

INTERNAL AUDIT PLAN 2020-21

Head of Service:	Gillian McTaggart, Head of Policy, Performance & Governance
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Appendix 1: Internal Audit Plan 2020-21 Appendix 2: Internal Audit Charter 2020-21

Summary

This report introduces the Internal Audit Plan and Charter for 2020/21.

Recommendation (s)

The Committee is asked to:

- (1) endorse the Internal Audit Plan for 2020/21 as set out at Appendix 1;**
- (2) approve the Internal Audit Charter 2020/21 as set out at Appendix 2.**

1 Reason for Recommendation

- 1.1 This Committee has overall responsibility for audit and governance frameworks, including the functions of an audit committee.

2 Background

- 2.1 Internal Audit provides the Council through the Audit, Crime & Disorder and Scrutiny Committee with an independent and objective opinion on risk management, control and governance.
- 2.2 The internal audit plan establishes how internal audit resources across a given year are to be utilised in order to enable the Chief Internal Auditor to provide their statement of assurance.
- 2.3 Southern Internal Audit Partnership (SIAP) became the Council's internal auditors on 1 April 2019 for a four year period. Its first Internal Audit Plan 2019/20 – 2021/22 was endorsed by this Committee on 16 April 2019.

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- 2.4 In preparation for the plan for year two, SIAP referred to a number of different sources of information such as the new Four Year Plan 2020-2024 and the Leadership Risk Register. SIAP discussed priorities with the Leadership Team, Chief Finance Officer (s.151 officer) and Heads of Service. Following these discussions SIAP developed an Internal Audit Strategy for 2020/21 – 2022/23, implementing a standardised rolling three year approach, for consideration by this Committee at its April 2020 meeting. The meeting was however cancelled due to the COVID-19 emergency and lockdown and the initial plan was not approved.
- 2.5 Due to new risks and challenges for the Council arising from its response to the COVID-19 pandemic, SIAP re-engaged with the Leadership Team to re-prioritise the initial draft plan. SIAP identified a number of new emerging risks relating to COVID-19. The revised draft plan was approved by the Leadership Team in July 2020.

Internal Audit Plan 2020/21 – 2022/23

- 2.6 The revised draft Internal Audit Plan 2020/21 – 2022/23 is attached at Appendix 1. This plan sets out the timing of internal audits across the three year period and identifies the timing of those audits to be completed during 2020-21. Adjustments made to the original audit plan in light of COVID-19 are set out at the back of the document.
- 2.7 Most of the 19/20 audit plan was completed, although there were no IT audits undertaken. The Data Management Audit had been deferred and the proposed IT Assurance Mapping audit to provide the auditors with details of all areas of IT audit assurance could not be undertaken due to the COVID-19 emergency response and lockdown. Three IT audits are planned for 2020/21.

Internal Audit Charter

- 2.8 The Public Sector Internal Audit Standards require all internal audit activities to implement and retain a Charter. The Internal Audit Charter for 2020/21 is attached at Appendix 2. This Charter sets out the purpose, authority and responsibilities for the internal audit services at the Council. Approval of the Charter is a responsibility of this Committee.

3 Risk Assessment

Legal or other duties

3.1 Impact Assessment

3.1.1 None for the purposes of this report.

3.2 Crime & Disorder

3.2.1 None for the purposes of this report.

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3.3 Safeguarding

3.3.1 None for the purposes of this report.

3.4 Dependencies

3.4.1 The Chief Internal Auditor will issue an Annual Internal Audit Report & Opinion for 2020-21 on completion of the year. This report is a critical document that will be used in preparing the Annual Governance Statement 2020-21 included in the Statement of Accounts.

3.5 Other

3.5.1 None for the purposes of this report.

4 Financial Implications

4.1 The audit days within the plan are 199 which can be funded from the agreed budget.

4.2 **Section 151 Officer's comments:** None arising from the contents of this report.

5 Legal Implications

5.1 No implications for the purpose of this report.

5.2 **Monitoring Officer's comments:** none arising from the contents of this report.

6 Policies, Plans & Partnerships

6.1 **Council's Key Priorities:** The following Key Priorities are engaged:

6.1.1 Effective Council – Engaging, responsive and resilient Council

6.1.2 Green & Vibrant – A better place to live where people enjoy their surroundings

6.1.3 Safe & Well – A place where people feel safe, secure and lead healthy, fulfilling lives

6.1.4 Opportunity & Prosperity – A successful place with a strong, dynamic local economy where people can thrive

6.1.5 Smart & Connected – Alive and connected socially, economically, geographically and digitally

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6.1.6 Cultural & Creative – A centre for cultural and creative excellence and inspiration

6.2 **Service Plans:** The matter is included within the current Service Delivery Plan.

6.3 **Climate & Environmental Impact of recommendations:** no relevance for the purposes of this report.

6.4 **Sustainability Policy & Community Safety Implications:** no relevance for the purposes of this report.

6.5 **Partnerships:** not applicable.

7 Background papers

7.1 The documents referred to in compiling this report are as follows:

Previous reports:

- Internal Audit Plan 2019/20, Audit, Crime & Disorder and Scrutiny Committee 16 April 2019

Other papers:

- None