

## Appendix 3: Internal Audit Plan 2024/25

### Contents:

1. Introduction
2. Approach to preparing the Internal Audit plan
3. Basis of the Internal Audit plan 2024/25
4. Internal Audit plan 2024/25
5. Resource requirement and financial implications
6. Internal Audit opinion
7. Changes to the plan

### 1. Introduction

This Internal Audit plan has been developed in accordance with the Internal Audit Charter and Internal Audit Strategy.

All London Borough of Barking and Dagenham's activities (including outsourced activities) and owned companies are within the scope of Internal Audit. Internal Audit determines what areas within its scope should be included within the annual audit plan by adopting an independent risk-based approach. Internal Audit does not necessarily cover all potential scope areas every year.

### 2. Approach to preparing the Internal Audit plan

The Internal Audit plan has been developed in accordance with the Internal Audit Strategy through:

- Understanding the Council's vision for the borough and its current strategic priorities:

**Vision:** A place people are proud of and want to live, work, study and stay.

#### **Key Priorities:**

1. Residents are supported during the current Cost of Living Crisis.
2. Residents are safe, protected, and supported at their most vulnerable.
3. Residents live healthier, happier, independent lives for longer.
4. Residents prosper from good education, skills development, and secure employment.
5. Residents benefit from inclusive growth and regeneration.
6. Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods.
7. Residents live in good housing and avoid becoming homeless.

- Identifying the auditable areas within the Council aligned to each Strategic Director or Director as appropriate.
- Engaging with management throughout the Council to understand key risks, areas of significant change, assurance work to date and other assurance providers. The Head of Assurance has held meetings with the Executive and other senior Council officers during the formation of this plan.
- Engaging with external audit as appropriate to consult on audit plans and to seek opportunities for co-operation in the conduct of audit work. Grant Thornton, the current external auditors, are in the first year of their contract and this relationship will develop.
- Understanding emerging issues and potential audit areas from sector and assurance knowledge and understanding.

### 3. Basis of the Internal Audit plan 2024/25

The table below sets out the strategic audit plan by service delivery block, including relevant Internal Audit work from 2019/20 to 2023/24 along with relevant external sources of assurance and the suggested plan for 2024/25.

Audit planning comments	Internal Audit plan 2024/25
<b>Resources</b>	
<p>Previous relevant Internal Audit work:</p> <p><u>2023/24</u></p> <ul style="list-style-type: none"> <li>• Systems Logical Access Review (assurance TBC)</li> <li>• Third Party Contracts (assurance TBC)</li> <li>• Antivirus and Malware (assurance TBC)</li> <li>• Pensions Administration (reasonable assurance)</li> <li>• VAT (substantial assurance)</li> </ul> <p><u>2022/23</u></p> <ul style="list-style-type: none"> <li>• General Ledger (substantial assurance)</li> <li>• Pension Fund Investments (reasonable assurance)</li> <li>• Capital Programme (limited assurance)</li> <li>• ERP Post Implementation Review (substantial assurance)</li> <li>• Geographical Information System Review (reasonable assurance)</li> <li>• Cyber Essential Plus (limited assurance)</li> </ul>	<ul style="list-style-type: none"> <li>• SOX Compliance</li> <li>• Mayor's Charity Account</li> <li>• Strategic Procurement</li> <li>• General Ledger &amp; Budgetary Control</li> <li>• Information Governance</li> <li>• Payment Card Industry Data Security Standard - PCIDSS</li> </ul>

2021/22

- Sales, Fees and Charges Compensation Scheme (N/A)
- Investment Strategy (Limited Assurance)
- Covid Grant Payments (substantial assurance)
- Insurance (reasonable assurance)
- ERP Implementation (substantial assurance)
- IT Service Management Procurement (reasonable assurance)
- IT Asset Management (reasonable assurance)
- Brexit & Covid Impact (limited assurance)
- Core Transformation (reasonable assurance)
- Cloud IT Provider (reasonable assurance)

2020/21

- Pensions Administration (reasonable assurance)
- Treasury Management (substantial assurance)
- Covid-19 Spend Review (substantial assurance)
- Information Security (limited assurance)
- ERP System Replacement Procurement (substantial assurance)
- Remote Working Security & Resilience (assurance TBC)
- Data Privacy (assurance TBC)

2019/20

- Budgetary Control and Savings Management (reasonable assurance)
- Oracle system (Limited Assurance)
- Information Security – initial review (reasonable assurance)

