

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit and Governance Committee
Date of Meeting:	27 March 2024
Subject:	Internal Audit Six Monthly Plan 2024-25 (April 2024 - September 2024)
Report of:	Director: Corporate Resources (Chief Audit Executive)
Head of Service/Director:	Executive Director: Resources
Lead Member:	Lead Member for Corporate Governance
Number of Appendices:	One

Executive Summary:

The Public Sector Internal Audit Standards (PSIAS) REF 2010 (Planning) requires that the Chief Audit Executive (CAE) is responsible for developing a risk based plan. Ref 2030 (Resource Management) requires that the CAE must also ensure that Internal Audit resources are appropriate, sufficient and effectively deployed to achieve the plan.

Recommendation:

To APPROVE the Internal Audit Six Monthly Plan 2024/25 (April 2024 – September 2024) as detailed in Appendix 1.

Financial Implications:

None directly arising from this report.

Legal Implications:

None directly arising from this report.

Environmental and Sustainability Implications:

None directly arising from this report.

Resource Implications (including impact on equalities):

The undertaking of an audit will require the support and engagement of individual services.

Safeguarding Implications:

None directly arising from this report.

Impact on the Customer:

To give assurance to external stakeholders (including customers) as to how well the council's internal control environment is managed.

1.0 INTRODUCTION

- 1.1** Internal audit sits within the Corporate Resources service grouping and, if required, has direct reporting to the Council's Chief Officer Group (COG) (this is headed by the Chief Executive). This arrangement demonstrates compliance with PSIAS ref 1110 – organisational independence, as it allows the Director: Corporate Resources (the Council's CAE as identified within the approved Internal Audit Charter) to report to a level within the organisation that allows the internal audit activity to fulfil its responsibilities. Safeguards have been put in place to protect the independence of the CAE, given the operational responsibilities of the role.
- 1.2** PSIAS ref 2010 – planning, requires that the CAE is responsible for developing a risk based plan to take into account the requirement to produce an annual internal audit opinion. The input of senior management and the Board (Audit and Governance Committee) must be considered in the process. The plan has been endorsed by COG.
- 1.3** The setting of a six-month plan enables a flexible approach to be taken to audit planning. Rather than setting a rigid annual plan, this approach recognises the changing environment the Council operates in, particularly around its transformation agenda. It allows audit planning to better track and respond to the audit of developing risk areas. In terms of auditing the strategic risks facing the Council the corporate risk register helps inform the work of internal audit.

2.0 PUTTING TOGETHER THE PLAN

- 2.1** The plan (see Appendix 1) takes into account key areas as follows: -

2.2 Corporate Risk Register

It is important the Committee gain assurance that risks reported within the register are being managed. Internal audit will on a rolling basis, review individual risks and ascertain that mitigating controls are actually in place, working effectively and there is progress in implementing actions to mitigate the risk further.

2.3 Governance related

These are typically audits which are not a recognised service area but are frameworks or systems which support good governance and the overall stewardship of the Council's affairs.

2.4 Corporate Improvement

This is an allocation of days requested by COG to review or take forward activities of a corporate nature when needed. This is ad hoc work and can either be of a consultancy or assurance type nature. Using the independence and skillset of the internal audit team can help inform COG of specific issues or undertake a piece of work where resource is limited.

2.5 Financial Systems

This is the review of key financial systems which inform the annual Statement of Accounts. This work supports the Executive Director: Resources to discharge his duties as the Council's Section 151 Officer, one of which is to maintain sound financial control. The Council has an excellent track record of financial control so on this basis, individual financial systems can be audited on a rolling basis.

2.6 Service area related activity

These are service related activities that have been risk assessed based upon factors such as size of budget, inherent risk, previous audit history and the period since last audit.

2.7 Other areas

There is an allocation of days under 'consultancy and advice'. This covers representation at corporate groups such as the Keep Safe, Stay Healthy Group, Programme Board and individual project groups. The days also cover general advice given on an ad hoc basis such as advice on procurement, financial procedure rules, data retention etc. An estimated number of days are allocated for follow-up reviews. This is an important element of audit work to provide assurance as to whether audit recommendations have been successfully implemented.

3.0 CONSULTATION

3.1 Chief Officer Group

4.0 ASSOCIATED RISKS

4.1 If an Internal Audit Plan is not developed and approved, then there will be no steer as to where audit resources should be deployed.

If the plan does not give adequate coverage of the internal control environment, then resources will not be deployed effectively to the higher risk areas.

5.0 MONITORING

5.1 The Audit and Governance Committee receive at each meeting, a monitoring report on achievement against the plan, and an audit opinion for each individual audit. Any audit within the plan where recommendations have been made to improve control are subject to a follow-up audit. Progress in implementing internal audit recommendations is reported to each Audit and Governance Committee.

6.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES

6.1 The work of internal audit underpins the delivery of actions within the Council Plan.

Background Papers: None

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Appendices: Appendix 1 – Internal Audit Plan – April-September 2024