

LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE: Draft 2025-26 Internal Audit and Investigations Plan	
REPORT OF: Executive Director Corporate Services	
FOR SUBMISSION TO: Audit and Corporate Governance Committee	DATE: 3 rd April 2025
<p>SUMMARY OF REPORT: The report seeks approval for the Annual Internal Audit and Investigations Plan for 2024-25.</p> <p>In line with Committee's Terms of Reference, the report asks Committee to approve the risk-based internal audit plan, including internal audit's resource requirements (and any significant changes to either), the approach to using other sources of assurance and any work required to place reliance upon those other sources.</p> <p>Local Government Act 1972 – Access to Information No documents that require listing were used in the preparation of this report.</p> <p>Contact Officer: Nasreen Khan Head of Internal Audit, Investigations and Risk Management 5 Pancras Square London N1C 4AG Telephone: 020 7974 2211 E-mail: Nasreen.Khan@camden.gov.uk</p>	
<p>RECOMMENDATION: The Committee is asked to note the contents of the report and to approve :</p> <ul style="list-style-type: none"> i) the Internal Audit Strategy at Appendix A; ii) the Internal Audit Charter at Appendix B; iii) the 2025-26 Internal Audit Plan at Appendix C; iv) the Principal Risk Assurance map at Appendix D; v) the 2025-26 Annual Investigations Plan at Appendix E. 	

Signed: As agreed by the Executive Director Corporate Services

Date: 20 March 2025

Purpose of the report

- 1.1. The report fulfils responsibilities under item 8 of the Committee's Terms of Reference i.e. to approve the risk-based internal audit plan, including internal audit's resource requirements (and any significant changes to either), the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- 1.2. The Council has a statutory duty to maintain an effective Internal Audit function. The Internal Audit, Investigations and Risk Management service provides this function.
- 1.2. Our primary objective is to provide the Council, via the Audit and Corporate Governance Committee (ACGC), with independent assurance that risk management, governance and internal control processes are operating effectively. We also provide advice and guidance to management on risk and control issues within individual processes. We aim to achieve this through a planned programme of work based on an annual assessment of the principal risks facing the authority.
- 1.3 The Internal Audit Strategy, included at **Appendix A**, details the role and objective of Internal Audit within the organisation and the overall strategic approach to meeting this objective. The Internal Audit Charter, at **Appendix B**, details Internal Audit's mandate and has been updated in preparation for the implementation of the Global Internal Audit Standards (GIAS) as outlined in section 6 below as well as the demerger of the shared Internal Audit service with Islington Council.
- 1.3 The draft Internal Audit Plan, included at **Appendix C**, details the work to be undertaken by the Internal Audit in 2025-26.
- 1.4 Internal Audit aims to retain flexibility in its approach in order to provide coverage of emerging risks, and to meet the changing needs of the organisation. To this end, whilst Internal Audit will deliver a risk-based annual plan, we will also remain responsive to the needs of auditees and wider-stakeholders and will continue to provide ad-hoc control advice and support where required. The plan may also be amended in-year in response to changing risks.

2. Internal Audit plan - preparation and consultation

- 2.1 The 2025-26 Internal Audit Plan has been drafted from a number of sources including an assurance map to the Council's Principal Risk Report as at December 2024, an Internal Audit risk assessment, intelligence from various sources including previous audits/fraud investigations, audit plans of other local authorities, CIPFA good governance guidelines and pan London planning sessions. Plans for each directorate are being discussed at Directorate Management Teams (DMTs) in February 2025 ahead of consideration by the Camden Management Team in March 2025 and approval by the ACGC in April 2025.

- 2.2 As in previous years, the Council's objectives as defined in We Make Camden have been considered in the drafting of the audit plan. The plan has also been aligned with the Council's Principal Risk Report to ensure that the work of Internal Audit is resident focussed and focusses on the actions in place to mitigate the principal risks that threaten the achievement of the Council's objectives.
- 2.3 An assurance map, included at **Appendix D**, details Internal Audit coverage of actions to mitigate principal risks from 2021-22 to 2025-26. The alignment of the audit plan to the Council's principal risks represents good practice and also indicates that the Council's risk maturity has been further enhanced in recent years.
- 2.4 **Appendix D** also includes a Key Financial Systems (KFS) plan. While a risk based approach is applied to devising the annual audit plan, a cyclical approach is applied to key financial systems in order to ensure that rolling assurance is provided in this area of key risk.

3. Internal Audit plan - delivery

- 3.1. The annual plan has been drawn up to address the statutory requirements and key risks for the Council, taking into account the available resources within the Internal Audit service. Changes to the annual plan may be necessary during the year to ensure that the Internal Audit service responds to changing risks.

4. Follow-up audits

- 4.1. Planned audit work undertaken is subject to a formal follow up to ensure that agreed actions have been implemented. The timing of each follow up review is agreed with the auditee. Summary findings emanating from planned internal audit work, as well as the level of implementation of agreed actions, is reported to the ACGC. Follow up outcomes will also have an impact on our risk assessment of a particular area.

5. Assurance Levels

- 5.1. Internal audit reviews result in a statement of either 'substantial', 'moderate', 'limited' or 'no' assurance. These conclusions are based on the number of critical and high priority risks identified in an audit report. The ACGC receive details of high priority findings raised in audit reviews which result in 'limited' or 'no' assurance statements.

6. Conformance with the Global Internal Audit Standards

- 6.1. The Global Internal Audit Standards (GIAS) will take effect for the UK public sector from April 2025. The service has stayed abreast of the new standards since their inception via collaborative working with a number of partners including the London Audit Group.

6.2. Primarily, the GIAS consist of 15 guiding principles, categorised five domains:

- Purpose of Internal Auditing;
- Ethics and Professionalism;
- Governing the Internal Audit Function;
- Managing the Internal Audit Function;
- Performing Internal Audit Services.

6.3. The expectation is that the Committee and the senior management team will further support the implementation of the new governance requirements. Training for the ACGC has been arranged for April 2025.

6.4. The service is on track to conform with the GIAS by April 2025. We have recently completed a comprehensive self-assessment of practices to identify areas of non-conformance. This exercise identified some minor areas of partial conformance, and we have developed an action plan to address these areas. A further update will be shared with the ACGC in summer 2025 as part of the 2024-25 Internal Audit Annual Report.

6.5. The Internal Audit Strategy and Charter (at Appendices A and B) have also been updated ahead of implementation of the GIAS as well as the demerger of the shared Internal Audit service with Islington Council by 1st July 2025.

7. Investigations

7.1. Fraud is an inherent risk to the Council and is identified as a principal risk in the Council's Principal Risk Report. Whilst the majority of the investigation team's annual work is reactive (dependent on referrals and potential fraud identified in-year), the team also deliver a risk-based annual plan of counter-fraud activity. This contributes to the overall fraud risk assessment of the Council. A best practice and proactive approach is taken to counter fraud through prevention and detection activities. This includes:

- Proactive anti-fraud reviews;
- Fraud awareness training;
- Anti-fraud initiatives such as the National Fraud Initiative; and
- Corporate communications and e-learning.

7.2. The 2025-26 Investigations Plan, detailing planned anti-fraud activity, is included at **Appendix E**.

8. Resourcing

8.1. The 2025-26 Internal Audit Plan will deliver c.785 days comprising c.660 audit days, a contingency of c.95 days to cover urgent and unplanned reviews arising during the year, and c.30 days allocated to the North London Waste Authority (NLWA). A small portion of the plan (c.135 days) will be delivered by our co-sourced partner (PwC).

8.2. The 2025-26 Investigations Plan will deliver c.600 days, with c.360 days earmarked for reactive work. The remaining resource will be utilised on anti-fraud initiatives including blue badge enforcement activity.

