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| LONDON BOROUGH OF CAMDEN | WARDS: All |
| REPORT TITLE: 2024-25 Draft Internal Audit and Investigations Plan | |
| REPORT OF: Executive Director Corporate Services | |
| FOR SUBMISSION TO: Audit and Corporate Governance Committee | DATE: 4 th April 2024 |
| <p>SUMMARY OF REPORT:</p> <p>The report seeks approval for the Annual Internal Audit and Investigations Plan for 2024-25.</p> <p>In line with Committee's Terms of Reference, the report asks Committee to approve the risk-based internal audit plan, including internal audit's resource requirements (and any significant changes to either), the approach to using other sources of assurance and any work required to place reliance upon those other sources.</p> <p>Local Government Act 1972 – Access to Information</p> <p>No documents that require listing were used in the preparation of this report.</p> <p>Contact Officer: Nasreen Khan Head of Internal Audit, Investigations and Risk Management 5 Pancras Square London N1C 4AG Telephone: 020 7974 2211 E-mail: Nasreen.Khan@camden.gov.uk</p> | |
| <p>RECOMMENDATION:</p> <p>The Committee is asked to note the contents of the report and to approve :</p> <ul style="list-style-type: none"> i) the Internal Audit Strategy at Appendix A; ii) the 2024-25 Annual Internal Audit Plan at Appendix B; iii) the Principal Risk Assurance map at Appendix C; iv) the 2024-25 Annual Investigations Plan at Appendix D. | |

Signed: As agreed by the Executive Director Corporate Services

Date: 18th March 2024

1. Purpose of the report

- 1.1. The report fulfils responsibilities under item 8 of the Committee's Terms of Reference i.e. to approve the risk-based internal audit plan, including internal audit's resource requirements (and any significant changes to either), the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- 1.2. The Council has a statutory duty to maintain an effective Internal Audit function. The Internal Audit, Investigations and Risk Management service provides this function.
- 1.3 Our primary objective is to provide the Council, via the Audit and Corporate Governance Committee (ACGC), with independent assurance that risk management, governance and internal control processes are operating effectively. We also provide advice and guidance to management on risk and control issues within individual processes. We aim to achieve this through a planned programme of work based on an annual assessment of the principal risks facing the authority.
- 1.4 The Internal Audit Strategy, included at **Appendix A**, details the role and objective of Internal Audit within the organisation and the overall strategic approach to meeting this objective.
- 1.5 The draft Internal Audit Plan, included at **Appendix B**, details the work to be undertaken by the Internal Audit in 2024-25 to deliver this objective.
- 1.6 Internal Audit aims to retain flexibility in its approach in order to provide coverage of emerging risks, and to meet the changing needs of the organisation. To this end, whilst Internal Audit will deliver a risk-based annual plan, we will also remain responsive to the needs of auditees and wider-stakeholders and will continue to provide ad hoc control advice and support where required.

2. Internal Audit plan - preparation and consultation

- 2.1 The 2024-25 audit plan has been drafted from a number of sources including an assurance map to the Council's Principal Risk Report as at November 2023, an Internal Audit risk assessment, intelligence from various sources including previous audits/fraud investigations, audit plans of other local authorities, CIPFA good governance guidelines and pan London planning sessions. Plans for each directorate have been agreed by the Directorate Management Teams (DMTs) in February 2024 ahead of consideration by the Camden Management Team (CMT) in March 2024 and approval by the ACGC in April 2024.
- 2.2 As in previous years, the Council's objectives as defined in We Make Camden have been considered in the drafting of the audit plan. The plan has also been aligned with the Council's Principal Risk Report to ensure that the work of Internal Audit is resident focussed and focusses on the actions in place to

mitigate the principal risks that threaten the achievement of the Council's objectives.

- 2.3 An assurance map, included at **Appendix C**, details Internal Audit coverage of actions to mitigate principal risks from 2021-22 to 2024-25. The alignment of the audit plan to the Council's principal risks represents good practice and also indicates that the Council's risk maturity has been further enhanced in recent years.
- 2.4 **Appendix C** also includes a Key Financial Systems (KFS) plan. While a risk based approach is applied to devising the annual audit plan, a cyclical approach is applied to key financial systems in order to ensure that rolling assurance is provided in this area of key risk.

