



Internal Audit Plan

2024/2025



Table of contents

Introduction 3

Your internal Audit Team 4

Conformance with internal audit Standards 4

Conflicts of Interest..... 4

Developing the internal audit plan 5

Internal Audit Plan 2024/2025 6

Audit Sponsor Information8

Introduction

The Role of Internal Audit

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 and/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 Head of Internal Audit 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 audit sponsors, to ensure it continues to reflect the needs of the Council.

Amendments to the plan will be identified through continued contact and liaison with those responsible for the governance of the Council.

Your Internal Audit Team

Your internal audit service is led by Claire Goodenough, supported by Sara Jackson and Matt Waller as Audit Managers. The team is separated into delivery strands covering LCC, schools and academies and with five external clients. The SHDC delivery team comprises of Matt Waller, one Principal Auditor and three Senior Auditors.

Conformance with Internal Auditing Standards

The internal audit team is designed to conform to 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 February 2022, the CIPFA were commissioned to complete an external quality assessment of the Internal Audit Team at Lincolnshire County Council (Assurance Lincolnshire) against the PSIAS, Local Government Application Note and the International Professional Practice Framework.

In their consideration of the evidence presented, the external assessment team concluded:

“Assurance Lincolnshire partnership’s self-assessment is accurate and as such we conclude that they FULLY CONFORM to the requirements of the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note.”

Conflicts of Interest

The internal audit team 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. “

Sub Regional Strategy

The Sub Regional Strategy sets out six key sub regional, corporate, and local priorities to achieve for residents and communities.

These priorities are:

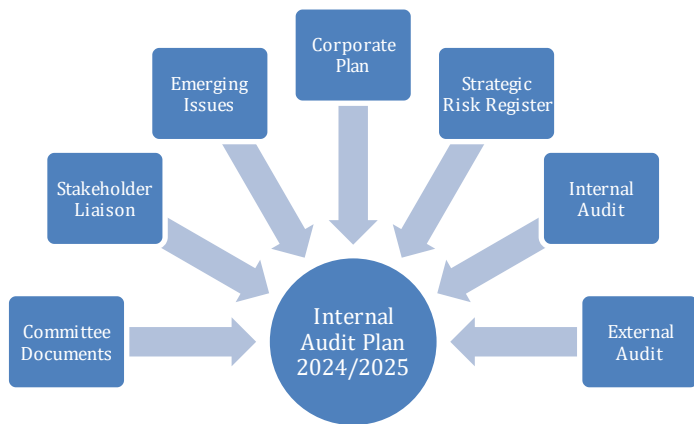
- Growth & Prosperity – A commitment to work with partners and stakeholders across the Sub Region, to stimulate growth and enhance our places and environment through investment and engaging our communities and businesses.
- Healthy Lives – Work with partners to address health related matters in the Sub Region and improve Health and Wellbeing outcomes.
- Safe and Resilient – Working to ensure the Sub Region is a place where people feel safe and secure and welcome. Driving improved community engagement and empowerment.
- Environment – Work with partners to address climate change and environmental responsibilities and encourage others to follow our lead.

- Efficiency and Effectiveness - To deliver our outward facing priorities we need to ensure the partnership is strong and developing.

- Local Priorities – Detailed priorities specific to South Holland DC.

Developing the Internal Audit Plan 2024/2025

Internal audit used various sources of information and data to inform the development of the internal audit plan.



In determining the areas of work covered by the internal Audit team, various sources of information (figure 1) and discussion have taken place. These have involved the following groups:

- Senior Leadership Team
- Assistant Directors
- Service Managers
- Other Key Stakeholders

Figure 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.

To ensure internal audit focus remains timely and relevant to the changing needs and requirements of the organisation, the audit team has moved to a two-stage planning process. This report contains proposed internal audit coverage for the whole year. Once agreed, any amendments to the delivery will be shared with the committee and senior management because of the risk-based approach.

