Audit Area and Context	Corporate Risks	Proposed outline/scope 2017/18	Year End position	Status/assurance
Corporate Framework				
Governance & Probity

The corporate priorities are underpinned by sound leadership, management of resources, and governance | The Council's governance framework underpins everything it does; therefore, robust arrangements are key in managing this risk. | Harlow Trading Services (HTS) Property and Environment Ltd - oversight of operational governance arrangements

Member of the Corporate Governance Group | IA (Internal Audit) maintained a watching brief on the Council's relationship with HTS, and examined operational governance as part of the HTS payment mechanisms report (see later on)

Member of the Corporate Governance Group, which meets monthly, and drives the agenda. | Complete |
| Fraud

Proactive fraud work | CR01 (Financial resilience) - any loss through fraud is a drain on resources which, in turn, reduces the amounts available for service delivery. | Co-ordinating data matching (NFI), training and awareness, interaction with corporate fraud initiatives including tenancy fraud.

Potential for fraud considered in all audits.

During 17/18 the fraud action plan supporting the Council's anti-fraud and corruption strategy will be developed and its impact on combatting fraud assessed. | IA continued in year work regarding the National Fraud Initiative

Member of the Corporate Fraud Group, which meets quarterly. Updated the Council's anti-fraud and corruption strategy, and maintains the Council's anti-fraud and corruption action plan that supports the strategy.

There were no special investigations undertaken by Internal Audit | Complete |
| Assurance Framework incl. Risk Management and support to Audit Committee | Risk in achieving corporate priorities as these are | Co-ordination of year end assurance reporting and support to the Audit Committee | IA drove the annual review each service undertakes regarding the effectiveness of its governance, risk management and internal control arrangements. Findings and key themes/common issues were | Complete |

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	underpinned by sound leadership, management of resources, and governance.	Assistance in the roll out of In-Phase	reported to the Corporate Governance Group and fed into the Annual Governance Statement process. IA has developed a training programme for the Audit and Standards Committee, as well as providing training opportunities in neighbouring councils. Topics have included risk management, treasury management and financial accounting. IA provided assistance and advice as the new InPhase system for performance management, risk management and service planning was rolled out.	
Information Management and Governance - Data protection and security. Data sets, owners and protocols. Governance and data sharing. Training and awareness	Breach of data protection and other legislation related risks which could lead to significant fines and reputational damage.	General Data Protection Regulation: IA will continue its work from 16/17 in helping the Council prepare for the new EU General Data Protection Regulation expected 2018. This includes construction and population of a corporate Information Asset Register and review of data related policy and procedures.	IA created a template to capture where all data was held across the Council (both electronic and paper). IA collated the responses and the results shared with the Council's Data Protection Officer, who with IA's support, is leading the project to achieve GDPR compliance by 25 May 2018 deadline. IA involvement includes review of relevant policy and procedures and advising on process and training requirements.	Complete
Performance Management: Data integrity & quality (collection, collation, analysis and validation). Use of	Risk of non-achievement of corporate priorities and lack of transparency.	Advice and oversight as the new InPhase performance management system is rolled out. Key Performance Indicators (KPIs) considered within	InPhase – see assurance framework section above HTS Payment Mechanisms – there is a need to future proof the contract with HTS (Property and Environment) Ltd by reviewing its payment mechanism and	HTS payment mechanisms – Moderate assurance report

Audit Area and Context	Corporate Risks	Proposed outline/scope 2017/18	Year End position	Status/assurance
performance targets		operational audits. In 2017/18 the focus will be HTS and links to contract incentives and penalties and payment methods	suite of performance indicators. Reviews are already in place for high profile areas such as grounds maintenance as it has been recognised by the Council that although HTS are meeting their performance targets (as per the contract), the specification (and associated performance indicators) may not meet the needs of the Council.

No concerns identified regarding performance indicators examined in other audits including absence management, priority estates and creditors. | |
| Value for Money (VfM) - Guiding principle of the Council | VfM helps the Council manage its corporate risk CR01 on financial resilience. | VfM considered within operational audits including procurement. Specific VfM reviews could be undertaken e.g. use of consultants, printing, or cleaning. Previous VfM audits have included energy management and agency staff | VfM was considered within operational audits (in terms of the 3Es – economy, efficiency and. effectiveness). Areas for improvement in terms of the 3Es identified in a number of audits including Sam's place, Harlow Playhouse, cyber security and creditors | Complete |
| Joint Working, Shared Services, Outsourcing and Partnerships | On corporate risk register: CR06 - Lack of resources and capacity, Council and key partners. | To ensure arrangements are working in the best interests of the Council with appropriate governance and monitoring arrangements in place. For 17/18 this will focus on HTS to ensure appropriate contract management processes are in place, as well as | Harlow Trading Services – contract management: See HTS payment mechanism audit above, which found the Council has good contract management processes with client managers actively engaged with their counter parts in HTS to both monitor performance and identify areas for improvement. Performance is reported on a suite of performance indicators as per the contract, where | Complete |

