Table 1 – 2016/17 Draft Internal Audit Plan

Review Area	Risk Assessment[1]	Reasoning for inclusion/risks	Proposed Audit Coverage
Reliance/Assurance Reviews (Resources Directorate)			
Payroll	H	Three year cyclical plan agreed with External Auditors	Key Control Review, Walkthrough Test, Update of System Notes
Treasury	M	Three year cyclical plan agreed with External Auditors	Key Control Review, Walkthrough Test, Update of System Notes
Council Tax	H	Three year cyclical plan agreed with External Auditors	Key Control Review, Walkthrough Test, Update of System Notes
Housing Rents	M	Three year cyclical plan agreed with External Auditors	Self- Assessment, Walkthrough Test, Update of System Notes
Corporate Accounts Payable	H	Three year cyclical plan agreed with External Auditors	Self- Assessment, Walkthrough Test, Update of System Notes
Corporate Accounts Relievable	H	Three year cyclical plan agreed with External Auditors	Self- Assessment, Walkthrough Test, Update of System Notes
Housing Benefit	H	Three year cyclical plan agreed with External Auditors	Self- Assessment, Walkthrough Test, Update of System Notes
Capital Expenditure	H	Three year cyclical plan agreed with External Auditors	Self- Assessment, Walkthrough Test, Update of System Notes
Business Rates	H	Three year cyclical plan agreed with External Auditors	Self- Assessment, Walkthrough Test, Update of System Notes
IT Reviews Risk Based Reviews			
Cyber Security	H	Increased number of incidents	A review of controls in place to prevent cyber attacks
IT Strategies (Corporate & Directorate)	CR14 -M	Disparity between the views of Directorates and the IT service	A review of the application of the Council's IT Strategies, how up to date and relevant they are, how they work together and how progress is being delivered/monitored
Fraud Risk/Fraud Prevention			
Help2Let	CR1 - H	c/f 15/16 plan **_Corporate Priority: Build a Better Harrow_**	Risk based systems review to assess fraud resilience

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[1] Wherever possible risk ratings are taken from the Corporate (prefix CRR), an audit risk assessment is undertaken for all other reviews.

Bed & Breakfast/Temporary Accommodation	CR1 - H	Issues identified during 2015/16 *Corporate Priority: Build a Better Harrow*	Risk based systems review to assess fraud resilience
Corporate Risk Based/Governance Reviews			
Corporate Governance	n/a	Requirement under the Accounts & Audit Regulations 2015	Review/update of Corporate Code of Governance in line with new requirements. Co-ordination of the annual governance review, drafting of AGS
Risk Management	n/a	Governance requirement	Update of the Corporate Risk Register/Risk Appetite Statement and Risk Management Policy/Procedures
Information Governance Board (IGB)	M	Quarterly review of security breaches + HIA on Board	To ensure that the Council has effective polices & management of information governance risks
Debt Management	H	c/f 15/16 plan Inconsistency of approach across Council leading to loss - contained in 15/16 plan for completion by PwC however inadequate resources allocated	To ensure that a joined up corporate approach is taken to debt management
Cabinet Decisions	H	c/f 15/16 plan Decisions being made are becoming more sensitive and coming under closer public scrutiny - contained in original 15/16 plan, removed when plan revised in January 2016 due to reduction in IA resources	A review of the quality/robustness of information supplied in Cabinet reports to support key recommendations and ensure sound decisions
Budget Management	CR3 – H	Robust budget management is key to good financial management	Finance to identify poor budget management from outturn
Consultants/Agency workers	H	IA investigation 15/16	Review to cover appointment, vfm, expenses, use of own company
Directorate Risk Based Reviews Resources			
IT Contract Management	CR14 – M	Following on from the 14/15 IT Data Centre review	As per Terms of Reference presented to the January GARMS Committee meeting
Shared Service - HB Public Law + Trading Company	CR10 – H	Largest Harrow shared service *Corporate Priority: Be More Business-Like and Business Friendly*	Governance arrangements including charging
Contract Management	H	c/f 15/16 plan Large contract, consolidated PO, goods receipted by procurement	Per-temps Contract or sample of medium contracts (to be determined by risk assessment)

