

Appendix 1: delivery of the 2021-22 audit plan

1. Synopsis

- 1.1. This Appendix summarises the 2021-22 audit plan that was agreed by Audit Committee on 25th May 2021. It shows the indicative scope as well as the completion status of each individual project. It is included to provide Audit Committee with assurance that the audit plan – which is the key vehicle for providing the Council with independent assurance – has been effectively delivered.

2. Detailed 2021-22 audit plan update

(* denotes an area of principal risk)

2.1. Audits brought forward from 2020-21

Ref	Audit title	Indicative scope	Planned days	Status	Assurance rating
HOU20-5	Health and safety – asbestos management*	Risk based review of key Health and Safety risk area.	15	Completed. 5 high priority findings were raised, details of which were reported to the Audit Committee in January 2022.	No assurance
FR20-5	Use of contingent workers*	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.	20	Completed. 8 high priority findings were raised, details of which can be seen at Appendix 2. This review, carried out in Q3 2021-22,	No assurance

				looked at controls in place relating to the council's managed service provider of agency staff. In February 2022 the council moved to a new provider. Follow up work will focus on whether controls relating to the new provider are operating effectively.	
PS20-6-3	Schools establishment review – Moreland Primary School	Risk based review of Moreland Primary School.	10	Completed. No high priority findings were identified.	Moderate assurance
PS20-6-6	Schools establishment review – St Luke's Church of England Primary School	Risk based review of St Luke's Church of England Primary School.	10	Completed. No high priority findings were identified.	Substantial assurance
CC20-1	Landlord duty of care – lifts*	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 focus on	20	As at the last update to the Audit Committee in January 2022, a need for additional audit work to cover off areas of	n/a – deferred to 2022-23 audit plan.

		lift maintenance and replacement within the Council's housing stock.		key risk was identified. This additional work commenced in early Q2 2022-23 and will report in late Q2 2022-23.	
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2.2. Corporate/cross-cutting

Ref	Audit title	Indicative scope	Planned days	Status	Assurance rating
CC21-1	Risk management – assurance mapping	Internal Audit input into assurance mapping for principal risks. This will support the activity of the Council's risk management function.	20	This took place in late Q3 and early Q4 to inform the 2022-23 audit plan approved by Audit Committee in March 2022.	n/a – assurance mapping exercise
CC21-2	Serious fraudulent activity *	Internal Audit input into reactive investigations to be undertaken in-year. This will support the activity of the Council's corporate investigations team as needed.	20	Members of the Internal Audit team provided ongoing input into reactive investigations throughout the year to support the Corporate Investigations team.	n/a – input into reactive investigations
CC21-3	Annual Governance Statement and	Preparation of the Council's Annual Governance Statement and audit plan.	10	The Internal Audit team provided support to the new owners of the Annual	n/a – input into Annual Governance

	audit plan production			Governance Statement. Audit planning took place in late Q3 and early Q4 alongside the assurance mapping exercise (see CC21-1 above).	Statement and audit planning
CC21-4	Controls Board	Internal Audit input into Controls Board workplan and support for directorate representatives.	25	The Internal Audit team serviced Controls Board and provided support for directorate representatives around follow up activity.	n/a – input into Controls Board workplan
FWU21-5	Programme Management Office (PMO) *	Extended follow up of audit recommendations arising from the 2020-21 review of PMO (CC20-2 – management letter with 17 high priority findings across four audit areas). The audit scope looked at the redesign of the Council's Programme Management Office (PMO) and conducted project health checks across a sample of three programmes (one each in Housing, Environment and Regeneration and People).	20	An extended follow up audit was completed. <ul style="list-style-type: none"> • 42/50 (84%) recommendations have been implemented; • 5/50 (10%) recommendations (relating to three high priority and two medium priority findings) have been partially implemented; and 	A good rate of implementation was noted (see ratings key in Appendix 3 for an explanation of ratings assigned to extended follow ups)

				<ul style="list-style-type: none"> 3/50 (6%) recommendations (relating to one high priority finding and one medium priority finding) have not been implemented. Revised target dates have been agreed for all open recommendations, which will be followed up as they fall due. 	
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2.3. Resources

