

Audit Area and Context	Corporate Risks	Proposed outline/ scope for 2021/22	Year End position	Status / Assurance
Corporate Framework				
Governance and Probity	The Council's governance framework underpins everything it does; therefore, robust arrangements are key in managing this risk	Follow up of the previous year's Qualis governance audit as processes continue to embed, with a specific focus on Qualis Management being a common theme throughout this plan.	Qualis management: fieldwork in progress Active member of the Corporate Governance Group, which during the year has overseen progress against the Annual Governance Statement action plan, updated the Council's anti-fraud and corruption strategy and reviewed the Local Code of Corporate Governance.	Qualis management will be reported as part of the 2022/23 Plan
Fraud, including proactive fraud work Any loss through fraud is a drain on resources which, in turn, reduces the amounts available for service delivery	Financial resilience features on the corporate risk register	Co-ordinating data matching (National Fraud Initiative), training and awareness, interaction with corporate fraud initiatives, oversight of the delivery of the Council's anti-fraud and corruption strategy and the Corporate Fraud Team. Potential for fraud considered in all audits.	Internal Audit (IA) continued in year work regarding the National Fraud Initiative (NFI). Both Internal Audit and the Corporate Fraud Team have been actively supporting the business grants process to ensure the risk of fraudulent activity is minimised. During the year there have two investigations undertaken jointly between Internal Audit and Corporate Fraud Team. Both investigations (one relating to agency staff and the other planning applications) were completed at the beginning of 2022/23 with no evidence of fraud found with either. In addition, the Chief Internal Auditor found no evidence of a potential conflict of interest regarding Qualis that was brought to her attention. As per the Council's anti-fraud plan, the Section 151 Officer is kept informed of all potential frauds, and the Chair of the Audit and Governance Committee advised of any significant ones.	Completed for 2021/22

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<p>Assurance Framework including Risk Management and support to Audit Committee</p>	<p>Risk in achieving corporate priorities</p>	<p>Co-ordination of year-end assurance reporting, including the Annual Governance Statement. Member of the Corporate Governance Group. Assistance to the Risk Management Group who continue to develop and embed the Council's risk management framework. Support and training to the Audit Committee.</p>	<p>Internal Audit drove the annual Service Assurance Statement review each service undertakes regarding its own effectiveness of its governance, risk management and internal control arrangements. Findings and key themes or common issues were fed into the Annual Governance Statement.</p> <p>A Risk Management Working Group has been established to help move risk management forward in the Council. The Group is reviewing and revising the Risk Management Policy, Strategy and Framework, to align this with service planning and project management and embed at an operational level. Outcomes are fed into the strategic Risk Management Group</p> <p>Bespoke training for Committee members, open to all councillors, continued to be provided. This included risk management, fraud awareness, the role of Audit Committee and Internal Audit</p>	<p>Completed for 2021/22</p>
<p>Information Management and Governance</p> <p>Data protection and security. Data sets, owners and protocols. Governance and data sharing. Training and awareness</p>	<p>Data/information features on the corporate risk register</p> <p>Breach of data protection and other legislation related risks which could lead to significant fines and reputational damage.</p>	<p>Continue to assist the Council's Data Protection Officer (DPO) by providing assurance in targeted areas. During 2021/22 Internal Audit will continue to actively assist in the delivery of the Information Governance Group's action plan, of which it is a member.</p>	<p>Internal Audit is actively involved in both the Strategic Information Governance Group (SIGG) and the operational Information Asset Owners Group, feeding back to the Corporate Governance Group.</p> <p>Internal Audit resource is being provided to help deliver the SIGG work plan, including a review of current information governance policies and services Record of Processing Activities.</p>	<p>Completed for 2021/22</p>

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<p>Performance Management</p> <p>Data integrity and quality (collection, collation, analysis and validation). Use of performance targets.</p>	<p>Risk of non-achievement of corporate priorities and lack of transparency</p>	<p>Performance Indicators (PIs) considered within operational audits plus specific reviews on an aspect of Corporate PIs. In 2021/22 the focus will be on housing repairs.</p>	<p>Performance has been considered as part of the Leisure Contract Management and Housing Benefits audits.</p> <p>Housing Repairs - Fieldwork in progress. Will be reported as part of the 2022/23 plan.</p>	<p>Completed for 2021/22</p>
<p>Value for Money (VfM)</p> <p>Guiding principle of the Council.</p>	<p>VfM helps the Council manage its corporate risk on financial resilience</p>	<p>Not an audit in itself, but IA will continue to assist in the Council's review of its scheme of delegation and incorporate a review of delegations within individual audits. In addition, VfM is considered within operational audits in terms of 3Es (economy, efficiency and effectiveness) and bench marking.</p>	<p>Internal Audit has continued to assist in the review of the Council's scheme of delegation, aligning these to the Procurement Rules and feeding into the review of Financial Regulations.</p> <p>Delegated authorities have been reviewed as part of the Contract Management, Treasury Management and Housing Benefits audits.</p> <p>Internal Audit is represented on the Council's Purchase Cards Project Group which is seeking to introduce purchase cards to streamline the processes for frequent low level spend and one-off payments. Internal Audit is assisting with the review of associated policies and procedures and providing advice to ensure adequate controls are retained in the new processes.</p> <p>In addition, advice has been provided on streamlining supplier payment processes.</p>	<p>Completed for 2021/22</p>