Community Risk Based Reviews			
Homelessness Data on Northgate	CR1 – H	c/f 15/16 plan **Corporate Priority: Build a Better Harrow**	Information Security, data quality, information sharing
Facilities Management Contract	H	New contracts covering Building maintenance, Cleaning & Security	Contract Management Review
Major Works - Leaseholders	H	Following on from Leaseholders review undertaken in 2015/16	Review of charges to leaseholders for major works
Homelessness – preventative work	CR1 – H	Proposed by management. **Corporate Priority: Build a Better Harrow**	Cost, effectiveness and vfm of preventative work
Commercialisation – Lettings Agency	CR5 – H	New venture **Corporate Priority: Be More Business-Like and Business Friendly**	To be determined in consultation with management, a mix of pro-active auditing and review
Regeneration			
Regeneration Programme	CR19 – M	Significance of programme. **Corporate Priority: Build a Better Harrow**	Procurement Process/ Financial Management/ Land Deals to be determined via a risk process in consultation with management
People			
Schools	H	A three year programme of school reviews to provide assurance on governance and control. **Corporate Priority: Build a Better Harrow**	Thematic Reviews covering areas such as HR Policies & Procedures; Procurement; Landlord/Tenant Responsibilities; GB Decisions; Fraud Risk
SFVS Assurance Statement	n/a	Statutory Return	Review of the statutory return to the Department Education to be signed by the s151 Officer confirming the number of Schools to complete the Schools Financial Value Standard (SFVS) self-assessment.
Families First (Troubled Families Grant)	CR13 & 17 – M	Grant funding arrangements and responsibilities. **Corporate Priority: Protect the Most Vulnerable and Support Families**	Grant certification required
Adult Residential Care	CR11 - H	Significant budget spend	A review of commissioning of adult residential care
Commercialisation - MyCep (PayPal/reconciliation) c/f 15/16 plan	CR5 - H	c/f 15/16 My Community E Purse needs to be fit for purpose for commercialisation	To ensure adequacy, application and effectiveness of controls in place

		Corporate Priority: Protect the Most Vulnerable and Support Families	
Nursery Education Grant	F/CR	Grant to 3-4 year olds + selective 2 year olds £10m	Review of process
Public Health - Health Checks Follow-up	H	c/f 15/16 plan	Follow-up to ensure that payment for health checks are verified
Multi-Agency Safeguarding Hub (MASH)	CR4 - H	Safeguarding risk *Corporate Priority: Protect the Most Vulnerable and Support Families*	Follow-up of external review undertaken in 2015/16
Support, Advice & Follow-up			
Suspected Financial Irregularities + Control Reviews	H	Internal Audit required to maintain overview of SFIs and provide support to managers	Support & guidance to managers on investigations
Professional Advice	n/a	Enables audit team to provide advice to managers on control and risk management on areas not specifically covered by plan	Advice on risk mitigation & control
Follow-up	n/a	Provides assurance on the implementation of audit recommendations	Follow-up of Red, Red/Amber & Amber reports

Table 2 – 2016/17 Draft Corporate Anti-Fraud Team Plan

	Fraud work stream	Reasoning for inclusion/risks	Proposed counter fraud activity
	Objective: Acknowledge fraud and corruption risks, reaffirm the responsibility of the leadership team in managing these risks and assess the risk of fraud and corruption across all parts of the organisation.		
1	Corporate fraud risk assessment	Following self assessment against CIPFA Code of Managing the Risk of Fraud & Corruption framework	Identify and assess Harrow's fraud risk exposure affecting the principle activities in order to fully understand changing patterns in fraud and corruption threats and the potential harmful consequences to the authority and our customers
2	Corporate fraud risk register	Following self- assessment against	Consider the development of a fraud risk register to be integrated into the

