

APPENDIX A – 2020-21 DRAFT INTERNAL AUDIT PLAN

* Denotes a principal risk

A. CORPORATE / CROSS-CUTTING

Ref	Audit title	Indicative scope	Planned Quarter	Days
CC20-1	Landlord Duty of Care *	On-going programme of assurance against this area of Principal Risk. Cross-cutting review of the Council's arrangements for ensuring compliance with health and safety requirements across its property portfolio. Scope to include progress towards implementation of recommendations arising following the Grenfell review.	Q2	20
CC20-2	Change Programme Delivery *	Assurance surrounding key actions to mitigate this principal risk. Scope to include deep-dive into a sample of key projects/work-streams.	Q2	20
CC20-3	Financial Strategy *	Risk based review of key programme objectives. Scope to include assurance surrounding the mitigation actions recorded against this principal risk.	Q2	20
CC20-4	Capital programmes *	Risk based review with a focus on funding and approval of spend. Scope to include governance and financial monitoring arrangements, including deep-dive into a sample of key projects.	Q2	20
CC20-5	Information Governance *	Scope to be refined in-year to focus on high risk areas.	Q4	10
CC20-6	Contract Management *	On-going programme of assurance against this area of key risk. To include follow up of previous audit recommendations.	Q2	20

CC20-8	Risk management – assurance mapping	Internal Audit input into assurance mapping for principal risks.	All	20
CC20-9	Fraud support	Internal Audit input into the reactive investigations to be undertaken in-year.	All	20
CC20-10	Annual governance statement and audit plan production	Preparation of the Council’s Annual Governance Statement and audit plan.	Q4	10
CC20-11	Follow ups	Follow up of recommendations made in 19-20.	All	75
			Total Days	235

B. RESOURCES

Ref	Audit title	Indicative scope	Planned Quarter	Days
FR20-1	Continuous Monitoring (CAM) Audit	Review of 5 key financial systems in line with the rolling CAM plan.	Q4	50
FR20-3	IT Application Reviews	Key controls testing, including a deep-dive into two IT applications. Focus on key controls and risks related to availability, integrity, confidentiality and accountability.	Q3	30
FR20-4	IT Audit Reviews	IT audit reviews to be undertaken focussing on high risk areas. To include extended follow-up of Cyber Security and Technology Debt reviews undertaken in 2019-20.	Q2/3	40
FR20-5	Use of Agency & Consultancy staff	Risk based review of key controls regarding the use of agency and consultancy staff. Scope to include controls surrounding approval, extension, vetting and financial monitoring.	Q2	20
			Total Days	140

C. PEOPLE

Ref	Audit title	Indicative Scope	Planned Quarter	Days
PE20-1	Youth Offending/ Youth Crime *	Extended follow-up review of 2019-20 review in this area (currently being undertaken in Q4 19-20). Programme review of the governance arrangements in place surrounding the Council's strategy to tackling youth offending/youth crime. Scope to provide assurance surrounding controls and mitigating actions included against this principal risk.	Q2	10
PE20-2*	Safeguarding Adults *	Risk based review focussing on the controls in place to support the identification and management of this area of Principal Risk, including arrangements for responding to safeguarding concerns regarding Modern Day Slavery and homeless people. Scope to be refined in year.	Q2	20
PE20-3	Social Care Provider Failure *	Extended follow-up of the review undertaken in this area in 2016-17. Scope to include arrangements for identifying, preventing and responding to potential provider failure incidents within the Social Care market.	Q3	20
PS20-4	High Needs/ SEN Children's Placements	Carried forward from 2019-20. Risk based review of the controls in place surrounding high-needs children's placements. Scope to include monitoring and reporting of high cost care placements / packages.	tbc	20
PS20-5	Better Care Fund *	Cross cutting review across Children's and Adults including pooled budget arrangements.	Q2	15
PS20-6	School – establishment reviews	Risk based review of 7 schools/children's centres	Q1 to Q4	56
			Total Days	141

D. ENVIRONMENT AND REGENERATION

Number	Audit title	Indicative Scope	Planned Quarter	Days
ER20-1	CCTV Project *	Continuation of risk and control design support to the CCTV Project Board.	Q2	15
ER20-3	Parking Services	Carried forward from 2019-20. Risk based review of the effectiveness of the governance arrangements in place surrounding the interpretation, monitoring and compliance with legislative requirements. Scope to focus on a sample of key projects in this area, including HGV and School street initiatives.	Q1	20
ER20-3	Building Control	Risk based review to ensure that Council is fulfilling its statutory responsibilities for building owners and developers carry out work that complies with the Building Act and Building Regulations legislation.	Q3	20
ER20-4	Business Continuity Planning *	Risk based review surrounding the governance and monitoring arrangements for the Council's Business Continuity Planning framework, including alignment and coordination with IT Disaster Recovery Plans. Scope to include follow-up of recommendations raised within the 2019-20 Emergency Planning review.	Q3	15
			Total Days	70

