



**Southern Internal
Audit Partnership**

Assurance through excellence
and innovation

**EPSOM AND EWELL BOROUGH COUNCIL
INTERNAL AUDIT PLAN 2024-25**

Prepared by: Natalie Jerams, Deputy Head of Partnership

February 2024

Introduction

The role of internal audit is that of an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

The aim of internal audit’s work programme is to provide independent and objective assurance to management, in relation to the business activities; systems or processes under review that:

- the framework of internal control, risk management and governance is appropriate and operating effectively; and
- risk to the achievement of the Council’s objectives is identified, assessed and managed to a defined acceptable level.

The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of Internal Audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements.

Internal Audit focus should be proportionate and appropriately aligned. The plan will remain fluid and subject to on-going review and amendment, in consultation with the relevant Directors and Audit Sponsors, to ensure it continues to reflect the needs of the Council. Amendments to the plan will be identified through the Southern Internal Audit Partnership’s continued contact and liaison with those responsible for the governance of the Council.

Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The team will be led by Natalie Jerams, Deputy Head of Southern Internal Audit Partnership and supported by Joanne Barrett, Audit Manager.

Conformance with internal auditing standards

The Southern Internal Audit Partnership service is designed to conform to the Public Sector Internal Audit Standards (PSIAS). Under the PSIAS there is a requirement for audit services to have an external quality assessment every five years. In September 2020 the Institute of Internal Auditors were commissioned to complete an external quality assessment of the Southern Internal Audit Partnership against the PSIAS, Local Government Application Note and the International Professional Practices Framework.

In selecting the Institute of Internal Auditors (IIA) a conscious effort was taken to ensure the external assessment was undertaken by the most credible source. As the authors of the Standards and the leading Internal Audit authority nationally and internationally the IIA were excellently positioned to undertake the external assessment.

In considering all sources of evidence the external assessment team concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles.'

'We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

Conflicts of Interest

We are not aware of any relationships that may affect the independence and objectivity of the team which are required to be disclosed under internal auditing standards.

Four Year Plan 2020-2024

Epsom & Ewell Borough Council have developed a long-term vision for the borough, Future40. Through extensive engagement and consultation, the Council have brought together the views and aspirations of people that live and work in Epsom and Ewell. Five themes have been identified reflecting people's views and priorities for the borough until 2040. These five themes form the core of the four-year plan.



Council Risk

The corporate risks assessed by the Council are a key focus of our planning for the year to ensure it meets the organisation's assurance needs and contributes to the achievement of their objectives.

Ref	Risk
PD14	Failing to deliver a local plan (e.g. due to budget, staffing, legislative changes).
HC9	Risk of Homelessness expenditure exceeding budget provision.
IT6	Failure or interruption to IT services.
HC5	Non compliance with safeguarding legislation, internal policies, and best practice.
PD1	Failing to deliver the climate change strategy.
PCR16	Failure to comply with GDPR/Data Protection 2018.
HR10	Vacancies in roles which have significant impact on service delivery and corporate leadership.
F2	Failure to balance the budget annually & MTFS.
PCR18	Failure to respond effectively to a major incident or civil emergency.
PCR13	Failure to successfully prevent a significant Health and Safety incident.

*Corporate Risks as per the Corporate Performance Report February 2024

We will monitor the corporate risk register closely over the course of the year to ensure our plan remains agile to the rapidly changing landscape.

Developing the internal audit plan 2024/25

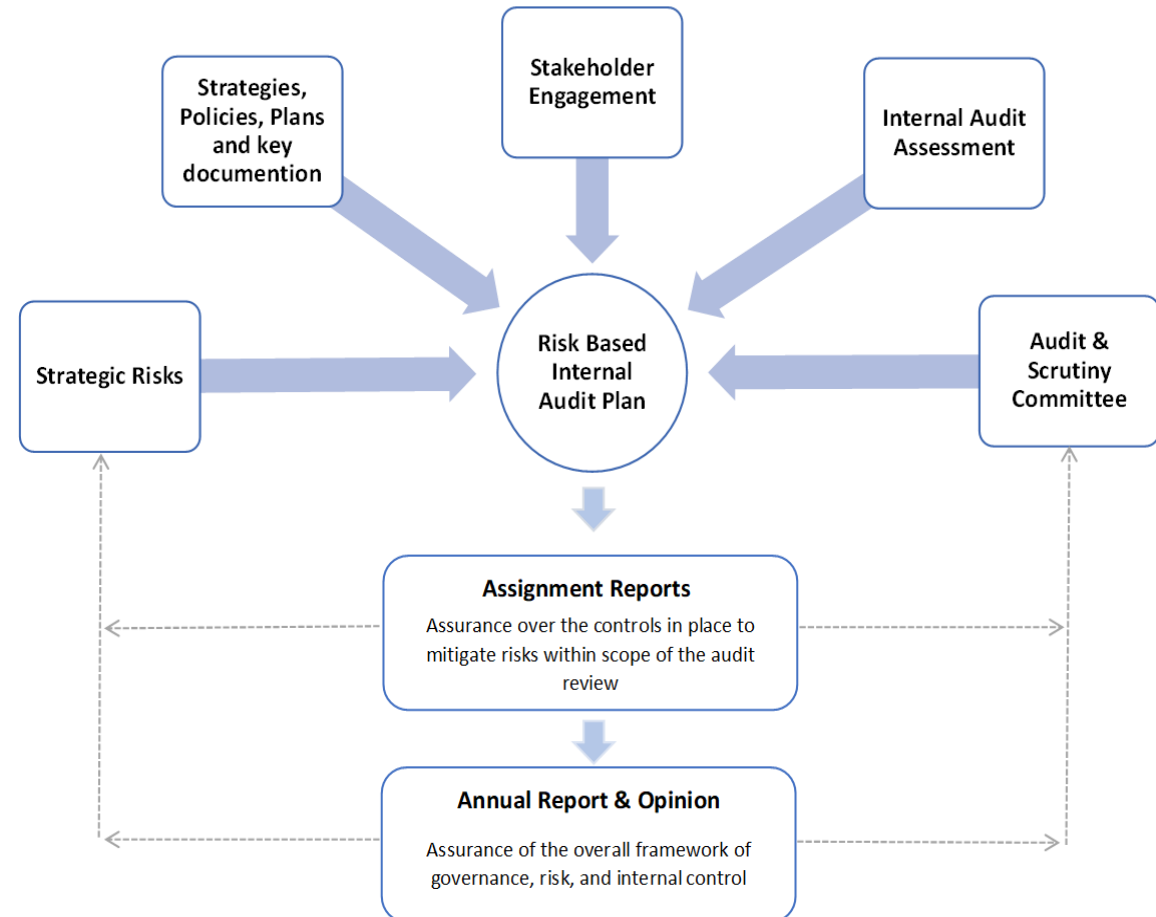
In accordance with the Public Sector Internal Audit Standards there is a requirement that internal audit establish a risk-based audit plan to determine the resourcing of the internal audit service, consistent with the organisation's goals.