3. Internal Audit plan - delivery

- 3.1. The annual plan has been drawn up to address the statutory requirements and key risks for the Council, taking into account the available resources within the Internal Audit service. Changes to the annual plan may be necessary during the year to ensure that the Internal Audit service responds to changing risks.

4. Follow-up audits

- 4.1. Planned audit work undertaken is subject to a formal follow up to ensure that agreed actions have been implemented. The timing of each follow up review is agreed with the auditee. Summary findings emanating from planned internal audit work, as well as the level of implementation of agreed actions, is reported to the ACGC. Follow up outcomes will also have an impact on our risk assessment of a particular area.

5. Assurance Levels

- 5.1. Internal audit reviews result in a statement of either 'substantial', 'moderate', 'limited' or 'no' assurance. These conclusions are based on the number of critical and high priority risks identified in an audit report. The ACGC receive details of high priority findings raised in audit reviews which result in 'limited' or 'no' assurance statements.

6. Investigations

- 6.1. Fraud is an inherent risk to the Council and is identified as a principal risk in the Council's Principal Risk Report. Whilst the majority of the investigation team's annual work is reactive (dependent on referrals and potential fraud identified in-year), the team also deliver a risk-based annual plan of counter-fraud activity. This contributes to the overall fraud risk assessment of the Council. A best practice and proactive approach is taken to counter fraud through prevention and detection activities. This includes:
 - Proactive anti-fraud reviews;
 - Fraud awareness training;

- Anti-fraud initiatives such as the National Fraud Initiative; and
- Corporate communications and e-learning.

6.2. The 2024-25 Investigations Plan, detailing planned anti-fraud activity, is included at **Appendix D**.

7. Resourcing

- 7.1. The 2024-25 Internal Audit Plan will deliver c.785 days comprising c.660 audit days, a contingency of c.95 days to cover urgent and unplanned reviews arising during the year, and c.30 days allocated to the North London Waste Authority (NLWA). A small portion of the plan (c.135 days) will be delivered by our co-sourced partner (PwC).
- 7.2. The 2024-25 Investigations Plan will deliver c.650 days, with c.330 days earmarked for reactive work. The remaining resource will be utilised on anti-fraud initiatives including blue badge enforcement activity.

8. Finance comments of the Executive Director Corporate Services

- 8.1. The Executive Director Corporate Services has been consulted and comments are incorporated within the body of the report.

9. Legal comments of the Borough Solicitor

- 9.1. The Borough Solicitor has been consulted and has no comments.

10. Environmental implications

- 10.1. There are no known environmental implications arising from this report.

11. Appendices

Appendix A – Internal Audit Strategy

Appendix B – 2024-25 Draft Internal Audit Plan

Appendix C – Principal Risk Assurance Map and Key Financial Systems Plan

Appendix D – 2024-25 Investigations Plan

APPENDIX A – 2024-25 INTERNAL AUDIT STRATEGY

1. Introduction

- 1.1 This document sets out the overall strategic approach of the Council's Internal Audit function in providing assurance over the key risks faced by the Council. The Council operates a Shared Internal Audit Service with Islington, with a shared Head of Internal Audit supported by dedicated Audit Managers and principal auditors at each borough.

2. Purpose of Internal Audit

- 2.1 The overall strategy of Internal Audit primarily entails delivering a risk based audit plan aligned with the Council's principal risk profile.
- 2.2 As noted in the Internal Audit Charter, it is the responsibility of management to maintain appropriate risk management processes, control systems, accounting records and governance arrangements. Internal Audit is not responsible for designing and implementing control systems and managing risks.
- 2.3 The purpose of the Internal Audit Service is to provide independent, objective assurance and consulting services (via the Audit and Corporate Governance Committee) in order to add value and improve operations.
- 2.4 The mission of the Shared Internal Audit Service is to enhance and protect organisational value by providing risk based and objective assurance, advice and insight.
- 2.5 The Chief Finance Officer has a statutory duty under the Local Government Act 1972 to ensure an effective Internal Audit function is maintained.

3. Ethical Standards

- 3.1 Internal Audit maintains independence and objectivity within the organisation and follows the Public Sector Internal Audit Standards in the course of its work.

