

# Draft Internal Audit Plan 2021/22



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## **Background**

All local authorities must make proper provision for Internal Audit in line with the Accounts and Audit Regulations 2015 (the Regulations). These state that authorities must 'undertake an effective Internal Audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.

The guidance accompanying the Regulations recognises both the Public Sector Internal Audit Standards (PSIAS) 2017 and the Chartered Institute for Public Finance Accountants (CIPFA) Local Government Application Note for the UK PSIAS as representing 'public sector internal audit standards'. The standards define the way in which the Internal Audit Service should be established and undertake its functions.

The standards also require that an opinion is given on the overall adequacy and effectiveness of the Council's control environment comprising risk management, control and governance, which is informed by the work undertaken by the Service.

The Internal Audit service provided by Audit, Risk and Assurance (ARA) conforms to the International Standards for the Professional Practice of Internal Auditing.

## **What is Internal Auditing?**

The role of Internal Audit is to provide independent, objective assurance to management that key risks are being managed effectively.

To do this, Internal Audit will evaluate the quality of risk management processes, systems of internal control and corporate governance frameworks, across all parts of an organisation, and to provide an opinion on the effectiveness of these arrangements. As well as providing assurance, Internal Audit's knowledge of the management of risk enables them to act as a consultant and provide support for improvement in an organisation's procedures. For example, at the development stage of a major new system where Internal Audit can help management to ensure that risks are clearly identified and appropriate controls put in place to manage them.

## **Why is assurance important?**

By reporting to senior management that important risks have been evaluated and highlighting where improvements are necessary, Internal Audit helps senior management to demonstrate that they are managing the organisation effectively on behalf of their stakeholders. Hence Internal Audit, along with senior management and external audit, is a critical part of the governance arrangements of the Council and our work significantly contributes to the statutory Annual Governance Statement (AGS).

## **Development of the 2021/22 Internal Audit Plan**

To enable the above, the Head of ARA is required to produce an Annual Risk Based Internal Audit Plan to determine the priorities of the Internal Audit service. The proposed activity should be consistent with the Council's priorities and objectives and take into account the risk management framework, risk appetite levels set by management and Internal Audit's own judgement of risks.

## **How did we develop the plan - Risk Based Internal Audit Planning (RBIAP)**

To ensure Internal Audit's resources continue to be focussed accordingly, particularly during periods of organisational change, it is essential that we understand the Council's needs. This requires building relationships with key stakeholders, including other assurance/challenge providers, to gain crucial insight and ongoing 'intelligence' into the strategic and operational change agendas within the Council.

This insight is not only identified at the initial development stages of the plan but dialogue continues throughout the financial year(s) which increases the ability for the Internal Audit Service to adapt more closely to meet the assurance needs of the Council, particularly during periods of significant change. Our plan is therefore dynamic and flexible to meet these needs.

## **How did we achieve the above?**

To ensure that an effective plan is developed, and alongside Internal Audit's own assessment of risk, a consultation process took place with the Audit and Standards Committee, Senior Leadership Team, Heads of Service and Service Managers to establish priorities. The proposed activity from all sources was collated and matched against the internal audit resources available and prioritised accordingly.

## **A flexible audit plan - Risk and Control Assurance Programme**

The Audit Plan is stated in terms of estimated days input to the Council of **463** audit days, which is comparable to last year.

By continuing to apply RBIAP principles, this level of input (combined with the ability to commission Internal Audit resources from current audit framework agreements as required) is considered acceptable to provide the assurance the Council needs.