Based on conversations with key stakeholders, review of risk registers, key corporate documents and our understanding of the organisation, the Southern Internal Audit Partnership have developed an annual audit plan for the coming year.

Audit planning is a perpetual process throughout the course of the year to ensure we are able to react to new and emerging risks and the changing needs of the organisation.

The Council are reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not seek to cover all risks and processes within the organisation.

We will however continue to work closely with other assurance providers to ensure that duplication is minimised, and a suitable breadth of assurance is obtained.



Internal Audit Plan 2024-25

Audit	Sponsor	Scope/ Risk	Corporate Risk	Quarter
Corporate / Governance				
Relocation of Town Hall	HofP&R	To review the governance arrangements in place for the project management of the relocation of the Town Hall.		Q1
Human Resources	HofHR&OD	Assurances over: <ul style="list-style-type: none"> • Performance Management • Absence management • Recruitment • Training & Development • Workforce Strategy / Development • Flexible Working • HR policies and procedures • Agency staff, volunteers. 2024/25 scope – Use of volunteers.	HR10	Q4
Financial Governance Framework (including Savings Realisation)	CFO	To review the governance arrangements in place for the preparation and approval of the Medium-Term Financial Strategy (MTFS) and 2024/25 budget along with the monitoring and reporting against savings targets/initiatives.	F2	Q1
Decision Making & Accountability	HofLS	Assurance over the effectiveness and transparency of the decision-making process at officer and Member level. To consider governance, sufficiency, accuracy and timeliness of information including consultation with the public as necessary.		Q3
EEPIC – Governance Arrangements	HofP&R	To review the governance arrangements in place for EEPIC.		Q3

Audit	Sponsor	Scope/ Risk	Corporate Risk	Quarter
IT				
IT Strategy	HofIT	Assurance over progress on delivering the IT strategy and its fitness for purpose.	IT6	Q3
Data Backup & Ransomware Protection	HofIT	Assurance over the controls in place to ensure Council data is backed up and protected from ransomware threats.	IT6	Q4
IT Follow Up	HofIT	Follow up to provide assurance that management actions from the 22/23 Networks and Firewalls and the 21/22 Database Management audits have been implemented.	IT6	Q1
Core Financial Reviews				
Treasury Management	CFO	Cyclical review of core financial system.	F2	Q2
Housing Benefits	CFO	Cyclical review of core financial system.		Q4
Payroll	HofHR&OD	Review of contract management arrangements. Assurance that EEBC are receiving all outcomes expected from the contract and to review EEBC in-house operations.		Q2
Service Reviews				
Playgrounds	HofOS	Assurance over the controls in place for inspections and repairs of playgrounds.	PCR13	Q2
Planning Enforcement	HofPD	Assurance over the Council's response to breaches of planning control.		Q4
Tree Management	HofPD	Assurance over the processes in place for planning applications and insurance claims.	PCR13	Q3
Asset Management – Management of Leases and Rents	HofP&R	To review the arrangements for the review of leases and rental agreements and overall record keeping.		Q4

Audit	Sponsor	Scope/ Risk	Corporate Risk	Quarter
Housing Allocations Policy	HofH&C	Assurance over the assessing, approving and prioritising of applications on the Housing Register.		Q3
Environmental Health – Food Hygiene	HofH&C	Assurance over the timeliness and recording of inspections.		Q1
Safeguarding	HofH&C	To ensure effective policies and procedures are in place and training provided to staff along with appropriate statutory checks.	HC5	Q3
Other				
Follow Up	Various	To follow up on the key observations raised for a number of “limited assurance” reviews to ensure actions have been fully implemented and embedded.		Q2
EWDC Conservators Account	CFO	Review and completion of the annual governance and accountability return.		Q1
Management				Q1-4

Audit Sponsor

ADofCS	Acting Director of Corporate Services	ADofEHR	Acting Director of Environment, Housing & Regeneration
HofPD	Head of Place Development	HofOS	Head of Operational Services
HofHR&OD	Head of HR and OD	HofP&R	Head of Property & Regeneration
CFO	Chief Finance Officer	HofF	Head of Finance
HofLS	Head of Legal Services & Monitoring Officer	HofIT	Head of IT
HofH&C	Head of Housing & Community	HofP&CR	Head of Policy & Corporate Resources (vacant)