		CIPFA Code of Managing the Risk of Fraud & Corruption framework	existing risk management framework, where significant fraud and corruption risks will be owned and maintained by the directorates
3	Corporate Anti-Fraud & Corruption Strategy	Following self- assessment against CIPFA Code of Managing the Risk of Fraud & Corruption framework	Development of a counter fraud and corruption strategy that links to the Harrow's corporate priorities, the overall goal of improving resilience to fraud and corruption and fully reflects the fraud risks faced by the authority
	Objective: Prevent, detect and deter fraud and corruption impacting the organisation by raising awareness of fraud and corruption		
4	National Fraud Initiative co-ordination role	Mandatory function	Plan, prepare and co-ordinate the 2016/17 National Fraud Initiative (NFI) exercise including:- • Review of all fair processing and collection notices for all data sets and submit notification to Cabinet Office by 30/06/16 • Review of all data sets specifications with service areas by 31/08/16 • Extract data from key systems by 03/10/16 • Allocate matches to service areas on 29/01/17
5	Corporate fraud awareness	Following self assessment against CIPFA Code of Managing the Risk of Fraud & Corruption framework	Raise awareness of fraud and corruption both within the authority and in the community through running an awareness campaign and the publication of fraud successes in local and national media, including the use of all forms of social media
6	Fraud liaison	Best practice	Develop and maintain effective liaison with investigation teams in other boroughs and external agencies and ensure that membership continues of the London Borough of Fraud Investigators Group (LBFIG), The Local Authority Investigation Officers Group (LAIOG), the National Anti-Fraud Network (NAFN) and the European Institute for Combatting Corruption & Fraud (TEICCAF)
7	Commercialisation	Maximise commercialisation opportunities	Explore commercialisation opportunities with Registered Social Landlords (RSL's) in providing a fee based investigation service following the extension of the Right to Buy to the RSL's

	Objective: Ensure the investigation of allegations of fraud and corruption are effective, criminal conduct is punished with appropriate sanctions, established losses are pursued robustly and fraud loss avoidance is measured effectively where possible		
8	Housing fraud	Following fraud risks assessment & Protecting the English Public Purse (PPP) 2015	Assess and investigate allegations of fraud and abuse in the housing system working in partnership with Housing Resident Services, Housing Needs and Harrow's RSL's including: • Seek to recover 10 social housing units subject to fraud & misuse • Prevent housing application fraud through targeted application validation and potential sampling of temporary accommodation/bed & breakfast • Prevent fraudulent Right to Buy (RTB) applications through targeted application validation • Prevent mutual exchange, succession and assignment fraud through targeted application validation • Prevent abuse of the housing incentivisation scheme through targeted application validation • Undertake a housing data match on Harrow's housing stock working alongside a credit reference agency • Maintain and develop membership of the London housing fraud hub and explore other data-match opportunities • Consider running a housing fraud centric publicity campaign to raise awareness internally and the community including an amnesty • Maximise the use of powers contained within the Prevention of Social Housing Fraud Act 2013 (PoSHFA) in terms of gathering evidence, investigation and prosecution of offenders and recovery of unlawful profit
9	Internal fraud & corruption	Following fraud risks assessment & Protecting the English Public Purse (PPP) 2015	Assess and investigate allegations of internal fraud and corruption in a timely manner
10	No Recourse to Public Funds (NFPF) fraud	Following fraud risks assessment & Protecting the English Public Purse (PPP) 2015	Work in partnership with the People Directorate to explore the area of *No Recourse to Pubic Funds* (NRPF) recently highlighted in Protecting the English Public Purse 2015, in undertaking targeted application validation and make recommendations to better manage fraud risks

11	Revenues fraud	Following fraud risks assessment & Protecting the English Public Purse (PPP) 2015	Work in partnership with Revenues and Benefits to Investigate allegations of fraud and abuse of the Council Tax, Council Tax Support and Non Domestic Rates Systems, including exemptions, discounts, and reliefs and apply appropriate sanctions where fraud is proven
12	Blue badge fraud	Following fraud risks assessment & Protecting the English Public Purse (PPP) 2015	Working in partnership with Concessionary Fares and Parking Enforcement to investigate allegations of fraud and abuse of the disabled badge scheme by taking part in the Council Secure Streets Days of Action schedule on a risk basis.
13	Social care fraud	Following fraud risks assessment & Protecting the English Public Purse (PPP) 2015	Work in partnership with the People Directorate to explore social care fraud and abuse by ensuring that funding is spent according to care plans and make recommendations to better manage fraud risks
14	Partnership working	Best practice	Responding to requests for information in a timely manner from our law enforcement partners e.g. Police, Other LA's etc.
15	Risk assess fraud referrals	Best practice	Assess and investigate allegations of fraud and corruption on a risk basis in a timely manner

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