

## Appendix 1

### Internal Audit Plan 2019/20

#### Corporate and Council-Wide Reviews

Audit Title and Type of Audit	Broad Scope	Source of Audit	Link with Council's Strategic Plan Themes
Control and Monitoring of Agency Staff	The Council has procured a new contract for the provision of Agency Staff for temporary resources. This audit will review and test the procedures for controlling and monitoring the new Agency Staff contract with Addeco	Management Request and Audit Risk Assessment	An enabling and efficient council.
Establishment Control	This audit will review the Council's systems for controlling, monitoring and costing its staffing establishment.	Management Request and Audit Risk Assessment	An enabling and efficient council.
Delivery of Efficiency Savings	We will provide assurance on the systems and controls for delivering efficiency savings from selected transformation and efficiency programmes and projects.	Audit Risk Assessment	An enabling and efficient council.
Corporate Governance	An annual review of corporate governance across the council, drawing outcomes from the 2018/19 audits to provide Head of Internal Audit's annual audit opinion, and feed into the Annual Governance Statement.	Audit Risk Assessment	Working smarter together as one team with our partners and community An enabling and efficient council.
Risk Management	To review the Council's risk management strategy and procedures and provide assurance on the effectiveness of risk	Management Request and Audit Risk Assessment	An enabling and efficient council.

Audit Title and Type of Audit	Broad Scope	Source of Audit	Link with Council's Strategic Plan Themes
	management across the Council.		
Performance Management	A review of systems and controls for governing and managing the Council's performance management culture.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Statutory Compliance with Health and Safety at work procedures	We will review the Council's arrangements for complying with the statutory Health and Safety regulations.	Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Financial Regulations and Waivers	We will test compliance with the Council's financial regulations and waivers to provide assurance that the Council's ' financial governance is sound and secure.	Audit Risk Assessment	An enabling and efficient council
Key Decision Process, including Mayor's Executive Decisions and Officer Delegated key Decisions	An audit of the adequacy and effectiveness of controls over Council key decisions, including Mayor's Executive and Officer Delegated Decisions to ensure that key decisions are documented, consulted on where appropriate, taken by those with authority to do so and published as required.	Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.

## Corporate Director - Governance

<b>Audit Title and Type of Audit</b>	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
Charging for Legal Services	A value for money / assurance review of systems and controls for charging for Legal Services. The scope of the audit will be discussed with the Corporate Director, Governance.	Management Request and Audit Risk Assessment	An enabling and efficient council.
Mainstream Grants to Voluntary Sector Organisations.	To provide assurance over the systems and controls for managing and monitoring the Mainstream Grants programme to ensure that the grant funding to voluntary sector provides value for money.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Management of Controlled Stationery at Registrar's Office	The Registrar's Office has various controlled documents such as certificates of Births, Deaths and Marriages. We will review the system for controlling and monitoring the stocks of these controlled stationery to manage the risk of loss, theft and misuse of these documents.	Management Request and Audit Risk Assessment	An enabling and efficient council.
Information Governance – Data Quality	To provide assurance regarding compliance with data governance legislation	Management Request and Audit Risk Assessment	An enabling and efficient council.

## Corporate Director- Health, Adults and Community

<b>Audit Title and Type of Audit</b>	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
Electronic Home Care System	To provide assurance that the newly implemented electronic system is operating effectively.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Deputyships	To review the systems and controls for managing the Deputyships and Appointeeships arrangements.	Management Request	Working smarter together as one team with our partners and community. An enabling and efficient council.
S.75 Joint Funding Agreements	To provide assurance that controls around S.75 Joint Funding Arrangements are sound and secure.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Quality Assurance systems for Adults	To provide assurance that adequate processes exist by means of a quality assurance framework to ensure the delivery of quality, person centred and safe care to all adult service users.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
CCTV	To review systems and controls over the efficiency and effectiveness of the CCTV operation.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.

Adults Safeguarding including Financial Safeguarding	To examine the effectiveness of systems and controls for safeguarding vulnerable adults from harm, negligence, abuse and injury.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
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<b>Audit Title and Type of Audit</b>	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
No recourse to Public Funds	This audit will have an Anti-fraud stance ensuring that there are sound controls in place around prevention and detection of fraud among adults who are supported by the Council under the no recourse to public funds budget.	Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Mosaic – IT System Implementation	This will be advisory and project assurance piece of work to ensure that the implementation of the Mosaic IT system is governed and controlled effectively.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.