E. HOUSING

Number	Audit title	Indicative scope	Quarter	Days
HOU20-1	Home-build Programme*	On-going programme of assurance against this area of Principal Risk. Risk based review focussing on key programme objectives. Scope to also include a follow-up of the recommendations raised within the 2019-20 review (currently in progress).	Q3	15
HOU20-2	Tenancy Management Organisations	Risk based review of four TMOs. On conclusion of 2020-21 TMO work, a 'common findings/lessons to be learned' paper will be produced for sharing across all TMOs	Q1 to Q4	25
HOU20-3	Voluntary Sector Organisation	Risk based review of two VSOs (to be confirmed and scoped in year).	Q1 to Q4	20
HOU20-4	Right-to-Buy	Risk based review of arrangements for processing and managing Right-to-Buy applications in accordance with legislative requirements. Scope to include fraud prevention/detection measures.	Q4	15
HOU20-5	Health and Safety*	Risk based review of key risk area (scope to be agreed in year)	Q3	15
			Total Days	90

F) Principal Risk Register extract (mapping of Principal Risks to the Internal Audit Plan)

Principal risks as at January 2020

Risk Score	L	I	Risk Title	Risk Score Outlook March 19	Risk Score Outlook Dec 19	Comment on change in trend	Internal Audit Coverage (from 2017-18 to 2020-21)
16 (0)	4	4	Youth crime and serious youth violence	↔	↔	Although crime overall is declining in Islington, violence and knife crime is increasing across London and risk levels can change rapidly and so the forward trend remains at a high risk score.	Review planned for Q4 2019-20 (as per the 2019-20 Plan) to provide assurance against this area of principal risk. Resource has also been included on 20-21 plan to undertake additional assurance work in this area.
15 (+3)	3	5	Financial strategy	↔	↑	The Government postponed the full 3 year Spending Review that was planned for summer 2019 as well as the fair funding review, and provided a one year settlement in September 2019. This therefore increases future uncertainty and the impact score of this particular risk.	In 2019/20; on-going support and advice was provided where required, to embed risk management within projects. Risk management input was shared surrounding financial risk assessment. A risk based review, focussing on key programme objectives, is planned for 20-21.
12 (-4)	3	4	Brexit	NEW	↔	This report is compiled before the general election scheduled for 12th December, the outcome of the election is expected to inform the governments approach to Brexit. Our planning around critical services escalated before the October EU exit deadline increasing our oversight and the robustness of our critical services, resulting in a reduction in both the likelihood and impact score.	On-going risk support and advice is being provided by the Council's Risk Manager via the Brexit Resilience Group. Brexit preparedness was also included within the scope of the 'Right to Work' review undertaken in 2019-20.

Risk Score	L	I	Risk Title	Risk Score Outlook March 19	Risk Score Outlook Dec 19	Comment on change in trend	Internal Audit Coverage (from 2017-18 to 2020-21)
12 (+1)	3	4	Welfare reforms	↑	↑	It is planned around late 2023/2024 that remaining legacy benefit claimants will be moved over in a managed migration. However, it is likely that most will have naturally migrated by this time. Council tenants on Universal Credit (UC) have consistently higher rent arrears than those on Housing Benefit, the increasing numbers migrating to UC result in the likelihood score being increased by 1 to reflect the increased risk of rent arrears and financial difficulty.	Rent Income and Recovery review undertaken in 2018-19 (Moderate Assurance) and a follow-up is planned in Q1 2020-21.
12 (0)	3	4	Cyber security	↑	↔	Our protection continues to increase, the level of attack is constant with seasonal adjustment e.g. elections	Review planned for Q4 2019-20 (as per the 2019-20 Plan) to provide assurance against this area of principal risk. Resource has also been included on 20-21 plan to undertake additional assurance work in this area.
12 (0)	4	3	Serious information breach or non-compliance with legislation	↑	↔	Residents are more educated regarding GDPR/DPA18 resulting in an increasing request for advice. The application of GDPR/DPA18 has not yet been tested increasing uncertainty of potential fines.	GDPR Readiness review undertaken in 2017-18 and follow-up completed in 2018-19. A review of Records Management was undertaken in 2018-19, and a follow-up is planned in Q1 2020-21. Resource has also been included on 20-21 plan to undertake additional assurance work in this area.
12 (0)	3	4	Response and resilience	↑	↔	The external environmental triggers continue to worsen meaning our planning needs to be increasingly robust. Record number of incidents responded to in	Review planned for Q4 2019-20 (as per the 2019-20 Plan) to provide assurance against this area of principal risk (focussing on Emergency Planning controls).