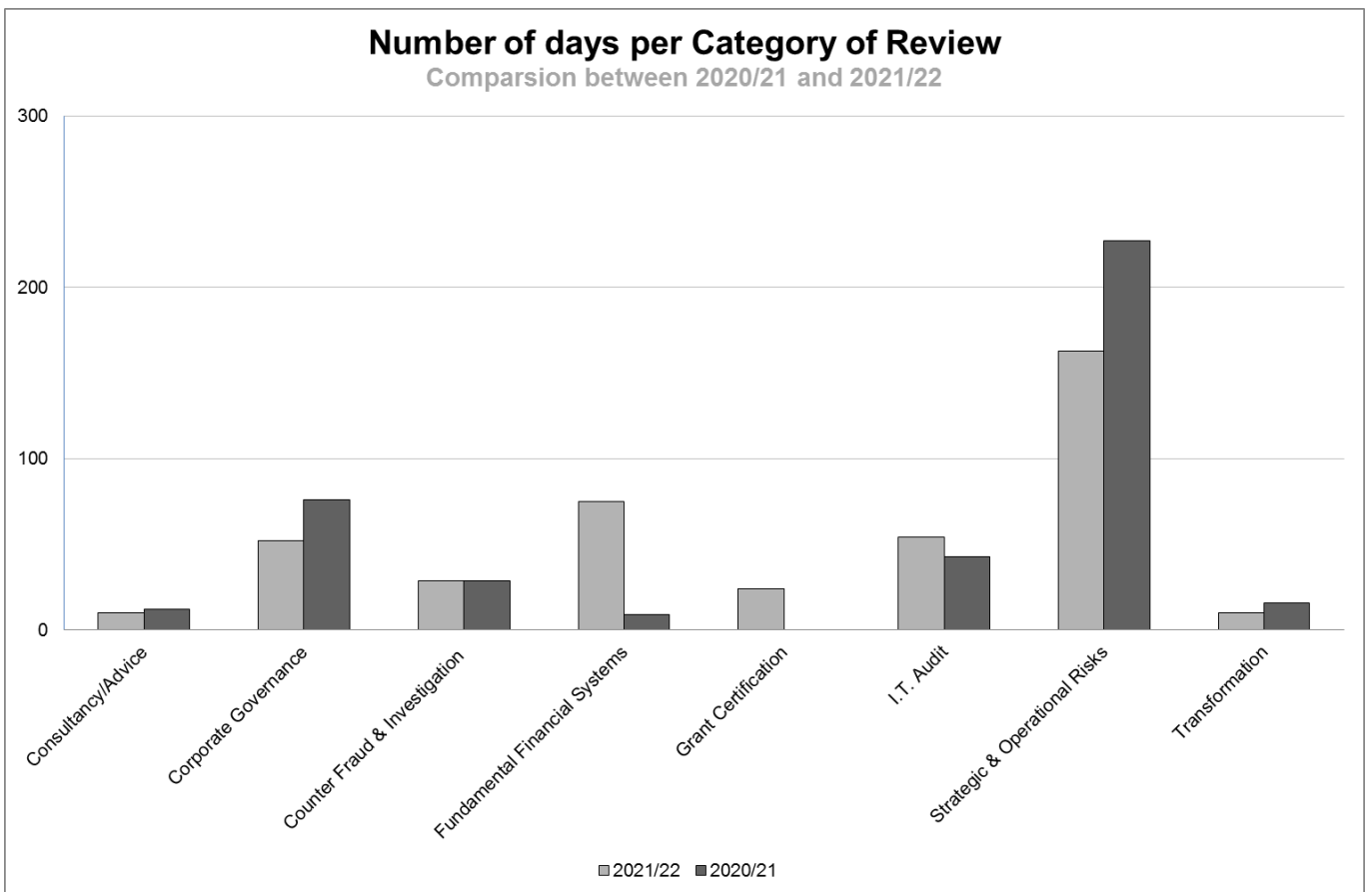
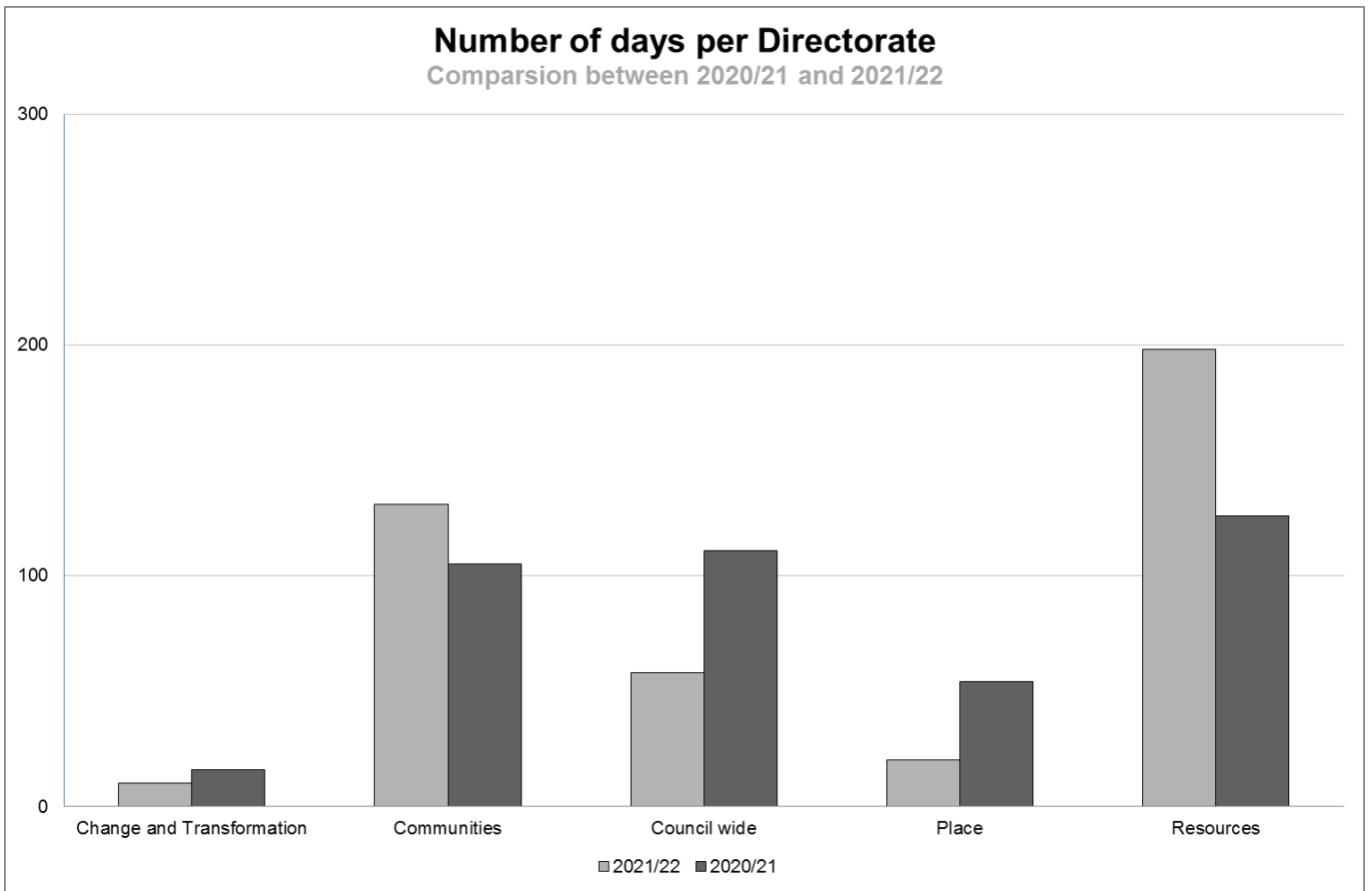
We continuously reassess resource requirements against the Council's priorities, in year demand and risks and will amend the plan throughout the year as required, reporting any key changes to the Audit and Standards Committee.

