

Audit Area and Context	Corporate Risks as at March 2022	Proposed outline/ scope for 2022/23	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	<p>Theme here is to review effectiveness of governance and oversight arrangements.</p> <p>Strategic Governance – Qualis Group (Qualis Property Solutions)</p> <p>Declarations of Interest – staff (not an audit)</p>	<p>Qualis Property Solutions KPIs and Payment Mechanisms: The SLA should be revisited to ensure that delivery of the service is in line with that agreed by the Council and that the expected benefits are being realised.</p> <p>Staff declarations of interest: Internal Audit and Corporate Fraud is working with the Service Director Corporate Services to ensure there is a robust process to ensure any declaration of interests for staff are both captured and acted upon</p> <p>Internal Audit (IA) is an 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.</p>	Qualis Property Solutions KPIs and Payment Mechanisms – limited assurance

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<p>Fraud, including proactive fraud work.</p> <p>Any loss through fraud is a drain on resources which, in turn, reduces the amounts available for service delivery.</p>	<p>Financial resilience features on the corporate risk register</p>	<p>Co-ordinating NFI (National Fraud Initiative) data matching, 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.</p> <p>Potential for fraud considered in all audits.</p>	<p>IA coordinated the submission with Corporate Fraud reviewing data matches arising from the 2022/23 NFI data matching exercise, in liaison with Licensing, Housing, Revenues and Benefits, Payroll, Council Tax and the Electoral Register</p> <p>During the year there have been four investigations undertaken jointly between Internal Audit and Corporate Fraud Team as detailed under contingency. Findings of these investigations have been fed back to the relevant manager and Service Director, as well as the Section 151 Officer.</p>	<p>Completed for 2022/23</p>

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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.</p> <p>Assistance to the Risk Management Group who continue to develop and embed the Council's risk management framework.</p> <p>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>Internal Audit, in conjunction with the Insurance Officer, has been instrumental in developing the Council's risk management framework both strategically and operationally. This has led to training being provided by the Council's insurers and a revised risk register template and risk scoring mechanism.</p> <p>IA has provided training to the Audit Committee on their role and facilitated the Committee's effectiveness review.</p>	<p>Completed for 2022/23</p>

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<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) and officer Strategic and Information Owners Assets Groups by providing assurance in targeted areas.</p>	<p>Internal Audit is actively involved in both the Strategic Information Governance Group (SIGG) and the operational Information Asset Owners Group (IAOG), feeding back to the Corporate Governance Group.</p> <p>Internal Audit resource is being used to help deliver the SIGG and IAOG work plans, including helping service areas update their Record of Processing Activities.</p>	<p>Completed for 2022/23</p>
<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>The suitability and integrity of Performance Indicators (PIs) is considered within operational audits.</p> <p>Corporate Performance Indicators (PIs) underperformance audit: Will look at in detail at those corporate PIs that regularly underperform to ensure the right PI is being used and is being calculated correctly before understanding the reasons for the underperformance and what is being done to address it.</p>	<p>Performance has been considered as part of the Council housebuilding, Section 106, and Qualis Property Solutions– Key Performance Indicators (KPIs) and Payment Mechanisms.</p> <p>Corporate performance Indicators: This audit has been deferred. The Council is moving away from PIs to Objectives and Key Results (OKRs) to measure achievement of the Corporate Plan 2023/24-2026/27 aims. It was too early to audit these.</p>	<p>Completed for 2022/23</p>

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<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.</p> <p>In addition, VfM is considered within operational audits in terms of 3Es (economy, efficiency, and effectiveness) and bench marking.</p> <p>In 2022/23 Internal Audit will use data analytics to undertake short sharp focussed projects starting with procurement and payments to build up expertise in the use of data analytics.</p>	<p>Scheme of delegation: Delegated authorities have been reviewed as part of the Council housebuilding and Qualis Property Solutions – Key Performance Indicators (KPIs) and Payment Mechanisms audits.</p> <p>Areas for improvement in terms of the 3Es (Effectiveness, Efficiency and Economy) identified in a number of audits including debtors, Section 106 Agreements, and Safes.</p> <p>Data analytics: IA used data analytics to examine a sample of contracts. Testing confirmed the Council's Procurement Rules had been adhered to in respect of the number of tenders obtained, the requirements in relation to local suppliers are met, tenders and contracts were appropriately authorised, and where necessary, waivers to the Procurement Rules are appropriate and properly reported.</p>	<p>Completed for 2022/23</p>

