

Report of	Meeting	Date
Head of Audit and Risk	Governance Committee	Wednesday, 25 September 2024

## Internal Audit Plan October 2024 to March 2025

Is this report confidential?	No
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Is this decision key?	No
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### Purpose of the Report

- This report sets out the programme of work to be undertaken by the Internal Audit Service. The Internal Audit Plan is the vehicle by which audit workload is identified and prioritised.

The main purposes of the report are to:

- Remind members of the respective roles of managers and Internal Audit to maintain a sound system of governance and internal control within the Council.
- Provide details and seek the Committee's approval of the Internal Audit Plan.

### Recommendations

- That the Committee approve the Internal Audit Plan October 24 to March 25.

### Reasons for recommendations

- Governance Committee approval of the Internal Audit Plan is a requirement of the Public Sector Internal Audit Standards.

### Other options considered and rejected.

- Not applicable.

### Corporate priorities

- The report relates to the following corporate priorities:

Housing where residents can live well	A green and sustainable borough
An enterprising economy with vibrant local centres in urban and rural areas	Healthy, safe, and engaged communities

## The Role of Management and Internal Audit

6. The responsibility for implementing a strong system of governance and internal control within the Council lies primarily with the Shared Senior Management Team. Directors and Heads of Service need to ensure that they maintain effective control procedures not least because services and business systems are subject to on-going change.
7. Internal Audit is an independent appraisal function whose core objective is to evaluate and report on the adequacy of the Council's system of governance, risk management and internal control. In the main this is achieved through an annual programme of reviews, following a detailed risk assessment of audit need.

## Compilation of the Audit Plan

8. Professional standards for Internal Audit in local government specify that "the Chief Audit Executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals".
9. The Internal Audit Plan October 24 – March 25 has been constructed after taking into consideration the following:
  - The Council's priorities / strategic plan.
  - A review of corporate strategies.
  - The corporate risk register.
  - Information taken from other assurance processes within, and external to, the Council, including External Audit and inspection reports.
  - Direct engagement with Directors.
  - The skills, knowledge, and experience of audit staff.
  - Professional judgement on the risk of fraud and error.
  - Annual Governance Statement and Service Assurance Statements.
10. The Internal Audit Plan contains the programme of reviews for the period of October 24 to March 25 and is shown at **Appendix A**. This clearly shows the link between the work of Internal Audit, strategic and operational risks, and corporate objectives. The reviews are clearly highlighted with the quarter for completion. The plan also details our involvement with key project teams assisting with advice and guidance on risk management, internal control, and governance.

## Audit Resource

11. Since the approval of the Internal Audit Plan for March 24 to September 24, there has been a reduction in the level of audit resource as one member of the Audit Team is due to retire at the end of September. Whilst a recruitment exercise is currently on-going, there is a small impact on the number of available audit days compared to 2023/24 as shown in the table below.

Authority	2023/24	2024/25	Variance
CBC	270	239	(31)

12. Whilst the number of audit days has reduced, delivery of the agreed Plan will result in the production of fifteen audit reports with an assurance rating which is in line with the number of reports produced during 23/24. The Plan will be completed by the in-house team with external support procured for specialist ICT reviews.

### **Internal Audit Annual Opinion**

13. Whilst the number of days is reduced, successful delivery of the two combined six-month Plans will mean that there is sufficient coverage to allow for an annual audit opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and control processes as required by the Public Sector Internal Audit Standards to be formed and reported in May 2025. It is anticipated that the number of audit days will increase during 2025/26 once a fully trained team is in place.

### **Climate change and air quality**

14. The work noted in this report does not impact on the council's carbon emissions and the wider climate emergency and sustainability targets of the council.

### **Equality and diversity**

15. The material presented and discussed in this report has not direct implications on equality and diversity.

### **Risk**

16. Risks are outlined in the body of the report.

### **Comments of the Statutory Finance Officer**

17. Not applicable.

### **Comments of the Monitoring Officer**

18. Not applicable.

### **Background documents**

There are no background papers to this report.

### **Appendices**

Appendix A – Internal Audit Plan October 24 to March 25

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