

## **AUDIT AND GOVERNANCE COMMITTEE**

### **10 MARCH 2023**

## **INTERNAL AUDIT PLAN FOCUS 2023/24**

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### **Recommendations**

- 1. The Acting Chief Internal Auditor recommends that the Internal Audit Plan focus 2023/2024 be approved.**

### **Background**

2. The objectives of the Internal Audit Service are to:
  - examine, evaluate and report on the adequacy and effectiveness of internal control and risk management across the Council and recommend arrangements to address weaknesses as appropriate;
  - examine, evaluate and report on arrangements to ensure compliance with legislation and the Council's objectives, policies and procedures;
  - examine, evaluate and report on procedures to check that the Council's assets and interests are adequately protected and effectively managed;
  - undertake independent investigations into allegations of fraud and irregularity in accordance with Council policies and procedures and relevant legislation; and
  - advise upon the control and risk implications of new systems or other organisational changes.

### **Plan Formulation**

3. The attached Internal Audit Plan Focus (Appendix 1) details the coverage and approach we will take to provide assurance to the Council. The Plan is a risk-based Plan considering the adequacy of the Council's risk management, performance management, challenges, other assurance processes as well as organisational objectives and priorities. The most appropriate review method i.e., process, hybrid, light touch, critical friend will be decided as part of the detailed scoping depending on the circumstances and risks at the time the review is undertaken. School audits feature prominently in the plan. We will work towards achieving a satisfactory outcome by adopting and following the process as indicated in Appendix 2.

4. We recognise there are other review functions which provide other sources of assurance, both internally and externally, (e.g., ICT Public Service Network, cyber essentials assurance testing) over aspects of the Council's operations. Where possible we will seek to place reliance on such work thus expanding the internal assurance coverage without specifically including the area in the plan.

5. To try to reduce duplication of effort we understand the importance of working with the External Auditors. The audit plan is shared with the external auditors for information along with some of the work that is undertaken during a review.

## **Resourcing**

6. The 2023/24 Internal Audit Plan Focus provides high level review areas for the year. We have assessed the resource requirement against availability and can confirm that the Plan is based on a full establishment. We currently have two vacancies but are actively recruiting. With a successful recruitment drive we will be able to deliver the required level of coverage under current arrangements. Failure to recruit will result in us reconsidering the plan and adjusting it based on organisational risks. Any adjustment will not jeopardise the end of year Chief Internal Auditor opinion. We will continually review the plan against the risks of the Council and related organisations and will provide updates to Committee on a quarterly basis including any planned adjustments.

## **Internal Audit Charter**

7. The Internal Audit Charter (Appendix 3) approved by this Committee in March 2022 remains predominantly unaltered and is attached for information. The Audit Charter will be reviewed as soon as the new Chief Internal Auditor is in post and will be brought before Committee for formal approval. The current Charter remains fit for purpose and provides the mandate under which the team operates. The key performance indicators indicated in the Charter will continue to be reported during 2023/24 until such time the Charter is reviewed. These indicators will be reported to Committee on a quarterly basis and will be a key tool for the Committee to monitor the activity of the team and progress against the Plan.

## **Contact Points**

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## **Supporting Information**

Appendix 1 – Internal Audit Plan 2023/2024 Focus Plan  
Appendix 2 – Flow Chart – School Review Process  
Appendix 3 – Audit Charter

## **Background Papers**

In the opinion of the proper officer (in this case the Chief Internal Auditor) the background papers relating to the subject matter of this report are:

Internal Audit Plan 2020/21 to 2022/23 – as approved by Audit & Governance Committee 13 March 2020