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Joint Working, Shared Services, outsourcing, trading companies and Partnerships	Alternative working arrangements such as joint ventures, shared services, outsourcing, and subsidiary companies are mechanisms for helping deliver the Council's corporate plan	Theme here is to ensure joint arrangements are working in the best interests for the Council with appropriate governance/monitoring arrangements in place. Qualis Management audit	Qualis Property Solutions – Key Performance Indicators (KPIs) and Payment Mechanisms – as detailed earlier under governance	Qualis Property Solutions – Key Performance Indicators (KPIs) and Payment Mechanisms – limited assurance
Projects Business case, project methodology, governance arrangements, contract management and viability	Poor project management increases risk of projects not being delivered on time, to budget or not meeting the needs of the Council.	Time is set aside each year for Internal Audit to attend appropriate project meetings, as well as providing ad hoc advice and support. For 2022/23 this will include continued oversight of the new housing system and planning system projects ensuring there is adequate oversight of project progress, budgets, capacity and prioritisation with other projects. The Council house building programme builds on the initial review in 2021/22 with this more comprehensive audit in 2022/23 as the programme of work progresses.	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 a member of the Portfolio and Steering Group that oversees all projects Chaired by the Section 151 Officer and meets monthly. Council housebuilding: Progress of individual schemes is monitored against plans and through fortnightly meetings, and risks are detailed on a site-by-site basis. Oversight of the programme is ensured through the Council Housebuilding Cabinet Committee.	Council housebuilding – substantial assurance

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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.	<p>Internal Audit were involved in four investigations, relating to an agency worker, planning applications, vehicle repairs, and a stolen van. Findings of these investigations have been fed back to the relevant manager and Service Director, as well as the Section 151 Officer.</p> <p>Internal Audit has also undertaken a review of Right to Buy (RTB) conveyancing processes to ensure they have been properly carried out.</p> <p>And undertaken a review of agency staff to ensure there is appropriate oversight of agency workers and consultants procured by the Council. Data analysis has been used to gain insights into the roles covered by off-payroll workers and the length and cost of their employment.</p>	Completed for 2022/23

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Themed/cross cutting audits				
<p>Income Streams</p> <p>To ensure financial resilience the Council needs to protect and maximise its income streams</p>	<p>Finance resilience features on the corporate risk register</p>	<p>Each year a portion of Internal Audit work will focus on ensuring key income streams for the Council are maintained and adequately controlled.</p> <p>The commercial rents and leases audit is described in more detail later in this plan.</p>	<p>The commercial rents audit has been deferred to 2023/24.</p> <p>Instead, Internal Audit completed the 2021/22 sundry debtors audit as described below under Key Financial Controls.</p>	<p>Completed for 2022/23</p>
<p>Procurement</p> <p>Themed audits - compliance, vfm, fraud, goods and services. End to end processes (need, selection, appointment, contract management and exit strategies)</p>	<p>Risks include non-compliance with legislation, fraud and not achieving value for money.</p>	<p>Annually focus on an aspect of procurement which could range from need, selection, appointment, contract management and exit strategies.</p> <p>Linked with the vfm theme above data analytics will be used in 2022/23 to ensure compliance with Procurement Rules and Financial Regulations.</p>	<p>See data analytics work described earlier regarding tendering processes.</p> <p>Procurement of contractors was reviewed as part of the Council housebuilding audit.</p>	<p>Completed for 2022/23</p>
<p>Health & Safety (H&S)</p>	<p>Risk of compromising the health and safety of individuals and noncompliance with H&S legislation leading to fines or imprisonment.</p>	<p>Working with the Strategic Safety Group, of which Internal Audit (IA) is a member, IA will map out the H&S framework at the Council to identify where there are gaps in assurance provision so the group can develop a plan to address these.</p>	<p>Internal Audit visited both Oakwood Hill and the North Weald Airfield to examine Health and Safety practices for themselves. Officers were able to provide assurance that H&S was being effectively managed, or they had action plans in place to address where there were deficiencies.</p>	<p>Completed for 2022/23</p>

