>Better infrastructure, with safer, more affordable and accessible modes of travel options around Southampton:</p> <ul style="list-style-type: none"> <li>Deliver on the Transforming Cities Programme and become better connected, however, you choose to travel.</li> <li>Work to make public transport cheaper, particularly bus travel.</li> <li>Explore further sustainable transport options, including water-taxis and metro-rail.</li> <li>Adopt recommendations from the Accessibility Scrutiny Enquiry.</li> <li>Deliver digital infrastructure so that residents and businesses can evolve and grow.</li> <li>Promote and improve access to Southampton waterfront.</li> </ul>
3e	<p>More good quality, affordable housing in Southampton that local residents can benefit from:</p> <ul style="list-style-type: none"> <li>Adopt Affordable Housing Framework.</li> <li>Ensure better standards of rental properties by completing a Conditions Survey of private rented homes in Southampton.</li> </ul>

	<ul style="list-style-type: none"> <li>Invest at least £6 million to improve energy efficiency of council homes, including insulating homes</li> </ul>
<b>4. A Successful, Sustainable Organisation</b>	
4a	<p>Be an employer of choice:</p> <ul style="list-style-type: none"> <li>Deliver on our People Plan.</li> <li>Develop talent and offer opportunities to staff.</li> <li>Support employees and invest in their health and wellbeing.</li> <li>Deliver on the council's Diversity and Inclusion Pledge, to promote and champion diversity throughout the organisation.</li> </ul>
4b	<p>Work effectively, focusing on the things that make the most difference:</p> <ul style="list-style-type: none"> <li>Identify and use the right data to make better, more informed decisions.</li> <li>Target support to people who need it the most.</li> <li>Regularly review what we do to make sure we are always focused on our customers.</li> </ul>
4c	<p>Deliver the transformation of services and workplace:</p> <ul style="list-style-type: none"> <li>Ensure all services are designed to support best outcomes for our residents.</li> <li>Drive efficiencies through focusing on what creates real value, streamlining processes, reducing bureaucracy, and increasing productivity.</li> <li>Challenge ourselves to be future-focused and think differently, to identify opportunities and better ways of working.</li> </ul>
4d	<p>Work with, and not just for, our customers and the communities we serve:</p> <ul style="list-style-type: none"> <li>Embed a culture of listening to our residents, community groups, partner organisations and businesses so their voices can shape our actions.</li> <li>Work with our children and young people and fulfil the council's pledge as a signatory of the Good Youth Employment Charter.</li> <li>Work to make sure Southampton gets its fair share of resources, securing more external funding.</li> <li>Maintain collaborative partnerships with public and private sector organisations.</li> <li>Support our communities and the voluntary sector to make the greatest impact possible.</li> <li>Ensure council properties and spaces are well managed and maintained.</li> </ul>