9. Finance comments of the Executive Director Corporate Services

9.1. The Executive Director Corporate Services has been consulted and comments are incorporated within the body of the report.

10. Legal comments of the Borough Solicitor

10.1. The report, and, in particular, the content of the accompanying appendices, clearly sets out the Code of Practice, Guidance and legislative framework for the audit requirements and responsibilities of the Council and the Borough Solicitor has no further comment to make.

11. Environmental implications

11.1. There are no known environmental implications arising from this report.

12. Appendices

Appendix A – Internal Audit Strategy

Appendix B – Internal Audit Charter

Appendix C – 2025-26 Draft Internal Audit Plan

Appendix D – Principal Risk Assurance Map and Key Financial Systems Plan

Appendix E – 2025-26 Investigations Plan

APPENDIX A – 2025-26 INTERNAL AUDIT STRATEGY

1. Introduction

- 1.1 This document sets out the overall strategic approach of the Council's Internal Audit function in providing assurance over the key risks faced by the Council. The strategy aligns with the Council's objectives, governance structure and risk management processes. The internal audit strategy must be based on a review of the Council's Corporate Strategy, risk appetite and governance framework. It should aim to determine the areas where the Internal Audit Service can provide most value. The strategy must establish long-term goals for the Internal Audit Service which align with Council priorities.

2. Purpose of Internal Audit

- 2.1 The overall strategy of Internal Audit primarily entails delivering a risk-based audit plan aligned with the Council's principal risk profile. The service delivers an internal audit plan that is risk-based, focussed on areas critical to achieving the Council's objectives. The long-term strategy is to ensure that Internal Audit continue to align the audit plan with the Council's risk profile to ensure that audit activity aligns with the Council's priorities.
- 2.2 As noted in the Internal Audit Charter, it is the responsibility of management to maintain appropriate risk management processes, control systems, accounting records and governance arrangements. Internal Audit is not responsible for designing and implementing control systems and managing risks.
- 2.3 The purpose of the Internal Audit Service is to provide independent, objective assurance and consulting services (via the Audit and Corporate Governance Committee (ACGC)) in order to add value and improve operations.
- 2.4 The mission of the Internal Audit Service is to enhance and protect organisational value by providing risk based and objective assurance, advice and insight.
- 2.5 The Chief Finance Officer has a statutory duty under the Local Government Act 1972 to ensure an effective Internal Audit function is maintained.
- 2.6 In local government in the UK, Internal Audit's authority has statutory backing through Regulation 5 of the Accounts and Audit Regulations 2015.

3. Ethical Standards

- 3.1 Internal Audit maintains independence and objectivity within the organisation and will follow the Global Internal Audit Standards in the course of its work.

4. Roles and Responsibilities

- 4.1 The service is led by the Head of Internal Audit, whose roles and responsibilities are detailed in the Internal Audit Charter.
- 4.2 The Head of Internal Audit is supported by the Audit Manager and a team of principal auditors.
- 4.3 Some reviews (determined on an annual basis) are delivered by a co-sourced partner. These reviews are normally those where Internal Audit identify that the reviews would benefit from particular technical expertise outside the service, or where this would support the independence of the service.
- 4.4 The service works and liaises with a number of stakeholders outside of the service including:
 - The ACGC;
 - Officers within the Council;
 - The Council's Risk Manager;
 - A co-sourced partner;
 - External partners, including other Councils and CIPFA.

5. Risk Assessment and Audit Plan Development

- 5.1 An annual Internal Audit risk assessment is conducted based on the Council's Principal Risk Report and other sources of information as appropriate.
- 5.2 An Internal Audit plan is produced based on this risk assessment. As part of this process, Internal Audit also considers risk areas which, whilst not requiring immediate attention, could be supported by review and includes these reviews on a reserve list for consideration on future plans.
- 5.3 Internal Audit consults on the Audit Plan as appropriate, including with DMTs and the Camden Management Team.
- 5.4 The plan is presented to ACGC for approval.
- 5.5 Changes in the plan can be made in year if required in response to changing risks.

6. Risk-based reviews

- 6.1 To deliver the annual Internal Audit plan, risk-based reviews are undertaken in accordance with the Internal Audit Methodology.

- 6.2 A Terms of Reference is prepared for each planned review which sets out the key risks and objectives of the audit and is agreed with the auditee.
- 6.3 Audit fieldwork is completed in line with the agreed Terms of Reference, and may include the following procedures to provide assurance:
- Meetings with control owners, and obtaining an understanding of controls to assess the extent to which they mitigate the risks as per the Terms of Reference;
 - Walkthroughs where performance of controls is observed;
 - Examination of relevant documentation and detailed testing to confirm performance of controls.
- 6.4 At the conclusion of an audit, a closing meeting is held and an audit report is written, that sets out the audit findings which are rated as critical, high, medium or low. Where applicable, the report is given an overall assurance rating to indicate the overall effectiveness of the control environment.
- 6.5 The report also includes recommendations detailing how findings may be addressed. Actions are agreed with the auditee in respect of these recommendations, accompanied with target dates and action owners.

7. Follow-ups

- 7.1 Completion of agreed actions is tracked through follow up work, whereby the auditee provides evidence confirming the completion of actions. Internal Audit reviews evidence to assess the level of implementation of audit recommendations.
- 7.2 In some cases, Internal Audit conducts an extended follow-up review. This typically applies to high-risk areas and may entail a repeat of some of the procedures in 6.3 above to assess the control environment following the completion of agreed audit actions.
- 7.3 Follow up outcomes are reported to ACGC.

8. Monitoring Plan delivery

- 8.1 Internal Audit tracks the delivery of the Audit Plan on an ongoing basis to confirm plan delivery against target.
- 8.2 The ACGC has overall responsibility for governance-level oversight of the plan and receives bi-annual reports on delivery. The annual report includes an overall annual assurance opinion.



APPENDIX B – INTERNAL AUDIT CHARTER

Internal Audit Charter

April 2025

About This Charter

The [Institute of Internal Audit's Global Internal Audit Standards 2024](#) (the "Standards") define an Internal Audit charter as "a formal document that includes the internal audit function's mandate, organisational position, reporting relationships, scope of work, types of services and other specifications".

This document serves as the Internal Audit charter for the London Borough of Camden ("the Council"). The charter will come into force alongside the new [Standards](#) on 1st April 2025 and will remain until amended or replaced. The charter is based primarily on a model charter under the new [Standards](#) published by the Institute of Internal Auditors (IIA), and has been adapted for the circumstances specific to the UK public sector (with reference to the UK Public Sector Application Note (the "[Application Note](#)") and CIPFA's Code of Practice for the Governance of Internal Audit in UK Local Government (the "[Code of Practice](#)") and further specific to the Council's arrangements.

Purpose

1. This Charter sets out the purpose, authority and functions of the Internal Audit service in supporting the Council.
2. The purpose of the Internal Audit service is to strengthen the Council's ability to exercise effective governance in the

pursuit of its objectives by providing independent, risk-based and objective assurance, advice and insight. This is achieved through providing a combination of risk-based assurance and consulting activities.

3. The Internal Audit service seeks to enhance the Council's:
 - a. Successful achievement of objectives,
 - b. Governance, risk management and control processes,
 - c. Decision-making and oversight,
 - d. Reputation and credibility with stakeholders, and
 - e. Ability to serve the public interest.

4. The Council's Internal Audit service is most effective when:
 - a. Internal auditing is performed by competent professionals in conformance with the [Standards](#), the [Application Note](#) and the [Code of Practice](#) and any additional guidance authorised for use in the UK by the relevant standards-setters.
 - b. The Internal Audit service is independently positioned with direct accountability to the Council's Audit and Corporate Governance Committee (ACGC).
 - c. Internal auditors are free from undue influence and committed to making objective assessments.