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<p>Joint Working, Shared Services, outsourcing, trading companies and Partnerships</p>	<p>Alternative working arrangements such as joint ventures, shared services, outsourcing and subsidiary companies are mechanisms for helping deliver the Council's corporate plan</p>	<p>To ensure joint arrangements are working in the best interests for the Council with appropriate governance/ monitoring arrangements in place. In 2021/22 Internal Audit will review the delegations and approval processes regarding Qualis Management, as part of the other Qualis Management audits detailed in this plan.</p>	<p>The payroll audit (detailed later on) found there is a clear segregation of duties between the Council's People Team (HR function) and the Payroll Team, which is run by a shared service at Braintree District Council, reducing the risk of fraudulent payments. The Payroll audit found that there are robust controls and efficient processes in this shared arrangement.</p> <p>The Leisure Management Contract audit (detailed later on) demonstrated that the Council has a good working relationship with the contractor with good oversight of the contract.</p> <p>Qualis Managements audit currently in progress</p>	<p>Completed for 2021/22</p>
<p>Projects</p> <p>Business case, project methodology, governance arrangements, contract management and viability</p>	<p>Poor project management increases risk of projects not being delivered on time, to budget or not meeting the needs of the Council.</p>	<p>Internal Audit to attend appropriate project meetings, as well as providing ad hoc advice and support. For 2021/22 this will include oversight of the new housing system and planning system projects.</p> <p>Council house building programme audit – initial review</p>	<p>Council Housebuilding Programme - robust governance arrangements around the management of the Council Housebuilding Programme and the financial processes including 1-4-1 right to buy receipts.</p> <p>Throughout the year Internal Audit has met with key officers to ensure sufficient overview of the new housing system and planning system projects to ensure there is adequate oversight of project progress, budgets, capacity and prioritisation with other projects. Internal Audit is also a member of the Joint Steering Group and Portfolio Group that oversees all projects</p>	<p>Council Housebuilding Programme – Substantial assurance</p>

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Contingency	Annual provision for responsive work, special investigations, or key/emerging risk areas.	Will also take into account themes/issues coming out of the Annual Governance Statement.	The majority of contingency time was spent on Covid-19 business grant work.	Completed for 2021/22
Themed/cross cutting audits				
Income Streams To ensure financial resilience the Council needs to protect and maximise its income streams	Finance resilience features on the corporate risk register	Each year a portion of Internal Audit work will focus on ensuring key income streams for the Council are maintained and adequately controlled. The 2021/22 leisure management contract is described in more detail later in this plan	There are robust controls over the finances associated with the Leisure Management Contract ensuring that payments to and by the contractor are correct.	Completed for 2021/22
Procurement Themed audits - compliance, vfm, fraud, goods and services. End to end processes (need, selection, appointment, contract management and exit strategies)	Risks include noncompliance with legislation, fraud and not achieving value for money.	Internal Audit will examine a sample of medium to small contracts to ensure there are adequate contract management processes in place, including exit strategies should the need to do so arise.	Contract Management audit - The Procurement Rules are up to date however it is evident that not all aspects are complied with. Monitoring and oversight processes around retention of procurement documentation requires improvement.	Contract Management – Moderate assurance

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Health & Safety (H&S)	Risk of compromising the health and safety of individuals and noncompliance with H&S legislation leading to fines or imprisonment.	<p>Ensure there is a robust mechanism to ensure the Council meets its gas safety requirements</p> <p>The contractor H&S audit is linked to contract management above to ensure there is adequate oversight by the Council to ensure contractors are complying with H&S legislation</p>	<p>Gas Safety audit - There are robust controls in place to ensure that the Council's housing stock, homeless hostels and sheltered accommodation are gas safety checked annually in line with Gas Safety (Installation and Use) Regulations 1998. For properties where access is refused, prompt and effective action in collaboration with Housing Management ensures appropriate action is taken to gain access</p> <p>Internal Audit sits on the Strategic Safety Group and the Operational Safety Group, and have inputted into H&S policies and procedures as they have been reviewed to ensure there is a fully joined up approach across all areas of the Council</p> <p>Contractor H&S audit not undertaken. Planned audit days have been used instead to assist in developing the Council's H&S framework</p>	Gas Safety – Substantial assurance
Business Continuity Planning (BCP)	Business continuity is on the corporate risk register	During 2021/22 Internal Audit will keep a watching brief over business continuity and in particular any impacts of Brexit and Covid-19 recovery	Internal Audit kept a watching brief during the year including monitoring the business continuity risk. Business continuity is a standing agenda item for the Corporate Governance Group	Completed for 2021/22

