

Audit Area and Context	Corporate Risks	2018/19	2019/20	2020/21	Outline/Scope of work for 18/19 <i>(to be finalised when the work is scoped)</i>
Corporate Framework					
Governance and Probity	<p>The Council's governance framework underpins everything it does; therefore, robust arrangements are key in managing this risk.</p> <p>Strategic sites features on the corporate risk register.</p> <p>.</p>	<p>Governance – St Johns Road (carried forward from 2017/18)</p> <p>Code of Conduct including gifts and hospitality</p> <p>Transformation</p>	<p>Governance – Garden Town</p> <p>Local Plan implementation (governance and probity)</p> <p>Data Governance</p>	<p>Conflicts of interest with third parties (partnerships, significant contracts and shared services)</p>	<p>Ex-officio member of the Corporate Governance Group.</p> <p>In 18/19 examine the robustness of the decision making process for the St Johns Road development.</p> <p>Code of Conduct was one of the policies cited in the 2016/17 Annual Governance Statement where greater awareness was required. This audit will also incorporate a review of gifts and hospitality for both staff and Members.</p> <p>Transformation – during 18/19 continue to provide advice and guidance as Transformation projects are delivered, ensuring internal controls, governance and risk management processes remain robust during the change programme</p> <p>In 2019/20 Internal Audit (IA) will look at the governance arrangements to support the collaboration between Epping Forest, Harlow and East Herts to deliver the government's Garden Town initiative.</p>

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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 and providing services are key in relation to the corporate risk register and achievement of the Council's corporate plan</p>	✓	✓	✓	<p>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.</p>
<p>Assurance Framework including Risk Management and support to Audit Committee</p>	<p>Risk in achieving corporate priorities as these are underpinned by sound leadership, management of resources, and governance.</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 developing and embedding the Council's risk management framework. Support and training to the Audit Committee.</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 strategic risk register</p> <p>Breach of data protection and other legislation related risks which could lead to significant fines and reputational damage.</p>	General Data Protection Regulation compliance	<p>Subject Access Requests</p> <p>Data breach management</p>	Data retention and disposals	General Data Protection Regulation (GDPR) comes into effect 25 May 2018. Internal Audit will work with the Council's Data Protection Officer to help ensure compliance across the Council.
<p>Performance Management</p> <p>Data integrity and quality (collection, collation, analysis and validation). Use of performance targets.</p>	Risk of non-achievement of corporate priorities	Stronger Communities	Stronger Place	Stronger Council	Performance Indicators considered within operational audits. From 2018/19 and onwards examination of the Performance Indicators being proposed as part of the 2018-23 Corporate Plan to ensure they are being reported correctly and being acted upon..

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<p>Value for Money (VfM)</p> <p>Guiding principle of the Council.</p>	<p>Financial resilience and providing services are key in relation to the corporate risk register and achievement of the Council's corporate plan</p>	<p>Use of data analytics</p>	<p>Data analytics, including invoice authorisation and scheme of delegation</p> <p>Facilities Management</p>	<p>Data analytics</p> <p>Older People Services</p>	<p>2018/19 introduces a suite of short/sharp audits driven by data analytics e.g. spend analysis, inventories and payroll.</p> <p>VfM considered within operational audits. As the Council restructures we will ensure in 2019/20 flexibility has been built in but at the right level to ensure the robustness of the invoice approval process.</p>
<p>Income Streams</p> <p>To ensure financial resilience the Council needs to protect and maximise its income streams</p>	<p>Finance – income features on the strategic risk register</p>	<p>Commercial rents (last audited 15/16)</p> <p>Business rates – Council wide approach</p>	<p>Epping Forest Shopping Park</p> <p>Third party re-use and recycling credits scheme</p>	<p>Parking</p> <p>Community Halls</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>Whilst Revenues are responsible for maximising collection of income, the 2018/19 audit will ensure other services (Planning/Economic Development/Commercial Property) have effective processes in place to maximise the tax base.</p> <p>The 2020/21 community halls review will also consider whether the Council is making best use of these facilities.</p>