## **Overview of Internal Audit's Risk and Control Assurance Programme**

In order to provide a high level overview of the proposed Risk and Control Assurance Programme, the charts below highlight the allocation of audit resources for the 2021/22 draft Internal Audit Plan against the original 2020/21 Internal Audit Plan for:

- Functional service area (by Directorate); and
- Category of review.

The charts exclude time allocated for management activities e.g. Committee report compilation; Committee attendance and other.



The key points to note within the proposals are:

- The split between each of the functional service and Council wide areas is based on risk assessment to enable the provision of the Head of ARA's annual audit opinion. The Council has reviewed and re-allocated services per Directorate/function within the last year. The 2021/22 plan columns reflecting the current position of each function/activity (e.g. Council Tax is within Resources in 2021/22, however has previously come under Communities);
- Grant certification/review assurance (both Covid-19 and other funding streams) required within 2021/22 is captured under Resources;
- Continued focus on corporate governance and strategic and operational risks (including relevant Covid-19 risk themes);
- Increased emphasis on providing assurance that the Council's fundamental financial systems are being effectively managed, following reduced focus on this area in the 2020/21 original plan;
- Continued focus on ICT risks and counter fraud activity, which includes the use of Data Analytics to help support more efficient and effective internal audit practices;
- Undertaking follow up audits where a limited assurance opinion on the control environment was reported in 2020/21 (e.g. Private Sector Empty Homes follow up review); and
- Taking into consideration other assurance providers.

The detail supporting this overview is attached at Attachment 1 which shows:

- Audit activity per service area;
- Name of the audit activity;
- Reason for the audit i.e. as a result of RBIAP, statutory requirements and/or link to Cross Cutting Risks from the Council's Excelsis (the Council's performance and risk management system) based risk register where relevant, etc;
- Outline scope of the review (please note that a detailed terms of reference is agreed with the client prior to the commencement of every audit to ensure audit activity is continually focused on the key risks and is undertaken within agreed time periods, to ensure our service adds value to the Council); and
- The priority of the audit i.e. priorities 1 and 2.