Ref	Audit title	Indicative scope	Planned days	Status	Assurance rating
FR21-1-1	Key financial systems – accounts payable	Review of key financial systems. We created an in-depth map of key financial controls in four areas (accounts payable, income, treasury and payroll) during 2020-21 (FR20-1). We then assessed whether the design of controls is theoretically sufficient to mitigate risks. Work in 2021-22 will include an update of this control design assessment to ensure that the KFS controls map for these areas remains current. The map will inform the choice of	14	Completed. Two high priority findings were raised, details of which can be seen at Appendix 2.	Moderate assurance
FR21-1-2	Key financial systems – income		14	This audit was deferred in-year at the request of management due to staffing pressures at	n/a – deferred to 2022-23 audit plan as agreed by the Audit Committee in March 2022.

		controls we target in 2021-22 to test whether they are operating effectively. The KFS review areas for 2021-22 will also include Pensions.		auditee level. The audit was scoped in Q4 2021-22 and fieldwork will begin in Q2 2022-23.	
FR21-1-3	Key financial systems – treasury		14	Completed. One high priority finding was raised, details of which can be seen at Appendix 2.	Moderate assurance
FR21-1-4	Key financial systems – payroll		14	Completed. No high priority findings were identified.	Moderate assurance
FR21-1-5	Key financial systems – pensions		14	This audit was deferred in-year at the request of management due to additional pressures at auditee level, including the triennial valuation process. The audit was scoped in Q4 2021-22 and fieldwork will begin in Q2 2022-23.	n/a – deferred to 2022-23 audit plan as agreed by the Audit Committee in March 2022.
FR21-2	Access controls and rights *	An extended audit into access controls and rights for key business applications and processes, based on data security risks identified around the appropriateness of the approvals process.	30	Completed. Three high priority findings were raised, details of which can be seen at Appendix 2.	Limited assurance

FR21-3	Business transformation – technology needs within Children’s Services *	A risk based review to provide assurance against this area of principal risk. The scope will be refined/agreed in year.	20	A draft report has been shared with management, and a management response is awaited. A completion date of September 2022 is anticipated.	To be confirmed once management have responded
FR21-4-1	Covid-19 grant certification * - Arts Council Culture Recovery Fund	Ad hoc reviews of Covid-related grants to verify that they are being administered in accordance with grant conditions.	20	A compliance opinion was provided on the return for the Arts Council Culture Recovery Fund grant.	Compliance opinion issued
FR21-4-2	Covid-19 grant certification * - Sales, Fees and Charges – Lost Income.			A compliance opinion was provided on the return for the Sales, Fees and Charges – Lost Income grant.	Compliance opinion issued
FR21-5	Challenging Inequality programme *	A risk based review of the Challenging Inequality programme to verify that the framework's design supports the Council's ambition to meet the Equalities Gold Standard. The audit will provide assurance against the diversity and inclusion and the social inequalities principal risks.	20	Completed. One high priority finding was raised, details of which can be seen at Appendix 2.	Moderate assurance
FWU21-27	Gifts and hospitality and declarations of interest *	Extended follow up of audit recommendations arising from the 2017-18 review of Gifts and hospitality and declarations of interest (CC17-	6	An extended follow up audit was completed. All twelve recommendations	Agreed actions have been fully implemented

		<p>10 – Limited assurance). Audit findings related to:</p> <ul style="list-style-type: none"> • Policy and guidance; • Register of declarations of interest; • Gifts and hospitality register; • Contract standing orders and documentation (consultants); and <p>Contract standing orders and documentation (agency staff).</p>		have been implemented.	
FWU21-34	Right to work vetting arrangements *	<p>Extended follow up of audit recommendations arising from the 2019-20 review of Right to work vetting arrangements (FR19-2 – Limited assurance). Audit findings related to:</p> <ul style="list-style-type: none"> • Visa end dates; • Right to work status of agency staff; • Policies and protocols; • HR risk register; and <p>EU exit preparation – agency and Council.</p>	8	An extended follow up audit was completed. All fourteen recommendations have been implemented.	Agreed actions have been fully implemented

