

Risk Area	Business/Risk Factors/Context	Proposed outline/scope of work for 2016/17	Year End position	Status/Assurance
Governance & Probity	The Council's governance framework underpins everything it does.	<p>Focussed audit work around the UK Bribery Act including conflicts of interest and gifts and hospitality.</p> <p>Transformation (also in projects section). Provide advice and guidance to the Head of Transformation to ensure internal controls, governance and risk management processes remain robust during the change programme</p>	<p>Conflicts of Interest and Gifts and Hospitality - Robust processes in place to ensure staff and Members make the required declarations. Need for better evidence of managers following up where declarations are made.</p> <p>Transformation - Internal Audit continues to meet regularly with the Head of Transformation and sits on a number of project groups to provide advice and share good practice seen elsewhere</p> <p>Ex-officio member of the Corporate Governance Group.</p>	<p>Conflicts of Interest and Gifts and Hospitality – substantial assurance</p> <p>Transformation – complete for 2016/17</p>
Fraud	Proactive fraud work	Co-ordinating data matching (NFI), training and awareness, interaction with corporate fraud initiatives and corporate fraud team. Potential for fraud considered in all audits.	<p>Internal Audit (IA) undertook one special investigation and continued in year work regarding the National Fraud Initiative (NFI).</p> <p>IA and the Corporate Fraud Team continue to work collaboratively on internal investigations and promoting anti-fraud awareness</p>	Complete for 2016/17

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Assurance Framework incl Risk Management and support to Audit Committee		Coordination of year end assurance reporting and Audit Committee support and attendance. Ex Officio member of Corporate Governance Group and Risk Management Group. Assistance to Director of Resources in developing and embedding risk management	IA drove the annual review each service undertakes regarding the effectiveness of its governance, risk management and internal control arrangements. Findings and key themes/issues were reported to the Corporate Governance Group and fed into the Annual Governance Statement. Ex-officio member of the Risk Management Group.	Complete for 2016/17
Information Management and Governance Data/information features on the strategic risk register	Data protection and security. Data owners and protocols. Governance and data sharing. Training and awareness.	This year data retention and disposal processes plus Council's readiness for the new EU General Data Protection Regulation (GDPR) due May 2018	The bulk of the work of IA in this area has been assisting the Council to prepare for GDPR by building and populating a Corporate Information Asset Register. Review of data retention and disposal policies will follow in 2017/18.	Complete for 2016/17
Performance Management	Data integrity & quality (collection, collation, analysis and validation). Use of performance targets.	KPIs considered within operational audits. Plus specific review each year on a key risk area. For 16/17 Neighbourhoods as they are often reliant on third party data.	Audits have found no concerns regarding the management of performance and robustness of performance indicators used where audited. This includes gas safety, waste management and car parking income. Advisory work on the HR Sickness Absence Performance Indicator identified a need for improve quality assurance processes.	Complete for 2016/17

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Value for Money (vfm)	Guiding principle of the Council and in the corporate risk register	VfM considered within operational audits. Specific vfm reviews could be undertaken e.g. printing and use of consultants. In 16/17 focus will be energy management.	<p>Audits have identified where efficiencies, effectiveness and economies of scale can be achieved. Specific examples include housing voids, procurement and car parking income.</p> <p>Energy management not undertaken as low risk area. The Council is already proactive in this area and making savings (e.g. review of tariffs and installing solar panels).</p>	Complete for 2016/17
Income Streams (Finance – income features on the strategic risk register)	To ensure financial resilience the Council needs to protect and maximise its income streams	Each year a portion of IA work will focus on ensuring key income streams for the Council are maintained and adequately controlled.	<p>Covered under Key Financial Control audits – see later</p> <p>IA formed part of the Customer Self Service Kiosk Project Group with the kiosks going live during 2016/17.</p>	Complete for 2016/17
Joint Working, Shared Services, Outsourcing and Partnerships	Partnerships feature on the corporate risk register	Ensuring arrangements are working in the best interest for the Council with appropriate governance and monitoring arrangements in place. For 16/17 this will include Community Safety, looking at the key partnerships in place and, linking with the safeguarding audit.	Understanding of partnership arrangements through scoping the Community Safety and safeguarding audits, which will be undertaken early 2017/18.	Community Safety deferred to 2017/18