**Priority 1** reflects statutory requirements i.e. grant certification, a limited assurance follow up review, activities that may have been subject to a previous investigation / irregularity, or as deemed necessary by the Head of ARA to enable an opinion on the control environment to be provided.

**Priority 2** activities are the remaining identified activities. The aim being that all priority 1 activities would be delivered within the year with the priority 2 audits being reassessed in the eventuality of any new emerging risk areas highlighted where assurances may be required, or where additional fraud investigations/irregularities materialise.

Council Wide

Audit	Reason for Audit	Outline Scope	Priority
Business Continuity Lessons Learned	<p>Identified as part of Risk Based Internal Audit Planning (RBIAP)</p> <p>Cross Cutting Risk (CCR) CCR4, 16 and 19</p>	<p>The Civil Contingencies Act 2004 requires all local authorities to have Business Continuity Management (BCM) arrangements in place, designed to ensure that as far as possible the local authority can continue to operate the critical elements of the service in the event of disruption such as power loss, flooded premises, high staff absence as well as other significant threats such as a pandemic.</p> <p>In the last 20 years there have been six significant threats: SARS, MERS, Ebola, avian influenza, swine flu and Coronavirus (Covid-19).</p> <p>Pandemics such as Covid-19 have the potential to severely affect the delivery of Council services. It is therefore vital that any lessons learned are captured and corrective actions taken to improve performance of the recovery process or the business continuity program.</p> <p>This audit will evaluate the adequacy and effectiveness of the Council's arrangements for identifying lessons learned/corrective actions, and the monitoring of implementation of these to ensure the Council's future BCM arrangements continue to improve over time.</p>	<p><b>Priority 1</b></p>

## Communities

Audit	Reason for Audit	Outline Scope	Priority
Anti-social Behaviour Management	Identified as part of RBIAP  Requested by Head of Housing Services  CCR4	<p>Registered providers of social housing are required under the regulatory standards to work in partnership with other agencies to prevent and tackle anti-social behaviour in the neighbourhoods where they own homes.</p> <p>It is important that prompt, appropriate and decisive action is taken to deal with anti-social behaviour before it escalates, which focuses on resolving the problem having regard to the full range of tools and legal powers available.</p> <p>This review will seek to determine whether the current arrangements for handling reported anti-social behaviour issues are robust, operating effectively and in line with regulatory standards.</p>	<b>Priority 1</b>

Audit	Reason for Audit	Outline Scope	Priority
Electrical Works Limited Assurance Follow Up	Identified as part of RBIAP  Limited Assurance Follow Up  CCR4	<p>The Council had a contract in place for the electrical rewire and remedial works for the Council's residential properties. The contract was let in 2016 and concluded in March 2021, with the service being brought back in-house into the Council.</p> <p>A review of the contract management and monitoring arrangements was undertaken during 2020/21. The findings emanating from the review resulted in a Limited assurance opinion being provided in respect of the risk identification maturity and the internal control environment.</p> <p>This follow up audit will seek to provide assurance that the agreed actions to address the recommendations concerning the day to day electrical works operations (i.e. those still relevant to 2021/22 service delivery) have been fully implemented.</p>	Priority 1
Housing Advice	Identified as part of RBIAP  Requested by Strategic Director of Communities  CCR4	<p>The Housing Advice team can give advice on a wide range of housing matters including: Renting a home from a private landlord or social landlord; illegal eviction and/or harassment; rent and mortgage arrears; homelessness prevention; domestic abuse; and advice for landlords.</p> <p>Internal Audit will review the effectiveness of the systems and processes in place within the Housing Advice team.</p>	Priority 1