Audit Area and Context	Corporate Risks	Proposed outline/scope 2017/18	Year End position	Status/assurance
		Community Wellbeing/discretionary services, both of which are covered elsewhere in the plan.	processes and performance measures were a 'lift and shift' from that in place with the previous incumbents. Community Wellbeing/ discretionary services – events management. Not an audit instead IA undertook a review to help the Council determine the best way to manage events on their land either in conjunction with others or with third parties. The review confirmed a need for a more formal approach to ensure key services are aware of these events, any associated risks are being managed and appropriate safeguards are in place.	
Projects Business case, project methodology, governance arrangements, contract management and viability	Poor project management increases the risk of projects not being delivered on time, to budget or does not meet the needs of the Council.	Advice, guidance and oversight for the following projects: waste contract, cash office and new HR/payroll system Member of the ICT Operational Board	• Waste contract project – IA is meeting regularly with the project lead to ascertain progress being made for the tendering of a new waste contract • Cash office – IA convened a small Officer group to look into minor concerns regarding cash collection arrangements at the Council • HR/payroll system – IA formed part of the initial project group which was looking into the procurement of a new system, and included a system demonstration IA is a member of the ICT Operational Board	Complete
Contingency	Annual provision for	Will also take into account themes/issues coming out of	IA formed part of a small Officer group which has introduced on-line forms for	.Complete

Audit Area and Context	Corporate Risks	Proposed outline/scope 2017/18	Year End position	Status/assurance
	responsive work, special investigations and/or key/emerging risk areas	the Annual Governance Statement and completion of 16/17 Plan	Officer Interests, and Officer and Councillor Gifts and Hospitality and improve central monitoring and reporting processes.	
Themed/cross cutting audits				
Procurement

Themed audits - compliance, VfM, fraud, goods and services. End to end processes (need, selection, appointment, contract management & exit strategies) | Risks include non-compliance with legislation, fraud and not achieving value for money. | Procurement and organised crime: In December 2016 the Home Office issued its Organised Crime Procurement Pilot report. IA will use the suggested checklist to assess the Council's serious and organised crime risks relating to procurement. | Audit originally trailed at Broxbourne using a Home Office self-assessment checklist to provide a high level review of the Council's serious and organised crime risks.

The audit confirmed IA's existing knowledge regarding the adequacy of existing policies, processes and processes in place to prevent and combat serious and organised crime. | Given the outcome of the Broxbourne audit and the existence of a similar level of knowledge in respect of Harlow and its policies and processes there was no advantage in repeating the audit for Harlow as agreed with the Audit and Standards Committee |
| Health & Safety | Risk of compromising the health and safety of individuals and non-compliance with H&S legislation leading to fines or imprisonment. | H&S for 17/18 is covered elsewhere in the plan – see Place and Council buildings, and Community Wellbeing and discretionary services | The events management audit detailed above under joint working included a review of how H&S is managed/monitored for events on Council owned land. For larger events there is a formal process in place via the Safety Advisory Group, but a need to formalise arrangements for smaller events where not already in place.

The planned audit on repairs and maintenance was to include statutory H&S testing requirements such as gas safety, fire risk assessments, legionella and lifts. However, this audit was deferred to 18/19 to allow time for new procedures | Complete |

Audit Area and Context	Corporate Risks	Proposed outline/scope 2017/18	Year End position	Status/assurance
			implemented post HTS transfer to take effect. At the time of the Harlow Playhouse audit (see later on) no risk assessments were in place. Progress has been made since and theatre specific risk assessments have been purchased and key risk areas have now been identified and being addressed.	
Business Continuity Planning (bcp)	Without adequate bcp the Council could fail to deliver its services in the event of significant incident.	Business Continuity Planning - oversight	During 17/18 IA retained oversight of bcp through the tracker and through regular discussions with key Officers	Complete
Key Financial Controls (KFC) Three-year rolling programme of full system and key control audits (unless significant change in process/system or poor audit outcome)	CR01 (Financial resilience)	Creditors (last audit 14/15) Main accounting system/general ledger (last audit 14/15) Cash & banking (last audit 14/15) Capital expenditure & fixed assets (last audit 14/15)	Creditors - recommendations resulting from the audit largely relate to process issues and the need to ensure that all procedures are effectively applied to reduce the possible exposure of the Council to financial loss and/or fraud. General ledger – a schedule of reconciliations is in place and being applied, however, there have been occasional lapses. The Harlow Playhouse audit incorporated cash and banking and identified a number of areas where controls need to be strengthened around the accountability of cash handling and recording. Capital expenditure/fixed assets – audit	Creditors, General Ledger and Harlow Playhouse – each was a Moderate assurance report