Commitment to adhering to Global Internal Audit Standards and other mandatory guidance

5. The Council's Internal Audit service will adhere to the mandatory elements of the IIA's International Professional Practices Framework, which are the [Standards](#) and topical requirements (subject to their approval by relevant UK standards-setters). Mandatory elements in the UK Public Sector also include the [Application Note](#) and the [Code of Practice](#).

6. The Head of Internal Audit, Investigations and Risk Management (HIA) will report at least annually to the Audit and Corporate Governance Committee (ACGC) and senior management regarding the Internal Audit service's

conformance with the [Standards](#) and other mandatory guidance. The HIA will monitor and assess that conformance through a quality assurance and improvement programme.

Mandate

7. In local government in the UK, Internal Audit's authority has statutory backing through Regulation 5 of the Accounts and Audit Regulations 2015 (the "[Regulations](#)"). The [Regulations](#) affirm Internal Audit's right of access to all documents, records and information considered necessary by those conducting the Internal Audit.

Authority

8. Within the Council, the Internal Audit service draws authority from its direct reporting relationship to the ACGC, including unrestricted access to Members.
9. The ACGC, with support from senior management, authorise the Internal Audit service to:
 - a. Have full and unrestricted access to all functions, data, records, information, physical property and personnel necessary for carrying out Internal Audit responsibilities. Internal auditors are accountable for maintaining confidentiality and safeguarding information they obtain.
 - b. Allocate resources, select subjects, determine scopes of work, apply analytical techniques and issue communications necessary to accomplish audit objectives.
 - c. Obtain assurance from the necessary personnel of the Council and other services from within or outside the Council (including contractors and collaborative or arms-length service arrangements) to complete Internal Audit services.

Independence, organisational position and reporting relationships

10. The HIA is positioned at a level in the Council that enables Internal Audit services and responsibilities to be free from interference from management, thereby establishing the service's independence. The HIA will report functionally to the ACGC and administratively to the Director for Finance. This positioning provides the authority and status to bring matters directly to senior management and escalate to the ACGC when necessary, without interference and so supports the Internal Audit service's ability to maintain objectivity.
11. The HIA also has direct and unfettered access to the Chief Executive who carries responsibility for ensuring the principles of good governance are reflected in sound management arrangements.
12. At least annually, the HIA will confirm the Internal Audit service's organisational independence to the ACGC.
13. The HIA will disclose to the ACGC any characteristics of the Council's governance structure which may limit independence and any safeguards employed. The HIA will also disclose to the ACGC any interference internal auditors encounter related to the scope, performance or communication of Internal Audit work and results. This disclosure will include communicating the implications of such interference on the Internal Audit service's effectiveness and ability to fulfil its mandate.
14. Currently, the HIA holds the following operational roles beyond responsibility for the Internal Audit service:
 - a. Responsibility for the Council's Anti-Fraud and Investigations Team (AFIT).
 - b. Responsibility for the Council's Risk Management function.
15. The following additional and alternative steps will feature in the audit approach to maintain independence and objectivity for these areas:
 - a. Internal Audit's role in any fraud or corruption related work will be in accordance with the Councils' anti-fraud and corruption policy and with resources approved by the Audit and Corporate Governance Committee in the annual audit plan. Internal Auditors will have sufficient knowledge to evaluate the risk of fraud and the manner

in which it is managed by the organisation. In addition, the service may assist or lead, as needed, in the identification and investigation of suspected fraudulent activities within the Council and notify senior management and the Audit and Corporate Governance Committee of the results. Any Internal Audit review of AFIT will be undertaken by an external provider.

- b. Safeguards will be put in place to ensure that functions deemed as inappropriate in the IIA's guidance on The Role of Internal Auditing in Enterprise-Wide Risk Management, are not undertaken by Internal Audit. Any Internal Audit review of risk management will be undertaken by an external provider.
- c. Where required, safeguards will be put in place to ensure that the Audit and Corporate Governance Committee and senior management receive separate, clear and objective messages from each function.

Changes to the Mandate, authority or Charter

16. Periodically, circumstances may justify more frequent or irregular amendments. These may include:

- a. Significant changes to [Standards](#) or other Mandatory Guidance,
- b. Significant reorganisation within the Council, especially changes in the ACGC or senior management.
- c. Significant changes to the Council's strategies, objectives, risk profile or operating environment.
- d. New laws or regulations that affect the nature of scope of Internal Audit.

Audit and Corporate Governance Committee roles and responsibilities

17. To establish, maintain and ensure that the Council's Internal Audit service has sufficient authority to fulfil its duties the ACGC will:

- a. Discuss with the HIA and senior management the appropriate authority, responsibilities, scope and services of the Internal Audit service.
- b. Ensure the HIA has unrestricted access to and communicates and interacts directly with the ACGC, including in private meetings without senior management present.
- c. Participate in discussions with the HIA and senior management about the "essential conditions" described in the [Standards](#) which establish the foundation that enables an effective Internal Audit function.

- d. Approve the Internal Audit service's Charter, which includes the Internal Audit mandate and the scope and types of Internal Audit services.
 - e. Review the Internal Audit charter at least annually to consider changes affecting the Council, such as the employment of a new HIA or changes in the type, severity and interdependencies of risks to the Council.
 - f. Approve the risk-based internal audit plan.
 - g. Receive communications from the HIA about the Internal Audit service including its performance relative to its plan.
 - h. Ensure a quality assurance and improvement program has been established.
 - i. Work with the HIA and senior management in selecting an external quality assessor and defining assessment scope.
 - j. Make appropriate enquiries of senior management and the HIA to determine whether actual or desired scope or resource limitations are inappropriate.
18. The following points are adapted from the [Standards](#) in line with requirements of the [Application Note](#) and the [Code of Practice](#), the ACGC should:
- a. Provide a view, where appropriate, on the Internal Audit service's human resources administration, budget and expenses.
 - b. Provide input as requested by senior management on the appointment and removal of the HIA and ensuring that the post-holder is appropriately competent and qualified as set out in [Standards](#) and other mandatory guidance.

Head of Internal Audit, Investigations and Risk Management roles and responsibilities

Ethics and professionalism

19. The HIA will ensure that internal auditors:
- a. Conform with the [Standards](#) and other Mandatory Guidance, including the principles of Ethics and

Professionalism: integrity, objectivity, competency, due professional care and confidentiality.

- b. Understand, respect, meet and contribute to the ethical expectations of the Council and be able to recognise conduct that is contrary to those expectations.
- c. Encourage and promote an ethics-based culture.
- d. Report behaviour that is inconsistent with the Council's ethical expectations, as described in the Council's statement on values and behaviours.

Objectivity

20. The HIA will ensure that the Internal Audit service remains free from all conditions that may threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matter of engagement selection, scope, procedures, frequency, timing and communication. If the HIA determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.
21. Internal auditors will maintain an unbiased attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgement on audit matters to others, either in fact or appearance.
22. Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems or engage in other activities that may impair their judgement, including:
 - a. Assessing specific areas where they previously held operational responsibility in the previous twelve months or where the impact of that responsibility persists.
 - b. Performing operational duties for the Council, except as may be required narrowly for managing the Internal Audit service itself.
 - c. Initiating or approving transactions external to the Internal Audit service.
 - d. Directing the activities of any Council employee aside from those engaged by the Internal Audit service.

23. Internal auditors will:

- a. Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties as required by Internal Audit service methodology.
- b. Exhibit objectivity in gathering, evaluating and communicating information.
- c. Make balanced assessments of all available and relevant facts and circumstances to inform conclusions.
- d. Take steps to avoid conflicts of interest, bias and undue influence.