Risk Score	L	I	Risk Title	Risk Score Outlook March 19	Risk Score Outlook Dec 19	Comment on change in trend	Internal Audit Coverage (from 2017-18 to 2020-21)
						2018/19, current figures show incidents in 2019/20 on course to rise again, however within the bands of the current risk score	Resource has also been included on 20-21 plan to undertake additional assurance work in this area (to primarily focus on Business Continuity Planning).
12 (0)	3	4	Safeguarding adults			The risk score remains stable however the complexity of cases has been increasing, this has been met with a plan for additional training for our staff to support residents.	<p>A review of Mental Health Safeguarding was undertaken in 2018-19, and a follow-up is planned in Q1 2020-21.</p> <p>A review of Direct Payments is planned for Q4 2019-20 (as per the 2019-20 Plan).</p> <p>Resource has also been included on 20-21 plan to undertake additional assurance work in this area (Safeguarding Adults and Social Care Provider Failure).</p>
12 (0)	3	4	New Homes Programme	NEW		The continued deterioration of the housing market combined with BREXIT pressures on construction costs has caused overall cost pressure within the programme, however strategic delivery and the organisational growth structure have helped to support strategic delivery.	<p>Review planned for Q4 2019-20 (as per the 2019-20 Plan) to provide assurance against this area of principal risk.</p> <p>Resource has also been included on 20-21 plan to undertake additional assurance work in this area.</p>
12 (0)	3	4	Housing Delivery	-	NEW	n/a. Trend is not captured for new risks	This is a new principal risk as at 2019-20. No assurance activity is planned for 20-21; however Internal Audit is keeping this risk under review based on the principal risk report.
12 (0)	3	4	Social Care Market Instability	-	NEW	n/a .Trend is not captured for new risks.	Resource has been included on 20-21 plan to undertake assurance work in this area.
12 (0)	3	4	Health and Social Care Integration	n/a	NEW	n/a. Trend is not captured for new risks.	This is a new principal risk as at 2019-20.

Risk Score	L	I	Risk Title	Risk Score Outlook March 19	Risk Score Outlook Dec 19	Comment on change in trend	Internal Audit Coverage (from 2017-18 to 2020-21)
							No assurance activity is planned for 20-21; however Internal Audit is keeping this risk under review based on the principal risk report.
10 (0)	2	5	Safeguarding children	↔	↔	Overall numbers of referrals and repeat referrals have been declining indicating that our model of practice is having a positive impact on residents.	Review of Placement Commissioning for 16-17 year-olds was undertaken in 2019-20 and a follow-up is planned in Q1 2020-21. Review of SEN Transport undertaken in 2018-19, and a follow-up is planned in Q1 2019-20.
10 (0)	2	5	Serious H&S incident in housing	↔	↔	The Council's core activities and functions have not changed significantly and so the risk remains stable.	Review of Landlord Duty of Care – Fire Risk Assessments was undertaken in 2019-20, and a follow-up is planned in Q2 2020-21. Resource has also been included on 20-21 plan to undertake additional assurance work in this area.
9 (0)	3	3	IT delivery and transformation	↔	↔	The problem areas within our IT infrastructure have been identified and remediation works have progressed.	Review of IT Technology Debt undertaken in 2019-20, and a follow-up is planned in Q1 2020-21. Resource has also been included on 20-21 plan to undertake additional assurance work in this area.
9 (0)	3	3	Change Programme Delivery	↔	↔	The Programme Management Office has demonstrated that the levels of control have been effective with a number of examples testing the project and programme management.	In 2018-19, a Programmes and Transformation review was undertaken, and focussed on providing control design advice for the newly formed Programme Management Office. This is being followed-up in Q4 2019-20. Resource has also been included on 20-21 plan to undertake additional assurance work in this area.

Risk Score	L	I	Risk Title	Risk Score Outlook March 19	Risk Score Outlook Dec 19	Comment on change in trend	Internal Audit Coverage (from 2017-18 to 2020-21)
9 (0)	3	3	CCTV Failure	-	NEW	n/a. Trend not captured for new risks.	Review undertaken in 2019-20, and resource has also been included on 20-21 plan to undertake additional assurance work in this area.
9 (0)	3	3	Capital Programme	n/a	NEW	n/a .Trend is not captured for new risks.	Project specific reviews were undertake in 2018-19 and 2019-20. Resource has been included on 20-21 plan to undertake additional assurance work in this area.
8 (0)	2	4	Health and safety	↔	↔	The Council's core activities and functions have not changed significantly and so the risk remains stable.	Review undertaken in 2018-19, primarily focussing on Legionella, and was followed-up in 2019-20. Resource has also been included on 20-21 plan to undertake additional assurance work in this area.

8 (0)	2	4	Contract Management	All			While the risk remains stable, the external environment affecting the finances and operations of many of our contractors and the potential impact on service delivery for council services remains a challenge.	Review undertaken in 2018-19 and was followed-up in 2019-20. Resource has also been included on 20-21 plan to undertake additional assurance work in this area.
6 (+1)	3	2	Serious fraudulent activity	Section 151			There has been an increase in investigative activity over the last year; with the trend likely to continue, resulting in an increase in the likelihood score.	Fraud risks feed into the annual Audit Plan. Delivery of the Audit Plan ensures that, where risks are identified, audit recommendations are made to address control weaknesses
4 (0)	2	2	Recruitment and retention	A. Grant	n/a	NEW	n/a .Trend is not captured for new risks.	This is a new principal risk as at 2019-20. No assurance activity is planned for 20-21; however Internal Audit is keeping this risk under review based on the principal risk report.

APPENDIX ENDS