Audit	Reason for Audit	Outline Scope	Priority
Housing Revenue Account (HRA) Delivery Plan	<p>Identified as part of RBIAP</p> <p>Requested by Head of Housing Services</p> <p>CCR4</p>	<p>The Council's Housing Service delivers a variety of services to tenants and plays a key role in supporting the strategic aims of the Council, including: housing, economic development and health and well being.</p> <p>The Council has developed a business plan which sets out the Council's considered direction, service priorities, financial model and approach to the management of business risks and opportunities which includes an action plan.</p> <p>This review will seek to determine whether the agreed actions are being actively progressed in line with the stated target delivery dates.</p>	Priority 1
Out of Hours Emergencies	<p>Identified as part of RBIAP</p> <p>Requested by SLT and Audit and Standards Committee</p> <p>CCR10</p>	<p>The Council has a wealth of expertise which is used daily to deliver the 'normal' range of services expected by the public. Emergencies can happen anywhere and at any time. Therefore in the case of genuine out of office hours emergency, the Council has put in place a dedicated telephone number to handle emergency calls.</p> <p>The audit will review the operating effectiveness of the out of hours emergency arrangements channelled through the Council's out of hours emergency telephone number.</p>	Priority 1

Audit	Reason for Audit	Outline Scope	Priority
Safeguarding	Identified as part of RBIAP  CCR4	<p>Safeguarding means protecting people’s health, wellbeing and human rights and enabling them to live free from harm, abuse or neglect. The Council has a statutory responsibility and a duty of care to co-operate and report issues relating to safeguarding to the appropriate authorities and partner agencies.</p> <p>The audit will review the effectiveness of the Council's arrangements for ensuring it meets its statutory responsibility and duty of care to co-operate, communicate and report issues relating to safeguarding to the appropriate internal person(s), authorities and partner agencies.</p>	Priority 1
Tenant Engagement	Identified as part of RBIAP  Requested by Strategic Director of Communities  CCR10	<p>The Tenant Involvement and Empowerment Standard sets expectations for registered providers of social housing to provide choices, information and communication that is appropriate to the diverse needs of their tenants, a clear approach to complaints and a wide range of opportunities for them to have influence and be involved.</p> <p>Internal Audit will review the effectiveness of the Council's arrangements for compliance with the Tenant Involvement and Empowerment Standard.</p>	Priority 1

Audit	Reason for Audit	Outline Scope	Priority
Cleaner Estates Strategy (Refuse)	<p>Identified as part of RBIAP</p> <p>Requested by Strategic Director of Communities and Head of Housing Services</p> <p>CCR1</p>	<p>Tenant Services Cleaner Estate Strategy (Refuse) aims to ensure that waste, recycling and new emerging services in this area operate effectively and efficiently in order to minimise household refuse being sent for treatment and disposal.</p> <p>The Strategy sets out a series of actions to be delivered over the next five years with the aim of achieving better refuse management.</p> <p>This review will seek to determine whether the agreed actions are being actively progressed in line with the stated target delivery dates.</p>	Priority 2
Voids Management	<p>Identified as part of RBIAP</p> <p>Requested by Strategic Director of Communities</p> <p>CCR4</p>	<p>The Council has circa 5,000 domestic properties. Voids management is the term used to define how the Council deals with vacant property to ensure that rent loss is minimised and the most effective use is made of the Council's housing stock in order to meet housing need.</p> <p>This review will seek to determine whether there are effective arrangements in place to ensure good management of the Council's void properties, to limit void periods in order to maximise rental income and provide a quality service to meet housing need.</p>	Priority 2

## Place

Audit	Reason for Audit	Outline Scope	Priority
Canal Project Budget Management	<p>Identified as part of RBIAP</p> <p>Requested by Canal Project Manager</p> <p>CCR1</p>	<p>Cotswold Canals Connected is co-led by Stroud District Council and the Cotswold Canals Trust with key partners Gloucestershire County Council, the Canal and River Trust and the Stroud Valleys Canal Company. Other partners include Gloucestershire Wildlife Trust, the Inland Waterways Association and the Stroudwater Navigation Archive charity.</p> <p>Stroud District Council has committed circa £3million to the project so far, with further contributions from Gloucestershire County Council, Cotswold Canals Trust and the Canal and River Trust. The total cash cost of the project, allowing for inflation and other contingencies (but excluding the value of volunteering), is £16.3million.</p> <p>This review will seek to determine the operating effectiveness of the project's budget management arrangements.</p>	Priority 1

Audit	Reason for Audit	Outline Scope	Priority
Private Sector Empty Homes Limited Assurance Follow Up	Identified as part of RBIAP  Limited Assurance Follow Up  CCR1	<p>The Stroud District Council Private Sector Housing Renewal Team works towards warm, safe, healthy homes for all the district's homeowners and private tenants. The team covers all housing which is not owned by the Council, including leasehold properties, privately rented accommodation, housing association properties and those which are owner occupied.</p> <p>The findings emanating from an Internal Audit review of this function as reported in July 2020 resulted in a Limited assurance opinion being provided in respect of the internal control environment.</p> <p>This follow up audit will seek to provide assurance that the agreed actions to address the original audit recommendations have been fully implemented.</p>	<b>Priority 1</b>