4. Roles and Responsibilities

- 4.1 The Service is led by the Head of Internal Audit, whose roles and responsibilities are detailed in the Camden and Islington Shared Internal Audit Service Charter.

- 4.2 The Head of Internal Audit is supported in achieving these responsibilities by the Audit Manager and a team of principal auditors.
- 4.3 Some reviews (determined on an annual basis) are delivered by a co-sourced partner. These reviews are normally those where Internal Audit identify that the reviews would benefit from particular technical expertise outside the service, or where this would support the independence of the service.
- 4.4 The service works and liaises with a number of stakeholders outside of the service including:
 - The Audit and Corporate Governance Committee (ACGC);
 - Officers within the Council;
 - The Council's Risk Manager;
 - A co-sourced partner;
 - External partners, including other Councils and CIPFA.

5. Risk Assessment and Audit Plan Development

- 5.1 An annual Internal Audit risk assessment is conducted based on the Council's Principal Risk Report and other sources of information as appropriate.
- 5.2 An Internal Audit plan is produced based on this risk assessment. As part of this process, Internal Audit also considers risk areas which, whilst not requiring immediate attention, could be supported by review and includes these reviews on a reserve list for consideration on future plans.
- 5.3 Internal Audit consults on the Audit Plan as appropriate, including with DMTs and the Camden Management Team.
- 5.4 The plan is presented to ACGC for approval.
- 5.5 Changes in the plan can be made in year if required in response to changing risks.

6. Risk-based reviews

- 6.1 To deliver the annual Internal Audit plan, risk-based reviews are undertaken in accordance with the Shared Service Internal Audit Methodology.
- 6.2 A Terms of Reference is prepared for each planned review which sets out the key risks and objectives of the audit and is agreed with the auditee.
- 6.3 Audit fieldwork is completed in line with the agreed Terms of Reference, and may include the following procedures to provide assurance:

- Interviews with control owners, and obtaining an understanding of controls to assess the extent to which they mitigate the risks as per the Terms of Reference;
 - Walkthroughs where performance of controls is observed;
 - Inspection of relevant documentation and detailed testing to confirm performance of controls.
- 6.4 At the conclusion of an audit, a closing meeting is held and an audit report is written, that sets out the audit findings which are rated as critical, high, medium or low. Where applicable, the report is given an overall assurance rating to indicate the overall effectiveness of the control environment.
- 6.5 The report also includes recommendations as to how findings may be addressed. Actions are agreed with the auditee in respect of these recommendations, accompanied with target dates and action owners.

7. Follow-ups

- 7.1 Completion of agreed actions is tracked through follow up work, whereby the auditee provides evidence confirming the completion of actions. Internal Audit reviews evidence to confirm the completion of actions.
- 7.2 In some cases, Internal Audit conducts an extended follow-up review. This is typically for high risk areas and may entail a repeat of some of the procedures in 6.3 above to assess the control environment following the completion of agreed audit actions.
- 7.3 Completion of actions is reported to ACGC.

8. Monitoring Plan delivery

- 8.1 Internal Audit tracks the delivery of the Audit Plan on an ongoing basis to confirm plan delivery against target.
- 8.2 The ACGC has overall responsibility for governance-level oversight of the plan, and receives bi-annual reports on delivery. The annual report includes an overall annual assurance opinion for the Council.

APPENDIX B – 2024-25 INTERNAL AUDIT PLAN

* An asterisk next to the audit title indicates that the planned audit review aligns with a principal risk as listed in the Council's Principal Risk Report.