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<p>Key Financial Controls (KFC)</p> <p>Rolling programme of full system and key financial control audits (unless significant change in process/system or poor audit outcome)</p>	<p>Finance resilience features on the corporate risk register</p>	<p>Rolling programme of key financial control (KFC) audits.</p>	<p>Payroll - starters, movers, and leavers are actioned promptly, appropriately authorised and details checked for accuracy prior to implementing the changes on the payroll</p> <p>Housing Benefits and Local Council Tax Support - There are robust controls over the assessment and award of Housing Benefit and Local Council Tax Support and there is a clear management trail of action taken on all claims</p> <p>Treasury Management – The Treasury Management Strategy (TMS) includes all the elements as set out in CIPFA’s Code and includes a Liability Benchmark which is a new requirement of the 2021 Code. It is overseen by the Audit and Governance Committee. There is a need for an operational Risk Register that details Treasury Management risks and the controls in place to mitigate and monitor risks, although this is partially addressed through the risks and control measures set out in the 2022/23 TMS</p> <p>Feeder system and reconciliations and debtor audits – currently in progress and will be reported as part of the 2022/23 Plan</p>	<p>Payroll – Substantial assurance</p> <p>Housing Benefits and Local Council Tax Support – Substantial assurance</p> <p>Treasury Management – Moderate assurance</p>

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<p>IT Audits:</p> <p>IT Governance, IT Regulation, Security/Privacy, Business Systems, Disaster Recovery plan (DRP)/BCP, Network, Emerging Technologies e.g. mobile devices, IT Applications and Projects</p>	<p>Cyber security features on the corporate risk register</p> <p>Opportunity for IT to be an enabler for delivering the Council's priorities.</p>	<p>A specialist IT Auditor will be brought in as required for the more technical audits. Assessment in 2021/22 of the Council's MIMS which was introduced towards the end of 2020/21</p>	<p>IT Major Incident Management Strategy (MIMS) – a clear MIM document exists that follows good practice in terms of content, and testing confirmed that the Major Incident Process covers the identification, containment, resolution, and maintenance elements. Further work is required to ensure there is a manual process should the service desk become unavailable and back up processes around the MIMS are strengthened.</p> <p>ICT Asset Lists - Internal Audit took the lead on the production of a comprehensive Council-wide ICT asset list to be used by Insurance Services as part of the insurance tender process and by ICT Services as a complete and up to date asset register. This involved visiting the Council's sites to physically inspect and verify IT assets.</p>	<p>IT Major Incident Management Strategy – Moderate assurance</p>
Operational/service level audits				
<p>Economic and Partnerships includes</p> <ul style="list-style-type: none"> • Digital Gateway • Town Regeneration • Enterprise Zone Schemes • Sustainable Transport projects • Climate Emergency projects 	<p>Economic development and climate emergency feature on the corporate risk register</p>	<p>Internal Audit will focus on significant, longer term projects aimed at reinvigorating the local economy as part of the Council's Covid-19 recovery plans.</p>	<p>Town Centre Projects – delivery of the Town Centre action plans is subject to scrutiny by Cabinet and Stronger Place Select Committee and progress reported through the Project Management Office. Planned audit days have been used to provide assurances on Covid-19 grants awarded.</p>	<p>Assurances via reports to Cabinet and Stronger Place Select Committee</p>

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<p>Contracts and Technical Services</p> <ul style="list-style-type: none"> • Commercial • Technical • Contracts • Procurement (covered earlier) • Public Safety Services • Community Resilience • Asset Management/ Estates 	<p>These services help deliver the Council's three priorities: stronger council, stronger communities and stronger place</p>	<p>The impact of Covid-19 and recovery from it will be the central theme of 2021/22 leisure management contract audit. It is the same audit as that detailed earlier under income streams.</p>	<p>The contract management audit is detailed earlier</p> <p>Leisure management contract audit – oversight through the Leisure Management Contract Partnership Board and performance measures is working well. (Partnership Board). There needs to be more formality around the operational monthly Leisure Contract Managers meetings and risk management processes.</p>	<p>Leisure Management Contract – Moderate assurance</p>
<p>Planning</p> <ul style="list-style-type: none"> • Planning Policy • Development Management • Private Sector Housing • Licencing • Building Control 	<p>Local Plan and Delays in Issuing Planning permissions both feature on the corporate risk register</p>	<p>The S106 audit will take into consideration planning permissions previously held up by habitats regulations and the need for a process for capturing money for mitigating impact on Epping Forest.</p>	<p>Processes around granting Houses in Multiple Occupation (HMOs) licences and planning applications were reviewed as part of two separate investigations</p> <p>The S106 audit in progress and will be reported as part of the 2022/23 plan.</p>	<p>Completed for 2021/22</p>

