

| Audit Area and Context | Corporate Risks as at March 2023 | Proposed outline/ scope for 2023/24 | 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. In 2023/24 continue with Qualis governance audits being the Council's most significant partnership, focusing on Qualis Commercial (the development arm of the Qualis Group).</p> <p>In addition, Internal Audit will examine recent public interest reports to understand if there are any learning points for the Council.</p> <p>Member of the officer Corporate Governance Group</p> | <p>The need for good governance is at the centre of the public interest reports. Through its audit work (including a review of the Council's decision making matrix), interaction and openness of senior and middle managers and the Monitoring Officer, review of the Annual Governance Statement Internal Audit has no concerns over the Council's governance arrangements.</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> <p>Qualis Commercial – audit has been deferred and forms part of the 2024/25 Plan</p> | Completed for 2023/24 |

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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 - any loss through fraud is a drain on resources which, in turn, reduces the amounts available for service delivery</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>Internal Audit (IA) has worked in tandem with the Corporate Fraud Team on several investigations which are still in progress and undertaken three of their own. Findings of investigations are fed back to the relevant manager and Service Director, as well as the Section 151 Officer.</p> <p>IA coordinated the submission and review of the NFI Council Tax Single Person Discount 2023/24 exercise. This matches Council Tax and Electoral Register data across the country. Matches are still being worked through.</p> | <p>Completed for 2023/24</p> |

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| <p>Assurance Framework including Risk Management and support to Audit Committee</p> | <p>Risk in not 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 led the annual Service Assurance Statement review that 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 continues to assist the Insurance and Risk Lead Officer and SLT (Senior Leadership Team) in the regular review of the corporate risk register. Work on enhancing risk management at an operational level has continued.</p> <p>Internal Audit has provided training to the Audit and Governance Committee on their role, the role of Internal Audit, assurance frameworks and facilitated the Committee's effectiveness review. In addition, risk management training was provided to all councillors.</p> | <p>Completed for 2023/24</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 an active member of both the Strategic Information Governance Group and Information Asset Owners Group which are chaired by the Council's Senior Information Risk Owner</p> | <p>Completed for 2023/24</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 indicators examined as part of the Housing H&S compliance, homelessness and purchase card audits</p> <p>Corporate performance Indicators - this audit has been deferred as the Council continues to review and enhance its performance management framework.</p> | <p>Completed for 2023/24</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>VfM is considered within operational audits in terms of 3Es (economy, efficiency and effectiveness) and benchmarking.</p> <p>In 2023/24 Internal Audit will continue to use data analytics to undertake short, sharp focused projects.</p> | <p>Areas for improvement in terms of the 3Es (Effectiveness, Efficiency and Economy) identified in a number of audits including Housing H&S compliance, homelessness, purchase cards and fixed assets.</p> <p>Data analytics and purchase cards - card purchases are made in line with the Council's Purchase Card Policy and are subject to robust approval and monitoring processes. Efficiency will be improved through the implementation of expenditure coding via the NatWest portal. There are robust processes for issuing and cancelling cards.</p> | <p>Purchase Cards - reasonable assurance</p> |
| <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>Theme here is to ensure joint arrangements are working in the best interests for the Council with appropriate governance/monitoring arrangements in place. The audit listed here is not a new audit but the same as that listed under governance - Qualis Commercial audit</p> | <p>Qualis Commercial – audit has been deferred</p> | <p>Qualis Commercial – forms part of the 2024/25 Plan</p> |

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| <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>Time is set aside each year for Internal Audit to attend appropriate project meetings, as well as providing ad hoc advice and support. For 2023/24 this will include continued oversight of the new housing and finance systems.</p> | <p>Internal Audit has attended the monthly Portfolio Steering Group meetings, which oversees all significant projects, and had oversight of the Council's major projects including:</p> <ul style="list-style-type: none"> • Housing and Asset Management IT system • New waste service delivery model (Terra Verde Services Limited) | <p>Completed for 2023/24</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. | <p>Internal Audit has been involved in the following investigations which are reported elsewhere in this appendix - Right to Buy conveyancing processes, waste vehicle procurement and changing supplier bank details</p> <p>Out of Hours Service -Internal Audit facilitated a workshop around the Council's Out of Hours service to ensure there is a joined-up approach across the Council and that the service dovetailed with insurance and business continuity arrangements.</p> | Completed for 2023/24 |
| Themed/cross cutting audits | | | | |
| <p>Income Streams</p> <p>To ensure financial resilience the Council needs to protect and maximise its income streams</p> | 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 2023/24 commercial rents and leases audit is described in more detail later in this plan. | Commercial rents – audit has been deferred | Commercial rents - forms part of the 2024/25 Plan |