## Corporate Director – Children and Culture

Audit Title and Type of Audit	Broad Scope	Audit Source	<i>Link with Council's Strategic Plan Themes</i>
Group Schools PFI - Contract Monitoring	An audit of contract management and monitoring of the services provided under the Grouped School PFI contract. To provide assurance that controls are in place to ensure that all required services are delivered and that the payment mechanism is effective.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Gorsefield Outdoor Centre	This will be governance and value for money review of the Centre to provide assurance that the Centre is operating efficiently and effectively.	Management Request	Working smarter together as one team with our partners and community. An enabling and efficient council.
Schools Probity Audit	We will select a sample of schools for conducting thematic reviews of school based systems and controls. The topics of thematic reviews will be agreed with the Divisional Director Education and Partnerships.	Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council. Creating and maintaining a vibrant, successful place.

<b>Audit Title and Type of Audit</b>	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
Quality Assurance for Safeguarding Children	To provide assurance on the adequacy and effectiveness of quality assurance processes, including case file reviews and audits to ensure key safeguarding risks are managed and lessons learnt are factored in to the decision making process	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Children Supported under No Recourse to Public Funds	This audit will have an Anti-fraud stance ensuring that there are sound controls in place around prevention and detection of fraud among families who are supported by the Council under the no recourse to public funds budget to safeguard vulnerable children.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Unaccompanied Asylum Seekers with Children	To review systems and controls to support unaccompanied asylum seekers.	Management Request and Audit Risk Assessment	An enabling and efficient council.
Leisure Services (GLL) Contract Extension	To provide assurance that the contract extension awarded to GLL has achieved the objectives and priorities of the council and that contract terms and conditions are complied with and monitored.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
AEG Events Management Contract	Audit to review contract monitoring arrangements to ensure that this concession contract delivers the objectives and priorities set in the contract.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community

<b>Audit Title and Type of Audit</b>	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
Troubled Families	A high-level review of the Troubled Families process to provide assurance that families are appropriately identified with relevant actions taken to improve lives and outcomes for those families.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Commissioning of Accommodation for Care Leavers	This review will examine policy and procedures for commissioning living accommodation for Care Leavers. We will also review the procedures for monitoring of commissioned contracts and for making payments to the providers.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Tower Hamlets Education Partnership	We will review how the Council controls and monitors the services commissioned Council from the Education Partnership.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.



## Corporate Director - Place

<b>Audit Title and Type of Audit</b>	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
New Town Hall Building Project	This will be project advisory piece of work. The scope of the audit will be discussed with Management.	Management Request and Audit Risk Assessment	An enabling and efficient council. Creating and maintaining a vibrant, successful place.
Fire Risk Assessment and Enforcement	This audit will provide assurance around systems in place to identify private sector residential blocks which do not conform to the required fire prevention and detection standards and will examine the effectiveness of the enforcement action taken by the Council.	Management Request and Audit Risk Assessment	An enabling and efficient council. Creating and maintaining a vibrant, successful place.
Management of Community Buildings and Commercial Properties	Audit to review the soundness of systems to manage the Council's community and commercial buildings portfolio.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Capital Programme Delivery and Governance	This audit will review the governance and controls around the Council's Capital Delivery programme.	Management Request and Audit Risk Assessment	An enabling and efficient council
Planning Decisions	We will review the effectiveness of the controls around the management of the Council's planning applications and planning decisions process.	Management Request and Audit Risk Assessment	An enabling and efficient council. Creating and maintaining a vibrant, successful place.

<b>Audit Title and Type of Audit</b>	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
Housing Allocations and Lettings	To review and test the robustness of controls for admitting qualifying residents to the Council's housing waiting list and for allocating housing to those applicants who meet the required priority criteria.	Audit Risk Assessment	Creating opportunity by supporting aspiration and tackling poverty.
Management of Alternative Delivery Models for Housing Provision	We will review the governance and financial management arrangements for companies and vehicles set up to by the Council to secure and manage additional housing provisions for residents of Tower Hamlets.	Management Request and Audit Risk Assessment	An enabling and efficient council. Creating and maintaining a vibrant, successful place.
Temporary Accommodation Procurement	Audit to provide assurance that the Council's arrangements for procuring and paying for temporary accommodation for the homeless are sound and secure.	Management Request and Audit Risk Assessment	Creating opportunity by supporting aspiration and tackling poverty.
Electronic Parking Income	To provide assurance over the controls for receiving, reconciling and accounting for parking income through various electronic payment systems.	Audit Risk Assessment	An enabling and efficient council
In-sourcing of Refuse Collection Services	We will review the governance arrangements for transferring and managing refuse collection services to the in-house team.	Management Request and Audit Risk Assessment	An enabling and efficient council