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Business Continuity Planning (BCP)	Business continuity is on the corporate risk register	During 2022/23 Internal Audit will keep a watching brief over business continuity as the Council reinvigorates its approach to it during the year	<p>Internal Audit attended the business continuity workshop where the refreshed business continuity plans were discussed and what good practice looks like.</p> <p>Progress on refreshing the Council's business continuity arrangements has been monitored via the Corporate Governance Group.</p>	Completed for 2022/23
<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>	Finance resilience features on the corporate risk register	<p>Rolling programme of key financial control (KFC) audits. For 2022/23:</p> <ul style="list-style-type: none"> • Sundry Debtors • General Ledger • Cash and Banking 	<p>Sundry Debtors: A new sundry debt system went live August 2021. The weaknesses identified at the start of the audit were addressed during the audit.</p> <p>General Ledger: Not a formal audit, instead Internal Audit has provided advice as the finance section addresses known weaknesses.</p> <p>Cash and banking: Cash collected at the Council's locations is reconciled and banked promptly.</p> <p>Safes: This was an additional audit ensuring the Council holds an accurate record of safes, and assets held within them are fully insured.</p>	<p>Debtors – reasonable assurance</p> <p>Safes – substantial assurance</p> <p>Cash and banking – substantial 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.</p> <p>In 2022/23 Internal Audit will assess the Council's cyber security framework especially for remote working.</p>	<p>Cyber security: The Council needs to be continually alert to developing cyber security risks. In recognition of the evolving risks, the ICT service will work in 2023 with the Essex Digital Partnership in considering the adoption of "Cyber Essentials+" standards across the Council. This accreditation and programme is promoted by the National Cyber Security Council (NCSC).</p>	<p>Cyber security – limited 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>In 2022/23 focus on the actions being taken by the Council to address its climate emergency priority</p>	<p>Climate emergency: This has been deferred to allow time for the Council to review and evaluate progress against the Climate Action Plan.</p>	<p>No formal assurance work undertaken</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>Adherence to Procurement Rules (same audit as described under the Procurement theme above)</p> <p>The 2022/23 commercial rent and leases audit will ensure the Council is collecting the rent due to them and that lease agreements are being adhered.</p>	<p>See work detailed under Value for Money and data analytics regarding testing around the Council's Procurement Rules.</p> <p>Commercial rents and leases: This now forms part of the 2023/24 Plan.</p> <p>As part of the sundry debtors audit it was confirmed that commercial rent invoices are promptly and accurately issued. Work is ongoing around debt recovery.</p>	<p>Completed for 2022/23</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>IA will assess in 2022/23 the processes in place to deliver the Local Plan (assuming its adoption), in particular the effectiveness of Planning Performance Agreements (PPAs) and consider whether there is a joined-up process between planning and relevant corporate priorities such as Economic Development or climate change strategy</p>	<p>Local Plan delivery: This audit was not undertaken because the Local Plan had not been adopted.</p> <p>Section 106 agreements (carried forward from 2021/22): The Council has a robust policy framework for seeking Section 106 agreements and good processes to monitor these.</p> <p>In addition, planning processes have been examined as part of the investigation detailed under contingency.</p>	<p>Section 106 agreements – substantial assurance</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>Working with the Corporate Fraud team, Internal Audit will examine in 2022/23 the community grant process to ensure legitimate community groups are using their grants for the purposes it was awarded.</p>	<p>Community Grants: This audit did not go ahead as planned as the Council has revised the number of grants it awards, reducing the risk of fraud.</p>	<p>No formal assurance work completed in 2022/23</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</p> <p>Housing capital features on the corporate risk register.</p>	<p>The Council housebuilding audit is a comprehensive review as the programme of work progresses.</p>	<p>Council housebuilding: Progress of individual schemes is monitored against plans and through fortnightly meetings, and risks are detailed on a site-by-site basis. Oversight of the programme is ensured through the Council Housebuilding Cabinet Committee</p>	<p>Council housebuilding – substantial assurance</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 2022/23 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 should the need arise</p>	<p>All assurance work regarding the central government covid grants has been completed. This work confirmed the Council has implemented due diligence processes to provide assurance that claimants met the eligibility criteria, minimising the risk of fraud/error.</p> <p>Council Tax Energy Rebates: Internal Audit provided advice and guidance with regards to the Government's Council Tax Energy Rebates scheme and assistance was given to performing eligibility checks using the central government Spotlight verification tool.</p>	<p>Completed for 2022/23</p>

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<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 and H&S aspects are covered elsewhere in the plan.</p>	<p>See H&S assurance mapping above (under H&S)</p> <p>Feeder systems and business reconciliations (carried forward from 2021/22): At the time of audit reconciliations were not taking place as expected. On the whole, these are now in place.</p> <p>Town and Parish Council precepts - Internal Audit provided advice on the processes and controls for the payment of precepts.</p>	<p>Feeder system and reconciliations – limited assurance</p>
<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>Internal Audit work in these areas is captured earlier in this plan.</p>	<p>As described under projects, Internal Audit is a member of Portfolio and Steering Group and provides advice and good practice to officers they have seen elsewhere.</p>	<p>Completed for 2022/23</p>

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<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 and sundry debtors.</p>	<p>Completed for 2022/23</p>