2.4. Adult Social Care

Ref	Audit title	Indicative scope	Planned days	Status	Assurance rating
FWU 21-14	Safeguarding adults – governance	<p>Extended follow up of audit recommendations arising from the 2020-21 review of Safeguarding adults (PS20-2 - No assurance). Audit findings related to:</p>	8	An extended follow up audit was completed. All eleven recommendations	Agreed actions have been fully implemented

	and records management *	<ul style="list-style-type: none"> • Evidence of case management and approval (critical priority); • Timeliness of case management activity; • Retention of evidence to support case closure; and • Updating the information sharing agreement. 		have been implemented.	
FWU21-31	Direct payments *	<p>Extended follow up of audit recommendations arising from the 2019-20 review of Direct payments (PS19-5 – Limited assurance). Audit findings related to:</p> <ul style="list-style-type: none"> • Transfers from pre-paid cards • Ordering pre-paid cards • Financial monitoring • Governance arrangements – risk-based reviews of spend • Direct payment agreements • Deceased individuals 	7	An extended follow up audit was completed. All eleven recommendations have been implemented.	Agreed actions have been fully implemented

2.5. Children's Services

Ref	Audit title	Indicative scope	Planned days	Status	Assurance rating
PS21-1	High needs/SEN children's placements *	Brought forward from 2020-21 plan. Risk based review of controls in place around high-needs/SEN children's placements. Scope to	20	Completed. No high priority findings were identified.	Moderate assurance

		include monitoring and reporting of high cost care placements / packages.			
PS21-2-1	Schools establishment review – St John’s Highbury Vale Primary School	Risk based review of seven schools/children’s centres. These reviews do not directly align to a principal risk, and are part a rolling programme of assurance for schools which operates on a cyclical basis. The programme assesses the effectiveness of school governance mechanisms and financial practices.	12	Completed. A draft report has been shared with management, who have stated that they intend to provide further audit evidence. A completion date of September 2022 is anticipated.	To be confirmed once management have provided additional evidence
PS21-2-2	Schools establishment review – Vittoria Primary School		12	Completed. High priority findings were raised in two audit areas, details of which can be seen at Appendix 2.	Limited assurance
PS21-2-3	Schools establishment review - Newington Green Primary School		12	Completed. High priority findings were raised in three audit areas, details of which can be seen at Appendix 2.	Limited assurance
PS21-2-4	Schools establishment review – Duncombe Primary School		12	Completed. A draft report has been shared with management, who have stated that they intend to provide	To be confirmed once management have provided additional evidence

				further audit evidence. A completion date of September 2022 is anticipated.	
PS21-2-5	Schools establishment review - Pooles Park Primary School		12	This audit was deferred to the 2022-23 audit plan due to a timing clash with the school's Ofsted inspection.	n/a – deferred to 2022-23 audit plan.
PS21-2-6	Schools establishment review - Samuel Rhodes Primary School		12	Completed. High priority findings were raised in four audit areas, details of which can be seen at Appendix 2.	No assurance
PS21-2-7	Schools establishment review – Laycock Primary School		12	Completed. Nine high priority findings were raised, details of which can be seen at Appendix 2.	No assurance
PS21-3	Supporting Families	Audit review and sign off of compliance with requirements from the Memorandum of Understanding between the Council and the Department for Levelling Up, Housing and Communities.	10	Completed. No high priority findings were identified.	n/a – a management letter was issued

2.6. Environment

Ref	Audit title	Indicative scope	Planned days	Status	Assurance rating
FWU21-6	Parking services *	<p>Extended follow up of audit recommendations arising from the 2020-21 review of Parking Services (ER20-3 – Limited assurance). Audit findings related to:</p> <ul style="list-style-type: none"> • Debt recovery process • Cancelled Penalty Charge Notices (PCNs) • Spot checks on enforcement decisions • Contract management of debt enforcement agents • Governance arrangements – roles and responsibilities • Policies and procedures • Risk management • Oversight of written off PCNs • Appeal response times • Reconciliations 	13	<p>An extended follow up audit was completed.</p> <ul style="list-style-type: none"> • 13/17 (76%) recommendations have been implemented; and • 4/17 (24%) recommendations (relating to four high priority findings) have been partially implemented. <p>Revised target dates have been agreed for all open recommendations, which will be followed up as they fall due.</p>	A good rate of implementation was noted (see ratings key in Appendix 3 for an explanation of ratings assigned to extended follow ups)