## Corporate Director - Resources

<b>Audit Title and Type of Audit</b>	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
IR 35 Off Payroll Engagement	The IR35 legislation specifically challenges those people who supply their services to Council via their own company, but are not recognised by HMRC, as 'self-employed' and therefore should be taxed as PAYE. This audit will examine controls for identifying and assessing individuals who may fall in this category.	Audit Risk Assessment	An enabling and efficient council.
Financial Assessments, billing and recovery for Contributions to Care	This audit will review the systems for carrying out financial assessments of service users to ensure that assessments are in accordance with policy, procedures and regulations, and that the billing and recovering of the charges are sound and secure.	Management Request	An enabling and efficient council.
Procurement Compliance and Monitoring of contracts	This will be compliance review to ensure that the Council's procurement procedures are adhered to and contract monitoring arrangements are sound and secure.	Management Request and Audit Risk Assessment	An enabling and efficient council.
NNDR	Annual financial systems audit to provide core assurance	Core Financial Assurance	An enabling and efficient council.
Treasury Management	Annual financial systems audit to provide core assurance	Core Financial Assurance	An enabling and efficient council.
Payroll	Annual financial systems audit to provide core assurance	Core Financial Assurance	An enabling and efficient council.

<b>Audit Title and Type of Audit</b>	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
General Ledger System	Annual financial systems audit to provide core assurance	Core Financial Assurance	An enabling and efficient council.
Creditors	Annual financial systems audit to provide core assurance	Core Financial Assurance	An enabling and efficient council.
Debtors	Annual financial systems audit to provide core assurance	Core Financial Assurance	An enabling and efficient council.
Pensions	Annual financial systems audit to provide core assurance	Core Financial Assurance	An enabling and efficient council.
Housing and Council Tax Benefit	Annual financial systems audit to provide core assurance	Core Financial Assurance	An enabling and efficient council.
Housing Rents	Annual financial systems audit to provide core assurance	Core Financial Assurance	An enabling and efficient council.
Income Recovery	We will review and test the systems for recovering of income and bad debt management for Penalty Charge Notices, Temporary Accommodation, Commercial Properties and Community Buildings.	Management Request	An enabling and efficient council.
Recruitment Controls and Pre-employment Checks	To provide assurance over recruitment and pre-employment checks carried out for new council staff. This will include an assessment of the adequacy of vetting procedures and checks on employment history, qualifications and identity.	Management Request and Audit Risk Assessment	An enabling and efficient council.
Right to Work Certification	We will review the process for checking and approving Right to Work certification by the Council's HR service.	Management Request	An enabling and efficient council.

<b>Audit Title and Type of Audit</b>	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
HR Case Management	This audit will provide assurance that the systems and controls for managing and monitoring various HR cases are sound and secure. The scope of the audit will be determined in consultation with the Divisional Director of HR.	Management Request	An enabling and efficient council.
Revenue and Capital Budgetary Control	Annual financial systems audit to provide core assurance	Management Request	An enabling and efficient council.

## Tower Hamlets Homes

Audit Title and Type of Audit	Broad Scope	Audit Source	<i>Link with Council's Strategic Plan Themes</i>
Voids Management	We will review the effectiveness of the systems and controls for managing void Council dwellings to ensure that these are re-let efficiently and effectively and the required policy, procedures and standards are followed. We will also review the arrangements for key control procedures for void dwellings.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council
Housing Repairs	To audit systems for identifying, ordering, post-inspecting and paying for Housing Repairs and Maintenance works to Council owned dwellings to ensure that controls are sound and secure and the contractor's performance is monitored.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council
Billing for Leaseholder Charges	We will review and test the newly developed IT system for billing leaseholder charges and for recovering arrears.	Management Request	Working smarter together as one team with our partners and community. An enabling and efficient council
Grants	The company considers Grant applications from voluntary and charitable organisations. We will audit the system for assessing, awarding, paying and monitoring the Grants to ensure that the agreed outputs and outcomes are delivered and value for money is obtained.	Management Request	Working smarter together as one team with our partners and community. An enabling and efficient council

	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
Agency Staff	THH have participated into the Council procured contract for the provision of Agency Staff for temporary resources. This audit will review and test the procedures for controlling and monitoring the new Agency Staff contract with Addeco.	Management Request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council
Building Contract Audit	We will review and test a sample of building contracts to provide assurance that works are undertaken in accordance with works specification and that procedures for cost control, programme control, valuations, payments and contract performance are sound and secure.	Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Testing of Water systems	To provide assurance that controls for inspecting, testing and carrying out of remedial works on water systems and installations are sound and secure and that the necessary statutory and H&S requirements are complied with.	Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Follow Ups	We will follow up recommendations made in the previous audits to assess the progress made in implementing the agreed recommendations to provide assurance that the control environment in those areas have improved.		Working smarter together as one team with our partners and community. An enabling and efficient council.