## Resources

Audit	Reason for Audit	Outline Scope	Priority
Carbon Neutral 2030	<p>Identified as part of RBIAP</p> <p>Requested by Audit and Standards Committee</p> <p>CCR4</p>	<p>A Climate Emergency was announced by the Stroud District Council Administration on 16<sup>th</sup> November 2018 which pledged to “do everything within the Council’s power to make Stroud District Carbon Neutral by 2030”. Since the climate emergency declaration, work has been ongoing and a Strategy and supporting plan has been drafted and is pending adoption by full Council.</p> <p>This review will seek to determine whether the agreed actions are being actively progressed in line with the stated target delivery dates.</p>	Priority 1
Creditors Limited Assurance Follow Up	<p>Identified as part of RBIAP</p> <p>Limited Assurance Follow Up</p> <p>CCR1 and CCR4</p>	<p>The objective of the accounts payable function is to pay valid supplier invoices in respect of goods or services received within agreed payment terms. In 2019/20 circa £35m payments (inclusive of VAT) were processed. It is therefore important to have robust and effective controls.</p> <p>The findings emanating from an Internal Audit review of this function in 2019/20 resulted in a split assurance opinion being provided in respect of both the risk identification maturity and internal control environment, with a number of recommendations being made to strengthen and improve the control framework.</p> <p>This follow up audit will seek to provide assurance that the agreed actions to address the original audit recommendations have been fully implemented.</p>	Priority 1

Audit	Reason for Audit	Outline Scope	Priority
Grant Payments Post Payment Assurance	Identified as part of RBIAP  Head of Revenue and Benefits  CCR1	The government has announced a range of support packages in response to the ongoing economic impact of Covid-19.  Internal Audit has provided support to the Council to date to assist in ensuring that payments made are to eligible applicants. This support will continue to be provided during the financial year 2021/22.	Priority 1
Green Homes Grant Local Authority Delivery Scheme	Identified as part of RBIAP  Strategic Director of Resources  Grant  CCR1	In July 2020, the Chancellor announced £2 billion of support through the Green Homes Grant (GHG) to save households money, cut carbon and create green jobs. The GHG will be comprised of up to £1.5 billion of support through energy efficiency vouchers and up to £500m of support allocated to English Local Authority delivery partners, through the Local Authority Delivery (LAD) scheme. The Council was successful in securing £1,094,050 of this grant funding.  Internal Audit will undertake a series of checks in order to provide an independent opinion as to whether the scheme has been administered in line with the grant conditions, to support the grant declaration requirements of the Chief Executive and the Head of ARA.	Priority 1

Audit	Reason for Audit	Outline Scope	Priority
ICT	<p>Identified as part of RBIAP (ICT Audit Needs Assessment)</p> <p>CCR4 and CCR16</p>	<p>One of the Council's corporate priorities is to invest in key ICT infrastructure that delivers better customer services, mobile working for staff and service efficiencies.</p> <p>The ICT Audit Needs Assessment 2021/22 has been compiled by ARA's ICT audit specialists in consultation with and having input from Council senior management (including ICT and other service areas).</p> <p>The 2021/22 Audit Needs Assessment identified five activities for review in year:</p> <ul style="list-style-type: none"> <li>• IT procurement process;</li> <li>• Incident management processes;</li> <li>• Change management processes (including business as usual and project);</li> <li>• Compliance with government standards, and</li> <li>• Business continuity/disaster recovery limited assurance follow up.</li> </ul> <p>The deferred 2020/21 consultancy review of the Council's IT Infrastructure Strategy will also be delivered within 2021/22.</p>	<b>Priority 1</b>



Audit	Reason for Audit	Outline Scope	Priority
Lost Sales, Fees and Charges	<p>Identified as part of RBIAP</p> <p>Requested by Strategic Director of Resources</p> <p>Grant</p> <p>CCR1</p>	<p>Covid-19 has impacted local authorities' ability to generate revenues in several service areas as a result of the pandemic.</p> <p>The Ministry of Housing, Communities, and Local Government (MHCLG) has introduced a one-off income loss scheme to help compensate for a proportion of the irrecoverable and unavoidable losses from sales, fees and charges income generated in the delivery of services in the financial year 2020/21.</p> <p>There are a total of three claims. Claim one and two have been reviewed by Internal Audit during 2020/21. Review of the third claim is required during 2021/22. The scheme also requires a reconciliation for the year (i.e. across the three claims) to ensure the account for losses claimed remain accurate and/or are adjusted accordingly.</p> <p>This audit will review the Lost Sales, Fees and Charges claim three (including the 2020/21 reconciliation) to provide assurance that the claim has been submitted in line with the guidance from the Ministry of Housing, Communities &amp; Local Government (MHCLG).</p>	Priority 1