Annual Audit Opinion

24. The HIA is responsible for providing an annual audit opinion and report that can be used to inform the Annual Governance Statement. The annual opinion will conclude on the overall adequacy and effectiveness of each organisation's framework of governance, risk management and control, and may be based on:

- a. A summary of internal audit work carried out for the relevant period;
- b. Follow-up on the implementation of recommendations;
- c. Any significant governance issues as reported within each Council's Annual Governance Statement; and
- d. The annual review of the effectiveness of Internal Audit.

Managing the Internal Audit Function

25. The HIA has the responsibility to:

- a. At least annually, develop a risk-based internal audit plan that considers input from senior management.
- b. Discuss the plan with ACGC and senior management and submit the plan to the ACGC for review and approval.
- c. Communicate the impact of resource limitations on the Internal Audit plan to the ACGC and senior management.
- d. Review and adjust the internal audit plan, as necessary, in response to changes in the Council's business,

- risks, operations, programs, systems, controls and alternate sources of assurance.
- e. Communicate with the ACGC and senior management if there are significant changes to the internal audit plan.
 - f. Ensure internal audit engagements are performed, documented and communicated in accordance with the [Standards](#), other mandatory guidance and relevant laws and regulations.
 - g. Follow up on engagement findings and confirm implementation of agreed actions as set out in internal audit service methodology.
 - h. Communicate results of Internal Audit services to ACGC and senior management periodically, and for individual engagements as appropriate.
 - i. Ensure the Internal Audit service collectively possesses or obtains the knowledge, skills and other competencies and qualifications needed to meet the requirements of the [Standards](#) and other mandatory guidance and fulfil the internal audit mandate.
 - j. Consider emerging trends and successful practices in internal auditing.
 - k. Establish and ensure adherence to methodologies, policies and procedures designed to guide the internal audit service.
 - l. Ensure adherence to the Council's relevant policies and procedures unless such policies and procedures conflict with the internal audit charter, [Standards](#) or other mandatory guidance. Any such conflicts will be communicated first to senior management, with resolution communicated to the ACGC.
 - m. Set out how the work of other assurance providers is considered as part of the annual planning process.
 - n. Plan and manage the Internal Audit service's financial, human and technological resources in line with Council policy and procedure, raising with senior management and the ACGC where appropriate if those policies and procedures inhibit the ability of the service to fulfil its mandate.

Communication with ACGC and senior management

26. The HIA will report at least annually to the ACGC and senior management:

- a. The Internal Audit plan and performance relative to its plan.
- b. Significant revisions to the Internal Audit plan and budget.
- c. Potential impairments to independence, including relevant disclosures.
- d. Results from the quality assurance improvement program, which include the internal audit service's conformance with [Standards](#) and other mandatory guidance plus action plans to address any deficiencies and opportunities for improvement.
- e. Significant risk exposures and control issues, including fraud risks, governance issues other areas of focus for the Council that could interfere with achieving its strategic objectives.
- f. Results of assurance and advisory services.
- g. Resource requirements, and a view on the adequacy of resources to meet expectations of the Internal Audit service.
- h. Management's responses to risks that the Internal Audit service determine may be unacceptable or acceptance of a risk that the HIA believes is not appropriate within the Council's risk management framework.

Quality assurance and improvement programme

- 27. The HIA will develop, implement and maintain a quality assurance and improvement program that covers all aspects of the Internal Audit service. The program will include external and internal assessments of the service's conformance with the [Standards](#) and other mandatory guidance. If applicable, the assessment will include plans to address any deficiencies and opportunities for improvement.
- 28. At least annually, the HIA will communicate with the ACGC and senior management the outcomes of the internal audit service's quality assurance and improvement program. This will include the results of any internal assessments and external assessments. External assessments will take place at least every five years in accordance with the requirements set out in [Standards](#) and other mandatory guidance.

Scope and types of Internal Audit services

29. The scope of Internal Audit services covers the entire breadth of the Council, including all of its activities, assets and personnel. The scope of Internal Audit activities also encompasses but is not limited to objective examinations of evidence to provide independence assurance and advisory services to the Council and management on the adequacy and effectiveness of governance, risk management and control processes.
30. The nature of scope of advisory services may be agreed with the party requesting the service, provided the Internal Audit service does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.
31. Internal Audit engagements may include evaluating whether:
 - a. Risks relating to achieving the Council's objectives are appropriately identified and managed.
 - b. Controls used to mitigate risk and support achievement of objectives are appropriately designed and consistently operated as designed.
 - c. The actions of the Council's officers, contractors or other relevant parties comply with the Council's policies, procedures and applicable laws, regulations and governance standards.
 - d. The results of operations and programs (including major projects and system changes) are consistent with established goals.
 - e. Established processes and systems enable compliance with policies, procedures, laws and regulations that could significantly impact the Council.
 - f. Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

Essential conditions

32. The [Standards](#) set out a range of activities of the ACGC and senior management viewed as essential to the Internal

Audit service's ability to fulfil the purpose of internal auditing. These are together referred to as "essential conditions" and establish a necessary foundation for an effective dialogue between interested parties in enabling an effective internal audit service.

33. Where there is disagreement on essential conditions, the [Standards](#) require the HIA to document the disagreement and its impact on the Internal audit service. The documentation will typically feature within the Internal Audit charter.
34. The [Standards](#) recognise that not all of the essential conditions will apply in all circumstances given varying regulatory circumstances that exist in different countries and sectors. Accordingly, the list below (paragraph 37) disapplies a small number of essential conditions and draws alternative and equivalent formulations from the [Application Note](#) and the [Code of Practice](#).

In approving this charter, the ACGC recognise and support the essential conditions to enable the internal audit service to fulfil the purpose of internal auditing and the specific role at the Council described in this charter.

Essential conditions for the ACGC

35. The ACGC will:
 - a. With senior management, support provision of the appropriate authority, role and responsibilities of Internal Audit.
 - b. Approve the Internal Audit charter.
 - c. Discuss with the HIA and senior management any other topics that should be included in the Charter to enable an effective internal audit service.
 - d. Champion the Internal Audit service to enable it to fulfil the purpose of internal auditing and pursue its strategy and objectives.
 - e. Work with senior management to enable the Internal Audit service's unrestricted access to the data, records, information, personnel and physical properties necessary to fulfil the internal audit mandate.
 - f. Support the HIA through regular direct communications.

- g. Demonstrate support by: (I) Approving the Internal Audit plan, (II) making appropriate enquiries of senior management and the HIA to determine whether any restrictions on the internal audit service's scope, access, authority or resources limit the service's ability to carry out its responsibilities effectively.
- h. Establish a direct relationship with the HIA to enable the service to fulfil its mandate, including opportunity to discuss significant and sensitive matters.
- i. On request of senior management, contribute to recruiting the HIA.
- j. On request from senior management, provide information to inform performance evaluation for the HIA.
- k. Comment to senior management as appropriate on the scope and positioning of the HIA role to ensure it has the appropriate authority within the Council to fulfil the Internal Audit mandate and act with appropriate safeguards for its independence.
- l. Engage with senior management to ensure that the Internal Audit service is free from interference when determining its scope, performing internal audit engagements and communicating results.
- m. Review and comment as appropriate on the requirements necessary for the HIA to manage the Internal Audit service, as described in the [Application Note](#).
- n. Communicate the ACGC's perspective on the Council's strategies, objectives and risks to assist the HIA with determining priorities.
- o. Set expectations for the HIA for (i) the frequency of communications (ii) the criteria for determining which issues should be escalated and (iii) the process for escalation.
- p. Gain an understanding of the effectiveness of the Council's governance, risk management and control processes based on the results of Internal Audit engagements and discussions with senior management.
- q. Discuss with the HIA disagreements with senior management or other stakeholders and provide support as necessary to enable the HIA to perform the responsibilities outlined in the Internal Audit mandate.
- r. Consider the impact of insufficient resources on the Internal Audit mandate and plan.
- s. Assess the effectiveness and efficiency of the Internal Audit service. Such an assessment includes: (i) reviewing the service's performance objectives, including its conformance with the [Standards](#), ability to meet

the Internal Audit mandate and progress towards completion of the Internal Audit plan (ii) Considering the results of the Internal Audit function's quality assurance improvement program.