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<p>Projects</p> <p>(Strategic sites features on the corporate risk register)</p>	<p>Business case, project methodology, governance arrangements, contract management and viability</p>	<p>Each year examine a sample of capital and smaller projects focusing on the key risks dependent where there are in the process e.g. business case, procurement, delivery, return on investment, post project. For 16/17 this will include progress with the Langston Road retail park and the overall new homes building programme.</p> <p>In addition, we will work with the business in helping them develop a suite of templates for project managers.</p>	<p>Langston Road Development - Follow up of the 2015/16 audit found improved financial monitoring and reporting arrangements. Project management processes remain robust.</p> <p>IA is an active participant on the Project and Programme project group sharing good practice seen elsewhere and providing advice as the system based solution (Covalent) was implemented.</p> <p>In addition, IA has provided advice on a number of other project groups e-invoicing, customer self-service kiosk and corporate and business planning.</p>	<p>Langston Road Development -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. Includes preparation time for the External Quality Assessment.	<p>The following audits were completed in addition to those agreed for 2016/17 Plan:</p> <ul style="list-style-type: none"> Townmead Depot Health and Safety – see later under Neighbourhoods Special investigation into procurement issues which have subsequently been addressed and control weaknesses tighten through a review and reinforcement of the Council's Procurement Rules. 	Complete for 2016/17
Procurement	Themed audits - compliance, vfm, fraud, goods and services. End to end processes (need, selection, appointment, contract management & exit strategies)	The focus of IA work this year will ensure compliance with the new Contract Standing Orders (Procurement Rules), which will be covered in existing audits, as well as the management of contracts (rather than an audit of central procurement processes).	<p>The Corporate Procurement Audit found that the Council was adhering to Financial Regulations and Contract Standing Orders (CSO).</p> <p>During the year CSO were replaced by the Procurement Rules and IA assisted the Council in reviewing these one year on.</p>	Corporate Procurement – Substantial assurance
Health & Safety (H&S)	Safeguarding features on the strategic risk register	Specific H&S audits for 16/17 detailed later on – Housing H&S statutory testing/ Compliance and Depot H&S under Neighbourhoods.	See later on – gas safety within Communities and Townmead Depot under Neighbourhoods	Complete for 2016/17

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Business Continuity Planning (BCP)	Business continuity features on the strategic risk register	Continue oversight in 16/17 with full assurance audit in 17/18. Examine IT disaster recovery (DR) as part of this year's plan (see IT audits).	IA continues an active interest through periodic meetings with the Council lead for BCP and emergency planning and attending the Risk Management Group where BCP is a standing agenda item. See later on for IT Disaster Recovery audit	Complete for 2016/17
Key Financial Controls (KFC)	Three year rolling programme of full system and key controls unless significant change in process/system or poor audit outcome	Cash & banking Payroll (deferred from 15/16) Business rates follow up Housing Rents follow up Council Tax follow up E-invoices Treasury Management (deferred from 15/16)	Robust controls continue for the Council's Key Financial systems examined. IA provided guidance on controls around implementation of electronic invoicing and the impact on the purchase order and accounting systems. Due to the recent implementation of the new HR/payroll system, iTrent, the payroll audit has been deferred until 2017/18. During 2016/17 IA formed part of the Personal Data working group which reviewed the processes and forms associated with the new system.	Substantial assurance: Cash and Banking, Treasury Management. Housing Rents follow up and Council Tax/Business Rates follow up.
IT Audits	IT Governance IT Regulation Security/Privacy Business Systems DRP/BCP Network Emerging Technologies e.g. mobile devices IT Applications Projects	IT Disaster Recovery (ITDR) IT Helpdesk	ITDR – key controls surrounding ITDR process working well and aligned with the Council's business continuity plans. System and data backups are regularly taken. 2016/17 was too early to audit the new IT helpdesk (House on the Hill) but early indications deem the system is working as expected.	IT Disaster Recovery – Substantial assurance