A. CROSS CUTTING REVIEWS (INCLUDING PROGRAMMES)

| Reference | Audit title | Indicative Scope | Planned Quarter | Days |
|-----------|---|--|-----------------|------|
| CC24-1 | Savings programme and Medium Term Financial Risk * | An on-going programme of assurance against this area of principal risk. The scope will focus on key programme risks and will also include a follow up of previous audit recommendations. | Q3 | 20 |
| CC24-2 | HRA Financial Resilience* | A risk based review. Scope to be agreed in-year. | Q2 | 20 |
| CC24-3 | Community Investment Programme and Disposals * | An on-going programme of assurance against this area of principal risk. The scope will be considered in-year and will include a follow up of previous audit recommendations. | Q3 | 20 |
| CC24-4 | Business Continuity/ Emergency Preparedness * | An extended follow up review to assess the level of implementation of audit recommendations made in 2023-24. | Q2 | 10 |
| CC24-5 | Modern Day Slavery | A review of joint working, governance and oversight arrangements relating to modern day slavery. The audit will also look at staff training and communications with residents. | Q2 | 20 |

| | | | | |
|--------|--|--|-----|------------|
| CC24-6 | Risk management – assurance mapping | Internal Audit input into assurance mapping of principal risks. | Q3 | 5 |
| CC24-7 | Audit plan production | Production of the 25-26 audit plan including consultation. | Q3 | 10 |
| CC24-8 | Fraud Support | Internal Audit input into the reactive investigations to be undertaken in-year. | All | 20 |
| CC24-9 | Follow up | Follow up of previous audit recommendations to assess the level of implementation. | All | 115 |
| | | Cross cutting plan – total planned days | | 240 |

B. CORPORATE SERVICES

| Reference | Audit title | Indicative Scope | Planned Quarter | Days |
|-----------|---|---|-----------------|------|
| CS24-1 | Key financial systems (KFS) follow up* | Follow up of remaining open audit recommendations from KFS reviews conducted in 22-23 (as listed in the KFS table included at Appendix C section B below). - | Q1 | 10 |
| CS24-2 | Key controls review* | An overarching key controls review to assess the design of key controls (as listed in the table included at Appendix C section B below). Audit activity will primarily consist of walkthroughs. | Q3 | 30 |
| CS24-3 | Staff expenses | A risk based review focussed on key controls related to staff expenses. | Q3 | 20 |
| CS24-4 | IT review* | A risk-based IT review, the scope of which will be agreed in year. | Q2 | 20 |
| CS24-5 | IT review – Northgate | A risk based review focussed on permission and access controls in Northgate, including contractor access and interfaces with Rocc and Oracle. | Q1 | 20 |

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|--------|---------------------------------------|--|----|------------|
| CS24-6 | IT audit follow up | Follow up of previous audit recommendations. | Q3 | 10 |
| CS24-7 | Voluntary Sector Organisations | A risk based review focussing on key controls at one voluntary sector organisation. The organisation will be selected in-year based on a joint risk assessment with the service. | Q3 | 10 |
| | | Corporate services plan – total planned days | | 120 |

C. SUPPORTING COMMUNITIES

| Reference | Audit title | Indicative Scope | Planned Quarter | Days |
|-----------|---|--|-----------------|------|
| SC24-1 | Procurement-Property Management (housing)* | An extended follow up review to assess the level of implementation of recommendations made in 23-24. | Q2 | 10 |
| SC24-2 | Property Management (housing) – contract management* | A risk based reviewed focussed on contract management and including payment processes (raising of purchasing orders and approval of invoices). | Q2 | 20 |
| SC24-3 | Landlord Duty of Care – Damp and Mould* | An extended follow up review to assess the level of implementation of recommendations made in 23-24. | Q3 | 10 |
| SC24-4 | Concessionary Travel | Risk-based review of the design and operation of key controls. | Q2 | 20 |

| | | | | |
|--------|---|--|----|----|
| SC24-5 | Breakdown in community cohesion* | Risk based review focused on actions to mitigate existing and emerging risks. The review will include a follow up of previous open audit recommendations. | Q2 | 20 |
| SC24-6 | Social housing regulations/ standards* | Following completion of a self-assessment, an advisory review of compliance with new social housing regulations/ standards. | Q4 | 10 |
| SC24-7 | Tenant Management Organisation (TMO)* | Risk based review to evaluate the effectiveness of the governance framework and key controls in place at one TMO, to ensure that the Council and the TMO are discharging their responsibilities in-line with the MMA. Scope to include a review of the TMO's financial management arrangements, to ensure that funds are managed and spend appropriately and in a way that delivers value-for-money for residents. | Q1 | 20 |

| | | | | |
|--------|------------------------------------|---|-----|------------|
| SC24-8 | Coroner's Court Accounts | Annual certification of accounts, to include follow up of recommendations made during the 23-24 review. | Q2 | 10 |
| SC24-9 | Bus Service Operators Grant | Review and sign off of claims. | Q2 | 10 |
| FWU-24 | Key follow up reviews | Follow up of previous audit recommendations: 1) Housing – medical assessment; 2) Voids; 3) TMOs. | All | 20 |
| | | Supporting Communities – total planned days | | 150 |