- t. Consider the responsibilities and regulatory requirements of the Internal Audit service and the HIA, as described in the Internal Audit charter, when defining the scope of the external quality assessment.
- u. Review the HIA's plan for the performance of an external quality assessment. Such review should consider: (i) the scope and frequency of assessments (ii) the competencies and independence of the external assessor or assessment team (iii) the rationale for choosing to conduct a self-assessment with independent validation compared to an external quality assessment.
- v. Require receipt of the complete results of the external quality assessment or self-assessment.
- w. Review and approve the HIA's action plans to address identified deficiencies and opportunities for improvement, if applicable.

Essential Conditions for senior management

36. Senior management will:

- a. Participate in discussions with the ACGC and the HIA and provide input on expectations for the Internal Audit service.
- b. Support the Internal Audit mandate throughout the Council and promote the authority granted to the Internal Audit service.
- c. Communicate with the ACGC and the HIA about management's expectations that should be considered for inclusion in the Internal Audit charter.
- d. Work with the ACGC to enable the Internal Audit service's unrestricted access to the data, records, information, personnel and physical properties necessary to fulfil the Internal Audit mandate.
- e. Position the Internal Audit service within the Council to enable it to perform its services and responsibilities without interference.
- f. Recognise the HIA's direct relationship with the ACGC.

- g. Engage with the ACGC to understand any potential impairments to the Internal Audit service's independence caused by non-audit roles or other circumstances and support the implementation of appropriate safeguards.
- h. Enable the appointment, development and remuneration of the HIA through the Council's HR processes.
- i. Communicate senior management's perspective on the Council's strategies, objectives and risks to assist the HIA with determining priorities.
- j. Assist the ACGC in understanding the effectiveness of the Council's governance, risk management and control processes.
- k. Work with the ACGC to support escalating matters of importance.
- l. Work with the HIA, in consultation with the ACGC as appropriate, to address any issues of insufficient resources and potential solutions.
- m. Work with the HIA to determine appropriate performance objectives for the Internal Audit service.
- n. Collaborate with the ACGC and the HIA to determine the scope and frequency of the external quality assessment.
- o. Review the results of the external quality assessment, collaborate with the HIA and the ACGC to agree on action plans that address identified deficiencies and opportunities for improvement, if applicable, and agree on a timeline for completion of the action plans.

Disapplied essential conditions

37. This charter disapplies the following conditions set out in [Standards](#) because they do not fit governance arrangements at the Council. Where relevant, each disapplication shows the equivalent replacement condition added with reference to guidance from the [Application Note](#) and the [Code of Practice](#).
- a. [The ACGC will] demonstrate support by (I) specifying that the HIA reports to a level within the Council that allows the internal audit service to fulfil the internal audit mandate (II) approving the internal audit charter, internal audit plan, budget and resource plan [replaced by 35g].
 - b. [The ACGC will] authorise the appointment and removal of the HIA [replaced by 35i].
 - c. [The ACGC will] provide input to senior management to support the performance evaluation and remuneration of the HIA [replaced by 35j]
 - d. [The ACGC will] require that the HIA be positioned at a level in the Council that enables internal audit services and responsibilities to be performed without interference from management. This positioning provides the authority and status to bring matters direct to senior management and escalate to the ACGC where necessary [replaced by 35k].
 - e. [The ACGC will] acknowledge the actual or potential impairments to the internal audit service's independence when approving roles or responsibilities for the HIA that are beyond the scope of internal auditing [replaced by 35k].
 - f. [The ACGC will] engage with senior management and the HIA to establish appropriate safeguards if HIA roles and responsibilities impair or appear to impair the internal audit service's independence [replaced by 35k].
 - g. [Senior management will] provide input to the ACGC on the appointment and removal of the HIA [replaced by 36h].
 - h. [Senior management will] solicit input from the ACGC on the performance evaluation and remuneration of the HIA [replaced by 36h].
 - i. [The ACGC will] review the requirements necessary for the Head of Audit Assurance to manage the internal audit service as described in [Standards](#) [replaced by 35m].

- j. [The ACGC will] approve the HIA’s roles and responsibilities and identify the necessary qualifications, experience and competencies to carry out these roles and responsibilities [replaced by 35a].
- k. [The ACGC will] engage with senior management to appoint a HIA with the qualifications and competencies necessary to manage the internal audit function effectively and ensure the quality performance of internal audit services [replaced by 35i].
- l. [The ACGC will] collaborate with senior management to provide the internal audit service with sufficient resources to fulfil the internal audit mandate and achieve the internal audit plan [replaced by 35r].
- m. [The ACGC will] engage with senior management and the HIA on remedying the situation if the resources are determined to be insufficient [replaced by 35r].
- n. [Senior management will] engage with the ACGC to provide the internal audit function with sufficient resources to fulfil the internal audit mandate and achieve the internal audit plan [replaced by 36l].
- o. [Senior management will] engage with the ACGC and the HIA on any issues of insufficient resources and how to remedy the situation [replaced by 36l].
- p. [Senior management will] provide input on the internal audit service’s performance objectives [replaced by paragraph 36m].

Glossary

38. This charter uses the following terms in place of the terminology set out in the [Standards](#) to reflect circumstances at the Council.
- a. **Head of Internal Audit:** at the Council, this is the role defined in [Standards](#) as “Chief Audit Executive”. This means the leadership role responsible for effectively management all aspects of the internal audit function and ensuring the quality performance of internal audit services in accordance with the [Standards](#).
 - b. **Audit and Corporate Governance Committee:** at the Council this is the role defined in [Standards](#) as the “Board”. This means the highest-level body charged with governance. The Glossary within the [Standards](#) specifically suggests an Audit Committee in this role.

- c. **Senior management:** at the Council this means the Camden Management Team (CMT) as a collective. For many day-to-day and operational management decisions, CMT have delegated oversight of the internal audit service to the Executive Director- Corporate Services and the Director of Finance.

Approvals and version control

39. This charter will be presented for approval at the ACGC on 3rd April 2025.

40. Version control:

Version	Date reviewed	Date approved
Version 1	March 2025 <ul style="list-style-type: none">- Head of Internal Audit- Audit Manager	April 2025 <ul style="list-style-type: none">- Audit and Corporate Governance Committee

APPENDIX C – 2025-26 INTERNAL AUDIT PLAN

* An asterisk indicates that the planned audit review aligns with a principal risk as listed in the Council’s Principal Risk Report.

