

Tewkesbury Borough Council

Internal Audit Plan 2024/25

(April 2024-September 2024)



Internal Audit Plan 2024/25

The internal audit plan represents a summary of the proposed audit coverage that the internal audit team will deliver for the period April 2024 - September 2024.

Introduction and objective of the Audit Plan

Internal audit provides an independent and objective opinion on the authority's risk management, governance, and control environment by evaluating its effectiveness.

Each year the Chief Audit Executive, in conjunction with Senior Management, sets out proposed audit plans for April to September, and then October to the following March. Each six-monthly plan is presented to the Audit and Governance Committee for approval.

The objective of this planning process is to provide an annual audit opinion, based on sufficient and appropriate coverage of key business objectives and associated risks.

The outcome of each audit assignment should provide senior management and members with assurance that the areas audited and associated risk is effectively managed. Where improvements are required then this will be supported with appropriate recommendations.

When undertaking individual audit engagements an opinion is given for each element of the system being audited. The definitions used are standard definitions as recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) and accord with the definition of internal audit as prescribed within the Public Sector Internal Audit Standards (PSIAS). The four definitions used are as follows:

- **Substantial Assurance** – “A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.”
- **Reasonable Assurance** – “There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.”
- **Limited Assurance** – “Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.”
- **No Assurance** – “Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.”

In applying the most appropriate level of opinion internal auditors will use their professional judgement, based on the results of the audit, consideration of risk and consequences of areas of weakness for the organisation. The opinion concluded is informed by the number of recommendations made and the category of those recommendations. There are three categories: high, medium and low.

The internal audit planning process recognises the difficulty in predicting longer term planning. Having a flexible approach and an audit programme set at six monthly intervals, allows internal audit to adjust the audit programme in line with changes made to the council's risk register, operations, and systems. It must be recognised that the council has an extensive and complex array of systems, processes and frameworks which overall informs the council's internal control environment. Therefore, internal audit coverage can never be absolute and is limited to the area being audited at that point in time. Responsibility for risk management, governance and internal control arrangements remains fully with management. Internal audit is an arm of effective management.

To give adequate coverage of the council's risk, governance and internal control environment the plan is broken down across those sub-headings. In addition, days are allocated to do follow up work i.e. confirm the implementation (or not) of previous internal audit recommendations, also for corporate improvement work – this is where internal audit can lead or deliver on specific projects or policies. The plan is based on 'net' productive days after taking account of days allocated for any annual leave, an allowance for sickness absence, training days etc.

Proposed Internal Audit Plan 2024/25 (April 2024 - September 2024)	
Areas of coverage and brief scope	Responsible officer
Corporate risk register	
The risk register is a high-level corporate document presented at each Audit and Governance Committee meeting. The document captures the details of the risk, its impact upon the council, the controls in place to mitigate the risk and any further mitigating action points. The risks are audited on a rolling basis to give management and member's assurance that controls in place are effective and action points are being progressed.	Risk Owners
Governance related	
Transparency Code – the Local Government Transparency Code 2015 sets out the minimum data that local authorities must publish, the frequency at which it should be published and how it should be published. The main objective of the audit will be to ensure that the requirements of this Code are being met.	Director: Corporate Resources
Financial	
Main accounting – the main accounting system holds the councils financial and budget information and receives financial data from other feeder systems such as payroll, council tax etc. The audit will obtain assurance that these feeder systems are balanced on a regular basis and that any suspense and unidentified remitters accounts are reviewed.	Associate Director: Finance
UK Shared Prosperity Fund – In April 2022 the government established the UK Shared Prosperity Fund as part of their levelling up agenda. Tewkesbury Borough Council were allocated a total of £1,011,978 between 2022/23 and 2024/25. The audit will consider the project monitoring and expenditure of the fund to ensure compliance with the council's investment plan and fund prospectus.	Head of Economic & Community Development
Household Support Fund - this is funding from the DWP to provide support to vulnerable households in most need of support, to help with significantly rising living costs. Funding was allocated to County Councils and Unitary Authorities, with £7,384,966 being allocated to Gloucestershire. The audit will review the funding distributed to Tewkesbury Borough Council and obtain assurance that this has been spent in accordance with the grant conditions.	Head of Economic & Community Development
Flood recovery grants - following the flooding events experienced in early 2024, the government made available community and business recovery grants. An audit will be carried out to gain assurance that grant payments made by the council were in line with grant criteria and as part of this any lessons learnt or areas for improvement have been identified.	Director: Communities
Service related	
Housing Benefit Debtors – individuals on a low income may be entitled to help with their rent or council tax. This includes receipt of housing benefits for certain types of accommodation. The audit will review the housing benefit debtors process to ensure that recovery action is appropriate and prompt.	Head of Revenues and Benefits

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<p>Member Allowances – local authorities can pay their elected members an allowance and expenses in respect of the duties they undertake. A detailed members' allowances scheme is contained within the council's constitution and the audit will seek to confirm that allowances have been paid appropriately and in line with the scheme.</p>	<p>Head of Democratic Services & Elections</p>
<p>Licensing – the council, as a licensing authority, has duties regarding the regulation and registration of licensable business activities within the borough. The audit will look at the key income streams from this service e.g. private hire, and gain assurance that appropriate policies are in place and that applications are processed appropriately, including receipt of the correct fees.</p>	<p>Head of Environmental Health</p>
<p>Leisure Centre (contract monitoring) – Tewkesbury Leisure Centre was opened in 2016 and is managed by Places for People Leisure Management Ltd. The audit will provide assurance as to the adequacy of the contract monitoring arrangements in place.</p>	<p>Head of Asset Management</p>
<p>Citizens Access – the new portal allows residents and businesses to access and manage all aspects of their council tax and business rates online e.g. set up or amend a direct debit, make payments or change details. The audit will seek to ensure that the appropriate system controls are in place.</p>	<p>Head of Revenues and Benefits</p>
<p>Corporate improvement</p>	
<p>This is ad hoc work and can either be of a consultancy or assurance type nature. Using the independence of internal audit can help inform Chief Officers Group (COG) of specific issues when a need arises or utilise internal audit to undertake a piece of work where there may not be available resource.</p>	<p>Chief Officers Group (COG)</p>
<p>Consultancy & Advice (including representation of Corporate Group)</p>	
<p>As part of the role of internal audit it is inevitable the team will be approached from time to time to provide ad-hoc advice. The team welcomes such approaches, and these are often around contract procedure rules, financial procedure rules, proposed system changes etc.</p>	<p>Chief Audit Executive</p>
<p>Follow up reviews</p>	
<p>A key part of the work of internal audit is to follow up previous recommendations with relevant services to gain assurance they have been implemented. The date of follow up is driven by the agreed implementation date. The outcome of this work is reported at each Audit and Governance Committee meeting via the internal audit monitoring report.</p>	<p>Directors/ Associate Directors/ Heads of Service</p>