2.7. Homes and Neighbourhoods

Ref	Audit title	Indicative scope	Planned days	Status	Assurance rating
HOU21-1	Tenant Management Organisation	<p>A review of Council processes for monitoring TMO activity and governance arrangements. This will take into account whether monitoring</p>	16	This audit has been deferred at the request of the service area.	n/a – deferred to 2022-23 audit plan as agreed by the

	(TMO) monitoring arrangements *	activity is sufficient in light of the increased responsibilities for councils introduced in the 2021 Housing White Paper.		Significant changes are planned in the approach to monitoring TMO activity over the coming months, therefore a review of existing arrangements is likely to identify known issues. Internal Audit has held a risk based discussion with the service area and it was agreed that the audit would be deferred to 2022-23 to allow time for revised practice to be implemented. Internal Audit will also remain available throughout this period to provide advice on risk and control as needed.	Audit Committee in March 2022
HOU21-2-1	Tenant Management Organisation (TMO) establishment review - Braithwaite	Risk based review of five TMOs. These reviews are part a rolling programme of assurance for TMOs which operates on a cyclical basis. The programme assesses the effectiveness of governance mechanisms and financial practices.	11	Completed. Four high priority findings were raised, details of which can be seen at Appendix 2.	Limited assurance

HOU21-2-2	Tenant Management Organisation (TMO) establishment review - Blackstock		11	Completed. One high priority finding was raised, details of which can be seen at Appendix 2.	Moderate assurance
HOU21-2-3	Tenant Management Organisation (TMO) establishment review - Spa Green		11	A draft report has been shared with management, and a management response is awaited. A completion date of September 2022 is anticipated.	To be confirmed once management have responded
HOU21-2-4	Tenant Management Organisation (TMO) establishment review - Holbrook		11	A draft report has been shared with management, and a management response is awaited. A completion date of September 2022 is anticipated.	To be confirmed once management have responded
HOU21-2-5	Tenant Management Organisation (TMO) establishment review - Miranda		11	A draft report has been shared with management, and a management response is awaited. A completion date of	To be confirmed once management have responded

				September 2022 is anticipated.	
HOU21-3	Voluntary Sector Organisation (VSO) – Highbury Roundhouse	Risk based review of one VSO. These reviews do not directly align to a principal risk, and are part a rolling programme of assurance for VSOs which operates on a cyclical basis.	20	Completed. Advisory review, with no assurance rating assigned.	Advisory review, with no assurance rating assigned.
FWU21-24	HomeBuild *	<p>Extended follow up on audit recommendations arising from the 2020-21 review of HomeBuild (HOU20-1 – Moderate assurance). Audit findings related to:</p> <ul style="list-style-type: none"> • Financial governance • Risk management • Change control • Quality management 	7	Extended follow up completed. All nine recommendations have been implemented.	Agreed actions have been fully implemented

2.8. Community Wealth Building

Ref	Audit title	Indicative scope	Planned days	Status	Assurance rating
CWB21-1	Local business resilience *	A risk based review to provide assurance against this area of principal risk. The scope will be refined/agreed in year.	20	Completed. Three high priority findings were raised, details of which can be seen at Appendix 2.	Limited assurance
CWB21-2	Financial resilience of residents *	A risk based review to provide assurance against this area of principal risk. The scope will be refined/agreed in year.	20	This audit was deferred in-year due to the vacancy within	n/a – deferred to 2022-23 audit plan as agreed by the

				the Internal Audit team.	Audit Committee in March 2022.
FWU21-33	S106 *	<p>Extended follow up of audit recommendations arising from the 2019-20 review of S106 (ER19-4 – Moderate assurance). Audit findings related to:</p> <ul style="list-style-type: none"> • Evidence of approval • Policies and procedures • Borough Investment Panel terms of reference • Expenditure of funding allocation 	7	Extended follow up completed. All four recommendations have been implemented.	Agreed actions have been fully implemented