D. SUPPORTING PEOPLE

| Reference | Audit title | Indicative Scope | Planned Quarter | Days |
|-----------|--|---|-----------------|------------|
| SP24-1 | Mosaic key controls review* | Extended follow up of recommendations made in 22-23. | Q2 | 15 |
| SP24-2 | Schools – establishments reviews* | Risk-based review of seven schools. | All | 105 |
| SP24-3 | Schools' Financial Values Statement | Review and sign off of 2022/23 statements produced by schools. | Q1 | 10 |
| SP24-4 | Supporting Families* | A review to provide assurance that the service retains a robust level of scrutiny and oversight in light of Earned Autonomy. | Q3 | 10 |
| FWU-24 | Key follow up reviews | Follow up of previous audit recommendations: <ul style="list-style-type: none"> - Mental Health and Learning Disabilities; - Mosaic Financial Processes; - Safeguarding Adults. | All | 10 |
| | | Supporting People – total planned days | | 150 |

APPENDIX C – PRINCIPAL RISK ASSURANCE MAP AND KEY FINANCIAL SYSTEMS PLAN

A) Principal Risk Report Assurance Map (mapped to the Internal Audit Plan per Appendix A)

| Risk number | Risk owner | Risk score | Risk title | Previous coverage (2021-22 – 2023-24) | 2024-25 planned assurance activity |
|-------------|--------------------------|------------|--|---|---|
| 1. | J. Rowney/ G. Marston | 20 | Housing Revenue Account (HRA) Financial Resilience | <p>1) Housing voids - the 2022-23 and 2023-24 audit plans included a two phased approach to consider the end-to-end voids process. Phase one covering 'repairs and governance' was completed in 22-23. Phase two covering 'allocation and management information' was completed in 23-24.</p> <p>2) Procurement (Housing) – the 23-24 plan included a review of procurement key controls related to housing management.</p> | <p>1. HRA – Financial resilience</p> <p>2. Follow up of 1) end-to-end housing voids 2) housing procurement management</p> |
| 2. | J. Rowney | 16 | Financial Resilience and Strategy - | An annual rolling programme of assurance is provided in this area. | 1. Continue the rolling programme of assurance. |
| 3. | G. Marston/ J. Rowney | 16 | Cost of Living Crisis | Risk management support was provided as needed. | No planned assurance activity. Risk management support and control advice will be provided as needed. |

| Risk number | Risk owner | Risk score | Risk title | Previous coverage (2021-22 – 2023-24) | 2024-25 planned assurance activity |
|--------------------|--------------------|-------------------|---|---|---|
| 4. | G. Marston | 16 | Delivering Zero Carbon Target and Improving Climate Resilience | <p>A review was completed as part of the 2021-22 plan with subsequent follow up of audit recommendations.</p> <p>ACGC received a risk deep dive into this area in November 2023.</p> | No planned assurance activity. Risk management support and control advice will be provided as needed. |
| 5. | G. Marston | 16 | High Speed 2 and Euston | <p>Reviews were undertaken prior to 23-24 including follow up activity. No work was undertaken in 23-24 given coverage in previous years (the area is also subject to external scrutiny). Risk deep dives were presented to ACGC in March 2022 and November 2023.</p> | No planned assurance activity. Risk management support and control advice will be provided as needed. |
| 6. | J. McGregor | 16 | Safeguarding Adults | <p>1) A review of Mental Health and Learning Disabilities was undertaken as part of the 2022- 23 plan and followed up in 23-24.</p> <p>2) A review of Housing Medical Assessment was undertaken as part of the 22/23 plan and followed up in 23-24.</p> | Continued follow up activity. |