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| <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, not achieving value for money, poor service delivery</p> | <p>Internal Audit, in its 2023/24 audits, will ensure, where applicable, that the Councils' Procurement Rules and Financial Regulations are being complied with.</p> | <p>A review into waste vehicle procurement processes found the Council complied with procurement legislation and the Council's Procurement Rules in its soft market testing and subsequent framework selection process.</p> | <p>Completed for 2023/24</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>Failure of compliance with statutory housing regulations is on the corporate risk register</p> | <p>In 2023/24 provide assurance that the Council continues to make making adequate preparations to ensure it meets its H&S responsibilities as set out in the government's November 2020 white paper entitled 'The Charter for Social Housing Residents'. The audit will also consider the Building Safety Bill which is currently with the House of Lords.</p> | <p>Housing Health & Safety Compliance – generally there are robust controls and processes to ensure the Council, as a landlord, is compliant with housing Health and Safety legislation with regards to the 'Big Six' - gas, electrical, fire, lifts, water hygiene and asbestos. Compliance is currently monitored through a dashboard driven by a master spreadsheet, which is not ideal as spreadsheets are susceptible to human error, maintaining data integrity can be challenging and spreadsheets often lack security features. The Council is moving over to C365, a cloud base compliance management system, which will address these concerns.</p> | <p>Housing Health & Safety Compliance – reasonable assurance</p> |

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| Business Continuity Planning (BCP) | Business continuity is on the corporate risk register | The IT Disaster Recovery (ITDR) audit follows up on the previous limited assurance report. | ITDR - Both ICT Disaster Recovery and Business Continuity plans are in place and provide detailed guidance on the process to failover from the live to the Disaster Recovery data centre. Council users are automatically redirected to the fallback facility. Offsite backups are immutable and so are both encrypted and protected from accidental or malicious deletion. | ITDR – substantial assurance |
| Key Financial Controls (KFC) Rolling programme of full system and key financial control audits (unless significant change in process/system or poor audit outcome) | Finance resilience features on the corporate risk register | Rolling programme of key financial control (KFC) audits. For 2023/24: <ul style="list-style-type: none"> • Council tax and business rates • Fixed Assets • Housing rents and arrears | Fixed Assets – There are robust arrangements to account for and safeguard the Council’s assets, including detailed procedure notes for the Asset Manager System. All fixed assets are valued over a five-year cycle, with an annual review of all investment properties, and an annual verification of assets by budget holders. Housing rents and arrears – There are robust processes for setting rents, collecting these and chasing current and former tenant arrears. Recommendations have been made to strengthen the reconciliation process and ensuring resilience in the absence of key staff. Council tax and business rates – audit has been deferred | Fixed Assets – substantial assurance Housing rents and arrears – reasonable assurance Council tax and business rates – forms part of the 2024/25 Plan |

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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>The 2023/24 IT Disaster Recovery audit is the same audit as described under business continuity.</p> <p>Due to the fast pace in IT technology changes and risk IT cyber security is audited every two years</p> | <p>ITDR – see above</p> | <p>ITDR – substantial 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 | <p>Economic development and climate emergency feature on the corporate risk register</p> | <p>In December 2022 the Council was awarded £1 million as part of the UK Shared Prosperity Fund. Internal Audit will ensure that monies are being spent in line with the government's criteria and is making a difference to the district.</p> | <p>No formal audit work undertaken as there are strict monitoring and reporting arrangements to central government.</p> | <p>Assurances through central government arrangements</p> |