2.9. Public Health

Ref	Audit title	Indicative scope	Planned days	Status	Assurance rating
PH21-1	Health and social care integration and Covid-19 outbreak control *	A Public Health audit is carried out annually to provide assurance against this area of principal risk. Responsibility for carrying out these audits alternates between the Internal Audit teams at Islington and Camden. The audit will provide assurance against the Health and Social Care Integration and the Covid-19 Outbreak Control principal risks by assessing public health performance relating to Covid-19.	20	There were delays in agreeing the scope for this audit which meant that fieldwork could not begin until Q1 2022-23. Fieldwork is underway and outcomes will be reported in Q2 2022-23.	n/a – fieldwork is underway

2.10. Additional reviews





Four additional reviews were requested in 2021/22, with a combined audit budget of 40 days.

Ref	Audit title	Indicative scope	Planned days	Status	Assurance rating
AD21-1	HIV Pre-Exposure Prophylaxis (PrEP) grant 2020-21	Review of compliance with grant conditions for this grant from the Department of Health and Social Care.	5	Complete. A grant compliance opinion was provided by Internal Audit.	n/a - compliance opinion issued
AD21-2	Supplier Bank Amendments	100% review of supplier bank amendments across a three month period to verify whether processes have been followed and assess whether controls in place in this area are sufficient to mitigate fraud risks.	25	Completed. Six high priority findings were raised, details of which were reported to Audit Committee in January 2022.	n/a - management letter issued
AD21-3	Green Homes grant – project closure	Review of compliance with grant conditions for this grant from the Department for Business, Energy and Industrial Strategy	5	Complete. A grant compliance opinion was provided by Internal Audit.	n/a - compliance opinion issued
AD21-4	Social Housing De-carbonisation Fund grant return	Review of accuracy of grant return for this grant from the Department for Business, Energy and Industrial Strategy.	5	Complete. A grant compliance opinion was provided by Internal Audit.	n/a - compliance opinion issued

3. Audit plan completion statistics

Audit status		Number of reviews
Total number of reviews included on the original audit plan (<i>see sections 2.1-2.9 above for breakdown</i>)		42
Reviews added in year (<i>see section 2.10 above for breakdown</i>)		4
Total reviews on audit plan		46
Audits deferred to 2022-23 plan: <i>Deferred to respond to business need:</i> <ol style="list-style-type: none"> 1. Tenant Management Organisation (TMO) monitoring arrangements 2. Schools establishment review - Pooles Park Primary School 3. Key financial systems – income 4. Key financial systems – pensions <i>Deferred due to vacancy within Internal Audit team:</i> <ol style="list-style-type: none"> 5. Landlord duty of care – lifts 6. Financial resilience of residents 		6
Remaining audits due for completion as part of the 2021-22 plan		40
Audits completed to reporting stage:		39 (98%)
<i>Audits completed and report issued in final</i>	26 (65%)	
<i>Audits completed and awaiting final management response</i>	13 (33%)	
Audits in progress:		1 (2%)
1. Health and social care integration and Covid-19 outbreak control		

4. Basis of our opinion and assurance statements

Level of assurance	
Substantial 	There is a sound control environment with risks to key service objectives being reasonably managed. Any deficiencies identified are not cause for major concern. Recommendations will normally only be Advice and Best Practice.
Moderate 	An adequate control framework is in place but there are weaknesses which may put some service objectives at risk. There are Medium priority recommendations indicating weaknesses but these do not undermine the system's overall integrity. Any Critical recommendation will prevent this assessment, and any High recommendations would need to be mitigated by significant strengths elsewhere.
Limited 	There are a number of significant control weaknesses which could put the achievement of key service objectives at risk and result in error, fraud, loss or reputational damage. There are High recommendations indicating significant failings. Any Critical recommendations would need to be mitigated by significant strengths elsewhere.
No 	There are fundamental weaknesses in the control environment which jeopardise the achievement of key service objectives and could lead to significant risk of error, fraud, loss or reputational damage being suffered.

APPENDIX ENDS