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# **Southern Internal Audit Partnership**

Assurance through excellence  
and innovation

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## **HAVANT BOROUGH COUNCIL INTERNAL AUDIT PLAN 2024-25**

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**March 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 stakeholders 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 strategic lead will be Antony Harvey, Deputy Head of Partnership, supported by Mark Norton, 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 (IPPF).

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.

## Developing the Internal Audit Plan 2024-25

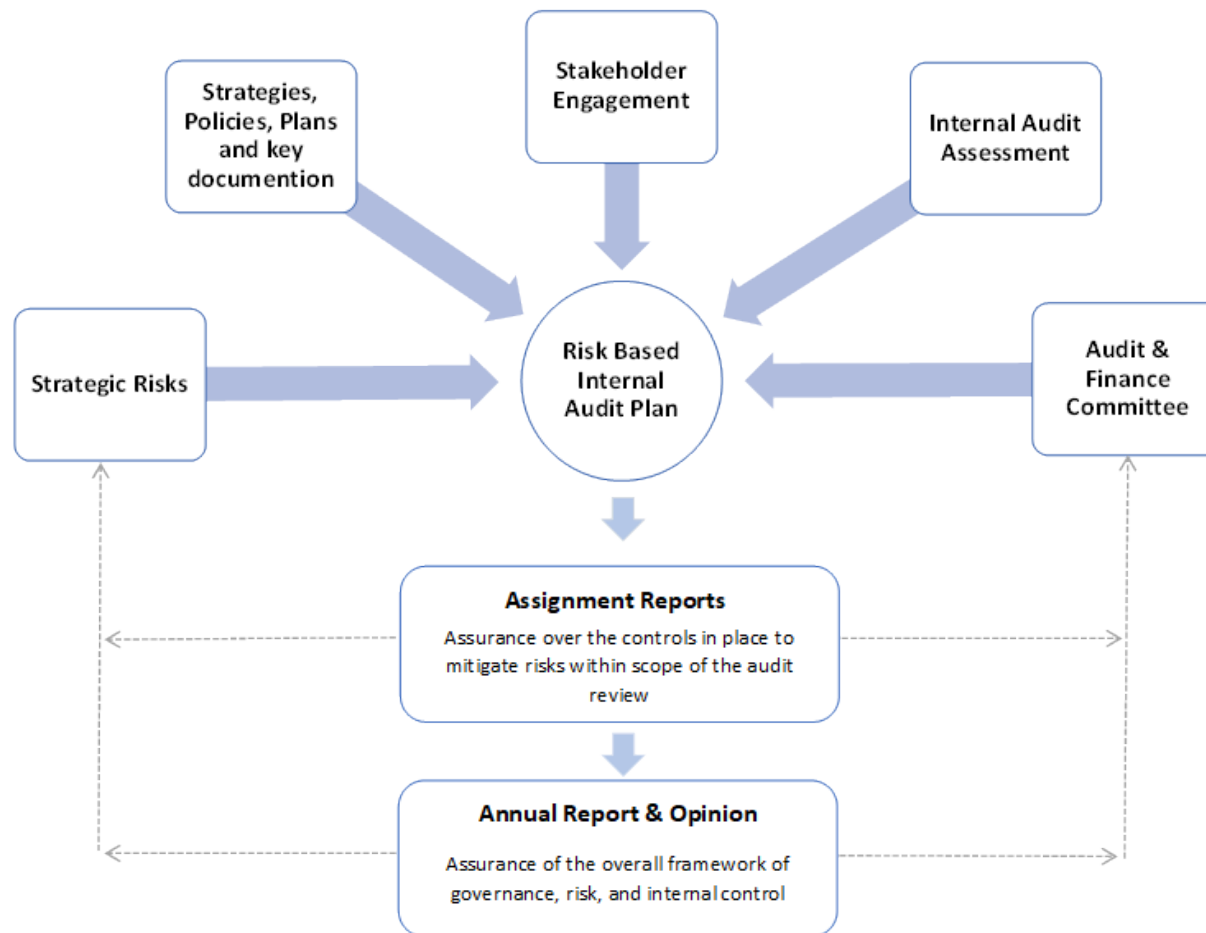
In accordance with the Public Sector Internal Audit Standards there is a requirement that internal audit establish a risk-based audit plan to determine the resourcing of the internal audit service, consistent with the organisation's goals.