| Risk number | Risk owner | Risk score | Risk title | Previous coverage (2021-22 – 2023-24) | 2024-25 planned assurance activity |
|-------------|-------------|------------|---|---|---|
| 7. | J. Rowney | 15 | Cyber and Data Security | <ul style="list-style-type: none"> 1. Cyber security reviews were previously undertaken and most recently followed up in 22-23. 2. A Data Management Internal Audit review was undertaken 22-23 and followed up in 23-24. 3. An Oracle review was undertaken in 23-24. | <ul style="list-style-type: none"> 1. Continued follow up of open recommendations; 2. One specialist IT review (scope to be agreed in year); 3. IT Application review – Northgate. |
| 8. | J. McGregor | 12 | Pressures within the Health System | <ul style="list-style-type: none"> 1. A Health and social care integration review was completed as part of the 23-24 audit plan. | <ul style="list-style-type: none"> 1. Follow up of 23-24 health and social care integration review. |
| 9. | J. Rowney | 12 | Failure to Challenge and Address Social Inequalities | <ul style="list-style-type: none"> 1. A review of Equalities, Diversity and Inclusion (EDI) was completed in 21-22 with a follow up review undertaken in 23-24. | No planned assurance activity. Risk management support and control advice will be provided as needed. |

| Risk number | Risk owner | Risk score | Risk title | Previous coverage (2021-22 – 2023-24) | 2024-25 planned assurance activity |
|--------------------|-------------------|------------------------|--|--|---|
| 10. | J. Rowney | 12 | Health and Safety Incident-Occupational | Health and Safety is also covered through other reviews, where relevant/appropriate. 1. A review of Health and Safety, focussing on Asbestos was undertaken as part of the 22-23 plan and followed up in 23-24. | No planned assurance activity. Risk management support and control advice will be provided as needed. |
| 11. | G. Marston | 12 | Community Investment Programme (CIP) | An annual rolling programme of assurance is provided in this area. | Continue the rolling programme of assurance. |
| 12. | J. Rowney | L:3 I:4 Score 12 | Information Governance – major data protection breach | A Data Breaches review were previously undertaken and followed up. No activity in 23-24 given the lack of incidents and forward risk trend. | No planned assurance activity. Risk management support will continue to be provided. |
| 13. | J. Rowney | L:3 I:4 Score 12 | Workforce Diversity and Inclusion | A review of Equalities, Diversity and Inclusion (EDI) was included on the 21-22 plan, with subsequent follow up. | No planned assurance activity. Risk management support and control advice will be provided as needed. |
| 14. | J. Rowney | L:4 I:3 Score 12 | Recruitment and Retention | A review has been completed in 23-24. | 1. Follow up of 23-24 recommendations. |

| Risk number | Risk owner | Risk score | Risk title | Previous coverage (2021-22 – 2023-24) | 2024-25 planned assurance activity |
|--------------------|--------------------|-------------------|--|--|---|
| 15. | G. Marston | 10 | Landlord Duty of Care – breach of statutory duties as a landlord | <ol style="list-style-type: none"> 1. Previous reviews of fire risk assessments was undertaken, with subsequent follow up. 2. TMOs are audited on a rolling basis (one TMO per annum). 3. A 23-24 review of Damp and Mould has been undertaken. | <ol style="list-style-type: none"> 1. Follow up of the 23-24 recommendations relating to Damp and Mould. 2. TMO follow ups. 3. One new TMO review. 4. Landlord duty of care – lifts (new review). |
| 16. | T. Aldridge | 10 | Safeguarding Children | <ol style="list-style-type: none"> 1. A review of the Stronger Families Programme has been undertaken as part of the 2023-24 plan. | <ol style="list-style-type: none"> 1. Stronger families programme review |
| 17. | G. Marston | 9 | Breakdown in Community Cohesion | <ol style="list-style-type: none"> 1. A review was previously undertaken in 18/19 with a low level of implementation of recommendations. | <ol style="list-style-type: none"> 1. A new review has been planned , which will focus on emerging risks as well as the follow up of previous recommendations. |
| 18. | J. Rowney | 9 | Medium Term Financial Strategy Delivery - Failure to successfully identify and implement savings projects | See financial resilience (risk 2 above) | <ol style="list-style-type: none"> 1. See financial resilience (risk 2 above) |

