

<b>Name of Committee:</b>	Audit & Finance Committee		
<b>Committee Date:</b>	25 <sup>th</sup> March 2024		
<b>Report Title:</b>	Internal Audit Plan 2024-25		
<b>Responsible Officer:</b>	Steven Pink		
<b>Cabinet Lead:</b>	Councillor Bowdell		
<b>Status:</b>	Non-Exempt		
<b>Urgent Decision:</b>	No	<b>Key Decision:</b>	Yes
<b>Appendices:</b>	Appendix 1 - Internal Audit Plan 2024-25		
<b>Background Papers:</b>	None		
<b>Officer Contact:</b>	Name: Steven Pink Email: Steven.pink@havant.gov.uk		
<b>Report Number:</b>	HBC/096/2024		

### Corporate Priorities:

Internal audit plays a vital role in helping the Council accomplish its strategic objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

### Executive Summary:

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

To ensure the Internal Audit Plan is aligned to the needs of the Council, the plan has been developed following consultation with Council's Executive Leadership Team; a review of key documents including the Corporate Risk Register and Corporate Strategy; and our understanding of the organisation and key priorities for 2024-25.

The Internal Audit Plan will remain fluid and subject to on-going review, and amended in consultation with the relevant officers, to ensure it continues to reflect the needs and capacity of the Council. Amendments to the plan will be identified through the Chief Internal Auditor's continued contact and liaison with those responsible for the governance of the Council.

The Council's 'internal audit charter' ensures the Chief Internal Auditor has sufficient resource necessary to fulfil the requirements and expectations to deliver an internal audit opinion. Significant matters that jeopardise the delivery of the plan, or require changes to the plan will be identified, addressed and reported to the Executive Leadership Team.

## Recommendations:

The Audit and Finance Committee is requested to:

- 1) Approve the Internal Audit Plan for 2024-25, attached as Appendix 1

## 1.0 Introduction

- 1.1 The purpose of this paper is to provide the Audit and Finance Committee with the Internal Audit Plan for 2024-25.
- 1.2 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
  - Risks to the achievement of the Council's objectives are identified, assessed and managed to a defined acceptable level.

## 2.0 Background

- 2.1 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.
- 2.2 The Internal Audit Plan provides the mechanism through which the Chief Internal Auditor can ensure the most appropriate use of internal audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements.
- 2.3 Following agreement of the Illustrative Internal Audit Coverage 2023-24 to 2025-26 in July 23, and based on conversations with key stakeholders, a review of risk registers, key corporate documents and

our understanding of the organisation, the Southern Internal Audit Partnership have developed an audit plan for 2024-25.

- 2.4 The Internal Audit Plan will remain fluid and subject to on-going review, and amended in consultation with the relevant officers, to ensure it continues to reflect the needs and capacity of the Council.

### **3.0 Options**

- 3.1 Not applicable.

### **4.0 Relationship to the Corporate Strategy**

- 4.1 Internal audit plays a vital role in helping the Council accomplish its strategic objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

### **5.0 Conclusion**

- 5.1 The audit plan has been carefully considered between the Southern Internal Audit Partnership in conjunction with the Executive team at Havant Borough Council and with input from portfolio holders and Cabinet members.
- 5.2 The plan will provide an appropriate level of assurance for the Council that its practices and processes are delivered in an effective and compliant manner and minimise the risk of errors or malpractice.

### **6.0 Implications and Comments**

- 6.1 S151 Comments

The Internal Audit Plan sets out the areas of audit work and focus to be covered over the next 12 months. It forms part of a 3-year rolling plan that began in 2023/24 for internal audit work and consists of an average of 250 days audit work per year.

The Audit plan is a vital document, agreed between the Audit team and Executive Heads to cover a scope of work including key statutory and regulatory function, focus on known areas of risk or concern, areas currently under development or to review area audited in prior years that needed strengthening.

Members of the Committee should be content that the scope of the Audit plan is both broad enough and captures the appropriate key areas to be examined.

## 6.2 Financial Implications

Internal Audit is provided through the Southern Internal Audit Partnership. The audit plan consists of 250 audit days and will remain fluid throughout the year to meet the changing needs and capacity of the Council.

## 6.3 Monitoring Officer Comments

The Internal Audit Plan is fully supported by the Monitoring Officer.

## 6.4 Legal Implications

Regulation 5 (1) of the Accounts and Audit Regulations 2015 requires that; 'A relevant body must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector Internal audit standards and guidance'.

## 6.5 Equality and Diversity

Not applicable.

## 6.6 Human Resources

Not applicable.

## 6.7 Information Governance

Not applicable.

## 6.8 Climate and Environment

Not applicable.

## 7.0 Risks

### 7.1 Failure to deliver a coherent and appropriate audit plan would increase the risk of failing within the Council's service delivery.

7.2 The audit needs assessment follows a risk-based audit approach taking cognisance of the Council's risk register.

## 8.0 Consultation

8.1 This report has been discussed with the Council's Section 151 Officer who has regular update meetings with the Deputy Head of Southern Internal Audit partnership.

## 9.0 Communications

9.1 Not applicable.

<b>Agreed and signed off by:</b>		<b>Date:</b>
<b>Cabinet Lead:</b>	Cllr Neil Bowdell	15/03/24
<b>Executive Head:</b>	Matt Goodwin	15/03/24
<b>Monitoring Officer:</b>	Jo McIntosh	14/03/24
<b>Section151 Officer:</b>	Steven Pink	15/03/24