

West London Waste

Treating waste as a valuable resource

Internal Audit Plan 2024/25

West London Waste Authority

Draft Internal Audit Plan for 2024/25

To be agreed by Audit Committee September 2024



Ealing and Hounslow Shared Internal Audit and Investigation Service

Introduction

Our role as internal auditors is to provide independent, objective assurance designed to add value and improve the West London Waste Authority's performance.

This document sets out the planning process, a one-year operational plan for the coming year (2024/25). A strategic plan to consider broader assurance work is also set out in appendix A.

Planning Process

The plan is designed to provide an Annual Assurance Opinion in the Head of Internal Audit's Annual Report on Governance, Risk Management and Control in order to underpin the Annual Governance Statement.

The planning process is more directive from the WLWA, but includes a conversation with the Chief Executive and Director of Finance around key risks and areas of assurance. Our aim with internal audit work is to:

- 1) Promoting good practice in:
 - Risk management
 - Control and fraud prevention
 - System design
 - Governance

- 2) Adding value by:
 - Working with management to develop the most effective recommendations
 - Providing challenge where appropriate

The strategic internal audit plan is not a definitive list but acts as a planning aid. Setting out a list of areas to help with future year discussions. It is intended that the strategic plan will build over the next few years, but also that it will continue to evolve to reflect a changing risk environment. Appendix A – Risk reconciliation has been added to demonstrate coverage of risks by the audit plan.

2024/25 – Operational Internal Audit Plan

The operational plan is set out below. In the event of updates, these will be reported to management and the Audit and Risk Committee during the year.

	Topic	Description/Indicative Scope*	Days	Period (forecast)
1	Project Governance	<p>Advisory – to look at the governance and processes in place to monitor performance and delivery.</p> <p>This will provide assurances around processes to management risks 2,4, 6 &7.</p>	5	Q1
2	Programme delivery	<p>A review of the project delivery to confirm monitoring information is accurate and work has been delivered in line with specifications.</p> <p>This will consider the management of risks 2,4, 6 & 7.</p>	5.5	Q4
3	Agresso	<p>A review of the Agresso system looking at reporting, interfaces, ICT controls and authorisations. Note to include Acton site transactional testing.</p> <p>This audit cuts across all risk. Also considers risk 5.</p>	7	Q3
4	HR Follow-up	<p>A follow-up to confirm that actions from the HR audit in 2022 have been fully addressed.</p> <p>This audit considers risk 3.</p>	2	Q2
4	Follow-up	To follow-up high recommendations made.	1.5	Ongoing
5	Management and Support	<p>Includes:</p> <ul style="list-style-type: none"> • Head of Audit time on planning. • Support and review of projects • Committee reporting and attendance 	2	N/A
		Total Days	23	

* Links to risk reconciliation (Appendix A).

Strategic plan

The strategic plan includes previous coverage for information. 24/25 are provisional and marked for future planning consideration only.

Topic	21/22	22/23	23/24	24/25	25/26 (P)	26/27 (P)
Abbey Road Processes		✓				
Health and Safety	✓				✓	
Business Continuity					✓	
Creditors (now part of procurement and expenditure)						✓
Contract Management			✓			✓
Data/Management Information	✓					
Procurement and Expenditure		✓			✓	
Income	✓		✓			
HR/Payroll (WLWA side)		✓		✓ (follow-up)		✓
Central Services - ICT - FM - Utilities			✓			
Treasury					✓	
Risk Assurance					✓	✓
Programme Assurance				✓		
General Ledger				✓		

External Assurances

Topic	21/22	22/23	23/24	24/25	25/26 (P)	26/27
Treasury Management		✓			✓	
Payroll		✓			✓	

These audits consider Ealing Systems, but will provide some assurance over the general controls in these areas.

Risk Reconciliation (Appendix A)

Risk	Audit	Year
1) One or more operational shock(s) or long term stress will cause contract or operational poor performance e.g. major fires, major mechanical failure, second pandemic, industrial action, increased regulator requirements, change management, projects.	Business Continuity	25/26
2) Legislative cost pressure e.g. Carbon tax / Emission trading scheme will be implemented faster than our change programmes to reduce waste. Boroughs may use money needed to invest in change to plug short term funding gaps.	Programme governance/ project management	24/25
3) The economic climate will impact our ability to retain staff. Recruitment will be difficult and / or take a long while due to e.g.: scarcity or incomplete experience/training..	HR	22/23 and follow-up
4) The complexity of the PPP contract payment mechanisms results in unintended consequences.	Contract Management and Prog governance/ project management.	23/24 24/25
5) IT systems will face cyberattack or suffer a major failure.	Cyber	23/24
6) Changes in law or savings projects will affect our operations and contracts (Item 3 above considers legislation designed to have financial implications)	Programme governance /project management	24/25
7) Environmental regulator will require more use of buildings and structures to prevent environmental damage.	Programme governance /project management	24/25
8) Pressure of change increases the risk of Health & Safety breaches. Circular Economy partners eg small charities are not as savvy to operational risk as they need to be.	H&S	25/26