Other relevant assurance providers:

- External Audit

<b>Workforce Change</b>	
<p>Previous relevant Internal Audit work:</p> <p><u>2023/24</u></p> <ul style="list-style-type: none"> <li>• Mayor's Charity Account (substantial assurance)</li> <li>• Gifts &amp; Hospitality – Staff (limited assurance)</li> <li>• Payroll (reasonable assurance)</li> <li>• HR - Working Patterns (assurance TBC)</li> <li>• Onboarding Process (reasonable assurance)</li> <li>• Access To Work (assurance TBC)</li> <li>• Settlement Agreements (assurance TBC)</li> <li>• Health &amp; Safety (assurance TBC)</li> <li>• Workforce Governance (assurance TBC)</li> </ul> <p><u>2022/23</u></p> <ul style="list-style-type: none"> <li>• Payroll &amp; Expenses (limited assurance)</li> <li>• Enforcement service - bailiff system implementation (limited assurance)</li> <li>• Licencing (reasonable assurance)</li> <li>• Trading Standards (substantial assurance)</li> <li>• Sickness &amp; Absence Management (reasonable assurance)</li> <li>• Right to Work in UK - Post Brexit (EU Citizens) (substantial assurance)</li> <li>• Electoral Program (reasonable assurance)</li> <li>• Mayor's Charity Account (substantial assurance)</li> </ul> <p><u>2021/22</u></p> <ul style="list-style-type: none"> <li>• Payroll (reasonable assurance)</li> <li>• Mayor's Account (N/A)</li> <li>• HR Service Desk System (reasonable assurance)</li> <li>• DBS Checks (reasonable assurance)</li> <li>• Barking Market (reasonable assurance)</li> <li>• Parking Enforcement (reasonable assurance)</li> <li>• CCTV Operation (Limited Assurance)</li> </ul>	<ul style="list-style-type: none"> <li>• Overtime and Expenses</li> <li>• Use of Agency Staff</li> <li>• Equal Pay Review</li> </ul>

<ul style="list-style-type: none"> <li>• Human Resources (Limited Assurance)</li> <li>• Mandatory Training (Limited Assurance)</li> <li>• Members Expenses &amp; Allowances (N/A)</li> <li>• Parking Legislation Review (Limited Assurance)</li> </ul> <p><u>2020/21</u></p> <ul style="list-style-type: none"> <li>• Recruitment Governance &amp; Vetting (reasonable assurance)</li> <li>• Talent Link System (reasonable assurance)</li> <li>• Overtime Payments (Limited Assurance)</li> <li>• Parking Permits (reasonable assurance)</li> <li>• PCNs (reasonable assurance)</li> <li>• New Parking System (Limited Assurance)</li> </ul> <p><u>2019/20</u></p> <ul style="list-style-type: none"> <li>• HR on and off boarding (reasonable assurance)</li> <li>• Payroll (reasonable assurance)</li> <li>• Emergency Planning and Business Continuity (reasonable assurance)</li> <li>• Right To Buy Sales &amp; Leasing (Limited Assurance)</li> </ul> <p>Other relevant assurance providers:</p> <ul style="list-style-type: none"> <li>• External audit</li> <li>• Disability Confident Employer accreditation</li> <li>• Investors in People – Gold</li> <li>• Health and Safety Executive.</li> </ul>	
<b>Strategy</b>	
<p>Previous relevant Internal Audit work:</p> <p><u>2021/22</u></p> <ul style="list-style-type: none"> <li>• Well Run Organisation (reasonable assurance)</li> </ul>	<ul style="list-style-type: none"> <li>• Parent Company Governance</li> <li>• Corporate Policy Review</li> <li>• Contract Management</li> <li>• Leisure Services Contract</li> <li>• Corporate Governance Review</li> </ul>