| Risk number | Risk owner | Risk score | Risk title | Previous coverage (2021-22 – 2023-24) | 2024-25 planned assurance activity |
|--------------------|--------------------|-------------------|--|---|---|
| 19. | G. Marston | 9 | Energy Costs | No planned assurance activity. Risk management support was provided and a deep dive was presented to the ACGC. | No planned assurance activity. Risk management support and control advice will be provided as needed. |
| 20. | T. Aldridge | 9 | Schools' Sufficiency and Financial Viability | <ol style="list-style-type: none"> 1. Rolling schools' audit programme, including follow up. 2. Internal audit support the CFO in confirming that assurance over the standard of financial management is adequate on an annual basis. This is achieved through review of a sample of School Financial Value Standard returns. | <ol style="list-style-type: none"> 1. Rolling schools' audit programme, including follow up. 2. Internal audit support the CFO in confirming that assurance over the standard of financial management is adequate on an annual basis. This is achieved through review of a sample of School Financial Value Standard returns. |
| 21. | T. Aldridge | 9 | Differential Pupil Achievement | No planned assurance activity. Risk management support and control advice was provided as needed. | No planned assurance activity. Risk management support and control advice will be provided as needed. |
| 22. | G. Marston | 9 | Fire Safety (high rise private building owners) | A review was completed in 20-21 with subsequent follow up activity. | No planned assurance activity. Risk management support and control advice will be provided as needed. |
| 23. | G. Marston | 9 | Compliance with new social | n/a – incoming regulations/standards. | <ol style="list-style-type: none"> 1. Review of new social housing regulations/standards. |

| Risk number | Risk owner | Risk score | Risk title | Previous coverage (2021-22 – 2023-24) | 2024-25 planned assurance activity |
|--------------------|-------------------|-------------------|---|--|---|
| | | | housing regulations/ standards | | |
| 24. | G. Marston | 9 | Contract Management | 1. A review of Contract Management was undertaken as part of the 20-21 plan with subsequent follow up. 2. Further follow up of contract management was undertaken in 23-24 alongside a review of supply chain management. | 1. Follow up of 23-24 supply chain management review. |
| 25. | G. Marston | 8 | Housing Delivery - the Council does not meet overall housing targets as set out in the London Plan | 1. Risk management support was provided as required. Assurance via cross cutting delivery of the audit plan (CIP). | 1. Continued assurance on CIP. |
| 26. | G. Marston | 6 | Emergency Preparedness Response and Recovery | 1. A risk based review was undertaken in 23-24. | 1. Follow up of 23-24 business continuity and emergency preparedness review. |
| 27. | J. Rowney | 6 | Equal Pay for Equal Value | No planned assurance activity. Risk management support and control advice was provided as needed. | No planned assurance activity. Risk management support and control advice will be provided as needed. |

| Risk number | Risk owner | Risk score | Risk title | Previous coverage (2021-22 – 2023-24) | 2024-25 planned assurance activity |
|-------------|------------|------------|------------------------------------|---|---|
| 28. | J. Rowney | 4 | Serious Fraudulent Activity | Fraud risks feed into the annual Audit Plan. Delivery of the Audit Plan ensures that, where risks are identified, audit recommendations are made to address control weaknesses. | Fraud risks feed into the annual Audit Plan. Delivery of the Audit Plan ensures that, where risks are identified, audit recommendations are made to address control weaknesses. |

B) Key Financial Systems (KFS) rolling four-year work-plan

Internal Audit previously operated a three year rolling work plan to provide assurance on the Council's suite of key financial systems. However it was noted that follow up activity tended to span two financial years. Therefore as of 2024-25, a four year KFS assurance cycle will be operated as follows:

- Year 1 – full audit review to test key controls;
- Year 2 – follow up review to assess the level of implementation of recommendations;
- Year 3 – follow up review to assess the level of implementation of any open audit recommendations;
- Year 4 - no work undertaken if there are no significant system changes or risks/issues identified.