Audit Area and Context	Corporate Risks	Proposed outline/scope 2017/18	Year End position	Status/assurance
			deferred to 2018/19 to allow time for revised project methodology (which includes capital projects) to take affect.	
Income Streams *Management of resources features in the corporate plan*	To ensure financial resilience the Council needs to protect and maximise its income streams	Covered under Key Financial Controls audits above	See Harlow Playhouse audit above	Complete
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.	Cyber security - 17/18 will be a non-technical audit to assess the adequacy of the Council's framework in preventing cyber-crime. The outcomes of which may help shape future IT related audits. Member of the ICT Operational Board	This non-technical audit confirmed the Council has a range of technologies, processes and practices to protect its networks, computers, and data from attack, damage or unauthorised access. Since the audit The ICT Operational Board has been reconvened to ensure there is effective ICT governance in place at Third Tier Manager level across service areas. IA is also a member of this Board	Cyber security – Substantial assurance .
Operational/service audits				
Housing: Housing Management Property Services Housing Needs and Options Sheltered Housing Area Housing Home Ownership	CR03 - Lack of Suitable Housing Mix CR04 - Lack of adequate Council housing	Tenancy fraud and enforcement: In 17/18 IA will provide support to new Housing Fraud Officer post. Responsive repairs to ensure the HTS is adequately managing these on behalf of the Council. Home ownership and	The post of Housing Fraud Officer remained vacant during 2017/18. Instead IA supported the Corporate Fraud Group which is chaired by the Head of Housing and provided advice to housing on their NFI matches. Repairs audit deferred to 2018/19 to allow time for new procedures post HTS transfer to take effect. Leaseholders audit was started at the end	Deferred to 2018/19

Audit Area and Context	Corporate Risks	Proposed outline/scope 2017/18	Year End position	Status/assurance
.		leaseholders service charges	of 2017/18 and will be reported as part of the 18/19 Plan.	
Community Wellbeing: Community Safety Community, Leisure and Culture Customer & Media Services Youth & Citizenship	CR05 - Inability to fulfil Community Leadership role CR07 - Ability to support children and family aspirations	Sam's Place: Financial and budgetary controls within Sam's Place will be assessed early in 17/18 before it goes out to tender. Discretionary services – Parndon Wood Nature Reserve and Town Park: Will look at in detail key risk areas for a sample of services including partnership and funding arrangements and more operational aspects such as H&S. Customer service strategy/action plan Safeguarding: This review will ensure for children and vulnerable adults the Council has adequate assurances including training in place.	Sam's Place – at an operational level Sam's Place is well run and controlled especially regarding policies, procedures, risk assessments and training certificates. There are significant safeguarding risks, which are known but not formally recorded. This should be undertaken as part of a formal review of this discretionary service. Discretionary services (Parndon Wood and Town Park) – covered under the events management audit detailed above under joint working Internal Audit provided oversight and challenge in the on-going delivery of the customer service action plan. Safeguarding audit was started at the end of 2017/18 and will be reported as part of the 18/19 Plan.	Sam's Place – Moderate assurance
Regeneration and Enterprise Zone	CR02 - The Harlow Offer CR06 - Lack of Resources and Capacity, Council and key partners	Priority estates	Strong governance and robust project management processes in place to ensure the programme is being delivered on time and to specification. Risks have been identified and are effectively managed; in particular those around ensuring the land receipt due to the Council on completion of the scheme remains in line with the	Priority Estates – Substantial Assurance

Audit Area and Context	Corporate Risks	Proposed outline/scope 2017/18	Year End position	Status/assurance
			viability model	
Place: Properties, facilities & projects Properties & estates Operations, energy & emergency planning Planning & Building Control Environmental Health Licensing Street Scene	CR06 - Lack of Resources and Capacity, Council and key partners	Council building repairs and maintenance - assess adequacy of the transition to HTS maintenance of Council properties including statutory H&S testing requirements such as gas safety, fire risk assessments, legionella and lifts.	Deferred to 2018/19 to allow time for new procedures post HTS transfer to take effect.	Deferred to 2018/19
Governance: Corporate & Governance Support Legal Services Electoral Services Human Resources Procurement & Relationship (covered elsewhere in the plan) Policy &	Risk of corporate priorities not being met should these service areas fail to deliver.	Mostly covered elsewhere in the plan HR – Absence management: will include arrangements to manage sickness absence.	Absence management identified that local processes for managing absence (sickness, annual, special and flexi leave) were working well. However, HR system limitations meant that sickness absence reports could not be routinely sent to managers and the corporate PI on sickness was therefore more reliant on managers informing HR of sickness via the completion of a return to work form.	Absence Management – Moderate assurance report

Audit Area and Context	Corporate Risks	Proposed outline/scope 2017/18	Year End position	Status/assurance
Performance (covered under performance management)				
Finance: Revenues & Benefits (covered under KFC audits) ICT (covered elsewhere in the plan) Accountancy (see also KFC audits) Insurance	CR01 (Financial resilience)	Mostly covered elsewhere in the plan Agresso upgrade – budget module	IA maintained a watching brief as the Agresso upgrade continued with the successful implementation of the new budget module in 17/18	Complete
Follow Up Audits Review of progress against recommendations on the tracker	Tracker process ensures risks identified in audits have been managed to an acceptable level.	Includes specific follow up work especially where Limited assurance previously given. Includes maintaining the recommendation tracker which is reported to each Audit and Standards Committee	Implementation of all recommendations continues to be scrutinised as part of the tracker process. Recommendations made in previous reports are routinely followed up when the audit is next undertaken, for example creditors and general ledger.	Complete