<p>2019/20</p> <ul style="list-style-type: none"> <li>• Key Performance Indicator Monitoring and Reporting (Limited Assurance)</li> <li>• Freedom of Information Requests (Limited Assurance)</li> <li>• Data Transparency (reasonable assurance)</li> <li>• Elevate Contract Exit (reasonable assurance)</li> <li>• Management of Heritage Assets (reasonable assurance)</li> </ul> <p>Other relevant assurance providers:</p> <ul style="list-style-type: none"> <li>• HSE inspections</li> <li>• SEQOHS accreditation.</li> <li>• Annual inspections under the Visitor Attraction Quality Service accreditation</li> <li>• Heritage Lottery Fund grant funding monitoring</li> <li>• National Accreditation Scheme for Museums and Galleries</li> <li>• Local Studies Centre's Archive Service Accreditation</li> </ul>	
<b>Inclusive Growth</b>	
<p>Previous relevant Internal Audit work:</p> <p><u>2023/24</u></p> <ul style="list-style-type: none"> <li>• Accounts Payable (assurance TBC)</li> <li>• Planning &amp; Building Control (assurance TBC)</li> <li>• Social Value (substantial assurance)</li> </ul> <p><u>2022/23</u></p> <ul style="list-style-type: none"> <li>• Accounts Payable (limited assurance)</li> </ul> <p><u>2021/22</u></p> <ul style="list-style-type: none"> <li>• Accounts Payable (reasonable assurance)</li> <li>• Procurement Cards (limited assurance)</li> <li>• BDMS Charging Mechanism (N/A)</li> <li>• Climate Change (N/A)</li> </ul>	<ul style="list-style-type: none"> <li>• S106 &amp; CIL Collection</li> <li>• Local Land Charges</li> <li>• Environmental, Social and Governance</li> </ul>

<ul style="list-style-type: none"> <li>• Customer Relationship System (reasonable assurance)</li> </ul> <p><u>2020/21</u></p> <ul style="list-style-type: none"> <li>• Risk in the Supply Chain (N/A)</li> <li>• Be First Governance (reasonable assurance)</li> <li>• NNDR (reasonable assurance)</li> <li>• Transfer of Properties from BeFirst to Reside (reasonable assurance)</li> </ul> <p><u>2019/20</u></p> <ul style="list-style-type: none"> <li>• Accounts Payable (reasonable assurance)</li> <li>• Procurement (reasonable assurance)</li> <li>• Procurement Cards (Limited Assurance)</li> <li>• Retrospective Purchase Orders (N/A)</li> </ul>	
<b>My Place</b>	
<p>Previous relevant Internal Audit work:</p> <p><u>2023/24</u></p> <ul style="list-style-type: none"> <li>• BDMS Performance (N/A)</li> <li>• Commercial Rents (assurance TBC)</li> <li>• Land and Buildings Valuations (assurance TBC)</li> <li>• Health and Safety Compliance (reasonable assurance)</li> <li>• Asset Management (assurance TBC)</li> </ul> <p><u>2022/23</u></p> <ul style="list-style-type: none"> <li>• Frizlands Workshop: Heavy Vehicle &amp; Drivers Safety Review (reasonable assurance)</li> <li>• Passenger Transport (reasonable assurance)</li> <li>• Waste Collections - Trade Waste (reasonable assurance)</li> <li>• Waste Management - Staff Health &amp; Safety (reasonable assurance)</li> <li>• Housing Register &amp; Allocation Review (reasonable assurance)</li> <li>• Be First - Reside - My Place Relationship b/f 21-22 (Limited Assurance)</li> </ul>	<ul style="list-style-type: none"> <li>• Parking Income and Collection</li> <li>• Emergency Planning</li> <li>• RSL Health &amp; Safety Compliance</li> <li>• Housing Repairs &amp; Maintenance</li> <li>• Corporate Property Health &amp; Safety Compliance</li> <li>• Bartec Trade Waste CRM System</li> <li>• Replacement of Enforcement system</li> <li>• Highways Maintenance Arrangements</li> <li>• Housing Rent Setting &amp; Adjustment</li> <li>• Building Safety Act</li> </ul>

- Leasehold Management - revenue and capital service charges (Limited Assurance)
- Right to Buy Valuations (Limited Assurance)
- Subletting Leaseholders - full follow-up (N/A)

2021/22

- Accuserv System (limited assurance)
- Compliance Health Check (N/A)
- Housing Repairs & Maintenance (No Assurance)
- Subletting Leaseholders (No Assurance)
- Housing Rents (reasonable assurance)

2020/21

- Tenant & Leaseholder Act Requirements (Sect 20) (Limited Assurance)
- LMS - post implementation review (Limited Assurance)
- Tenancy Data (Limited Assurance)
- Safety Compliance Review Work (N/A)

2019/20

- Voids (Limited Assurance)
- Housing System Implementation (N/A)
- Stewardship of Council Vehicles (Limited Assurance)
- Commercial Waste (reasonable assurance)
- Passenger Transport (Limited Assurance)