A. CROSS CUTTING REVIEWS (INCLUDING PROGRAMMES)

Ref	Audit title	Indicative scope	Planned quarter	Days
CC25-1	Financial resilience and strategy*	An on-going programme of assurance against this area of principal risk. The scope will focus on key programme risks.	Q3	20
CC25-2	Community Investment Programme (CIP)*	An on-going programme of assurance against this area of principal risk. The scope will be considered in-year and will include a follow up of previous audit recommendations.	Q3	20
CC25-3	Risk management – assurance mapping	Internal Audit input into assurance mapping of principal risks.	Q3	5
CC25-4	Audit plan production	Production of the 25-26 audit plan including consultation.	Q3	10
CC25-5	Fraud support	Internal Audit input into the reactive investigations to be undertaken in-year.	All	15
FW-UP	Follow Up Reviews	Follow up reviews to assess the level of implementation of open audit recommendations. This will mainly include: <ul style="list-style-type: none"> • Housing Revenue Account (HRA) financial resilience • CIP • Modern day slavery. 	All	20
Cross cutting plan – total planned days				90

B. CORPORATE SERVICES

Ref	Audit title	Indicative scope	Planned quarter	Days
CS25-1	Key financial systems (KFS) – Accounts Payable*	A risk-based review focussed on key controls (KFS programme listed in the table included at Appendix B).	Q2	20
CS25-2	KFS – Accounts Receivable*	A risk-based review focussed on key controls (KFS programme listed in the table included at Appendix B).	Q2	15
CS25-3	KFS – Council Tax and Business Rates*	A risk-based review focussed on key controls (KFS programme listed in the table included at Appendix B).	Q2	20
CS25-4	KFS – Payroll*	A risk-based review focussed on key controls (KFS programme listed in the table included at Appendix B).	Q2	15
CS25-5	Compliance with the CIPFA Financial Management Code	Compliance-based review to assess compliance with CIPFA's Financial Management Code.	Q1	20
CS25-6	IT audit*	The scope of this review will be considered in-year and will include a follow up of previous audit recommendations.	Q2	20
CS25-7	PCI-DSS compliance	Review of the Council's compliance with PCI-DSS.	Q2	20
CS23-8	Insurance	A risk-based review focussed on key controls related the Council's insurance function. The scope will be agreed in-year.	Q2	20
CS25-9	Voluntary Sector Organisations	Provision of internal controls and risk support for the Community Partnerships Team throughout the year.	All	10

CS25-10	Health and safety - occupational*	A risk-based review focussed on key control risk. The scope will be agreed in-year.	Q2	25
FW-UP	Follow Up Reviews	<p>Follow up reviews to assess the level of implementation of open audit recommendations. This will mainly include:</p> <ul style="list-style-type: none"> • Key controls reviews; • Staff expenses; • Oracle transformation • IT audit – Northgate; • Business continuity and emergency preparedness • Budget monitoring • VAT: partial exemption • VAT: input tax • Complaints • Staff recruitment and retention • Land and buildings - asset data • Cyber/Network Security • Supply Chain Management • Staff council journeys - business support. 	All	75
Corporate Services plan – total planned days				260

C. SUPPORTING COMMUNITIES

Ref	Audit title	Indicative scope	Planned quarter	Days
SC25-1	Commercial property	A risk-based review focussed on key control risk. The scope will be agreed in-year.	Q1	20
SC25-2	Homelessness and temporary accommodation*	A risk-based review focussed on key control risk. The scope will be agreed in-year.	Q2	25
SC25-3	Tenant Management Organisation (TMO)*	A risk-based review of the governance framework and key controls at a TMO to ensure compliance with the MMA, focusing on financial management to ensure funds are managed and spent appropriately, delivering value-for-money for residents.	Q2	25
SC25-4	Coroner's Court accounts	Annual certification of accounts, to include follow up of recommendations made during the 23-24 review.	Q2	10
SC25-5	Bus Service Operators Grant	Review and sign off claims.	Q2	5
FW-UP	Follow Up Reviews	<p>Follow up reviews to assess the level of implementation of open audit recommendations. This will mainly include:</p> <ul style="list-style-type: none"> • HRA voids - allocation and management • HRA voids - repairs and governance • Property management - contract management • Concessionary travel • Breakdown in community cohesion • Social housing regulations/ standards 	All	50

		<ul style="list-style-type: none"> • TMO • Coroner's accounts • Legal disrepair. 		
Supporting Communities – total planned days				135

D. SUPPORTING PEOPLE – ADULTS AND HEALTH, CHILDREN AND LEARNING

Ref	Audit title	Indicative scope	Planned quarter	Days
SPC25-1	Schools – establishments reviews*	Risk-based review of seven schools.	All	105
SPC25-2	Schools’ Financial Values Statement*	Review and sign off of 2022-23 statements produced by schools.	Q1	10
SPC25-3	Single Children’s and Families Grant*	A review to provide assurance that the service retains a robust level of scrutiny and oversight in light of Earned Autonomy.	Q3	15
FW-UP	Follow Up Reviews	Follow up reviews to assess the level of implementation of open audit recommendations. This will mainly include: <ul style="list-style-type: none"> • School establishments • Health and social care integration - system and information accessibility. 	All	45
Supporting People – Adults and Health, Children and Learning – total planned days				175

APPENDIX D – PRINCIPAL RISK ASSURANCE MAP AND KEY FINANCIAL SYSTEMS PLAN

Current Score	Risk Title	Previous coverage (2020-21 – 2024-25)	2025-26 planned coverage
L:4 I:5 Score 20	1. Financial Resilience and Strategy - Significant decline in the Council's financial sustainability and resilience (general funds)	<p>An annual rolling programme of assurance is provided in this area.</p> <p>Different areas of the Medium-Term Financial Strategy (MTFS) have been subject to annual review, along with associated follow up activity. Most recently, the 2023-24 review was followed up in 2024-25.</p> <p>A specific review of Compliance with the CIPFA Financial Management Code was also completed as part of the 2022-23 plan which was followed up within 2023-24.</p>	<p>Continuation of rolling programme. Consider selecting a section of the assurance model for programme delivery.</p> <p>A specific review of Compliance with the CIPFA Financial Management Code will be completed.</p>
L:4 I:5 Score 20	2. Housing Revenue Account (HRA) Financial Resilience	<p>An audit review of the HRA was undertaken as part of the 2020-21 audit plan with follow-up undertaken in 2022-23.</p> <p>Additionally, the 2022-23 audit plan included a review of voids, repairs and governance.</p> <p>In 2024-25, the following work was undertaken:</p> <ul style="list-style-type: none"> ▪ HRA – Financial resilience review ▪ HRA - voids repairs and governance follow up ▪ HRA – voids allocation and management 	<p>Follow ups of all audit reviews open actions will be undertaken in 2025-26.</p>
L:4 I:5 Score 20	3. Increasing Homelessness (New risk)	N/A – new risk area.	<p>A review will be undertaken as part of the 2025-26 audit plan.</p>

Current Score	Risk Title	Previous coverage (2020-21 – 2024-25)	2025-26 planned coverage
L:4 I:4 Score 16	4. Financial Resilience of Residents	<p>Supporting families grant certification and controls review is undertaken each year up to 2024-25 when this scheme ends. Funding will be consolidated into a Single Children’s and Families Grant and Internal Audit will support this in future years as required.</p> <p>Cross cutting coverage from various other audits of housing, landlord duty of care, grant certifications and voluntary sector organisations.</p> <p>The Audit and Corporate Governance Committee recently commissioned a deep dive into this area which was presented in December 2024.</p>	<p>No planned coverage in 2025-26. Risk Management support will be provided as required.</p> <p>Cross cutting coverage from various other audits and follow us across housing, landlord duty of care, grant certifications and voluntary sector organisations.</p>
L:4 I:4 Score 16	5. Delivering Zero Carbon Target and Improving Climate Resilience	<p>A review was completed as part of the 2021-22 plan, with a follow up review undertaken in 2023-24, including reference made to the Carbon Management Plan.</p> <p>The Audit and Corporate Governance Committee commissioned a deep dive into this area which was presented in November 2023.</p>	<p>No planned coverage in 2025-26. Risk Management support will be provided as required.</p>
L:4 I:4 Score 16	6. High Speed 2 and Euston	<p>An annual rolling programme of assurance around the HS2 project was in place un 2023-24. Additionally, the ACGC commissioned a deep dive in March 2022. The area is also subject to external scrutiny.</p>	<p>No planned coverage in 2025-26. Risk Management support will be provided as required.</p>