The below table summarises our KFS coverage for the periods 2021-22 to 2023-24, and also identifies the KFS work planned for 2024-25.

| | Key Financial system | 21-22 (Year 1) | 22-23 (Year 2) | 23-24 (Year 3) | 24-25 (Year 4) |
|---|-----------------------|-------------------|--|--|--|
| 1 | General ledger | Test key controls | Follow up of recommendations made in 21-22 | Follow up any open audit recommendations | An overarching walkthrough of control design will be conducted |

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| 2 | Accounts payable | Test key controls | Follow up of recommendations made in 21-22 | Follow up any open audit recommendations | An overarching walkthrough of control design will be conducted |
| 3 | Accounts receivable | Test key controls | Follow up of recommendations made in 21-22 | Follow up any open audit recommendations | No planned audit activity |
| 4 | Bank reconciliation (GL and sub systems) | Test key controls | Follow up of recommendations made in 21-22 | Follow up any open audit recommendations | An overarching walkthrough of control design will be conducted |
| 5 | Council Tax | Test key controls | Follow up of recommendations made in 21-22 | Follow up any open audit recommendations | No planned audit activity |
| 6 | Business Rates | Test key controls | Follow up of recommendations made in 21-22 | Follow up any open audit recommendations | No planned audit activity |
| 7 | Capital accounting (asset management) | No planned activity | Test key controls | Follow up of recommendations made in 22-23 | No planned activity |
| 8 | Investment and treasury management | No planned activity | Test key controls | Follow up of recommendations made in 22-23 | No planned activity |
| 9 | Pensions | No planned activity | Key controls are being tested by the South West Audit Partnership (SWAP). The final report will be shared with Internal Audit | Follow up of relevant recommendations, as applicable, made in 22-23 by SWAP | SWAP will conduct a planned audit in Q1 24-25 |
| 10 | VAT | No planned activity | Test key controls | Follow up of recommendations made in 22-23 | No planned activity |

| | | | | | |
|-----------|----------------|--|--|--|---------------------------|
| 11 | Payroll | Follow-up of recommendations made in 20-21 | Follow up of previous open audit recommendations | Follow up any open audit recommendations | No planned audit activity |
|-----------|----------------|--|--|--|---------------------------|

APPENDIX D – 2024-25 INVESTIGATIONS PLAN

| Ref | Audit title | Indicative scope | Quarter | Days |
|--------------------------------|--|--|---------|------|
| Proactive and follow up | | | | |
| AF24-1 | Proactive anti-fraud reviews | Proactive fraud reviews. The scope of this review will be agreed in-year and will be based on a risk assessment. | All | 120 |
| AF23-2 | Departmental Anti-Fraud Support | To provide ongoing anti-fraud support across the Council, including regular liaison meetings with key teams/service areas to share information/intelligence, and to provide ad-hoc anti-fraud consultancy/advice support where required. | All | 20 |
| AF23-3 | Data Matching | <p>To coordinate the Council's participation in the National Fraud Initiative (NFI) data matching exercise. This will include the risk-based review of a sample of datasets and matches that AFIT is responsible for investigation.</p> <p>Where appropriate, the resource will also be utilised to explore opportunities for coordinating and undertaking additional data-matching exercises across relevant teams and service areas within the Council, to further combat fraud.</p> | All | 40 |

| | | | | |
|-------------------|--|---|-----|------------|
| AF23-4 | Regulation of Investigatory Powers Act (RIPA) | To undertake and fulfil the Council's statutory duties under RIPA, including the Senior Responsible Officer duties, administration of the Council's RIPA policy, and training activities. | All | 15 |
| AF23-5 | Single Point of Contact (for DWP Benefit fraud queries) | To provide ongoing support and process information requests where required, to assist the DWP with investigation suspected benefit related fraud. | All | 15 |
| AF23-6 | Fraud Awareness Training | To deliver fraud awareness training sessions across the Council where required or requested (high risk areas in need of fraud awareness training will be identified from outcomes of audits and investigations in-year). This resource will also be utilised for supporting corporate communications and e-learning, where required. | All | 20 |
| AF23-7 | Blue Badge enforcement | To investigate and undertake enforcement action against the fraudulent use of Blue Badges. | All | 70 |
| Reactive | | | | |
| AF23-8 | Reactive investigations | To undertake reactive investigative work arising from referrals, including those managed under the Council's Whistleblowing Policy. | All | 350 |
| Total days | | | | 650 |

End