Following agreement of the Illustrative Internal Audit Coverage 23-24 to 25-26 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.

Audit planning is a perpetual process throughout the course of the year to ensure we 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 Review	Audit Sponsor	Indicative Scope	Proposed Timing
<b>Governance</b>			
Programme and Project Management	EHoIS	Review of the strategic programme for future delivery of services (inc. IT / Revenues & Benefits / Customer Services / Planning & Building Control).	Q2- TBC
Norse SE	EHoC	Assurance over the arrangements with the Norse SE Environmental Services Joint Venture with a potential focus on key risks surrounding changes required to service delivery or a selection of operational, business as usual activities including income collection, debt recovery, complaints handling.	Q2
Decision Making and Accountability	CLO&MO	Assurance over transparency of decision-making, accountability and compliance with organisational priorities.	Q2
Procurement	CFO	Assurance over compliance with contract procedure rules and legislative requirements with a potential focus on preparations for implementing the Procurement Act 2023.	Q2
Financial Stability	CFO	Coverage over a three-year cycle to include medium-term financial strategy; budget setting / forecasting process; and in year budget monitoring to ensure the Council achieves a balanced budget and financial stability.	Q3
Regeneration	EHoRED	Review governance arrangements in place to ensure effective delivery of regeneration priorities in line with the Council's strategy.	Q1 - Q2
Fraud Framework – NFI	CX	Facilitation of the Council's obligations for participation in the National Fraud Initiative.	Q1 - Q4
Human Resources	EHoIS	Assurance against key services / risk over a cyclical period, to include: <ul style="list-style-type: none"> <li>• Workforce Strategy</li> <li>• Performance Management</li> <li>• Absence Management (2024-25 focus)</li> <li>• Recruitment</li> <li>• Training &amp; Development</li> </ul>	Q2 & Q3

Audit Review	Audit Sponsor	Indicative Scope	Proposed Timing
<ul style="list-style-type: none"> <li>• Use of Agency Staff (2024-25 focus)</li> <li>• Use of Volunteers</li> </ul>			
<b>IT</b>			
IT Access – Starters, Leavers and Movers	EHoC	Assurance over the controls in place to ensure principles of least privilege access are applied and maintained over the lifecycle of a user, including access to cloud systems.	Q2
IT Asset Management	EHoC	Assurance over the controls in place to ensure IT assets are accurately recorded and effectively managed, including the retrieval of IT hardware and harvesting of O365 licence assets from leavers.	Q3
<b>Finance</b>			
Business Rates (NNDR)	EHoC	Cyclical review as a key financial system.	Q2
Main Accounting	CFO	Cyclical review as a key financial system.	Q3
Accounts Payable	CFO	Cyclical review as a key financial system.	Q3
<b>Service Reviews</b>			
Homelessness	EHoHC	Assurance over the arrangements to prevent homelessness and rough sleeping / reduce temporary accommodation usage with a potential 24-25 focus on progress against delivering the Housing Strategy.	Q3 - Q4
Development Management	EHoP	Assurance over the Development Management processes.	Q2 - Q3
Open Spaces – Play Areas	EHoHC	Review of the governance, procurement and contract management arrangements in place for the delivery of play areas across the Borough.	Q1 - Q2
Disabled Facilities Grants	EHoP	Assurance over the administration and awarding of grants in line with local / legislative requirements.	Q1
Environmental Health	EHoP	Assurance over the Council’s legal obligations for Environmental Health with a potential focus on Food Safety Inspections and/or pest & pollution control.	Q2 - Q3

Audit Review	Audit Sponsor	Indicative Scope	Proposed Timing
Public Space Protection Officer Enforcement Service.	EHoRED	Assurance over the processes and systems following a redesign of how enforcement activities are delivered.	Q4
Management		SIAP reports to HBC. Follow-up of agreed actions. Audit forward planning. Liaison.	Q1 - Q4

Audit Sponsor	
Chief Finance Officer	CFO
Executive Head for Commercial	EHoC
Executive Head for Internal Services	EHoIS
Chief Legal Officer and Monitoring Officer	CLO&MO
Executive Head of Regeneration and Economic Development	EHoRED
Executive Head of Place	EHoP
Executive Head of Housing and Communities	EHoHC