Current Score	Risk Title	Previous coverage (2020-21 – 2024-25)	2025-26 planned coverage
L:4 I:4 Score 16	7. Safeguarding Adults	<p>A specific risk-based review was completed in 2022-23 with recommendations followed up in 2024-25.</p> <p>A review of Mental Health and Learning Disabilities has been undertaken as part of the 2022-23 plan and followed up in 2024-25.</p> <p>A review of the Housing Register – Medical Assessment was undertaken as part of the 2022-23 plan and was followed up in 2023-24 and 2024-25.</p>	<p>No planned coverage in 2025-26. Risk Management support will be provided as required.</p> <p>Additional follow up may be required in 2025-26 depending on outcome of 2024-25 follow up.</p>
L:3 I:5 Score 15	8. Cyber and Data Security	<p>A follow up of a previous Cyber Security review was completed in 2020-21, with a further risk-based review undertaken in 2021-22.</p> <p>A Data Management Internal Audit review was undertaken in 2022-23 and followed up in 2023-24.</p> <p>An Oracle transformation review was started in 2023-24 and completed in 2024-25.</p> <p>A review of Data Integrity was undertaken in 2020-21 and followed up in 2023-24. An additional follow up is scheduled for 2024-25.</p> <p>An additional two IT specialist IT audit reviews, providing assurance over cyber and data security will commence in Q4 2024-25 and it is anticipated that these will be completed early 2025-26.</p>	<p>Two IT reviews to be completed in 2025-26.</p> <p>Follow up of the Oracle transformation review and of the 2024-25 IT audits.</p>

Current Score	Risk Title	Previous coverage (2020-21 – 2024-25)	2025-26 planned coverage
L: 3 I: 4 Score 12	9. Pressures within the Health System	<p>Health and social care integration review currently being undertaken as part of the 2023-24 annual plan.</p> <p>Follow up of 2023-24 health and social care integration review will be undertaken in Q4 2024-25.</p> <p>Additionally a CQC inspection was undertaken in 2024-25. The Audit and Corporate Governance Committee recently commissioned a deep dive into this area which was presented in April 2024.</p>	<p>No planned coverage in 2025-26. Risk Management support will be provided as required.</p> <p>An external CQC inspection was undertaken in Q3 2024-25.</p> <p>Additional follow up may be required in 2025-26 depending on outcome of 2024-25 follow up.</p>
L:3 I:4 Score 12	10. Failure to Challenge and Address Social Inequalities	<p>A review of Equalities, Diversity and Inclusion (EDI) was completed in 2021-22 and followed up in 2023-24 and 2024-25. It is anticipated that further follow up activity will be required in 2025-26.</p>	<p>Further follow up of recommendations raised within the EDI review will be undertaken in 2025-26.</p> <p>Additionally cross cutting coverage from proposed 2025-26 homelessness review and follow ups of HRA, grant certifications and voluntary sector organisations.</p>
L:3 I:4 Score 12	11. Health and Safety Incident (Occupational)	<p>Cross cutting coverage of Health and Safety is provided through other reviews, where relevant/ appropriate.</p> <p>A review of Health and Safety, focussing on Asbestos was undertaken as part of the 2022-23 plan and followed up in 2023-24.</p>	<p>Review to be completed within 2025-26.</p>
L:3 I:4 Score 12	12. Community Investment Programme (CIP)	<p>An annual rolling programme of assurance is provided in this area of principal risk.</p>	<p>Continuation of rolling programme, including follow up of previously agreed actions.</p>

Current Score	Risk Title	Previous coverage (2020-21 – 2024-25)	2025-26 planned coverage
L:3 I:4 Score 12	13. Information Governance – major data protection breach	<p>The 2023-24 plan included a review of business continuity/emergency preparedness, incorporating the resilience and recovery of key IT systems. This was subject to follow up in 2024-25 and it is anticipated that this will continue into 2025-26.</p> <p>A review of Data Governance was undertaken in 2022-23 and subject to follow up in 2024-25.</p> <p>A review of Data Integrity was undertaken in 2020-21 and followed up in 2023-24. An additional follow up is scheduled for 2024-25.</p>	Further follow up of previously raised recommendations will be undertaken in 2025-26.
L:3 I:4 Score 12	14. Workforce Diversity and Inclusion	A review of Equalities, Diversity and Inclusion (EDI) was included on the 2021-22 plan and followed up in 2023-24 and 2024-25. This covered staff surveys relating to diversity and inclusion.	Further follow up of recommendations raised within the EDI review will be undertaken in 2025-26.
L:4 I:3 Score 12	15. Recruitment and Retention	Review undertaken as part of the 2023-24 plan. Additionally, a review of DBS key controls has been added to the 2023-24 plan at the request of the recruitment team.	Follow up both the recruitment and retention review and additional DBS key controls review will be undertaken in 2025-26.

Current Score	Risk Title	Previous coverage (2020-21 – 2024-25)	2025-26 planned coverage
L:2 I:5 Score 10	16. Landlord Duty of Care – breach of statutory duties as a landlord	<p>A follow up review on Fire Risk Assessments was followed up 2020-21.</p> <p>A follow up of review of the Strategic Management of TMOs was undertaken in 2021-22.</p> <p>A review of Fire Safety in private sector accommodation was completed in 2021-22 and followed up in 2022-23.</p> <p>A review of Damp and Mould was undertaken in 2023-24 and followed up in 2024-25.</p> <p>A rolling programme of assurance across the portfolio of TMOs/TMCs continues on an annual basis.</p>	<p>Continue rolling programme covering TMOs/TMCs.</p> <p>Additional follow up may be required in 2025-26 depending on outcome of 2024-25 follow up.</p>
L:2 I:5 Score 10	17. Safeguarding Children	<p>A review of the Supporting Families Programme has been undertaken each year up until 2024-25 when the scheme ended.</p> <p>Follow up reviews of Mosaic Key Controls and Mosaic Financia Processes were completed in 2024-25.</p> <p>The Audit and Corporate Governance Committee recently commissioned a deep dive into this area which was presented in April 2024.</p>	<p>The Supporting Families Programme has been rolled into the Single Children’s and Families Grant. Resource will be included within the 2025-25 plan to support this and provide certification as required.</p> <p>Additional follow up may be required in 2025-26 depending on outcome of 2024-25 follow up.</p>

Current Score	Risk Title	Previous coverage (2020-21 – 2024-25)	2025-26 planned coverage
L:3 I:3 Score 9	18. Breakdown in Community Cohesion	A follow up review of a prior year audit was undertaken in 2022-23 and again in 2023-24 and 2024-25.	No planned coverage in 2025-26. Risk Management support will be provided as required. Additional follow up will be required in 2025-26 once the Equality Policy has been adopted.
L:3 I:3 Score 9	19. Medium Term Financial Strategy Delivery - Failure to successfully identify and implement savings projects	Per risk 1 above, different areas of the Medium-Term Financial Strategy (MTFS) have been subject to annual review, along with associated follow up activity. Most recently, the 2023-24 review was followed up in 2024-25.	Continuation of rolling programme. Selecting a section of the PwC assurance model for programme delivery.
L:3 I:3 Score 9	20. Schools' Sufficiency and Financial Viability	Internal audit support the CFO in confirming that assurance over the standard of financial management is adequate on an annual basis. This is achieved through review of a sample of School Financial Value Standard returns.	Continuation of SFVS returns, in addition to review of administrative functions at seven schools (rolling basis).
L:3 I:3 Score 9	21. Differential Pupil Achievement	No planned Internal Audit Activity. However, risk management support is being provided.	No planned Internal Audit Activity. However, risk management support will be provided as required.
L:3 I:3 Score 9	22. Fire Safety (high rise private building owners)	A review was completed in 2020-21 and followed up in 2021-22 and again in 2022-23.	No planned Internal Audit Activity in 2025-26. However, risk management support will be provided as required.