Audit	Reason for Audit	Outline Scope	Priority
Procurement and Contract Management Follow Up	Identified as part of RBIAP  CCR1 and CCR4	<p>Procurement and contract management is a holistic process that combines a mix of strategic and operational tasks depending on the type of contract and the goods or services being supplied.</p> <p>A review of procurement and a housing contract by Internal Audit during 2020/21 highlighted two key areas for improvement:</p> <ul style="list-style-type: none"> <li>• Development / implementation of a contract management framework to support a consistent approach to contract management across the Council; and</li> <li>• Establishment of the function and role of the second line of defence (corporate oversight and challenge responsibilities) in order to achieve the principles and application of an effective and robust three lines of defence model.</li> </ul> <p>This follow up audit will seek to provide assurance that the agreed actions to address the relevant recommendations emanating from the 2020/21 audit reviews have been fully implemented.</p>	<b>Priority 1</b>

Audit	Reason for Audit	Outline Scope	Priority
Risk Management	<p>Identified as part of RBIAP</p> <p>All CCRs</p>	<p>The management of risk is a key process which underpins successful achievement of the Council's objectives and priorities.</p> <p>It is therefore paramount that the Council has clear and effective structures, strategy, and processes in place and that risk management is fully embedded and operating effectively within the Council.</p> <p>Internal Audit will review the effectiveness of the Council's Risk Management arrangements.</p>	Priority 1
Social Housing Decarbonisation Fund Demonstrator	<p>Identified as part of RBIAP</p> <p>Requested by Strategic Director of Resources</p> <p>CCR1</p>	<p>The Social Housing Decarbonisation Fund Demonstrator will start the decarbonisation of social housing over 2020 to 2021 and support green jobs as part of the government's Covid-19 recovery plan.</p> <p>This £50 million programme announced in July 2020 will support social landlords to demonstrate innovative approaches to retrofitting social housing at scale. It will mean warmer and more energy efficient homes, a reduction in household energy bills, and lower carbon emissions. The Council has successfully secured £991,434 of grant funding.</p> <p>The audit will review the effectiveness of the Council's arrangements for ensuring compliance with the terms and conditions of the grant funding.</p>	Priority 1

Audit	Reason for Audit	Outline Scope	Priority
Test and Trace Support Scheme	<p>Identified as part of RBIAP</p> <p>Requested by Strategic Director of Resources</p> <p>Grant</p> <p>CCR1</p>	<p>The Government has announced a scheme for people who are working, on a low income and who will lose money if they self-isolate. Where the grant condition criteria are met, workers will be entitled to a Test and Trace Support Payment of £500. The scheme will last until 31<sup>st</sup> March 2021.</p> <p>Internal Audit will undertake a series of checks in order to provide an independent opinion as to whether the scheme has been administered in line with the grant conditions, to support the grant declaration requirements of the Chief Executive and the Head of ARA.</p>	Priority 1
Council Tax	<p>Identified as part of RBIAP</p> <p>CCR1</p>	<p>Stroud District Council collects Council Tax on behalf of local authorities that issue a precept e.g. Gloucestershire County Council and Gloucestershire Police and Crime Commissioner. Council Tax requirements for 2020/21 were circa £86m within the District, with Stroud District Council's share being circa £10m.</p> <p>This review will seek to provide assurance that Council Tax charges have been correctly calculated, appropriately authorised, and accurately transferred to the billing system.</p>	Priority 2

Audit	Reason for Audit	Outline Scope	Priority
Facilities Management	Identified as part of RBIAP Consultancy CCR1 and CCR4	Facility management is an organisational function that aids the smooth and efficient running of the Council. It integrates people, place and process within the built environment with the purpose of improving the quality of life of people, and the productivity of the Council's core business.  Internal Audit will review the operating effectiveness of the Council's current arrangements with a view to help inform new service arrangements.	<b>Priority 2</b>
Purchase Cards	Identified as part of RBIAP CCR1	A purchasing card is a form of a charge card that allows goods and services to be procured without using a traditional purchasing process.  The audit will review the effectiveness of the Council's arrangements for administering Purchase Cards.	<b>Priority 2</b>