Other relevant assurance providers:

- Pennington Choices review of Landlord Compliance
- Social Housing Regulator opinion
- Institute of Cemetery and Crematorium Management – gold standard accreditation 2019
- ROSPA Independent Yearly Playground Inspections



<b>Community Solutions</b>	
<p>Previous relevant Internal Audit work:</p> <p><u>2023/24</u></p> <ul style="list-style-type: none"> <li>• Accounts Receivable (reasonable assurance)</li> <li>• Cost of Living Crisis (reasonable assurance)</li> <li>• Community Hubs (assurance TBC)</li> <li>• Council Tax (reasonable assurance)</li> <li>• NNDR (assurance TBC)</li> <li>• Development of Civil Society (assurance WIP)</li> </ul> <p><u>2022/23</u></p> <ul style="list-style-type: none"> <li>• Accounts Receivable (limited assurance)</li> <li>• Homelessness (reasonable assurance)</li> </ul> <p><u>2021/22</u></p> <ul style="list-style-type: none"> <li>• Accounts Receivable (limited assurance)</li> <li>• Housing Benefits (substantial assurance)</li> <li>• Council Tax (reasonable assurance)</li> </ul> <p><u>2020/21</u></p> <ul style="list-style-type: none"> <li>• Rent Arrears (substantial assurance)</li> <li>• Welfare Reform (substantial assurance)</li> <li>• Early Help (No Assurance)</li> </ul> <p>Other relevant assurance providers:</p> <ul style="list-style-type: none"> <li>• 2018 London SCB Review of MASH</li> </ul>	<ul style="list-style-type: none"> <li>• Becontree Collection Service</li> <li>• Temporary Accommodation</li> </ul>
<b>People and Resilience</b>	
<p>Previous relevant Internal Audit work:</p> <p><u>2023/24</u></p> <ul style="list-style-type: none"> <li>• SEND (assurance TBC)</li> </ul> <p><u>2022/23</u></p> <ul style="list-style-type: none"> <li>• Direct Payments (reasonable assurance)</li> <li>• Planning for School Places (substantial assurance)</li> <li>• Adult Care Deferred Payments (substantial assurance)</li> </ul>	<ul style="list-style-type: none"> <li>• TBC</li> </ul>

<ul style="list-style-type: none"> <li>• Supporting Families Programme (substantial assurance)</li> <li>• Special Education Needs &amp; Disability (substantial assurance)</li> <li>• Early Help KPI Monitoring &amp; Reporting (substantial assurance)</li> <li>• LAC Savings Accounts (N/A)</li> </ul> <p><u>2021/22</u></p> <ul style="list-style-type: none"> <li>• Specialist Intervention Service (reasonable assurance)</li> <li>• Financial Assessments (reasonable assurance)</li> <li>• Social Care Charging Policy (reasonable assurance)</li> <li>• Public Health – internally commissioned services (Limited Assurance)</li> <li>• Care Leavers (reasonable assurance)</li> </ul> <p><u>2020/21</u></p> <ul style="list-style-type: none"> <li>• Youth Offending Team (reasonable assurance)</li> <li>• Disability Related Expenditure (reasonable assurance)</li> <li>• Adoptions Service (reasonable assurance)</li> <li>• Addition Resource Provision (reasonable assurance)</li> <li>• Special Guardianship Orders (Limited Assurance)</li> <li>• Education, Health and Care Plans (reasonable assurance)</li> <li>• Homelessness - Southwark Judgement (substantial assurance)</li> </ul> <p><u>2019/20</u></p> <ul style="list-style-type: none"> <li>• Liquidlogic System Implementation (limited assurance)</li> <li>• Social Care Forecasting (assurance TBC)</li> <li>• Public Health Grant (reasonable assurance)</li> <li>• School Audits</li> </ul> <p>Other relevant assurance providers:</p> <ul style="list-style-type: none"> <li>• Ofsted</li> <li>• Care Quality Commission</li> </ul>	
--	--

--	--

#### 4. Internal Audit Plan 2024/25

The audit plan details the draft audit title and draft audit objective or reason for inclusion in the plan.