Current Score	Risk Title	Previous coverage (2020-21 – 2024-25)	2025-26 planned coverage
L: 3 I: 3 Score 9	23. Compliance with Consumer Standards (as a landlord)	A review was undertaken in 2024-25.	The previous audit recommendations will be followed up in 2025-26.
L: 3 I: 3 Score 9	24. Complaints in housing repairs- Escalation of cases and referrals to Housing Ombudsman	The following reviews have been undertaken: <ul style="list-style-type: none"> ▪ Complaints 2024-25 (relating to the Housing Ombudsman inspection) ▪ Housing Voids – repairs and governance 2023-24 ▪ Housing Voids – allocation and management information 2024-25 ▪ Landlord duty of care – Damp and Mould 2023-24 ▪ Social Housing Landlord 2024-25 ▪ Property Management – Procurement 2023-24 ▪ Property Management – Contract Management 2024-25 ▪ Legal disrepair 2024-25 	The previous audit recommendations will be followed up in 2025-26.
L:3 I:3 Score 9	25. Contract Management and Procurement - Non-compliance with new requirements introduced by the Procurement Act 2023	The following reviews have been undertaken: <ul style="list-style-type: none"> ▪ Contract Management 2020-21, with three further follow up reviews in 2021-22, 2023-24 and 2024-25. ▪ Procurement 2021-22, with two follow up reviews in 2023-24 and 2024-25. ▪ Supply Chain Management 2023-24, with follow up review in 2025-26 planned. ▪ Property Management – Procurement 2023-24 and follow up review in 2024-25 ▪ Property Management, Contract Management with follow up planned for 2025-26. 	Follow up reviews will be undertaken of all outstanding agreed actions from reviews within this principal risk area.

Current Score	Risk Title	Previous coverage (2020-21 – 2024-25)	2025-26 planned coverage
L4 I:2 Score 8	26. Housing Delivery - the Council does not meet overall housing targets as set out in the London Plan	<p>Risk management support was provided as required.</p> <p>Assurance via cross cutting delivery of the audit plan (CIP and HRA). Link to end-to-end housing voids reviews above – these were followed up in 2024-25.</p>	<p>Assurance via cross cutting delivery of the audit plan (see CIP and HRA).</p> <p>Additional follow up will be required in 2025-26.</p>
L:2 I:3 Score 6	27. Emergency Preparedness, Response and Recovery	<p>A review was undertaken in 2018/19. Internal Audit has also gained assurance as part of ongoing risk management support provided over the response to the COVID-19 pandemic.</p> <p>Follow up on 2023-24 business continuity and emergency preparedness review was undertaken within 2024-25.</p>	<p>No planned coverage in 2025-26. However, the Audit team will continue to support and monitor the implementation of agreed actions from the 2023-24 review. Risk Management support will be provided as required.</p> <p>Additional follow up will be required in 2025-26.</p>
L:3 I:2 Score 6	28. Energy Costs	<p>This was a new risk articulated in November 2022, and as such was not previously included on the Principal Risk Report. Risk management support is being provided and a deep dive to ACGC is planned.</p> <p>The Audit and Corporate Governance Committee recently commissioned a deep dive into this area which was presented in 2024.</p>	<p>No planned coverage in 2025-26. Risk Management support will be provided as required.</p>

Current Score	Risk Title	Previous coverage (2020-21 – 2024-25)	2025-26 planned coverage
L:2 I:3 Score 6	29. Equal Pay for Equal Value	No planned Internal Audit Activity. However, risk management support is being provided.	No planned coverage in 2025-26. Risk Management support will be provided as required.
L:2 I:2 Score 4	30. Serious Fraudulent Activity	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. 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.

Key Financial Systems (KFS) rolling four-year work-plan

Internal Audit previously operated a three-year rolling work plan to provide assurance on the Council’s suite of key financial systems. However, it was noted that follow up activity tended to span two financial years.

- Year 1 – full audit review to test key controls;
- Year 2 – follow up review to assess the level of implementation of recommendations;
- Year 3 – follow up review to assess the level of implementation of any open audit recommendations;
- Year 4 – no work undertaken if there are no significant system changes or risks/issues identified.

The below table summarises our KFS coverage for the periods 2022-23 to 2024-25, and also identifies the KFS work planned for 2025-26.

	KFS	2022-23	2023-24	2024-25	2025-26
1	General ledger	Follow up of recommendations made in 21-22	Follow up any open audit recommendations	An overarching walkthrough of control design will be conducted	Follow up of recommendations made in 24-25
2	Accounts payable	Follow up of recommendations made in 21-22	Follow up any open audit recommendations	An overarching walkthrough of control design will be conducted – postponed to 2025-26 at auditee’s request.	Test key controls
3	Accounts receivable	Follow up of recommendations made in 21-22	Follow up any open audit recommendations	No planned audit activity	Test key controls
4	Bank reconciliation (GL and sub systems)	Follow up of recommendations made in 21-22	Follow up any open audit recommendations	An overarching walkthrough of control design will be conducted	Follow up of recommendations made in 24-25

5	Council Tax	Follow up of recommendations made in 21-22	Follow up any open audit recommendations	No planned audit activity	Test key controls
6	Business Rates	Follow up of recommendations made in 21-22	Follow up any open audit recommendations	No planned audit activity	Test key controls
7	Capital accounting (asset management)	Test key controls	Follow up of recommendations made in 22-23	Continuation of follow up activity	No planned activity
8	Investment and treasury management	Test key controls	Follow up of recommendations made in 22-23	No planned activity	No planned activity
9	Pensions	Key controls are being tested by the South West London Audit Partnership (SWLAP). The final report will be shared with Internal Audit	Follow up of relevant recommendations, as applicable, made in 22-23 by SWLAP	SWLAP conducted a review in Q1 24-25	No planned activity
10	VAT	Test key controls	Follow up of recommendations made in 22-23	Continuation of follow up activity	No planned activity
11	Payroll	Follow up of previous open audit recommendations	Follow up any open audit recommendations	No planned audit activity	Test key controls

APPENDIX E – 2025-26 INVESTIGATIONS PLAN

Ref	Audit title	Indicative scope	Quarter	Days
Proactive and follow up				
AF25-1	Proactive anti-fraud	Proactive fraud reviews The scope of this review will be agreed in-year and will be based on a risk assessment.	All	60
AF25-2	Departmental Anti-Fraud Support	To provide ongoing anti-fraud support across the Council, including regular liaison meetings with key teams/service areas to share information/intelligence, and to provide ad-hoc anti-fraud consultancy/advice support where required.	All	20
AF25-3	Data Matching	To coordinate the Council’s participation in the National Fraud Initiative (NFI) data matching exercise. This will include the risk-based review of a sample of datasets and matches that AFIT is responsible for investigation. Where appropriate, the resource will also be utilised to explore opportunities for coordinating and undertaking additional data-matching exercises across relevant teams and service areas within the Council, to further combat fraud.	All	40
AF25-4	Regulation of Investigatory Powers Act (RIPA)	To undertake and fulfil the Council’s statutory duties under RIPA, including the Senior Responsible Officer duties, administration of the Council’s RIPA policy, and training activities.	All	15
AF25-5	Single Point of Contact (for DWP Benefit fraud queries)	To provide ongoing support and process information requests where required, to assist the DWP with investigation suspected benefit related fraud.	All	15

AF25-6	Fraud Awareness Training	To deliver fraud awareness training sessions across the Council where required or requested (high risk areas in need of fraud awareness training will be identified from outcomes of audits and investigations in-year). This resource will also be utilised for supporting corporate communications and e-learning, where required.	All	20
AF25-7	Blue Badge enforcement	To investigate and undertake enforcement action against the fraudulent use of Blue Badges.	All	70
Reactive				
AF25-8	Reactive investigations	To undertake reactive investigative work arising from referrals, including those managed under the Council's Whistleblowing Policy.	All	360
Total days				600

End