

REPORT OF THE CHIEF FINANCE OFFICER  
AND  
THE HEAD OF INTERNAL AUDIT

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TO THE AUDIT & ACCOUNTS COMMITTEE

WEDNESDAY 22<sup>nd</sup> MARCH 2023

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**TITLE:** Draft Internal Audit Plan 2023/24

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**RECOMMENDATIONS:** Members are requested to review and comment on the Internal Audit Plan for 2023/24 attached at Appendix 1.

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**EXECUTIVE SUMMARY:** This report advises Members of the internal audit work plan, developed for the financial year 2023/24.

The plan is designed to provide a degree of assurance to the Audit & Accounts Committee and other stakeholders that the council's key risks are being managed appropriately.

The internal audit plan is risk-based and takes into account information from various sources such as the Strategic Risk Register; service group risk registers; discussions with service group leadership teams; previous years' work; and any work required by external bodies. In addition, this year's planning included a council-wide assurance mapping exercise and greater routine inclusion of the council's "2<sup>nd</sup> line of defence" functions or activities.

Internal Audit will update the Committee's members on an on-going basis throughout the year by means of regular Progress Reports and Audit Committee Summaries.

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**BACKGROUND DOCUMENTS:**

- Public Sector Internal Audit Standards - Applying the IIA International Standards to the UK Public Sector.
  - Internal Audit Charter
  - Quality Assurance and Improvement Programme
  - Audit Management Information System
  - Risk Registers
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**KEY DECISION:** No

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**DETAILS:**

See Appendix 1

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**KEY COUNCIL POLICIES:** None noted

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**EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:** None noted

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**ASSESSMENT OF RISK:**

The risk-based Internal Audit Plan is primarily determined from strategic and service group risk registers; inherent business risk; and an assessment of assurance sources and the assurance needs of the council and its stakeholders.

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**LEGAL IMPLICATIONS Supplied by:** Nicky Smith, Senior Solicitor

Section 151 of the Local Government Act 1972 requires every local authority to make arrangements for the proper administration of their financial affairs and to secure that one of their officers has responsibility for the administration of those affairs.

The Accounts and Audit Regulations 2015 also require authorities to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

In that regard, the Public Sector Internal Audit Standards are mandatory for all internal auditors working in the UK public sector and require a Council's chief audit executive to establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals.

The risk-based plan must take into account the requirement to produce an annual internal audit opinion and the assurance framework. It must incorporate or be linked to a strategic or high-level statement of how the internal audit service will be delivered and developed in accordance with the internal audit charter and how it links to the organisational objectives and priorities. The Chief Audit Executive must review and adjust the plan, as necessary, in response to changes in the organisation's business risks, operations, programmes, systems and controls.

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## FINANCIAL IMPLICATIONS

Supplied by: Tony Thompstone, Strategic Finance Manager

The audit plan is funded from within the revenue budget and there are no additional financial demands resulting from this report.

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## PROCUREMENT IMPLICATIONS

Supplied by: Christine Flisk (Procurement Manager)

There are no known procurement implications with this report.

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## HR IMPLICATIONS

Supplied by: Laura Coluccio, Strategic HR Manager

There are no known HR implications arising from this report.

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## CLIMATE CHANGE IMPLICATIONS

N/A

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## OTHER DIRECTORATES CONSULTED:

All Service Group leadership teams and the Corporate Management Team.

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## CONTACT OFFICER:

Simon Bleckly, Head of Internal Audit

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WARDS TO WHICH REPORT RELATES: N/A