	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
<b>Information Technology Audits</b>	In view of the constant development in the use of IT within the Council, the type of audits to be developed during the audit year.	Corporate Risk Assessment and Management Request	An enabling and efficient council.
<b>Other</b>			
<b>Project Advisory and Assurance Activity</b> <b>Examples:</b> Traded Services – Children and Culture Mosaic IT system Digitalisation Project CRM Project Agresso Upgrade Panacea Integration	We will provide advice, due diligence and assurance over new projects, developments and initiatives to improve efficiency and effectiveness of Council IT and operational systems and procedures.	Management request and Audit Risk Assessment	Working smarter together as one team with our partners and community. An enabling and efficient council.
Follow up Audits	To follow up previously agreed audit recommendations.		Working smarter together as one team with our partners and community. An enabling and efficient council.
Management Requests	Provision for serving management requests for advisory and assurance work .		Working smarter together as one team with our partners and community. An enabling and efficient



	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
			council.

### **Work to Prevent and Pursue Fraud and Corruption**

	<b>Broad Scope</b>	<b>Audit Source</b>	<b><i>Link with Council's Strategic Plan Themes</i></b>
Fraud Awareness	A programme of fraud awareness training, supported by the roll-out of an e-Learning tool, to raise the level of fraud awareness and promotion of a zero tolerance culture towards fraud and corruption.	Fraud Risk Assessment	An enabling and efficient council.
National Fraud Initiative (NFI)	Investigation of NFI alerts and matches to assess areas of potential fraud risk and where appropriate make recommendations to remove weaknesses that could be exploited in order to commit fraud.	NFI Returns	An enabling and efficient council.
Delivery of Pro-active Counter Fraud Activities	Delivery of planned proactive fraud activities which are intelligence led activities from a variety of sources including data sharing with partners.	Fraud Risk Assessment / Data Sharing Results	An enabling and efficient council.

**Audits to be Considered but not included in the Plan**

**Appendix 1.1.**

<b>Corporate and Council-wide Reviews</b>	<b>Audit Days</b>	<b>Place Directorate</b>	<b>Audit Days</b>	<b>Governance Directorate</b>	<b>Audit Days</b>
Management of Complaints	15	Client side Monitoring of Management Agreement with THH	15	Management of FOI requests	10
Management of Asbestos and Legionella	20	S 106 Non-financial Obligations	15	Contract Signing and Sealing	20
Civil Contingencies and Disaster Recovery	20	Highways Repairs and Maintenance	20	Members Allowances and Payments	10
Appointment and Management of Consultants	15	Parking Permits	20	Members Expense Claims	5
Service Planning	20	Home Improvement Grants	20	Members Interests	5
Management of Mayoral Priorities	15	Parking Enforcement Contract	15	<b>Tower Hamlets Homes</b>	
Asset Management	20	Customer Journey – Housing Options	20	Staff Declarations of Interests	15
Value for Money Arrangements	20	<b>Children’s Services Directorate</b>		Performance Management	15
Compliance with Prevent Duty	20	Youth Offending Team	20		
Management and Learning from Consultations with stakeholders	20	Pupil Place Planning	15	Policing of ASB	15
Control of Council Reserves	10	Community Languages	15	Management of Conditions Surveys	10
Control of Public Art, sculptures and valuables	10	Contract Monitoring of Commissioned Contracts	20	Efficiency savings	10
Partnerships	20	Adoption and Fostering	20		

	<i><b>Audit Days</b></i>		<i><b>Audit Days</b></i>
<b>Health, Community and Adults Directorate</b>		<b>Resources Directorate</b>	
Day Centres	10	Control and Management of Reserves	10
Luncheon Clubs	15	Business Transformation – Customer Facing	20
Delivery of Substance Misuse services	15	MTFS	15
Occupation Therapy	15	Management and Control of Job Evaluation	10
Brokerage	20	Monitoring of Commissioned Contracts	15
Assessment of Needs	20	Corporate Training and Development	15
Court of Protection (receivership)	15	Review of Fraud Investigation systems	20
Reviews of Care Plans	20	Management of VAT	20
Monitoring of Residential Place contracts	20		