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| Contracts and Procurement <ul style="list-style-type: none"> • Commercial • Contracts • Procurement (covered earlier) | These services help deliver the Council's three priorities: stronger council, stronger communities, and stronger place | During 2023/24 Internal Audit will retain oversight as the waste contract goes for procurement. | Internal Audit has had oversight of the new waste contract through the Portfolio Steering Group and discussions with the Service Director Procurement and Contracts | Completed for 2023/24 |
| Technical Services <ul style="list-style-type: none"> • Country Care • Building Control • Environmental Health and Protection • Fleet Ops • Grounds maintenance • Licencing • Private Sector Housing • Safeguarding | These services helps deliver the Council's three priorities: stronger council, stronger communities and stronger place | The 2023/24 tree strategy audit will ensure there is a joined-up approach in the way the Council monitors and maintains its trees. | Tree strategy – audit has been deferred | Tree strategy – forms part of the 2024/25 Plan |
| Planning <ul style="list-style-type: none"> • Planning Policy • Development Management • Private Sector Housing • Licencing • Building Control | Local Plan and Delays in Issuing Planning permissions both feature on the corporate risk register. | Internal Audit will assess towards the end of 2023/24 the processes in place to deliver the Local Plan (following its recent 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 | Local Plan – audit has been deferred | Local Plan will form part of the 2024/25 Plan |

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| Community and Wellbeing <ul style="list-style-type: none"> • Community and wellbeing • Heritage and Values | These services help deliver the Council's stronger communities priority | No specific audit for 2023/24, instead Internal Audit will review the departmental risk registers to gain assurance these have been adequately articulated and are being managed to an acceptable level | Internal Audit has retained oversight and examined the risks regarding the successful transfer of the Council's District Museum into an independent charitable trust | Completed for 2023/24 |
| HRA (Housing Revenue Account) and Property <ul style="list-style-type: none"> • Council House Development • Home Ownership • Property and Operational Assets • Rent income operational assets • HRA land and estates • Neighbourhood Services • Caretaking • HRA Account • Older People's Services • Homelessness • Rehousing | These services support the Council's stronger place priority Housing capital features on the corporate risk register. | The homelessness audit is to ensure homelessness prevention measures are working as intended. The 2023/24 commercial rent and leases audit will ensure the Council is collecting the rent due to them and that lease agreements are being adhered to. | Homelessness – there are robust processes to assess and prioritise homeless applicants, with effective signposting for those who are not eligible. The majority of temporary accommodation providers have a contract or service level agreement in place with the Council. More needs to be done to ensure the Council's Procurement Rules are being adhered to all times and that value for money can be demonstrated. Commercial rents – see earlier | Homelessness – reasonable assurance |

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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>Financial resilience feature on the corporate risk register</p> | <p>The 2023/24 Council Tax and Business Rates audit is the same audit as detailed earlier under key financial controls</p> | <p>Council tax and business rates – see earlier</p> | <p>Council tax and business rates – forms part of the 2024/25 Plan</p> |

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| <p>Corporate Services</p> <ul style="list-style-type: none"> • Business Support • Accountancy • Legal (shared service) • People Team (HR) • Internal communication • Contingency and Emergency Planning • Council Safety Officer • Electoral Services • Democratic Services • Insurance and risk | <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>The 2023/24 budgetary control audit will ensure there are robust processes to both set the budget and to monitor this closely throughout the year at an operational level</p> | <p>The Right to Buy (RTB) Conveyancing review examined the RTB processes within Legal Services and found they had been correctly carried out and fully documented.</p> <p>Phishing Email – Attempted Bank Mandate Fraud: Following an attempted bank mandate fraud, Internal Audit undertook a review of the processes for changing bank details and made recommendations to improve the control framework to help prevent fraud</p> <p>Budgetary audit – not a formal audit. Instead Internal Audit retained oversight of the 2024/25 budget setting process through review of committee minutes and discussions with the S151 and deputy S151 Officer. Budgetary control features in the 2024/25 Plan.</p> | <p>Completed for 2023/24</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 • ICT - note: IT audits covered elsewhere in the Plan | <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. Internal Audit attends the PMO (Project Management Office) portfolio governance group meetings and provides challenge, advise and good practice from elsewhere.</p> | <p>Internal Audit attends the monthly Portfolio and Steering Group meetings which closely monitors the Council's major projects.</p> | <p>Completed for 2023/24</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, Fixed Assets and IT Disaster Recovery.</p> | <p>Completed for 2023/24</p> |