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<p>Joint Working, Shared Services, Outsourcing and Partnerships</p> <p>Opportunities for cost savings and improved value for money through joint working is a feature of the Corporate Plan.</p>	<p>Partnerships feature on the corporate risk register</p>	<p>Museum and cultural services</p>	<p>Health and Wellbeing</p>	<p>Harlow and Gilston Garden Town (joint initiative with Harlow and East Herts)</p>	<p>Ensuring arrangements are working in the best interest for the Council with appropriate governance and monitoring arrangements in place. For 2018/19 this will consider the cultural partnerships with other councils including Broxbourne and Chelmsford.</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 does not meet the needs of the Council</p> <p>Strategic sites features on the corporate risk register</p>	<p>Customer Services</p> <p>Council house building programme</p>	<p>North Weald Airfield master plan</p>	<p>Corporate approach to project management</p>	<p>Internal Audit in 2018/19 will ensure satisfactory progress is being made in the new way customer services is being delivered and examine arrangements in place to deliver the Council's housing building programme following the departure of the Development Agent.</p> <p>Time is also set aside each year for Internal Audit to attend appropriate project meetings, as well as providing ad hoc advice and support.</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.
Themed/cross cutting audits					
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.	Contract register and GDPR compliance	Contract Management (general) Tender and letting processes (to also include the current housing repairs contract with Mears).	Leisure Management contract – to ensure expected benefits (financial and non-financial) are being realised.	Building on the work undertaken in 2017/18 Internal Audit will assess the Council's framework to ensure all contracts are GDPR compliant.
Health & Safety (H&S)	Risk of compromising the health and safety of individuals and noncompliance with H&S legislation leading to fines or imprisonment.	Corporate H&S framework	Staff H&S of those located in the Council's satellite offices. Contractor H&S	Staff wellbeing and stress management	Examination of the Council's H&S framework in 2018/19 as operational responsibility has moved from Human Resources to Neighbourhoods.

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Business Continuity Planning (BCP)	Business continuity features on the strategic risk register	Emergency Planning	Business Continuity Planning	IT Disaster Recovery (last audit 16/17)	In 2018/19 we will ensure the Council has a co-ordinated approach to both emergency and business continuity planning in light of the problems experience by the Royal Borough of Kensington and Chelsea following the Grenfell Tower tragedy.
Key Financial Controls (KFC) Four-year rolling programme of full system and key control audits (unless significant change in process/system or poor audit outcome)	Finance – income features on the strategic risk register	Creditors (last audit 15/16) Business Rates (last audit 15/16) Council Tax (last audit 15/16)	Fixed assets/asset management (last audit 15/16) Housing Rents (last audit 16/17)	Treasury Management (last audit 16/17) Payroll (last audit 17/18) Housing Benefits (last audit 17/18)	Business rates and council tax will be a combined audit and creditors will take into account the Council's new e-invoicing system
IT Audits: IT Governance, IT Regulation, Security/Privacy, Business Systems, DRP/BCP, Network, Emerging Technologies e.g. mobile devices, IT Applications and Projects	Risks around data and asset security and loss of service. Opportunity for IT to be an enabler for delivering the Council's priorities.	System access and mobile working Software Licencing	IT Asset Management IT change and patch management	Active directory management Storage Area Network	A specialist IT Auditor will be brought in as required for more technical audits. In 2018/19 we will assess the security of the network and adequacy of mobile working arrangements for staff as the IT, staff and accommodation strategies are being delivered. Also ensure there is a robust process for managing and monitoring software licences. .