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<p>Community and Wellbeing</p> <ul style="list-style-type: none"> • Homelessness and temporary accommodation • Housing register and allocations • Health, Well Being and Grants • Community and Culture • Heritage and Venues • Safeguarding 	<p>These services help deliver the Council's stronger communities priority</p>	<p>An audit of safeguarding is proposed as responsibility for this has moved directorate. In addition, the contract management audit detailed earlier will also ensure our contractors have an embedded Safeguarding Policy for their staff.</p>	<p>Safeguarding audit: There is an up to date Safeguarding Policy in place supported by detailed procedures, which clearly define referral pathways for safeguarding concerns to be reported. The Safeguarding Policy and supporting procedures are available to staff and the wider public on the Council's website.</p>	<p>Safeguarding – Substantial assurance</p>
<p>HRA (Housing Revenue Account)</p> <ul style="list-style-type: none"> • Council House Building • Home Ownership • Property Services • Housing Management • HRA Account • Older People Services 	<p>These services support the Council's stronger place priority Housing capital features on the corporate risk register.</p>	<p>The 2021/22 housing repairs audit is Internal Audit's first operational audit of Qualis. This audit will seek assurances that the working relationship between the Council and Qualis is working as intended.</p>	<p>Housing Repairs audit in progress and will be reported as part of the 2022/23 plan.</p>	<p>In progress</p>

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<p>Customer Services</p> <ul style="list-style-type: none"> • Revenue and Benefits (covered under key financial controls) • Customer Services • Community data and insights • External communication 	<p>Welfare reform and financial resilience both feature on the corporate risk register</p>	<p>During 2021/22 both Internal Audit and Corporate Fraud will continue to actively support the Council's response in distributing central government's Covid-19 business grants and other initiatives</p>	<p>Covid-19 grants for businesses: Internal Audit and the Corporate Fraud Team continue in providing advice and assistance on the Omicron Hospitality and Leisure Grants. This includes performing pre-award checks using the Cabinet Office due diligence tool, spotlight, and assisting with the post payment assurance verification process required by the Department for Business, Energy, and Industrial Strategy.</p>	<p>Completed for 2021/22</p>
<p>Corporate Services</p> <ul style="list-style-type: none"> • ICT • Business Support • Accountancy • Legal (shared service) • People Team (HR) • Internal communication • Contingency Planning • Council Safety Officer 	<p>These services support the Council's stronger council priority</p>	<p>Many of the financial, business support, IT and H&S aspects are covered elsewhere in the plan. The 2021/22 staff recruitment audit will assess the success of the iTrent recruitment module introduced January 2020.</p>	<p>See earlier other audits in this area including IT and key financial controls.</p> <p>Staff Recruitment audit was not undertaken being a low risk area, no known areas of concern and personal experience of processes from an external candidates perspective has been obtained by one of the Internal Audit team.</p>	<p>Completed for 2021/22</p>

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<p>Strategy, Delivery & Performance</p> <ul style="list-style-type: none"> • Corporate Strategy & Policy • Programme & Project Delivery • Corporate Performance & Reporting • Accommodation Programme • Democratic Services Electoral Services 	<p>These services help the Council achieve its three priorities: stronger council, stronger communities and stronger place</p> <p>The accommodation project features on the corporate risk register</p>	<p>Internal Audit work in these areas is captured earlier in this plan. The Chief Internal Auditor meets regularly with the Strategy, Delivery & Performance Director to discuss up and coming issues.</p>	<p>Internal Audit attends the monthly Portfolio Steering Group which provides oversight of all the Council's projects.</p>	<p>Completed for 2021/22</p>
<p>Follow Up Audits</p> <p>Review of progress against recommendations on the tracker.</p>	<p>Tracker process ensures risks identified in audits have been managed to an acceptable level.</p>	<p>Includes specific follow up audits especially where Limited assurance previously given. Includes maintenance of the recommendation tracker</p>	<p>Implementation of all recommendations continues to be scrutinised as part of the tracker process.</p> <p>Recommendations made in previous reports are routinely followed up when the audit is next undertaken, for example council house building, treasury management and payroll</p>	<p>Completed for 2021/22</p>