<b>Audit Title</b>	<b>Days</b>	<b>Focus of Scope</b>
<b>Resources</b>		
SOX Compliance	15	Compliance with new UK corporate governance regime.
Mayor's Charity Account	5	Statutory review of spend
Strategic Procurement	20	Compliance with Procurement Regulations
General Ledger & Budgetary Control		Key Financial System – control effectiveness
Information Governance	15	Review of Framework
Payment Card Industry Data Security Standard - PCIDSS	15	Council compliance with standard
<b>Inclusive Growth</b>		
S106 & CIL Collection	15	Income maximisation project
Local Land Charges	15	Income processing and maximisation
Environmental, Social and Governance	15	Review reporting metrics for relevancy, accuracy, timeliness, and consistency.
<b>Workforce Change</b>		
Overtime and Expenses	15	Compliance with procedures
Use of Agency Staff	15	Governance and compliance review
Equal Pay Review	15	Controls around methodology for publication of data
<b>Community Solutions</b>		
Becontree Collection Service	15	Key Financial System – control effectiveness
Temporary Accommodation	15	Actions taken to reduce costs to the Council
<b>My Place</b>		
Parking Income and Collection	15	Key Financial System – control effectiveness
Emergency Planning	15	Preparedness in light of changing shape of Council
RSL Health & Safety Compliance	20	Review of two of the big 6 H&S Issues
Housing Repairs & Maintenance	15	No Assurance in previous year
Corporate Property Health & Safety Compliance	15	Compliance with H&S regulations

Bartec Trade Waste CRM System	15	New system control design
Replacement of Enforcement system	15	Control design advice in project team
Highways Maintenance Arrangements	15	Service levels, inspection and maintenance
Housing Rent Setting & Adjustment	15	Regulation setting of HRA rents
Building Safety Act	15	Risk review of preparations for compliance
<b>Schools</b>		
School Audits	50	School probity reviews of whole business areas
School Follow-ups	5	Review of last year's agreed actions
<b>Strategy</b>		
Parent Company Governance	30	Review of all governance activities
Corporate Policy Review	20	Review of procedures to ensure that policies remain compliant, relevant and fit for purpose
Contract Management	20	Compliance review of a selection of contracts
Leisure Services Contract	15	Contract letting, management and monitoring
Corporate Governance Review	25	Full review of decision-making activity
Prior year completion	20	Completion of the 2023/24 audit programme post 31 March 2024.
Prior year annual opinion	5	Drafting of the 2023/24 annual audit opinion.
Annual quality assessment	5	Annual review of Internal Audit against the PSIAS.
Internal audit methodology review	10	Review and update of the Internal Audit methodology, including review of the Internal Audit Manual
Grant claims	10	Drafting the Annual Governance Statement
Proactive assurance support and advice	50	Review and sign-off of grant claims where Internal Audit scrutiny is required / requested.
Corporate Governance	15	Attendance at relevant meetings to provide proactive assurance and advice including Assurance Board and Programme Boards.
Management requests	10	Responding to ad hoc management requests for audit support and advice.
Follow ups	30	Tracking management implementation of agreed action plans for critical and high rated findings; review and validation of evidence provided of implementation.
Audit planning	20	Periodic review and updating of the annual audit plan throughout the year and production of the Internal Audit plan 2025/26.
Committee reporting	5	Quarterly reporting to Assurance Board and Audit & Standards Committee.

External audit engagement and support	15	Engagement with external audit to work collaboratively and delivery of any control assignments identified
Stakeholder engagement	20	Engagement with key stakeholders to understanding of risks, activities and the performance of Internal Audit.
Management time	20	Management time of the audit team and the external provision.
Contingency	120	Contingency for ad hoc activity.
<b>TOTAL DAYS</b>	<b>865</b>	

## 5. Resource requirement and financial implications

The 2024/25 Internal Audit plan is estimated to consist of 865 days, the same as that agreed for 2023/24. Within the 865 days, contingency of 120 days has been included to allow for unplanned Internal Audit work.

The budget for the full plan has been approved by the Strategic Director, Resources.

## 6. Internal Audit opinion

The annual Internal Audit opinion will be based on and limited to the Internal Audits completed over the year and the control objectives agreed for each individual Internal Audit as set out in each Terms of Reference.

In developing the Internal Audit risk assessment and plan, the requirement to produce an annual Internal Audit opinion has been considered by determining the level of Internal Audit coverage over the audit universe and key risks.

## 7. Changes to the plan

The plan is a live document and therefore audits will be added and removed to the plan where there are significant changes, including changes to activities, risks and assurances. Quarterly updates to Assurance Board and the Audit and Standards Committee throughout the year will include details of changes to the plan.