Transformation and Change

Audit	Reason for Audit	Outline Scope	Priority
Fit for the Future	Identified as part of RBIAP  Requested by Strategic Director of Transformation and Change  Consultancy  CCR4, CCR10 and CCR16	<p>The Council committed to participating in a peer review during the latter part of 2018/19. The peer challenge offers an opportunity to validate the direction of travel and approach being taken by the Council, and test, stretch and further evolve thinking for the future.</p> <p>The peer review identified a number of key areas that could aid the Council’s continual improvement programme.</p> <p>Internal Audit will provide professional advice on the future internal control environment with a view to designing out risk as the modernisation programme ‘Fit for the Future’ progresses.</p>	<p><b>Priority 2</b></p>

## Counter Fraud

Audit	Reason for Audit	Outline Scope	Priority
Fraud Investigation / Detection	To support the Annual Governance Statement (AGS)  Protect the Public Purse	Allocation to continue the development and implementation of the Council's Anti-Fraud and Corruption arrangements based on latest best practice.  This includes an allocation for increasing the profile and awareness of anti-fraud, conducting pro-active counter-fraud reviews and undertaking investigations as required. Within 2021/22, this will include focussed activity on Covid-19 relevant fraud risk themes.	Priority 1
National Fraud Initiative (NFI)	Statutory Requirement  To support the AGS	To continue to co-ordinate activity as part of the Cabinet Office's National Fraud Initiative (NFI - a national data matching exercise that compares data/records i.e. payroll, licences, housing waiting list, single person discounts, creditors etc.) for a wide range of public services, including ensuring that matches are investigated promptly and thoroughly and reporting of results.	Priority 1
Fraud Risk Management	To support the AGS  Informs the Risk Based Internal Audit Plan	The CIPFA Counter Fraud Centre has issued guidance on actions to be taken to 'Manage the Risk of Fraud and Corruption' within an organisation.  This allocation is to continue to self assess against the criteria set out in the guidance and develop a fraud risk register in order to direct/prioritise our counter fraud and internal audit resources/activity accordingly.	Priority 1

Management Activity to Support the Audit Opinion

Audit	Reason for Audit	Outline Scope	Priority
Audit and Standards Committee / Member / Officer and Chief Financial Officer Reporting	Public Sector Internal Audit Standards (PSIAS) Statutory Requirement	This allocation covers Member reporting procedures, mainly to the Audit and Standards Committee, plan formulation and monitoring and regular reporting to and meeting with, the Chair and Vice Chair of the Audit and Standards Committee and the Chief Financial Officer.	Priority 1
Provision of Internal Control / General Advice	To support an effective control environment	This allocation allows auditors to facilitate the provision of risk and control advice which is regularly requested by officers within the Council.	Priority 1
Quality Assurance and Improvement Programme (QAIP)	PSIAS Statutory Requirement To support the AGS	The Accounts and Audit Regulations 2015 states that Internal Audit should conform to 'proper practices' and it is advised that proper practice for internal audit is currently set out in the Public Sector Internal Audit Standards (PSIAS) 2017.  This allocation is to undertake an annual self assessment and when required, commission and deliver an external quality assessment, against the new standards.	Priority 1
External Working Groups	Activity to support the audit opinion	Attendance / work in relation to the Local Authorities Chief Auditor Network (National Group), Midland Counties and Districts Chief Internal Auditors Group and the Fraud and ICT Groups to enable networking and to share good practice.	Priority 1



Audit	Reason for Audit	Outline Scope	Priority
External Audit Liaison	Management activity to support the audit opinion	The External Auditor and the Head of ARA regularly meet to discuss plans and audit findings, to ensure that a “managed audit” approach is followed in relation to the provision of internal and external audit services.	Priority 1
Carry Forwards	Audit Activity outstanding	This allocation provides for the completion of various 2020/21 audits which require finalising.	Priority 1
Recommendation Monitoring	Activity to support the audit opinion	Whilst it is management’s responsibility to manage the risks associated with their outcomes/objectives, this allocation enables Internal Audit to monitor management’s progress with the implementation of high priority recommendations.	Priority 1
Internal Working Groups	Activity to support the audit opinion	Internal Audit is frequently asked to nominate representatives for working groups to advise on risk and control.	Priority 2