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. Internal audit will 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	Potential Scope	Risk Link	Link to Sub Regional Strategy	Timing
	Senior Leadership Team		Strategic Risk		Quarter
Performance Management	SLT	Assess the performance reporting and monitoring systems in place. To provide assurance the effectiveness of performance management.	SHDC20 Service Delivery & SHDC13 Council Financial Position	Corporate Priority Efficiency and Effectiveness	Q1
Key Control Testing – Assistant Directors control questionnaires.	SLT	Review the process and outcomes from this key control environment assurance reporting.	SHDC20 Service Delivery	Corporate Priority Efficiency and Effectiveness	Q1

PSPS SLA's and Performance management.	SLT	Assurance on the effective agreement and management of Service Level Agreements and performance reporting. To support joint working and achievement of agreed outcomes.	SHDC07 Service Delivery	Corporate Priority Efficiency and Effectiveness	Q1
Budget Monitoring	SLT	Assurance that effective processes are in place. To confirm that budget managers and financial officers understand and follow the process for effective budget monitoring and management.	SHDC13 Council Financial Position	Corporate Priority Efficiency and Effectiveness	Q2
Audit Review	Audit Sponsor	Potential Scope	Risk Link	Link to Corporate Plan	Proposed Timing
Transformation Consultancy	SLT	Provide oversight to support plans to develop and deliver transformation plans. Through independent and objective review of transformation plans and approach.	SHDC13/19/20 Financial Position / Capacity / Service Delivery	Corporate Priority Efficiency and Effectiveness	Q2
Finance controls testing	SLT	Review and provide assurance on the councils' controls for managing key finance functions. Areas to be agreed.	SHDC20 Service Delivery	Corporate Priority Efficiency and Effectiveness	Q2
Depots and Waste Services	SLT	Provide oversight on the Councils plans to develop the future suitability of a new depot site.	SHDC14 Identification and Suitability of future Depot Accommodation	Corporate Priority Efficiency and Effectiveness Corporate Priority Environment	Q3

Update Counter Fraud Policies	SLT	Request to provide support and advice for the updating of the Councils Counter Fraud policies.	SHDC20 Service Delivery	Corporate Priority Efficiency and Effectiveness	Q3
Capital Programme / Towns Fund.	SLT	Assurance on the effective governance and delivery of key capital programmes from the Councils capital programme plan.	SHDC02 Failure to deliver the capital programme	Corporate Priority Efficiency and Effectiveness & Growth and Prosperity	Q3
Audit Review	Audit Sponsor	Potential Scope	Risk Link	Link to Corporate Plan	Days
Assurance Mapping	SLT	Supportive and proactive work required by audit sponsors from priority changes and risk arising in the year 2023/24	All SHDC Strategic Risks	Corporate Priority Efficiency and Effectiveness	Q3-Q4
Partnership Capacity, Aims and Priority	SLT	Provide assurance on how the Council effectively manages delivery and transformation requirements across the partnership. To support the sub regional corporate plan aims.	SHDC19 Capacity	Corporate Priority Efficiency and Effectiveness	Q4
Management Time	SLT	Provide regular reports and support on progress and the control environment to the senior management team and audit committee.			Q1 – Q4

ICT	SLT	Provide assurance over key ICT services and security, coverage TBA.	SHDC09 & 12 Technology infrastructure failure & Cyber Incident	Corporate Priority Efficiency and Effectiveness	Q4
Follow Up Work Payroll, Housing Compliance and P-Cards.	SLT	Responding to limited and no assurance work delivered to ensure progress and satisfactory action implementation.	SHDC07 Service Delivery	Corporate Priority Efficiency and Effectiveness	Q2 - Q3

	Total Days	Total Fee
Internal Audit	162	£76,950

Audit Sponsors Senior Management

**Chief Executive
SELCP
Rob Barlow**

**Deputy Chief Executive
Corporate Development S151
Christine Marshall**

**Deputy Chief Executive
Communities
John Leach**

**Deputy Chief Executive
Programme Delivery &
SIRO
Adrian Sibley**