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Operational/service audits - Audits post 18/19 may change depending on the Council's risk profile					
Communities Housing Property Housing Operations Public Sector Housing and Communities Support	Housing capital, welfare reform and safeguarding feature on the strategic risk register	Access to housing (combining homelessness and allocations) Right to Buy (last audited 15/16) Safeguarding (carried forward from 17/18)	Housing Repairs following move to Oakwood Hill (last audited 15/16) Housing assistance policies including Disabled Facility Grants (last audited 15/16) Housing H&S – asbestos management Leaseholders – Section 20, major works and service charges	Anti-Social Behaviour Garages Tenancy management including Mutual Exchanges Housing H&S – legionella management Private sector housing: Houses in multiple occupation licences	Towards the end of 2018/19 allocations will assess the impact of the Council's revised allocations scheme due to come into force July 2018. Homelessness compliments the allocations audit and will consider the impact of the new Homelessness Reduction Act and use of the Council's Flexible Homelessness Support Grant. Building on our 17/18 planned maintenance and major works audit, in 18/19 we will examine the process for home ownership and leaseholders. The safeguarding audit is not a focus just within Communities but to ensure there is a joined up Council approach to protecting vulnerable children and adults.

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<p>Neighbourhoods</p> <p>Neighbourhood Services</p> <p>Technical Services</p> <p>Forward Planning & Economic Development</p>	<p>Local Plan and Economic Development features on the strategic risk register.</p>	<p>Off street parking</p> <p>Economic Development</p> <p>North Weald Airfield (establishment audit) – deferred from 17/18</p>	<p>Recycling management (waste management last audit 15/16)</p> <p>Environmental crime (enforcement)</p> <p>Street cleansing</p>	<p>Grounds maintenance (last audited 15/16)</p> <p>Licencing (last audit 15/16)</p> <p>Estates and Valuations</p>	<p>The 2018/19 parking audit will ensure the new off street parking arrangements are working in the best interest of the Council.</p> <p>The 2018/19 economic development review will examine the Council's approach to this, ensuring there is a joined up approach in achieving the Council's objectives, both internally and externally.</p> <p>North Weald Airfield (NWA) is an 'establishment' audit to ensure key Council policy, processes and processes are being followed being remote from the Civic Offices. In 20/21 examine plans/proposals regarding the commercial viability of NWA.</p>

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<p>Governance</p> <p>Governance & Performance Management (see earlier for Performance Management)</p> <p>Legal Services</p> <p>Development Management</p>	<p>Risk of corporate priorities not being met should these service areas fail to deliver.</p>	<p>Planning applications</p> <p>S106 agreements and income</p> <p>Equality Impact Assessments (EIA) - deferred from 17/18</p>	<p>Building Control & Planning Fees (last audit 15/16)</p> <p>Complaints (deferred from 17/18)</p> <p>Infrastructure Delivery Plan (as part of Local Plan)</p>	<p>Local Land Charges (last audit 15/16)</p> <p>Members expenses and allowances (last audit 15/16)</p>	<p>The 2018/19 planning applications process will look at the end to end process, including the decision making process by Officers. This audit plus the S106 one will consider the role of Members in the approval process.</p> <p>The 2018/19 EIA audit will consider the use of Equality Impact Assessments within decision making, ensuring all decisions have a completed and evidence based assessment.</p> <p>In 2019/20 Internal Audit will assess progress being made to deliver the Local Plan, in particular the Infrastructure Delivery Plan, the impact on planning obligations and funding arrangements.</p>

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<p>Resources</p> <p>Human Resources</p> <p>Benefits and Revenues (both covered under KFC audits)</p> <p>Accountancy</p> <p>ICT & Facilities Management (IT audits covered elsewhere)</p>	<p>Finance – income features on the strategic risk register.</p> <p>Risk of corporate priorities not being met should these service areas fail to deliver.</p>	<p>HR – starters, movers and leavers</p> <p>New debt management system</p>	<p>Insurance (last audited 14/15)</p> <p>Budgetary control and financial management and links to service and corporate planning (last audited 15/16)</p> <p>HR - staff performance management including appraisals</p>	<p>Reprographics</p> <p>Staff training and development</p>	<p>The 2018/19 HR audit will be based on analytical review as detailed under the VfM section.</p> <p>Internal audit will continue to provide and guidance as a new debtors system is sourced and implemented.</p> <p>The 2019/20 insurance audit will also consider its role in the Council's risk management framework, helping the Council manage its risks.</p> <p>.</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>