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Communities (Housing capital and welfare reform features on the strategic risk register)	Housing Property Housing Operations Public Sector Housing and Communities Support	<p>Safeguarding</p> <p>Mutual exchanges and tenant improvements</p> <p>H&S - statutory testing and compliance (gas safety)</p> <p>Voids to ensure there is a joined up process to ensure void turnaround times are optimised</p> <p>Anti-Social Behaviour (ASB)</p> <p>Grants to Voluntary organisations (deferred from 15/16)</p>	<p>Gas Safety – Robust processes for the monitoring annual safety checks, including identification of overdue checks and checks for new tenancies.</p> <p>Grants to Voluntary Organisations – robust controls in place ensuring that grant aid is only awarded to eligible organisations, applications are fully evaluated, appropriately approved, payments are only made following proof of expenditure.</p> <p>Council House Voids - robust controls provide a coordinated approach which helps to keep void times within targets. Performance of key stages in the voids process is monitored and various action taken during the year has improved processes resulting in a reduction in void re-let times</p> <p>Safeguarding – scoping commenced but audit deferred to 2017/18 due to IA restraints. Early indications are there are a number actions already in place to reduce the risks associated with safeguarding and a self-assessment ‘audit’ has been completed during the year as part of the Essex Safeguarding Board ASB also deferred due to IA constraints.</p> <p>Mutual exchanges – not explicitly audited instead reliance placed on Corporate Fraud Team proactive work with the service.</p>	<p>Gas Safety and Grants to Voluntary Organisations – substantial assurance</p> <p>Housing Voids – substantial assurance</p>

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Neighbourhoods (Local Plan and Economic Development features on the strategic risk register)	Neighbourhood Services Technical Services Forward Planning & Economic Development	Waste Management (deferred from 15/16) Off Street car parking (deferred from 15/16) Langston Road Depots H&S Asset Management strategy Enforcement. .	Waste Management – contract being well managed with good contract management and monitoring processes in place. Off Street car parking income – Robust controls for the management of income. Need to establish a process for the reconciliation of credit card payments, which are being phased in across the Council's car parks. Langston Road – see project section further up. The Townmead depot H&S audit found poor H&S practices which management addressed promptly. A tour by IA of the Oakwood Depot with the Council's H&S Officer confirmed that minor H&S infringements had been identified and were being addressed. Enforcement – Complaints and routine food inspections are recorded and there is a complete audit trail of the action carried out. Complaints are responded to promptly and any action taken is proportionate to the offence in accordance with legislation and Council policy. Asset management deferred to 2017/18 as audit was stalled due to other Council priorities including the Local Plan, staff absences and restructure within Forward Planning and Economic Development.	Waste Management (excluding recycling) – Substantial assurance Townmead Depot H&S – Limited Assurance Off Street car parking Income and Enforcement – Substantial assurance

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Governance	Governance & Performance Management (see earlier for Perf Mgt) Legal Services Development Management	Electoral Registration (last audited 05/06) Planning Application processes Equality and Diversity	<p>Electoral Registration – Robust processes to ensure effective management of the electoral register including processing new applications, removal of non-eligible electorates, verification and protection of data, and meeting legislative requirements to allow access and purchase of the electoral and open registers.</p> <p>Planning Application process – audit has commenced but will be reported as part of the 2017/18 Plan</p> <p>Equality and Diversity – audit deferred as the Council changed its approach to Equality Impact Assessments from January 2017.</p>	Electoral Registration – substantial assurance
Resources	Human Resources Benefits and Revenues (both covered under KFC audits) Accountancy ICT & Facilities Management (IT audits covered elsewhere)	Staff selection and recruitment (deferred from 15/16) New payroll/HR system	<p>Staff selection and recruitment – robust processes in place which were being followed including pre-employment checks.</p> <p>New payroll/HR system – see earlier under Key Financial Controls</p>	Recruitment of Staff – Substantial Assurance
Follow Up Audits	Review of progress against the recommendation tracker.	Includes specific follow up audits especially where Limited assurance previously given. Includes maintaining the recommendation tracker.	<p>Implementation of all recommendations continues to be scrutinised through the tracker process.</p> <p>A follow up of Langston Road, housing rents and council tax/business rates confirmed original recommendations made had been completed, improving the control environment.</p>	Complete for 2016/17